

'The customers are carrying the burden'

Home prices can be cut: Whitlam

It should be possible to reduce the cost of the average house and land by not less than \$4000, the Federal Leader of the Opposition (Mr. Whitlam) told a building and construction convention yesterday.

The average home buyer would pay \$2000 less for his block if local councils could still afford to carry works they did 20 years ago, he said.

Impoverished councils and semi-government authorities made private developers pay most of the cost of roads and other services, previously paid for from the public purse, Mr. Whitlam told the convention organised by the Master Builders' Federation of Australia.

Developers carried out these works on a piecemeal basis, financing them at the higher interest rates of the private money market.

This additional burden was passed on to the customer.

"The average home buyer pays \$2000 more for his block as a result of the impasse in Commonwealth-State financial relations which is used as an excuse for under-investment in the public sector," Mr. Whitlam said.

The Labor leader said that in the Australian Capital Territory — where the Commonwealth could not escape responsibility — land prices were stable and even falling.

The present proliferation of building codes added a needless \$600 to the cost of every house and \$60 million to the annual national outlay for housing.

Rampant land speculation had been "the greatest social disaster and public scandal of the post-war period," Mr. Whitlam said.

The average price of land had risen by 182 per cent. in the past 10 years. In

many areas it had tripled or quadrupled.

The Commonwealth should make advances to the States to enable them to acquire, sub-divide, service and sell, at cost, large tracts of housing land.

The Federal Minister for Housing (Senator Dame Annabelle Rankin) told the convention she hoped that all States and the major providers of housing loans would accept a uniform

minimum home building code, along the lines now being suggested by the Housing Department.

One of the main Commonwealth aims in the next few years would be to encourage the States to provide decent housing for lower income families.

Those most in need of housing assistance were the aged, whose needs were now being catered for "as a matter of some urgency."