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INDEPENDENT SAYS THAT GOVERNMENT FIRST HOME BUDGET PLANS JUST PUT PEOPLE INTO DEBT LONGER

Gerry Wood, the Independent Member for Nelson, says whilst he welcomes some of the changes the government has made to help first home owners, the reality is that until the government does something about the price of land, first home owners will still not be able to buy a house or will simply be in debt till they are old and grey.

Gerry says the proposal he put forward he put our earlier this year would do something practical to reduce the price of land without the extra layer of bureaucracy (Housing Authority) that the CLP has in its proposal. It could be done simply through the Department of Housing or the Department of Planning and Lands.

Proposal

When a new parcel of crown land is sold off to a developer by the government, a section of land equivalent to say 20 medium size house blocks is not included in the purchase price.

When the subdivision is developed 20 blocks are retained by the government. The cost of the infrastructure to these blocks put in by the developer is paid for by the government.

The government releases those blocks by ballot to genuine first home buyers at a price that would cover the cost of the infrastructure to each block plus a small profit to the government.

There would be a covenant on the block requiring a house to be built within 2 years. The land/house could not be sold on the open market for 10 years. If the land/house needed to be sold before that time it could only be sold back to the government at an agreed price.

This process would allow young people to actually own their own home and not be in debt for the rest of their life. The 20 blocks released would not affect the market because the purchasers could not afford to buy a house in the present housing market anyway and secondly they couldn’t sell for 10 years.

Gerry says that the Labor Party seems too worried about upsetting the developers and is happy to see people get locked into long term debt or live in a unit. Who looks after the battlers and low income people? Who takes the pressures off families? Not Labor.
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