

Media release

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TAX REFORM AND INDUSTRIAL RELATIONS NEED TO BE ON THE AGENDA

Property taxes such as stamp duty are inefficient and should be abolished, says the Real Estate Institute of Australia (REIA).

REIA President Peter Bushby says, “The next Government needs to make the tough decisions. Action, not rhetoric, is what’s needed now.”

“Stamp duties on property transfers are not only inefficient but they are costly to manage, reduce national competitiveness and productivity and are unequally and unfairly applied.”

“Taxes set by all three tiers of government impact on housing affordability. Stamp duties, land taxes, risk premiums and finance charges push up the cost of new housing and restrict housing supply.”

“The average tax burden on the new housing sector is estimated at around 31% of the value of output. It’s estimated that the removal of some inefficient taxes could reduce the cost of housing by around 10%.”

“We want to see the establishment of an independent, ongoing Tax Reform Review Group (TRRG) comprising industry and welfare groups, to have an advisory role to Government and the Parliament on a schedule for tax reform.”

“We welcome comments by the Opposition that all taxes, including GST, will be reviewed by the Productivity Commission and that unnecessary taxes will be abolished. This will encourage business to grow and create more jobs,” added Mr Bushby.

REIA is also fighting for the amendments to The Fair Work Act, introduced into the Parliament earlier this year, to protect penalty rates by ‘writing them into law’, to be scrapped.

“Real estate agents require flexibility in their working hours with evening and weekend work required to meet clients’ needs. It is recognised and understood that their hours are dictated by the convenience of their clients.”

“Over 98% of agents provide real estate services on a Saturday. Saturday is a convenient time for the general public to attend to their real estate needs with 92% of open homes held that day.”

“The introduction of penalty rates for evening or weekend work for real estate agents would require a complete rethink on how real estate agencies conduct their business,” concluded Mr Bushby.

REIA’s Election Policies can be found at
http://reia.com.au/userfiles/MEDIARELEASE_1372030438.pdf

The Real Estate Institute of Australia (REIA) is the national professional association for real estate agents in Australia. For further information or interview opportunities, please contact:

Peter Bushby

REIA President

0419 349 500

Amanda Lynch

REIA CEO

0419 123 862

Andrea Close

REIA Manager Communications

0403 298 685

