MEDIA RELEASE

Date: 30 March 2006- For Immediate Release.

Councils Want Home Buyers to Pay More Fees.

The Property Council has rejected local government’s proposal to dramatically raise levies from residential development.

“Mitcham Mayor, Ivan Brooks’ proposal to increase fees, levies and charges to the level of those seen interstate would be a catastrophe for South Australians,” Property Council Executive Director, Bryan Moulds said.

“Mayor Brooks seems to think that having to pay up to $190,000 in development fees like those seen in New South Wales for home and land packages will hurt developers- it will hurt homeowners!

“Local government is proposing this despite the State Government ruling out development levies in the lead up to the State Election,” Mr. Moulds said.

Infrastructure Minister, Patrick Conlon told a Housing Industry Association meeting in February that “If South Australia wishes to remain affordable, it is vital these levies are never introduced.”

This comes on top of a statement made by Housing Minister, Jay Weatherill at a Property Council lunch last October, who said, “We don’t have infrastructure levies as they do in other states and have no proposal to introduce them.”

“South Australia does not have massive developer levies for very good reasons; it’s why we are currently one of the most affordable states for new home buyers,” Mr. Moulds said.

“Research by the Property Council shows the median cost of a new home in Adelaide is $248,530, which already consists of $53,003 being paid in government fees, levies and charges.

“These are already paid by purchasers and so more local government charges will translate into higher prices for the cost of entry into the residential market.

This grab hand by the local councils will not hit the hip pocket of developers, but will be an attack on the wallets of mums, dads and families, first home buyers, retirees and the elderly,” Mr. Moulds said.

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