GLADSTONE REGIONAL COUNCIL

Housing Needs Assessment

Gladstone Regional Council

October 2010







SGS Economics & Planning

This report has been prepared for:

This report has been prepared by:

SGS Economics and Planning Pty Ltd

ACN 007 437 729

Level 9, 269 Wickham Street

PO Box 1177

Fortitude Valley QLD 4006

phone: 61 7 3124 9026

fax: 61 7 3124 9031

email: sgsqld@sgsep.com.au

web: www.sgsep.com.au

Offices in Brisbane, Canberra, Hobart, Melbourne, Perth and Sydney

Cover images sourced from: SGS Economics and Planning, Architecture Ideas and Australian Travel Network.

List of Tables

List of Figures

Executive Summary

In March 2008, the former shires of Gladstone City Council, Miriam Vale Shire Council and Calliope Shire Council were amalgamated to create the Gladstone Regional Council. SGS Economics and Planning (SGS) was commissioned by Gladstone Regional Council to prepare a Housing Needs Assessment and Planning Scheme Analysis to identify specific housing needs and to make recommendations on planning scheme provisions for the new planning scheme. The purpose of the project is to provide a Housing Needs Assessment is accordance with State Planning Policy 1/07 Housing and Residential Development, to facilitate the provision of housing that meets the needs of the Gladstone region in the future. This report is the Housing Needs Assessment, whereas a separate report will deliver the Planning Scheme Analysis.

This report highlights the need to provide a range of housing options, and the importance of housing diversity in delivering social, cultural and economic benefits for Gladstone residents. The provision of different dwellings types, sizes, densities, tenure and prices were identified as key indicators of housing diversity. The report also outlines indicators of housing affordability such as appropriateness of the dwellings, location and cost, as well as an overview of housing suitability for different demographics.

The report also examines the current and forecast demographics and housing consumptions trends of the Gladstone region in order to better understand housing needs both now and into the future. The research reveals that the Gladstone region has a rapidly growing population that is expected to continue well into the future as a result of the region's booming resource industries. This growth will continue to place pressure on the housing market to provide the level of housing required throughout the region. Consequently, this places upward pressure on housing costs if housing supply fails to meet the level of demand.

It is expected that the number of dwellings in the Gladstone region will increase from 20,150 permanent dwellings in 2006 to 39,650 by 2031. This is an increase of 19,500 dwellings, or 97%.

Furthermore, the report highlights how housing demand in the Gladstone region has changed in light of population growth, changing household structures and changes to housing costs and affordability. These changes are placing further pressure on the availability of affordable housing and are forecast to continue well into the future. The challenge is to ensure an adequate supply of housing is present to meet a diversity of demands and that, most importantly, the housing in question is affordable, accessible and appropriately located.

Following this, the report examines the level of existing stock and housing market characteristics of the Gladstone region. The research showed little diversity in terms of dwelling type, with separate dwellings accounting for a significant proportion of all dwellings in the region. There has also been a significant increase in housing costs, with declining levels of rental and purchase affordability, particularly for flats and units. And of particular importance, the Department of Communities modelling showed a significant mismatch between the type of housing that is currently available and the type of housing that is in demand. This mismatch shows that different dwelling sizes suitable for a certain household size may not be available for all households. This mismatch is a shortage of approximately 2,750 small dwellings (not including households with higher incomes

that choose larger housing than they need). In effect this means that 2,750 small households (one or two people) with low to moderate incomes live in dwellings that are larger than they require due to a lack of smaller dwellings (less than three bedrooms). This means their housing is more likely to be more expensive than if they were able to live in a smaller dwelling.

The need for smaller dwellings is likely to increase in the future with a forecast increase in the number of smaller household types such as single person and couple only households. Addressing the mismatch for smaller and larger dwellings will be a significant challenge given the current market demand and the general trend over the last 20 years towards larger floor areas for new residential dwellings. The current proportion of small dwelling supply (less than 3 bedrooms) is 19% for the Gladstone region, compared to 23% for Queensland. However in order to provide appropriate housing in the future, 36% of all new dwellings will need to be small. However in order to fully address the current mismatch of 2,750, the future supply of small dwellings will have to increase to approximately 53%. This is a significant challenge given current market demand, and the general trend over the last 20 years towards larger floor area of new residential dwellings.

There is also an increased need for greater housing diversity in the Gladstone region. Separate houses currently make up the bulk of all houses in the region, with limited supply of attached dwellings such as flats, units and apartments. It is forecast that the proportion of separate dwellings will increase from 83% in 2006 to 84.5% in 2031. This means that 86% of new dwellings up until 2031 would be separate dwellings. The proportion of flats, units and apartments is also forecast to increase from 8% in 2006 to 8.6% in 2031 meaning 9.1% of new dwellings would be flats, units or apartments. A corresponding decrease in "other" dwellings (includes houses/flats attached to non-residential premises) is forecast to occur, while semi-detached dwellings and townhouses are forecast to remain constant. However the type of housing constructed in the future will depend on available land, feasibility, market preferences and changing design features.

The report also identifies the range of housing required to meet the changing demographics and housing market characteristics of the area. Firstly, an ageing population will require a range of housing options such as smaller and more manageable housing to allow for ageing in place. These housing options should include universal housing and aged care accommodation, with a range of tenure options available. SGS has examined the current rates of disability by age and how these are accommodated. Based on the forecast population, there will potentially be a need for additional housing for the following number of persons with a disability (2006-2031): adaptable dwellings for 11,200 persons; 300 places in cared accommodation/nursing homes; and 230 places in accommodation for the retired or aged.

Secondly, housing affordability continues to diminish in the region as housing costs continue to rise. An increase in the range of housing options to meet the community's needs and smaller dwellings will assist in improving levels of affordability. In addition more targeted intervention and initiatives by government and community housing organisations that are aimed at increasing the range of housing options and affordability is required (e.g. State and community housing).

And thirdly, a range of specialised and alternative housing is required both now and in the future to maintain diversity, increase housing choice and reduce the risk of volatility in the local housing market. Specialised and alternative housing can include: hotels and motels, crisis accommodation, Indigenous houses, housing for key workers, caravan parks and temporary workers *accommodation. Of particular importance is the provision of specialised accommodation for temporary workers, particularly for when major resource and infrastructure projects commence in the area. An influx of temporary workers and a lack of specialised accommodation for them can greatly impact upon the local housing market with potential for significant housing shortages and increased housing costs.*

There are some significant challenges in providing the scale of housing required in the Gladstone region. There are also significant challenges in facilitating and encouraging the range of housing types and costs to meet the needs of changing demographics and fostering social diversity. A range of strategies should therefore be in place to help facilitate the provision of desired housing options in a positive and sustainable way. This should include a range of planning scheme measures, as well as other actions from a range of Council and external stakeholders.

1 Introduction

1.1 Background and Purpose

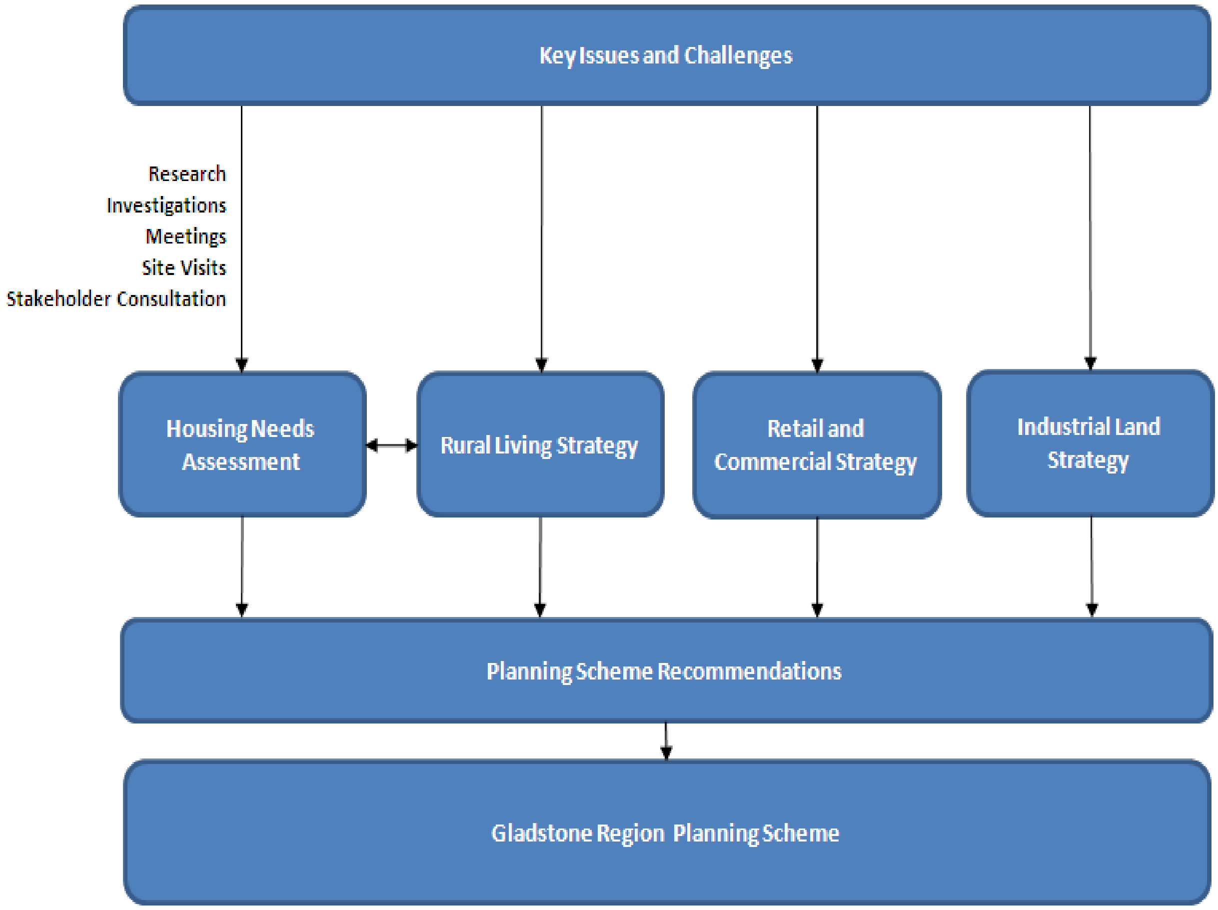
In March 2008, the former shires of Gladstone City Council, Miriam Vale Shire Council and Calliope Shire Council were amalgamated to create the Gladstone Regional Council. The area has a current resident population of approximately 58,000 and is expected to grow by 2.4% per annum to reach approximately 98,000 by 2031. This growth rate is equal fourth highest of all Queensland local government areas, as predicted by the Planning Information and Forecasting Unit (PIFU). Much of this growth can be attributed to the major resource sector projects being undertaken in the area, which are likely to expand over the coming years. As the population in the Gladstone regional area continues to grow, housing demand will continue to remain high. Consequently Gladstone Regional Council needs to plan for this growth, including the provision of a range of housing options to meet the needs of the growing and changing community.

Gladstone Regional Council is currently in the process of preparing a new planning scheme to cover the new region and help address the key issues and challenges facing the area. The new planning scheme will replace the existing Gladstone City Plan, Miriam Vale Shire Planning Scheme and Calliope Shire Planning Scheme and will also be consistent with the *Sustainable Planning Act 2009* (SPA). As part of this process, SGS Economics and Planning (SGS) was commissioned by Gladstone Regional Council to prepare a Housing Needs Assessment and Planning Scheme Analysis to make recommendations on planning scheme provisions for the new planning scheme. The purpose of the project is to provide a Housing Needs Assessment in accordance with *State Planning Policy 1/07 Housing and Residential Development*, in order to achieve more affordable and diverse housing that better meets the needs of the Gladstone region in the future. This report will deliver the Housing Needs Assessment, whereas a separate report will contain the Planning Scheme Analysis.

This report examines the demographic and housing characteristics of the Gladstone region, including the current situation, recent trends and forecast changes. This information has been used to better understand and forecast the housing needs of the Gladstone region in the future, and how to respond to future changes expected in the area.

Figure 1 below illustrates how the Housing Needs Assessment fits in with the overall process of preparing a new planning scheme for the Gladstone Regional Council. Preparation of a new planning scheme will be a key tool to assist in accommodating increased population growth, and providing adequate housing through improved planning controls that better suit the current issues and future housing needs of the region. It is anticipated that a new planning scheme will provide increased opportunities for a range of housing options to suit current and future demands, and encourage social diversity.

Figure 1 Process of Preparing a New Planning Scheme for Gladstone Regional Council



Source: SGS Economics and Planning, 2010

1.2 Requirements of State Planning Policy 1/07

This report has been prepared to develop a Housing Needs Assessment in accordance with *State Planning Policy 1/07 Housing and Residential Development* (SPP). The SPP has effect when a local government prepares a new planning scheme or amends an existing scheme. The outcome sought by the policy is for local governments to:

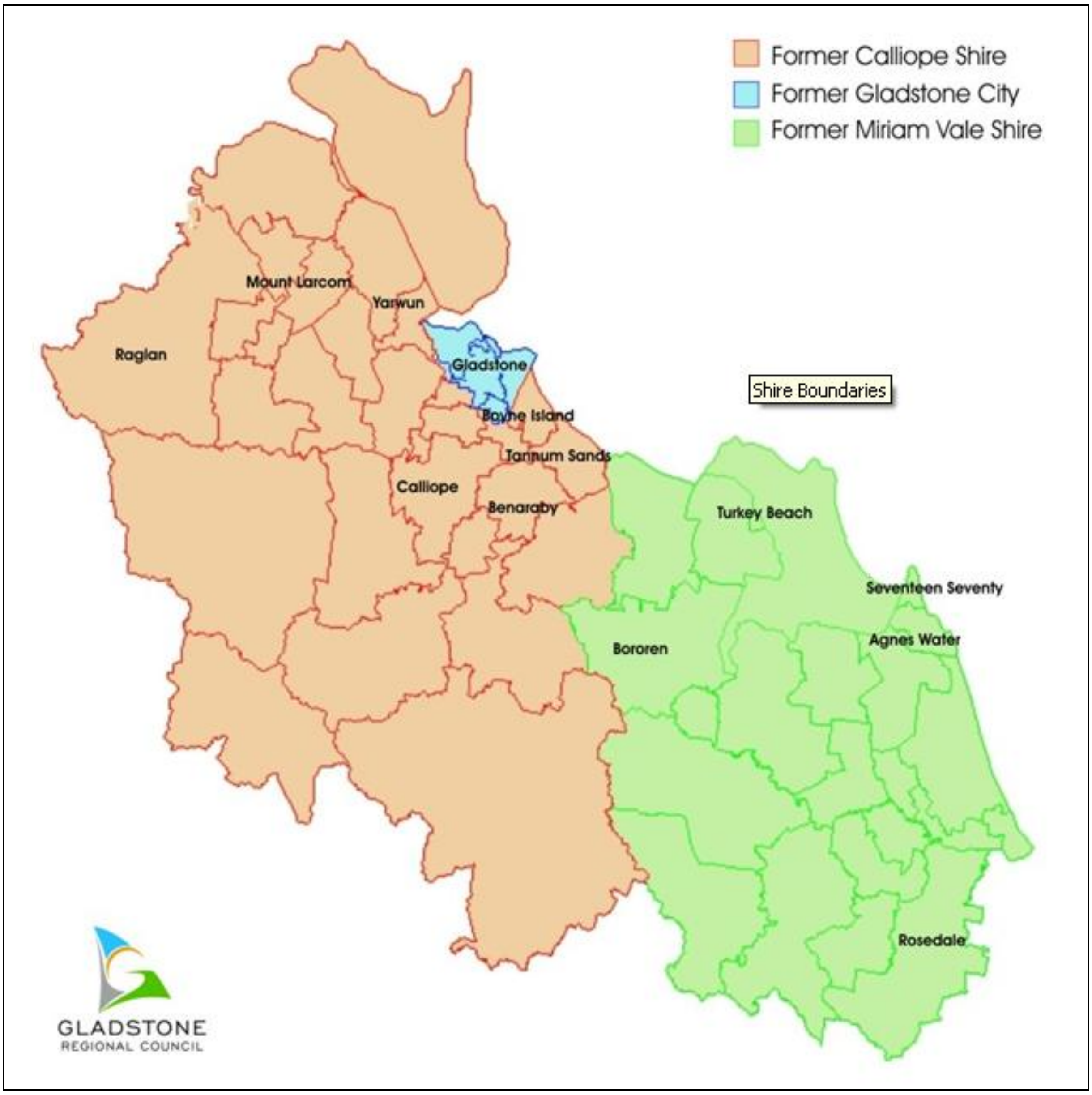
> *"identify the housing needs of their community and analyse, and modify if necessary, their planning scheme to remove barriers to and provide opportunities for a range of housing options that respond to the housing needs of the community."*
>
> Source: Department of Local Government, Planning, Sport and Recreation & Department of Housing, 2007

This Housing Needs Assessment provides the minimum requirements of the SPP, as well as providing additional information to specifically meet the needs of a major regional centre such as Gladstone.

1.3 Geographic Context

In March 2008, the former Shires of Gladstone City Council, Miriam Vale Shire Council and Calliope Shire Council amalgamated to create the Gladstone Regional Council. Figure 2 below shows the former Council boundaries which are still covered by the local planning schemes until the new planning scheme for Gladstone Regional Council is prepared. This is followed by Figure 3 which shows the Gladstone Regional Council Local Government Area in a wider Queensland context.

Figure 2 Former Council Areas of the Gladstone Region



Source: Gladstone Regional Council, 2010

Figure 3 **Gladstone Regional Council Local Government Area in the Wider Queensland Context**

Source: SGS Economics and Planning, 2009

1.4 Overview of the Gladstone Region

Gladstone Regional Council Local Government Area (LGA) is located in Central Queensland, approximately 500km north of Brisbane. The new regional council was formed in 2008 by amalgamating the entire former LGAs of Gladstone City, Calliope Shire and Miriam Vale Shire. In 2009, the Gladstone region had a resident population of approximately 58,000 which is expected to reach approximately 98,000 by 2031.

Gladstone City is the region's principle activity centre, however other key centres include: Calliope, Miriam Vale, Mount Larcom, Boyne Island, Tannum Sands, Town of 1770 and Agnes Water. Key industries operating in the region include: construction; health and community services; education, government, administration and defence; and cultural and recreational services. A number of major industrial and infrastructure projects have been recently proposed or approved for the region, which is expected to result in significant change to the region's demographic and housing market profiles.

1.5 Structure of this Report

Following on from this introduction, this report includes the following sections:

Section 2 highlights some of the key considerations for the provision of housing such as the importance of housing diversity in creating sustainable communities, housing suitability and housing affordability.

Section 3 summarises the key findings from the stakeholder consultation workshop.

Section 4 examines the demographic and housing consumption characteristics of the Gladstone region, including the current situation, recent trends and forecast changes.

Section 5 examines the existing housing stock and the housing market characteristics of the region.

Section 6 identifies the housing needs arising from the research and ways in which the future housing needs of the Gladstone region can be met.

Section 7 takes the housing implications drawn out of the previous sections and clearly identifies the desired housing options for the region. The desired housing options will be a key element of the Housing Needs Assessment, used to establish the appropriate provisions for the new planning scheme, at both at a strategic and development code level.

2 Key Housing Considerations

2.1 Introduction

This section highlights some of the key considerations for the provision of housing such as the importance of housing diversity in creating sustainable communities, housing suitability and housing affordability. These issues will be important considerations to ensure housing can deliver social, cultural and economic benefits for Gladstone residents.

2.2 Benefits of Social Diversity

According to *State Planning Policy 1/07 Housing and Residential Development*, "access to appropriate housing assists individuals, families and communities to contribute to the social and economic wellbeing of the whole community". The State Planning Policy goes on to state that , "the economic and social costs of failing to address housing needs include higher levels of personal and family stress, lower employment growth and lower economic productivity" (Department of Local Government, Planning, Sport and Recreation & Department of Housing, 2007).

People and businesses place an intrinsic value on a diverse social and cultural environment because it makes life more interesting, is more conducive to the development of ideas and productivity, and assists in developing a more vibrant economy. One of the key means of creating a socially diverse community is through the provision of diverse housing which offers a range of sizes, types, tenures and pricing. Therefore is it important to allow for housing diversity within the Gladstone region.

On the topic of social mix, Atkinson (2005) highlights that the perceived benefits of achieving social mix include the opportunities for:

- Encouraging aesthetic diversity and raising aesthetic standards;
- Encouraging cultural cross-fertilisation;
- Increasing equality of opportunity;
- Promoting social harmony by reducing social and racial tensions;
- Promoting social conflict in order to foster individual and social maturity;
- Improving the physical functioning of the city and its inhabitants;
- Helping maintain stable residential areas; and
- Reflecting the diversity of the urbanised world.

Additionally, Gans (1961) strongly advocates for social diversity, suggesting that there are three advantages related to achieving social mix at the neighbourhood scale. The first is the benefits in creating a diverse demographic profile, hence encouraging the long term sustainability of communities. Second, that it promotes tolerance of social difference. Third, that social mix produces a broadening of educational influences on children providing exposure to alternative ways of life.

2.3 Housing Options

Housing diversity supports choice, affordability and efficient land use. It is also essential if the Gladstone region is to protect community values such as inclusion of seniors and diverse family types. In light of changing community characteristics and a reported decline in affordability, the mix of housing in the Gladstone region will need to change over time to address the needs of existing and future residents. This is reinforced by the findings of this Housing Needs Assessment.

In general, diverse housing refers to the availability of the following housing:

- A mix of dwelling types such as:
  - *Detached houses;*
  - *Semi detached houses;*
  - *Flats/units/apartments;*
  - *Boarding lodges/hostels; and*
  - *Caravans and non-permanent dwellings.*
- A range of dwelling sizes (that is the number of bedrooms).
- A range of dwelling densities such as:
  - *Medium to high density, transport orientated developments;*
  - *Medium to low density suburban and town locations;*
  - *Low density rural residential; and*
  - *Very low density in rural locations.*

2.4 Housing Suitability

The Department of Communities (2005) indicates that the following six main characteristics of housing needs to be considered before a dwelling can be considered appropriate and affordable:

- Dwelling and social mix;
- Appropriateness of the dwelling;
- Tenure choice;
- Location of dwellings;
- Quality environmental planning and design; and
- Cost.

The Department of Communities outlines that affordable housing should consider:

- ***Appropriateness of the dwelling***
  Dwellings should be appropriate to the needs and circumstances of the household in terms of the number, size and configuration, safety considerations, the versatility of indoor/outdoor spaces, and ease of physical access, regardless of the physical capacity of household members.

- ***Housing and social mix***
  A range of housing types, tenures and styles should be available to meet the needs of people at different stages of their life cycle and under negative economic circumstances. Planning should seek to avoid the impacts of a housing market that excludes all but relatively high-

income earners. We need to avoid the development of neighbourhoods that do not contribute to community well-being.

- ***Tenure choice***
  Households should enjoy tenure choice and consumer protection, including access to long lease contracts, shared equity arrangements, and cooperative ownership structures, as well as opportunities for home purchase and private rental.

- ***Location of housing***
  Housing should be well located in relation to places of employment and to the range of services, facilities, communication and transport networks required to meet other household needs. Planning and design should ensure that residential neighbourhoods and buildings are compatible with adjacent land uses.

- ***Quality of environmental planning and design***
  Housing planning and design should be responsive to local microclimate and environmental conditions by incorporating energy efficient design principles. Housing should fit into and enhance the neighbourhood, ensure privacy to residents and neighbours, and incorporate the principles of crime prevention through environmental design. Neighbourhood design should promote safe and convenient pedestrian access to local services and facilities.

- ***Cost***
  Low income households (the bottom 40 per cent of households on the income distribution) should spend no more than 30 per cent of their income on mortgage or rental payments. All households should be able to meet the cost of their dwellings, and the longer-term costs of maintenance and energy consumption, while meeting other lifestyle needs.

Source: Department of Communities, 2005

2.5 Housing Affordability

'Affordable housing' is defined as accommodation that is appropriate for low income households in terms of size, standards, and access to services and facilities. Under this definition, housing is only truly affordable if it is well serviced, well-located, safe, secure, and accessible to people in need. 'Affordable housing' is therefore considered broadly in terms of the relationship between the dwelling and residents, and their capacities and needs; it is not solely a physical or financial characteristic of the dwelling and cannot be measured in financial terms alone.

Housing demand emanates from numerous processes, including new household formation due to:

- Population increases, and dependents leaving the family house and forming their own household;
- Couples and families separating / divorcing and requiring separate households; and

- Couples and families seeking different household types due to changes in family/personal lifecycle – such as an addition/subtraction of family members, or through ageing, or because of disabilities.

Over recent years housing demand has been generally changing due to population increases, changing household structures, changes to affordability and increased homelessness. This is placing further pressure on the availability of affordable housing and this is forecast to continue at a high rate into the future. These trends have many implications on the future provision and demand of housing. The challenge is to ensure an adequate housing supply is present to meet a diversity of demands and that, most importantly, the housing in question is affordable, accessible and appropriately located.

Housing has become less affordable for a myriad of reasons, including:

- The cost of housing has increased significantly (well above consumer price index and full time earnings);
- Areas formerly occupied by low income households are under threat from gentrification;
- Rental stock is being converted to owner occupation, particularly by higher income households buying their way into central locations close to services and employment;
- Social trends have contributed to more diverse and smaller households, which often have a lower level of income (i.e. single parent families, lone person households etc); and
- Changes in employment circumstances (e.g. Casualisation of the workforce and growth of part-time employment opportunities) are contributing towards less certainty of income.

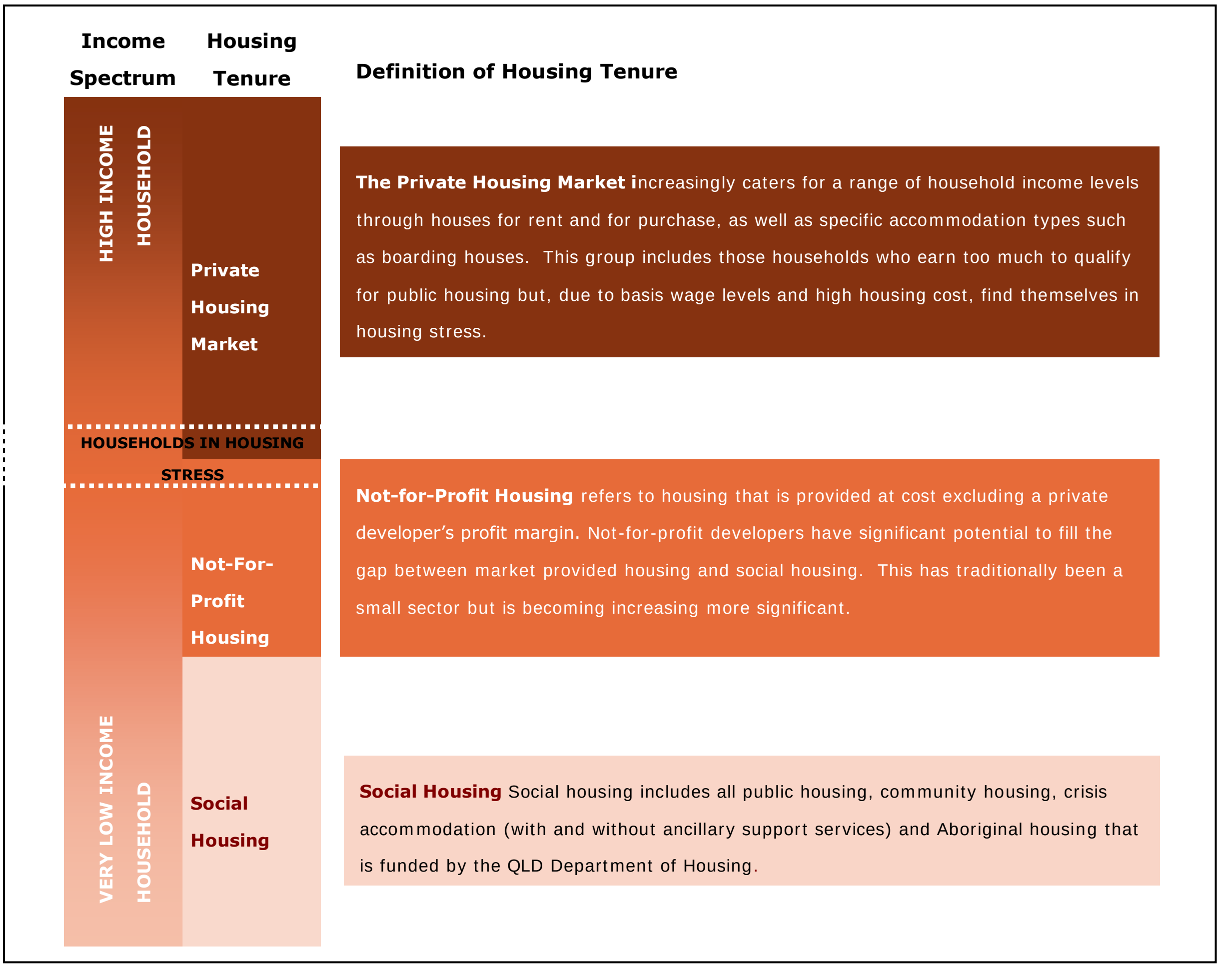
Many people therefore find themselves in a position of housing stress. The consequences of housing stress include a lack of money for food and other essential items such as clothes, education, transport or health care. Housing stress can also impact negatively upon factors such as the incidence of crime, employment prospects, and family and community relationships. The physical manifestation of housing stress may be shown through over-crowding and under-occupancy, homelessness, spatial segregation differentiated by socio-economic status, and physical dilapidation.

Wider impacts include:

- Hindering economic competitiveness if areas cannot attract and retain diversity in occupation type and status within the local labour market. A robust economy will include moderate and low paid key workers (i.e. nurses, teachers, police officers, various maintenance operatives etc), as well as more highly paid knowledge workers.
- Lack of community cohesion if high and low income earners are spatially segregated. This can then increase the incidence of crime and mistrust within the community. In addition, a segregated community can have negative impacts on local industries. The tourism industry, in particular, is one sector which draws upon the image and substance of a region's social (and physical) environment.

As shown in Figure 4 below, there is a continuum of affordable housing from social housing to private housing catering for households with a range of income levels. The Queensland Housing and Homelessness Service (part of the Department of Communities) currently provides public housing assistance to very low income households, particularly those households in severe disadvantage and with special needs. The private housing market increasingly caters for the needs of low and moderate incomes households through houses for rent and for purchase, as well as specific accommodation types such as boarding houses. Generally, these groups include those people who earn too much to qualify for public housing but not enough to comfortably pay their weekly rent.

Figure 4 **Spectrum of Affordable Housing Need**



Source: SGS Economics and Planning, 2008

2.6 Master Planned Communities and Housing Mix

In the Queensland context, master planned communities predominately attract young families, first home buyers and retirees according to Woolcock (2004). Gwyther (2003) further suggests that master planned communities are likely to also cater for middle and high income earners looking to invest and protect their economic assets. Although master planned communities may be developed with particular socio-demographic or socio-economic population in mind, the trend towards housing diversity (as discussed in the previous section) enables for a greater mix of people from all social and cultural backgrounds (referred hitherto as 'social mix'). This together with adequate provision of supportive infrastructure such as educational, employment and community facilities, create potential opportunities for encouraging social interaction and cohesion.

There is an abundance of literature regarding the impact that master planning can have on housing mix and affordability. Housing mix refers to a range of dwelling types (detached, multi-unit, town houses, villas, duplexes, flats, etc) and price points (including to purchase, low cost purchase, rental, short stay, managed housing, supported housing, etc). As people move through different stages within their life cycle, they often demand different types of housing to suit their particular needs and situations. For example, Yigitcanlar, Dodson, Gleeson and Sipe (2005) suggest that in contrary to traditional practice, there is a trend towards providing higher density living options rather than single detached dwellings within master planned communities. This trend towards providing mixed housing types ensures that master planned communities cater for a range of living options whilst supporting a consolidated development and encouraging pedestrian and cycle accessibility within the development. Further, in a separate report, Yigitcanlar et al (2005) suggest that the increasing level of mixed housing types within master planned communities allows for more affordable living options for a variety of residents. Therefore adequate attention should be given to providing a range of housing options in greenfield development, but also ensuring that higher density residential is concentrated near activity centres, public transport and services.

2.7 Universal Housing

Defining Universal Housing

Universal housing is a broad term used to explain housing that aims to meet the needs of a diverse range of user groups, irrespective of age, mobility and health status through the provision of universal design features. It provides the flexibility for people to easily modify their homes with minimal cost and inconvenience as their circumstances or physical abilities alter, eliminating the need to relocate. Universal design is not currently a common building practice in Australia, however it is becoming increasingly recognised as Australia's population ages and different community groups with different needs are recognised.

Universal housing includes adaptable design features that can be considered when designing or building new dwellings, or undertaking renovations. The provision of universal housing can be considered by designers, developers, home owners, users of private housing and public housing bodies and applied to a range of housing options such as private homes, retirement villages and public housing.

Examples of adaptable design features include:

- Movable and changeable walls – walls that can be moved and altered in width to accommodate wheelchair access and mobility or to make a room larger;
- Adaptable bench tops – bench top heights can be adjusted according to need;
- Bathrooms and laundries with built-in multi-use features such as safety and support railings;
- The ideal positioning of light switches, locks, security devices and air comfort controls; and
- Minimum stairs outside and inside to enable the free movement and use of wheelchairs and other mobility devices.

Cost Implications of Universal Housing

Dwellings built to universal design initially cost more than standard dwellings. Initial construction costs are higher as suppliers are not tooled to provide the required products, and the design and building practice takes longer to develop or change. Additional costs are also attributed to the extra space required for the bathroom and bedrooms, largely for improved access and mobility.

Although the initial construction costs are higher for dwellings with adaptable features, universal housing can be cost effective in the long term. Design for adaptability enables rapid response to changing life needs, saving costs on retrofitting homes or possible relocation. Universal design features also increases the building's serviceable life span prior to remodelling, with associated financial, energy and material savings. Universal houses are also attractive housing options for the greatest number of people and therefore can have higher resale values and marketability.

Guidelines for Universal Housing

The Australian Standard for Adaptable Housing (AS 4299 – 1995) is the primary guideline used for the design and construction of universal houses. The guideline is heavily based upon standards and best practice for accessible and mobility. The principles, classification levels and performance requirements for universal housing in the Australian Standard are outlined below.

