DOUBLE EDGED SWORD

Gerry Wood, the Independent Member for Nelson, says that the Treasurer’s announcement in the budget re Homestart to increase the purchase price caps and increase the income limit is a double edged sword.

Gerry says that whilst the changes recognise the increasing cost of housing so that Homestart keeps up with those increases, the reality is that it still means that people will have to pay off a bigger debt.

He says that what is not taken into account is the stress high and long term mortgage payments make on families, not helped by increasing interest rates. The impact of this stress has social implications when it comes to raising a family where the parents spend more time working and less family time. This means that family misses out and dysfunctional families can result leading to kids leaving home or mixing with the wrong crowd.

Gerry says the aim of government should be to reduce the cost of land and it is recognised that they are trying to do that in the new suburb of Zuccoli. They also need to catch up with the back log in demand for land so that competition can bring land and houses prices to a reasonable level.

Gerry says building companies also have a role in offering and promoting smaller and cheaper houses that can be added onto as families grow meaning that the initial cost of the house is lower than some of the ‘standard houses’ on offer.