

CHAPTER 4

HOUSING AND HOUSING AFFORDABILITY





Key points

- At the time of the 2016 census, there were a total of 1.36 million dwellings in South East Queensland (SEQ). Separate houses are the dominant dwelling type, comprising 71.4 per cent of the total dwelling stock in SEQ. Flats or apartments are the second most common type of dwelling (15.2 per cent), followed by semi-detached houses (12.5 per cent).
- Flats or apartments have a very high concentration in the Inner Brisbane sub-region along the river. The Gold Coast, Sunshine Coast and Noosa sub-regions along the coast also have a relatively high proportion of flats or apartments. Gold Coast has the highest concentration of semi-detached dwellings in SEQ.
- The 12 LGAs of SEQ have a total of 166,139 residential building approvals from 2016 to 2021. Within those, 98,693 (or 59 per cent) were for new houses, and the rest were new other residential building approvals (e.g. flats, apartments and semi-detached dwellings).
- The Brisbane LGA has the highest number of residential building approvals from 2016 to 2021 (46,916), followed by Gold Coast, Moreton Bay and the Sunshine Coast. The Moreton Bay LGA had the most new house approvals (17,414), while the Brisbane LGA had the most approvals of other new residential buildings (30,015), reflecting higher density development in the area.
- Fifty nine per cent of SEQ's residential building approvals in the past five years were within the existing urban area boundary, and thus reflect consolidation rather than expansion. The Pimpama SA2, in the Gold Coast LGA, has the most residential building approvals in the past five years (4,691), followed by Caloundra West (3,976) in the Sunshine Coast LGA and Ripley (3,344) in the Ipswich LGA. All three are expansion areas, located outside the existing urban area.
- Overall, lot sizes are getting smaller across SEQ, with the median declining by 30m² from 2016 to 2020.
- SEQ is expected to add just over 800,000 new dwellings between 2016 and 2041. The largest addition of new dwellings is projected for the Brisbane LGA (155,200), followed by Gold Coast (150,900) and Ipswich (146,000). Around 60 per cent of the new dwellings are to be added through consolidation, rather than expansion. The Logan LGA has the highest stock of identified future developable land (9,654 ha).
- In 2019, the dwelling price to income ratio was highest in Noosa (10.0), followed by Gold Coast (7.9) and Sunshine Coast (7.7). The Brisbane LGA had a ratio of 6.3. On this measure, the Ipswich, Lockyer Valley and Toowoomba LGAs are identified as more affordable than other parts of the SEQ region.
- Overall, mortgage stress is low in SEQ compared to rental stress. The proportion of households with mortgage stress was highest in the Logan and Scenic Rim LGAs (8.2 per cent) and lowest in the Toowoomba LGA (5.1 per cent) in 2016.
- The Gold Coast LGA has the highest proportion of households in rental stress (16.8 per cent), followed by the Ipswich, Logan and Sunshine Coast LGAs. Scenic Rim had the lowest rental stress in 2016.
- Greater Brisbane's Rental Affordability Index (RAI) score was 121 in 2021, meaning the average household seeking to rent a dwelling needs to spend 25 per cent of its total income. Greater Brisbane's RAI has declined over the past 12 months, although before that, it had improved from 2016 to 2020. Overall, based on the RAI, rental affordability was considered acceptable for Brisbane as of June 2021.
- Some SA2s have seen a notable decline in rental affordability over the 12 months ended June 2021. In Greater Brisbane, this includes Rochedale, Acacia Ridge to Drewvale, Alexandra Hills, Wellington Point, and Stafford to Fortitude Valley. In the rest of SEQ, affordability has significantly decreased in the Gold Coast, with areas such as Helensvale, Broadbeach and Robina now severely unaffordable. A similar trend is evident from Maroochydore to Noosa on the Sunshine Coast.

4.1 Introduction

By 2041, the SEQ region is expected to have more than 800,000 new homes to accommodate new residents (Queensland Government 2019). The South East Queensland Regional Plan 2017, named ShapingSEQ (Queensland Government 2017), aims to promote more dense and diverse housing by 2041. The four indicators identified in ShapingSEQ for measuring and monitoring housing success in the next 25 years relate to adequate land supply, dwelling growth, housing diversity (by dwelling type) and housing density (ibid).

This chapter gives an overview of the current state of housing in SEQ, which includes:

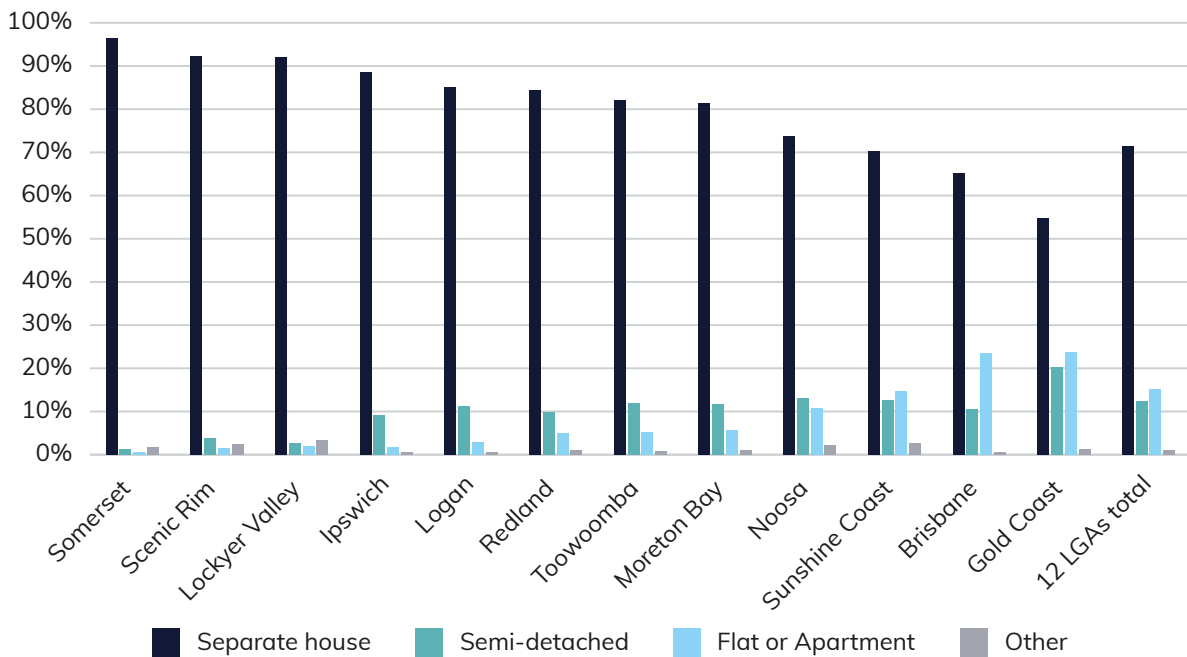
- Mix of dwelling types
- Residential building approvals by type
- Lot sizes
- Future stock of land and dwellings
- Housing affordability.

Most of the spatial analysis presented in this chapter is based on the following geographies: the 12 LGAs of SEQ; the BCARR rings and sub-regions; and SA2s. The definition of SEQ sub-regions is provided in Chapter 1, Table 1.3.

4.2 Mix of dwelling types

Historically, the SEQ region had a dispersed, low-density settlement pattern. Figure 4.1 below shows the dwelling type mix for the 12 LGAs of SEQ in 2016. Separate houses were dominant across the 12 LGAs of SEQ, as 71.4 per cent of dwellings were separate houses, 15.1 per cent were flats and apartments and 12.4 per cent were townhouses. The Gold Coast LGA had the lowest proportion of separate houses (54.8 per cent), followed by the Brisbane LGA (65.2 per cent). Gold Coast had the highest proportion of flats or apartments (23.7 per cent) and semi-detached dwellings (20.2 per cent) among the LGAs of SEQ. The Brisbane LGA also had a relatively high share of apartments (23.5 per cent).

Figure 4.1: Dwelling stock by dwelling type in the LGAs of SEQ in 2016



Note: Excludes not stated or not applicable dwelling type. Only the urban part of Toowoomba LGA is part of SEQ.
 Source: BCARR analysis of ABS Census of Population and Housing, 2016.

The Somerset LGA had separate houses contributing 96.4 per cent of its dwelling stock, which was the highest in the SEQ region. Separate houses also contributed to more than 90 per cent of the dwelling stock in the Scenic Rim and Lockyer Valley LGAs. The Logan, Redland, Toowoomba and Moreton Bay LGAs had more than 80 per cent separate houses.

Table 4.1 summarises the dwelling stock and the mix of different dwelling types in SEQ and its sub-regions. In 2016, SEQ had a total of 1.36 million dwellings captured in the census, of which 64 per cent were in Greater Brisbane. Just over 71 per cent of SEQ dwellings were separate houses, while 14.4 per cent were flats and apartments and 12.5 per cent were semi-detached dwellings.

The proportion of separate houses in the dwelling stock was lowest for Inner Brisbane (38.7 per cent), higher for Middle Brisbane (74.4 per cent) and higher again for Outer Brisbane (84.2 per cent). While the more rural parts of the Rest of SEQ had a very high proportion of separate houses in their dwelling stock, the Gold Coast, Noosa and Sunshine Coast had a much more diverse mix of dwellings. The proportion of flats and apartments in the dwelling stock was highest for Inner Brisbane (53.5 per cent) and Gold Coast (23.7 per cent), and less than 2 per cent for Lockyer Valley, Scenic Rim and Somerset. The proportion of semi-detached dwellings was highest for the Gold Coast (20.2 per cent), urban Toowoomba (14.5 per cent) and Brisbane’s Middle East (14.4 per cent), and was less than 4 per cent for Lockyer Valley, Scenic Rim and Somerset.

Table 4.1: Dwelling stock by dwelling type in SEQ sub-regions, 2016

BCARR rings/sub-regions	Proportion of dwellings that are separate houses (per cent)	Proportion of dwellings that are semi-detached dwellings (per cent)	Proportion of dwellings that are flats and apartments (per cent)	Total dwelling count
INNER Brisbane*	38.7	7.3	53.5	118,301
MIDDLE Brisbane – TOTAL*	74.4	11.8	13.2	342,609
Middle East	80.3	14.4	4.4	29,774
Middle North	71.2	12.4	15.8	87,032
Middle South	71.5	13.5	14.2	130,876
Middle West	79.3	8.2	12.2	94,927
OUTER Brisbane – TOTAL	84.2	10.8	4.1	408,256
Ipswich	88.6	9.1	1.7	72,524
Redland	84.5	9.7	4.9	59,503
Logan	85.2	11.2	3.0	109,488
Moreton Bay	81.5	11.7	5.7	166,741
TOTAL – GREATER BRISBANE	74.1	10.7	14.4	869,166
Rest of SEQ	65.9	15.7	16.7	490,368
Gold Coast	54.8	20.2	23.7	237,735
Sunshine Coast	69.9	12.6	14.8	127,878
Noosa	75.1	12.5	10.3	27,910
Toowoomba (urban part)	79.1	14.5	5.8	55,083
Scenic Rim	92.3	3.9	1.5	16,683
Lockyer Valley	92.1	2.6	1.9	14,781
Somerset	96.4	1.1	0.5	10,298
TOTAL – SOUTH EAST QUEENSLAND[^]	71.2	12.5	15.2	1,359,534

Notes: Excludes not stated or not applicable dwelling type.