Principles

The Australian Standard for Adaptable Housing (AS 4299 – 1995) provides guidance for the design and construction of universal housing. It identifies the following principles:

(a) Adaptable housing design is good design for everyone;

(b) Adaptable housing should be possible at relatively little extra initial cost;

(c) The concept will provide safer houses;

(d) Continuation of existing community and family networks; and

(e) Suitability for people with any level of ability.

Classification Levels

The Australian Standard for Adaptable Housing (AS 4299 - 1995) provides three classification levels for universal houses as follows:

Adaptable house class A: All essential and all desirable features incorporated.
Adaptable house class B: All essential and 50% desirable features incorporated.
Adaptable house class C: All essential features incorporated.

Performance Requirements

Based on the above principles, the Australian Standard for Adaptable Housing identifies the following key requirements for the design and construction of universal housing:

(a) ***Visitability:*** *To be visitable by people who use wheelchairs, in that there must be at least one wheelchair accessible entry and path of travel to the living area and to a toilet that is either accessible or visitable.*

(b) ***Avoidance of level changes:*** *To have no steps and to avoid level changes where possible.*

(c) ***Manoeuvrability:***
(i) To provide space sufficient to manoeuvre a wheelchair within a living area, the kitchen and an accessible path of travel linking these areas. (NOTE: Although not required for visitability, the kitchen is included as an initial spatial requirement for manoeuvrability, as there is significant expense involved in changing the kitchen layout at a later date).
(ii) To provide space sufficient to manoeuvre a wheelchair within a bedroom, a bathroom and a toilet or to provide a design and details whereby after adaptation there will be sufficient space to manoeuvre a wheelchair within these facilities and an accessible path of travel linking these facilities to the entry, living and kitchen areas.

(d) ***Ease of adaptation:*** *If the design for adaptation requires further demolition of walls then these walls shall be non load-bearing and free of electrical and plumbing services.*

(e) ***Ease of reach:*** *To provide electrical controls, taps, and some shelves and cupboards at levels to suit people who use wheelchairs.*

(f) ***Future laundry facilities:*** *To provide laundry facilities that after adaptation will be accessible to people who use wheelchairs. Those laundry facilities may be external to the adaptable housing unit, providing a wheelchair accessible path of travel is available from the adaptable housing unit to the laundry facilities.*

Source: Committee ME/64, 1995

Universal Housing Requirements by Local Government

The report titled 'Provisions for Adaptable Housing by Local Government in New South Wales' (Elenor, 2006) highlights that numerous LGAs in New South Wales have set out provisions for universal housing within their development controls plans. Most of these provisions relate to setting minimum requirements for the proportion of universal housing required in new multi-unit developments, however some LGAs have also set requirements and ratios for areas zoned as mixed use.

The report indicates that in most cases, the requirement for universal housing is set at around 10% of the total number of units in a development required to achieve a Class C level certification based on the Australian Standard for Adaptable Housing (AS 4299) as set out in the above section. The report also notes that in some cases, the proportion of universal housing has been set to a higher standard where certification of Class A or Class B is required.

The report also indicates that some LGAs have set their requirements for universal housing based on a range of different factors such as the number of storeys in the residential development or the slope of the land. Table 1 and Table 2 below provide an indication of two different methods used to establish the level of universal housing within two LGAs in New South Wales.

Table 1 Willoughby Council Requirements for Universal Housing Units

New Development Type	% of Universal Housing
Multi-unit single storey	10
Multi-unit 2 storey	25
Multi-unit 3 storey	33
Multi-unit more than 3 storey	50
Residential Development in Business Zone	50 (if there is an elevator)

Source: Willoughby City Council, 2006

Table 2 Blue Mountains City Council Requirements for Universal Housing in Dual Occupancy Developments

Slope of Land	Universal Housing Class
Less than 1:14	A
Between 1:8 – 1:14	B
Greater than 1:8	C

Source: Blue Mountains City Council, 2005

The requirements for universal housing vary between different LGAs and often reflect the characteristics of the local area. Factors such as age and disability demographics, the current market supply of universal housing and the actual need all require consideration when establishing a standard of requirements for universal housing. Requirements for universal housing in Queensland LGAs are not currently regulated.

It should also be noted that it is difficult to regulate for the provision of universal housing in a planning scheme as a high proportion of housing does not trigger a development application. It may be that the provision of universal housing is best promoted through education of developers and home buyers to raise awareness of the benefits and raise market demand.

2.8 Dwelling Occupancy and Utilisation by the Aged and Retired

A report by Judd et al. examines the under-occupancy of dwellings by older Australians and provides some interesting perspectives on the size of dwellings and how they are utilised by the aged and retired. The report clearly differentiates the concepts of housing occupancy and housing utilisation. The authors state that housing occupancy refers to the relationship between the number of permanent residents and the size of the dwelling expressed in terms of bedroom numbers. Housing utilisation is somewhat a broader term that refers to how effectively a space in a dwelling is used.

A Canadian National Occupancy Standard (CNOS) was developed to assist in estimating the housing need and is primarily used to determine overcrowding. This standard has been widely accepted in Australia and adopted by the ABS and the Australian Institute of Health and Welfare as a measure of both overcrowding and housing utilisation.

While the CNOS may be used as a measure for overcrowding, its use as a measure of housing utilisation is problematic in that it is difficult to quantify. This is particularly the case with occupants who are aged or retired and the way in which they utilise their space. For example the presence of temporary residents such as children and grandchildren, additional time spent in the home following retirement, alternative use of rooms for activities associated with post-retirement, as well as the importance of psycho-social aspects of the home such as meaning and familiarity are difficult to quantify.

The views expressed by Judd et al. are important considerations when assessing the appropriateness of a dwelling. It highlights that occupancy rates alone are not an entirely accurate representation of how appropriate a dwelling is in terms of size and that various lifestyle factors can influence the suitability of a dwelling based on the level of utilisation. The study challenges the assumption that older people do not use the housing stock efficiently and should therefore be encouraged to downsize to more "appropriate" sized housing. However, it should also be noted that there will be a trade off between the desire for a larger house with more space (and the associated benefits) and the practical difficulties of maintenance and upkeep, particularly as mobility and ability levels decline.

3 Consultation Findings

On Friday the 13th of August a stakeholder consultation workshop was held in Gladstone in order to get the most up to date information and views on housing issues and opportunities in the Gladstone region. Local input was an important part of the Housing Needs Assessment in order to gain a thorough understanding of local housing needs and the appropriate responses. A range of key stakeholders attended the workshop which included a mix of local government, private industry, service providers and community representatives.

Participants had an opportunity to identify what they believed were the key housing issues pertinent to the Gladstone region. These issues related to several overarching themes which included: housing diversity, capacity to deliver housing, aged accommodation, affordable housing, special needs housing, crisis housing, welfare housing and the provision of infrastructure and services. The key findings of the stakeholder workshop are summarised below.

Housing Diversity

A lack of housing diversity was identified as the greatest concern regarding housing in the Gladstone region. There is a need for a broader range of dwelling types (both attached and detached) and sizes (both large and small), as well as a broader range of lot sizes and densities. There were conflicting views regarding the creation of smaller lot sizes and higher residential densities, with some stakeholders supporting the idea and others opposing the idea. In general, it was agreed that lot sizes and residential densities should largely depend on the location of the development and how it is integrated and dispersed throughout the existing housing market. It was reported by Council that during consultation for the planning scheme review residents have articulated their preference for larger lot sizes and dwellings. It was reported that residents see such housing as one of key attractions of the area, and it allows room for children to play, to store a boat, build a shed, and associated lifestyle choices. However, it was also noted that such large housing is currently very affordable and this may change in the future. There will also be households which prefer smaller dwellings or attached dwellings. Participants also identified the need for a greater mix of neighbourhoods, both in terms of the housing stock and the demographic profile of residents. The challenge of educating the community to accept a more diverse range of housing was also a key finding.

Capacity to Deliver Housing

The capacity for the market to deliver the supply and type of housing in demand is a key concern for local stakeholders. There is a limited amount of land available for future residential development and more residential zones need to be created to accommodate future population growth.

The ability to construct dwellings in a timely fashion is of particular concern, both due to the administrative processes associated with development and the capacity of businesses to deliver the supply of housing that will be required in the future. Participants also noted the need to quickly respond to population growth as major industrial projects commence in the region. The management of construction peaks and planning for the optimum permanent settlement pattern were also mentioned.

Accommodation for the Aged and Retired

With an ageing population, accommodation for the aged and retired was a key concern for local stakeholders. Participants identified the need for a wider range of aged accommodation options, with both high and low levels of care available. More independent housing options should also be available for the aged and retired, particularly smaller sized dwellings with good accessibility and manoeuvrability for disabled persons. These should be located in areas with convenient access to community services and facilities. It was generally considered that some ageing residents of the Gladstone region must move out of the area to access appropriate aged care accommodation.

Affordable Housing

A lack of affordable housing in the Gladstone region was of high concern to all the stakeholders. Currently housing is relatively affordable, however, there is a need for specific affordable housing for low income earners. There is also concern that recent declining affordability will continue, therefore placing housing affordability pressure on a wider range of income earners. Low income earners, people on welfare benefits and larger families with two or more dependent children were identified as target groups to supply affordable housing. Caravans were identified as an important source of affordable accommodation in the region. Participants also highlighted the need for a greater supply and diversity of public and community housing stock. Industrial projects were also identified as having a major impact on housing prices.

Special Needs Housing

Special needs housing was identified as a key consideration for future housing provision in the region. In particular, universal housing with adaptable features should be available in the future given the ageing population. The lack of accommodation suitable for single person households (usually on a single income) was identified as an important issue, particularly as household sizes decrease. Caravans, cabins and relocatable homes were identified as possible options for the supply of alternative (and more affordable) housing.

Crisis Housing

The Gladstone region has a lack of crisis accommodation and short term housing. The demand for crisis, transitional and temporary accommodation is currently high as a result of numerous social issues such as family breakdowns, with a large proportion of those seeking assistance being youth. The impact of industrial projects on housing affordability was identified as a key concern for the region, and is likely to increase the demand for crisis, transitional and temporary accommodation in the future.

Welfare Housing

There needs to be a wider range of housing options accessible to welfare recipients. People on welfare benefits are often refused housing by real estates, making it difficult to for these people to acquire suitable and permanent accommodation.

Infrastructure and Services

The role of infrastructure and services was identified as a crucial consideration for residential development. In particular, there is a high need for improved public transport services of various modes that link residential neighbourhoods to key community services and facilities. Furthermore, residential development should be ideally located close to employment, community services and facilities.

4 Demographic and Housing Consumption Characteristics

4.1 Introduction

This section of the report examines the current and forecast demographics and housing consumption characteristics of the Gladstone region in order to better understand the housing needs both now and into the future. Section 4.2 will examine the characteristics of the whole Gladstone region, whereas Section 4.3 will provide more detail by examining the statistical local areas (SLAs) that make up the region. The Gladstone region is made up of the following SLAs:

- Calliope Part A;
- Calliope Part B;
- Gladstone; and
- Miriam Vale.

The information in this section comes from a range of sources including a Housing Analysis Review (2010) and Housing Market Report (2009) produced by the Department of Communities, as well as other documents and resources relevant to this study. The data contained in these materials come from a range of sources such as the Australian Bureau of Statistics (ABS) and the Planning Information and Forecasting Unit (PIFU).

4.2 Region Wide Reporting

4.2.1 Population

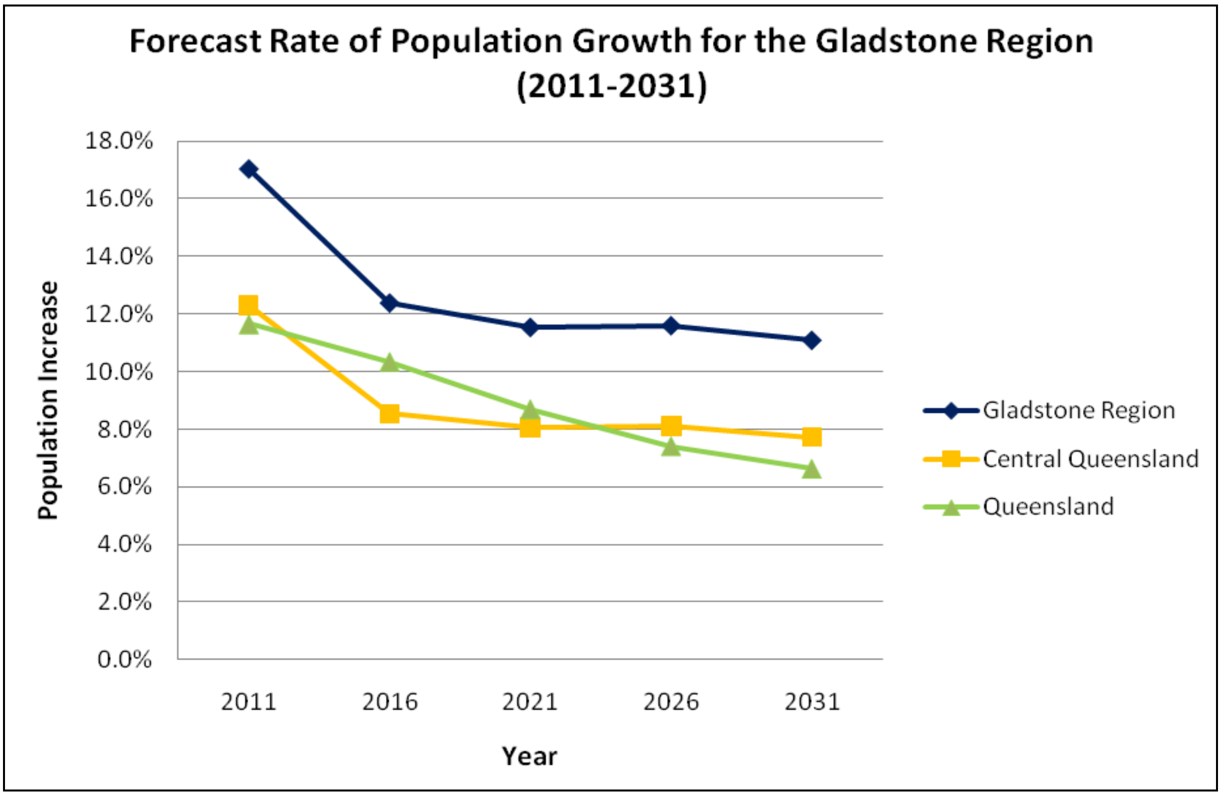
Current Situation and Recent Trends

In 2006 the Gladstone region had a resident population of 53,941, with the current estimated population for 2010 being approximately 58,000 (Estimated Resident Population from PIFU). This is an increase of 12% since 2001, when the population was 47,659. This increase is higher than both Central Queensland (8%) and Queensland (10%) for the same period.

Forecast

Population projections indicate that the Gladstone region will experience a population increase of 82% from 53,941 people in 2006 to reach approximately 98,041 by 2031. This is a significant increase compared to that of Central Queensland (53%) and Queensland (53%). During this same period, the annual rate of population growth will slowly decline; this is similar for both Central Queensland and Queensland (see Figure 5 below).

Figure 5 **Forecast Rate of Population Growth for the Gladstone Region, Central Queensland and Queensland (2011-2031)**



Source: PIFU forecasts in Department of Communities, Housing Analysis Review, 2010 (Table 3 LGA)

Housing Implications:

- The Gladstone region has a growing population which will continue to place pressure on the local housing market to provide the level of housing needed. This is likely to place upward pressure on housing costs if supply is not meeting demand.
- Gladstone has experienced sharp peaks of housing growth associated with major projects followed by times of little housing activity. This makes it difficult to maintain a good housing supply at all times.

4.2.2 Population Distribution

Current Situation and Recent Trends

The Gladstone Regional Council area is made up of a number of communities which have various population, demographic characteristics and growth forecasts. These communities are summarised in Table 3 below. It should be noted that the distribution of growth is currently being reviewed by the Planning Information and Forecasting Unit (PIFU) and is expected to be revised as a result. Currently most of the forecast growth is expected to occur around Boyne Island-Tannum Sands, and Calliope, with significant growth also expected in Agnes Water-Seventeen Seventy.

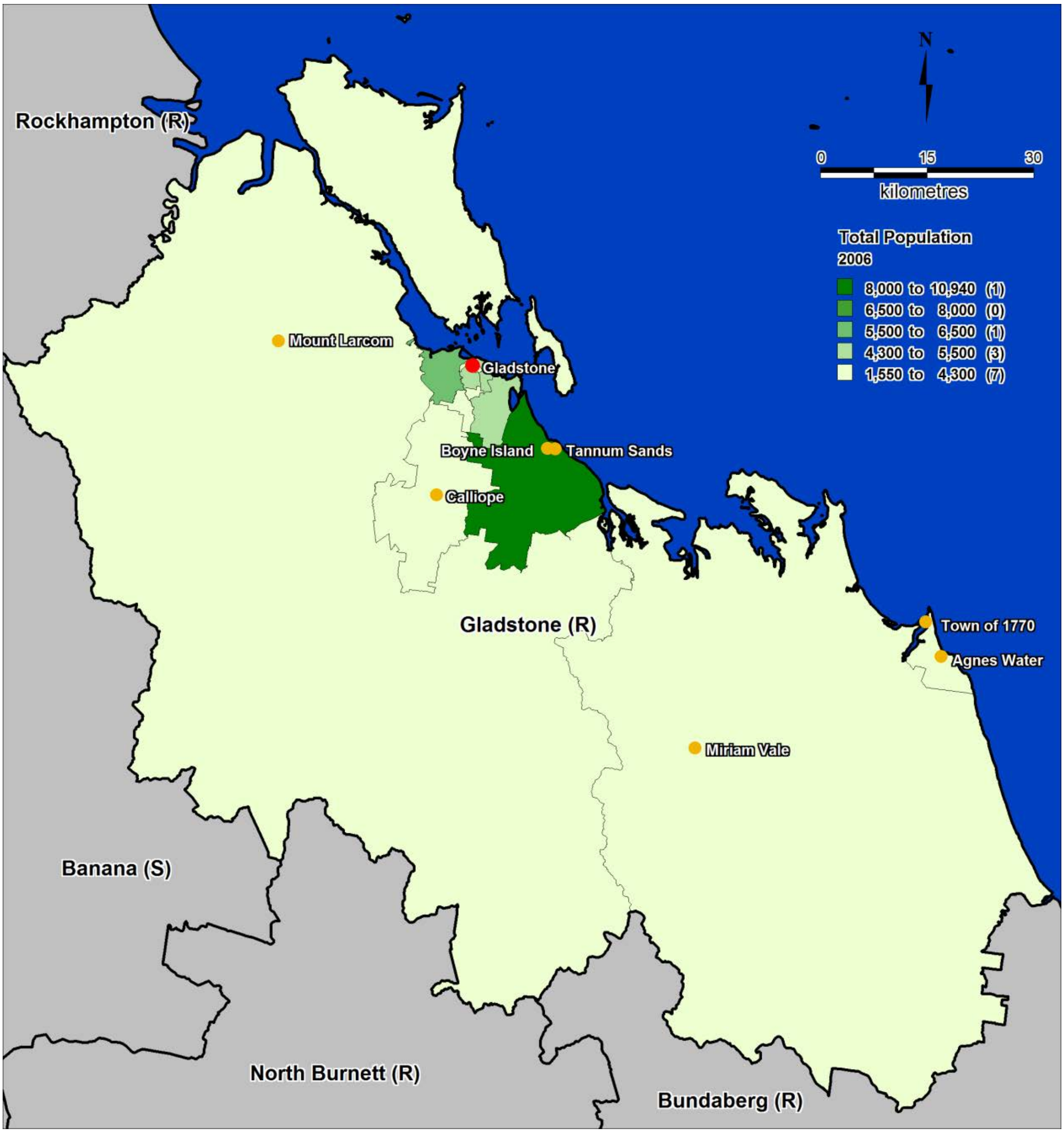
Table 3 Gladstone Regional Communities Snapshot

Community	Current Population (2006)	Forecast Population (2031)	Forecast Population Growth	Character
Agnes Water - Seventeen Seventy	1,790	6,800	5,010	Coastal communities with a retirement and tourist focus.
Boyne Island – Tannum Sands – Benaraby – Wurdong	10,940	26,300	15,360	Population mainly in the coastal communities of Boyne Island and Tannum Sands (near the Boyne Island Smelter).
Calliope (incl. Beecher and Burua)	3,760	16,800	13,040	Inland from Gladstone, near the Bruce Highway.
Clinton – Byellee - Callemondah	6,270	8,000	1,730	Western extent of Gladstone suburban area, including airport and north to the port.
Gladstone City	1,550	3,110	1,560	The central part of Gladstone, including the original shopping centre and surrounds.
Kin Kora – Sun Valley	3,690	4,300	610	Residential suburbs and parkland area located south-west of the City.
New Auckland - Kirkwood	4,280	6,180	1,900	Suburbs west of the City and including a number of large emerging residential areas.
Rural South East – Miriam Vale	3,670	5,100	1,430	Large area in south east of the LGA, mainly rural but including towns such as Miriam Vale and Bororen.
Rural West	2,920	3,720	800	Large western and northern area of LGA including Curtis Island and State Development Area.
South Gladstone – Barney Point	5,010	5,700	690	Includes City waterfront industrial land, south of the City and beachside suburb of Barney Pt.
Telina – South Trees – Glen Eden - Toolooa	5,110	6,500	1,390	Southern edge of Gladstone either side of Gladstone/ Benaraby Rd, with most residential areas to the west of this road.
West Gladstone	4,990	5,500	510	Area immediately west of Gladstone City.

Source: PIFU population figures, 2008

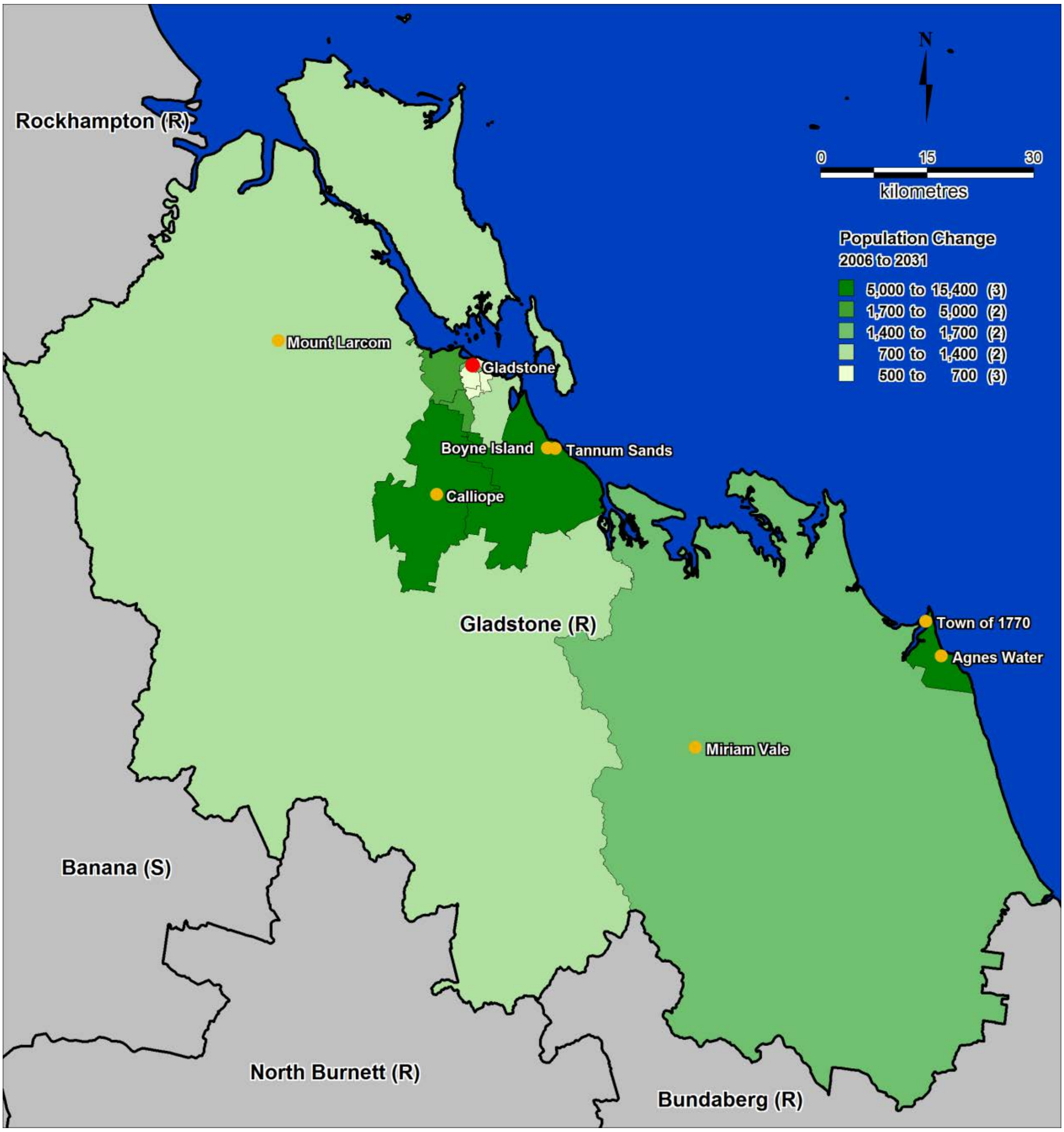
Figure 6, Figure 7 and Figure 8 below graphically illustrate the distribution of population in the Gladstone region in 2006, the forecast change in population between 2006 and 2031 and the forecast population distribution in 2031.

Figure 6 Population Distribution in the Gladstone Region in 2006



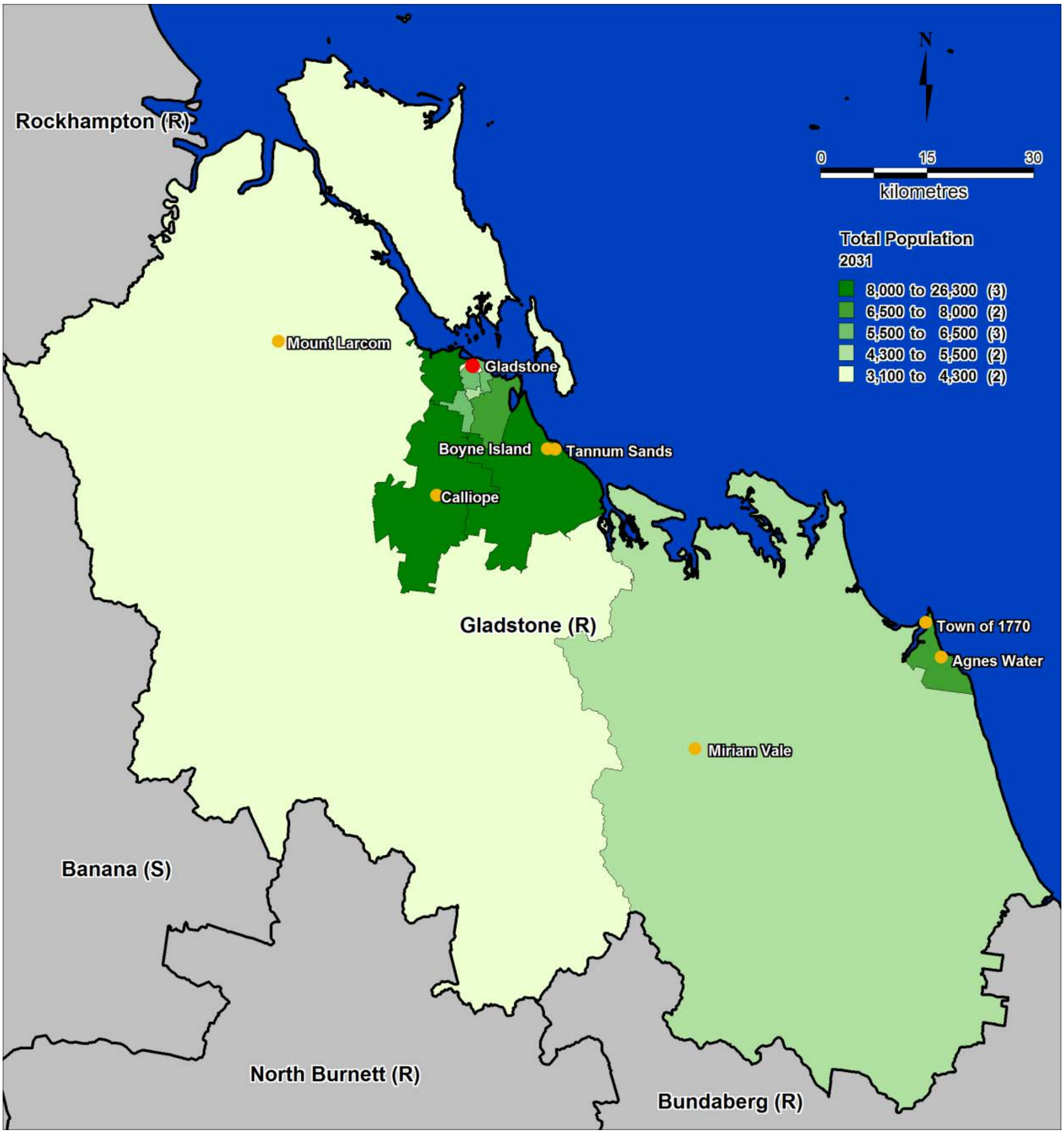
Source: PIFU population figures, 2006

Figure 7 Forecast Population Change in the Gladstone Region between 2006 and 2031



Source: PIFU population figures, 2008

Figure 8 Forecast Population Distribution in the Gladstone Region in 2031



Source: PIFU population figures, 2008

Housing Implications:

- There are a number of different areas for development in the Gladstone region with different opportunities to provide housing.
- Growth pressures are concentrated in key locations due to employment, amenity and access to services.

4.2.3 Household Type

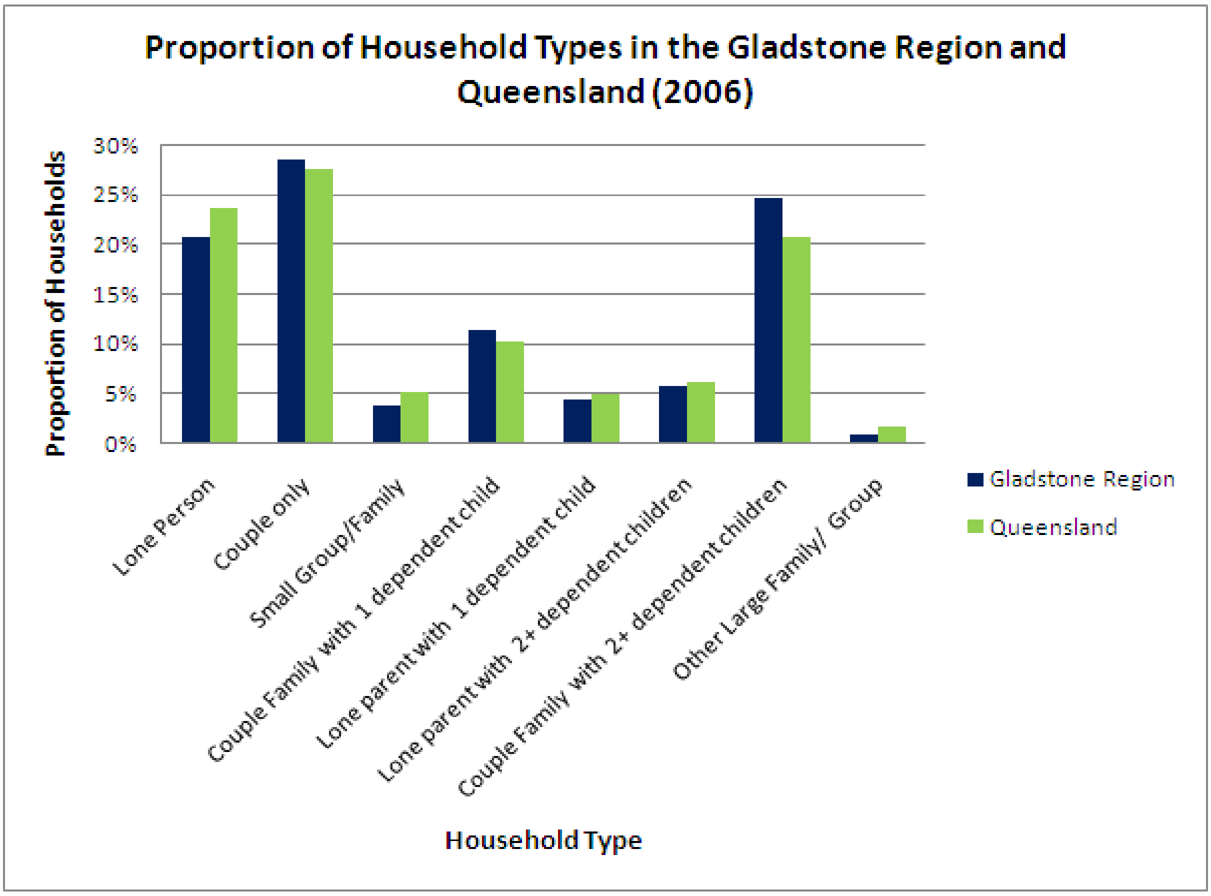
Current Situation and Recent Trends

Household type describes the mix of people living together that make up a household. This is a strong determinant of the types of housing that a household will choose as housing needs to be large enough to accommodate the household group. While higher income households may more easily afford larger dwellings based on their preference rather than need, smaller households with low incomes are forced to pay higher housing costs if they cannot find smaller housing.

In 2006, the Gladstone region had 17,064 occupied private dwellings that were comprised of different household types as shown in Figure 9 below. Like Queensland, the main household types were couple only, couple family with two or more children and lone person. Of these, couple only households accounted for the largest proportion of household types (28%).

The Gladstone region had a similar breakdown of household types compared with Queensland, however Gladstone had a slightly higher proportion of couple families with two or more children and a slightly lower proportion of lone person households.

