



MEDIA RELEASE

Turnbull/Joyce Government making housing more affordable in the New England

08 Sep 2017

Deputy Prime Minister and Member for New England, Barnaby Joyce, today welcomed the introduction of legislation into Parliament to reduce pressure on housing affordability for first home buyers and downsizers.

The First Home Super Saver Scheme (FHSSS), announced in this year's Budget, will give first home savers the ability to accelerate their savings by at least 30 per cent.

First home buyers will be able to save for a house deposit within their superannuation by making voluntary contributions of up to \$15,000 per year and \$30,000 in total into their superannuation account.

These contributions, which are taxed at the discounted rate of 15 per cent, along with deemed earnings, can be withdrawn for a deposit from 1 July next year. Withdrawals will be taxed at marginal tax rates less a 30 per cent offset.

With many Australians now entering the housing market later in life, this initiative will encourage first home buyers to save for a deposit more quickly.

"For most people, the First Home Super Saver Scheme will allow them to save for a deposit 30 per cent faster than saving through a standard deposit account," Mr Joyce said.

"It is disappointing that the Labor Opposition have indicated they will not support the First Home Super Saver Scheme, which is a tax cut for first home buyers, choosing to reject the generous tax concessions and instead implement a disastrous housing tax which will drive up rents, making it harder to save for a deposit."

Mr Joyce added that although the new legislation would make a huge difference for those saving for their first home, first home buyers should consider moving to the country where housing was more affordable than metropolitan areas such as Sydney and work opportunities were increasing.

"Country areas have always been a more affordable option for housing than metropolitan areas, so I would encourage first home owners to consider buying in areas such as the New England where

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Hon **Barnaby Joyce** MP

FEDERAL MEMBER FOR NEW ENGLAND

you get more for your money and also enjoy a better lifestyle,” Mr Joyce said.

“The Federal Coalition Government is helping make country areas more attractive for career opportunities with its decentralisation policy of government departments, such as moving the head office of the Australian Pesticides and Veterinary Medicines Authority (APVMA) to Armidale and setting up the Regional investment Corporation in Orange.

“With the injection of jobs created by decentralisation and greater housing affordability, country areas are becoming a much better option career and lifestyle wise.”

The Government has also introduced legislation to allow older Australians to contribute the proceeds of the sale of their family home to superannuation.

From 1 July 2018, people aged over 65 will be able to make an additional non-concessional contribution of up to \$300,000 into superannuation when they sell their home which they’ve held for at least 10 years. Both members of a couple can take advantage of this measure, meaning up to \$600,000 of contributions may be made by a couple.

Further information on the First Home Super Saver Scheme is available at:
http://www.budget.gov.au/2017-18/content/glossies/factsheets/html/HA_14.htm.

Further information on reducing barriers to downsizing is available at:
http://www.budget.gov.au/2017-18/content/glossies/factsheets/html/HA_15.htm

First Home Buyers can also get an indication of how the scheme can benefit them by visiting:
www.budget.gov.au/estimator.

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