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Mr Marcus Vermey MP
Liberal Member for Clark
Via: haprocedure@parliament.tas.gov.au

9 JUL 2026

Dear Mr Vermey *Marcus,*

Thank you for your question in Parliament on 16 June 2026 requesting further information about the support available to assist first-home buyers to enter the housing market, particularly in the current environment of rising property prices and the cost-of-living pressures.

The Tasmanian Government recognises the challenges many first-home buyers face in saving a deposit and meeting the upfront costs associated with purchasing a home. For this reason, the Government is continuing to provide targeted support to assist Tasmanians into home ownership while also encouraging the construction of new housing supply.

A key measure is the First Home Owner Grant (FHOG), which supports eligible first-home buyers who build or purchase a newly constructed home. With the passage of the First Home Owner Grant Amendment Bill 2026 on Thursday 25 June 2026, the FHOG will increase to \$20,000 for eligible transactions entered into between 1 July 2026 and 30 June 2027. The Government considers that a \$20,000 grant strikes the right balance between assisting first-home buyers, encouraging new housing construction and maintaining fiscal responsibility.

The FHOG is specifically targeted at newly constructed homes because this approach not only assists first-home buyers but also adds to Tasmania's housing supply by encouraging new residential construction. The Government considers this an effective way to improve housing affordability over the longer term.

In addition to the FHOG, the Tasmanian Government provides assistance through the MyHome shared equity scheme, which helps eligible participants purchase a home with a lower deposit and reduced mortgage requirements. The Government has also increased the value cap for new home construction under MyHome to \$800,000, providing greater flexibility for participants.

The Government is also supporting housing affordability through broader housing initiatives, including:

- the establishment of Building Tasmania to coordinate building and infrastructure delivery across Government, including housing;
- almost \$600 million in funding for housing and homelessness services across the Budget and Forward Estimates;
- continued implementation of the 20-year Tasmanian Housing Strategy;

- commitments to statutory timeframes for residential planning approvals to support increased housing supply;
- legislation to enable the Australian Government's Help to Buy shared equity scheme to operate in Tasmania; and
- participation in the Australian Government's 100,000 Homes for First Home Buyers program, which is expected to deliver up to 2,101 homes exclusively for first-home buyers in Tasmania.

Together, these measures are designed to reduce barriers to home ownership, ease upfront costs and increase housing supply, helping more Tasmanians achieve the goal of owning their first home.

Thank you for raising this important matter.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Eric Abetz', written in a cursive style.

Hon Eric Abetz MP
Treasurer