



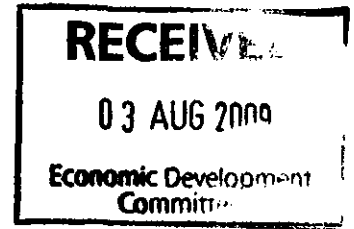
Alex Douglas MP

Member for Gaven



3.

The Research Director
Economic Development Committee
Parliament House, George Street
BRISBANE QLD 4000



Dear Sir/Madam

I have great concern regarding the atypical spike in unemployment in the Nerang postcode and the Nerang Centrelink office area. The growth in unemployment is significantly more severe than anywhere else in the Pacific Central Eastern Coast.

The predominant industry which provides employment in the Gaven electorate (Nerang postcode area) is construction and building. These people who are unemployed are skilled but mainly skilled in the ability to build complete low medium and high use construction. Only three major high rise constructions are underway - Soul, The Hilton and The Oracle in the Gold Coast area. These are massive joint tower developments employing thousands of people. There are two major projects finishing at present and four delayed due to economics. The two major outstanding projects are at Broadbeach and Budds Beach. These are billion dollar plus projects which take between five to seven years to complete construction. The delays in starting are linked to the collapse of the second tier lending market primarily MFS and City Pacific.

Other major projects have been slow to resume especially those in Brisbane and at Kirra/Coolangatta. These have had a huge financial and employment impact on Nerang.

Generally these people would be mobile and would move to a new major area of development but the current Gold Coast construction boom has effectively run for nearly 18 years. It seems it could resume within one year as soon as the issue of the second tier lenders, that is mezzanine financiers, is resolved.

This is a very discrete problem because we cannot afford our region, our state and our nation to lose their skilled people. In better times the compound growth of their taxes alone is 7 percent. This amounts to a large and staggering total sum. Every effort must be made to quickly address the issue and provide an interim solution.

My initial request is for the facilitation of these skilled tradespeople to have the ability to renovate their own homes plus those of others, funded by an external body, either a State Government Partnership or State Government funded body, to be repaid in time. Properties are only slowly selling in the Gaven electorate and greater Gold Coast area and the prices have held up rather than fallen.

I request your committee urgently alleviates this very serious issue. One of the major driving forces of income for our region and our State is in particular from the labourers of this group. The outcome of their labour is a producer that the market is demanding.

Tourism alone will not keep the economy driving on the Gold Coast. There needs to be efforts made to maintain a construction force for the very large advertised projects people are demanding from the developers. This response is absolutely critical to our state's future.

I ask that you consider this submission as critical to ensuring the future growth of our state's economy. This submission seeks immediate solutions.

Yours sincerely



DR ALEX DOUGLAS MP
Member for Gaven

30 July 2009

RETURN ADDRESS: Dr Alex Douglas MP
Member for Gaven
PO Box 1140
Nerang QLD 4211

EMAIL: gaven@parliament.qld.gov.au