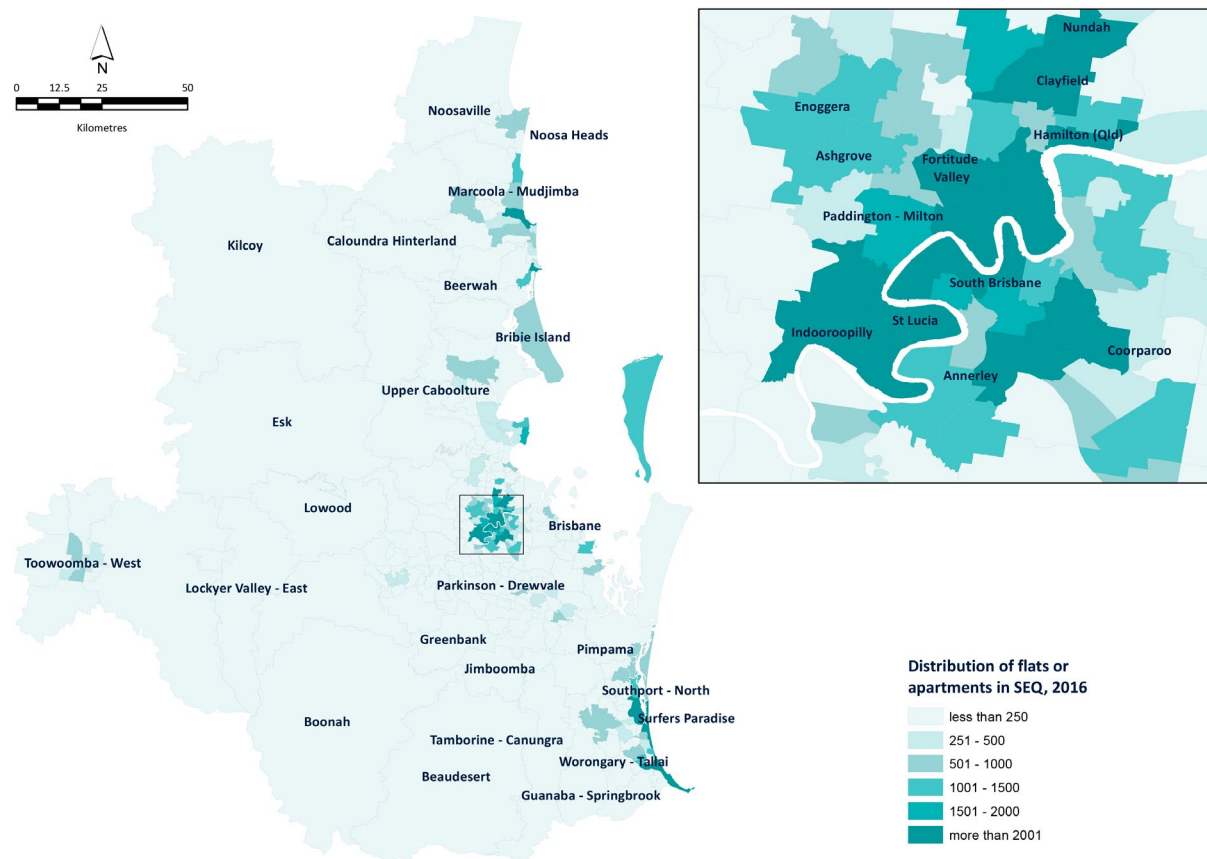
* The Inner and Middle Rings comprise the City of Brisbane LGA. See Table 1.3 and Figure 1.2 in Chapter 1 for these classifications.

[^] The SEQ total differs from the 12 LGA total in the preceding chart, which includes the whole of Toowoomba LGA. This table includes only the urban parts of Toowoomba LGA.

Source: BCARR analysis of ABS Census of Population and Housing, 2016.

Figure 4.2 shows the distribution of flats or apartments across the SA2s of SEQ. Most of the SA2s have less than 250 flats or apartments. Flats or apartments have a very high concentration in Inner Brisbane along the river. Apart from that, the Gold Coast, Sunshine Coast and Noosa areas have significant numbers of flats and apartments. These are tourist destinations and have high demands for tourist accommodation, resulting in high-density developments. Overall, the SEQ region is dominated by low-density development. *ShapingSEQ* identifies opportunities for more 'missing middle' type housing development, including duplexes, terraces, townhouses, low-rise and medium-rise apartments (Queensland Government 2017, p.44).

Figure 4.2: Distribution of flats or apartments by SA2s of SEQ in 2016



Source: BCARR analysis of ABS Census of Population and Housing, 2016.

4.3 Residential building approvals

This section gives an overview of five years of residential building approvals for the SEQ region from 2016 to 2021. It therefore provides information on how the dwelling stock (described in the previous section) has changed since 2016. It should be noted, however, that not all of the dwellings approved between 2016 and 2021 will have been completed, and dwelling demolitions have not been assessed.

Table 4.2 below shows residential building approvals over the past five years in the 12 LGAs of SEQ. The 12 LGAs had a total of 166,139 residential building approvals. Within those, 98,693 were for new houses, and the rest were new other residential building approvals (e.g. flats, apartments and semi-detached dwellings). This means that 59 per cent of approvals were for separate houses, and since separate houses made up 71 per cent of the SEQ dwelling stock in 2016 (see Figure 4.1), this indicates some shift towards higher density forms of residential development since 2016.

The Brisbane LGA had the highest approvals in these five years (46,916) and accounted for 28.2 per cent of total residential building approvals within these 12 LGAs. After Brisbane LGA, the highest residential building approvals were for Gold Coast (28,078), Moreton Bay (23,321) and Sunshine Coast (20,712) LGAs.

Figure 4.3 shows the comparison of the new houses and other residential building approvals in the 12 LGAs of SEQ from 2016 to 2021. The Brisbane LGA has the highest number of new other residential building approvals (30,015) over the past five years, followed by Gold Coast (15,793).

This reflects high-density development in those areas. The highest number of new house approvals in this period were in Moreton Bay (17,414), Brisbane (16,759) and Sunshine Coast (14,238) LGAs.

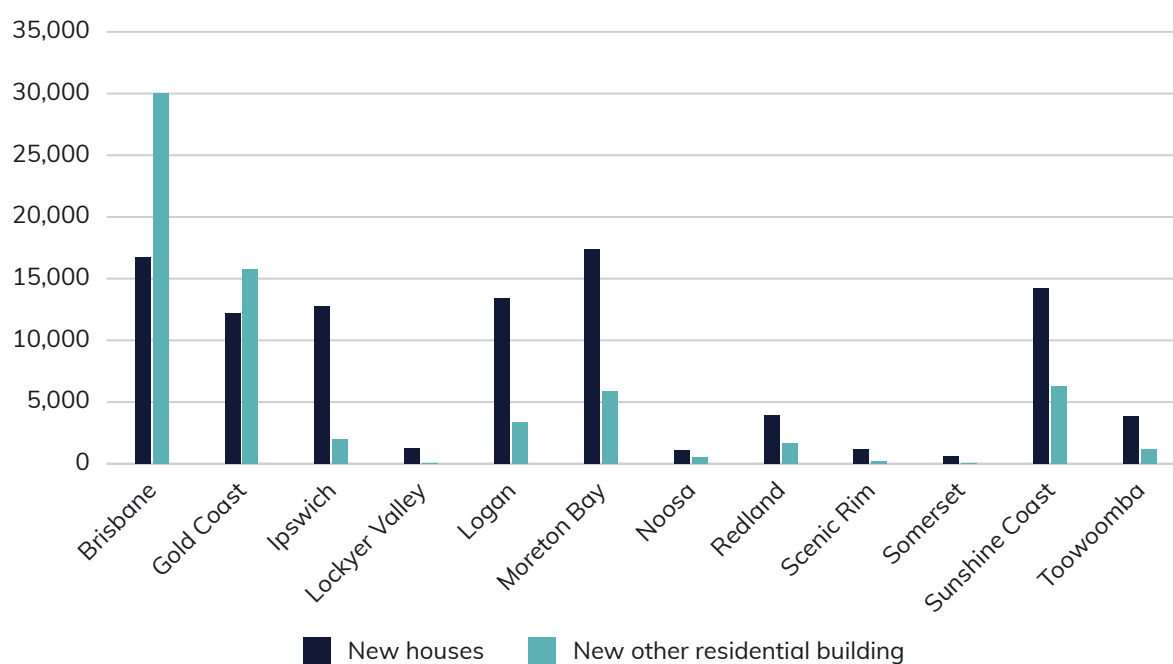
Table 4.2: Total residential building approvals of the LGAs in SEQ from 2016 to 2021

LGAs	New house approvals, 2016–2021	New other residential building approvals, 2016–2021	Total dwelling approvals, 2016–2021	Percentage of total building approvals in the 12 LGAs, 2016–2021
Brisbane	16,759	30,015	46,916	28.2
Gold Coast	12,166	15,793	28,078	16.9
Ipswich	12,794	1,956	14,757	8.9
Lockyer Valley	1,230	52	1,290	0.8
Logan	13,412	3,399	16,853	10.1
Moreton Bay	17,414	5,852	23,321	14.0
Noosa	1,092	493	1,610	1.0
Redland	3,964	1,630	5,609	3.4
Scenic Rim	1,136	177	1,326	0.8
Somerset	606	8	621	0.4
Sunshine Coast	14,238	6,315	20,712	12.5
Toowoomba	3,882	1,139	5,046	3.0
12 LGAs total	98,693	66,829	166,139	100.0

Note: Only the urban part of Toowoomba LGA is part of SEQ.

Source: BCARR analysis of ABS Cat. 8731.0 Building Approvals, Australia, 2016 to 2021.

Figure 4.3: Total new house and new other residential building approvals of LGAs in SEQ from 2016 to 2021



Note: Only the urban part of Toowoomba LGA is part of SEQ.

Source: BCARR analysis of ABS Cat. 8731.0 Building Approvals, Australia, 2016 to 2021.

Table 4.3 shows the total residential building approvals in the SEQ sub-regions from 2016 to 2021. Greater Brisbane had 107,423 building approvals in this period, which is 64.9 per cent of the SEQ approvals. Within Greater Brisbane, the majority of the residential building approvals happened in Outer Brisbane (61,175), followed by Middle Brisbane (32,043) and Inner Brisbane (14,205).

Table 4.3: Total residential building approvals in SEQ sub-regions from 2016 to 2021

BCARR rings/sub-regions	New houses, 2016 to 2021	New other residential building, 2016 to 2021	Total residential building approvals, 2016 to 2021	Per cent of residential building approvals within SEQ, 2016 to 2021
INNER Brisbane*	1,637	12,498	14,205	8.6
MIDDLE Brisbane – TOTAL*	15,121	16,850	32,043	19.3
Middle East	1,272	865	2,146	1.3
Middle North	3,289	4,626	7,929	4.8
Middle South	7,182	7,182	14,389	8.7
Middle West	3,378	4,177	7,579	4.6
OUTER Brisbane – TOTAL	47,552	13,504	61,175	36.9
Ipswich	12,792	1,956	14,755	8.9
Redland	3,964	1,630	5,609	3.4
Logan	13,379	3,399	16,820	10.2
Moreton Bay	17,417	6,519	23,991	14.5
TOTAL – GREATER BRISBANE	64,310	42,852	107,423	64.9
Rest of SEQ	33,881	23,949	58,181	35.1
Gold Coast	12,172	15,793	28,084	17.0
Sunshine Coast	14,117	6,309	20,578	12.4
Noosa	1,217	495	1,744	1.1
Toowoomba (urban part)	3,403	1,115	4,538	2.7
Scenic Rim	1,136	177	1,326	0.8
Lockyer Valley	1,230	52	1,290	0.8
Somerset	606	8	621	0.4
TOTAL – SOUTH EAST QUEENSLAND[^]	98,191	66,801	165,604	100.0

Notes:

* The Inner and Middle Rings comprise the City of Brisbane LGA. See Table 1.3 and Figure 1.2 in Chapter 1 for these classifications.

