

Home truths keep the people coming

By RICHARD SPROULL

AFFORDABLE housing remains a key competitive advantage South Australia enjoys over other states for attracting and retaining residents, according to the Australian Population Institute.

Recent business migration data show a significant increase in the number of arrivals in South Australia - from 1.7 per cent of the total national intake in 2003 to 1.4 per cent in 2006 - with the greater percentage of arrivals coming from China.

APoP chairman, Michael Hickinbotham, said the skilled regional visa program had enabled South Australia to attract a greater share of business migrants and had proved a great success.

"We are heading in the right direction, but we still need to do more to attract more people to South Australia," Mr Hickinbotham said.

House prices continued to climb through 2006, underscoring the health of the overall property market in the face of three interest rate rises. The median price for metropolitan homes climbed \$15,000 to \$285,000 during 2006, with sales in the inner suburbs strong and the outer suburbs remaining affordable.

Top suburbs include Hyde Park, Unley Park, Malvern, Kensington Hawthorn, Maslins Beach and Birdwood in the Adelaide Hills. The rental market remains extremely tight after last year, falling below 1 per cent vacancy rates for the first time since records began.

The health of the property market is also highlighted by building

approval figures which surpassed national trends for February, according to the Australian Bureau of Statistics. ABS data revealed a 35 per cent increase in building approvals compared with a national figure of 10.6 per cent.

Suburbs such as Port Adelaide are being transformed by large scale property developments, including the \$1.5 billion Newport Quays inner harbour project which will create 2000 new dwellings and accommodate 4000 new residents.

The \$185 million Holdfast Shores development was completed last year, incorporating four residential buildings, an 80-berth marina, hotel and retail complex. The \$50 million, 66-apartment Martins Towers is also close to completion.

The latest major development is West Central on the site of the former Balfours bakery near the heart of the Adelaide CBD. It will incorporate a bus station and feature 1300 new homes with 150 affordable housing units and 360 student accommodation beds. The project is in keeping with Adelaide City Council's strategy to increase the CBD's resident population to 26,000 by 2010.

This and other population strategies driven by the State Government have prompted Sydneysiders to turn their back on the Harbour City and move to Adelaide, with recent ABS figures showing 242 more people moving from Sydney to Adelaide than the reverse. The housing market for international students is also booming, with more than 20,500 students arriving in 2006 and stock in short supply.

Business sees Adelaide as a major attraction. "What I have found is that once people get here, they can't believe how good it is," says John

Gallacher, the chief executive of ASC Shipbuilding.

"Families we have brought in from (American project partner) Bath Ironworks were blown away by the place. One of the challenges of the state is to be able to demonstrate how fantastic this place is."

This is a key element of a government push to entice people from interstate and overseas.

"Adelaide has always had a reputation as being a liveable city, family friendly, great place to live, quality of life," says Raymond Garrard, the chief executive of the Department of Trade and Economic Development.

"I think what we are seeing now is that all those points still remain, we've got the most affordable housing in Australia, fantastic education system and quality of life but we actually have some fantastic job opportunities as well.

"We are getting people from interstate and right round the globe who are coming here because they want to work on these very exciting projects and they want to be part of the development that is occurring."

Mr Hickinbotham said other states aggressively targeted overseas migrants and strategies were needed to keep housing prices down.

He said business migrants were traditionally "quiet achievers" who were enormously valuable because they generated major culture and economic benefits for the state.

Data on business migration suggest the state's intake for last year could potentially create up to 1400 jobs and generate up to \$270 million in investment in the state.