State Budget a missed opportunity to boost a flagging market â€“ REINSW

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The state’s peak real estate body, the REINSW,says today’s Budget is a missed opportunity to protect the engine room of thenational economy.

“The Budget has failed to respond to the realchallenges facing the market”, said REINSW President, Christian Payne.

“What we needed to see today was the StateGovernment doing its part to back up the Reserve Bank’s heavy lifting incutting interest rates to reinvigorate a flagging market.

“Unfortunately that did not occur.

“The absence of stamp duty reform, the lack ofincentives for purchasers and sellers of existing property and the failure tokick start the investment sector are real failings of today’s Budget.

“Given the growing storm clouds over theinternational economy and an already underperforming property sector, today’sBudget was the opportunity for the Government to take decisive steps tostimulate the market.

“Whilst the First Home Buyer is an importantpart of the market, the fact is that the vast bulk of all residential propertytransactions are for existing dwellings.

“Purchasers and vendors of those propertieshave simply been left out in the cold.

“The story is even worse for investors whoafter July 1st will be on average $17 490 worse off on a $600 000purchase ‘off the plan’ than if they bought the same property today.

“The lack of incentives for investors willonly translate into more bad news down the track for those struggling to findaccommodation in the state’s already tight rental market.

“Today’s Budget was a real chance for theState Government to show it was ready to act in concert with the Reserve Bankin stimulating the property sector and helping protect the engine room of thenational economy.

“It is not enough to leave the heavy liftingto the RBA yet unfortunately that is what has happened today”, said Mr. Payne.

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