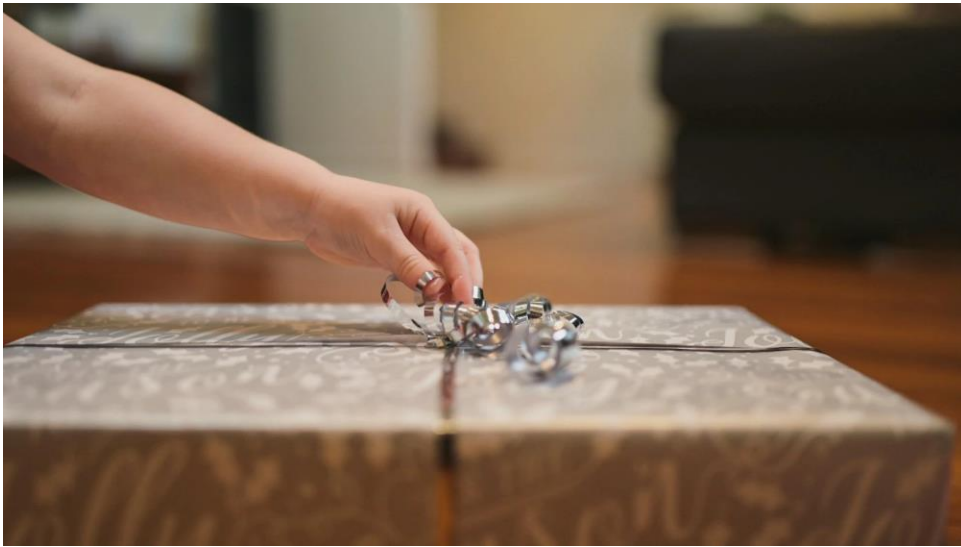


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By Kym Agius and Heidi Davoren

Unwrapping 2022



The Premier's gift to Queenslanders this Christmas is opening the state's borders, bringing an influx of people as well as COVID-19. It means 2022 will look very different to the year that was.

Prawns and pavlova will bring families together over Christmas lunch as will church services and school holidays with Queensland's border soon to open to travellers from interstate hotspots and overseas.

The influx of people expected to arrive in the state over the coming months will include those permanently relocating, Queenslanders who became trapped interstate, people wanting to holiday as well as those who have desperately missed loved ones after months, and even years, of limited contact.

Experts anticipate almost 55,000 additional people could decide to call Queensland home — that will have a knock-on effect on the already hot property market, as well as the state's infrastructure, healthcare system and economy.

Here's what Christmas and 2022 might look like for Queenslanders.

Ripley, believe it or not

Queensland has been the place to move during the pandemic, pushing up house prices and demand. Australian Bureau of Statistics demographer Andrew Howe said in net terms about 30,000 people moved to the Sunshine State from interstate in the year to March.

"That's the highest inflow of people from other states to Queensland in almost 20 years," Mr Howe said.

QUEENSLAND'S POPULATION GROWTH, YEAR TO MARCH 2021



Almost half came from New South Wales and a quarter from Victoria, as lockdown-weary residents re-evaluated their future with new-found flexible work arrangements and healthy equities.

Of the 30,000 people who arrived in Queensland, about half moved to Greater Brisbane and the remainder to the rest of the state including the Gold and Sunshine coasts.

But the Ipswich suburb of Ripley was the state's fastest growing area. Its population increased by 20 per cent in just one year.

While the majority were locals moving into new housing developments, people relocating from interstate accounted for 15 per cent of the overall rise.

Pallara and Willawong in Brisbane's south had a population increase of 16 per cent, Pimpama on the northern Gold Coast went up 14 per cent and surf's up for the 2,200 people who moved to the coastal centre of Caloundra West.

Overseas migration data also showed 33,000 Queenslanders moved overseas compared to the 17,000 who came back in the past year. "It's the first time in over a hundred years that more people have left to live overseas than have come," he said. Despite this, Queensland's total population still grew significantly more than any other state or territory during the pandemic, increasing by more than 43,000.

So what will happen to migration when international borders fully reopen?

Mr Howe said if trends went back to pre-COVID times, overseas arrivals would increase from current historic lows to around 80,000 to 100,000 per year. But a booming property market means finding a home for those new arrivals could prove difficult.

What market crash?

Experts say one thing that won't change in 2022 is Queensland's skyrocketing property market. Brisbane has now taken the crown off Sydney to be the fastest growing capital city for house prices, according to CoreLogic.

In the year to November, Greater Brisbane's prices rose by 25 per cent — that's about six times higher than the year before. Last month, median house prices rose by \$18,500 — the highest increase since 2003.

CoreLogic research director Tim Lawless said regional Queensland saw a 24 per cent rise in house prices, and coastal areas were cranking as interstate buyers snapped up homes, often sight unseen.

House prices on the Sunshine Coast rose by 32 per cent in the 12 months to November, up from 7 per cent the year before. The Gold Coast went up 30 per cent and Wide Bay 24 per cent.

Softer conditions could be found in Townsville (7.4 per cent), Cairns (10.8 per cent) and Mackay/Isaac/Whitsundays (10.4 per cent).

At the start of the pandemic the property market was predicted to crash, but the exact opposite has occurred.

“Housing values have been rising at the fastest pace annually since 1985,” Mr Lawless said. “It’s definitely a seller’s market. “Listings are getting snapped up within 25 days and auction clearance rates in Brisbane are at a record high.”

Pandemic predictions

When the borders reopen, it will continue to be a seller’s market and bad news for home buyers who are less cashed up. The south-east has become “extremely popular” with interstate buyers who see the market as affordable. Particularly for those moving from Sydney, where the median house price is nearly double that of Brisbane.

Mr Lawless said prices would be pushed even higher, in the short term at least. “Brisbane is the most popular [place to buy], then bordering coastal areas, then outer fringes, like Ipswich and Toowoomba,” he said. “Chances are we are going to see house prices continuing to rise quite swiftly across Queensland into 2022.”

Mr Lawless said the lack of affordability for locals would put the brakes on somewhat, with the growth rate expected to slow down later in 2022. “If it doesn’t and household debt is not stabilising then credit conditions would tighten to dampen the market,” he said.

Treasurer Cameron Dick said a lot of young people had entered the market, accounting for a third of all loans in the past year. He said the state was looking at opening up more land supply including in Caboolture West, where there was potential for 30,000 new homes.

“The more homes that we build, the better affordability,” he said. “It’s going to remain challenging ... we’ve got the benefit of growth, but also the challenge of growth.”