



Speech by

Mr P. PURCELL

MEMBER FOR BULIMBA

Hansard 22 April 2004

DUTIES AMENDMENT BILL

Mr PURCELL (Bulimba—ALP) (4.49 p.m.): I rise to support the Duties Amendment Bill 2004. I congratulate the Treasurer for introducing this bill to the House so quickly after the state election, in light of the promise he made, two months early. This legislation deals with and will affect first home buyers, not only to protect the first home buyer but also to prevent the possibility of the system being rorted. With any beneficial system there will always be those who try to abuse the system. Evidence of this has come to light in recent times.

To prevent any abuse of concessions, this legislation will require that taxpayers claiming either the first home transfer duty concession or the first home mortgage duty exemption be at least 18 years old. I am pleased that the Treasurer has made provision for exemptions for genuine cases. I know that there are those who are well-to-do who can arrange their finances in such a way to buy property on behalf of their children in order to get around this. They probably buy an investment property for themselves but put it in their children's name. But I bought my first house when I was 17. There is provision in this bill to make sure genuine first home buyers are catered for.

I agree with what the member for Ashgrove said with regard to his children. I have five children. Fortunately, my eldest daughter bought a place about five years ago. Certainly the prices in and around my electorate have changed since then. It was expensive enough then for a newly married couple to buy their first home, with one person working and a family. That makes it very difficult to pay the house off. And that was five years ago. It is getting much tougher to do that now. My other children who are looking at buying places in and around my electorate are finding it very difficult.

An opposition member: How many have you got?

Mr PURCELL: I've got five. I have the two boys at home. I do not think they are ever going to leave. They are on too good a wicket.

Mrs Miller: You need to marry them off!

Mr PURCELL: They will probably bring the brides home with them! I don't want them to leave home, anyway. I have a large house that I have built on over the years. I am quite happy for them to all come home and live there, as far as I am concerned. I did not have children not to see them.

I would like to say, along with the member for Woodridge, that the Treasurer has certainly made Harold and Nancy Hardie very happy. They are ex-constituents of mine and are very good Australians. They are great people. They work within the community. They work within organisations they have belonged to. They are a great family. They look after their grandkids. They really are just genuine people. For them to be able to afford to buy their new home and to be given concessions and help with that I think is marvellous. Harold is a returned serviceman and Nancy is a great lady.

We talk about how expensive it is to buy a home and what it costs in Queensland. I know that people on the other side of the House talked about what moneys are coming to Treasury. There are people who say that we should tax more so that we can give more benefits. I know

there is a very fine line with that. Once you start doing that you step into the void and into areas where things are made unaffordable for a lot of people.

I reiterate what the Treasurer said in his second reading speech in terms of comparisons between New South Wales and Victoria and Queensland. I refer to what it costs in taxes to buy homes for comparable amounts. With the addition of these new first home concessions, Queensland now provides the most generous duty for first home buyers. For example, based on a Sydney house price of \$500,000—that is probably in the bottom scale in Sydney—a first home buyer in Sydney would pay \$17,990 in transfer duty. A first home buyer in Melbourne purchasing the same sort of house as in Sydney, which would cost \$371,000, would pay \$17,920. In comparison, based on Brisbane prices in the same quartile of \$350,000, the transfer fee payable for a first home buyer is \$4,500. Members can see the difference. That is one-quarter of what first home buyers pay in the other states. I think the Treasurer has done very well to keep those fees at that level.

Houses in my area are getting to the top of the scale. If someone was brought up in the area—if they went to school there—and wanted to come back and live around the place, it would be very difficult. I know that the Treasurer will continue to look at reducing this for first home buyers. For those who are struggling on low incomes when they first enter the work force or who are starting up a family, the biggest outlay is for a home. Every dollar they can save will be much appreciated by them. I support the bill.