

02 July 2024

ECONOMIC
DEVELOPMENT AND
OTHER LEGISLATION
AMENDMENT BILL 2024

WESTERN DOWNS REGIONAL
COUNCIL SUBMISSION

02 July 2024

Minister for Economic Development Queensland (MEDQ)
Economic Development Queensland
GPO Box 2202
BRISBANE QLD 4001

Sent via email: cedq@dsdilgp.gov.au

Dear Minister,

**RE: ECONOMIC DEVELOPMENT (AFFORDABLE HOUSING) AMENDMENT
REGULATION 2024**

Western Downs Region Council (Council) is a local government Council in Queensland, Australia. The Council manages an area of 37,937 square kilometres with a population to around 35,000. Council is at the forefront of the changing world and works to support our growing region, with our Corporate Plan underpinned by progress, people, place and performance.

We sincerely thank Economic Development Queensland for seeking feedback on the proposed criteria for the Economic Development (Affordable Housing) Amendment Regulation 2024 to support the implementation of the Economic Development and Other Legislation Amendment Bill 2024 (the Bill).

Council understands that the intent of the bill is to incorporate criteria for affordable housing as it will apply to the Economic Development Act 2012 (ED Act), and to include the provision of diverse housing, including affordable housing. the opportunity to provide valued input, which is of strong interest to our Council and our residents.

Please find enclosed a copy of the Council's submission regarding the Economic Development and Other Legislation Amendment Bill 2024.

For any further information or questions, please contact either myself via email jodie.taylor@wdrc.qld.gov.au or 0407 961 496 or Nicole Franklin, A/Economic Development Manager via email Nicole.Franklin@wdrc.qld.gov.au .

Yours sincerely,

Jodie Taylor
CHIEF EXECUTIVE OFFICER

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About Western Downs Regional Council

The Western Downs is located on the Darling Downs, approximately 207 kilometres north-west of Brisbane and 83 kilometres north-west of Toowoomba. The region encompasses the centres of Dalby, Chinchilla, Jandowae, Miles, Tara, and Wandoan, covering nearly 38,000 square kilometres. Combining country lifestyle with modern living, excellent retail offerings and conveniences, the area is home to a population of around 35,000 people and has a large working age population of 60.9% aged 15-64 years.

Built on agriculture and thriving in the intensive agriculture, energy and manufacturing industries, Western Downs Regional Council is focused on making our region a great place to live, work, visit and invest and to ensure our future generation has the opportunity to do what they love whilst enjoying a regional lifestyle and continue the strong economic growth of the region.

Council manage Australia's second largest road network of over 10,000 km with highways leading into the region include the Bunya, Leichhardt, Warrego & Moonie highways, an extensive water, gas, and sewage network, and one of Australia's largest cattle saleyards. Located in the heart of the resource rich Surat Basin, the Western Downs has a diversified energy portfolio with five pillars of energy generation: Coal, Gas, Ethanol, Wind and Solar cementing our reputation as the Energy Capital of Queensland. This contributes to the region's strong economic growth, investment, and consistently high employment with a GRP of \$5.9 Billion and \$7.5 Billion in the development pipeline.

Council's five-year Economic Development Strategy (2023 to 2028) addresses critical issues and clearly articulates a strategic pathway for the Western Downs to diversify and grow its economy, building on the region's competitive advantage and further attracting business and investment in value-adding opportunities and emerging markets. The Economic Development Strategy focuses on five key pillars:

- **Jobs & Skills** - The Western Downs workforce is growing, optimised and fit for the future.
- **Liveability & Infrastructure** - The Western Downs is equipped with modern infrastructure and quality essential services across the region to enable liveability and wellbeing, whilst sustaining population growth.
- **Population** - The Western Downs demonstrates population growth to meet workforce demands.
- **Productivity & Innovation** - The Western Downs is a recognised leader in agribusiness, energy and manufacturing, and local productivity continues to increase.
- **Sustainability & Resilience** - The Western Downs is future-proofed for a changing climate and transitioning economies, and circular economy principles are stimulated.

This strategy aligns closely with the Council's Corporate Plan and supports one of Queensland's most progressive Planning Schemes which is committed to attracting and enabling development and ensure the Western Downs is a diverse region at the forefront of the changing world.

Executive Summary

Economic Development Queensland (EDQ) released a call for submission on 7 June 2024, to request feedback on the policy intent for the Economic Development (Affordable Housing) Amendment Regulation 2024.