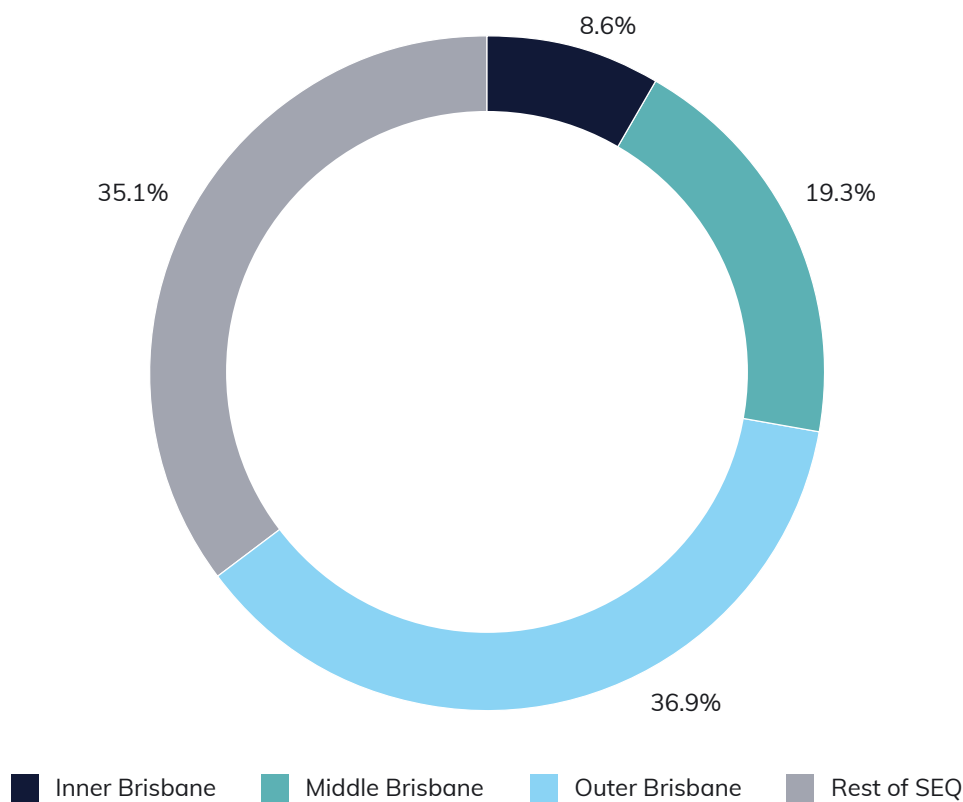
[^] The SEQ total differs from the 12 LGA total in the preceding table, which includes the whole of Toowoomba LGA. This table includes only the urban parts of Toowoomba LGA.

Source: BCARR analysis of ABS Cat. 8731.0 Building Approvals, Australia, 2016 to 2021.

Building approvals in the Rest of SEQ mainly occurred in the Gold Coast (28,084) and Sunshine Coast (20,578) sub-regions. Figure 4.4 shows the proportion of building approvals in the BCARR rings of SEQ from 2016 to 2021. Outer Brisbane has the highest share of building approvals (36.9 per cent), followed by the Rest of SEQ (35.1 per cent). These percentages are consistent with the population growth discussed in Chapter 3 (see Table 3.6). Most population growth occurred in the Outer Brisbane region, followed by the Rest of SEQ and Middle Brisbane.

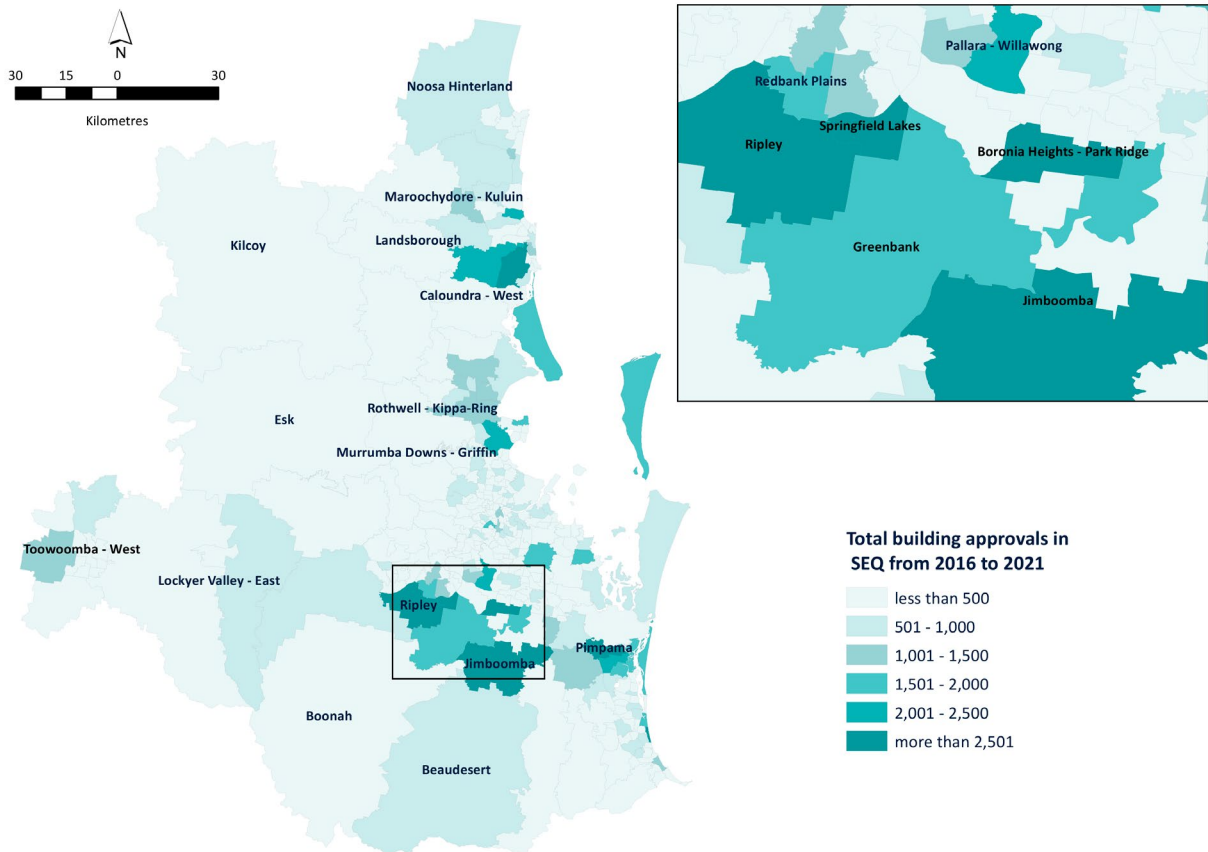
Figure 4.5 shows residential building approvals across the SA2s of SEQ over the last five years. Building approvals were high in SA2s located in the Gold Coast, Sunshine Coast, Logan and Ipswich areas. The Pimpama SA2, situated on the Gold Coast, has the highest residential building approvals in the past five years. This SA2 alone has 4,691 building approvals, followed by Caloundra – West (3,976) and Ripley (3,354).

Figure 4.4: Proportion of residential building approvals in SEQ BCARR rings from 2016 to 2021



Source: BCARR analysis of ABS Cat. 8731.0 Building Approvals, Australia, 2016 to 2021.

Figure 4.5: Five year total building approvals of SA2s in SEQ from 2016 to 2021



Source: BCARR analysis of ABS Cat. 8731.0 Building Approvals, Australia, 2016 to 2021.

Table 4.4 shows the five SA2s with the highest number of new house approvals, new other residential building approvals and total residential building approvals from 2016 to 2021. The largest number of new house approvals were in the Caloundra – West (3,524), Pimpama (3,425) and Ripley (3,131) SA2s. Among these five, two of them are adjoining SA2s located in Ipswich (see inset to Figure 4.5).

The highest number of new other residential building approvals were in Mermaid Beach – Broadbeach (2,667), West End (1,935) and South Brisbane (1,935) SA2s. These SA2s are located in the Inner Brisbane ring and the Gold Coast sub-region, reflecting the high-density development in these areas.

The highest total building approvals were in Pimpama (4,691), Caloundra – West (3,976) and Ripley (3,344) SA2s.

Table 4.4: SA2s with most new house, new other residential building and total residential building approvals from 2016 to 2021

SA2s	BCARR rings/sub-region	New houses, 2016 to 2021
Caloundra – West	Sunshine Coast	3,524
Pimpama	Gold Coast	3,425
Ripley	Ipswich	3,131
Springfield Lakes	Ipswich	2,646
Jimboomba	Logan	2,485

SA2s	BCARR rings/sub-region	New other residential buildings, 2016 to 2021
Mermaid Beach – Broadbeach	Gold Coast	2,667
West End	Inner	1,935
South Brisbane	Inner	1,935
Surfers Paradise	Gold Coast	1,566
Maroochydore – Kuluin	Sunshine Coast	1,501

SA2s	BCARR rings/sub-region	Total residential building approvals, 2016 to 2021
Pimpama	Gold Coast	4,691
Caloundra – West	Sunshine Coast	3,976
Ripley	Ipswich	3,344
Boronia Heights – Park Ridge	Logan	2,943
Springfield Lakes	Ipswich	2,900

Source: BCARR analysis of ABS Cat. 8731.0 Building Approvals, Australia, 2016 to 2021.

In *ShapingSEQ*, a key distinction is made between consolidation (sometimes referred to as infill development) and expansion (often referred to as greenfields development). Consolidation is growth that occurs on land within the existing urban area boundary, and expansion is growth that occurs outside that boundary (Queensland Government 2017) (See Table 1.4). Figure 4.6 illustrates the existing urban area boundary from *ShapingSEQ*. All of the top 5 SA2s in terms of total residential building approvals are located outside the existing urban area boundary, and could therefore be described as greenfields or expansion development.⁸

