

DEFRIB106

Affordability the big issue for Queensland

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The surge in residential prices in Queensland has meant housing affordability has become the crunch issue for the state.

In the planning scorecard, Queensland was ranked among the leading states for managing growth, infrastructure and transport. But it was marked down on housing strategy, which includes affordability.

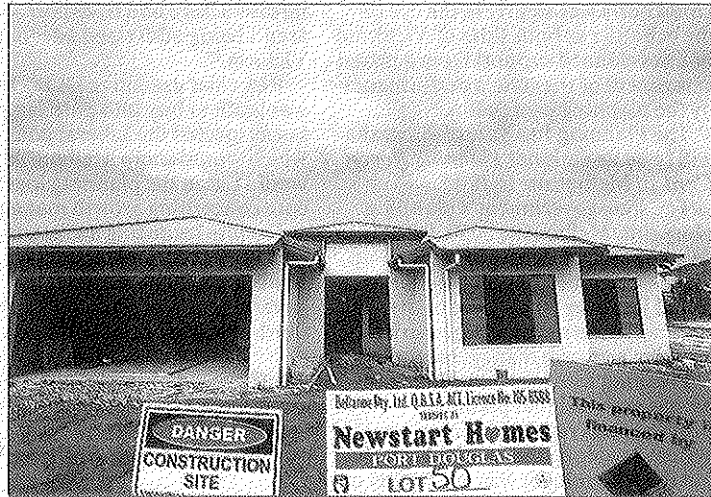
Chairman of the Real Estate Institute of Queensland (REIQ), Peter McGrath, said affordable housing was the one of the biggest problems in the state but it was only just now being noticed.

"So much has been happening in the past few years that it slipped off the radar," he said.

The questions of land supply and the cost to developers of providing services at new developments — the so-called headwork charges — were a cause for concern, he said.

"In some cases those headwork charges can be \$50,000 or more for a block. It puts blocks out of the reach of many buyers.

"Every developer is prepared to pay a fair proportion of those costs, but not the obscene amounts some are being charged."



The housing price problem is only now being noticed.

Photo: PETER BRAIG

Mr McGrath said the REIQ was pleased Queensland Deputy Premier Anna Bligh had called a summit on affordability next year.

Planning Institute of Australia chief executive Di Jay said Queensland's results showed its plan for the state's south-east had been well received.

"What we see is a more concerted approach than some of the other jurisdictions in trying to link infrastructure spending and forward planning to growth manage-

ment and spatial planning — that is something planners give gold stars for," she said.

Urban Development Institute of Australia national president Grant Dennis said the plan was a good concept but it was still in its infancy and the challenge was for all levels of government to make sure they delivered on that promise.

"There has to be more regard to affordability as the mainstay of development in Queensland," he said.