Queensland is experiencing significant pressure on the housing sector. As part of the Queensland Government's response to this pressure, the Queensland Housing Summit was held in October 2022. A specific action out of the Queensland Housing Summit Outcomes Report is for Economic Development Queensland (EDQ) to strengthen the remit of EDQ to deliver more housing supply across the State, including new social and affordable housing in the context of urban renewal and precincts. This will include establishing social, affordable and diverse housing as a clear purpose in Economic Development Queensland's legislation, with a focus on demonstrating to the market affordable and diverse housing for low to moderate income households.

The regulatory framework that governs affordable housing under the ED Act is structured to support the Queensland Government's 'Homes for Queenslanders' plan by establishing policy settings that respond to EDQ's function to facilitate housing supply including a diversity of affordable housing types.

Council would like to request Economic Development Queensland (EDQ) and the State Government support affordable housing development in the Western Downs Council Region outside of the PDA context.

Council would strongly suggest EDQ and Minister of Economic Development Queensland (MEDQ) work in collaboration with Council to implement the actions on Council's Local Housing Action Plan (LHAP) and continue to support more place-based housing solutions, increase the housing supply and improve housing affordability with continued economic development in the Western Downs Region.

Council wishes to strengthen collaboration with EDQ to ensure transparency, accountability, and alignment with the Council's strategic objectives and community priorities, particularly when any investment activities in the region are considered.

Recommendations

Western Downs Regional Council recommends the Committee:

- **Recommendation 1:** Economic Development Queensland (EDQ) support for affordable housing in Western Downs.

While there is no declared Priority Development Area (PDA) in the Western Downs region, Council would like to see how Economic Development Queensland (EDQ) and the State Government support affordable housing development in the Western Downs Council Region outside of the PDA context. Council strongly advocates for EDQ and Minister of Economic Development Queensland (MEDQ) work in collaboration with Council to implement the actions on Council's Local Housing Action Plan (LHAP) and continue to support more place-based housing solutions, increase the housing supply and improve housing affordability with continued economic development in the Western Downs Region.

- **Recommendation 2:** Investment and Incentives for private housing development to increase housing stock level.

Further construction of market supplied housing stock will support the affordability of housing in the Western Downs by increasing the stock and bringing the vacancy rates up to a 'healthy' level at 2%.

- **Recommendation 3:** Clarify amendments.

The proposed Amendment to the Economic Development Act 2012 does not clarify whether the Minister's ability to enter into third party agreements with Community Housing Providers delivers affordable housing outside of the existing PDAs and PDAs in development.

- **Recommendation 4:** Increased engagement with local government.

Council recommends the State Government to conduct robust consultation with local government and communities for both PDA and non-PDA areas to support place-based housing solutions. The housing demand, supply and needs for affordable housing are unique in each community. Meaningful consultation with Local Government and other stakeholders is required to ensure new housing supply meets the long-term needs within the community.

Submission

Need for Affordable Housing

Council welcomes the Economic Development (Affordable Housing) Amendment Regulation 2024 to strengthen EDQ's remit to deliver housing, including affordable housing in the State. It is Council's understanding that the Amendment Regulation will support the ability for the MEDQ to impose affordable housing requirements in existing PDA's as well as PDA's under development.

According to the Queensland Government, Social Housing Register Data Western Downs, 2023, there are currently 250 social housing dwellings (92 provided by Community Housing) in the Western Downs region. In December 2023, there were 165 people registered for social housing who had Western Downs as one of their preferences. Emergency responses during 2022 and 2023 of the region's flooding and bushfire events have resulted in fluctuating and varied needs for social housing and crisis accommodation across the townships of the region.

The goal of increasing housing supply in the bill aligns with Council's priority to increase the availability of affordable homes, expedite development, and foster government and industry capacity for the delivery of innovative housing projects. Council aims to address housing shortages and ensure that residents and workers have access to suitable housing options. By creating additional pathways for EDQ to facilitate such housing delivery, the bill supports the Council's efforts to meet the needs of the community.

Despite an increased population rate, the Western Downs region is currently facing key challenges in a multitude of areas including low availability of developed land (particularly in Dalby), reducing rental stock levels, low building approval rates, lack of housing diversity, low housing vacancies and resilience.

Like the EDQ's definition for affordable housing (rent and mortgage payments), Council considers households to experience housing stress when more than 30% of their gross household income is spent on rent or mortgage repayments. According to ID Consulting estimates, 912 (6.8%) of household's experiences housing stress in the Western Downs region.¹

Rental stress is particularly experienced by households around Dalby (21.3%), followed by Chinchilla (16.9%), Tara (14.7%) and Miles-Wandoan (10.9%) districts. Mortgage stress is particularly experienced by households in Tara (14.3%), followed by Wambo district (6.5%), Chinchilla (5.5%) and Miles-Wandoan (5.2%) districts.² As a result of the above, ID Consulting estimate 554 households (4.7%) in the Western Downs to be in need of affordable housing.