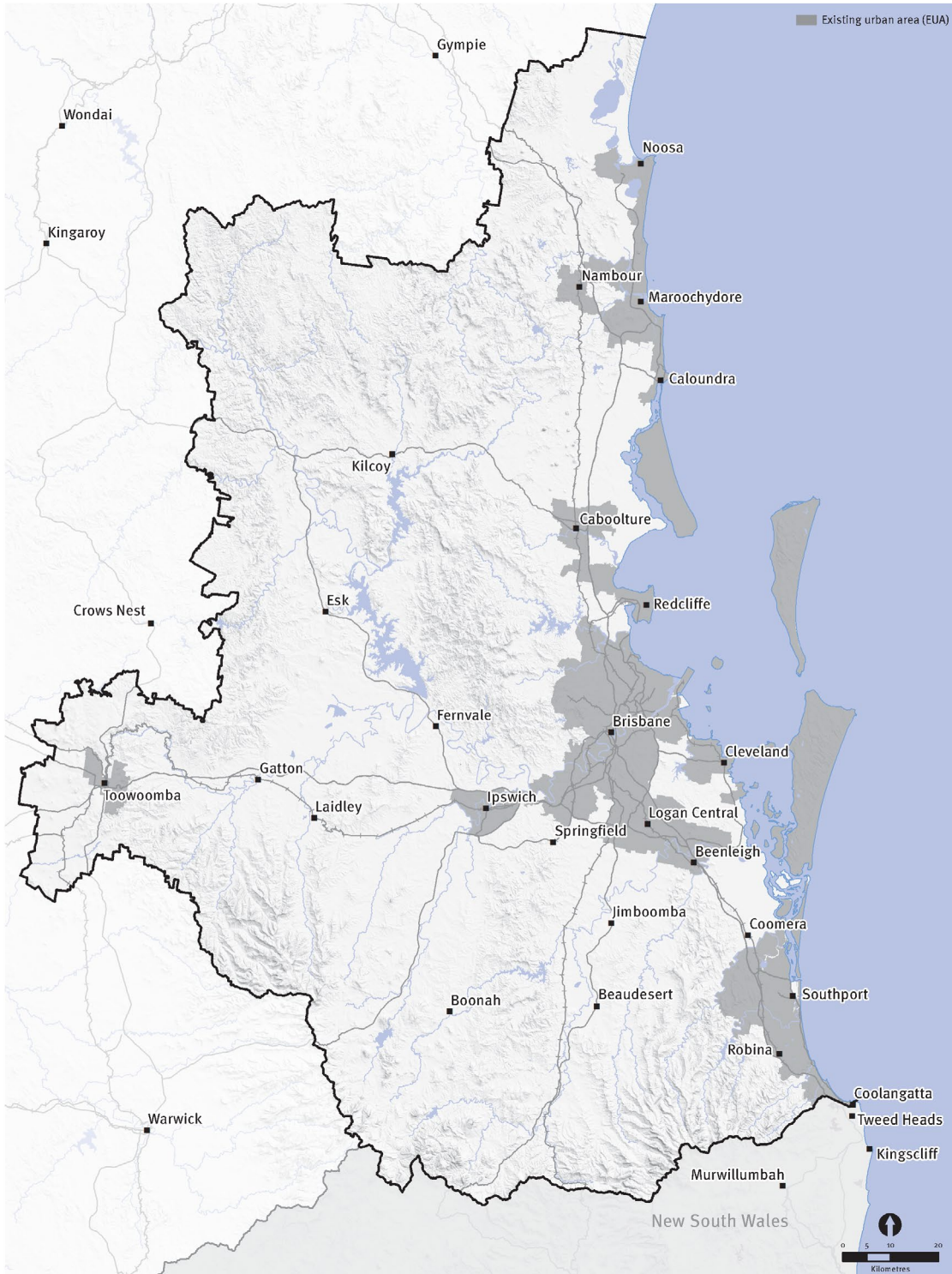
Using the existing urban area boundary shape file supplied by the Queensland Government and ABS SA2-scale building approvals data, BCARR has estimated the proportional split of recent dwelling approvals between consolidation and expansion development. Using this approach, it is estimated that 59 per cent of residential building approvals in SEQ between 2016 and 2021 were attributable to consolidation (i.e. were inside the existing urban area boundary), and 41 per cent was attributable to expansion (i.e. growth that occurs outside the boundary). This is very much in line with *ShapingSEQ*, in which the Queensland Government anticipates that 60 per cent of future

⁸ Note that SA2s such as Caloundra West can be relatively large, and contain a mix of well-established areas that were developed many years ago, areas that are recently developed, areas that are currently under development and areas that are yet to be developed. Similarly, SA2s classified as within the existing urban area boundary, such as Caboolture South and Morayfield East, can contain a mix of well-established areas that were developed many years ago and much newer housing estates. While these new housing estates are classified as consolidation, they may not always be visually distinguishable from expansion development occurring outside the boundary, except by their typically more modest scale.

dwelling growth between 2016 and 2041 will be due to consolidation, rather than expansion (Queensland Government, 2017).

It should not be assumed that this ‘consolidation’ development is necessarily high or medium density development. From 2016 to 2021, 42 per cent of the dwelling approvals in the existing urban area were for separate houses. This compares to 85 per cent for expansion areas (and 59 per cent for SEQ overall).

Figure 4.6: Existing urban area boundary, SEQ



Source: ShapingSEQ (Queensland Government 2017, p.172).

4.4 Connection between dwellings and population growth

Residential building approvals provide a more timely guide than the official population data as to which small areas are experiencing the most growth. Comparing Table 4.4 (which shows SA2s with the most dwelling approvals between 2016 and 2021) with Table 3.7 (which shows SA2s with the largest population increase between 2016 and 2020) reveals many commonalities. Pimpama, Caloundra West, Ripley and Springfield Lakes are prominent in both tables. However, there are also some differences, since residential building approvals only flow through to population growth at the small area scale with a considerable lag.

Changes in household size over time can also influence the relationship between dwelling approvals and population increases. It is common in new developments for average household sizes to increase strongly as children are added to young families. Table 4.5 shows household size for the 12 LGAs in 2011 and 2016. There were no significant changes in the average household size of these LGAs between 2011 and 2016. However, there was some notable variation in average household sizes across LGAs, with Noosa having a slightly smaller average household size than other LGAs in 2016 (at 2.4 persons per household), and Logan having a slightly larger average household size (2.9 persons).

Table 4.5: Average household size of the LGAs in SEQ from 2011 to 2016

LGA	Average household size, 2011	Average household size, 2016	Change, 2011 to 2016
Brisbane	2.6	2.6	0.0
Gold Coast	2.5	2.6	0.1
Ipswich	2.8	2.8	0.0
Lockyer Valley	2.7	2.7	0.0
Logan	2.9	2.9	0.0
Moreton Bay	2.7	2.7	0.0
Noosa	n/a	2.4	n/a
Redland	2.7	2.6	-0.1
Scenic Rim	2.6	2.6	0.0
Somerset	2.6	2.6	0.0
Sunshine Coast	2.5	2.5	0.0
Toowoomba	2.5	2.5	0.0

Note: Only the urban part of Toowoomba LGA is part of SEQ. Average household size calculated for private dwellings only, based on usual residents.

Source: BCARR analysis of ABS Census of Population and Housing 2011 and 2016.

4.5 Median lot sizes

According to ShapingSEQ, lot size is one of the housing density measures that will be used to measure progress in implementing the SEQ strategic plan (Queensland Government 2017, p.167). Table 4.6 shows the median lot size of the 12 LGAs of SEQ in 2016 and 2020. Median lot size is relatively high in Somerset and Scenic Rim LGAs, reflecting the peri-urban nature of much of the development occurring in these areas. As of 2020, median lot sizes were lowest in Moreton Bay (404m²) and Brisbane (408m²), with Ipswich, Logan, Redland and Gold Coast also having median lot sizes of less than 430m².

The overall trend is a 30m² reduction of median lot sizes across SEQ between 2016 and 2020. The Toowoomba, Sunshine Coast, Redland and Logan LGAs have the highest reduction of median lot sizes from 2016 to 2020. However, there is some evidence of a shift towards larger lot sizes in the three most outlying LGAs of SEQ (Scenic Rim, Somerset, Lockyer Valley), potentially reflecting the impact of rural residential development in these areas.

Table 4.6: Median lot size of LGAs in SEQ, 2016 and 2020

LGAs	Median lot size (m ²), 2016	Median lot size (m ²), 2020	Change in lot size (m ²), 2016 –2020
Brisbane	449	408	-41
Gold Coast	429	429	0
Ipswich	448	420	-28
Lockyer Valley	600	625	25
Logan	481	424	-57
Moreton Bay	431	404	-27
Noosa	686	695	9
Redland	480	426	-55
Scenic Rim	922	1,000	78
Somerset	783	1,600	817
Sunshine Coast	480	400	-80
Toowoomba (urban part)	709	541	-168
SEQ	450	420	-30

Source: BCARR analysis of DNRME Digital Cadastral Database (DCDB); Local government authority planning schemes, Queensland Treasury, 2020c.

4.6 Future stock of land and dwellings

Table 4.7 shows suitable future land stock for development in the SEQ region. As of 2020, the highest stock of future developable land was in the Logan LGA (9,654 ha), followed by Ipswich (6,263 ha) and Lockyer Valley (2,536 ha). The highest expected yield of dwellings is projected for the Logan (118,864) and Ipswich (104,926) LGAs.

Table 4.7: Stock of residential greenfield and brownfield land (greater than 2,500 m²) that is currently suitable for residential development in the LGAs of SEQ

LGAs	Stock (hectares), as of June 2020	Expected yield (dwellings), as of June 2020
Brisbane	1,294	39,311
Gold Coast	1,844	60,305
Ipswich	6,263	104,926
Lockyer Valley	2,536	15,650
Logan	9,654	118,864
Moreton Bay	2,160	14,990
Noosa	91	564
Redland	338	5,289
Scenic Rim	1,721	8,005
Somerset	1,033	6,820
Sunshine Coast	1,932	31,414
Toowoomba *	2,541	15,154
South East Queensland	31,407	421,292

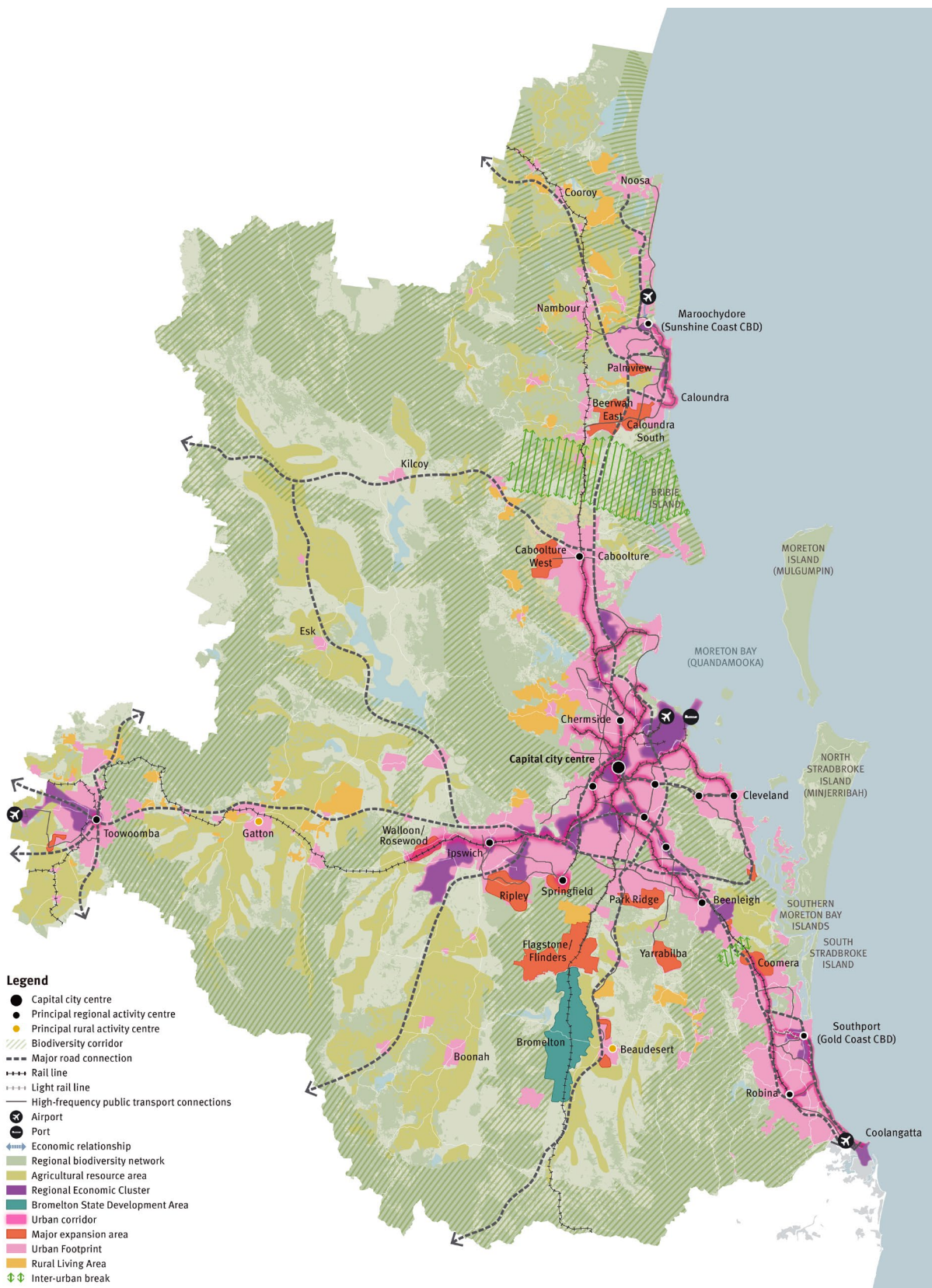
Notes:

* Toowoomba (urban part) includes the geographic area of Toowoomba LGA, which is located within South East Queensland as bounded by the Toowoomba Statistical Area Level 4 (SA4).

