

Property leader wants return to Joh's 'golden goose' era

QUEENSLAND'S construction industry is said to be facing a new hurdle as interstate migration slows down because of eroded home affordability.

Colleen Coyne, director of Colleen Coyne Property Research, warned the Sunshine State was at risk of killing what she described as the 'golden goose' that had fed the state's growth for decades.

Her comments came after the release last week of two new reports by Access Economics, which found construction activity in the state had slumped in response to the worst downturn in the

availability of construction finance in 20 years.

Ms Coyne was part of a panel formed by the Urban Development Institute of Australia to discuss the findings in Brisbane last week.

She said that the 'low-tax' policy adopted by the Joh Bjelke-Petersen government no longer existed in Queensland.

"That government understood the value of Queensland being a low-tax state, introducing measures such as the abolition of death duties around 40 years ago," she said.

"Now, however, we are in danger of killing the golden goose of net interstate migration because we've simply become unaffordable."

Ms Coyne said that while net overseas migration had replaced interstate migration as the driver of Queensland's high population growth, it did not fully compensate for a decline in interstate migrants.

She said while the lack of development finance was the current focus, affordability would continue to be the 'elephant in the room', affecting the state's con-

struction industry in the medium term.

"Industry bodies have been doing their best to highlight this issue for at least five years, but it remains a major concern for the state's property sector," she said.

"Queensland's affordability is being impacted by a number of policies copied from NSW, not present to the same extent in Victoria, including high infrastructure charges, a complex regulatory environment leading to lengthy planning processes and uncertainty in outcomes, and an inflexible southeast Queensland urban footprint boundary."



Colleen Coyne