¹ Source: ABS Census of Population and Housing, 2021. Compiled and presented by .id (informed decisions).

² Idem

Proposed Mitigation

With a significant housing shortage and vacancy rates close to 0%, Council recognises the importance of increasing housing supply to meet the growing demand and supports the bill's focus on facilitating the development of housing stock, including affordable housing, addressing shortages and improve housing affordability for residents in the region. While the Amendment Regulation focuses on affordable housing, Council advocates to ensure that housing solutions are place-based, flexible and adaptable to the diverse needs of different communities within the region tailored to local demographics and preferences.

Western Downs Regional Council is taking a proactive stand on addressing the current housing challenges in the broader region. A Local Housing Action Plan (LHAP) has been developed through a joint initiative involving the Queensland Government, Western Downs Regional Council (WDRC), the Western Downs Futures group, and the Local Government Association of Queensland (LGAQ) to understand key local issues. This allows these organisations to work in partnership to enable targeted housing outcomes and allow relevant

Under the Local Housing Action Plan, Item 3.6, calls for the State Government to provide more available funding to the Western Downs for the purpose of constructing new social and affordable housing, in line with data of social housing needs.

Whilst further incentives and construction of affordable non-market housing (community housing) will support community needs, it is noted that further construction of market supplied housing stock will support the affordability of housing in the Western Downs by increasing the stock and bringing the vacancy rates up to a 'healthy' level at 2%. Council would like to see more incentives provided to the regions by the State Government to support an increased housing supply.

While there is no declared Priority Development Area (PDA) in the Western Downs region, Council would like to see how EDQ and the State Government support the development of community housing and private new stock in the Western Downs Council Region outside of the PDA context.

Council strongly advocates for EDQ and Minister of Economic Development Queensland (MEDQ) work in collaboration with Council to implement the actions on Council's Local Housing Action Plan (LHAP) and continue to support more place-based housing solutions, increase the housing supply and improve housing affordability with continued economic development in the Western Downs Region.

Council welcomes EDQ undertaking investment activities, property development projects, or infrastructure initiatives that could benefit the broader Western Downs region and continue strong communication with Council on how these activities could potentially stimulate economic growth, create employment opportunities, and attract investment to the region.

A collaborative approach

Council would like to see mechanisms set in place to ensure transparency, accountability, and alignment with the Council's strategic objectives and community priorities if MEDQ decide to undertake any investment activities in the region. Council urges the need for collaborative involvement in any consultation and discussion and to work together with EDQ and MEDQ to consider the potential impact of MEDQ's investment activities on the local property market or its impact on local community and residents. Proposed development with various development options should be explored, and consideration should be given to how these investments may influence property prices, rental affordability, overall housing market dynamics within the region and have a long-lasting positive impact on the region's liveability.

Conclusion

Western Downs Regional Council extends its appreciation for the opportunity to respond to the Economic Development (Affordable Housing) Amendment Regulation 2024.

Contact Details

Please do not hesitate to contact Nicole Franklin, A/Economic Development Manager via email via email Nicole.Franklin@wdrc.qld.gov.au should you wish to discuss any aspect of this submission.

Appendix

1. Western Downs Council, Economic Development Strategy 2023 – 2028, [economic-development-strategy-document-ver-22.02.23.pdf \(wdrc.qld.gov.au\)](#)
2. Western Downs Regional Council, Corporate Plan 2021 – 2026, [Plans & Publications Western Downs Regional Council \(wdrc.qld.gov.au\)](#)
3. Western Downs Regional Council, Local Housing Action Plan 2017 – 2027, <https://www.wdrc.qld.gov.au/files/assets/public/v/1/business-amp-development/wdrc-local-housing-action-plan.pdf>
4. Western Downs Regional Council, Housing and Land Incentive Policy, [ECM_4637436_v3_Housing and Land Development Incentives - Council Policy \(wdrc.qld.gov.au\)](#)
5. Western Downs Regional Council, Planning Scheme <https://www.wdrc.qld.gov.au/Business-Development/Development/Western-Downs-Planning-Scheme>
6. Queensland Government, Social Housing Register Data Western Downs, <https://www.data.qld.gov.au/dataset/social-housing-register/resource/28d2df8e-628e-4324-8c2f-4b89e96395d4>
7. Regional Australian Institute's Regionalisation Ambition 2032 framework. [Regionalisation Ambition 2032 \(regionalaustralia.org.au\)](#)