Source: QGSO Broadhectare Study, Queensland Treasury, 2020d.

Figure 4.7 shows the major expansion areas (in orange) that ShapingSEQ identifies for future greenfield development over the next 25 years. There is a concentration of these major expansion areas to the south of Brisbane, particularly within the Ipswich and Logan LGAs (including the Ripley Valley, Yarrabilba, Springfield Lakes and Greater Flagstone expansion areas). That is in line with the population projections presented in Chapter 3, in which the Ipswich LGA particularly stands out as having the largest projected population increase through to 2041.

Figure 4.7: Major expansion areas through to 2041, SEQ



Source: ShapingSEQ (Queensland Government 2017, p.35).

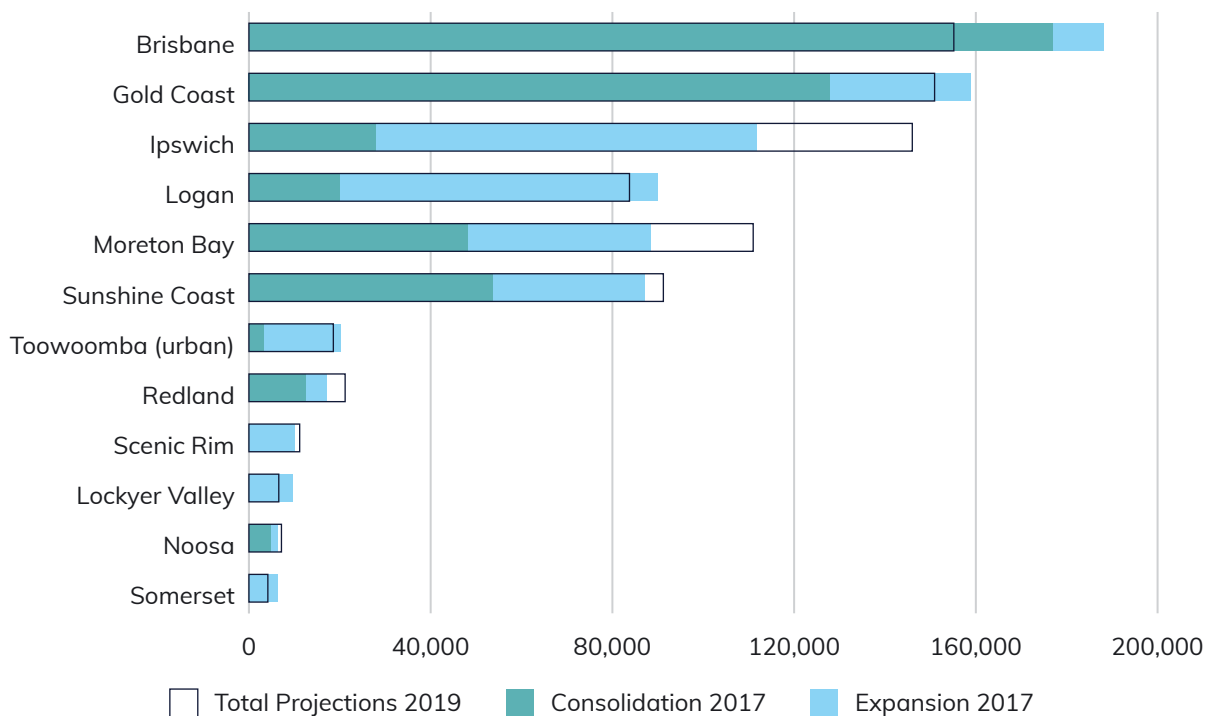
ShapingSEQ identified future dwellings growth to 2041 for LGAs, and the expected split between consolidation and expansion development. Of the roughly 800,000 new dwellings to be added between 2016 and 2041, 60 per cent will be added through consolidation, rather than expansion (Queensland Government, 2017). As of 2016, 78 per cent of SEQ's dwellings were located within the existing urban area boundary (ibid).

The Queensland Government's most recent dwelling projections (Queensland Treasury 2019) show a total of 806,900 dwellings to be added across the 12 LGAs by 2041, which is slightly higher than the ShapingSEQ projections. This most recent set of projections does not include a split between consolidation and expansion areas.

Figure 4.8 shows how the projected dwelling growth, and the consolidation/expansion split, are expected to be distributed across LGAs. Between 2016 and 2041, the latest projections show the Brisbane LGA is expected to add the most dwellings (155,200), followed by Gold Coast (150,900). The new dwellings in these two LGAs will be mainly added through urban consolidation. However, the majority of the 146,000 dwellings expected to be added in Ipswich and the 83,800 dwellings to be added in Logan are likely to occur through greenfields development beyond the existing urban area boundary.

The projected dwellings growth for Brisbane was revised significantly downwards (by 33,000 dwellings) between the 2017 and 2019 projections, while dwellings growth was revised significantly upwards for Ipswich (by 34,300 dwellings) and Moreton Bay (by 22,700 dwellings).

Figure 4.8: Expected dwellings growth by SEQ LGAs from 2016 to 2041 and from 2019–2041



Note: 2019 dwelling projections are for LGAs, therefore the data cover the whole Toowoomba LGA.

Source: BCARR analysis of dwelling projections from ShapingSEQ (Queensland Government 2017), Queensland Government Dwelling projections, 2019 edition, Queensland Treasury.

Box 4.1 presents a case study of the Caboolture West growth area in the Moreton Bay LGA, a major expansion area which is expected to eventually provide homes for around 70,000 people.

Box 4.1: Caboolture West case study

Caboolture West in the Moreton Bay Regional Council has been identified as a future growth area within SEQ (Queensland Government 2021b). It is located in the north of Brisbane and is bounded by the D’Aguilar Highway to the north, Caboolture River Road to the south and Low Hills to the west of Old North Road (see Figure 4.9). Currently, the area is predominately open rural grazing land and small parcels of agricultural cropping land. The area is close to the Caboolture-Morayfield Principal Activity Centre, has been found to be suitable for urban development and identified as a new major long-term growth area for SEQ (Queensland Government 2017).

In March 2021, the Queensland Government announced the initial stage of Caboolture West, known as Neighbourhood Development Plan 1 (NDP1), to:

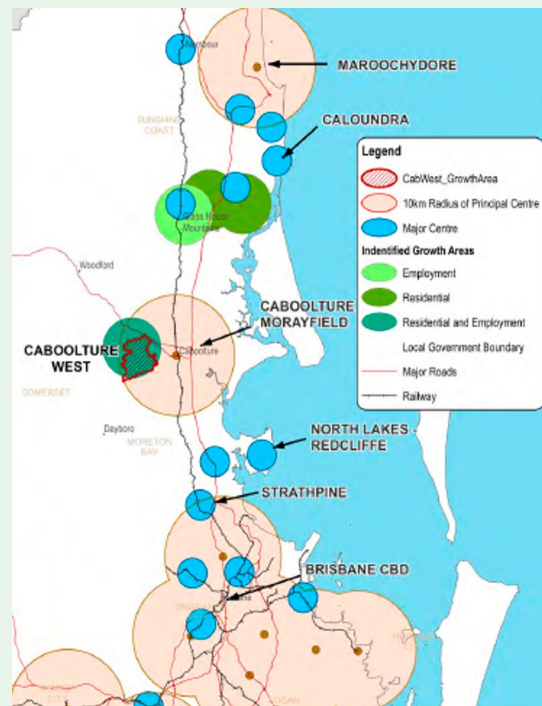
- unlock growth
- address housing choice and affordability
- identify the infrastructure necessary to support more liveable communities.

In 2021 an amendment to the Moreton Bay Regional Planning Scheme, 2014, was approved to facilitate the development assessment of around 3,000 residential lots in NDP1 (Moreton Bay Regional Council, 2021).

Key features of the Caboolture West Local Plan 2050 include:

- Local plan area approximately 6,663 ha
- Urban Population: 68,700 residents
- Urban Dwellings: 26,900
- Urban Employment: 17,000 jobs
- Local Plan area: 3,480 ha
- Local Plan urban area 1,787 ha comprising:
 - Town centre 106 ha
 - Enterprise and employment 160 ha
 - Urban living 1,521 ha
 - 6 local centres
 - 13 neighbourhood hubs
 - TAFE and Private hospital
 - 3 high schools
 - 9 primary schools
 - Rapid transit connection to Caboolture Central
- Green network 1,070 ha comprising Local Plan rural living area 622 ha.

Figure 4.9: Map of Caboolture West



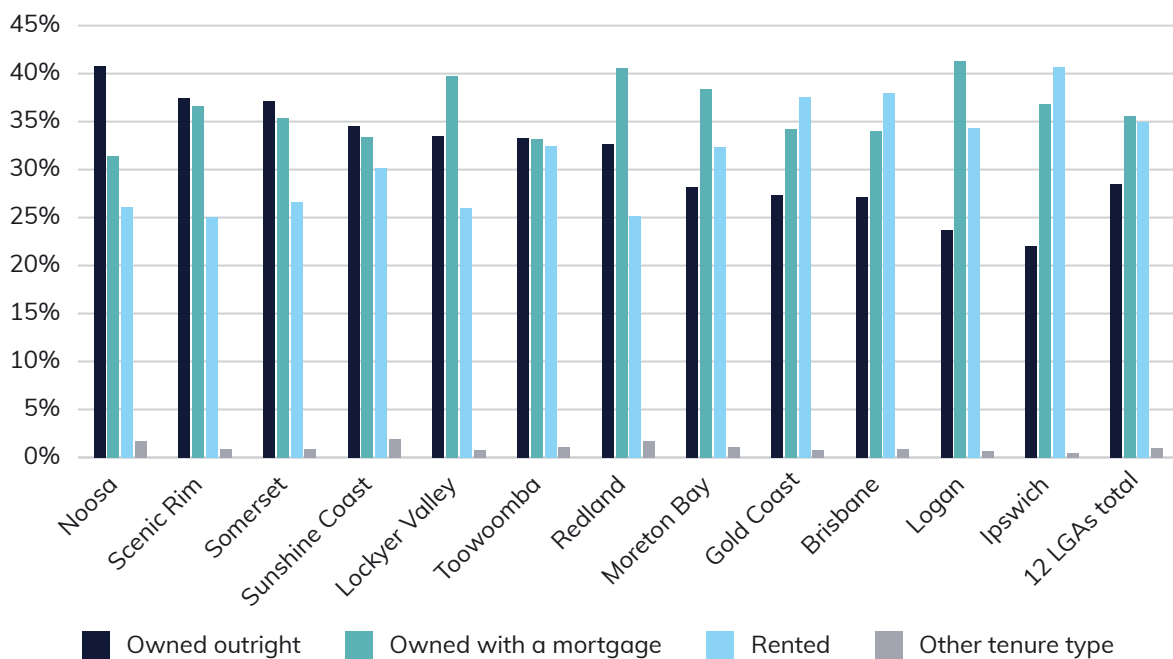
Source: Moreton Bay Regional Council 2013.

4.7 Housing affordability

Housing affordability is considered part of liveability for this study. Four different indicators are used to assess housing affordability: the dwelling price to income ratio, mortgage stress, rental stress and the rental affordability index.

