

# Price of Adelaide land hits new high

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THE price of land in Adelaide is substantially more expensive than in Melbourne or Brisbane for the first time.

The latest statistics, compiled by Australian Property Monitors, endorse long-held fears that South Australia is struggling to maintain its competitive edge.

The figures show Adelaide's median land prices have jumped almost 2½ times to \$186,800 over the past decade, while Melbourne prices rose 1½ times to \$155,000.

The Housing Industry Association says the figures will make it harder for the State Government to attract interstate migration – a key driver to boost the state's popula-

tion to two million by 2050.

"A fair number of studies have shown that population growth in SA is linked to affordable housing," HIA (SA) executive director Robert Harding said.

"We're doing very well at overseas migration but people will trade off the higher wages and the more exciting lifestyle against the fact they're not actually getting cheaper housing here."

Mr Harding says apart from taxation and development costs, a key reason for the price rise is a lack of land being released by the State Government's land bank.

The Land Management Corporation holds 90 per cent of Adelaide's land over 10 hectares, the HIA says.

"They have failed to bring on stream land as quickly as they could have done," Mr Harding said.

However, while land may be more expensive, the total new home package – comprising house and land – is still cheaper in Adelaide.

But the gap between Adelaide (\$345,139) and Melbourne (\$391,250) is falling.

Infrastructure Minister Pat Conlon said yesterday the strong economy from the booming resources sector was a factor in the rising cost of land.

He also attacked the HIA for wanting to make "lots more money out of Government land".

## RISING COSTS Median land prices at December

	SYDNEY	MELBOURNE	BRISBANE	ADELAIDE	PERTH
1996	\$115,000	\$58,000	\$69,000	\$55,000	\$73,000
2006	\$357,500	\$155,000	\$175,000	\$186,800	\$389,750

Source: Australian Property Monitors