Figure 9 Proportional Breakdown of Household Types in the Gladstone Region and Queensland in 2006



Source: PIFU forecasts in Department of Communities, Housing Analysis Review, 2010 (Table 25A LGA)

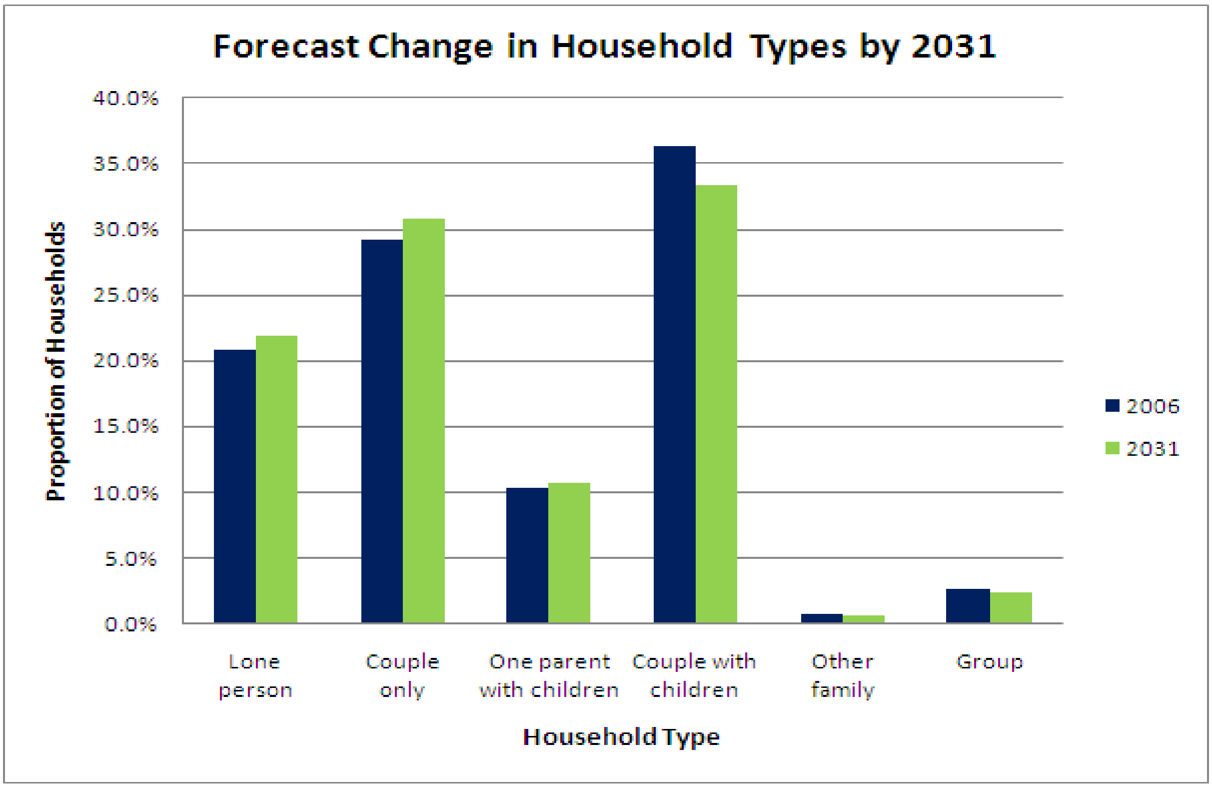
Forecast

The Department of Communities Housing Analysis Review provides a forecast for changes in household types between 2006 and 2031. On this basis the main changes to household types in the Gladstone region are expected to be:

- A decline in the proportion of couple with children households and group households; and
- An increase in the proportion of lone person and couple only households.

Figure 10 below compares the breakdown of household types in the Gladstone region for 2006 and those projected for 2031.

Figure 10 Breakdown of Household Types in the Gladstone Region for 2006 and those Projected for 2031



Source: PIFU forecasts in Department of Communities, Housing Analysis Review, 2010 (Table 3C LGA)

Housing Implications:

- The proportion of smaller household types such as lone person and couple only households is expected to increase, whereas the proportion of larger households is expected to decrease.
- Both these trends indicate that household size will generally decline and more households will be required in relation to the population. This may increase the demand for smaller and more affordable housing as there is less likelihood of households having a dual income to cover housing costs.

4.2.4 Age

Current Situation and Recent Trends

The age profile of the Gladstone region will influence the makeup of household types and therefore influence the preferred dwelling types and size.

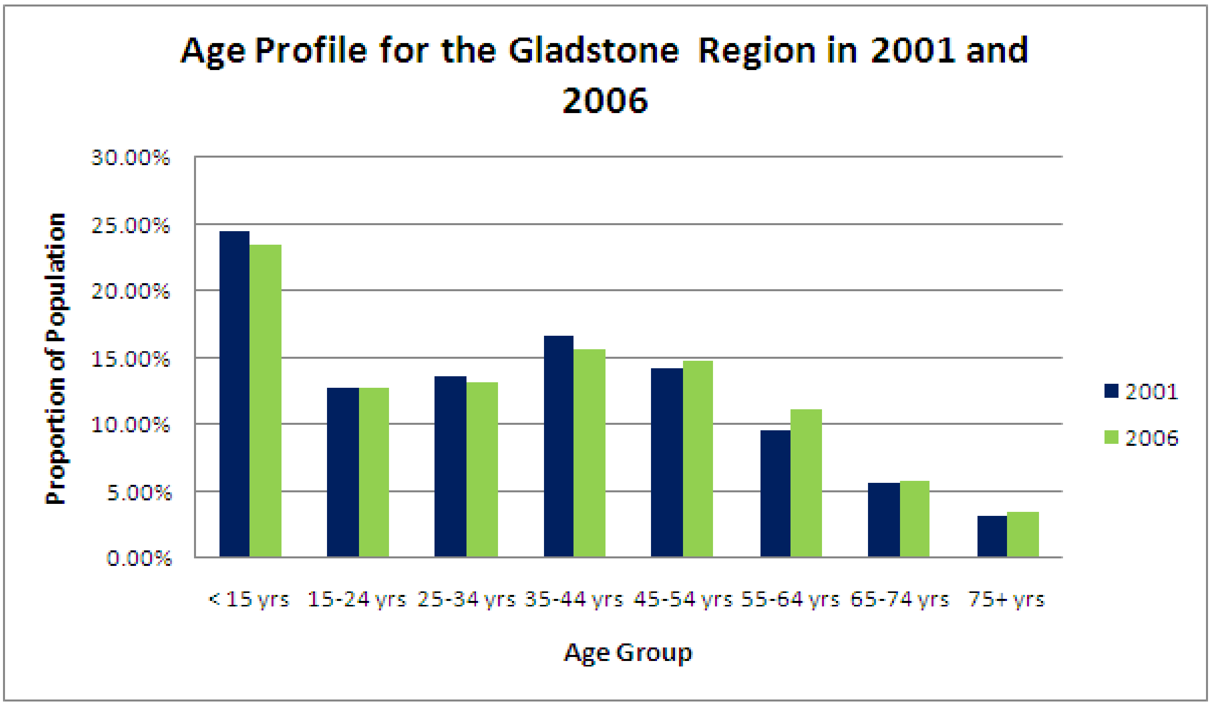
The most common age group in the Gladstone region is 0-15 years, which is consistent with Central Queensland and Queensland. 35-44 years sis the second largest age group, followed closely by 45-54 years old and 25-34 years old. Those aged over 75 years represented the smallest age group.

In 2006, the Gladstone region had a lower proportion of people aged 45 years and over (35.2%) compared to Central Queensland (36.6%) and Queensland (38%). Instead, the Gladstone region had higher proportions of people aged under 15 years (23.4%) and 35-44 years (15.7%) than Central Queensland and Queensland.

Overall, these figures indicate that the Gladstone region age profile is dominated by youth aged under 15 years and middle aged persons between 35 and 54 years. Conversely, the proportion of older persons aged over 65 years is much lower compared to Central Queensland and Queensland.

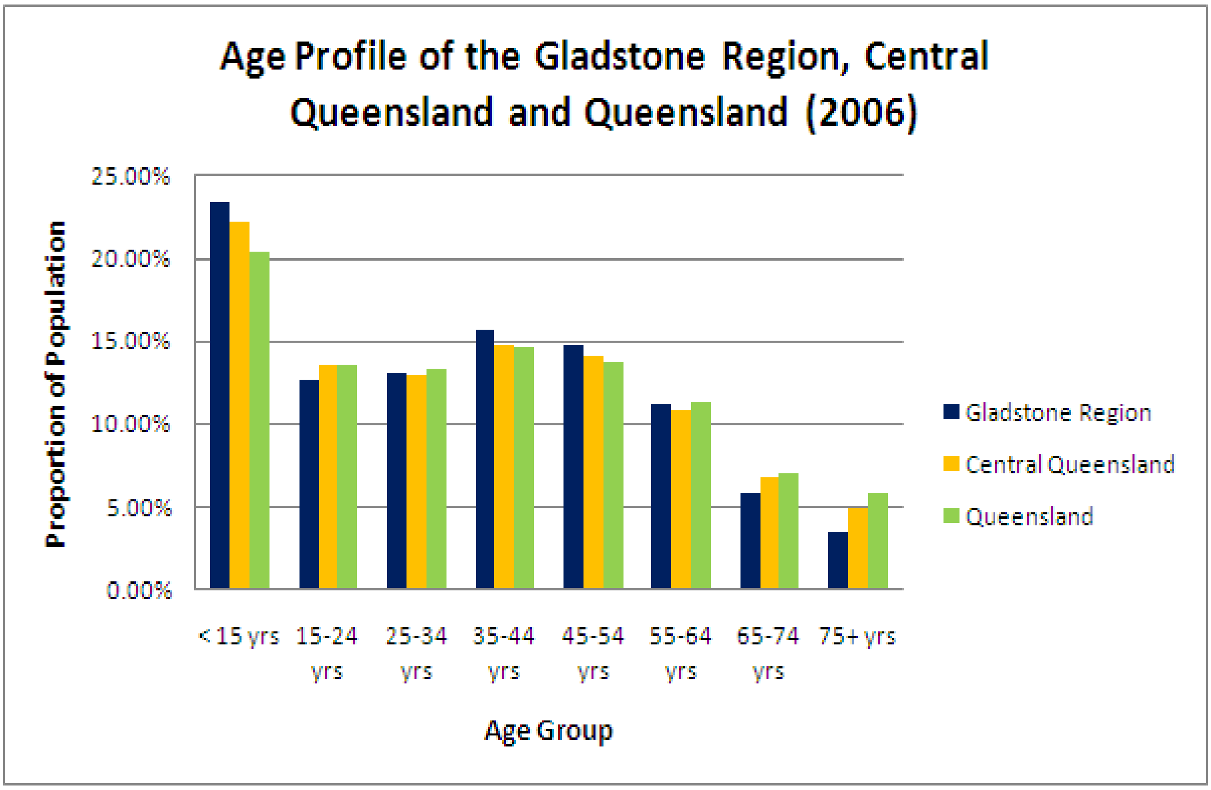
Figure 11 below illustrates the age profile of the Gladstone region in 2001 and 2006. This is followed by Figure 12 which compares the age profile of the Gladstone region with Central Queensland and Queensland in 2006.

Figure 11 Age Profile for the Gladstone Region in 2001 and 2006



Source: ABS data in Department of Communities, Housing Analysis Review, 2010 (Table 2 LGA)

Figure 12 **Age Profile for the Gladstone Region, Central Queensland and Queensland in 2006**

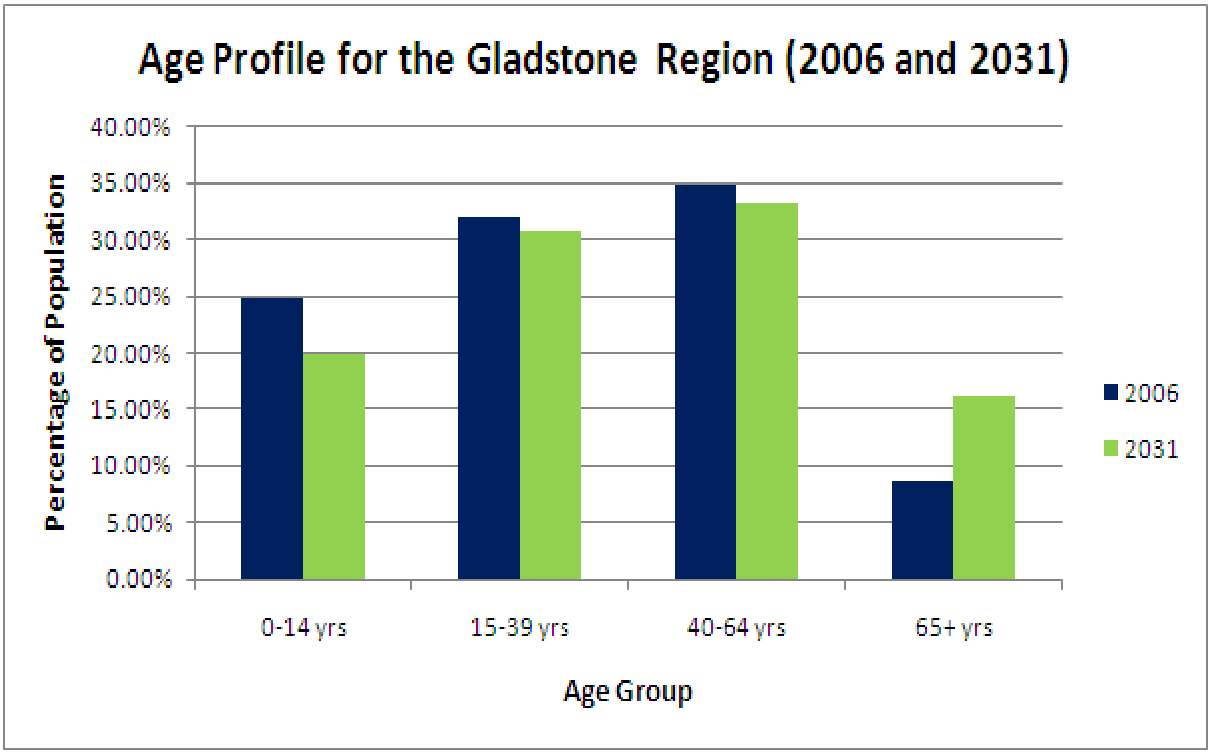


Source: ABS data in Department of Communities, Housing Analysis Review, 2010 (Table 2 LGA)

Forecast

As shown in Figure 13 below, the age profile is expected to change in the Gladstone region by 2031, with a higher proportion of people in the 65+ year old age bracket. This is balanced by a decrease in the proportion of 0-14 year olds, 15-39 year olds and 40-65 year olds. These changes are similar to that of Central and Queensland, indicating an ageing population across the State.

Figure 13 **Age Profile for the Gladstone Region in 2006 and Forecast for 2031**



Source: PIFU forecasts in Department of Communities, Housing Analysis Review, 2010 (Table 3A LGA)

Housing Implications:

- The proportion of population in the older age cohorts (65 +) has increased in the Gladstone region between 2001 and 2006, while all other age cohorts decreased in proportion. This trend is forecast to continue up to 2031.
- The age cohorts currently in the area indicate a high proportion of prime working age persons with young families.
- A small proportion of 15-24 year olds indicate that many in this group may leave the area for education or employment.
- Like Central Queensland and Queensland, the Gladstone region has an ageing population. This means there is likely to be a greater number of lone person and couple only households, which is consistent with the household type forecasts.
- An increase in the proportion of higher age cohorts is likely to result in higher demand for smaller, low maintenance dwellings, retirement villages, independent living units and aged care facilities.
- However, the current small proportion of those aged over 65 years may indicate that as older residents need specific living arrangements or aged care, they are forced to leave the area. To achieve the concept of ageing in place (allowing people to live in the same area as they pass though various life stages), more housing suited to the elderly is required. Currently, a large proportion of the aged and retired in the Gladstone region relocate to surrounding places such as Rockhampton, Harvey Bay and Bundaberg to source adequate accommodation and care.

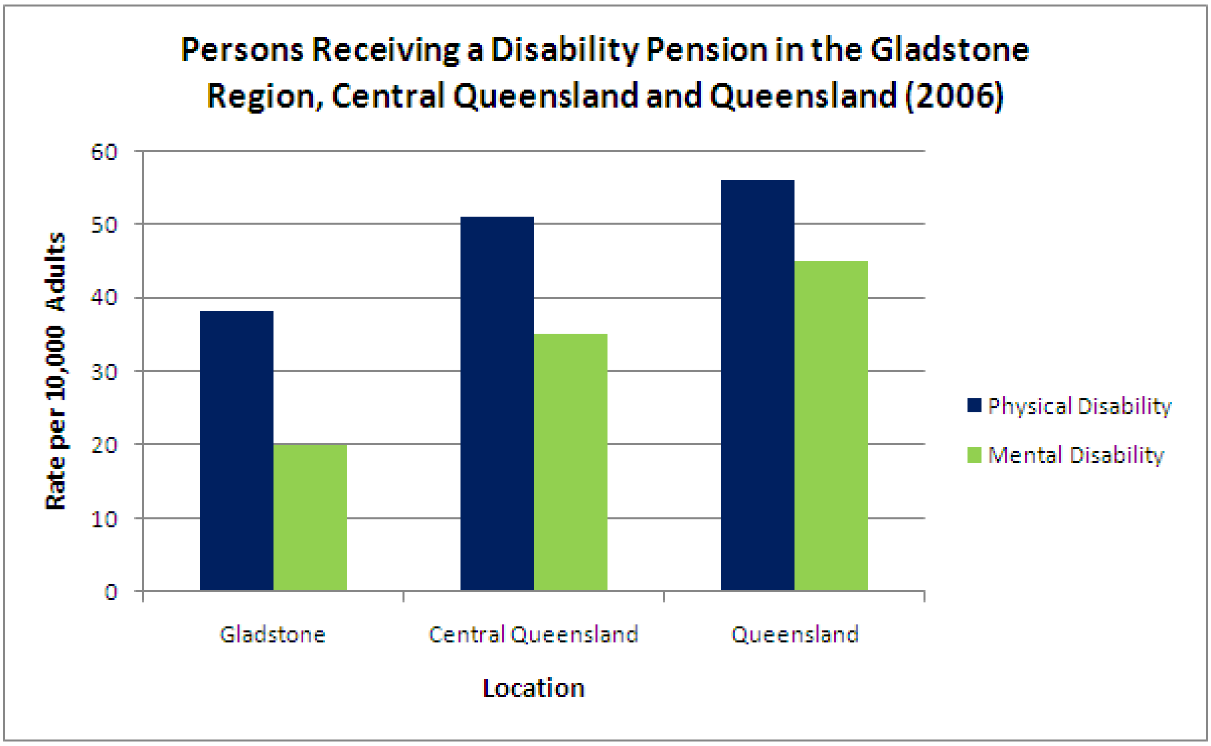
4.2.5 Disability

Current Situation and Recent Trends

The level of disability in the Gladstone region provides an indication of the need for specialised housing or housing that can be built or adapted to meet the housing needs (universal housing). Features of specialised housing apply to the access points of a dwelling, as well as throughout the dwelling itself. Needs can include full wheelchair accessibility, railings and ramps for mobility and special aid features such as handles, switches and electronic gadgets.

Figure 14 below compares the rates of people receiving a disability pension in the Gladstone region, Central Queensland and Queensland. The figures indicate that the Gladstone region has a lower rate of people receiving a physical disability pension or mental disability pension compared to Central Queensland and Queensland. However, the region has a significantly higher proportion of people with disabilities aged less than 65 years (61.6%) requiring assistance with core activities than Central Queensland (52.9%) and Queensland (49.5%), most of whom live in their own/private dwelling.

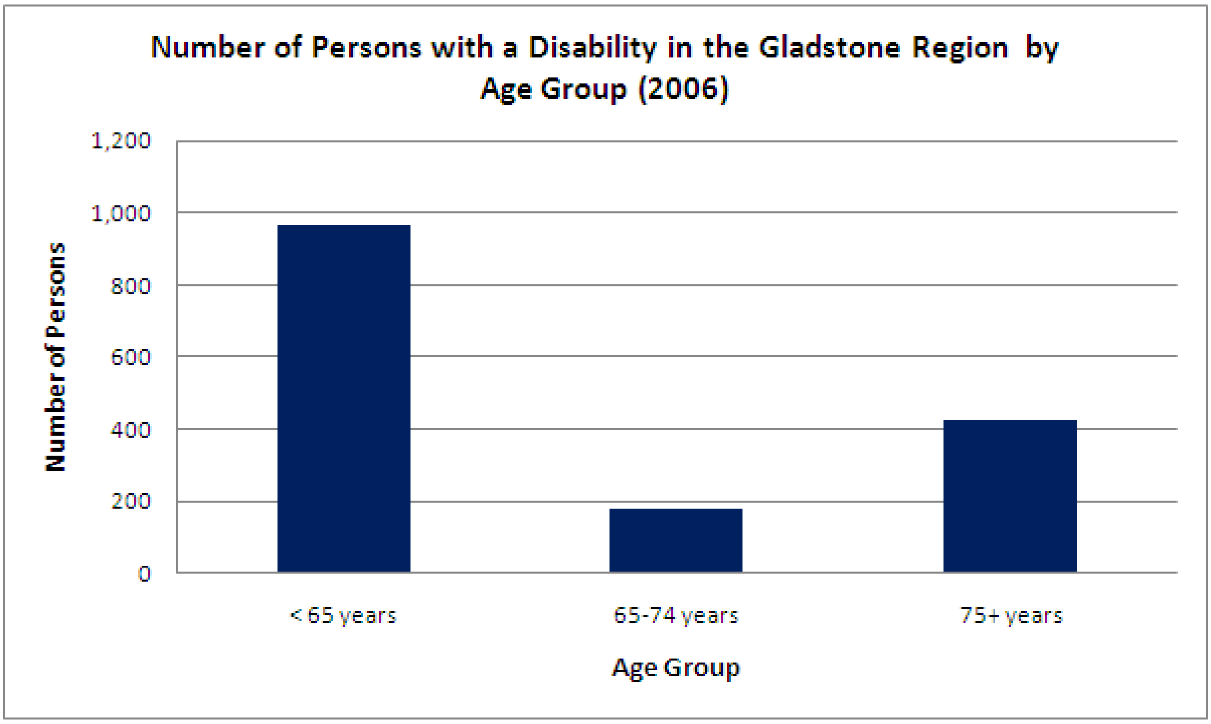
Figure 14 Persons Receiving a Disability Pension in the Gladstone Region, Central Queensland and Queensland in 2006



Source: Department of Family and Community Services, Housing Dataset of Centrelink in Department of Communities, Housing Analysis Review, 2010 (Table 6 LGA)

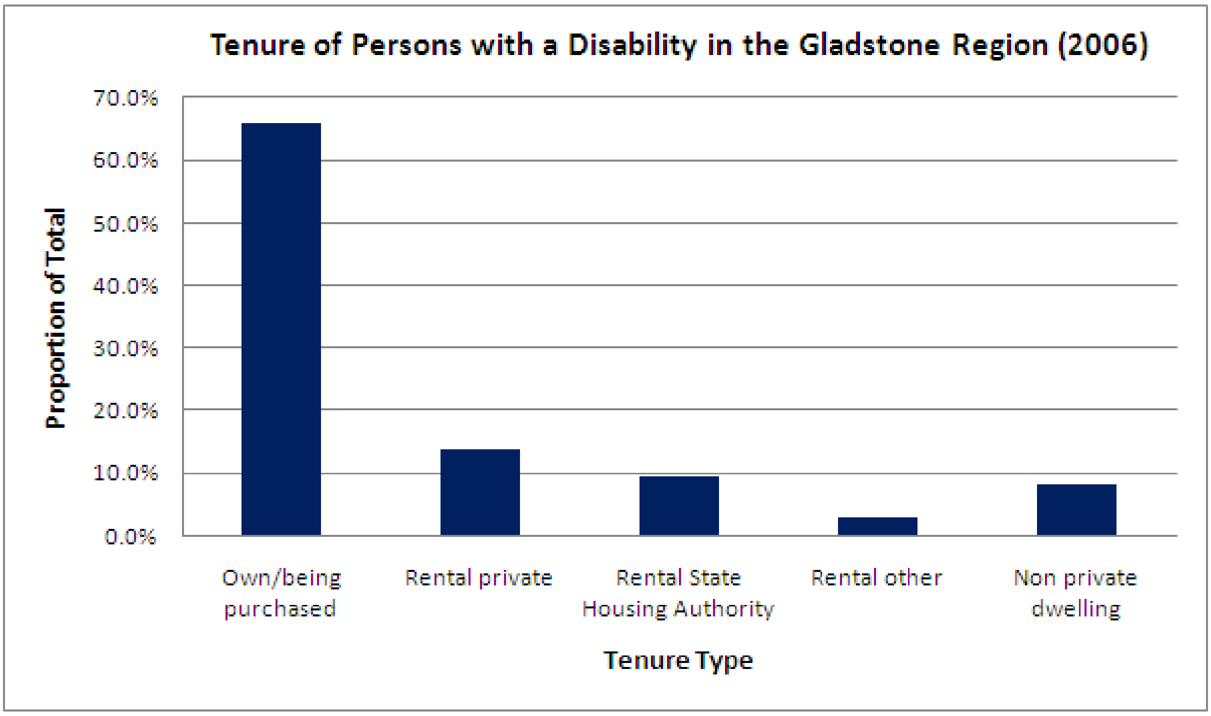
Figure 15 and Figure 16 provide a breakdown of disability according to age group and housing tenure. It should be noted that these figures are based on Centrelink records of persons with a disability and therefore may not account for all people with a disability.

Figure 15 **Number of Persons with a Disability in the Gladstone Region According to Age Group in 2006**



Source: ABS data in Department of Communities, Housing Analysis Review, 2010 (Table 4 LGA)

Figure 16 **Housing Tenure of Persons with a Disability in the Gladstone Region in 2006**



Source: ABS data in Department of Communities, Housing Analysis Review, 2010 (Table 4 LGA)

In order to estimate the rate of disability in the future SGS used rates of disability by age group established by the ABS Survey of Disability, Ageing, and Carers (2004). This estimate should be considered as indicative only as it is based on 2003 survey data for all of Queensland and assumes disability rates will remain constant and the rate of disability by age breakdown is similar for the Gladstone region as it is for Queensland. Disability rates may change over time due to medical advances and improved technology. Table 4 below shows the number of people with a disability estimated for each five increment up to 2031 in the various age groups.

Table 4 Estimated Persons with a Specific Limitation or Restriction in Redland from 2006 to 2031

Age Group	2006	2011	2016	2021	2026	2031
0-14	864	950	1032	1118	1210	1305
15-64	5681	7071	7825	8603	9424	10307
65+	2385	3199	4271	5425	6925	8525
TOTAL	8,930	11,220	13,128	15,146	17,559	20,137

Source: PIFU forecasts in Department of Communities, Housing Analysis Review, 2010 (Table 4 LGA); and ABS Survey of Disability, Ageing and Carers, Australia – Summary of Findings 2003, 2004

Housing Implications:

- The Gladstone region has a significantly high proportion of people with disabilities aged less than 65 years requiring assistance with core activities compared to Queensland, most of who live in their own/private dwelling. This highlights the need for special needs housing (e.g. universal housing) that is not only targeted at the elderly, but also younger age cohorts.
- Most housing for the disabled has previously been in private dwellings, therefore a broader range of universal housing options are required.

4.2.6 Indigenous Persons

Current Situation and Recent Trends

In 2006, the proportion of Indigenous persons in the Gladstone region was 3.3%, which is lower than that of Central Queensland (5.0%) and Queensland (3.5%). However, it is noted that of the 51,000 people surveyed, nearly 3,000 respondents did not state whether they were Indigenous or non-Indigenous.

Indigenous households tend to accommodate larger than average family groups and often include extended family members. Indigenous households therefore generally require larger dwellings that are likely to have higher housing costs. This is expected to reduce the level of housing affordability amongst Indigenous households.

Housing Implications:

- Indigenous households tend to accommodate larger than average family groups and often include extended family members.
- Indigenous households require larger dwellings that are likely to have higher housing costs; therefore specific affordable, larger dwellings need to be available for this group.

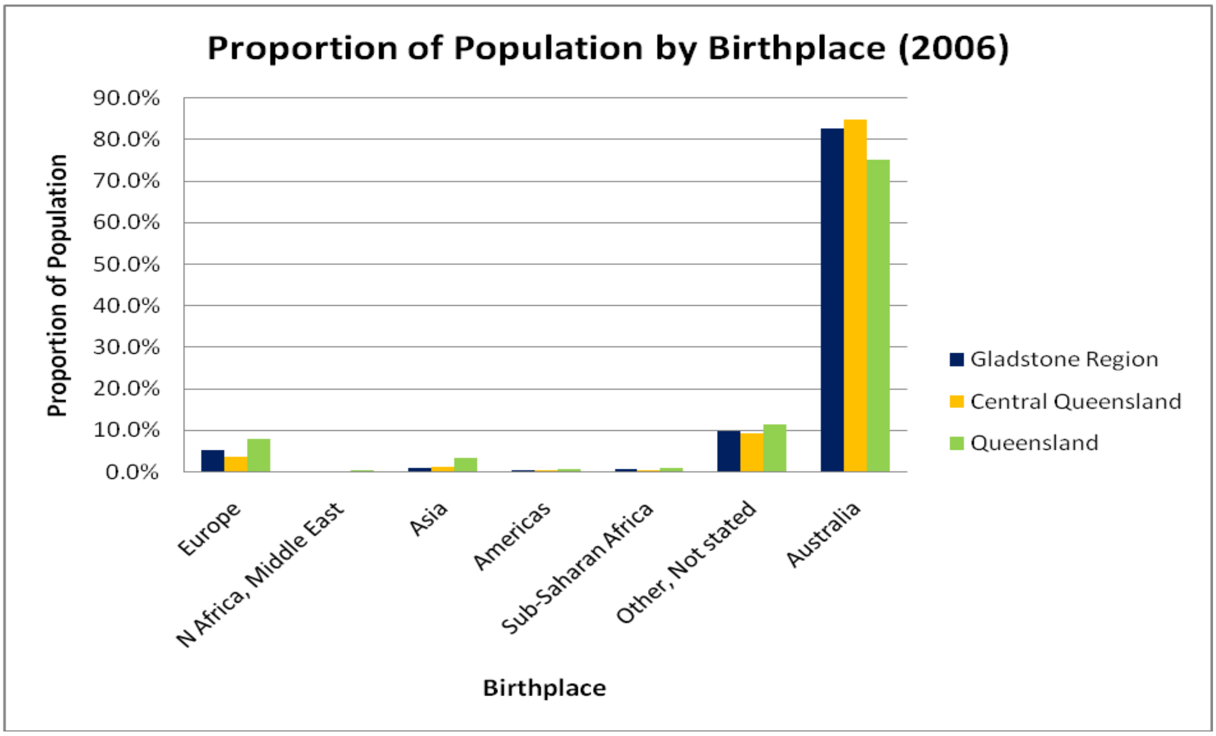
4.2.7 Birthplace and Cultural Diversity

Current Situation and Recent Trends

In 2006, the Gladstone region (82.6%) and Central Queensland (84.8%) recorded higher proportions of people who were born in Australia compared to Queensland (75.2%), indicating relatively less cultural diversity in the Gladstone region. Europe was the most common birthplace other than Australia for the Gladstone region (5.2%), followed by Asia (1.0%) and Sub-Saharan Africa (0.8%). Both Central Queensland and Queensland followed the same pattern. 9.9% of the respondents in the Gladstone region selected "other/not stated" as their place of birth.

Overall, the Gladstone region has relatively low levels of cultural diversity, with most residents being born in Australia. Figure 17 below provides a breakdown of birthplace for residents in the Gladstone region compared to Central Queensland and Queensland.

Figure 17 Breakdown of Birthplace as a Proportion of the Population in the Gladstone Region, Central Queensland and Queensland in 2006



Source: ABS data in Department of Communities, Housing Analysis Review, 2010 (Table 8 LGA)

Housing Implications:

- Although the Gladstone region has little cultural diversity, a variety of housing options should still be available to suit various cultural needs such as preferences for high or low density housing and large or small households.

4.2.8 Employment

Current Situation and Recent Trends

In 2006, the Gladstone region (68.1%) had a slightly greater proportion of people working full time than Central Queensland (67.8%) and Queensland (64.7%). The Gladstone region has a high proportion of residents working in the areas of:

- Construction (19.9%);
- Health and Community Services (12.8%);
- Education, Government, Administration and Defence (12.7%); and
- Cultural and Recreational Services, Accommodation, Cafés and Restaurants, Personal and Other Services (12.6%).

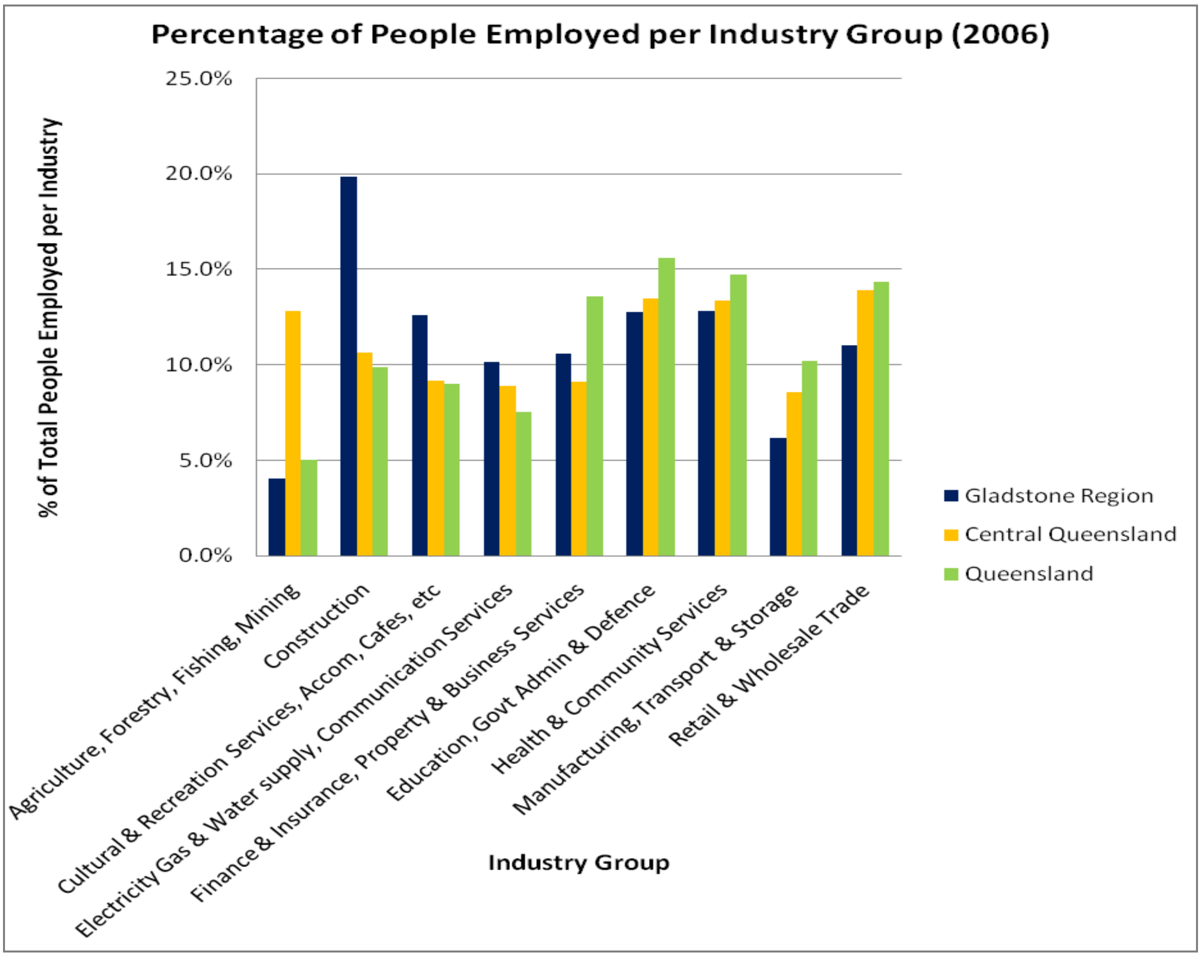
The proportion of people employed in the construction industry was significantly higher in the Gladstone region compared to Central Queensland and Queensland.