Before looking at these indicators, Figure 4.10 shows tenure types across the 12 LGAs of the SEQ region. Across the 12 LGAs, 28.5 per cent of people owned their housing outright, 35.6 per cent owned their home with a mortgage and 34.9 per cent rented their home, as of the 2016 Census. The highest proportion owning their home outright was in Noosa (40.8 per cent), Scenic Rim (37.5 per cent) and Somerset (37.2 per cent) LGAs. On the other hand, the highest proportion of dwellings owned with a mortgage was in Logan (41.3 per cent), Redland (40.5 per cent) and Lockyer Valley (39.8 per cent) LGAs. The highest proportion renting their home was in Ipswich (40.7 per cent), Brisbane (38.0 per cent) and Gold Coast (37.5 per cent) LGAs.

Figure 4.10: Tenure types of the 12 LGAs in SEQ in 2016



Source: ABS Census of Population and Housing 2016.

Home ownership affordability

Two indicators are used to provide an overview of home ownership affordability in the SEQ region: the dwelling price to income ratio and mortgage stress. The dwelling price to income ratio provides a guide to the cost of buying a typical dwelling relative to a typical household's annual income in that location. Mortgage stress measures the proportion of households whose mortgage repayments are 30 per cent or more of their household income.

Dwelling price to income ratio

Table 4.8 shows the dwelling price to income ratio in the LGAs of SEQ in 2018–2019 and (where available) 2019–2020. The dwelling price to income ratio was highest in Noosa (10.0), followed by Gold Coast (7.9) and Sunshine Coast (7.7). This means that purchasing a typical dwelling in Noosa would cost 10.0 times the annual income of a typical household. Noosa, Gold Coast and the Sunshine Coast were less affordable than the other LGAs of SEQ. The Brisbane LGA had a dwelling price to income ratio of 6.3 in 2018–2019, which decreased in 2019–2020 (to 6.1). The Ipswich LGA had a dwelling price to income ratio of 4.6 in 2018–2019, which was similar to that of Lockyer Valley (5.0) and Toowoomba (5.0), making them more affordable than other parts of the SEQ region.

Table 4.8: Dwelling price to income ratio of LGAs in SEQ in 2018–2019 and 2019–2020

LGAs	Dwelling price to income ratio 2018–2019	Dwelling price to income ratio 2019–2020
Brisbane	6.3	6.1
Gold Coast	7.9	7.0
Ipswich	4.6	--
Lockyer Valley	5.0	--
Logan	5.2	--
Moreton Bay	5.6	--
Noosa	10.0	--
Redland	6.1	--
Scenic Rim	6.8	--
Somerset	5.2	--
Sunshine Coast	7.7	7.9
Toowoomba	5.0	5.0

Note:

-- data not available.

Sources: BCARR analysis of CoreLogic, Median dwelling price 2018–2019 data and Median household income – The Australian National University household income model (custom data) 2019.

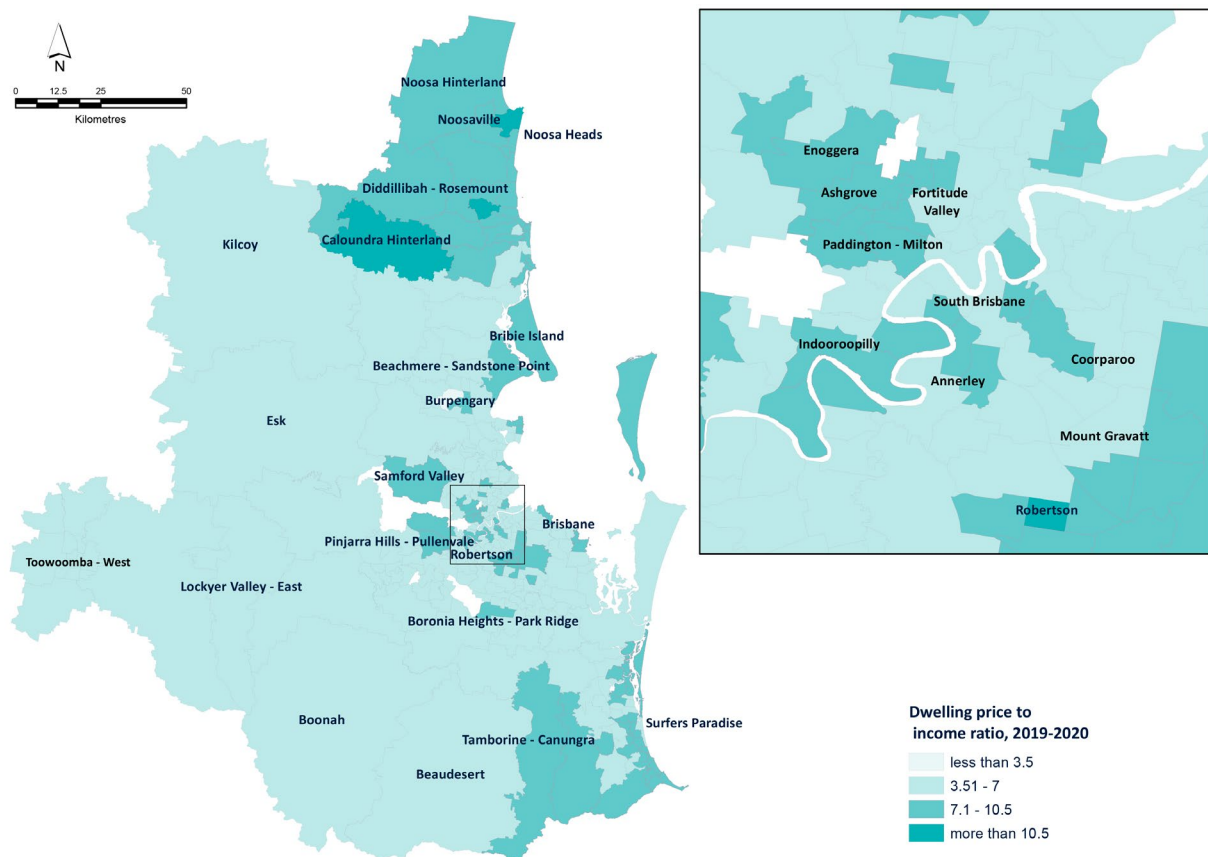
In the National Cities Performance Framework (NCPF) (BITRE 2021a), this indicator was used to compare housing affordability across Australia's 21 largest cities.⁹ For the year ended June 2020, the Sunshine Coast was the 3rd least affordable city (dwelling price to income ratio of 8.0), behind Sydney (8.5) and Wollongong (8.3). The city of Gold Coast-Tweed was in 7th place (with a ratio of 7.0) and Brisbane was 10th (5.9). However, Toowoomba was the 3rd most affordable of the included cities, with a dwelling price to income ratio of 4.7.

To illustrate the spatial distribution of the dwelling price to income ratio, Figure 4.11 shows the dwelling price to income ratio of each SA2 in 2019–2020. SA2s located in the Noosa, Sunshine Coast, Middle South and Gold Coast sub-regions had higher dwelling price to income ratios, i.e. those areas were least affordable. On the other hand, SA2s located in Ipswich, Toowoomba and Moreton Bay had lower dwelling price to income ratios and were more affordable.

Most of the SA2s in SEQ had a dwelling price to income ratio between 3.5 and 7.0. Table 4.9 shows the top five SA2s with the highest and lowest dwelling price to income ratio in 2019–20. Robertson (12.5), Sunshine Beach (11.7) and Caloundra Hinterland (11.7) had the highest dwelling price to income ratio. On the other hand, Morayfield (3.5), Cambooya – Wyreema (3.9) and Churchill – Yamanto (4.0) had the lowest dwelling price to income ratio.

9 Note that the NCPF used different geographic boundaries to this study. Capital city boundaries were based on ABS Greater Capital City Statistical Areas, while for smaller cities, ABS Significant Urban Area boundaries were used.

Figure 4.11: Dwelling price to income ratio of SA2s in SEQ 2019–2020



Note: Ratio data is missing for SA2s displayed in white colour, typically due to zero or limited property sales in period or a small number of resident households.

Sources: BCARR analysis of CoreLogic, Median Dwelling price 2019–2020 data and Median household income – The Australian National University household income model (custom data) 2019–2020.

Table 4.9: Top 5 SA2s with highest and lowest dwelling price to income ratio in SEQ 2019–2020

SA2s	BCARR rings/ sub-region	Dwelling price to income ratio (highest)	SA2s	BCARR rings/ sub-region	Dwelling price to income ratio (lowest)
Robertson	Middle South	12.5	Morayfield	Moreton Bay	3.5
Sunshine Beach	Noosa	11.7	Cambooya – Wyreema	Toowoomba	3.9
Caloundra Hinterland	Sunshine Coast	11.7	Churchill – Yamanto	Ipswich	4.0
Noosa Heads	Noosa	11.5	Ripley	Ipswich	4.1
Noosaville	Noosa	11.3	Springfield	Ipswich	4.2

Sources: BCARR analysis of CoreLogic, Median Dwelling price 2019–2020 data and Median household income – The Australian National University household income model (custom data) 2019–2020.

Mortgage stress

The mortgage stress indicator is from the ABS Census of Population and Housing 2016 and measures the percentage of households with mortgage repayments which are 30 per cent or more of household income.¹⁰ Table 4.10 shows the percentage of households that were in mortgage stress in the 12 LGAs of SEQ in 2016. The highest proportions in mortgage stress were in the Logan and Scenic Rim LGAs, both at 8.2 per cent. As discussed above, the Logan LGA had a very high percentage of dwellings owned with a mortgage, which has flowed through into a high degree of mortgage stress. The Toowoomba, Brisbane and Ipswich LGAs had the lowest proportion of households in mortgage stress in 2016.

Table 4.10: Proportion of households in mortgage stress in the 12 LGAs of SEQ in 2016

LGAs	Mortgage stress, 2016
Brisbane	5.8
Gold Coast	7.9
Ipswich	5.9
Lockyer Valley	7.9
Logan	8.2
Moreton Bay	6.8
Noosa	8.0
Redland	7.3
Scenic Rim	8.2
Somerset	7.5
Sunshine Coast	7.2
Toowoomba	5.1

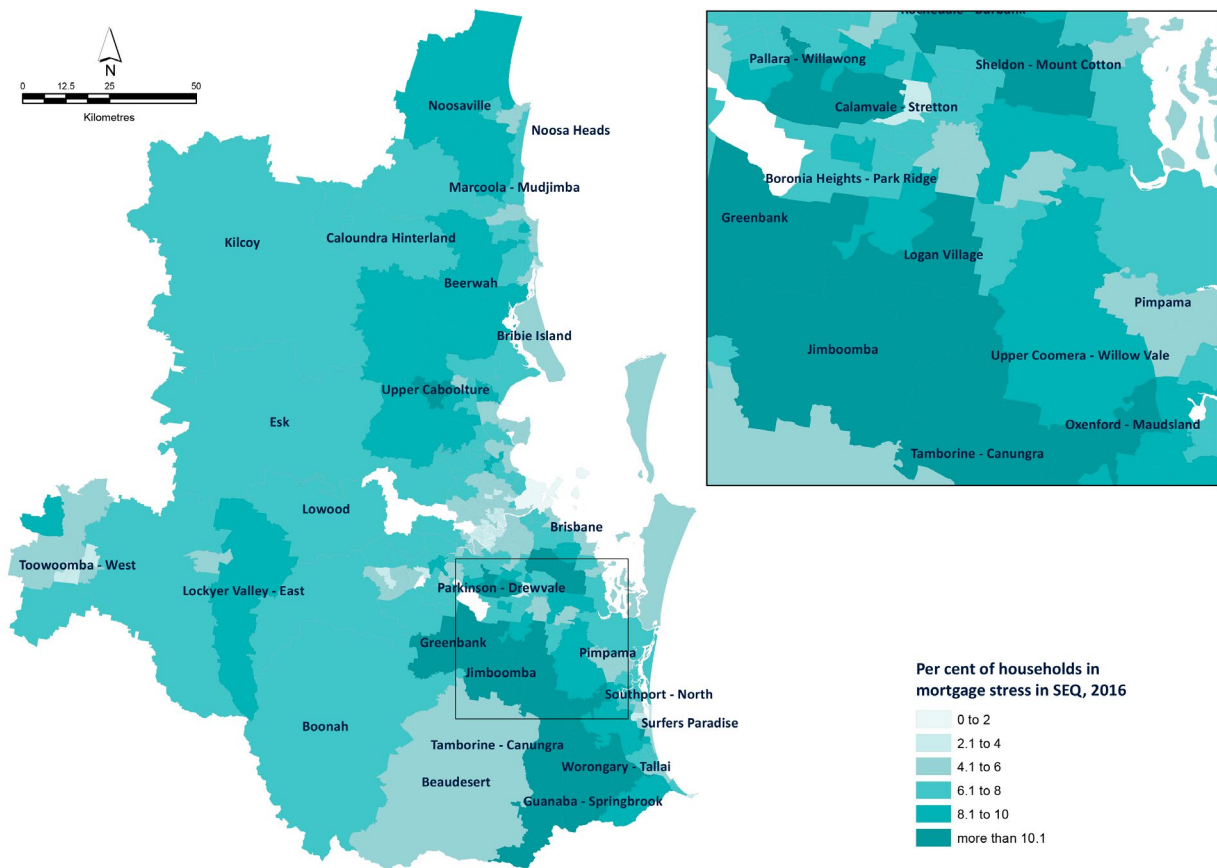
Source: ABS, Census QuickStats, Census of Population and Housing 2016

