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Urban Taskforce Congratulates Labor on victory and its new focus on Housing Supply

Urban Taskforce CEO, Tom Forrest, said today that the Federal election campaign has revealed a major shift in the mood of the Australia electorate.

There has been a clear shift toward a more inclusive political tone. Housing supply has become an issue for all sides of politics, but Labor and its policies was the clear winner on the weekend.

Urban Taskforce is very supportive of Labor's plans to establish a National Housing Supply and Affordability Council. The Commonwealth has been absent from the field and this will now bring a national focus to increasing housing supply.

Having a single source of truth from a national body will be critical for undertaking independent research and measuring the performance of each of the States. It will also deliver the empirical base for the development and implementation of Labor's National Housing and Homelessness Plan. Critically, Labor has committed to working with all government agencies, non-government bodies and the private sector. This is welcome.

Urban Taskforce supports the proposed Housing Australia Future Fund and Labor's to create a \$10 billion fund to build 30,000 new social and affordable housing properties in its first five years. Urban Taskforce supports the work of NHFIC in this field and our members look forward to working with the Government to maximise the benefits in terms of housing supply that arise from this policy.

Urban Taskforce welcomes the commitment from Labor to support the Regional First Home Buyer Support Scheme. This Scheme offers a government guarantee of up to 15 per cent for 10,000 first homebuyers who have been living in the region for at least 12 months (outside of Sydney). This is important for encouraging mobility and opening up opportunities for families while assisting older Australians downsize into more appropriate accommodation.

The Albanese Government deserves its victory. Albanese was the "first mover" on housing policy and set the bar for the coalition which it was unable to climb. But it must work with the States and the private sector to address housing supply.

Urban Taskforce has consistently called for the Commonwealth to take a more pro-active approach to housing supply and affordability. In addition to the positive initiatives proposed by Labor, Urban Taskforce will be urging the incoming government and likely Minister, Jason Clare, to consider the following:

- **Stimulate housing supply by establishing targeted local infrastructure grants:**

The Commonwealth Government should make targeted investments in local infrastructure in communities that welcome urban growth and increased density. Urban Taskforce recommends that the Commonwealth establish a Local infrastructure fund (for community, green and hard infrastructure) targeted at Councils to drive new housing supply above that which was planned through existing published strategies. This would ensure that Councils and communities are motivated to over-achieve on housing supply and housing approvals.

- **Remove the tax discrimination against Build to Rent housing:**

The Urban Taskforce calls for reform of the existing tax model for the Build-to-Rent residential assets to make these projects more attractive to both domestic and foreign investors. The Commonwealth should change the GST treatment of Build to Rent (BTR) residential assets to allow the construction costs to be instantly off set on the proviso that the asset is held for a minimum period as rent deriving asset. The Commonwealth should remove the discrimination inherent in its withholding tax arrangements within a managed investment trust.

- **Reform Stamp Duty:**

The Commonwealth should take the lead in driving tax reform on housing transactions. Every tax review since the 1984 Tax summit has recommended the removal of property transaction taxes because of their inefficient economic consequences. The Commonwealth government should initiate discussions with the States to abolish Stamp Duty and replace it with a broad-based tax. This reform will stimulate housing market transactions and activity, and more fairly generate funds for new infrastructure that will enable growth and stimulate the economy. This is a policy reform supported by economists across the spectrum.

End

The comments above can be attributed to Tom Forrest, CEO, Urban Taskforce.

*The **Urban Taskforce Australia** is a property development industry group, representing Australia's most prominent property developers and equity financiers.*

Media Enquires: Tom Forrest, Chief Executive Officer: 0429 460 863

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