The Gladstone region has a small proportion of residents working in the areas of:

- Agriculture, Forestry, Fishing and Mining (4.1%); and
- Manufacturing, Transport and Storage (6.2%).

Generally the Gladstone region has employment dominated by heavy industry, associated services, retail, and agriculture outer lying rural areas. Figure 18 below shows a full breakdown of people employed per industry group for the Gladstone region, Central Queensland and Queensland.

Figure 18 **People Employed per Industry Group in the Gladstone Region, Central Queensland and Queensland in 2006**



Source: ABS data in Department of Communities, Housing Analysis Review, 2010 (Table 9 LGA)

Notes:
Employed persons excludes overseas visitors.
Full time workers refers to those working more than 35+ hours on average per week.
These figures are from the 2006 ABS Census and changes may have occurred since then, therefore these figures may not present an accurate breakdown of current employment figures per industry.

Key Workers

A key worker is a public service employee who is considered to provide an essential service to the community. Examples of key workers include: teachers, doctors, nurses, police officers, ambulance officers, fire fighters and defence personnel.

Key workers often need to be located close to their place of work due to shift work or being "on call". To live close to their place of work, housing in such areas also needs to be affordable. If not, the ability to attract and retain key workers is more difficult, and this can have wider implication for the local economy. In response to this issue, numerous housing initiatives have been developed aimed at making housing more affordable for key workers such as government subsidised housing and staff quarters.

The Australia Bureau of Statistics (ABS) provides information on key workers for the Gladstone region under the three headings of Public Administration and Safety, Education and Training and Healthcare and Social Assistance. Table 5 below shows the rates of key workers in the Gladstone region compared to Queensland. It should be noted that these figures have been calculated using ABS data for each former SLA that now make up the Gladstone region.

Table 5 Number of Key Workers in the Gladstone region and Queensland in 2006

Industry of Employment	Gladstone Region	Queensland
Public Administration and Safety	966 (4.1% of total workers in all industries)	122,418 (6.7% of total workers in all industries)
Education and Training	1,669 (7.0% of total workers in all industries)	139,092 (7.6% of total workers in all industries)
Healthcare and Social Assistance	1,469 (6.2% of total workers in all industries)	186,332 (10.2% of total workers in all industries)
Total Key Workers	4,104 (17.2% of total workers in all industries)	447,842 (24.5% of total workers in all industries)
Total Workers in all Industries	23,839	1,825,001

Source: ABS, Industry of Employment by Occupation, Census of Population and Housing, 2006

In 2009 BankWest released its latest annual *National Key Worker Housing Affordability Report* which tracked housing affordability for key workers in key local government areas across Australia. BankWest measures annual median house prices data compared with earnings data to calculate the level affordability for houses in a given area. It uses the benchmark of 1:5, meaning an area is classified as unaffordable if the median house price is more than five times the annual salary of a key worker.

The results of the study show that the median price of a house in the Gladstone region is 4.8 times the average annual earnings of a key worker, marginally below the benchmark of 5. Therefore house prices are currently considered affordable for key workers in the Gladstone region, based on BankWest's benchmark.

Based on this study, Gladstone was more expensive than other regional centres in the Central Queensland region such as Rockhampton (4.1), Bundaberg (3.6) and Harvey Bay (4.4). Compared to other regional centres across Queensland Gladstone was more affordable than Cairns (5.1), Townsville (4.9), Mackay (5.2), Brisbane (7.0) and the Gold Coast (6.9).

The large amount of industrial activities and major infrastructure projects expected for the region are likely to put pressure on the current supply of housing, consequently pushing housing costs up and decreasing the level of affordability for key workers. While key workers are important for a region and its social services, it is important to also consider award wage workers and the contribution they make to the economy.

Housing Implications:

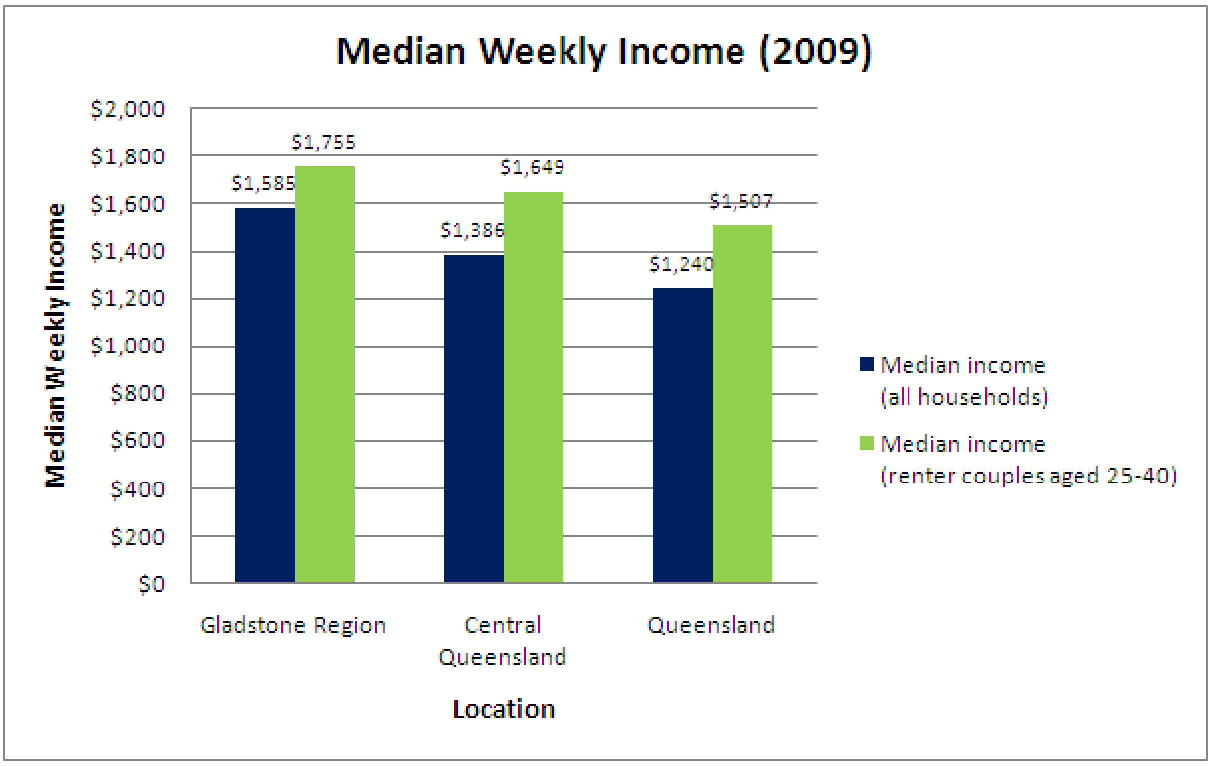
- The breakdown of people working in different industry sectors is expected to experience significant change as major infrastructure projects approved and proposed for the region commence. For example key workers may be more inclined to seek alternative employment as new opportunities relating to the industrial sector open up. Furthermore, the influx of new workers may put further pressure on the local housing market, increasing the cost of housing for local residents, including key workers.
- With key workers making up 17.2% of all workers in the Gladstone region it is important that appropriate and affordable housing is available to attract and retain them.
- As the economy of the Gladstone region develops key workers will continue to play an important role but housing affordability may decline, making appropriate key worker housing a more important issue.

4.2.9 Income

Current Situation and Recent Trends

In 2009, the median income level across all households in the Gladstone region was $1,585, higher than both Central Queensland ($1,386) and Queensland ($1,240). The median income for renter couples aged 25-40 years in the Gladstone region was also higher than Central Queensland and Queensland. A comparison of the median incomes for the Gladstone region, Central Queensland and Queensland is shown in Figure 19 below.

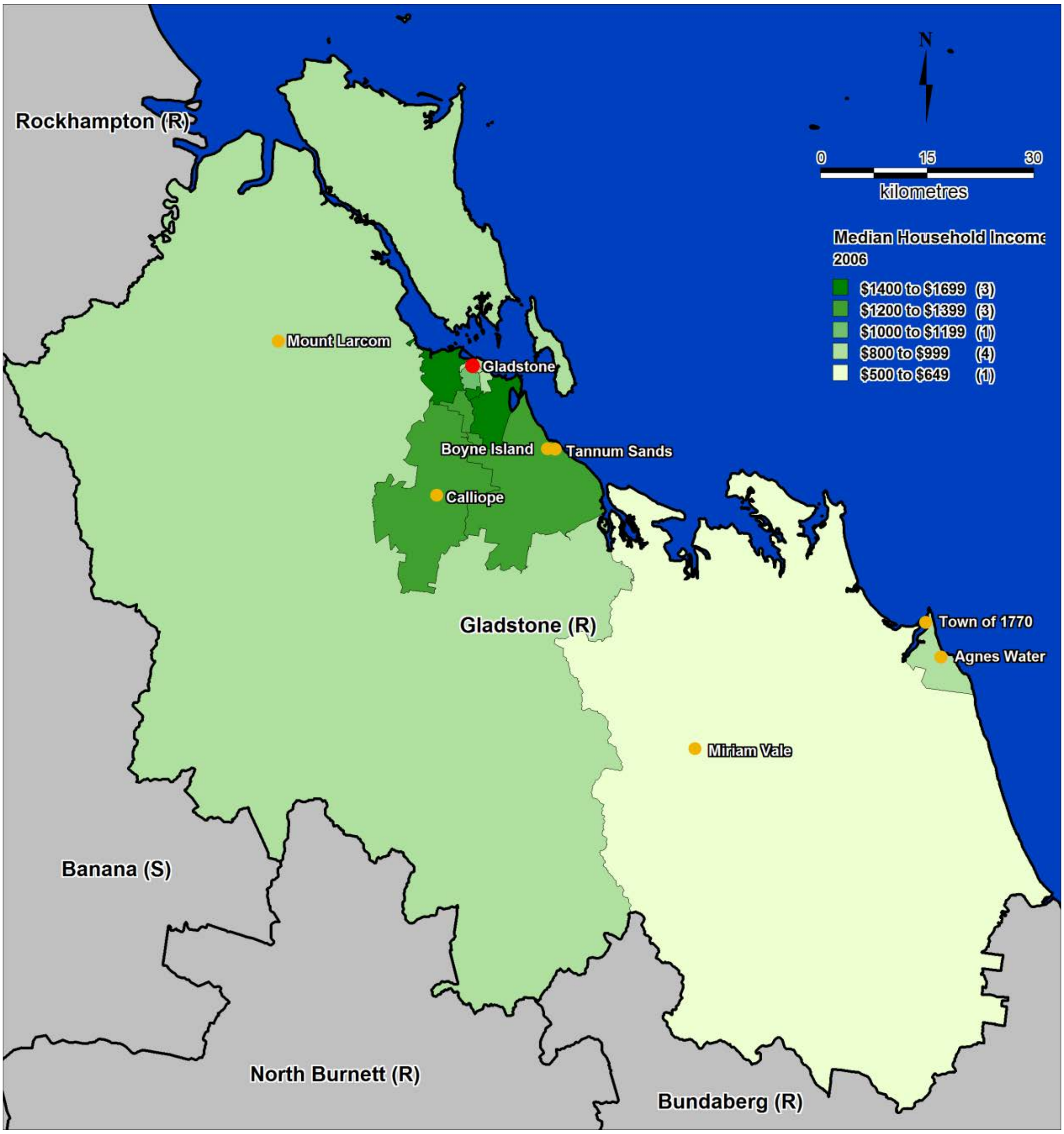
Figure 19 **Median Weekly Income in the Gladstone Region, Central Queensland and Queensland in 2009**



Source: ABS data in Department of Communities, Housing Analysis Review, 2010 (Table 17 LGA)

Figure 20 below illustrates the median income range across the Gladstone region, by SLA.

Figure 20 Median Income Range Across the Gladstone Region in 2006

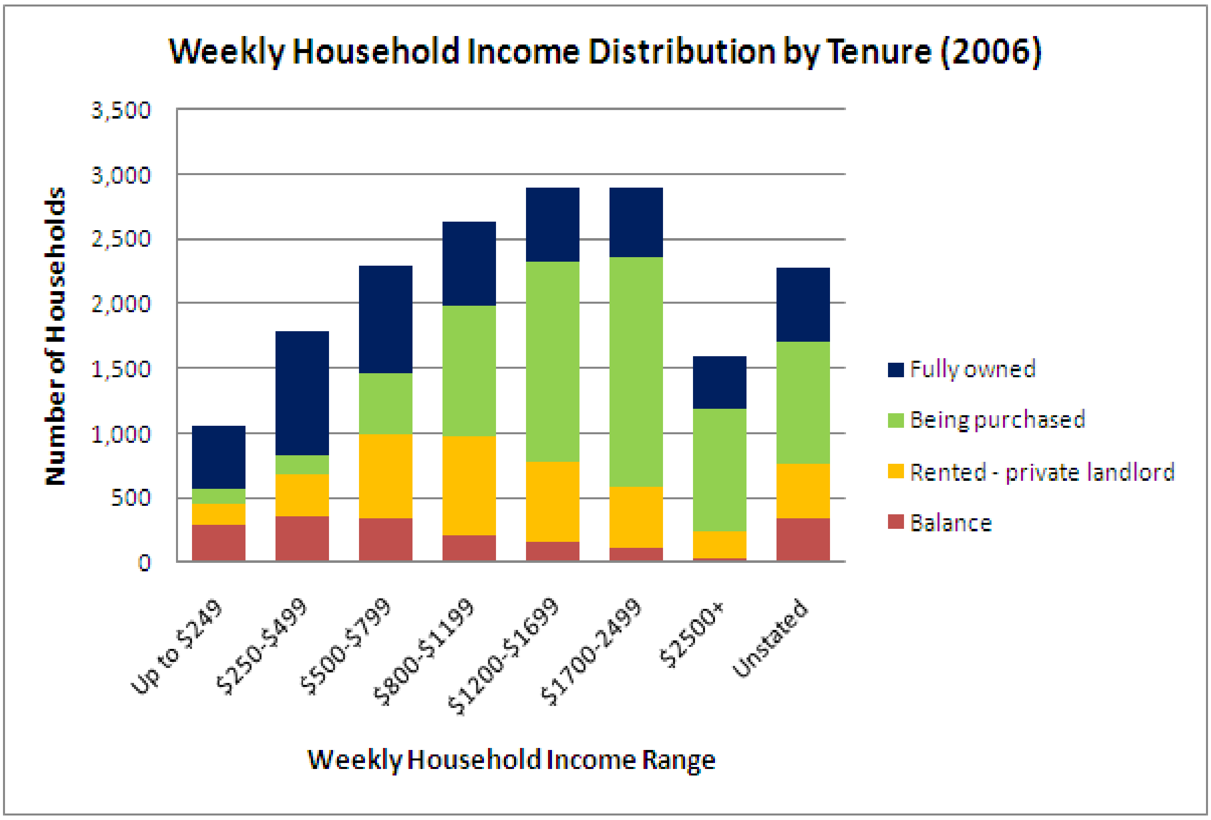


Source: ABS data in Department of Communities, Housing Analysis Review, 2010

Household Income Distribution by Tenure

Figure 21 below indicates that low income households earning between $250 and $799 per week are more likely to own their own home, whereas households earning over $800 per week are more likely to be purchasing a home or renting. It should be noted that a high proportion of low income retirees are likely to own their home outright; purchased while earning higher incomes as wage earners.

Figure 21 Weekly Household Income Distribution by Tenure in 2006

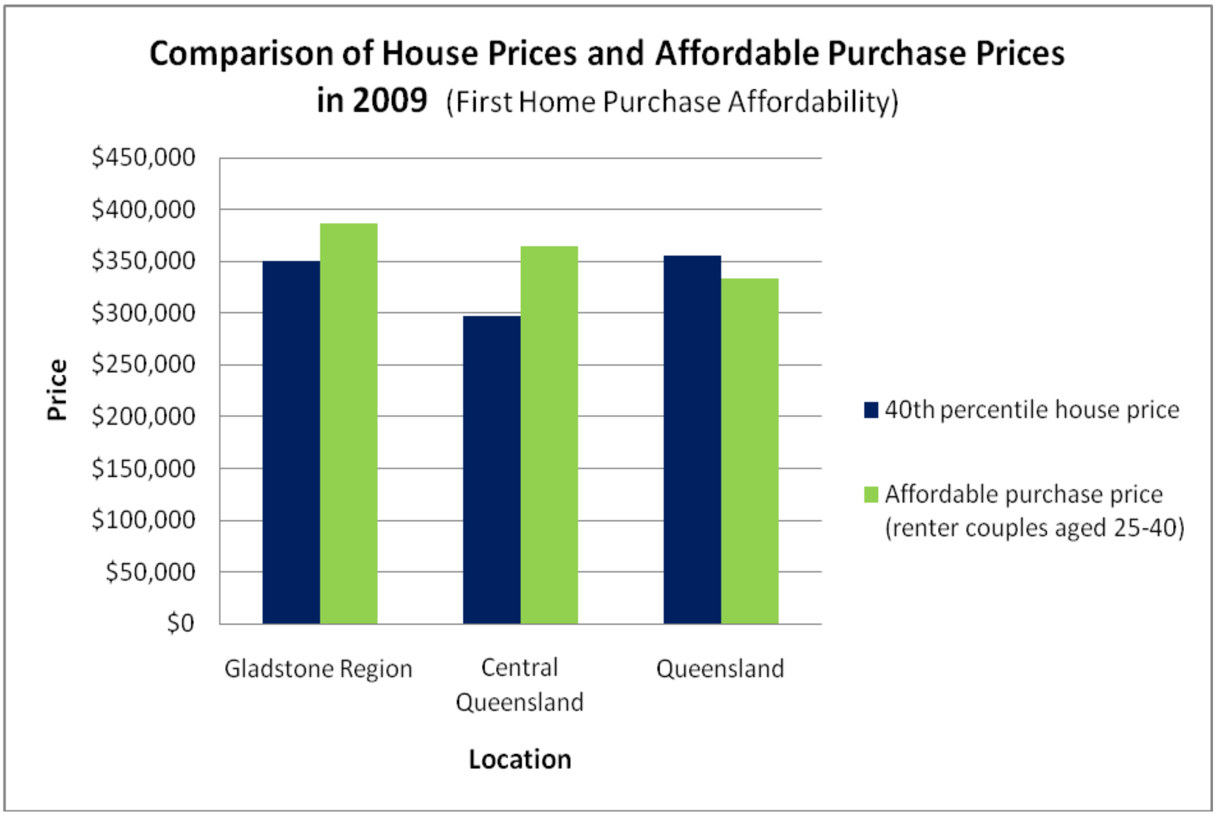


Source: ABS data in Department of Communities, Housing Analysis Review, 2010 (Table 23 LGA)

Purchase Affordability for First Home Buyers

Figure 22 below compares the 40th percentile house price with the affordable purchase price for first home buyers who are renter couples aged 25-40 years in the Gladstone region, Central Queensland and Queensland. The Department of Communities uses the 40th percentile house price as the best representation of median price paid by first home buyers. The graph shows that housing is generally affordable for first home buyers (based on renter couples aged 25-40 years) in the Gladstone region compared with Queensland. However it should be noted that there is a large disparity between well paid industry workers and low to moderate paid workers in other sectors within the Gladstone region. Therefore figures represented in the graph below may be skewed by higher than average income in select sectors.

Figure 22 **Comparison of House Prices and Affordable Purchase Price for First Home Buyers in 2009 (based on renter couples aged 25-40 years)**



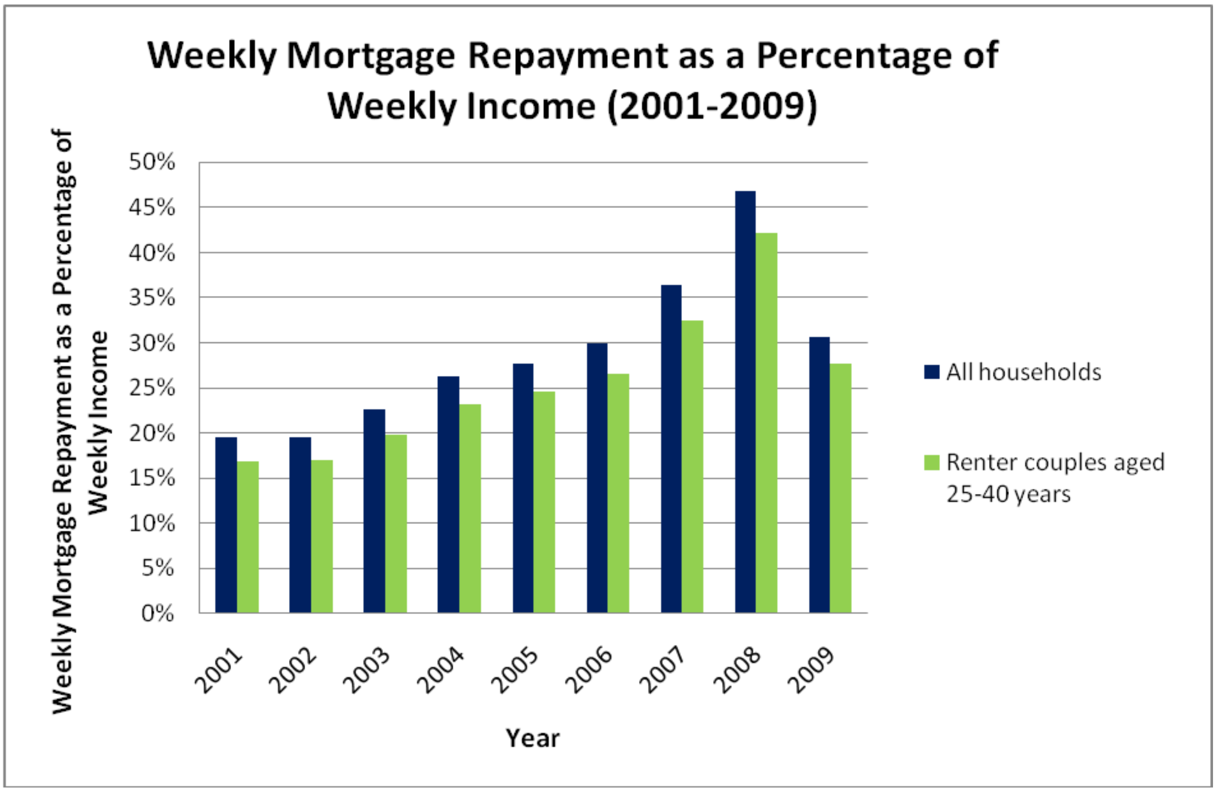
Source: ABS data in Department of Communities, Housing Analysis Review, 2010 (Table 17 LGA)

Mortgage Repayments as a Proportion of Income

The proportion of income required to pay a mortgage has been consistently rising for all households in the Gladstone region, from approximately 20% in 2001 to 47% in 2008. However from 2008 to 2009, the proportion of weekly income spent on mortgage repayments dropped from approximately 47% to 31%. The proportion of weekly income spent on mortgage repayments for renter couples aged 25-40 years followed the same trend.

Figure 23 below shows the change in weekly income spent on mortgage repayments from 2001 to 2009. The weekly mortgage repayment is based on the 40th percentile house price (figures taken from Queensland Department of Natural Resources Sales Database). The purchase cost is based on a 5% deposit and 25 year term, with interest rates taken from indicator lending rates published in the Reserve Bank Bulletin. Weekly incomes in Figure 23 are local median household incomes from census time series profiles with data for intervening years calculated by applying a constant average percentage growth rate.

Figure 23 **Weekly Mortgage Repayment as a Percentage of Weekly Income from 2001 to 2009**



Source: ABS data in Department of Communities, Housing Analysis Review, 2010 (Table 17 LGA)

Housing Implications:

- Average house prices for the first home buyer (40th percentile house price/renters aged 25-40 years) in the Gladstone region are higher than Central Queensland and only marginally lower than Queensland. Therefore housing affordability for first home buyers is a key consideration for the region.
- While housing is generally affordable in the Gladstone region, this is skewed by higher than average incomes, however there remains a demographic sector on lower wages who are subject to housing stress.
- Housing affordability has been generally declining in Australia in recent years, including within the Gladstone region.
- Housing affordability in the Gladstone region needs to be addressed using a variety of means.

4.2.10 Temporary Residents and Visitors

Current Situation and Recent Trends

The Gladstone region attracts a large number of temporary residents and visitors throughout the year, mainly made up of temporary workers, tourists and those visiting family or friends. The region also includes a number of tertiary institutions attracting international students, and tourist draw cards such as beaches and reef activities. Temporary workers visiting the region are predominantly employed by the resource sector and involved in major construction work. Many of these workers have a fly-in and fly-out arrangement and reside in the area on a temporary, but regular basis. Due to the number of temporary workers, the ability to find temporary accommodation can be particularly difficult during the week, but less so on weekends.

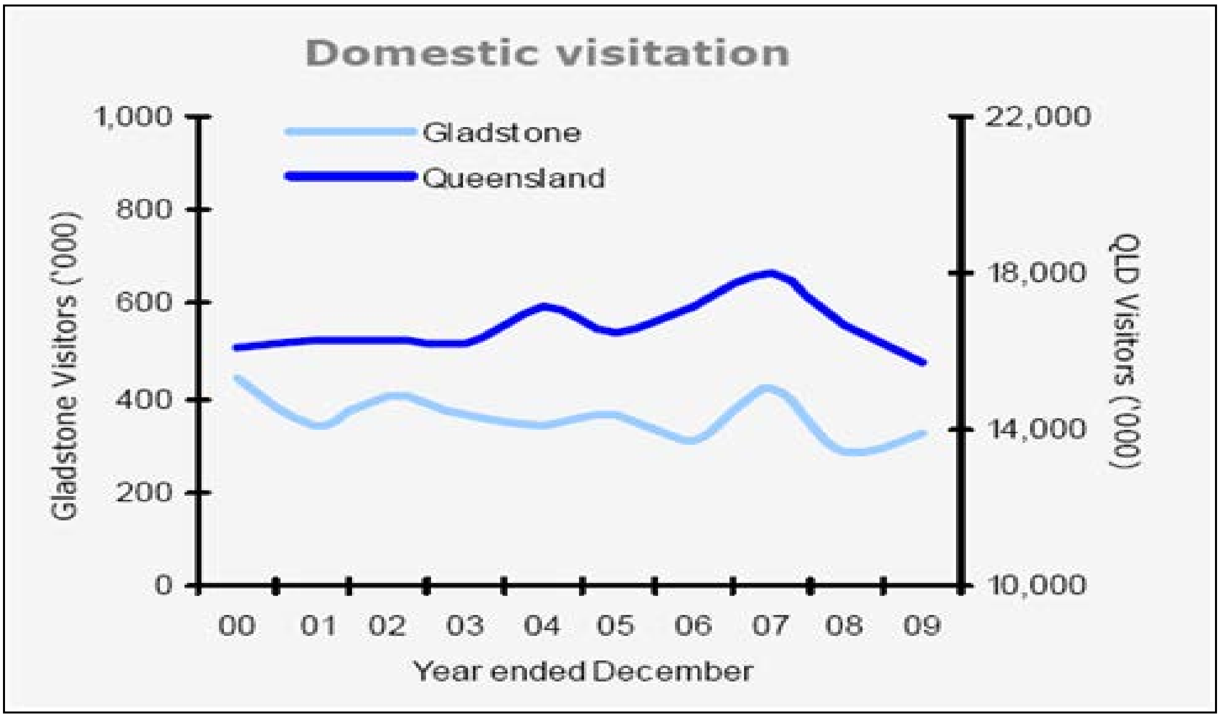
The major tertiary institutions are the Central Queensland University (Gladstone Campus) and the Central Queensland Institute of TAFE (Gladstone Campus). Both institutions attract international students and staff to the region. According to 2009 figures, Central Queensland University attracted over 300 international students at the Gladstone Campus.

In the year ending December 2009, approximately 383,000 tourist visitors stayed overnight in the Gladstone region increasing by 13% since the previous year. Domestic visitors accounted for 84% all of visitors, compared to 16% for international visitors. The average length of stay was 4.5 nights for domestic visitors and 8.2 nights for international visitors.

Domestic visitation has fluctuated between 2000/01 and 2008/09 and the number of international visitors had been steadily increasing until dropping off in 2007/08. Figure 24 and Figure 25 below show the overnight visitation trends for domestic and international visitors to the Gladstone region compared to Queensland between 2000/01 and 2008/09.

Whilst overall visitation increased in the Gladstone region over 2009, the number of visitors staying in hotels, motels and serviced apartments declined by 10%. This indicates that there was an increase in the number of visitors staying in non-commercial accommodation or other forms of accommodation (e.g. backpackers, camping grounds, homes of friends or family). The overall room occupancy rate for hotels, motels and serviced apartments in the Gladstone region in 2009 was 50.7%. This rate was lower compared to other regional centres such as Bundaberg (56.7%), Mackay (68%) and Toowoomba (58.4%). This information was unavailable for other regional centres in the central Queensland region such as Rockhampton.

Figure 24 **Overnight Visitation Trends for Domestic Visitors to the Gladstone Region Compared to Queensland (2000 to 2009)**



Source: Tourism Queensland, 2009

Figure 25 **Overnight Visitation Trends for International Visitors to the Gladstone Region Compared to Queensland (2000 to 2009)**

Source: Tourism Queensland, 2009

SGS Economics & Planning

Forecast

A number of major industrial projects have been recently committed or proposed within the Gladstone region. Once these projects commence construction, the number of temporary workers regularly seeking accommodation (particularly smaller sized residences) in the region is likely to significantly increase. It is also likely that a significant proportion of operational workers will also temporarily reside in the area once the construction of these projects is finalised and the operational phase commences.

The influx of temporary workers to the Gladstone region is likely to put pressure on the region's housing supply (particularly smaller sized dwellings) as workers seek out accommodation. The commencement of a major industrial project marks a critical time in which a high level of housing supply is suddenly required. Therefore, the provision of specific temporary workers accommodation (e.g. temporary workers camps) needs to be explored and adequate locations need to be identified and set aside. A process that enables a quick turn around on approvals for temporary accommodation needs to be established. The quicker accommodation can be provided to meet the needs of incoming workers, the less likely the local housing market will be affected. Temporary workers accommodation should be constructed to a high standard and untaken in a sustainable manner. The accommodation should not compromise amenity and avoid negative social impacts. Unless housing supply and affordability adequately meets the demand of both visitors and permanent residents, housing costs are expected to increase significantly.

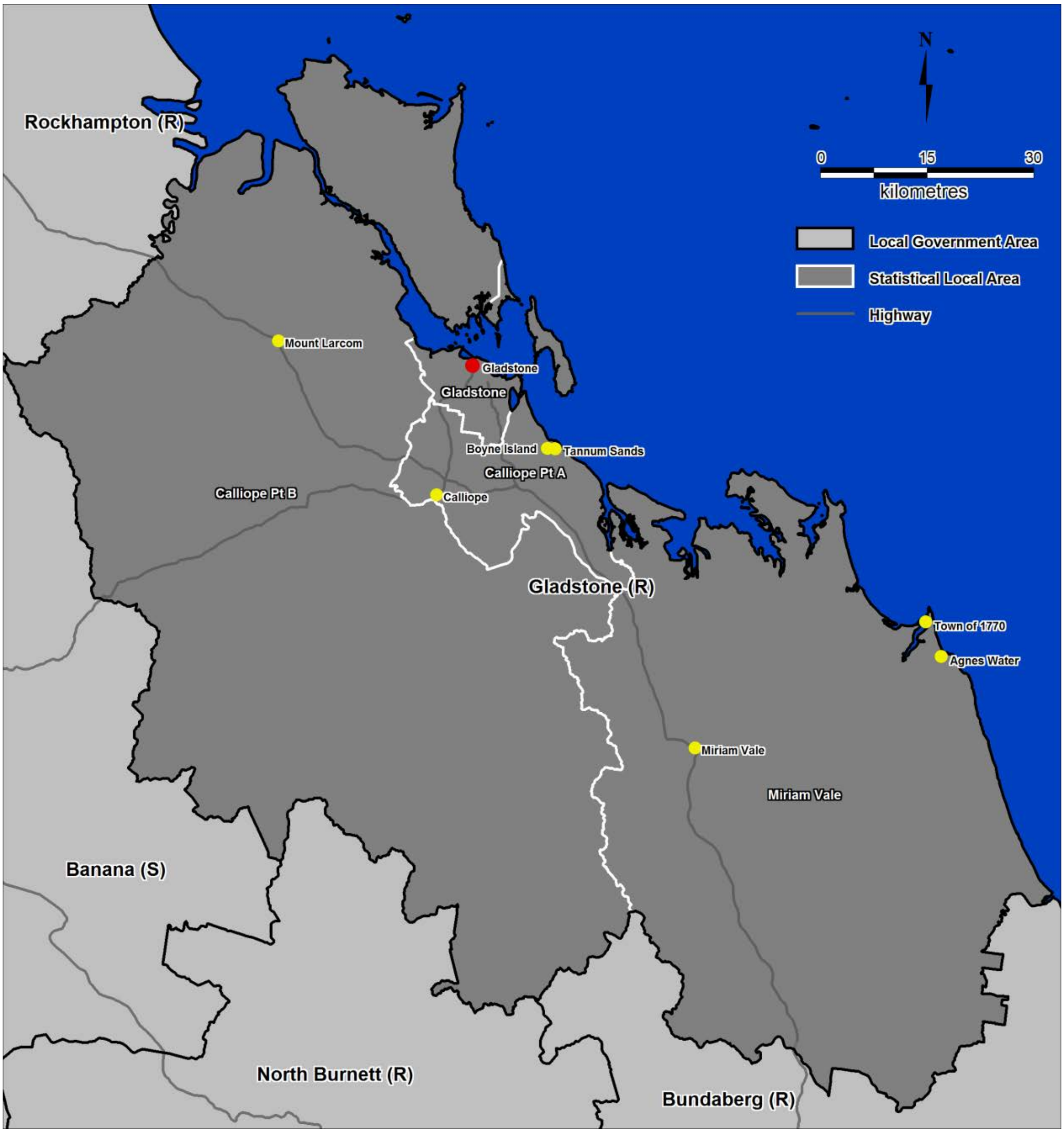
Housing Implications:

- In considering the overall housing needs of the Gladstone region it is important to make allowances for housing visitors, ensuring there is vacant stock to allow for households to change dwellings and ensuring that supply exceeds demand to reduce price pressures.
- These considerations will be particularly important as industrial activities and infrastructure projects gain momentum in the region and the number of temporary workers increases.
- The provision of specific temporary workers accommodation (e.g. temporary workers camps) needs to be explored and adequate locations need to be identified and set aside. A process that enables a quick turn around on approvals for temporary accommodation needs to be established to minimise the impact on the local housing market. The provision of temporary workers accommodation should be of a high standard and undertaken in a sustainable manner, without compromising amenity and avoiding negative social outcomes.