Overall, mortgage stress is not particularly high in SEQ, with the NCPF showed that in 2016 Gold Coast-Tweed was the SEQ city that had the highest incidence of mortgage stress at 7.7 per cent, well below the incidence in Western Sydney (10.2 per cent) and Perth (9.3 per cent) (BITRE 2021a). Toowoomba had the second lowest mortgage stress of all the NCPF cities at 5.0 per cent (ibid).

To illustrate the spatial distribution of mortgage stress, Figure 4.12 shows the mortgage stress of each SA2 of SEQ in 2016. The map shows that households in mortgage stress are quite highly represented in a number of SA2s in the Logan, Middle South and Gold Coast sub-regions. Table 4.11 shows that the SA2s with the highest mortgage stress were Jimboomba (12.4), Greenbank (12.4), Parkinson – Drewvale (11.8), Reedy Creek Andrews (11.5) and Upper Caboolture (11.4). A relatively large proportion of households in those SA2s were paying mortgage payments greater than or equal to 30 per cent of household income.

¹⁰ The assessment is based on an imputed income measure and is expressed as a proportion of the total number of households in an area (including those households which were renting, and excluding the small proportion of visitor only and other non-classifiable households). The nature of the income imputation means that the reported proportion may significantly overstate the true proportion (ABS 2016b).

Figure 4.12: Proportion of households in mortgage stress by SA2s of SEQ in 2016



Source: BCARR analysis of ABS Census of Population and Housing, 2016, data obtained on request.

Table 4.11: Top five SA2s of SEQ with mortgage stress in 2016

SA2s	BCARR rings- sub-regions	Mortgage stress (per cent)
Jimboomba	Logan	12.4
Greenbank	Logan	12.4
Parkinson – Drewvale	Middle South	11.8
Reedy Creek – Andrews	Gold Coast	11.5
Upper Caboolture	Moreton Bay	11.4

Source: BCARR analysis of ABS Census of Population and Housing, 2016, data obtained on request

Rental affordability

Two indicators are used to provide an overview of rental affordability in the SEQ region: the rental affordability index (RAI) and rental stress. The RAI is released biannually by SGS Economics and Planning and tracks rental affordability relative to income for all households. Rental stress measures the proportion of households whose rental payments are 30 per cent or more of their household income.

Rental stress

The rental stress indicator is from the ABS Census of Population and Housing 2016 and measures the percentage of households with rental payments which are 30 per cent or more of household income.¹¹ According to the NCPF, SEQ cities had a relatively high incidence of rental stress. In 2016, Gold Coast-Tweed had the highest incidence of rental stress of all NCPF cities at 16.5 per cent, while Sunshine Coast was in 4th place (13.8 per cent) and Brisbane in 6th place (12.9 per cent) (BITRE 2021a).¹²

This is confirmed by Table 4.12 which shows the proportion of households that were in rental stress in the 12 LGAs of SEQ in 2016. The Gold Coast LGA has the highest rental stress, with 16.8 per cent of households spending more than 30 per cent of their income on rent. The Ipswich (14.0 per cent), Logan (13.4 per cent) and Sunshine Coast (13.3 per cent) LGAs also had relatively high rental stress. Scenic Rim had the lowest proportion of households with rental stress in 2016 (9.9 per cent).

A comparison of Table 4.12 with the mortgage stress indicator in Table 4.10 makes it clear that rental stress is a more widespread issue in SEQ than mortgage stress, affecting a larger proportion of the SEQ population.

Table 4.12: Proportion of households in rental stress in the 12 LGAs of SEQ in 2016

LGAs	Rental stress, 2016
Brisbane	13.1
Gold Coast	16.8
Ipswich	14.0
Lockyer Valley	10.1
Logan	13.4
Moreton Bay	12.8
Noosa	12.8
Redland	10.1
Scenic Rim	9.9
Somerset	10.2
Sunshine Coast	13.3
Toowoomba	11.1

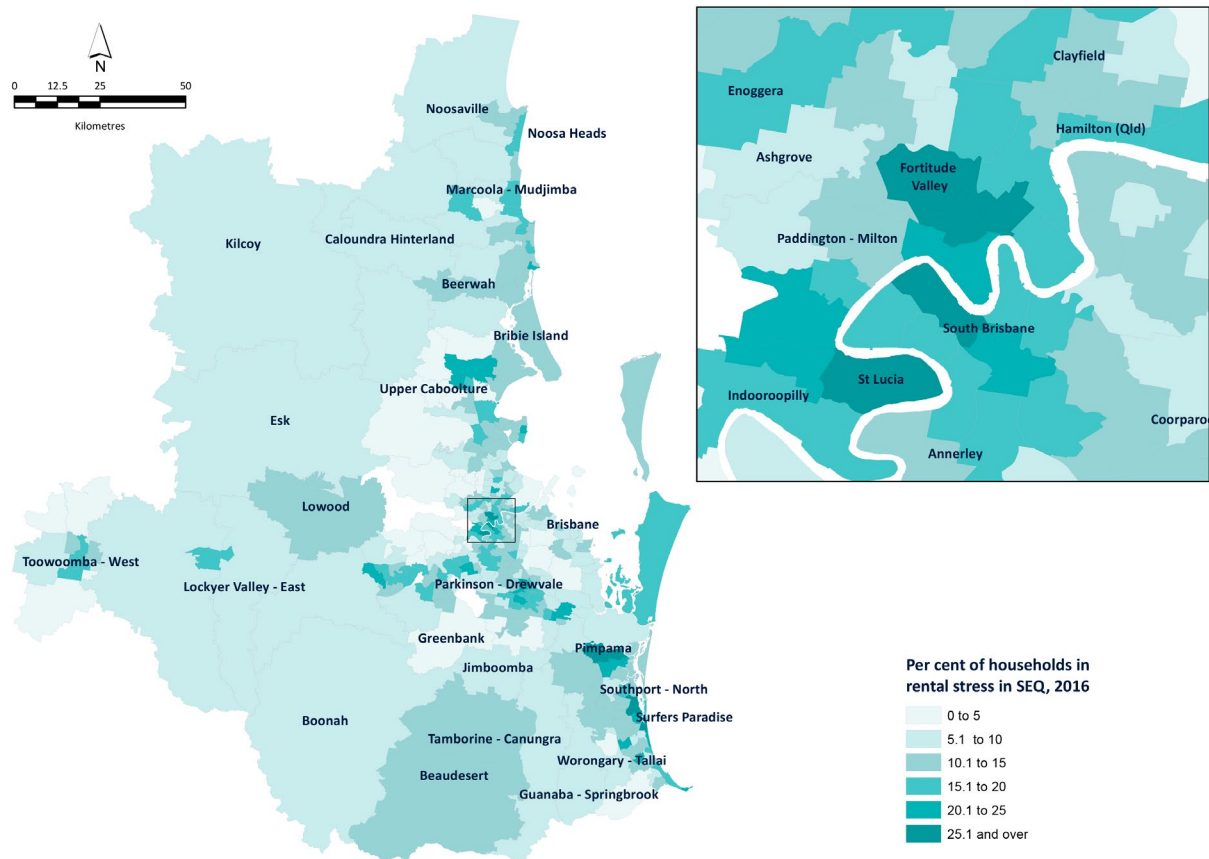
Source: ABS Quick Stats, Census of Population and Housing 2016.

To illustrate the spatial distribution of rental stress, Figure 4.13 below shows the rental stress of each SA2 in SEQ in 2016. Households were paying more rent in the Inner sub-region. Some coastal SA2s also have a relatively high incidence of rental stress. Southport – North (32.8), Kelvin Grove – Herston (31.1), St Lucia (31.1), Fortitude Valley (28.4) and Surfers Paradise (27.0) were the top five SA2s where more than a quarter of the households were in rental stress (see Table 4.13).

11 The assessment is based on an imputed income measure and is expressed as a proportion of the total number of households in an area (including those households which were not renting, and excluding the small proportion of visitor-only and other non-classifiable households). The nature of the income imputation means that the reported proportion may significantly overstate the true proportion (ABS 2016b).

12 Note that the NCPF uses different geographic boundaries to this study. Capital city boundaries are based on ABS Greater Capital City Statistical Areas, while for smaller cities, ABS Significant Urban Area boundaries are used.

Figure 4.13: Proportion of households in rental stress in SEQ in 2016



Source: BCARR analysis of ABS Census of Population and Housing, 2016, data obtained on request

Table 4.13: Top five SA2s with rental stress in SEQ in 2016

SA2s	BCARR rings/sub-regions	Rental stress (per cent)
Southport – North	Gold Coast	32.8
Kelvin Grove – Herston	Inner	31.1
St Lucia	Middle West	31.1
Fortitude Valley	Inner	28.4
Surfers Paradise	Gold Coast	27.0

Source: BCARR analysis of ABS Census of Population and Housing, 2016, data obtained on request

Rental affordability index (RAI)

This study uses the RAI from SGS Economics and Planning, which is an indicator of rental affordability relative to household incomes, applied to geographic areas across Australia. Like the rental stress indicator presented in the previous section, a 30 per cent of income threshold is used. RAI scores of 100 or less indicate that households spent 30 per cent or more of their income on rent, and scores of 80 or less indicate severely unaffordable rents (with households paying 38 per cent or more of their income on rent).

Figure 4.14 below shows the RAI of SEQ and surrounding areas, and Figure 4.15 shows the RAI scores of the Greater Brisbane area over time. Based on the average rental household gross income of \$91,000 per annum, the Greater Brisbane RAI score was 121 as of June 2021 (SGS, 2021).

