

Media Release

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SIX POINT PLAN TO STIMULATE THE AUSTRALIAN CONSTRUCTION INDUSTRY

Four key timber Associations, Frame and Truss Manufacturer's Association (FTMA), Timber Merchants Association (MGA TMA), Timber & Building Materials Association (TABMA) and Timber Trade Industrial Trade Industrial Association (TTIA) are calling for Australian state and federal governments to immediately consider the implementation of a six-step housing construction stimulus plan, aimed at kickstarting the Australian economy while social and economic restrictions are slowly eased.

The Associations have developed the plan based on existing policy tools, with the aim of both accelerating housing construction and addressing a range of social and regional challenges associated with Australia's deficit in affordable housing.

The group noted that, with unemployment forecast to rise dramatically and household incomes under considerable pressure, its focus on social and affordable housing, as well as employment generating economic activity, presents a unique opportunity for governments to act now.

TTIA CEO, Brian Beecroft said Australia's vital construction supply chain is suffering the impacts of the economic slowdown.

"Some of our members are reporting that while there has been a surge of activity as companies are completing projects, our members are nervous about the implications for the next few months and call for immediate measures of security. Our stimulus plan can make a significant difference immediately. Not in six months or a year but right now," he said.

TABMA CEO, David Little, said the six-step plan leverages existing policy settings.

"What we are proposing to the National Cabinet is an immediate solution to get the economy moving again. The beauty of this approach is that it doesn't require massive amounts of new legislation, just tweaks to existing policy platforms," he said.

Timber Merchants Association National Membership Manager, Anne Sanfey, said the package has a range of immediate benefits that all governments must consider.

"We know that Australia has a massive deficit of social and affordable housing and adequate disability housing, particularly in regional areas. That will only get more dire as households lose income through the forecast long term economic slowdown. Our proposed stimulus program will go a long way to address those deficits while creating much needed new employment opportunities in the sector," she said.

The proposed six-step stimulus plan includes:

1. Extend the first homeowners grants program
2. Re-open display homes
3. Review stamp duty and land tax arrangements
4. Establish a national social housing program
5. National Disability Insurance Scheme Housing
6. Introduce a national rent-to-buy program

Kersten Gentle, FTMA CEO said by acting now, governments can have an immediate impact to shore up the construction industry supply chain, from raw materials production through to final product.

“This package has deep economic reach and flow on. It will positively impact timber plantation growers and contractors, through to architects, designers, and builders, while addressing some pressing socio-economic challenges facing all Australians at the moment. This is a sensible, immediate solution which will not only benefit the Australian economy now but will have far-reaching vital outcomes for Australia’s construction industry that is the lifeblood of our economy,” she concluded.

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