4.3 Statistical Local Area Reporting

The Gladstone region is made up of four SLAs including: Calliope Part A, Calliope Part B, Gladstone and Miriam Vale. All references made to each of the SLAs listed above refers to the whole area of the SLA and not a particular town or centre. Figure 26 below shows the current SLAs boundaries in the Gladstone region.

Figure 26 Statistical Local Area Boundaries in the Gladstone Region

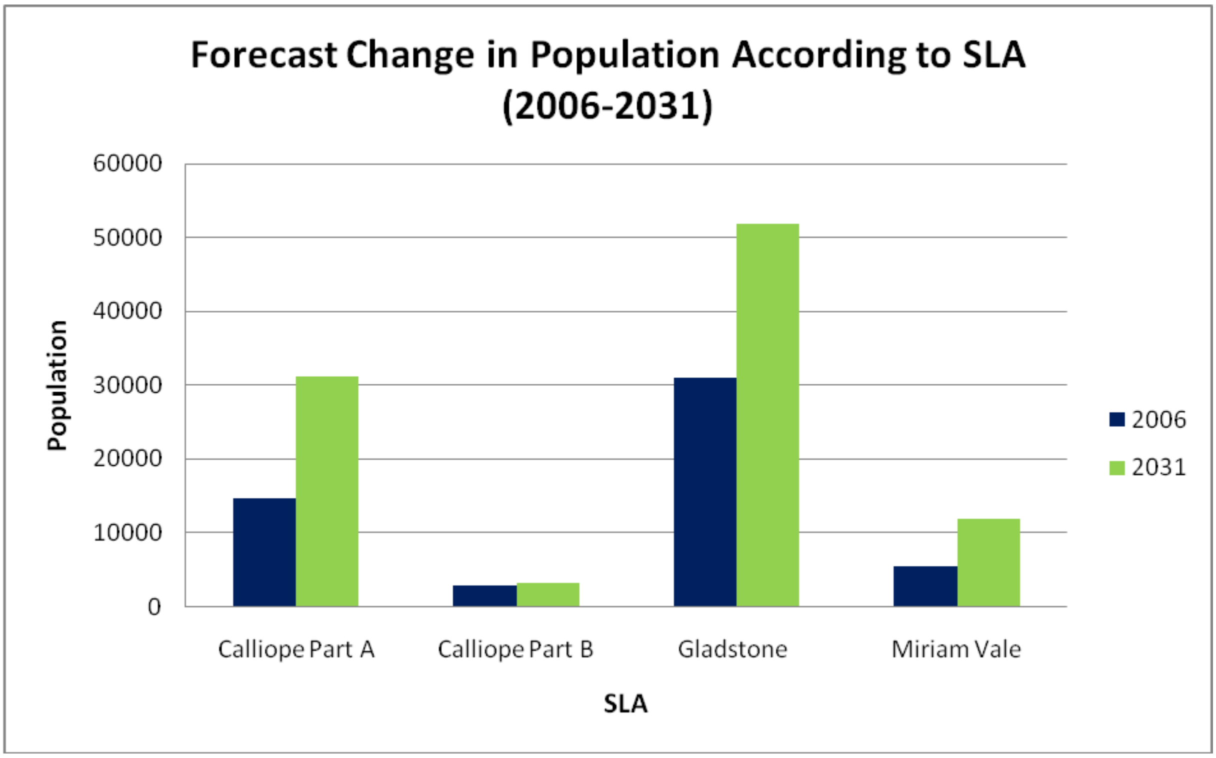


Source: SGS Economics and Planning, 2010

4.3.1 Population

In 2006 Gladstone had the highest resident population of all the SLAs with an estimated population of 30,928. This was followed by Calliope Part A (14,679), Miriam Vale (5,458) and Calliope Part B (2,876). Based on 2031 forecasts the population of each SLA is expected to increase, with Miriam Vale and Calliope Part A predicted to have the highest percentage increases of 117% and 112% respectively. Figure 27 below compares the population of each SLA in 2006 with the forecast populations for 2031.

Figure 27 Forecast Change in Population According to SLA (2006 and 2031)



Source: PIFU forecasts in Department of Communities, Housing Analysis Review, 2010 (Table 3 SLA)

4.3.2 Household Type

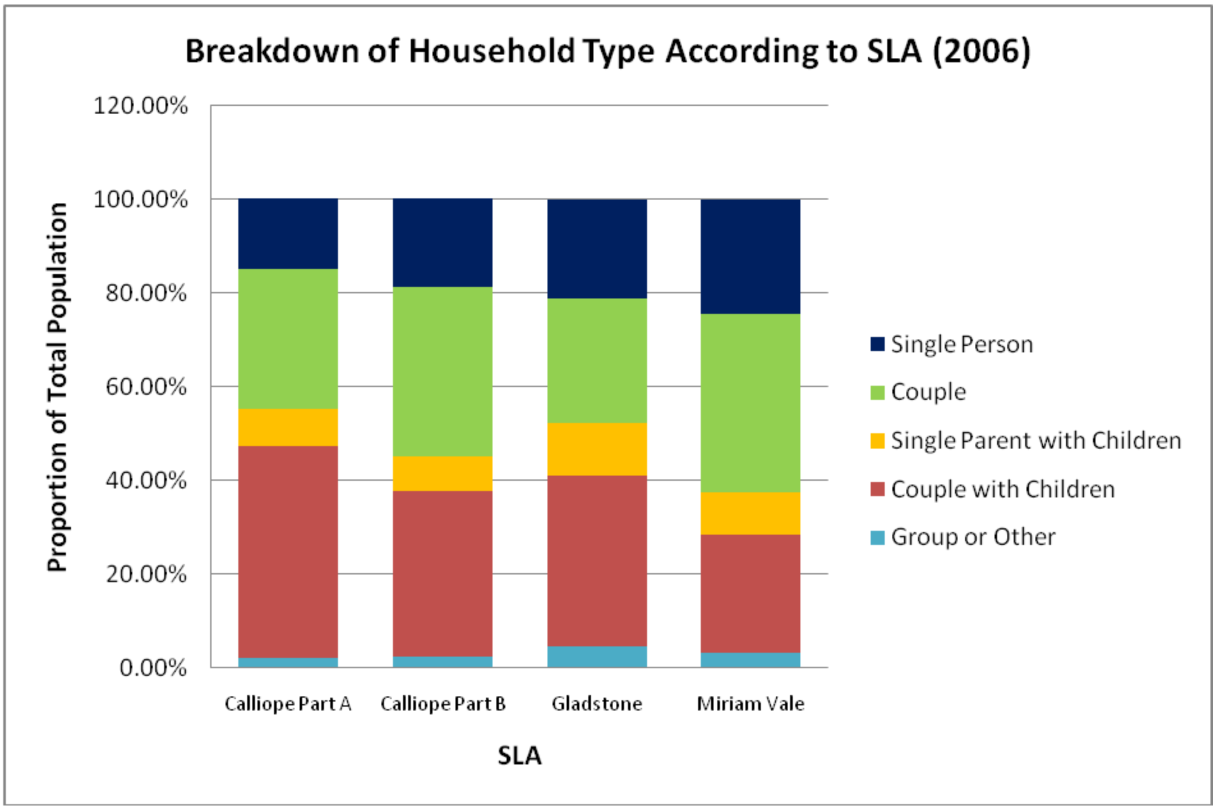
In 2006, Gladstone had the largest number of households (10,048), followed by Calliope Part A (4,526), Miriam Vale (1,889) and Calliope Part B (936). The predominant household type in Gladstone and Calliope Part A was couples with children (36% and 45%), whereas couple only households was the most predominant household type for Calliope Part B and Miriam Vale (36% and 38%).

Between 2001 and 2006 the most significant changes to household type were:

- A 4% increase in the proportion of couple only households in Calliope Part B and Miriam Vale; and
- A 5% decrease in couples with children households in Miriam Vale.

Figure 28 below shows the breakdown of household type for each SLA in 2006 and Table 6 shows the proportion of single and couple only households across all SLAs.

Figure 28 Breakdown of Household Type in Each SLA in 2006



Source: ABS data in Department of Communities, Housing Analysis Review, 2010 (Table 1 SLA Graph)

Table 6 Proportion of Single and Couple Only Households Across all SLAs in 2006

SLA	Single and Couple Only Households as a Proportion of Total Households (%)
Calliope Part A	44.8%
Calliope Part B	54.9%
Gladstone	47.7%
Miriam Vale	62.5%

Source: Department of Communities, Housing Analysis Review, 2010

As shown in Table 6 above, Miriam Vale has a significantly higher proportion of single and couple only households compared to the other SLAs. This is most likely due to Miriam Vale having older age cohorts which are more likely to have smaller household sizes.

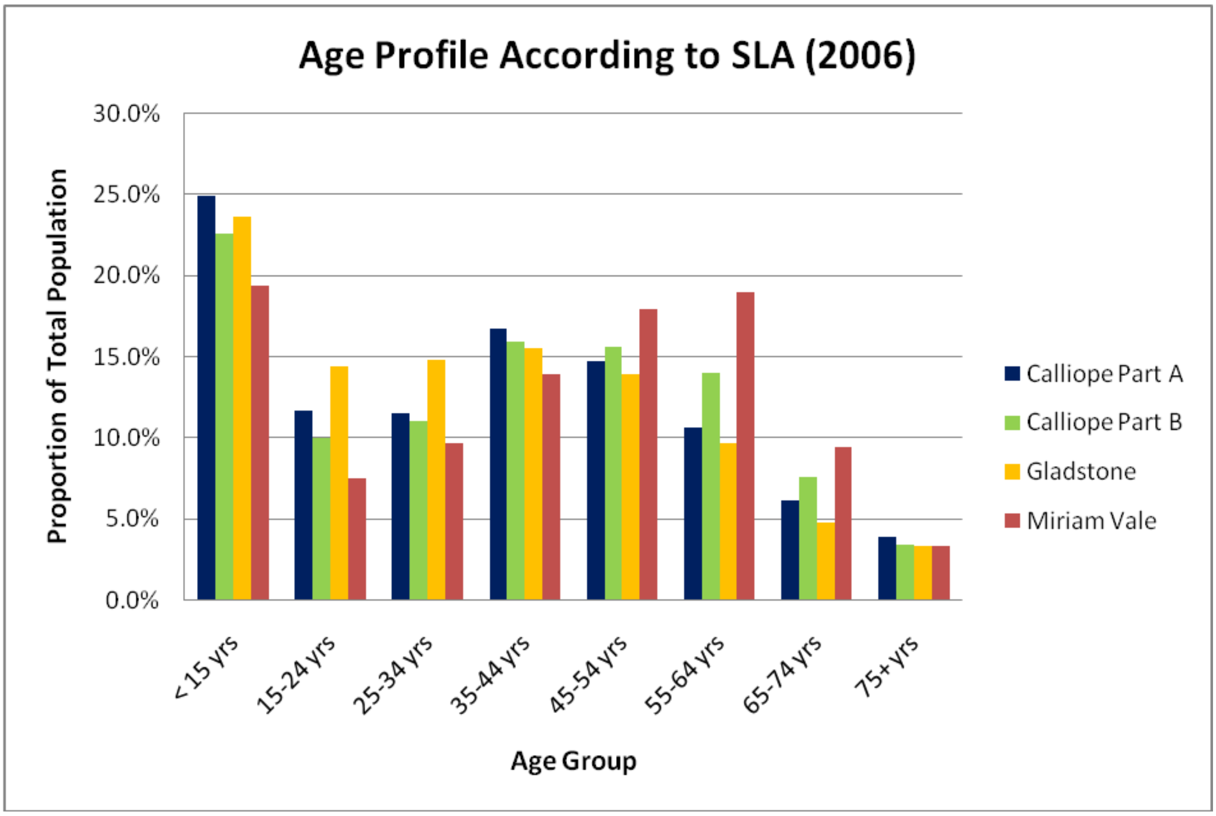
4.3.3 Age

The age profile of the Gladstone region in 2006 shows significant variation between the four SLAs as follows:

- Calliope Part A has the highest proportion of people aged under 15 years (24.9%), whereas Gladstone has the highest proportion of people aged under 24 years (38%);
- Miriam Vale has the highest proportion of people aged over 45 years (49.3%); and
- Calliope Part A has the highest proportion of people aged over 75 years (3.9%).

Figure 29 below compares the age profiles of each SLA in 2006.

Figure 29 Age Profile of Each SLA in 2006

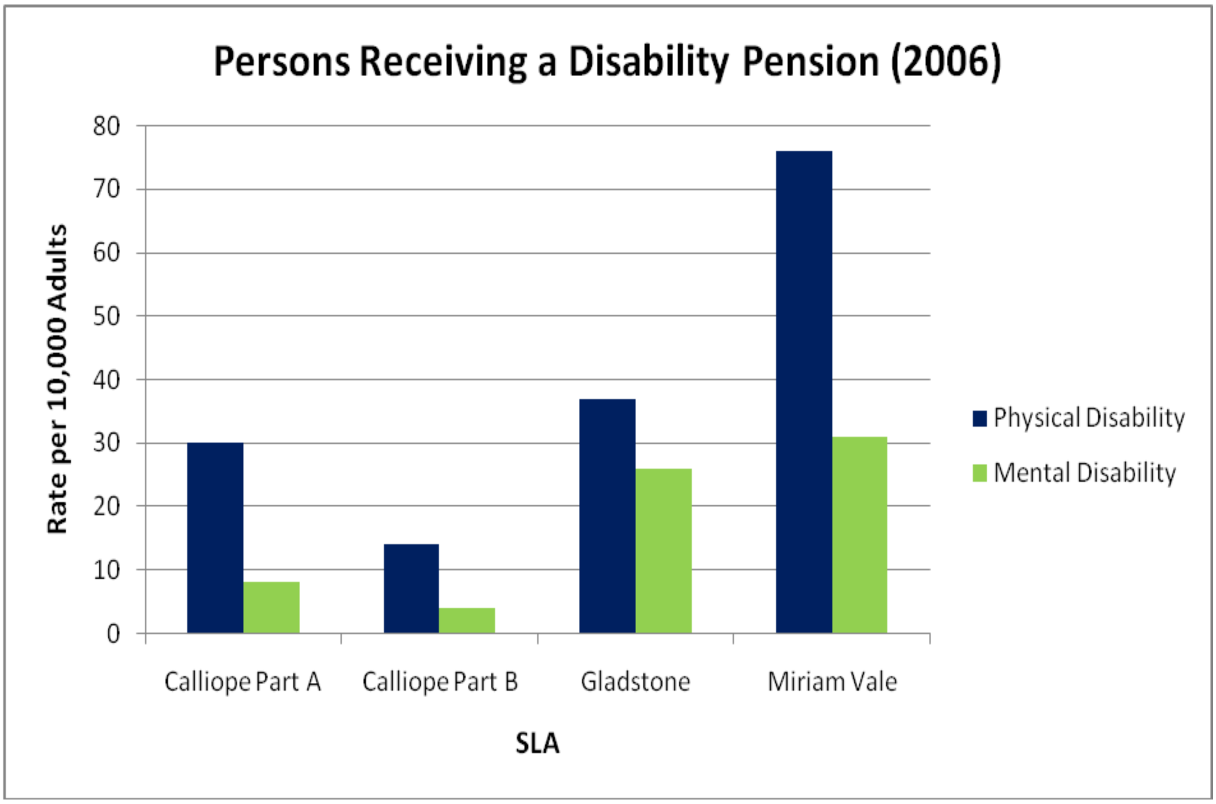


Source: ABS data in Department of Communities, Housing Analysis Review, 2010 (Table 2 SLA)

4.3.4 Disability

In 2006, Miriam Vale had the highest rate of persons receiving a pension for a physical disability (76 people per 10,000) and a mental disability (31 people per 10,000). The rate of persons receiving a pension for a physical disability in Miriam Vale was significantly high than any other SLA and is most likely attributed to an older age cohort. Figure 30 below compares the rates of people receiving a disability pension in each of the SLAs. It should be noted that these figures are based on Centrelink records of persons with a disability and therefore may not account for all people with a disability.

Figure 30 **Rates of Persons Receiving a Disability Pension According to SLA in 2006**



Source: Department of Family and Community Services, Housing Dataset of Centrelink in Department of Communities, Housing Analysis Review, 2010 (Table 6 SLA)

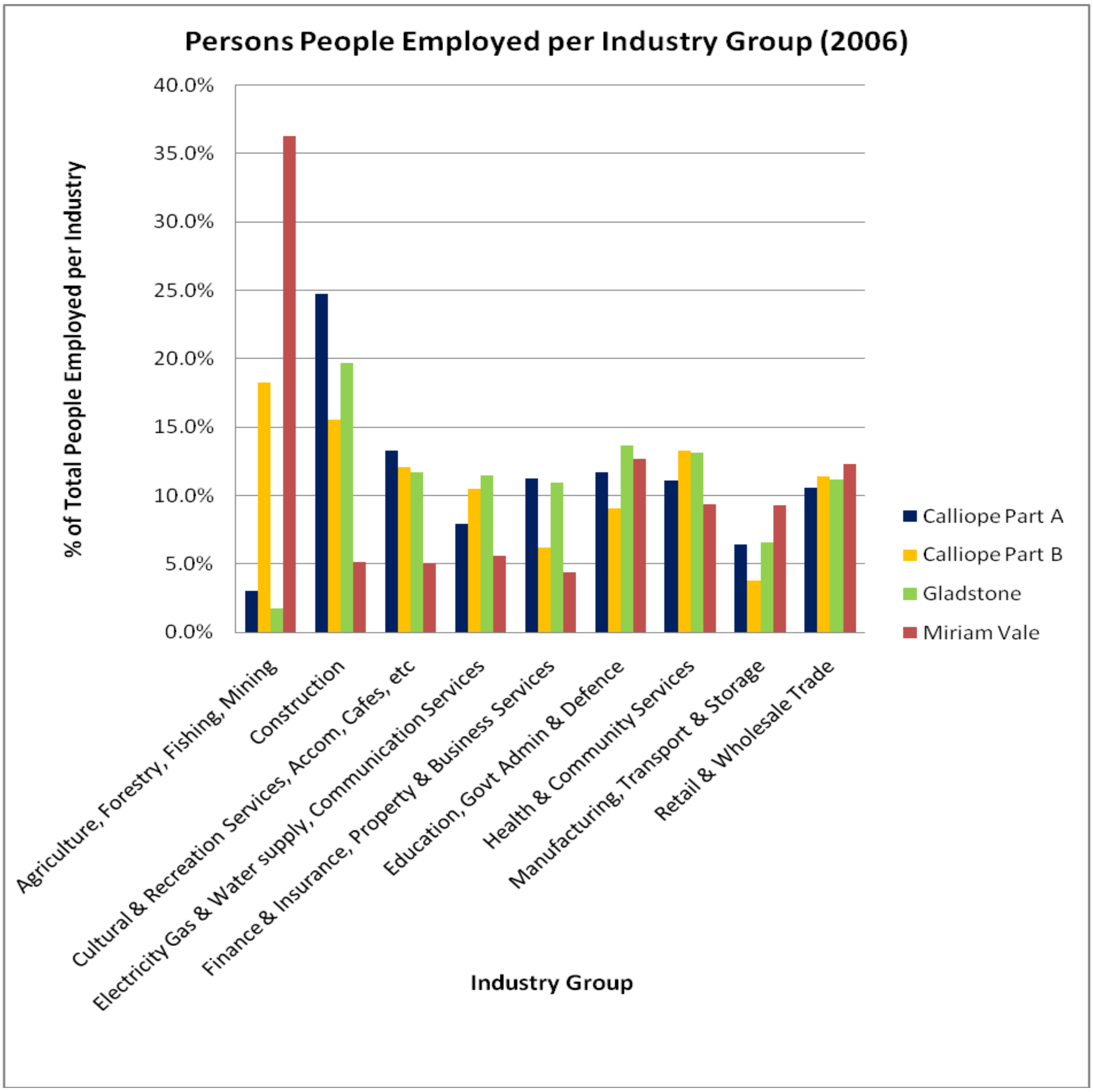
4.3.5 Indigenous, Birthplace and Cultural Diversity

In 2006 Gladstone had the highest proportion of Indigenous persons (4%) in the total population compared to Calliope Part B (2.9%), Calliope Part A (2.5%) and Miriam Vale (2%). In addition, Calliope Part B (86%) recorded a higher proportion of residents who were born in Australia compared to Gladstone (83.3%), Calliope Part A (82.7%) and Miriam Vale (77%). Europe was the most common birthplace other than Australia across each SLA.

4.3.6 Employment

In 2006, Calliope Part B (71.2%) had the highest proportion of residents who worked full time, followed by Calliope Part A (69%), Gladstone (68.8%) and Miriam Vale (66%). Calliope Part B and Miriam Vale have significantly higher proportions of people employed in Agriculture, Forestry, Fishing and Mining. Calliope Part A (24.7%) and Gladstone (19.6%) also have significantly higher proportions of people employed in the construction industry than Queensland (9.9%). Figure 31 below provides a breakdown of persons employed per industry group for each SLA in 2006.

Figure 31 **Persons Employed per Industry Group According to SLA in 2006**



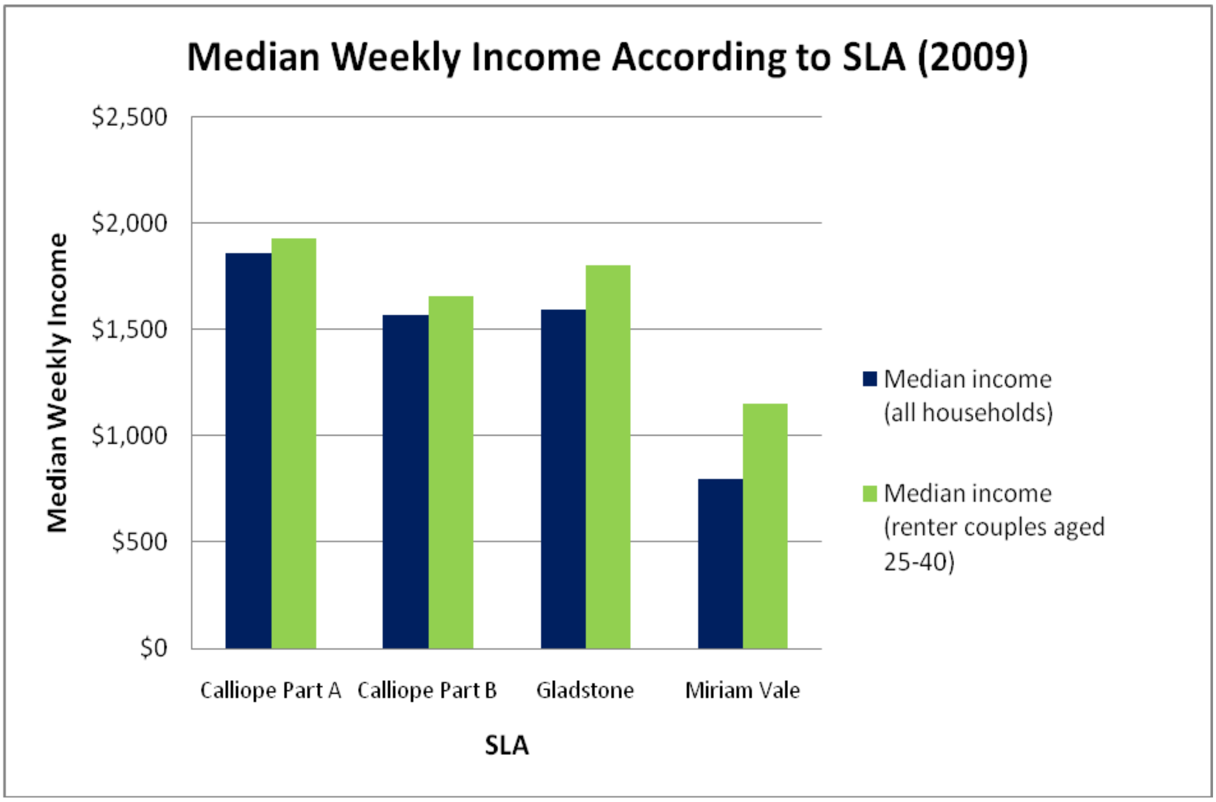
Source: ABS data in Department of Communities, Housing Analysis Review, 2010 (Table 9 SLA)

4.3.7 Income

Current Situation and Recent Trends

In 2009, Calliope Part A recorded the highest median income level across all households of $1,858 per week. This was followed by Gladstone ($1,594), Calliope Part B ($1,565) and Miriam Vale ($796). It is likely that Miriam Vale recorded a much lower median income level due to older age cohorts (and retirees) residing in the area. The median income for renter couples aged 25-40 years followed the same pattern. A comparison of median incomes for the four SLAs is shown in Figure 32 below.

Figure 32 Median Weekly Income According to SLA in 2009

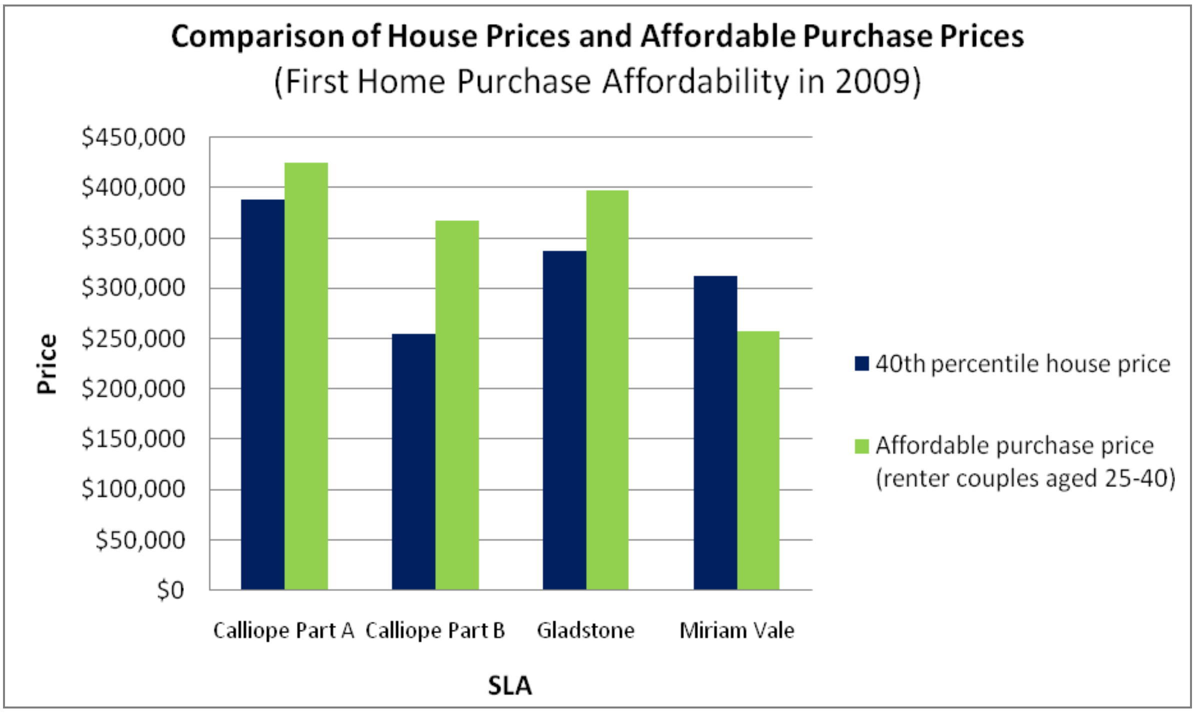


Source: ABS data in Department of Communities, Housing Analysis Review, 2010 (Table 17 SLA)

Purchase Affordability for First Home Buyers

Figure 33 below compares the house price with affordable purchase price for renter couples aged 25-40 years in Gladstone, Calliope Part A, Calliope Part B and Miriam Vale. The Department of Communities uses the 40th percentile house price as the best representation of median price paid by first home buyers. As shown, Calliope Part B has the most affordable 40th percentile house price whereas Calliope Part A has the least affordable purchase price.

Figure 33 **Comparison of House Prices and Affordable Purchase Price for First Home Buyers (based on renter couples aged 25-40 years)**



Source: ABS data in Department of Communities, Housing Analysis Review, 2010 (Table 17 SLA)

4.3.8 Summary of Housing Implications

The key housing implications drawn out of section 4.3 are summarised in the box below.

Housing Implications:

- Miriam Vale has the highest proportion (62.5%) of single person and couple only households. These are more likely to be in the older age cohorts and therefore a range of smaller and more manageable housing options (e.g. universal housing) needs to be considered.
- Gladstone is expected to accommodate the largest proportion of growth by 2031 and as such the supply of housing needs to meet the growing demand by providing a range of housing options suitable to the community's needs. If housing supply does not adequately meet demand, housing costs will continue to increase.
- Miriam Vale and Calliope Part A are expected to experience the greatest increase in population (117% and 112% respectively) by 2031 and therefore housing supply needs to increase to meet the growth in demand. If housing supply does not adequately meet demand, housing costs will continue to increase.
- Adequate housing for the disabled is required in Miriam Vale, which has a significantly high proportion of people receiving disability pensions.
- Adequate housing for the aged and retired, including universal housing is required across the region as the population ages (particularly in Miriam Vale).

5 Existing Stock and Housing Market Characteristics

5.1 Introduction

This section of the report examines the current housing stock in the Gladstone region. Specifically it will include information about dwelling type, dwelling size, special needs housing, temporary and visitor accommodation, tenure, housing costs and dwelling approval trends.

5.2 Region Wide Reporting

5.2.1 Dwelling Type

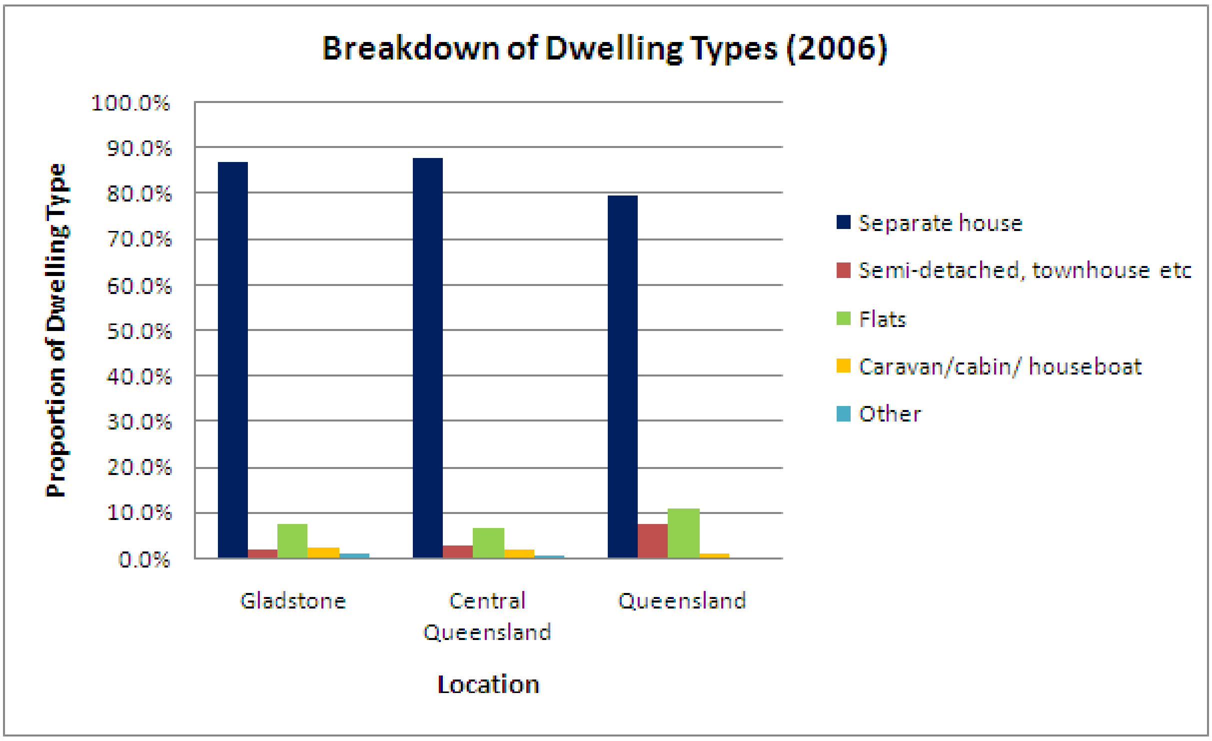
In 2006, the Gladstone region had a total of 17,369 privately occupied dwellings (excludes visitor only and other not classifiable households). Separate houses were the predominant dwelling type, accounting for 87% of all dwellings. This percentage is similar to that of Central Queensland (87.7%), but much higher than that of Queensland (79.5%).

Flats made up the second largest proportion of dwellings in the Gladstone region (7.4%), followed by caravans/cabins/houseboats (2.4%), semi-detached/townhouses (2.1%) and other (1%). The proportion of flats and semi-detached/townhouses was much lower compared to Queensland, whereas the proportion of caravans/cabins/houseboats as a place of residence was much higher than that of Queensland.

