

Media Release



MASTER BUILDERS
A U S T R A L I A

13 May 2019

First Home Buyers Continue To Drive Australia's Housing Market

"The importance of the First Home Buyer (FHB) segment of the market has grown again, with newly released figures for March showing that their share of the market is at its largest in nearly 7 years," Shane Garrett, Chief Economist said.

During March 2019, First Home Buyer loans accounted for 27.6% of owner occupier housing loans, higher than at any time since September 2012.

"First Home Buyers are becoming an increasingly vital driver of activity in our housing market, especially with investor activity so quiet," Shane Garrett said.

"Looking ahead, there is much potential for FHBs to support new home building activity in the years ahead. Our economy has generated over 600,000 new full-time jobs over the past three years – many of whom will want to buy their first home in the near future," he said.

"In this respect, yesterday's commitment by the Coalition that was matched by Labor to facilitate the low deposit loans for First Home Buyers is most welcome. This brings home ownership a giant step closer and spares young homebuyers from being forced to waste money on expensive Lenders' Mortgage Insurance (LMI) premiums," Shane Garrett said.

"The housing market is reversing rapidly. It is vital that we receive support from all sources in order to get activity back on track and ensure that we build the 200,000 new homes needed each year to satisfy long term requirements," Shane Garrett said.

During March 2019, First Home Buyers enjoyed the largest share in the Northern Territory, with 42.9% of owner occupier housing loans. This was followed by Western Australia (36.9%), Victoria (30.0%) and Queensland (27.0%).

FHB participation was lowest in Tasmania (20.7%), followed by South Australia (21.7%), the ACT (22.0%) and New South Wales (24.8%).

For further information contact:

Ben Carter, Director Media & Public Affairs, 0447 775 507