

## Housing Availability and Affordability (Planning and Other Legislation) Amendment Bill 2023

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**Submitted by:** Real Estate Institute of Queensland  
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26 October 2023

Committee Secretary  
State Development and Regional Industries Committee  
George Street  
Brisbane QLD 4000

Email: [SDRIC@parliament.qld.gov.au](mailto:SDRIC@parliament.qld.gov.au)

Dear Sir/Madam,

**RE: HOUSING AVAILABILITY AND AFFORDABILITY (PLANNING AND OTHER LEGISLATION AMENDMENT) BILL 2023**

The Real Estate Institute of Queensland (**REIQ**) welcomes the opportunity to provide our views on the *Housing Availability and Affordability (Planning and Other Legislation Amendment) Bill 2023* (**HAA Bill**) introduced by the Deputy Premier and Minister for State Development, Infrastructure, Local Government and Planning on 11 October 2023.

The REIQ is the peak industry body representing the real estate sector in Queensland. As the State's most trusted and influential advocate for real estate interests for more than 105 years, the REIQ's enduring purpose is to lead a sustainable industry which makes important contributions to government legislation and policy settings and advocates for balanced regulations for the benefit of all stakeholders in the housing sector.

The REIQ's vision statement, for the real estate profession, extends our support and expertise beyond our membership to the broader real estate profession and community. We believe everyone should be able to make educated, informed decisions about buying, selling or renting property and business in Queensland.

In this submission, we have provided high-level comments in relation to the HAA Bill, acknowledging that other stakeholders who are subject matter experts in planning and development will provide a more detailed analysis of the HAA Bill.

We welcome the policy intent of the HAA Bill, to effectively encourage an increase in the supply of housing in Queensland by improving operational and process aspects of the *Planning Act 2016*.

It is largely accepted among stakeholders that increasing the supply of housing is essential for both relieving current pressures on the housing sector, but also for future planning with the population of Queensland expected to increase significantly over the next decade.

In our view, planning is one area for improvement within a greater context of issues that have contributed and continue to constrain the supply of housing in Queensland.

In addition to setting dwelling supply targets, stimulating gentle density, infilling and housing diversity is integral for future planning and development. It must be a priority to deliver well-located homes in high-amenity areas, with adequate infrastructure to support a growing population.

This will only be made possible if constraints to the construction industry are also mitigated, including the rising costs of materials, shortage of skilled labour and cost-burden created by an increasing level of regulation.

Data shows however there are presently around 39,892 dwellings under construction in total Queensland-wide, with the current approval rates lower than the previous decade-average<sup>1</sup>. In other words, there is a relatively low volume of construction in the pipeline once the current projects have been completed.

Over the past decade, the time to complete a build for houses has increased by nearly 4 months on average whereas the time to complete a unit has almost doubled<sup>2</sup>.

Additionally, construction cost escalations have been a significant constraint on project feasibility in recent years. Data shows that the cost to build a home in Queensland increased by 18% over the last 12 months and an astronomical 42% over the past three years<sup>3</sup>.

As a proactive measure, in our view, the Queensland Government should future-proof the construction industry by reinvesting in trade-based apprenticeship programs. Presently, the completion rate for apprenticeships in Queensland is around 37%<sup>4</sup>.

By taking this strategic step, the Queensland Government can ensure there is an adequate workforce with capacity over the next ten years to service competing projects for the Olympics, Cross River Rail and regional development projects (including under the ShapingSEQ 2023 Plan).

The cost of home ownership as well as other factors, have led to a historically low level of home ownership in Queensland<sup>5</sup>. Research shows that levels of home ownership continue to decrease, forcing more Queenslanders to rent than ever before. Presently, tenants are staying in rentals on average eight months longer than they were a decade ago<sup>6</sup>.

In this context, the REIQ is generally supportive of the measures introduced by the HAA Bill, save for our below comments.

We welcome the ability of the State to take land and create easements needed for development infrastructure for planning purposes. This is a measure that the property industry has long supported. The REIQ fully endorses this measure.

While we support the introduction of a state facilitated application process to streamline the assessment of development applications for matters of priority to the State, we have concerns about ancillary matters.

Further detail must be provided about what matters the State may deem a 'priority' for the purpose of this power.

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<sup>1</sup>Boom or Bust August 2023, Corelogic, ABS

<sup>2</sup>Australian Bureau of Statistics, 'Building and Construction' (June 2023)

<sup>3</sup>Australian Bureau of Statistics, 'Building and Construction' (June 2023)

<sup>4</sup>Department of Business, Small Business and Training: [https://desbt.qld.gov.au/\\_\\_data/assets/pdf\\_file/0019/10990/appship-tship-new-commencements.pdf](https://desbt.qld.gov.au/__data/assets/pdf_file/0019/10990/appship-tship-new-commencements.pdf)

<sup>5</sup> Australian Institute of Health and Welfare, 'Home ownership and housing tenure' (April 2023)

<sup>6</sup> RTA Annual Report 2022/2023



We believe that this power should be limited to new housing and should not capture large infrastructure projects. There should also be further clarification around how the State will confer with the relevant local government, given that approvals will impact on local infrastructure that falls outside of the ambit of the State.

'Affordable housing' as contemplated by the HAA Bill is yet to be formally defined for land use. We understand an administrative definition exists under the *Planning Act 2016*, as well as several other definitions within property and planning legislation in Queensland. If this power is going to apply to affordable housing, it is our view that a formal definition must be developed. We understand other stakeholders will have specific views on how this definition may be determined.

In our view it is essential that social and affordable housing is delivered as a priority. Data shows that over the past 10 years, social housing stock in Australia has increased by 3.2%, being relatively low compared to the 17.3% rise in title dwellings. Levels of social housing must be increased to ease the pressure low-income households place on the private rental market and provide more suitable housing options for those households.

We believe more work needs to be done to define the scope of the state facilitated assessment process. Many stakeholders have raised concerns about the suitability of the process for different types of development approvals and the cost and administrative burden the process will cause for small-scale infill development applications or community housing developments.

It is also acknowledged that this process will require a certain level of expertise and resourcing by the State in order to deliver an expedited process.

We strongly oppose the establishment of the Urban Investigation Zone. As heard by stakeholders at the Public Hearing on 23 October 2023, the creation of a new zone will counter-intuitively create both an undue time and administrative burden to the delivery of housing.

We support the views of the Urban Development Institute of Australia and Planning Institute of Australia in this regard and agree that there is no utility to creating a new zone.

Save for our comments above, we agree that the HAA Bill will help to increase the pace at which development approvals are completed and will support the delivery of priority development in Queensland. They will not, however, improve the speed of delivery of development projects.

We would be pleased to discuss any of the matters raised further and invite you to contact [REDACTED], General Counsel and Company Secretary of the REIQ at [REDACTED].

We confirm no aspect of this Submission is confidential and we consent to its publication.

Yours Sincerely



Antonia Mercorella  
Chief Executive Officer