

**Question on Notice**  
**No. 379**  
**Asked on 12 March 2008**

MR STEVENS asked the Premier (MS BLIGH) -

QUESTION:

With the housing affordability crisis currently at its worst level ever and property repossession at an all time high—

Will she explain what measures she will take immediately to save hundreds of Queenslanders from losing their homes due to the pressure from the ever increasing interest rates?

ANSWER:

The Queensland Government understands the difficulties some Queensland families face in accessing affordable and appropriate housing, particularly given recent interest rate rises and rising rents in the private market.

Whilst the setting of interest rates is a matter for the Reserve Bank of Australia and is beyond the control of the Queensland Government, my Government is acutely aware of the pressures any increase in interest rates places on certain segments of the community.

To mitigate against these pressures, my Government is committed to maintaining Queensland's competitive tax regime when compared to the other states and territories of Australia. Per person, taxes in Queensland in 2007-08 are expected to be \$234 lower than the average for the other states and territories.

Housing affordability is a significant policy issue, not only in Queensland but throughout Australia. The housing market is complex with a range of issues affecting affordability. A coordinated effort across all three levels of Government, together with industry stakeholders, is required to develop and deliver policy solutions. To this effect the Queensland Government is implementing the Queensland Housing Affordability Strategy announced last year.

Key initiatives of this strategy include:

- the establishment of an Urban Land Development Authority with the ability to acquire and develop land throughout Queensland for new housing and ensure it is moved into the market quickly;
- a review of council infrastructure charging to ensure home buyers across Queensland pay a fair amount toward the provision of roads, water and sewerage;
- new powers for the Government to ensure planning and development applications are determined quickly to minimise holding costs.

The Queensland Government is also working with the Australian Government and other states and territories through the Council of Australian Governments to implement further national initiatives to improve housing affordability.

In particular, my government is working with the Federal Government on its National Rental Affordability Scheme, which will add 100,000 new affordable rental dwellings to the private market. There is the potential for 20,000 of these new dwellings to be built in Queensland, which would be a welcome boost.

More broadly, the Queensland Government has long recognised the goal of many Queenslanders to own their own homes. Subject to various eligibility criteria, the Queensland Government provides a range of duty concessions to home buyers, in particular to support first home buyers.

The assistance provided is in the form of concessions and exemptions that reduce the transfer and mortgage duty to be paid when purchasing a home. In addition, the rate of mortgage duty was reduced by 50% on 1 January 2008 and will be totally abolished on 1 January 2009. The Queensland Government also continues to administer the First Home Owner Grant of \$7,000 for first home buyers.