In 2006, the proportion of caravans as a long term place of residence in the Gladstone region was at a rate of 204 per 10,000. This was similar to Central Queensland's rate of 180 per 10,000, but significantly higher than the Queensland rate of 91 per 10,000. There was also a lower rate of people in boarding house rooms in the Gladstone region compared to Central Queensland and Queensland.

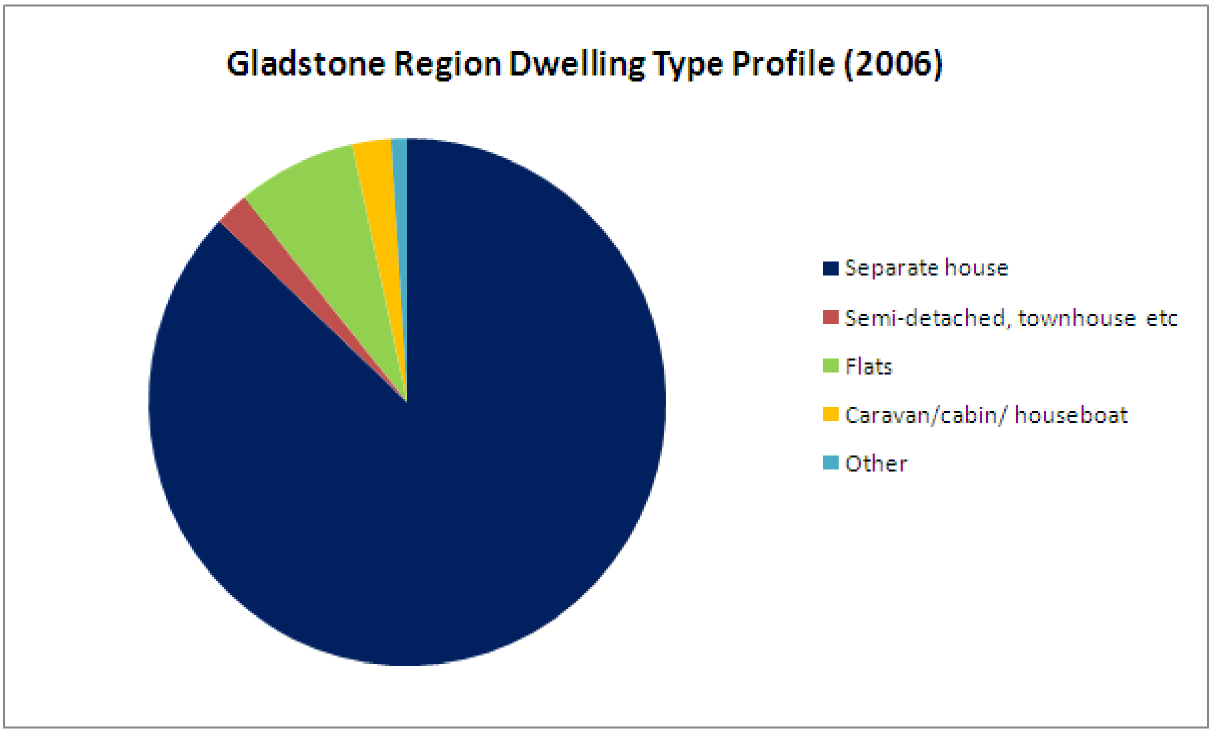
Overall, the percentage breakdown of dwelling types in the Gladstone region has remained relatively the same between 2001 and 2006. Figure 34 below provides a breakdown of dwelling types in the Gladstone region, Central Queensland and Queensland in 2006. Figure 35 shows the breakdown of dwelling types in the Gladstone region only in 2006.

Figure 34 **Breakdown of Dwelling Types in the Gladstone Region, Central Queensland and Queensland in 2006**



Source: ABS data in Department of Communities, Housing Analysis Review, 2010 (Table 11 LGA)

Figure 35 **Breakdown of Dwelling Types in the Gladstone Region in 2006**



Source: ABS data in Department of Communities, Housing Analysis Review, 2010 (Table 11 LGA)

Housing Implications:

- The proportional breakdown of dwelling types in the Gladstone region between 2001 and 2006 shows a slight increase in the proportion of separate houses and a corresponding decrease in semi-detached dwellings and townhouses. This differs from Queensland, in which the proportion of separate houses decreased and the proportion of semi-detached dwellings and townhouses increased during the same period.
- Based on feedback from the stakeholder consultation workshop, the community identified the preference for separate and larger sizes dwellings, based on both demographic characteristics and lifestyle choices. Many residents live in the region to enjoy more space and often own boats, large vehicles, caravans and trailers. Therefore, there is a current lack of market demand for smaller/high density dwelling types.
- The breakdown of dwelling type is expected to change with forecast changes in household type by 2031, which indicates an increase in smaller household types such as lone person and couple only households.
- Future housing supply needs to better meet the forecast future demand for greater housing diversity, particularly in terms of housing type, size and affordability.

5.2.2 Dwelling Size

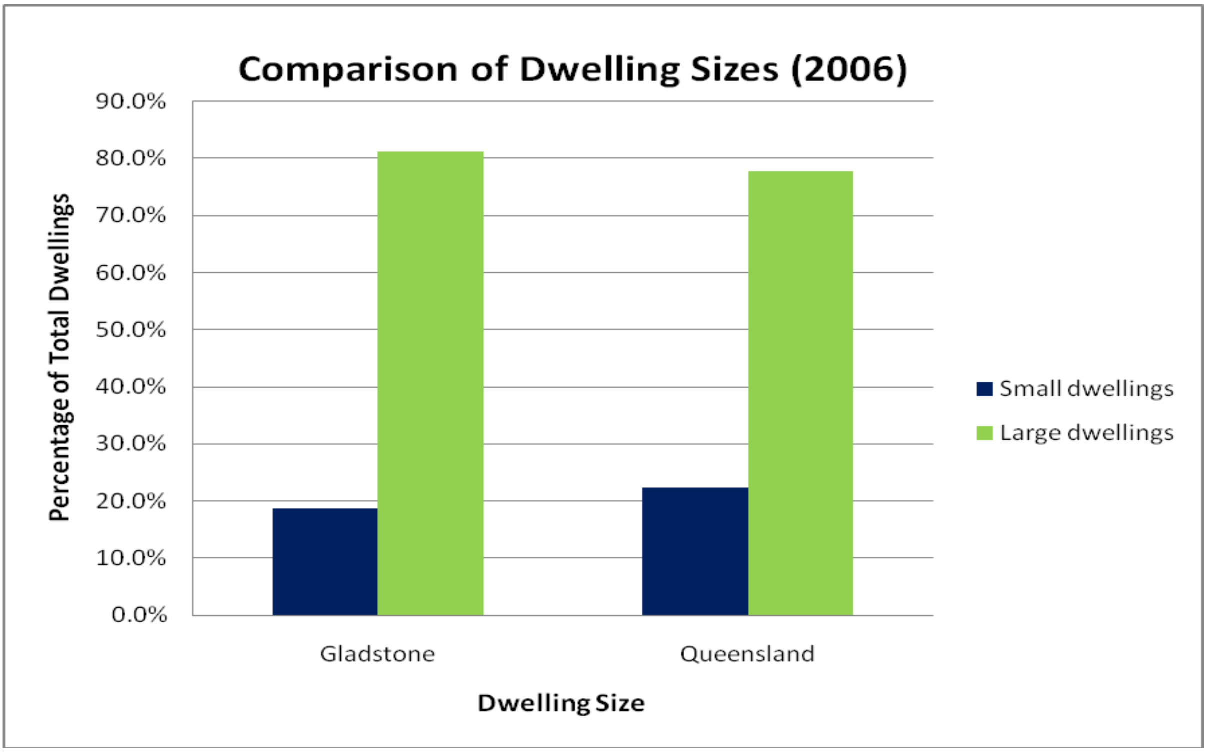
Dwelling size describes the number of bedrooms that make up a dwelling. Smaller dwellings are considered to have 0-2 bedrooms and larger dwellings are considered to have three or more bedrooms.

In 2006, larger dwellings were the predominant dwelling size in the Gladstone region, increasing in proportion from 79.8% in 2001 to 81.2% in 2006. During the same period, the proportion of smaller dwellings decreased from 20.2% to 18.8%.

In 2006 the Gladstone region had a larger proportion of larger houses (81.2%) and a smaller proportion of smaller houses (18.8%) compared to Queensland (77.7% and 22.3% respectively).

Larger sized dwellings in the Gladstone region are predominantly separate houses, followed by semi-detached/townhouses, other dwellings and flats/units/apartments. Smaller sized dwellings are predominantly flats/units/apartments followed by other dwellings, semi-detached/townhouses and separate houses. These trends are the same for Queensland. Figure 36 below shows the proportions of larger and smaller sized dwellings in the Gladstone region in 2006 compared to Queensland.

Figure 36 **Comparison of Dwelling Sizes in the Gladstone Region and Queensland in 2006**



Source: ABS data in Department of Communities, Housing Analysis Review, 2010 (Table 11A LGA)

Housing Implications:

- Larger dwelling sizes are increasing in proportion, whereas smaller dwelling sizes are decreasing in proportion. This trend is inconsistent with forecast changes to household types, which indicates an increase in smaller household types such as lone person and couple only households. Consequently, it is likely that housing costs for smaller dwellings such as units and apartments will continue to increase as demand exceeds supply.
- Larger dwellings are currently generally affordable, however this does not account for future impacts on affordability or household preferences for smaller dwellings.
- Because the Gladstone region has an ageing population, it is likely that a shift in demand towards age appropriate dwellings will occur. Some elderly people will prefer and be able to afford larger dwellings. However, more older people will be seeking smaller homes that require less maintenance and are located where there is easy access to community facilities, services and other amenities.

5.2.3 Housing for Special Needs

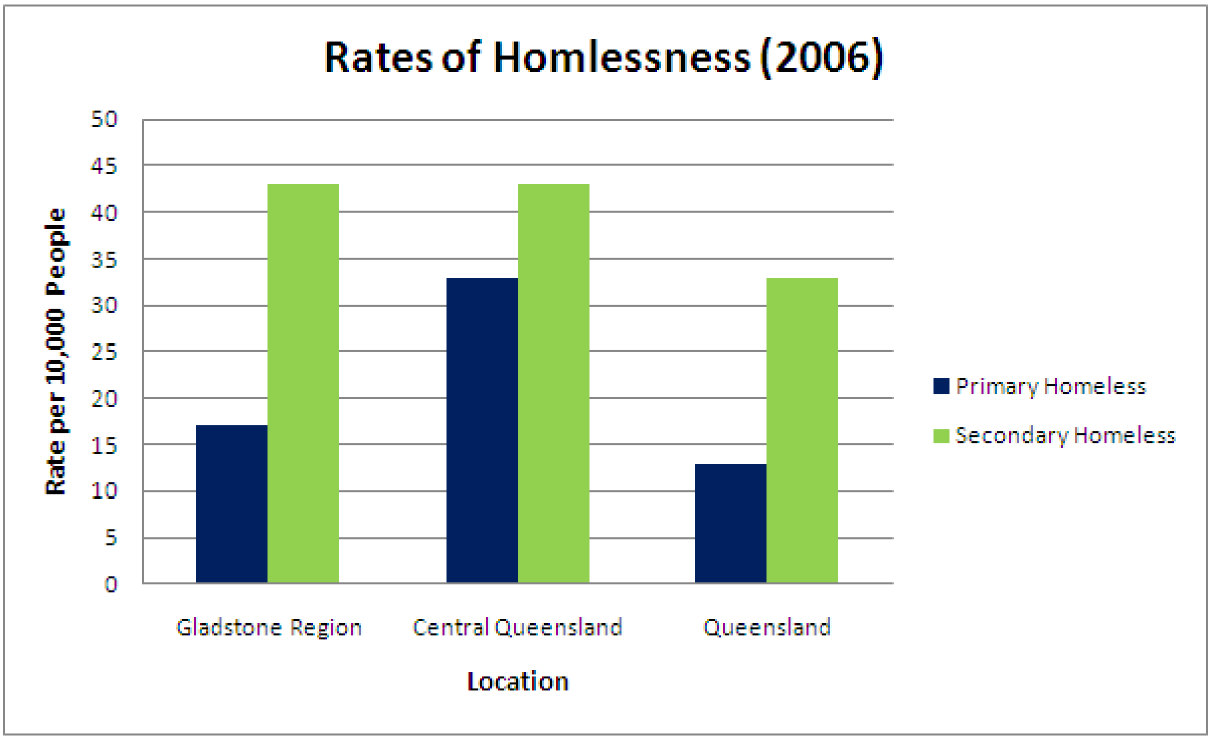
In 2006, the Gladstone region recorded a primary homelessness rate of 17 per 10,000 and a secondary homelessness rate of 43 per 10,000. Gladstone's rates of primary homelessness and secondary homelessness were both higher than that of Queensland (13 per 10,000 and 33 per 10,000). Primary homelessness refers to people without conventional accommodation (e.g. living on the streets, under bridges, in parks, etc) and secondary homelessness refers to people moving between various forms of temporary shelter (e.g. staying with friends or family, emergency accommodation, refuges, etc).

Counting the Homeless 2006 by Chamberlain and Mackenzie (2009) compares the number of homeless people across various statistical subdivisions (SSDs) in Queensland during the 2006 Census. The study shows that in 2006 Gladstone had 71 people residing in improvised dwellings, less than that of SSDs such as Rockhampton (83) and Harvey Bay (112) but higher than that of Bundaberg (23). The study also showed that 184 people in Gladstone were residing with friends or relatives during the 2006 Census, lower than that of Rockhampton (215), Harvey Bay (254) and Bundaberg (200).

Furthermore, the study showed that 43 people resided in boarding houses in the Gladstone SSD during the 2006 Census, less than that of Rockhampton (138) and Bundaberg (94) but more than that of Harvey Bay (15). The number of people in supported accommodation assistance programs was 18, less than that of Rockhampton (40), Bundaberg (126) and Harvey Bay (45).

Figure 37 below compares the rates homelessness in the Gladstone region with Central Queensland and Queensland.

Figure 37 Rates of Homelessness in the Gladstone Region, Central Queensland and Queensland in 2006



Source: Chamberlain and Mackenzie, Counting the Homeless Report in Department of Communities, Housing Analysis Review, 2010 (Table 22 LGA)

SGS Economics & Planning

In 2006, the proportion of caravans as a long term place of residence in the Gladstone region was at a rate of 204 per 10,000. This was similar to Central Queensland's rate of 180 per 10,000, but significantly higher than the Queensland rate of 91 per 10,000. There was a lower rate of people in boarding house rooms in the Gladstone region (6 per 10,000) compared to Central Queensland (8 per 10,000) and Queensland (11 per 10,000).

Based on 2006 Census data, a total of 1,852 people in the Gladstone region resided in non-private dwellings such as motels, staff quarters, residential colleges, nursing homes and refuges. Hotels and motels accommodated the highest proportion of people in non-private dwellings (63.7%), followed by intuitions and others not classifiable (15.7%) and staff quarters (6.7%). 3.4% of the total population in the Gladstone region reside in non-private dwellings, compared to 3.1% for Queensland.

Of those residing in non-private dwellings, the proportion of people in nursing homes and accommodation for the aged and retired in the Gladstone region (6.3% and 4.8%) was lower than that of Queensland figures (13.8% and 9.6%). This is consistent with information from Gladstone Regional Council that a large number of the aged and retired from the Gladstone region relocate to surrounding places such as Rockhampton, Harvey Bay and Bundaberg to source more adequate accommodation. Table 7 below provides a breakdown of persons in non-private dwellings in the Gladstone region in 2006.

Table 7 **Breakdown of Persons in Non-Private Dwellings in the Gladstone Region in 2006**

Persons in non-private dwellings – Gladstone Region 2006						
	Persons	% of people in non-private dwellings	% of total population	Dwellings	% of non-private dwellings	% of total dwellings
Hotel, motel	1,179	63.7%	2.2%	49	55.1%	0.3%
Nurses quarters	0	0.0%	0.0%	2	2.2%	0.0%
Staff quarters	125	6.7%	0.2%	9	10.1%	0.1%
Boarding house, private hotel	30	1.6%	0.1%	5	5.6%	0.0%
Boarding school	0	0.0%	0.0%	0	0.0%	0.0%
Residential college, hall of residence	0	0.0%	0.0%	0	0.0%	0.0%
Hostel for the disabled	10	0.5%	0.0%	0	0.0%	0.0%
Nursing home	117	6.3%	0.2%	3	3.4%	0.0%
Accommodation for the retired or aged (cared)	88	4.8%	0.2%	4	4.5%	0.0%
Hostel for the homeless, night shelter, refuge	6	0.3%	0.0%	0	0.0%	0.0%
Institutions, others, not classifiable	291	15.7%	0.5%	17	19.1%	0.1%
Not stated	6	0.3%	0.0%	0	0.0%	0.0%
Total	1,852	100.0%	3.4%	89	100.0%	0.5%

Source: ABS data in Department of Communities, Housing Analysis Review, 2010 (Table 11B LGA)

Between 2001 and 2006 the level of public housing (provided by State or Territory housing authorities) decreased across Australia. During the same period the level of rented State housing and community housing in the Gladstone region decreased from 4% to 3.8% and 0.7% to 0.5% respectively.

Housing Implications:

- Between 2001 and 2006 the level of public housing (provided by State or Territory housing authorities) in Australia has been decreasing, including within the Gladstone region.
- The rate of people residing in caravans as a long term place of residence is significantly higher in the Gladstone region compared to Queensland. This most likely indicates that the housing market characteristics of the Gladstone region such as low supply or affordability may be forcing people to reside in more accessible or affordable accommodation. It is also likely that a large proportion of these longer term residents may be temporary workers or aged/retirees unable to find adequate accommodation in the region.

5.2.4 Temporary and Visitor Accommodation

The Gladstone region attracts a large number of temporary residents and visitors throughout the year, mainly made up of temporary workers, tourists and those visiting family or friends. The ability to find temporary accommodation is reportedly difficult during the week, but less so on weekends.

In 2006, the Gladstone region had approximately 49 hotels or motels, 15 caravan parks and a range of holiday cabins or apartments. The bulk of this accommodation was located in Gladstone and surrounding beach suburbs such as Boyne Island and Tannum Sands. The breakdown of persons living in non-private residential accommodation in the region shows that approximately 63.7% of these, or 1,179 persons (and 2.2% of the population) were living in hotels or motels.

Whilst overall visitation increased in the Gladstone region over 2009, the number of visitors staying in hotels, motels and serviced apartments declined by 10%. This indicates that there was an increase in the number of visitors staying in non-commercial accommodation or other forms of accommodation (e.g. backpackers, camping grounds, homes of friends or family). The overall room occupancy rate for hotel, motels and serviced apartments in the Gladstone region in 2009 was 50.7%.

Housing Implications:

- The ability to find temporary accommodation can be very difficult during the week.
- The availability of temporary accommodation is likely to diminish as the number of temporary workers visiting the area increases when major industrial projects commence.
- Temporary accommodation facilities also play a role in providing some long term accommodation for local residents.
- In considering the overall housing needs of the Gladstone region it is important to make allowances for housing visitors, ensuring there is vacant stock to allow for households to change dwellings and ensuring that supply exceeds demand to reduce price pressures.
- These considerations will be particularly important as industrial activities and infrastructure projects gain momentum in the region and the number of temporary workers increases.
- The provision of specific temporary workers accommodation (e.g. temporary workers camps) needs to be explored and adequate locations need to be identified and set aside. A process that enables a quick turn around on approvals for temporary accommodation needs to be established to minimise the impact on the local housing market. The provision of temporary workers accommodation should be of a high standard and undertaken in a sustainable manner, without compromising amenity and avoiding negative social outcomes.

5.2.5 Tenure (Rental and Ownership)

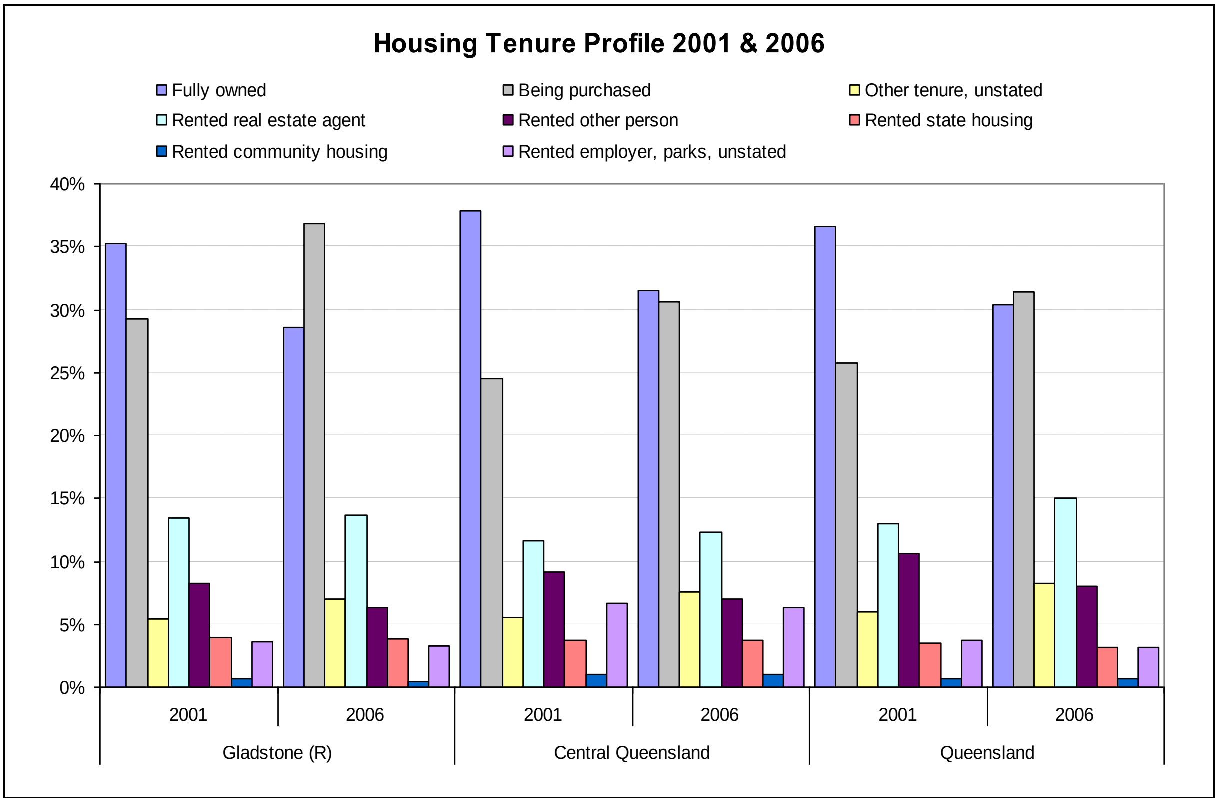
Tenure describes the form of holding or occupying of a property. The main types of tenure include: fully owned, being purchased or rented; however long lease contracts, shared equity arrangements and cooperative ownership structures can also take place. Figure 38 below compares the housing tenure profiles of the Gladstone region, Central Queensland and Queensland in 2001 and 2006.

Between 2001 and 2006 the proportion of fully owned houses decreased from 35.2% to 28.6%. This decline is consistent with both Central Queensland and Queensland. During the same period, the proportion of houses being purchased increased from 29.3% to 36.8% and is now the predominant tenure type in the Gladstone region. The growth in houses being purchased was slightly higher for the Gladstone region compared to Central Queensland and Queensland.

Between 2001 and 2006 rentals through a real estate agent increased across the whole state, whereas dwellings rented from another person all decreased. The proportion of State housing and community housing rentals also decreased in the Gladstone region from 4% to 3.8% and 0.7% to 0.5% respectively.

In terms of housing tenure, two key trends are evident in the Gladstone region between 2001 and 2006. Firstly, the rate of home ownership has declined; fully owned dwellings were most prominent in 2001 but this has since changed to dwellings being purchased. And secondly, the proportion of State housing and community housing rentals has declined across the region.

Figure 38 **Housing Tenure Profiles for the Gladstone Region, Central Queensland and Queensland in 2001 and 2006**



Source: ABS data in Department of Communities, Housing Analysis Review, 2010 (Table 10 LGA Graph)

Housing Implications:

- More people are purchasing homes which increases the level of household income spent on housing.
- The proportion of State housing and community housing rentals is decreasing.
- A range of tenure types is required to suit households of various incomes and life stages. A range of tenure options can increase housing diversity and can take place in the form of: fully owned, being purchased, rented, long lease contracts, shared equity arrangements and cooperative ownership structures.

5.2.6 Housing Costs

Rentals

Between 2000/01 and 2008/09, rental costs for all dwelling sizes have been consistently increasing across the whole state. Each dwelling size experienced increased rental costs with percentage changes ranging from 72.73% to 111.11% over the nine year period.

The most significant increase (111.11%) was for one bedroom dwellings in the Gladstone region, increasing from a median price of $90 in 2000/01 to $190 in 2008/09. The lowest change (72.73%) was for four bedroom dwellings in Queensland, increasing from a median price of $220 in 2000/01 to $380 in 2008/09. This indicates a high demand, and shortage of supply for small dwellings, consistent with demand driven by temporary workers.

The Gladstone region experienced the greatest change in median rent prices across all dwelling sizes compared to Queensland during this period, as shown in Table 8 below.

Table 8 **Median Rent Prices by Bedroom Size in the Gladstone Region and Queensland (2000/01-2008/09)**

Median rent levels by bedroom size										
	2000 / 01	2001 / 02	2002 / 03	2003 / 04	2004 / 05	2005 / 06	2006 / 07	2007 / 08	2008 / 09	% change
Gladstone Region										
1 bedroom	$90	$100	$120	$130	$130	$135	$150	$180	$190	111.11%
2 bedroom	$115	$120	$165	$165	$150	$160	$190	$225	$240	108.70%
3 bedroom	$155	$170	$215	$220	$200	$220	$260	$300	$300	93.55%
4 bedroom	$185	$215	$280	$273	$250	$270	$320	$350	$370	100.00%
Queensland										
1 bedroom	$120	$130	$140	$155	$165	$180	$200	$220	$240	100.00%
2 bedroom	$150	$160	$170	$185	$200	$220	$250	$280	$295	96.67%
3 bedroom	$175	$185	$200	$220	$240	$255	$280	$315	$335	91.43%
4 bedroom	$220	$230	$250	$270	$285	$300	$330	$360	$380	72.73%

Source: Residential Tenancies Authority rental bonds data in Department of Communities, Housing Analysis Review, 2010 (Table 12 LGA)

Rental Affordability

'Housing Affordability' relates to the capacity of the individual or household to secure housing that is within their means, and that does not unduly constrain the household's choices in terms of location, quality, amenity or tenure security.

The Queensland Department of Housing considers housing to be affordable when rent or repayments paid by households in the lowest 40% of income units does not exceed 30% of gross household income after Commonwealth Rent Assistance is deducted. Table 9 below shows the number of very low and low income households that are spending more than 30% of their income on housing rental costs. As shown, 30.7% of very low and low income households in the Gladstone region spend more than 30% of their income on housing rental costs. This figure was slightly higher than Central Queensland (29.3%), but lower than that of Queensland (37.8%). While the figure for Gladstone is relatively low, it still represents 606 households that are classed as being in unaffordable private rental.

Table 9 Very Low and Low Income Households in Unaffordable Private Rental in 2008

Low income households in unaffordable private rental	
Number of very low and low income households paying >30% on housing costs	**% of very low and low income households paying >30% on housing costs**
Gladstone Region	
606	30.7%
Central Queensland	
2,490	29.30%
Queensland	
83,456	37.8%

Source: Department of Family and Community Services housing data set in Department of Communities, Housing Analysis Review, 2010 (Table 14 LGA)

Table 10 below compares the level of affordable rental stock in the Gladstone region, Central Queensland and Queensland from 2004 to 2009. The figures show a significant decline in affordability for all dwelling sizes between 2004 and 2009 throughout the whole state. In both 2004 and 2009, the Gladstone region had a significantly lower proportion of affordable housing stock across all dwelling sizes compared to Central Queensland.

Table 10 Affordable Rental Stock According to Bedroom Numbers (2004-2009)

Affordable rental stock by bedroom numbers				
	1 bedroom	2 bedrooms	3 bedrooms	4 bedrooms
Gladstone Region - Number affordable				
2004	67	624	546	151
%	74%	59%	38%	36%
2009	62	363	303	134
%	48%	30%	17%	12%
Overall change in affordable dwelling stock	-5	-261	-243	-17
Central Queensland - Number affordable				
2004	479	3,140	3,699	825
%	88%	81%	69%	61%
2009	488	2,002	1,697	589
%	66%	44%	25%	19%
Overall change in affordable dwelling stock	9	-1,138	-2,002	-236
Queensland - Percent affordable				
2004	52%	47%	40%	43%
2009	34%	25%	18%	16%

Source: Residential Tenancies Authority rental bonds data in Department of Communities, Housing Analysis Review, 2010 (Table 15 LGA)

Purchases

Between 2002/03 and 2008/09, median house and land purchase prices have increased significantly across the whole state. The greatest percentage change was for land sales in the Gladstone region (160%) and the smallest percentage change was for flats, units and townhouses in Queensland (49%).

Flats, units and townhouses in the Gladstone region experienced a 59% increase in median price and detached houses experienced an increase of 127%. Although the price of houses and land increased across the Gladstone region between 2002/03 and 2008/09, the number of sales decreased.

Purchase Affordability

In 2009 the median house price for first home buyers (based on 40th percentile house price) in the Gladstone region was considered affordable based on median incomes for couples aged 25-40 years. In 2009 the median house price was $350,000, whereas up to $387,000 was considered the affordable price for median income couples aged 25-40 years. It should be noted that this was not the case in 2008 and the median house price compared to the median income for couples aged 25-40 years has varied between 2001 and 2009.

Table 11 below provides a breakdown of at risk purchasers in the Gladstone region, Central Queensland and Queensland in 2006. As shown, the Gladstone region has the lowest proportion (7.7%) of households spending more than 40% of their income on mortgage repayments. However, the Gladstone region has a higher proportion (23.4%) of low income households spending more than 40% of their income on mortgage repayments compared to Central Queensland.

Table 11 At Risk Purchasers in the Gladstone Region, Central Queensland and Queensland in 2006

At risk purchasers						
	Low Income purchasers	High Income purchasers	No. paying 40%+	% paying 40%+	% Low Income purchaser	% Low Income paying 40%+
Gladstone Region						
Households	1,285	4,300	431	7.7%	23.0%	23.4%
Central Queensland						
Households	4,592	12,586	1,364	7.9%	26.7%	21.2%
Queensland						
Households	116,247	270,275	49,797	12.9%	30.1%	29.6%

Source: ABS data in Department of Communities, Housing Analysis Review, 2010 (Table 17A LGA)

Notes:

Low and high income groupings calculated from above and below 50th percentile of equivalised income.

"At risk purchasers" includes households in lowest 50% equivalised income with mortgage repayments over 40% of household income.

Housing Implications:

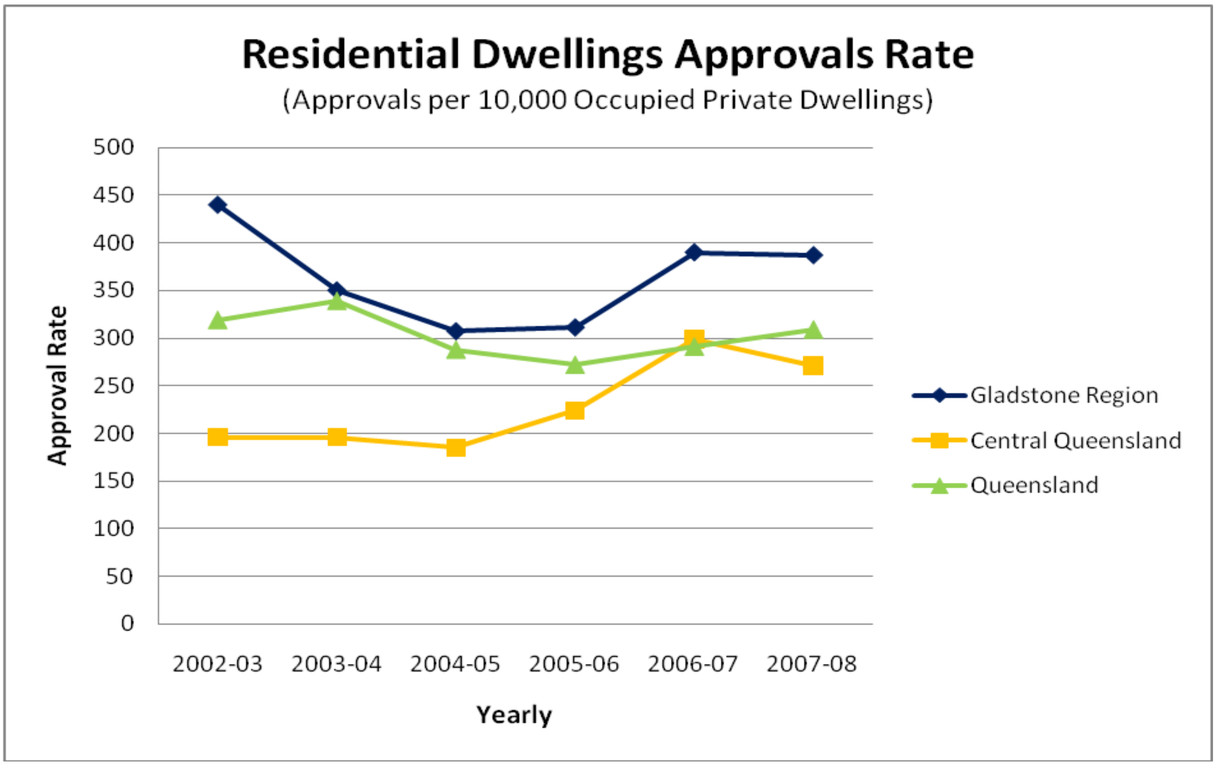
- With rental and purchasing costs increasing between 2002/03 and 2008/09, most of this increase can be attributed to an increase in demand for housing as population increases and household sizes become smaller. Failure to accommodate this demand will continue to place pressure on the housing market and prices will continue to rise.
- The proportion of affordable rental stock is declining in the Gladstone region and is much lower compared with Central Queensland. This may reflect a higher starting point for rent prices, possibly due to desirable location and market competition. It may also indicate that the Gladstone region has little capacity to deliver a diversity of housing options across a wide range of prices.

