



24 November 2020

Hon Cameron Dick MP  
Treasurer and  
Minister for Investment  
Queensland Government  
PO Box 15009  
City East QLD 4001

**BY POST/EMAIL – [treasurer@ministerial.qld.gov.au](mailto:treasurer@ministerial.qld.gov.au)**

Dear Treasurer,

**Re: Urgent recommendation to extend time period for the HomeBuilder grant in Queensland**

As you are aware, the Australian Government's HomeBuilder grant shows clear signs of being a very successful stimulus measure in Queensland. Across large segments of the residential housing industry, in both metropolitan and regional areas, industry is running at peak capacity, jobs have been saved and a generation of Queensland families have taken the once-in-a-lifetime opportunity to secure private homeownership and all the benefits that will come with that in the decades to come. Critically, due to the average value of Queensland properties falling within the scheme's "sweet spot", the program has also drawn new investment to Queensland.

Clearly, the scheme has been good for Queensland and we strongly recommend taking urgent action to ensure all those who are hoping to take up the grant are given the maximum opportunity to do so.

A key opportunity to achieve the above is by amendment to the scheme's eligibility criteria as administered by the Office of State Revenue. Specifically, we recommend that you urgently commit to extending the commencement period to **six months from the date of contract for all HomeBuilder applications.**

As you are no doubt aware, the current mechanism of a **discretionary three month extension** is not working in practice because of the lack of certainty it provides at the front end of the process when significant decisions to proceed or not are being made. As you would also be aware, this problem has

been exacerbated by the very significant increase in building activity in recent months which is also adding to timing pressures for potential home buyers. The impact of COVID-19 has created a number of challenges for the supply chain to the building industry, resulting in the industry experiencing a range of material shortages across both structural and non-structural elements of a new home. While the increase in building activity due to HomeBuilder has been broadly welcomed, the additional demand is placing pressure on an already understocked supply chain and is causing delays.

To compound the challenge, demand for trade contractors in the new home sector is at an all-time high creating a shortage of skilled workers to undertake non-HomeBuilder related work such as repairs to homes damaged in the recent round of severe storms. The prediction of a wetter than normal wet season with a higher likelihood of cyclones crossing the Queensland coast also means HomeBuilder applicants in North Queensland are likely to be disadvantaged.

In short, it is now very difficult to meet the restrictive three-month commencement requirement in almost all locations throughout the state. And with Western Australia, South Australia, and Victoria all making recent amendments to their schemes in an attempt to address these issues, it is vital that Queensland also responds so as to avoid missing out on its fair share of this funding.

With the above amendment, the very significant benefits the scheme is delivering for Queenslanders will continue flow without either additional cost or risk to the Queensland Government, aside from the minor administrative burden of supporting the scheme for a few additional months. As such opportunities are rare, we strongly recommend that you urgently take this action.

Yours sincerely,  
**Urban Development Institute of Australia Queensland**

Kirsty Chessher-Brown  
**Chief Executive Officer**

**Property Council of Australia**

Chris Mountford  
**Executive Director**

**Master Builders Queensland**

Paul Bidwell  
**Deputy CEO**

**Housing Industry Association**

Michael Roberts  
**Executive Director**