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Victorian Budget future-proofs state economy with property taxes

The Labor Government has recognised that booming population growth demands significant investment in roads, rail, health and education with the 2018/19 Victoria State Budget, handed down today.

“47 per cent of Victoria’s tax income is derived from property. Property is without a doubt the most fundamental plank of our economic future. Property will fund the evolution and improvement of our communities, our cities and our regional areas through major investment announced in today’s state budget,” said Danni Addison, Victorian CEO of the Urban Development Institute of Australia (UDIA).

“Record investment in infrastructure for our newest and fastest growing communities is a major win for Victoria.

“Looking forward, we applaud the Government’s foresight shown through the \$172 million investment to help fill skills gaps, which is a live issue for the urban development industry,” she said.

“This budget lays good foundations for our state’s future, but the absence of meaningful funding towards increasing housing supply is a shortfall that can’t be ignored.

“Housing, whether you’re renting, buying or owning, is a main contributor to cost of living pressures.”

Since 2012, house prices have risen 50 per cent in Melbourne, and are now almost 10 times higher than the median household income, making us the fifth least affordable city in the world.

According to the 2018 UDIA State of the Land Report, Melbourne’s greenfield market continues to experience record low stock levels, which has caused the median lot price to increase by 29% across the 2017 calendar year.

“What we really need is more homes and more housing options to provide lifestyle options, financial security and long term hip-pocket relief for all Victorians.

“UDIA will continue engaging with Government to ensure more is done to facilitate development and in turn balance up supply and demand, which will be enormously beneficial for the affordability pressures affecting so many Victorians.”

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ABOUT

Urban Development Institute of Australia (UDIA) – Victorian Division

The Urban Development Institute of Australia (UDIA) is a nationally recognised advocacy body that supports Australia’s urban development industry. The UDIA informs and engages government, key policy makers, and industry members, **enabling better policy and better business decisions.**

With a primary focus on the residential property sector, UDIA’s Victorian Division protects and promotes over 50,000 individuals from over 350 member companies across the state. UDIA members are property developers, consultants and a range of other professionals involved in producing, financing and marketing residential property.

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