5.2.7 Dwelling Approval Trends

Dwelling approval rates for the Gladstone region have varied between 2002/03 and 2007/08, having decreased, increased and levelling out by 2007/08. This pattern is fairly consistent with dwelling approval rates for Central Queensland during the same period but inconsistent with Queensland which experienced an increase, decreased and increase. Of the three comparative areas, Gladstone experienced the most variability in terms of peaks and troughs, but has remained higher than Central Queensland and Queensland, particularly in more recent times.

Between 2002/03 and 2007/08 the overall approval rate for all residential dwellings in the Gladstone region changed by -12% compared to 38% and -3% for Central Queensland and Queensland respectively. Figure 39 below illustrates the pattern of residential dwelling approval rates for the Gladstone region, Central Queensland and Queensland from 2002/03 to 2007/08.

Figure 39 **Residential Dwelling Approval Rates for the Gladstone Region, Central Queensland and Queensland (2002/03-2007/08)**



Source: ABS data in Department of Communities, Housing Analysis Review, 2010 (Table 20 LGA)

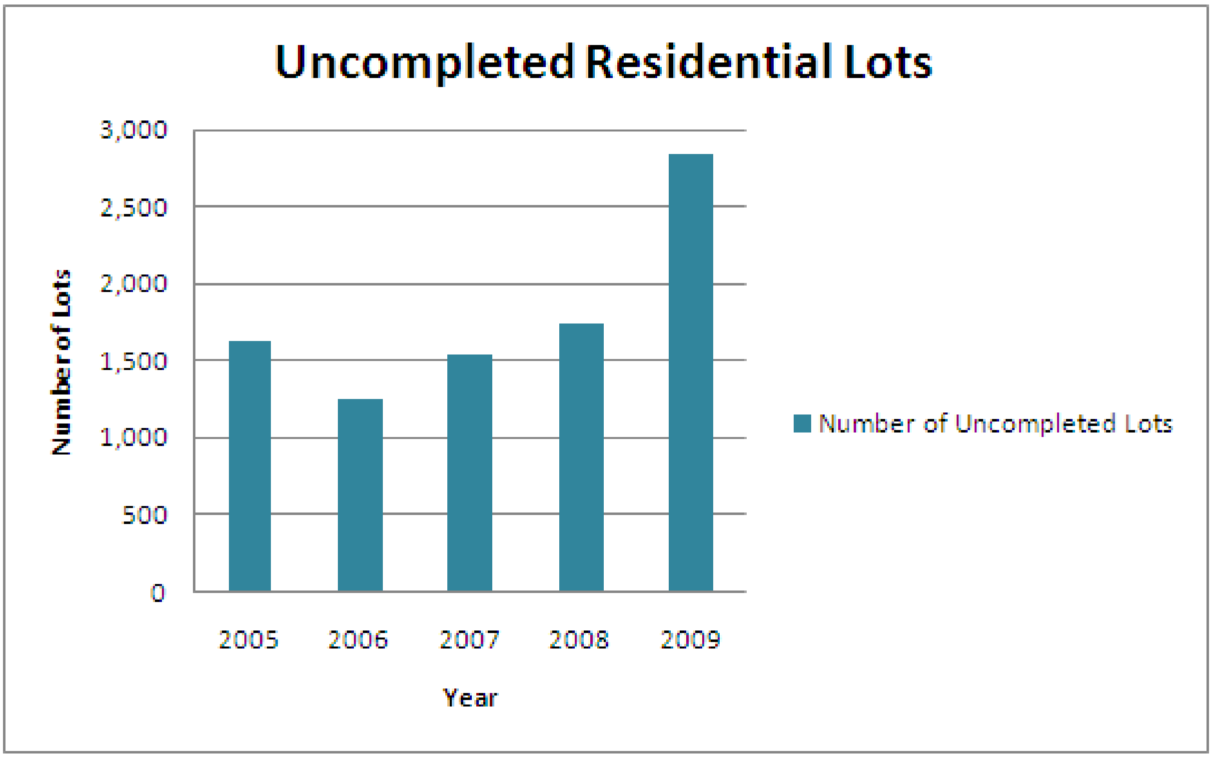
Housing Implications:

- Dwelling approval rates have been increasing since 2005/06 and levelling out in more recent times. This means that the level of building activity in the region has been increasing to help meet levels of demand.
- Housing activity in the Gladstone region appears to vary considerably over time depending on major projects in the area
- To date, most of these new housing developments are single detached dwellings on large parcels of land. In order to best accommodate the demographic changes anticipated for the region, a wider range of housing options needs to be delivered.

5.2.1 Residential Lots Supply and Proposed Development

A Regional Growth Issues Report (May 2010) was recently prepared by the Directors of Strategic Planning, Statutory Planning and Community Services from Gladstone Regional Council. The report provides a snapshot of the number of approved, but uncompleted lots in the Gladstone Region as shown in Figure 40 below.

Figure 40 Uncompleted Residential Lots in the Gladstone Region (2005-2009)



Source: Gladstone Regional Council, Region Growth Issues Report, 2010

The report identifies a list of key residential growth areas and the level of activity being undertaken, as described in Table 12 below.

Table 12 Key Growth Areas for Residential Development on the Gladstone Region.

Growth Area	Residential Development Activity
Kirkwood Road Precinct	• Little Creek (PA for 700 lots with stages 1 & 2 – 62 lots recently completed) • Vantage (PA for 600 lots with stages 1 & 2 – 95 lots under construction) • Emmadale Heights (original approval for 350 lots – now constructing stage 9) • Forest Springs (PA for Master Planned Community for 516 lots & 233 units) • Davies (PA for 600 lots with DA being processed for 191 lots in stages 1-4) • Oasis/Cove (260 lots)
Glen Eden	• Stoneybrook (285 lots & 220 units) • Marist Fathers (PA for 600 lots and DA for 91 lots – stage 1 being processed) • Jadewell/Cougar (development permit issued for 100 lots)
Calliope	• Panorama (stages 1 & 2 – 57 lots approved) • Calliope Vista (186 lots approved) • The Ridge (109 lots plus mobile home park of 219 approved) • Calliope Ventures (147 rural residential lost approved) • Country Club (88 rural residential lots approved) • Golf Club Estate (61 rural residential lots approved) • Tarrawonga Drive (62 lots approved)
Boyne/Tannum Sands	• Tannum Waters (PA for 2,000 lots with development permit for stages 1-3 and operational works for stages 1-2 – 108 lots)

Source: Gladstone Regional Council, Regional Growth Issues Report, 2010

PA stands for preliminary approval

DA stands for development application

Residential development is also expected to take place at Clinton, where the Urban Land and Development Authority (ULDA) has declared an Urban Development Area (UDA). The site is located six kilometres from the Gladstone CBD and covers approximately 26 hectares. Within declared UDAs, the ULDA will facilitate the availability of land, the provision of infrastructure and a greater range of diverse housing, including houses that are affordable to households on incomes between $40,000 and $80,000 per year.

The intent for residential areas of the UDA are to provide for densities of up to 30 dwellings per hectare, with lot sizes range from 250sqm to 640sqm. Full development of the Clinton UDA is expected to take up to five years, with the first project underway by late 2010.

5.3 Statistical Local Area Reporting

5.3.1 Dwelling Type

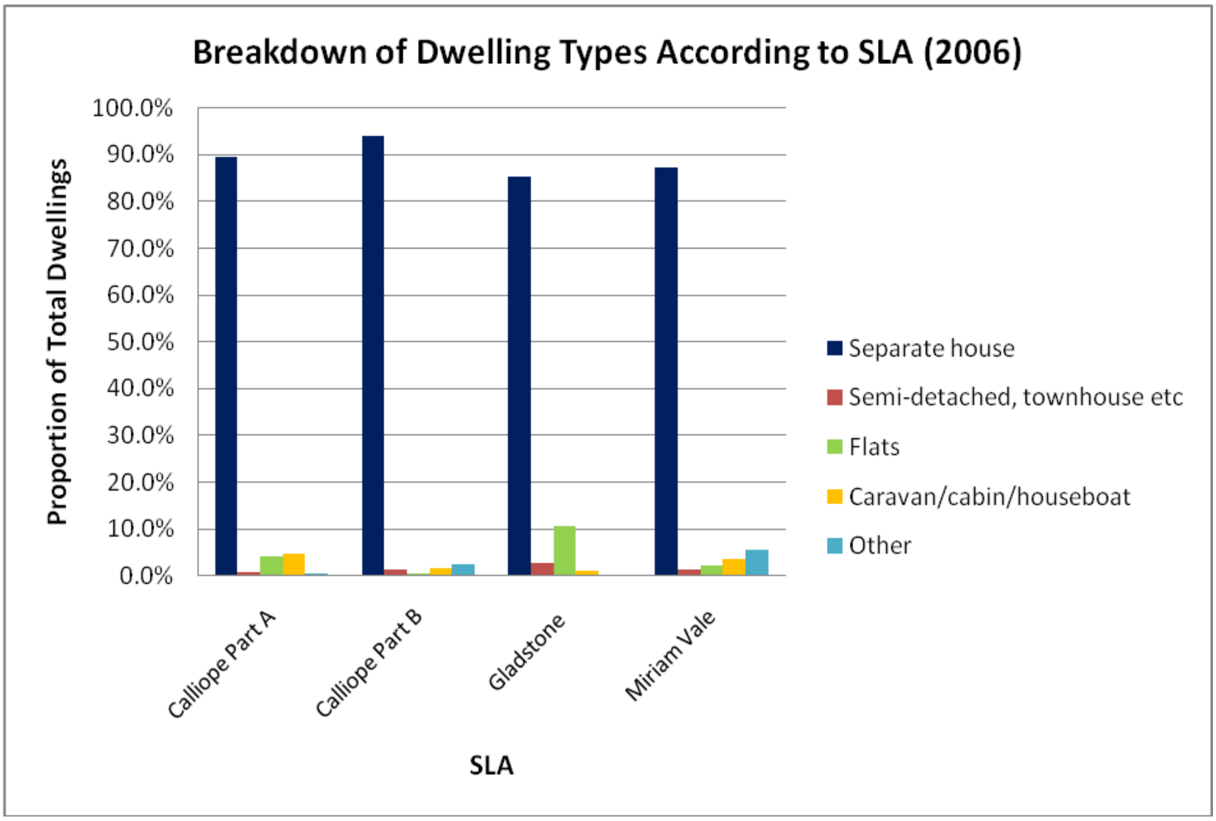
Separate houses are the predominant housing type across all SLAs, with Calliope Part B recording the highest proportion (94%), followed by Calliope Part A (89.9%), Miriam Vale (87.1%) and Gladstone (85.2%). These figures are all higher than that of Queensland, in which separate houses account for 79.5% of all housing stock.

Semi-detached dwellings, townhouses and flats were more predominant in Gladstone compared to each other SLA, however lower than that of Queensland. Conversely, caravans, cabins and houseboats as a place of long term residence were lower in Gladstone compared to Calliope Part A, Calliope Part B and Miriam Vale.

In 2006, the proportion of caravans as a long term place of residence was at a rate of 433 per 10, 000 in Calliope Part A and 425 per 10,000 in Miriam Vale. These rates are significantly higher than Gladstone and Calliope Part B which recorded 69 per 10,000 and 80 per 10,000 respectively.

Overall, the proportional breakdown of dwelling types in each SLA remained relatively the same between 2001 and 2006. Figure 41 below provides a breakdown of dwelling types in each SLA.

Figure 41 Breakdown of Dwelling Types According to SLA in 2006



Source: ABS data in Department of Communities, Housing Analysis Review, 2010 (Table 11 SLA)

5.3.2 Housing for Special Needs

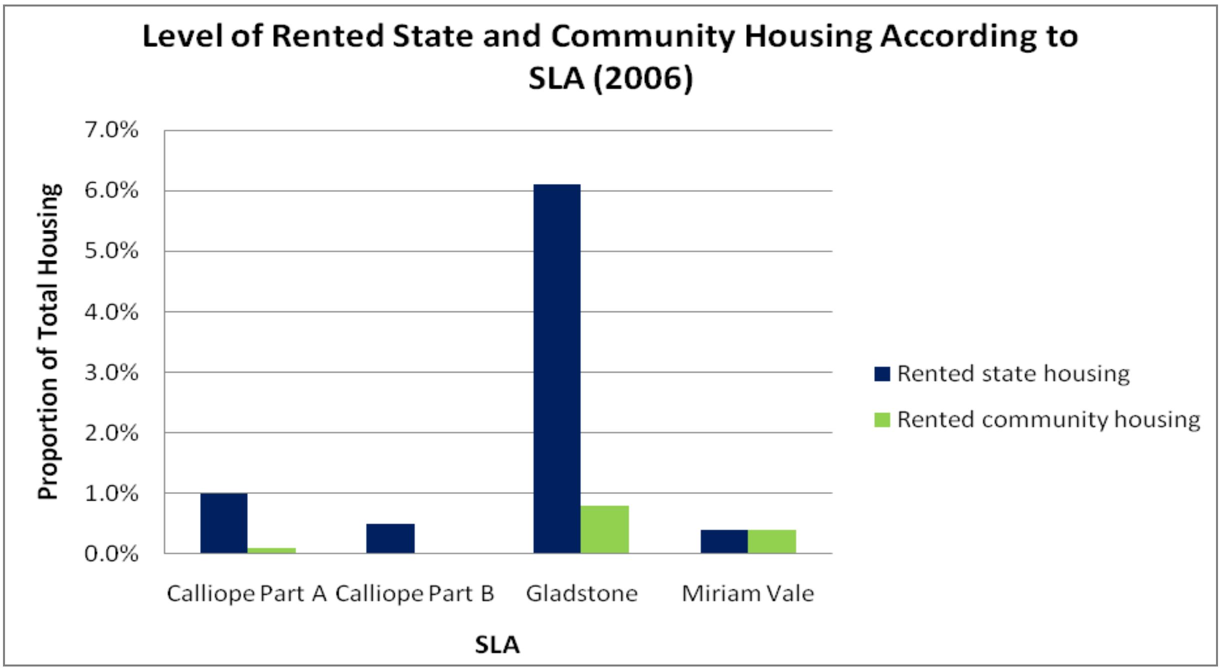
In 2006, Calliope Part A and Miriam Vale recorded significantly high rates of people residing in long term caravan accommodation (433 per 10,000 and 425 per 10,000 respectively). These rates are significantly higher than the Gladstone LGA (204 per 10,000), Central Queensland (180 per 10,000) and Queensland (91 per 10,000). Gladstone was the only SLA in which people resided in boarding house rooms. Gladstone recorded a rate of 10 per 10,000 similar to that of Central Queensland (8 per 10,000) and Queensland (11 per 10,000).

In 2006 hotels and motels accommodated the greatest proportion of people residing in non-private dwellings across all the SLAs. Miriam Vale had the highest proportion of people residing in hotels and motels (77.6%), followed by Gladstone (67.3%), Calliope Part B (52%) and Calliope Part A (44.8%). Calliope Part B recorded a significantly higher proportion of people in staff quarters (48%) and Calliope Part A recorded higher proportions of people in nursing homes (28.2%) and accommodation for the aged and retired (16.3%).

Of those residing in non-private dwellings, the proportion of people in nursing homes (28.2%) and accommodation for the aged and retired (16.3%) was highest in Calliope Part A. These figures are significantly higher than the Gladstone LGA (6.3% and 4.8%) and Queensland (13.8% and 9.6%).

In 2006, the level of State housing and community housing was significantly higher in Gladstone compared with other SLAs. This is consistent with the higher level of services and assistance to be found in Gladstone. Figure 42 below compares the proportion of people residing in State and community housing across each SLA in 2006.

Figure 42 **Levels of Rented State and Community Housing According to SLA in 2006**



Source: ABS data in Department of Communities, Housing Analysis Review, 2010 (Table 10 SLA)

5.3.3 Tenure (Rental and Ownership)

Between 2001 and 2006, the proportion of fully owned dwellings decreased and the proportion of dwellings being purchased increased in each SLA. In 2006, the predominant tenure type in Calliope Part B and Miriam Vale was fully owned houses, whereas the main tenure type in Gladstone and Calliope Part A was houses being purchased.

5.3.4 Housing Costs

Rentals

Between 2000/01 and 2008/09, rental prices have increased significantly across each SLA in the Gladstone region. One bedroom houses in Miriam Vale experienced the greatest percentage increase in median rental costs (146.67%), increasing from $75/wk in 2000/01 to $185 p/wk in 2008/09. Overall, Gladstone experienced significant increases in median rental prices across all dwelling sizes, with two bedroom and four bedroom dwellings recording particularly high percentage changes compared with other SLAs.

Rental Affordability

An overall decline in affordable rental stock is evident throughout each SLA except for one bedroom dwellings in Calliope Part B and one, two and four bedroom dwellings in Miriam Vale, which experienced slight increases in affordable rental stock. It is important to note that these slight increases are only the result of having very small figures initially and therefore any increase or decrease is exaggerated. Gladstone recorded the most pronounced changes with the proportion of affordable two and three bedroom dwellings decreasing from 60% to 29% and 38% to 16% between 2004 and 2009.

Purchases

Between 2002/03 and 2008/09 all SLAs in the Gladstone region experienced a significant increase in the median sale price for house and land purchases. Detached houses in Calliope Part B experienced the greatest percentage increase in median sale price (394.6%), increasing from $56,000 in 2002/03 to $277,000 in 2008/09. The smallest percentage increase was for land sales in Miriam Vale (82.7%), in which the median price increased from $98,500 in 2002/03 to $180,000 in 2008/09.

Purchase Affordability

In 2008/09 all SLAs in the Gladstone region except for Miriam Vale had lower median sales prices for flats, units and townhouses compared to Queensland. The median sale price for flats, units and townhouses in Miriam Vale was $540,000, significantly higher than Queensland's median sale price of $335,000.

During the same year Calliope Part A ($398,000) and Miriam Vale ($387,500) recorded higher median sales prices for detached houses compared with Queensland ($385,000). All SLAs in the Gladstone region also recorded lower median sales prices for land compared with Queensland.

Table 13 below provides a breakdown of at risk purchasers in each SLA in 2006. As shown, Miriam Vale has the highest proportion (15.7%) of households spending more than 40% of their income on mortgage repayments, as well as the highest proportion of low income purchasers (55.1%).

Table 13 At Risk Purchasers According to SLA in 2006

At risk purchasers						
	Low Income purchasers	High Income purchasers	No. paying 40%+	% paying 40%+	% Low Income purchaser	% Low Income paying 40%+
Calliope Part A						
Households	327	1,320	130	7.9%	19.9%	26.9%
Calliope Part B						
Households	76	185	25	9.6%	29.1%	23.7%
Gladstone						
Households	654	2,609	211	6.5%	20.0%	21.3%
Miriam Vale						
Households	228	186	65	15.7%	55.1%	24.6%

Source: ABS data in Department of Communities, Housing Analysis Review, 2010 (Table 17A SLA)

Notes:
Low and high income groupings calculated from above and below 50th percentile of equivalised income.
"At risk purchasers" includes households in lowest 50% equivalised income with mortgage repayments over 40% of household income.

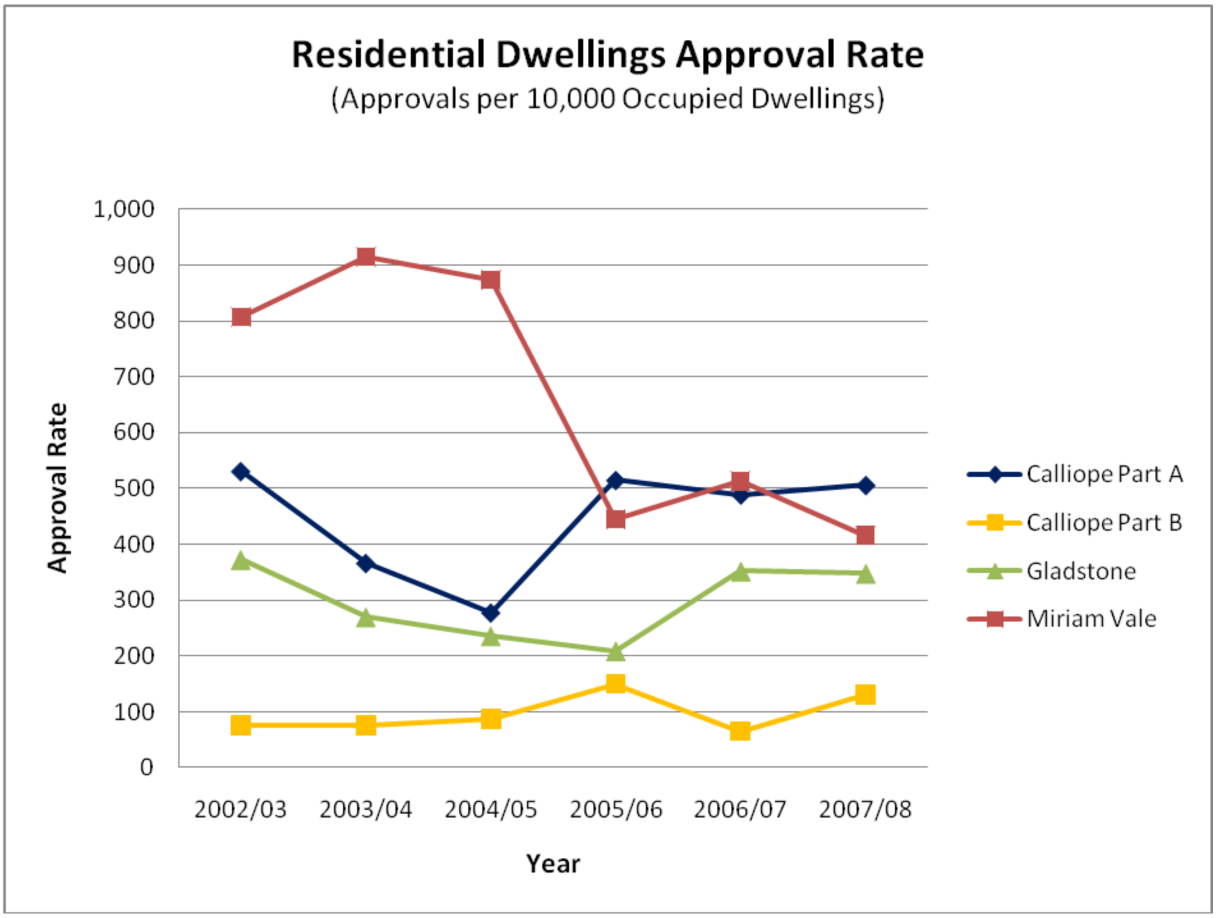
5.3.5 Dwelling Approval Trends

From 2003 to 2008, the number of housing approvals increased in each SLA except Gladstone which recorded a decrease of -4%. Calliope Part B recorded the highest percentage change of 71%, followed by Calliope Part A (15%) and Miriam Vale (11%).

The number of approvals for residential dwellings other than a house increased in Calliope Part A and Gladstone by 67% and 100% respectively. Calliope Part B recorded no change, whereas Miriam Vale recorded a -97% decrease.

Figure 43 bellows the rate of approval for all dwelling types in Calliope Part A, Calliope Part B, Gladstone and Miriam Vale between 2002/03 and 2008/09.

Figure 43 **Residential Dwelling Approval Rates in Calliope Part, Calliope Part B, Gladstone and Miriam Vale (2002/03-2008/09)**



Source: ABS data in Department of Communities, Housing Analysis Review, 2010 (Table 20 SLA)

5.3.6 Summary of Housing Implications

The key housing implications drawn out of section 5.3 are summarised in the box below.

Housing Implications:

- Between 2001 and 2006, the proportion of fully owned dwellings has decreased across each SLA, whereas the proportion of dwellings being purchased has increased in each SLA. Until the economic environment improves it is likely that the number of houses being purchased will remain at a higher rate then fully owned houses.
- Each SLA has a significantly high proportion of separate houses, which remained relatively the same from 2001 to 2006. The shift away from separates houses towards flats and units is likely to result in higher density living. The main challenge will be ensuring a sufficient supply and diversity of housing options are available across a range of price points.
- Calliope Part A and Miriam Vale have significantly higher proportions of caravans as a long term place of residence, with a rate of 433 per 10, 000 and 425 per 10,000 respectively. This may be attributed to high rental and purchasing prices in the area, as well as temporary workers seeking accommodation at caravan parks.
- The proportion of people in nursing homes (28.2%) and accommodation for the aged and retired (16.3%) was significantly higher in Calliope Part A compared to all other SLAs. This indicates the demographic characteristics of the area, in which Calliope Part A has the highest proportion of people aged over 75 years. Because the region has an ageing population, the demand for smaller and more manageable housing is likely to increase.
- A general decline in affordable rental stock is evident throughout each SLA in the Gladstone region. Rental prices will continue to increase unless housing supply better meets demand, and more diversity in housing options is available.
- In 2008/09 the median sale price for flats, units and townhouses in Miriam Vale was $540,000, significantly higher than Queensland's median sale price of $335,000. This presents problems in terms of affordable housing, particularly for smaller household sizes with lower incomes.
- Miriam Vale has the highest proportion (15.7%) of households spending more than 40% of their income on mortgage repayments, as well as the highest proportion of low income purchasers (55.1%). In addition, Calliope Part A has the highest proportion (26.9%) of low income households spending more than 40% of household income on mortgage repayments. These figures indicate a high proportion of at risk purchasers who are in housing stress.

6 Housing Needs and Appropriate Responses

6.1 Key Implications from Demographic and Housing Market Review

The Gladstone region has a rapidly growing population that will continue to place significant demands on the supply of housing. Demographic and housing affordability trends should also dictate the range of housing that should be provided in the future.

Key points from the previous sections include:

Gladstone Region Generally

- There is forecast to be a 98% increase in the number of dwellings in the Gladstone region to accommodate the projected population growth from 2006 to 2031 (this includes permanent residents, visitors and vacant dwellings).
- The forecast population growth by 2031 is expected to largely occur in Boyne Island-Tannum Sands, Calliope and Agnes Water-Seventeen Seventy.
- By 2031, the main changes to household type will be an increase in the proportion of couple only and single person households, and a decrease in the proportion of couple with children households.
- The key trend in terms of household type is an increase in smaller households arising from changes in household structure, social choice and couples having fewer or no children.
- The trend towards smaller household types will increase the number of households required in proportion to the population. This will mean a greater demand for smaller dwellings, and although smaller households may choose a larger dwelling for various reasons this is expected to become more difficult in the future due to expected declining levels of affordability.
- An increasing proportion of single person households with a single income will mean increased difficulty for a number of households to find affordable housing.
- The population is generally ageing which increases the need for smaller and more manageable dwellings. It also increases the need for specialised housing such as universal housing and aged care accommodation (both in private and non-private tenure).
- With the forecast increase in older age cohorts (65+ years), there is a need to ensure a range of dwellings types are available to enable households to age in place.
- If current disability rates per age group remain constant, there will be a greater need for suitable housing over time, particularly with an ageing population.
- Suitable housing for persons with a disability needs to be provided for both the young and old, with the Gladstone region having a high rate of people with disabilities aged under 65 years (61.6% of persons with a disability in the Gladstone region are aged under 65 years).
- The Gladstone region has a relatively low level of cultural diversity, and greater cultural diversity should be facilitated through a range of dwellings sizes and densities to cater for different household structures and preferences. A general diversity of housing will provide more choice to suit a wider range of cultural and household needs.
- The Gladstone region has a significantly high proportion of caravans as a long term place of residence compared with Queensland. This provides an important source of affordable housing,

which is understood to be under threat with a high number of closures in recent years for the purpose of redevelopment.

- The Gladstone region has a significantly high proportion of separate dwellings, with corresponding low proportions of flats and semi-detached dwellings. This limits the diversity of dwelling type in the Gladstone region.
- The Gladstone region has a higher rate of larger dwellings and a lower rate of smaller dwellings compared to Queensland. This presents a mismatch in dwelling supply compared with demand, with a significant under supply of smaller dwellings. A broader range of dwelling sizes is required in order to increase housing diversity and affordability, especially with forecast higher demand for smaller dwellings.
- Separate houses make up the bulk of larger sized dwellings but this could change over time as more affordable housing options are considered and household compositions change.
- Declining affordability for both renters and purchasers is likely to continue in the short to medium term as population growth increases and housing demand remains high.

Calliope Part A SLA

- Calliope Part A is expected to experience a significant increase in population (112%) by 2031 and therefore housing supply needs to increase to meet the growth in demand. If housing supply does not adequately meet demand, housing costs will continue to increase.
- Calliope Part A has the highest proportion of people aged over 75 years. Because the area has an ageing population, the demand for smaller and more manageable housing (i.e. universal housing and aged care accommodation) is likely to increase especially as health and ability levels become an issue. This should be both in the form of private and non-private tenure (aged care).
- This area has a significantly high proportion of people residing in caravans as a long term place of residence. This is an important source of affordable accommodation in the area, which is understood to be under threat with numerous caravan park closures in recent years for the purpose of redevelopment.
- Calliope Part A has the highest proportion (26.9%) of low income households spending more than 40% of household income on mortgage repayments. These figures indicate a high proportion of at risk purchasers who are in housing stress.

Calliope Part B SLA

- Calliope Part B has the lowest population of all SLAs (2,876) and the forecast growth for the area is minimal.
- The area has little diversity in terms of demographics compared with other SLAs. The area has a large proportion of middle-aged residents and the predominant household type is couple only households.
- Calliope Part B has a significantly higher proportion of separate houses (94%), with limited choice in terms of dwelling type.
- Detached houses in Calliope Part B recorded the greatest percentage increase in median sale price (394.6%), increasing from $56,000 in 2002/03 to $277,000 in 2008/09.

Gladstone SLA

- Gladstone is expected to accommodate the largest proportion of growth by 2031 and as such the supply of housing needs to meet the growing demand by providing a range of housing options suitable to the community's needs. If housing supply does not adequately meet demand, housing costs will continue to increase.
- This area has the greatest diversity in terms of demographics (i.e. household type, culture diversity) and therefore a diversity of housing options should be provided to meet the diverse needs of community.
- The Gladstone area has a significantly higher proportion of State and community housing compared to other SLAs.
- A range of affordable housing choices are required for key workers in the Gladstone area.
- Between 2000/01 and 2008/09 Gladstone experienced significant increases in median rental prices across all dwelling sizes, with two bedroom and four bedroom dwellings recording particularly high percentage changes compared with other SLAs.
- Gladstone recorded the most pronounced changes in terms of rental affordability with the proportion of affordable two and three bedroom dwellings decreasing from 60% to 29% and 38% to 16% between 2004 and 2009.

Miriam Vale SLA

- Miriam Vale is expected to experience a significant increase in population (117%) by 2031 and therefore housing supply needs to increase to meet the growth in demand. If housing supply does not adequately meet demand, housing costs will continue to increase.
- Miriam Vale has the highest proportion of people aged over 45 years (49.3%), meaning the need for additional dwellings suitable for the aged (i.e. universal housing and aged care accommodation). This should be both in the form of private and non-private tenure.
- Miriam Vale has a relatively old population and the highest proportion of single person and couple only households (62.5%). Therefore a range of smaller and more manageable housing options (i.e. flats, units and universal housing) needs to be considered.
- Adequate housing for the disabled is required in Miriam Vale, which has a significantly high proportion of people receiving a disability pension.
- Miriam Vale has the greatest proportion (15.7%) of households spending more than 40% of their income on mortgage repayments, as well as the highest proportion of low income purchasers (55.1%). These figures indicate a high proportion of at risk purchasers who are in housing stress.
- Miriam Vale has a significantly high median sale price for smaller dwellings such as flats, units and townhouses ($540,000 compared $335,000 for Queensland in 2008/09). A greater choice of small dwelling types across a wider price range is required in the area.
- Miriam Vale was the only SLA to record a higher median house price than what is considered affordable for first home buyer renter couples aged 25-40 years (The Department of Communities uses the 40th percentile house price as the best representation of median price paid by first home buyers).

6.2 Future Dwelling Requirements

With continued population growth in the Gladstone region, the demand for housing will continue to increase. Recent and forecast trends also indicate an increase in smaller household types such as couple only and single person households. This will mean a smaller median household occupancy rate and a higher number of households in relation to the population.

The Gladstone region requires approximately 20,800 new dwellings by 2031. This includes the forecast need for visitor dwellings. Taking into account the need to construct new dwellings to accommodate dwelling loss adds 300 dwellings, reaching a total of 21,100 new dwellings by 2031. This equates to an average of 850 new dwellings per year, with the rate being higher initially and then declining towards 2031. This is significantly higher than the average dwelling approval rate in recent years across the Gladstone region (476 approvals in 2005/06, 589 in 2006/07 and 625 in 2007/08).

Table 14 below summarises the dwelling requirements for the Gladstone region by 2031.

Table 14 Dwelling Requirements for the Gladstone Region (2006-2031)

	Current Dwellings	Dwellings Required at 2031	Change 2006-2031	Percentage Change
Total Dwellings Required (includes visitor dwellings)	21,400	42,200	20,800	98%
Dwellings Required – Resident Households	20,150	39,650	19,500	97%

Source: Department of Communities, Housing Analysis Review, 2010 (Table 26 LGA)

6.2.1 Housing Mismatch

The Department of Communities modelling indicates that there is currently a significant mismatch in household housing need and supply as summarised in Table 15 below.

