

FIRST HOME OWNER GRANT SCHEME

734. Hon LYNN MacLAREN to the minister representing the Treasurer:

- (1) How much has the Western Australian government spent on the first home owner grant scheme since its inception, and would the minister please provide an annual breakdown?
- (2) Is the minister aware of an article in *The Australian Financial Review* of 25 August in which Grattan Institute director Saul Eslake claims that the grant has failed to produce an increase in homeownership rates over time and is a gratuitous and wasteful handout?
- (3) Is the minister aware of a graph in *The Australian Financial Review* of 27 May that plots median house prices by state over the past 30 years and suggests that the first home owner grant scheme has had an inflationary impact on house prices?
- (4) Has the government ever analysed the inflationary impact of the first home owner grant scheme on house prices?
- (5) Would the minister table any such analysis?
- (6) Has the government ever conducted a cost-benefit analysis of the first home owners' grant?

Hon SIMON O'BRIEN replied:

I thank the honourable member for some notice of this question.

- (1) Since its inception, the state government has made available \$1 649 million in first home owner grants, including boost payments, and has received \$356 million in revenue from the commonwealth government specifically for boost-type payments. I table the information requested.
- (2)–(3) The Treasurer is aware of the newspaper article and graph in question. What should be noted is that all states are required under the intergovernmental agreement on federal financial relations to assist first home buyers through the funding and administration of a uniform first home owners' scheme.
- (4) Yes.
- (5) Analysis has been undertaken recently to help inform broader work by the Council of Australian Governments on housing affordability and supply reform. However, until this analysis has been considered by COAG, it remains COAG-in-confidence.
- (6) No. It is again noted that all states are required under the intergovernmental agreement on federal financial relations to assist first home buyers through the funding and administration of a uniform first home owners' scheme.

[See paper 3689.]