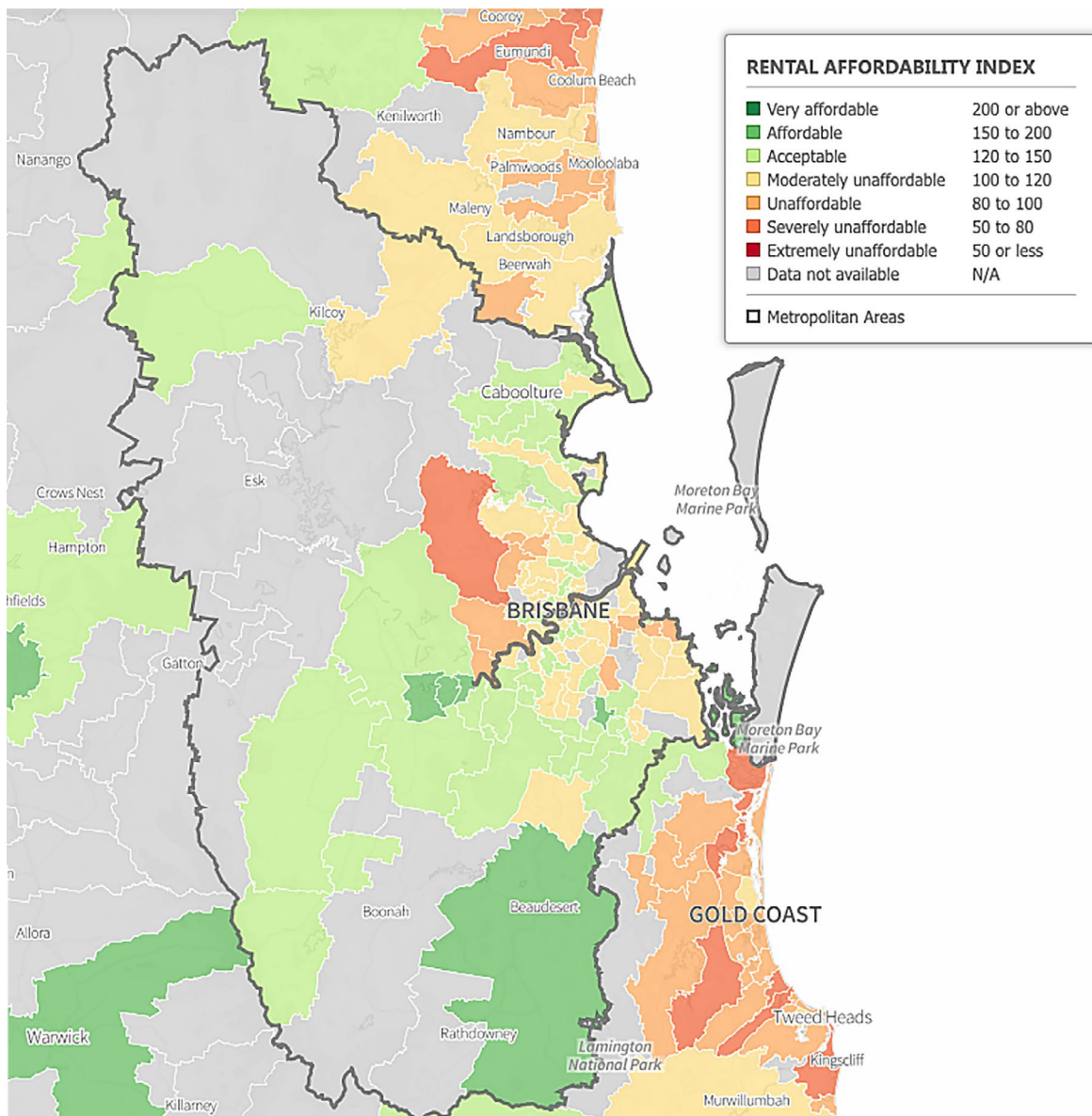
This is considered an acceptable level of affordability, with an average of 25 per cent of income being spent on rent by Brisbane’s renting households in 2021. As of June 2021, Brisbane’s level of rental affordability was similar to that of Sydney and Perth, and while not as affordable as Melbourne, it was much more affordable than Hobart or Adelaide (based on the RAI).

Between 2016 and 2020, there was a trend of gradual improvements in rental affordability in Greater Brisbane (with the RAI score improving from 117 in 2016 to 130 in 2020). However, Greater Brisbane’s RAI has declined over the past 12 months (from an index score of 130 to 121). This represents a return to the rental affordability levels seen previously in 2017 and 2018.

Figure 4.14 shows that areas to the north-west of Brisbane (around Samford Valley) continue to be among the most unaffordable in the region. Areas to the north and south-east of the Brisbane CBD are moderately unaffordable. Beaudesert and Boonah SA2s in the Scenic Rim LGA are amongst the areas listed as affordable.

Over the 12 months to June 2021, some SA2s have experienced a notable decline in affordability, including Rochedale, Acacia Ridge to Drewvale, Alexandra Hills, Wellington Point, and Stafford to Fortitude Valley (see Figure 4.14).

Figure 4.14: SGS rental affordability index in SEQ as of June 2021

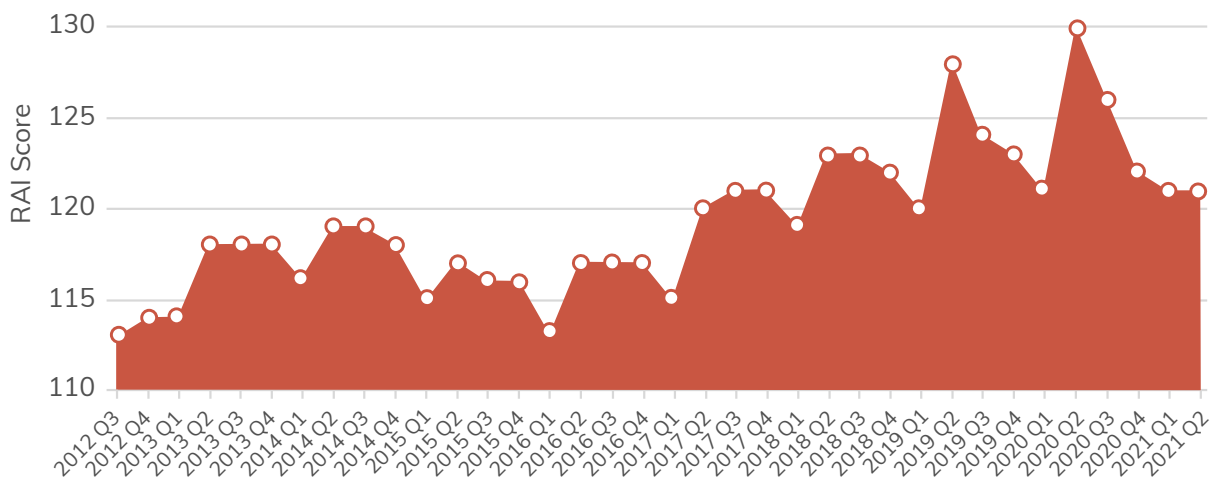


Source: SGS Economics and Planning 2020.

Based on the average rental household gross income of \$82,000 per annum, regional Queensland (which includes the Rest of SEQ) had an RAI score of 110, which means moderately unaffordable. Rental affordability in the Rest of Queensland decreased recently, shifting from what was an acceptable level a year ago (see Figure 4.16). The RAI score for regional Queensland exceeded 120 for most of the period from 2016 to mid-2020, but has declined significantly over the last year. The average rental household seeking to rent a dwelling now needs to spend 27 per cent of its total income (SGS 2021).

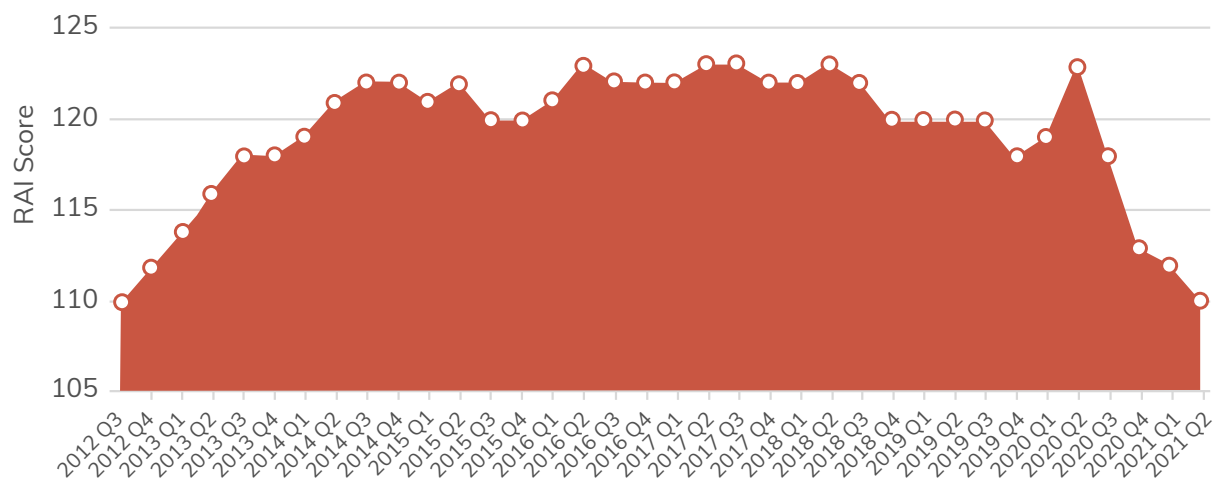
Affordability has significantly decreased in the Gold Coast area over the last 12 months, with Gold Coast SA2s now having a RAI ranging between moderately unaffordable and severely unaffordable. Areas such as Helensvale, Broadbeach and Robina are some of the severely unaffordable areas on the Gold Coast. On the Sunshine Coast, areas from Maroochydore to Noosa have shifted recently from acceptable/moderately unaffordable to unaffordable and severely unaffordable. All these areas are significant tourist destinations, which might impact the rental affordability of these areas. There is a trend of using rental property through Airbnb these days, which is more profitable than the regular rental income (Buckle et al. 2020). Therefore, popular tourist destinations are becoming less affordable for local residents who wish to rent.

Figure 4.15: Rental Affordability Index of Greater Brisbane from 2012 to 2021



Source: SGS Economics and Planning, 2021.

Figure 4.16: Rental Affordability Index of Rest of QLD from 2012 to 2021



Source: SGS Economics and Planning, 2021.

Taken together, the two rental affordability measures show that:

- Rental affordability is an issue that impacts a significant proportion of SEQ households, more so than home ownership affordability
- Within SEQ, rental affordability issues are particularly pronounced on the Gold Coast
- Rental affordability has declined significantly over the 12 months ended June 2021, with large parts of Gold Coast and the Sunshine Coast, and some areas of Brisbane, now being assessed as either unaffordable or severely unaffordable for renting households.

4.8 Conclusion

This chapter has provided an overview of housing and housing affordability in the SEQ region. Separate, low-density detached houses dominate the region's housing mix (with a 71 per cent share of SEQ's dwelling stock), except in the Brisbane, Gold Coast and Sunshine Coast LGAs. Of the 166,139 new residential building approvals in SEQ between 2016 and 2021, 59 per cent were for separate houses, which indicates some shift towards higher density forms of residential development since 2016. In the Brisbane LGA, only 36 per cent of residential building approvals were for separate houses over the last five years, and the Gold Coast LGA is following the same trend towards higher-density residential development. There was also an overall decline in median lot sizes across SEQ between 2016 and 2020.

SEQ is expected to add around 800,000 new dwellings between 2016 and 2041, with 60 per cent of these added through consolidation, rather than expansion. The Brisbane LGA is expected to add the most dwellings (155,200), almost entirely through urban consolidation. Gold Coast is expected to add 150,900 dwellings, mainly through consolidation. However, the majority of the 146,000 dwellings expected to be added in Ipswich and the 83,800 dwellings to be added in Logan are likely to occur through greenfields development beyond the existing urban area boundary. It is these two LGAs – Ipswich and Logan – that have the most available land identified for future development.

Compared with rental stress, mortgage stress is low in SEQ. The Logan and Scenic Rim LGAs have the highest proportion of households with mortgage stress. On the other hand, the Gold Coast LGA is the least affordable for renters. The available evidence suggests that rental affordability issues in the Gold Coast and some other SEQ locations have become more pronounced over the last 12 months.