

# Economic-growth reforms including infrastructure investment will ultimately benefit the housing sector

By [Andrew Golding](#)

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The Minister of Finance's Medium-Term Budget Policy Statement (MTBPS) highlighted the country's critical imperative to boost economic growth, and in so doing made a commitment to provide a stable foundation to support both the national and local economies.



Source: Supplied. Andrew Golding is the chief executive of the Pam Golding Property group.

Certainly, creating sound economic fundamentals would go some way towards stimulating increased confidence among consumers, the business sector, as well as local and international investors, which in turn would boost sentiment – a key driver in the residential property market.

If applied effectively, reigning in unnecessary government spending while investing in infrastructural maintenance and improvements has positive spin-offs at both a macro and micro level – with local municipalities set to benefit. This, in turn, is advantageous to residents and existing and potential homeowners, who seek to reside in well-run municipalities with effective service delivery and within secure environments.

## Positive move towards self-generation of electricity

A focus on enabling the transition to more self-generation of electricity by firms and households, as stated in the MTBPS, is to be welcomed. As previously noted, a recent *Pam Golding Properties Survey* revealed that the shift to 'green' homes is a trend which has been gaining momentum for a number of years, and is an important contributor in the transformation towards a more sustainable economy - further reinforced by the escalating cost of electricity.

In line with our abovementioned survey, we continue to observe that buyers give preference to properties with 'green' features – including solar, inverters and water-saving features.

While the most popular 'green' feature buyers are currently looking for is solar, this is followed by boreholes and JoJo tanks, which is a pertinent reminder that water – another priority highlighted in the MTBPS - remains an issue in much of the country, now and into the future.

The search for more self-sufficient homes varies across regions and price bands – with some homeowners lacking the finances to include water- and energy alternatives in their homes. We would therefore like to see the timeframe for the current tax incentive for the installation of solar panels be extended, with the introduction of the inclusion of inverters and ancillary equipment.

While some may not be as concerned as others in regard to the environmental impact, the cost and inconsistency of water and electricity is likely to encourage an increasing transition towards seeking these alternatives.

## ABOUT THE AUTHOR

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