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Housing Continues 5 month downward trend - Labor Budget Fails to Address Softening Housing Market

The Labor 2005 Budget has seriously failed to address the evidence showing that the Territory housing market is softening and should have provided tax reductions and other incentives in the 2005 Budget to prevent the slowdown.

In contrast, the Country Liberal Party have committed to removing the 5 IGA taxes immediately and reducing the payroll tax rate to the lowest in the country at 4.5% on being elected to government.

Australian Bureau of Statistics (ABS) data released today show both a seasonally adjusted and trend fall in the number of housing finance commitments and value for the month of March. Housing finance commitments fell by 5.6% seasonally adjusted and by 2.6% trend figures. The value of the commitments also fell $4 million for both sets of figures. This continues the downward trend for the last 5 months.

Country Liberal Party Leader Denis Burke said, “The Labor Budget has sunk like a lead balloon. The Budget failed to include any measures to ensure that the property market does not soften any further. Just a week ago, the ABS released figures showing a 1.4% fall in the number of Building Approvals between February and March, which was the seventh consecutive fall.

“Now with today’s ABS figures, there is clear evidence of a softening in the housing market. The Labor knows this but failed to introduce any initiatives in the Budget to even attempt to reverse the softening. At the very least, it should have been addressed rather than saying everything’s fine.

“The Labor Budget was a sign of a tired, uninterested government that have no new ideas after just one term in office. Territorians deserve better than that.

“It is just not good enough for Labor to wring their hands and say the figures are wrong. Unlike Labor, the Country Liberal Party is looking forward, preparing for the future and willing to act to cut taxes and support businesses.”