

CORONAVIRUS — BUILDING BONUS

663. Mr S.A. MILLMAN to the Treasurer:

I refer to the building bonus program, a key part of the McGowan Labor government's \$5.5 billion recovery plan to support jobs and local businesses.

- (1) Can the Treasurer outline to the house why the government is investing a further \$30 million into the building bonus program?
- (2) Can the Treasurer outline to the house what this investment will mean for businesses and tradies in WA's housing construction industry?

Mr B.S. WYATT replied:

I thank the member for Mount Lawley for his question.

- (1)–(2) I note that he asked about the impact that this is having on tradies. Indeed, the member for Mount Lawley may need to call his retired plasterer old man, Brian Millman, and tell him to dust off the trowel because it is creating a lot of work that tradies provide, and that has been the intention of the building bonus. It has worked far better than I could have hoped. The latent demand in the domestic economy for home building was much greater than I ever expected. What we have had to do—the Premier and I announced this today—because of that demand and the expected applications as a result is put an extra \$30 million into the building bonus grant, which brings to \$147 million the taxpayer support for the construction industry. This has been a very popular program as part of—the Premier was just waving it around—our \$5.5 billion recovery plan.

To remind everybody, grants of \$20 000 are available to any homebuyer who wishes to build a new house or purchase a new property in a single-tier development. We have not restricted this to owner-occupiers or first home buyers. It is very much for anyone who wants to buy land and build a property, because it is all about providing work for tradies. It goes well with the commonwealth's home builder program. That is perhaps not as expansive or generous as the state's program in how it applies, but as a result, a first home buyer can potentially receive up to \$70 000 in support, so, unsurprisingly, there is a lot of interest in it—and there has been; we are seeing it. The Premier has already referenced this: there were 500 land sales a week in the final week of June and more recently. To give members an idea of the impact it is having on land sales, on average, there were about 60. Indeed, last week the data that was released for the July home finance figures showed a 94 per cent increase in finance applications by investors and owner-occupiers in WA. Again, it is the largest number in Australia. We are seeing, fortunately, in Western Australia economic data highlighting that our state is performing the best of all the states and, indeed, the best of most economies on the planet.

Interestingly, I was always surprised that the shadow Treasurer would oppose the building bonus. He has been very critical of the building bonus as a policy lever of the government.

Mr D.C. Nalder interjected.

Mr B.S. WYATT: The shadow Treasurer has been, and I have been surprised by that. He has opposed the building bonus.

Mr D.C. Nalder: No.

Mr B.S. WYATT: I have plenty of quotes from him, including just yesterday, when he opposed it again on Oliver Peterson's show. This has always been the confused nature of the Liberal Party.

Mr D.C. Nalder: Quote me!

The SPEAKER: I quote you, member for Bateman! I call you to order for the first time.

Mr B.S. WYATT: This has been the problem. The party that historically has been pro-economic growth, pro-freedom of the economy and pro-support for businesses is now very much now pro-welfare, pro-spend and pro-public borrowing. The best thing we can do is not simply write cheques for every single business in Western Australia, as the opposition has advocated. As we saw yesterday, I think, we are expecting up to 75 per cent of businesses to come off JobKeeper by the end of September. The opposition will complain about that! But it means that our businesses are doing well and they no longer qualify for the support of JobKeeper. That is not something that the Liberal Party of Western Australia needs to complain about; it should celebrate it. What we will continue to do, because we have done the hard work around budget repair, is focus our spend on areas that need it and that will have a positive outcome. We are not simply going to do a cash splash as demanded by the Liberal Party. Ultimately, I am very aware of this: when I inherited the borrowing profile that the former government left me, I was traumatised by that. I want to assure members of two things: we support both the homes and businesses of Western Australians

during this period of great uncertainty and I am very aware that ultimately, at some point, I need to hand over the finances and I am determined to do that in a much better way than was done with the one I inherited.