

# Housing affordability sidelined in budget

The State Budget, released in June, missed an opportunity to comprehensively address the issue of housing affordability according to the REIQ.

While the REIQ welcomed the reduction, and eventual abolition, of mortgage duty and the lifting of the tax-free threshold on land tax from \$500,000 to \$600,000, it was disappointing more initiatives were not announced as part of the Budget package.

Queensland homebuyers were looking for leadership from the State Government on housing affordability after the issue was ignored by the Federal Government in its Budget in May.

The government said it was further investigating the barriers to affordability and the REIQ – together with Queensland homebuyers – looks forward to future announcements and consultation on the matter.

The land tax relief was welcomed as this regressive tax can be a disincentive to invest in property, putting further pressure on supply and ultimately disadvantaging people in the rental market.

The REIQ had hoped to see the government provide further stamp duty relief, especially for first home buyers, in the Budget.

The REIQ has recommended a number of long-term strategies in order to address the State's declining housing affordability. These include addressing the high costs involved with supplying residential land to the market, and the establishment of a planning authority to streamline the land release process.