

Regions lead lift in house prices

By DARYL PASSMORE

CENTRAL and northern Queensland are the powerhouses of the state's property market, with new figures showing house prices rising up to eight times faster than cities in the southeast.

Figures released today by the Real Estate Institute of Queensland show that last year demand for accommodation in the coal-mining boom areas boosted the median house price 42.2 per cent in Banana Shire (Biloela/Moura), 32.6 per cent in Rockhampton and 30 per cent in Emerald.

The main coastal centres continued to power ahead, with Mackay up 19.4 per cent over the year despite only a small lift in the last quarter, Cairns rising 13.6 per cent and Townsville increasing 10.8 per cent.

And the rapid development in Thuringowa was reflected in a 14.6 per cent rise.

Although the REIQ has

welcomed the "outstanding" growth across the state and homeowners are enjoying the gains in value, there are worries about first-time buyers and low-income earners being priced out by purchase costs and rents.

The Housing Industry Association last week warned that more than half a million Australians are now in housing stress, paying more than 30 per cent of their income on mortgages or rent.

They include 27 per cent of Queensland households, up on 12 per cent two years ago.

"We are equal with New South Wales as the highest in the country," said Adrian Pisarski, executive director of the peak housing group Queensland Shelter.

He said the situation was worst in the mining areas, where workers were paying massive rents.

"People not employed by the mining companies get

priced out and the town's infrastructure collapses. It starts with shop assistants and other low-paid workers and eventually it affects teachers, nurses, doctors and so on."

In the December quarter, Townsville's median house price reached \$323,000, nudging just ahead of Cairns on \$322,500, while Thuringowa hit \$293,000.

"Population growth, a robust tourism industry, increased military spending and the resources boom have all contributed to the strength of the Townsville/Thuringowa property market," said REIQ chairman Peter McGrath.

REIQ Townsville area spokesman Alan Thomas said: "We certainly have affordability issues — first-home buyers are just about out of the picture."