Table 15 Housing Mismatch in the Gladstone Region in 2006

	Need	Supply (current stock)	Mismatch
Small Dwellings	6,650	3,900	-2,750
Large Dwellings	13,500	16,250	2,750

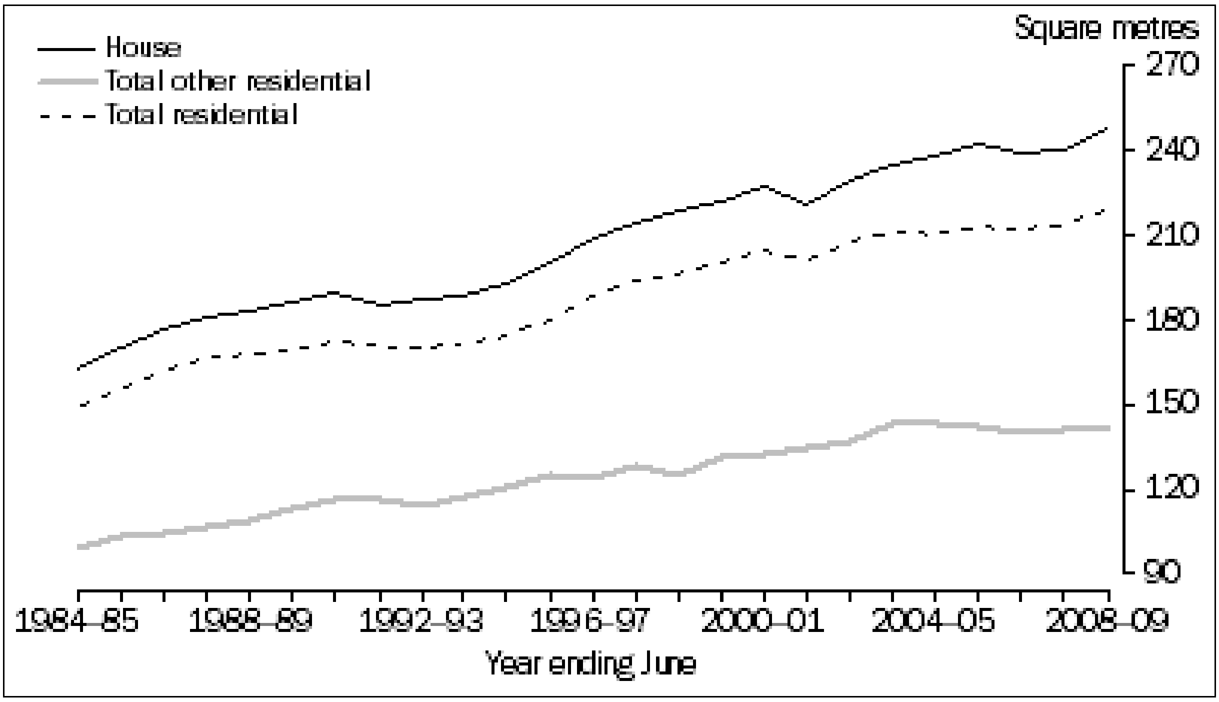
Source: Department of Communities, Housing Analysis Review, 2010 (Table 25 LGA)

The table shows an oversupply of large dwellings compared with the actual need for large dwellings to accommodate to larger household types. There is a corresponding undersupply of small dwellings compared with the actual need for small dwellings to accommodate small households. This mismatch excludes small households with moderate to high incomes that choose large dwellings, and similarly excludes large households with moderate to low incomes that choose small dwellings.

The size of mismatch as a percentage of total households in the Gladstone region is 14%, compared to 16% for Queensland. The current proportion of small dwelling supply is 19% for the Gladstone region, compared to 23% for Queensland. However in order to meet future demand for small housing, approximately 36% of housing will need to be small dwellings. However in order to fully address the current mismatch of 2,750, the future supply of small dwellings will have to increase to approximately 53%. Either of these scenarios presents a significant change to the current situation.

It should be noted that the current market trend is towards larger housing which makes the provision of the appropriate level of small housing even more difficult. Figure 44 from a recent ABS report illustrates this trend (Average Floor Area of New Residential Dwellings in Australia, February 2010). The same report shows that Queensland had the third largest percentage increase over the last 24 years compared to other states, and that compared with other countries Australia has the largest new average house size.

Figure 44 Average Floor Area of New Residential Dwellings in Australia



Source: ABS Feature Article, 2010

6.2.2 Dwelling Type Needs

The SGS dwelling demand model shows that the projected need between 2006 and 2031 for various dwelling types is as follows.

Table 16 **Dwelling Needs Forecast (Nominal) for the Gladstone Region between 2006 and 2031**

Gladstone Region	2006	2011	2016	2021	2026	2031	Change 2006-2031
Separate house	16,729	20,290	23,380	26,530	29,892	33,523	16,794
Semi-detached/row/ terrace/townhouse	473	526	616	713	811	917	444
Flat/unit/apartment	1,621	1,954	2,267	2,630	2,999	3,395	1,774
Other	1,324	1,352	1,369	1,435	1,634	1,849	525
Total Private Dwellings	**20,147**	**24,122**	**27,632**	**31,308**	**35,336**	**39,683**	**19,536**

Source: SGS forecasts from ABS Census data

Table 17 **Dwelling Needs Forecast (Percentage) for the Gladstone Region between 2006 and 2031**

Gladstone Region	2006	2011	2016	2021	2026	2031	Change 2006-2031
Separate house	83.0%	84.1%	84.6%	84.7%	84.6%	84.5%	86.0%
Semi-detached/row/ terrace/townhouse	2.3%	2.2%	2.2%	2.3%	2.3%	2.3%	2.3%
Flat/unit/apartment	8.0%	8.1%	8.2%	8.4%	8.5%	8.6%	9.1%
Other	6.6%	5.6%	5.0%	4.6%	4.6%	4.7%	2.7%

Source: SGS forecasts from ABS Census data

These forecasts show an increasing proportion of separate houses and flats, units and apartments by 2031. This is balanced by a corresponding decrease in "other" dwellings, with semi-detached dwellings and townhouses remaining constant. On this basis, approximately 86% of new housing stock from 2006 to 2031 will need to be separate houses to achieve 84.5% by 2031, up from 83% in 2006. Flats, units and apartments will also need to increase by approximately 9% to reach needs by 2031. This modelling is based on current housing preference by house type. However, this is heavily influenced in Gladstone by the current housing stock and easy affordability of larger housing and residential lots. This may change significantly in the future as affordability declines. The future choice of housing will ultimately have to depend on the attractiveness of the dwelling type produced and how affordable it is. Particularly as housing affordability continues to decline, it is expected that developers may consider a different mix of housing and design.

Options to address the need for smaller dwellings and allowing this in the future will need to be discussed with Council however this may include:

- A higher proportion of attached dwellings and units;
- A higher proportion of smaller houses;
- A higher proportion of attached dwellings;

- Providing dwellings that are at the lower end of the large category (i.e. three bedrooms), but at an affordable cost;
- Increasing the proportion of alternative housing such as granny flats and fonzie apartments;
- Allowing options to subdivide in the future or develop secondary dwellings; and
- Encouraging flexibility in housing design to accommodate changing levels of ability or allow for multiple occupancy.

It will also be important to ensure that "other" dwellings can continue to be provided to fill the need for alternative dwellings that meet lifestyle choices and affordability. At the same time those living in these types of dwellings should also have the option to live in a house, attached dwelling or unit if desired. Of particular importance will be provision of suitable accommodation for the influx of temporary workers expected in the region as major resource and infrastructure projects commence. This is when the provision of "other" dwellings such as temporary workers accommodation will be crucial.

The following table provides a breakdown of forecast dwellings required in each SLA by 2031:

Table 18 **Dwelling Requirements According to SLA in the Gladstone Region between 2006 and 2031**

Community	Current Dwellings (2006)	Dwellings Required at 2031	Change 2001-2031	Percentage Change	Percentage of Total New Dwellings
Agnes Water – Seventeen Seventy	736	3,072	2,336	317%	12%
Boyne Island – Tannum Sands – Benaraby - Wurdong	3,848	10,170	6,322	164%	32%
Calliope (including Beecher & Burua)	1,259	6,185	4,926	391%	25%
Clinton – Byellee - Callemondah	2,227	3,124	897	40%	5%
Gladstone City	754	1,664	910	121%	5%
Kin Kora – Sun Valley	1,294	1,658	364	28%	2%
New Auckland - Kirkwood	1,494	2,371	877	59%	4%
Rural South East – Miriam Vale	1,522	2,325	803	53%	4%
Rural West	1,124	1,575	451	40%	2%
South Gladstone – Barney Point	2,161	2,704	543	25%	3%
Telina – South Trees – Glen Eden - Toolooa	1,703	2,382	679	40%	3%

West Gladstone	2,024	2,453	429	21%	2%
Total Gladstone Region	20,147	39,683	19,536	97%	100%

Source: SGS forecasts from ABS Census data, 2008

6.2.3 Special Housing Needs

Affordable Housing

The previous examination of housing market characteristics in the Gladstone region indicates that housing costs are increasing in relation to household income resulting in lower levels of housing affordability. This is consistent with general trends across Queensland. Affordable housing will continue to be an issue as household sizes decrease and the number of single income households increase. The need for smaller dwellings addresses in part the need for more suitable housing to suit household types and this will assist in finding suitable housing and having to pay a premium for larger housing when it is not required. Furthermore, it is important to note that between 2001 and 2006 the level of public housing (provided by state or territory housing authorities) in Australia decreased. During the same period the level of state and community housing in the Gladstone region decreased from 4% to 3.8% and 0.7% to 0.5% respectively.

Smaller dwellings are most cost efficient in both short term (purchase) and longer term (lifecycle costs), and allow households more discretionary spending on other needs and lifestyle choices such as education, health and recreation.

Providing a diverse range of housing options is a key step in improving affordability as it means households are more likely to rent or purchase housing which suits their circumstances, and not larger, more expensive options. It also means that more attached dwellings and units are available as an option, at generally a lower cost. There also needs to be a focus on providing housing products that meet the market demand but at a lower construction (and therefore purchase) cost.

It should also be noted that a proportion of low income households will continue to require large dwellings to avoid overcrowding. This will require either innovative design and construction to ensure the product is affordable, or financial assistance through State or community housing.

Once developed, UDA at Clinton will offer more affordable housing options for residents in the Gladstone region. The development aims to meet a range of housing choices through a mix of densities, types, designs, price points and tenure options.

In considering affordable housing, thought should be given not only to housing costs alone, but also ensuring that living costs are also taken in account. Affordable housing should be well located in relation to work and have good access to a range of services and social infrastructure.

Housing for the Aged

As the previous research has shown, the Gladstone region has an ageing population, and in particular a rise in the 65+ years age cohort. This will require an increase in smaller, more manageable dwellings as households age. This is accounted for in the forecast need for smaller dwellings outlined previously.

Based on the current rate of living arrangements and the forecast population in the 65+ years age group between 2006 and 2031, approximately 528 additional persons will need to be accommodated in cared accommodation/nursing homes, and accommodation to the aged and retired. This is an increase of 257% and 258% respectively above current persons in these types of accommodation. As outlined in the next section, universal housing should be provided for the disabled and this will include a large proportion of those aged 65+ years. Universal housing should be provided sooner rather than later in all areas so that the population can age in place into the future.

Housing for the Disabled

The rate of disability by age is assumed to remain constant in the future for the purpose of this study. However, the overall rate of disability is expected to increase slightly given the ageing population and high levels of disability amongst the elderly.

SGS has examined the current rates of disability by age and how these are accommodated. Based on the forecast population, there will potentially be a need for additional housing for the following number of persons with a disability (2006-2031):

- Adaptable dwellings for 11,200 persons;
- 300 places in cared accommodation/nursing homes; and
- 230 places in accommodation for the retired or aged.

It is expected that there would only be a single disabled person per household, but there may be some households, particularly in the 65+ years age cohort which may have multiple persons with a disability in the same household. This will slightly reduce the number of universal dwellings required. It may also be that certain disabilities do not require universal housing, again reducing the need accordingly.

Indigenous Housing

Housing should be specifically available for Indigenous households who tend to have larger families and extended family groups. Indigenous housing needs to be designed in consultation with indigenous groups to ensure it is both suitable and affordable.

Housing for Key Workers

Key workers play an important role in providing community services to the local region, and therefore it is important to consider their housing needs, particularly in terms of affordability. Affordable housing for key workers needs to be provided in close proximity to major centres and major community services. It also helps to attract and retain key workers in the area by making access to work more convenient, particularly during shift work. Housing located in close proximity to key services can also provide a high level of retail and personal services that can further encourage key workers to reside in the area. In addition to this, an appropriate level of amenity also needs to be provided, particularly for shift workers.

Although some award wage workers (and those involved in major resource projects) may be able to afford higher housing costs, key workers and many other award wage workers may not be in a position do so. Housing costs should therefore cover a wide range of prices points to suit different income levels.

Crisis and Short Term Housing

There will continue to be a need for short term and crisis accommodation, which is likely to continue as housing affordability becomes an increasingly significant issue. The current need for such accommodation needs to be explored further with providers to understand the gaps in accommodation provision and how this can be best addressed in the future.

A report by Chamberlain and MacKenzie (2009) investigates the levels of homelessness throughout Queensland, including the Gladstone SLA (this information was unavailable for the other SLAs). Figures obtained from the 2006 ABS Census show that 316 people were homeless in the Gladstone SLA (all forms of homelessness), which is a rate of 74 people per 10,000 of the total population. This rate is higher than that of Queensland's in which 69 per 10,000 people were identified as homeless. The authors note that a major investment in State and community housing will be needed over the next decade in order to reduce the homeless population. Crisis and short term accommodation should be provided in addition to State and community housing in order to help address the issues of homelessness throughout the region.

Housing for Temporary Workers

The Gladstone region has a high proportion of fly in/fly out workers who regularly travel to the region to undertake work in the resource sector. This presents numerous implications in terms of accommodation and the impact it has on the local housing market. Specifically, the influx of workers seeking accommodation puts pressure on the current supply of accommodation, thus increasing housing costs for both workers as well as local residents. Although the influx of temporary workers may be good business for hotels or other accommodation businesses, it can have negative impacts on other sectors of the economy.

The influx of temporary workers is considered to be one of the largest issues impacting on the housing market in the Gladstone region. In response, numerous actions need to be taken to ensure the issue is managed with minimal impact on the housing market. Firstly, the potential need for temporary workers accommodation needs to be explored and adequate locations need to be identified and set aside. And secondly, a process that enables a quick turn around on approvals for temporary accommodation needs to be established, while ensuring a high level of amenity and minimal social impacts. The quicker accommodation can be provided to meet the needs of incoming workers, the less likely the local housing market will be affected.

6.3 Opportunities for Providing Appropriate Housing

6.3.1 Well Serviced Locations

The State Planning Policy uses the term "well serviced locations" to define areas, other than general residential areas, that should be the focus of new and higher density residential development.

The following criteria are set out in the State Planning Policy to identify well serviced locations:

Table 19 Well Serviced Location Criteria

Location Type	Examples of Services and Land Uses	Catchment Size	Range of Housing Options
Level 1 – Local Low level public transport and/or a small range of local services.	▪ Public transport with a low level of service (e.g. two to three services daily); ▪ Local shopping; ▪ Community facility; ▪ A small park of between 0.5 and 1 hectare; or ▪ A state school.	400m radius	Detached housing, small lots, duplexes and a limited range of small scale medium density housing.
Level 2 - Neighbourhood Medium level public transport and/or a range of services that meet local and neighbourhood needs.	▪ Public transport with a medium level of service; ▪ A neighbourhood shopping centre; ▪ A public health centre; ▪ A medium to large park of at least 1.2 hectares; ▪ A state school; ▪ A small TAFE college with student numbers no greater than 5,000 persons; or ▪ A small university with student numbers no greater than 5,000 persons.	400m radius	Detached housing, small lots, duplexes, medium density housing and, in some instances, higher density housing. The proportion of medium and higher density housing will increase closer to the service point e.g. a railway or bus station with a high level of service.
Level 3 – District High level public transport services and/or a range of services that meet district and regional needs.	▪ Public transport with a high level of service (e.g. hourly service for at least part of the day); ▪ A district shopping centre; ▪ A regional shopping centre; ▪ A central business district; ▪ A public hospital; ▪ A large park for district level informal or structured recreation activities, of	800m radius	Detached housing, small lots, duplexes, medium density housing and higher density housing. The proportion of medium and higher density housing will increase closer to the service point e.g. a

	between 3 and 5 hectares; ▪ A large TAFE college with student numbers in excess of 5,000 persons; or ▪ A large university with students numbers in excess of 5,000 persons.		railway or bus station with a high level of service.

Source: Department of Local Government, Planning, Sport and Recreation & Department of Housing, 2007

Specific centres or facilities in the Gladstone region that may be used to identify well serviced areas include:

- The Gladstone central business district;
- Gladstone Hospital;
- Central Queensland University – Gladstone Campus;
- Stockland Shopping Centre;
- Centro Gladstone;
- Centro Gladstone Home; and
- Gladstone Central.

6.3.2 Greenfield Development

The current availability of broadhectare land in the Gladstone region presents opportunities for the provision of future housing. There should be a focus on achieving efficient utilisation of the land, preferably in close proximity to services and social infrastructure or incorporating new services and facilities where required. There should be a wide choice of tenure options and diversity of housing such as a range of lot sizes, dwellings sizes, dwelling configurations and housing costs.

6.3.3 Current Activity Centres

Established activity centres have the potential for significant redevelopment and higher densities, especially where good levels of services and social infrastructure already exist. These should all have the level of services expected of "well serviced locations" as outlined in section 6.3.1. Examples of activity centres in the Gladstone region include:

- Gladstone City;
- Barney Point;
- South Gladstone;
- West Gladstone;
- Clinton;
- New Auckland;
- Boyne Island/Tannum Sands;
- Calliope;
- Miriam Vale; and
- Agnes Water.

Established activity centres have a higher ability to provide for infill development because they are and should be well serviced locations that are attractive for residential living due to convenience and lifestyle. Increased residential development in activity centres has advantages such as better access to public transport, less need for private vehicle use, night time economy and improved casual surveillance.

A large proportion of new dwellings could be accommodated within the activity centres listed above. Efforts should be made to provide a diverse range of dwellings sizes and costs, with a focus on increasing the proportion of smaller sized dwellings such as attached dwellings and units. Housing in these locations provide opportunities for lower household expenditure due to lower transport costs and access to better services. This however may be offset in coastal locations like Boyne Island, Tannum Sands and Agnes Water due to the price premiums applied in these areas. Activity centres may also provide opportunities for mixed use development which may combine retail, office and residential uses. This type of mixed use development would be relatively new for the Gladstone region and market acceptance may currently be low.

6.3.4 Transit Orientated Locations

Areas with good levels of public transport and services are desirable for future residential development. In many cases public transport services will align with existing or planned activity centres and in these situations, mixed use development which includes residential development is better supported by public transport. In other locations good public transport services may support a predominantly residential precinct at higher densities, with some predominantly supporting commercial uses.

Transit orientated locations provide enhanced opportunities for nearby residents such as:

- Reducing the need to travel;
- Creating shorter travel journeys;
- Providing safer and easier access to employment, schools and services;
- Promotes social equity; and
- Provides travel choice.

Bus services are the only form of public transport currently available in the Gladstone region. The level of frequency and route options available is very limited. For example, services are only available on weekdays and some areas are only serviced by one return trip per day. Areas closer to the Gladstone City centre are better serviced compared to outer areas and are therefore more desirable for residential development. Transit oriented development is not an option for Gladstone now, however it should be considered for future planning and with any major public transport infrastructure.

Revised policies and planning scheme changes to support land use change and intensification will allow for more transit orientated locations and enhance the benefits gained by the community. Areas with good public transport are more desirable for residential development with increased opportunities for residents in terms of employment and access to services.

6.3.5 Infill Development

The amount of land available for infill development in the Gladstone region presents numerous opportunities to accommodate future dwellings and increased densities. Infill development is considered desirable, particularly where infrastructure and services are already established. Much of the infill should be undertaken in activity centres and other well serviced locations.

7 Conclusion

The conclusions in this section are arranged under seven theme areas that encompass all the key housing issues pertinent to the Gladstone region. The conclusions have been set out in this way so that the implications drawn out of the Housing Needs Assessment can be clearly taken forward and applied to the Planning Scheme Analysis. The conclusions have been largely informed by the Department of Communities' Housing Analysis Review and SGS' analysis and modelling of demographics and housing characteristics of the Gladstone region both now and into the future. The data contained in the Housing Analysis Review comes from a range of sources such as the ABS and PIFU.

7.1 Housing Needs versus Housing Market Capacity

7.1.1 Housing need versus housing market capacity

The provision of new housing should respond to the level of housing need. The level of housing supplied not only needs to sufficiently meet the level of demand, but also needs to be adequate in terms of size, type, design, tenure, price and location. As detailed within this study, the current housing market fails to meet the level of need in a number of ways such as an undersupply of smaller dwellings, an oversupply of larger dwellings, a lack of housing diversity and declining housing affordability. The level of housing need compared to the current capacity of the housing market should be a long-term, ongoing assessment in order to respond to future demographic and housing market changes.

7.2 Affordable Housing

7.2.1 Increase the provision of affordable housing

Housing affordability has significantly declined in recent years throughout Australia, including the Gladstone region. This issue is likely to exacerbate in the future as major infrastructure projects associated with the resource sector commence within the region. Therefore a range of affordable housing options need to be developed now to support the anticipated growth in population. The provision of affordable housing will require a range of interventions, however affordability can be assisted through the provision of:

- Smaller dwellings which are generally less expensive to construct;

- Smaller dwellings which allow smaller households to more readily access housing which is within their means;
- Attached dwellings which have the potential to provide housing at a lower unit cost;
- Secondary dwellings;
- Larger dwellings that are built to a lower price point;
- Housing located in well serviced locations will reduce household expenditure associated with transport;
- The use of alternative design, materials and construction methods to reduce the overall costs of housing (both during and after construction); and
- Increasing the proportion of alternative housing such as granny flats and fonzie apartments.

A range of policy levers and financial assistance are important in providing affordable housing, however these will not be influenced by the planning scheme. Therefore it is important that additional initiatives to achieve affordable housing are developed and put into action.

7.2.2 Incentives for the provision of affordable housing

There needs to be increased incentives for the provision of affordable housing within the Gladstone region. These incentives could be targeted at State and community housing or reducing infrastructure charges. Incentives could take a range of forms such as infrastructure rebates, relaxation of parking requirements or higher yields, but must still encourage good amenity and positive social outcomes.

7.2.3 Affordable housing that is integrated with the market housing

One of the key aims of affordable housing is to maintain social diversity which is achieved through integrating affordable housing throughout the market. Affordable housing should take a variety of forms, with both attached and detached dwellings. They should also be located in a range of well serviced locations, including greenfield areas. Affordable housing should not be physically identified externally from standard market housing.

7.2.4 State and community housing

An adequate supply of State and community housing should be available to ensure a diverse range of affordable housing options. The need for State and community housing should be informed by stakeholder consultation with key government and community housing organisations. The planning scheme should be flexible enough to allow for the adequate provision of State and community housing that meets the level of demand. The adequate provision of alternative forms of affordable housing will help alleviate some of the demand for this type of housing.

7.2.5 Affordable housing that is well located and has good access to public transport, services, facilities and employment

Well serviced locations need to be identified to accommodate the required housing stock. Well serviced locations include those with public transport, services, a range of community facilities and employment. Many of these well serviced locations are within existing activity centres, however there should also be focus on providing these services to emerging residential areas.

7.3 Special Needs Housing

7.3.1 Housing options to accommodate the ageing population

The ageing population in the Gladstone region will require more dwellings that are suited to the specific needs of ageing households. These needs will encompass a range of abilities and income levels. Ageing households will range from self-funded retirees who are active and healthy and choose to live in relatively large dwellings, to those who have limited mobility, rely on the pension and live in smaller dwellings. All these factors mean that a diversity of housing options is required to accommodate the ageing population.

It is expected that as people age and their level of ability decreases, they will generally choose housing that is smaller and easier to maintain. Therefore more smaller dwellings will be required in the future to allow for downsizing. Larger dwelling options should also be available to suit the needs and lifestyle choices of those who want or require larger dwellings.

Age specific living options will also be required including: retirement villages, aged care facilities and the ability to age in place. There is also a potential need for a higher level of universal housing in the future to cater for the ageing population, particularly those with a disability or limited mobility. Universal housing should be provided now, rather than later, to ensure ageing households can maintain their independence for longer, and age in place as part of their own community and social networks.

The planning scheme should recognise and cater for these needs by providing a diverse range of housing options for the aged and retired. These options should also be located close to a range of services and community facilities, particularly hospitals and health care centres.

7.3.2 Housing options to accommodate the disabled

As people age, their level of ability tends to decrease and rate of disability increases. With an ageing population, the rate of disability amongst the elderly is likely to increase throughout the Gladstone region. The region also has a significantly high rate of people with disabilities aged less than 65 years requiring assistance with core activities. It is therefore important that a range housing options are available for not only the elderly, but also younger people with disabilities.

There is a potential need for a higher level of universal housing (for the young and elderly), which should be provided now rather than later so that it can also be used for ageing households in the future.

The planning scheme should recognise and cater for these needs by providing a diverse range of housing options for the disabled population. Housing should be conveniently located in close proximately to a range of services and community facilities. As outlined in section 2.7, a range of planning controls can be used within the planning scheme to set a required standard for the level of universal housing required. This level is dependent on the characteristics of the local area, with factors such as age and disability demographics and the current market supply of universal housing requiring consideration.

7.3.3 Housing for single person and couple only households

With the forecast shift in household types, the proportion of single person and couple only households is expected to increase. Household sizes will therefore decrease and the demand for smaller dwellings will increase, meaning more dwellings will be required in relation to the total population. A broader range of housing is required to suit these changing demographics, in particular, a shift towards more smaller and attached dwelling types. The current oversupply of large, separate housing is likely to be unsuitable for these smaller household types, particularly in terms of affordability.

7.3.4 Temporary workers accommodation

The need for temporary workers accommodation will continue to be in high demand in the future, particularly once the major infrastructure projects associated with the resource sector commence in the region. The planning scheme should be flexible enough to allow this type of accommodation to be provided in quick response to the demand in order to avoid significant impact on the local housing market. This type of accommodation should be designed specifically for temporary workers and should be put into place sooner rather than later.

7.3.5 Provision of crisis, temporary and transitional housing

The need for crisis, temporary and transitional housing will continue to be in high demand as housing affordability is expected to decline in the future. The need for these forms of accommodation should be informed by stakeholder consultation with key government and community housing organisations. The planning scheme should be flexible enough to allow for the adequate provision of crisis, temporary and transitional accommodation to meet the levels of demand. The adequate provision of affordable housing for residents to move into will also help alleviate some of the demand for this type of housing.

7.4 Appropriate Housing Diversity

7.4.1 A mix of housing sizes

As detailed previously, the Gladstone region is expected to experience a change in demographics in the future, towards smaller household types. In turn, the demand for smaller dwelling sizes will increase. Based on the current undersupply of smaller dwellings in the Gladstone region, housing costs are exceptionally high for smaller dwelling types such as flats and units. The proportion of smaller dwelling sizes (which are generally more affordable) needs to significantly increase in order to meet current and future demand and improve housing affordability.

7.4.2 A mix of housing types

A range of housing types need to be provided to suit a range of household needs and preferences. There is a particular need for a range of attached and semi-detached dwelling types such as flats, units and townhouses. Housing needs to be provided across a wide price range of price points and preferably located in close proximity to services, community facilities and employment. Increased diversity can also be created through providing a range of lot sizes and mixed use configurations.

7.4.3 A mix of housing tenures

Housing diversity should include a mix of tenure types, including access to long lease contracts, shared equity arrangements, and cooperative ownership structures, as well as opportunities for home purchase and private rental. These options should cover a range of dwelling sizes, types and price points.

7.5 Visitor Accommodation

7.5.1 Housing for visitors and tourists

There should be sufficient supply of housing specifically for visitors and tourists. The level of supply should be based on market demand however planning controls should be flexible enough to adequately allow for this type of accommodation, including a mix of permanent and visitor/tourist accommodation within a single building or complex. The sufficient supply of visitor and tourist accommodation is particularly important in regards to temporary workers, with many of them currently using this form of accommodation on a regular basis.

7.5.2 Protection of existing caravan parks and other forms of affordable housing

Caravan parks provide an important form of affordable accommodation for both visitors/tourists as well as local residents. Ideally this housing option should be increased to match the demand associated with a growing population. Caravan parks are often located near activity centres and well serviced locations, or near the coast, and as such are often under threat of redevelopment. Planning controls should aim to protect the supply of caravan parks and be flexible enough to adequately allow for the development of new caravan parks to meet the level of demand.

7.6 Settlement Pattern

7.6.1 Scale of Development

The scale of residential development should suit the local character of the area, with good levels amenity. Higher density residential developments should ideally be made available through infill development within close proximity to activity centres. Lower density areas should make the best utilisation of the land, provide a diverse range of housing options and reflect/enhance the character of the area.

7.6.2 Planning for strong and inclusive communities with social diversity and good access to services and community facilities

A diverse range of housing should be provided to enhance social diversity and inclusiveness. Both new and emerging housing should be well serviced with access to a range of social infrastructure and community facilities.

7.7 Housing Design

7.7.1 Housing that includes good sub-tropical design

Housing should be designed with consideration for the local climatic conditions to produce better social and environmental outcomes. Housing built to complement the local climate will have lower energy (cool and heating) and maintenance costs, meaning lower overall costs over the life of the housing. It will also reduce energy use and therefore present environmental benefits. Furthermore, any applicable sustainable housing laws need to be identified and addressed when constructing new homes and selling homes. Some of these laws include: compliance with energy ratings for new dwellings, completing a sustainability declaration when selling a home, installation of greenhouse energy efficient hot water systems when an existing system needs replacement and mandatory installation of an electricity sub-meter in applicable dwellings. Although the short term costs of sustainable housing may be higher, the overall life of housing costs and the longer term savings needs to be recognised.

7.7.2 Housing and communities that reflect CPTED principles, and concepts of socially integrated and inclusive communities

Housing and the communities in which they are located should promote personal and property safety, and encourage social diversity and inclusiveness. Crime Prevention Through Environmental Design (CPTED) is the concept of designing built environments in a way that lessens or prevents the incidence of crime. The key principles and guidelines encompass ideas about surveillance, legibility, territoriality, ownership of the outcomes, management and vulnerability of people and spaces (and the relationship between the two).

Furthermore, the built environment should encourage social integration and inclusiveness such as those stipulated in the second generation CPTED concepts. Ideas about shared open spaces, community events, mixed use areas and community identity should be used to encourage activity and interaction.

7.8 Summary

New housing in the Gladstone region will need to take a range of forms to increase housing choice and better respond to the housing market needs. By providing housing to suit the current and forecast needs of the region, households are able to remain in the same area (if they choose) through a range of life stages. This may be through housing which can easily be modified (universal housing) or alternative types of housing in the same area.

A significantly higher proportion of smaller dwellings are required to meet the growing number of smaller household types. This will enhance affordability in that housing will better suit household needs and circumstances (as smaller dwellings are generally cheaper than larger dwellings). It is recommended that at least 53% of all new dwellings are small dwellings. However, market demand for small dwellings is currently low and the planning scheme must also provide flexibility to facilitate the provision of smaller dwellings in the future. This may be through the possible subdivision of larger lots, dividing existing housing for multiple occupancy, or secondary dwellings.

With the bulk of houses in the Gladstone region being large, separate dwellings, there is a need to increase the level of housing diversity. A shift towards smaller household types, an ageing population and declining levels of housing affordability, means more semi-detached and unit dwellings will be required. The demand for these dwelling types however, will depend on design features, amenity and pricing.

Affordability will continue to be an issue in the future, particularly once major infrastructure projects associated with the resource sector commence. An increased range of housing options and an increase in the supply of smaller dwellings will help improve housing affordability. However, it is important that targeted intervention and housing affordability initiatives are also facilitated. This includes the need for subsidised housing through the State or community groups.

Alternative forms of housing will play a crucial role in providing housing diversity and choice, as well as being a more affordable option. Alternative forms of housing play an important role in providing short term, crisis and temporary accommodation. However, longer term solutions need to be provided also.

As discussed, a range of housing options will be required for an ageing population, including more smaller dwellings and dwellings built to universal design. Universal housing will also be required for the disabled population, the majority of who are under 65 years of age. A variety of non-private options should also be available to both the aged and disabled such as retirement villages, aged care facilities and youth care facilities.

Sources

Atkinson, R (2005), *Neighbourhoods and the Impact of Social Mix: Crime, Tenure Diversification and Assisted Mobility*, Housing and Community Research Unit – Paper No. 1, University of Tasmania, accessed online at http://www.utas.edu.au

Australian Bureau of Statistics (2006), *Industry of Employment by Occupation*, Census of Population and Housing, Cat. No. 2068.0, Canberra.

Australian Bureau of Statistics (2004), *Survey of Disability, Ageing and Carers, Australia – Summary of Findings 2003*, Cat. No. 4430.0, Canberra.

BankWest (2009), *2nd Annual Key Worker Housing Affordability Report*, BankWest Financial Indicator Series.

Blue Mountains City Council (2005), *Blue Mountains Better Living Development Control Plan*, Part D - Sections 2.12.1, 3.12.1, 4.12.1.

Chamberlain, C and MacKenzie, D (2009), *Counting the Homeless 2006: Queensland*, The Australian Institute of Health and Welfare, Cat. No. HOU 205, Canberra.

Committee ME/64 (1995), *Australian Standard for Adaptable Housing (AS 4299 – 1995)*.

Department of Communities (2010), *Gladstone Regional Council Housing Analysis Review*, Queensland Government.

Department of Communities (2009), *Housing Market Report Gladstone Regional Council*, Queensland Government.

Department of Communities (2005), *What is Affordable Housing?*, Queensland Government, accessed online at http://www.public-housing.qld.gov.au/partnerships/affordable/whatis.htm

Department of Local Government, Planning, Sport and Recreation & Department of Housing (2007), *State Planning Policy 1/07 – Housing and Residential Development,* Queensland Government, Brisbane.

Elenor, C (2006), *Provisions for Adaptable Housing by Local Government in New South Wales,* Shelter NSW Incorporated.

Gans, J (1961), *The Balanced Community: Homogeneity or Heterogeneity in Residential Areas?* American Institute of Planners Journal, Vol. 27, No. 3: 176-184.

Gladstone Regional Council (2010), *Regional Growth Issues Report*, Queensland Local Government.

Gladstone Regional Council (2010), *Request for Quotation for Consultancy Services*, Queensland Local Government.

Gwyther, G (2003), *Paradise Planned: Socio-Economic Differentiation and the Master-Planned Community on Sydney's Urban Fringe*, prepared for State of Australian Cities Conference 2003, University of Western Sydney, accessed online at www.urbanfrontiers.uws.edu.au

Judd, B, Quinn, J, Olsberg, D and Demirbilek, O (no date), *Does Size Matter? Under-Occupancy in Older Australian Home Owners*, Faculty of the Built Environment, University of New South Wales, Australia.

Tourism Queensland (2009), *Gladstone Regional Snapshot*, International Visitation year ended December 2009, Tourism Queensland.

Willoughby City Council (2006), *Willoughby Development Control Plan*, Part C – Section 6.

Woolcock, G (2004), *Building Social Capital in Planned Communities: The Case of Springfield Lakes*, University of Queensland, accessed online at http://mams.rmit.edu.au

Yigitcanlar, T, Dodson J, Gleeson, B and Sipe, N (2005), *Self Containment and Sustainability in Master-Planned Communities*, Griffith University Urban Research Program, Eco-Politics XVI Conference, accessed online at http://www.urbanizm.org

Yigitcanlar, T, Dodson J, Gleeson, B and Sipe, N (2005), *Sustainable Australia: Containing Travel in Master Planned Estates*, Griffith University Urban Research Program – Research Monograph 9, accessed online at http://www98.griffith.edu.au/