

Media release

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Now for some action on housing affordability

In welcoming the report by the Senate Economics References Committee's **Affordable Housing report**, the Real Estate Institute of Australia (REIA) said it is time for a comprehensive approach to tackle declining affordability in particular for first home buyers who are at historical lows in the market.

"Housing affordability is not a problem that will fix itself and concerted action is required by all three tiers of government," said Ms Amanda Lynch, REIA CEO.

"In our **submission** to the Senate Committee, REIA called for the Commonwealth Government to take a leadership role in addressing the problem of inadequate supply and to work with state, territory and local governments to formulate appropriate policies."

"It is pleasing to see the report recommends the appointment of a Housing Minister and that the Federal Government take a greater leadership role in this area. It is also very pleasing to see the Report's recommendation that stamp duties be phased out. REIA has long argued stamp duties are a highly inefficient tax that limits population mobility as highlighted in the Henry Tax Review."

"REIA however is concerned by the report's recommendation to review negative gearing, which has been proven to help increase housing supply and place downward pressure on rents."

"Australia has a long and proud tradition of high ownership levels and we want to see this continue into the future. It is very pleasing to see the Government consider the new dynamics facing younger Australians and we now call on the Government to follow up this review with sensible and workable actions," Ms Lynch concluded.

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