

Cash grabs wrecking home ownership dreams

All three levels of government have their hands in the pockets of the Australian home-buying public, Sydney businessman Graham Walker said in Brisbane today.

“Home buyers are being asked to pay, though their land costs, for major community facilities that previously governments would have funded,” he said.

“There is basic infrastructure that is required to bring the land to a developable state, but where up-front charges are adding up to \$100,000 in some Sydney suburbs, the taxes are covering more than kerbs and footpaths.”

Mr Walker, managing director of the Combined Development Group, was speaking at the launch of Infrastructure First, a group of community leaders, businesspeople and academics concerned over the failure of governments to supply and maintain Australia’s infrastructure needs.

The costs did not end with the initial purchase. “Rather than implementing major infrastructure that allows Australians to live sustainably [governments] are again placing the burden on the housing industry to deliver what is perceived to be a more sustainable built form,” he said.

“By placing emphasis on to the performance of individual homes, governments are hiding their lack of investment in infrastructure that would allow for more cost effective construction and better outcomes for the built environment.

“The matters presented to the public might be about reducing greenhouse gases or water usage, but they are more directly related to making the user pay, and emphasise government reluctance to borrow funds for necessary infrastructure investment.”

Mr Walker said all levels of government must re-engage in infrastructure investment through borrowings or general rate levies which are a highly efficient means of financing long-lived facilities. “This is a far more efficient and equitable method of financing social infrastructure that applying up-front user-pays development levies,” he said.

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