

INSIDE TODAY

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WEATHER

TODAY
MINI14
MAX33
 Sunny

TOMORROW
MAX28
 A few showers

SATURDAY
MAX23
 Shower or two

SUNDAY
MAX25
 Partly cloudy

Tatts

OZ LOTTO: Draw 1040. 31, 23, 7, 42, 1, 29, 16. Supps: 30, 15. Div 1 prize pool: No winners. Jackpots to \$10 million.

DIV 2: \$105,729.10. Div 3: \$4,732.10. Div 4: \$365.85. Div 5: \$46.90. Div 6: \$23.40. Div 7: \$15.

WEDNESDAY LOTTO: Draw 3315. 44, 3, 11, 42, 22, 26. Supps: 19, 21. Prov prize pool: \$2,826,692.80.

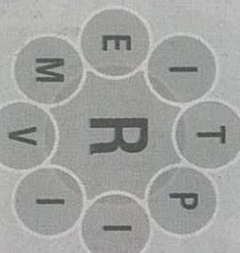
LUCKY LINES: Draw 2032: 4, 7, 15, 18, 21, 29, 32, 40.

LUCKY 3: Draw 1697: 5, 5, 9

LUCKY 5: Draw 1697: 33, 27, 16, 28, 6 (Black)

LUCKY KENO: Draw 2654: 3, 4, 10, 15, 26, 31, 33, 38, 43, 47, 49, 56, 61, 63, 64, 67, 68, 70, 76, 80.

ARE YOU A QUIZ MASTER?



In making a word each letter may be used only once, and the centre letter must be included. No slang, hyphens, apostrophes or plurals ending in 's'. Minimum four letters. Good 14. Very good 23. Excellent 28.

VERBENA'S SOLUTION
 CONGRATULATIONS to the winners who correctly identified the words in the word search. The words were: TIPS, PIRATE, MINE, VINE, IRISE.

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MAKE YOUR OWN AUSTRALIA DAY HAT

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Home buyers locked out

Key price rise in three months to December*

STEPHEN MCMAHON

FIRST-home buyers face an uphill struggle to get into the market over the rest of this decade, as property prices are tipped to continue rising faster than wages.

A new report warns that while the massive surge in real estate prices in Melbourne over the past 12 months is expected to slow sharply, affordability will deteriorate further as a sluggish economy and rising unemployment keeps wage growth low.

Victorian households have also been whacked a \$1000 in government charges over the past 12 months — led by surging property charges and water costs, the latest inflation data reveals.

"These charges can no longer be seen as one-offs. This is more like tax by stealth," Deutsche Bank chief economist Adam Boyton said.

"For the past five years governments have been passing charges on directly to households rather than trying to find savings."

In a global housing and mortgage report, global ratings agency Fitch said Australian homeowners would this year experience gains of about 4 per cent — less than half last year's

FRUIT 8.1%

VEGETABLES 7.1%

DOMESTIC TRAVEL AND ACCOMMODATION 6.9%

RECREATION AND CULTURE 2.1%

FOOD AND NON-ALCOHOLIC BEVERAGES 1.6%

ALCOHOL AND TOBACCO 1.6%

COMMUNICATION 1.2%

* Change on previous quarter



9.8 per cent appreciation. Prices are tipped to rise a further 4.5 per cent in 2015.

Australian house prices are already rated as the second most expensive in the world and have more than tripled since 1997.

"Affordability in Australia (is) to deteriorate in the near term, with house prices continuing to rise more than in-

come levels," said Fitch director Ben Newey.

"The ability of self-managed super funds to borrow to buy property is also another factor that is locking young buyers out of the market."

This bad news for prospective property buyers comes hot on the heels of figures showing the share of new home loans by first-home buyers has al-

ready dropped to its lowest level since the Australian Bureau of Statistics started keeping figures in 1991.

Leading economist Saul Eslake this week hit out at government policy flops over the past decade that have made the problem even worse.

In a scathing submission to the Senate Economics References Committee's inquiry into housing affordability, Mr Eslake said government policies have inflated demand for housing while failing to promote the supply of new homes.

He said controversial first-home grants and the tax concessions commonly referred to as "negative gearing" have fuelled housing prices and forced young buyers to the sidelines.

This comes as a surprise lift in inflation to 2.7 per cent, as a result of sharp increases in prices for fruit and vegetables, reduced the chance of another cut in the official cash rate by the Reserve Bank of Australia.

Consumer confidence is also on the slide after an initial lift after the federal election late last year.

Most economists expect the RBA to keep rates on hold at 2.25 per cent for most of the year.

stephen.mcmahon@news.com.au
 BusinessDaily, Page 51

MOVE ON AMBOS' DISPUTE

THE head of Ambulance Victoria has written directly to the state's paramedics urging them to accept its revised offer in its long-running pay dispute.

Chief executive Greg Sisella has told AV staff that the latest offer, which includes a \$1500 sign-on payment and 12 per cent pay increase by 2016, "deserves very serious consideration".

The offer which was made in November last year also concedes the Ambulance Employee Association's demand for consent arbitration if agreement cannot be reached on other matters in dispute and agrees to preserve existing benefits.

But Mr Sisella tells paramedics that the union has rejected the offer "although it appeared to meet their position as submitted by them during negotiation".

"We understand they have moved back to their original position to directly pursuing pay parity with South

Australia, a claim of approximately 30 per cent increase, where we had understood they sought 12 per cent upfront ... and to then move towards parity through work value wage consent arbitration."

He said that the 30 per cent wage claim "is very large and equates to an approximate \$600 million increase to salaries and wages budget over three years, nearly the equivalent of the entire Ambulance Victoria budget for one year".

DON'T MISS A THING ALL DAY heraldsun.com.au

NISSAN SUPERCOCOACH THE PLAYERS TO WATCH

WHO WILL BREAK OUT AT YOUR CLUB THIS YEAR?

PLUS GET THE LOWDOWN ON EXCITING CHANGES FOR SUPERCOCOACH 2014



TRUE CRIME SCENE

KISS ME, KILL ME

How love ended in a barrel in suburbia