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AFPA BACKS PROPERTY COUNCIL'S BIG NEW HOUSING BOOST

The Australian Forest Products Association (AFPA) has backed today's Property Council of Australia's (PCA) big and much needed seven-point plan to stimulate new housing to counter the devastating effects of the CoVid-19 pandemic on new construction demand.

AFPA CEO Ross Hampton said, "The Federal Government has effectively saved hundreds, if not thousands of lives by its speedy, sure footed handling of the CoVid-19 pandemic impacts. However, now comes the equal challenge of saving Australian livelihoods and avoiding a recession. The PCA's plan provides a solution to that with construction the driver."

The council's seven-point plan for recovery, says, "*Incentives for new housing construction, broad-based tax reform, improving the supply of affordable housing, and the renewal of our migration program are among the key areas for action.*"

Australia's timber processing industry has had early indications of a major drop in associated timber demand, with some regionally based mills already reducing production and cutting staff.

"This is a difficult problem that needs a large and integrated policy response by the Federal, State and Territory governments working in unison," Mr Hampton said.

"Big, bold stimulus measures are required to kick-start renewed housing demand in the wake of CoVid-19, like PCA's proposed \$50,000 'New Home Boost' scheme; broad-based tax reform including stamp duty and targeted tax relief; and improved housing affordability including the emergence of Build-to-Rent programs."

"The housing construction sector is the engine room for growth and jobs in Australia's economy with more than one million Australians working across multiple industries. Timber processing companies are already feeling the impact of the slowdown in construction, as are companies right along the supply chain. We estimate sawn timber demand will drop by at least 50 per cent over the next six months."

"This is why AFPA, and a range of other industry bodies, are asking the Government to announce an urgent and comprehensive stimulus package for new homes and upgrades and renovations," Mr Hampton concluded.

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