

The Week In Real Estate



Women Buyers Hit The Market

The number of women buying property on their own, is on the increase according to CoreLogic's third annual Women & Property report.

It says 26.8% of Australian property is solely owned by women, up from 26.2% a year ago, although the number of properties owned solely by men still remains higher at 29.9%.

The report found more women than men solely own apartments, with 35.7% of apartments owned by women compared with 34.6% owned solely by men.

Women only buyers appear to prefer inner city locations. In Sydney the Eastern Suburbs has the highest percentage of female-owned property at 37.3%.

The inner-Melbourne market has the highest percentage in Victoria of 34%, while in Brisbane women are sole owners in 30.5% of properties in the inner city.

In regional New South Wales, Newcastle-Lake Macquarie has the highest percentage of female only owners, 33%, while in regional Victoria, it is Ballarat, 28% and in regional Queensland it is Toowoomba, 26.6%.

Quote of the Week

"You only have to look at the number of properties that have been transferred from the long-term permanent rental market into short-term letting, as well as the volume that have been sold to see their frustration in action."

REIQ CEO Antonia Mercorella

Policies Caused Rental Crisis

A decade of knee-jerk policies around property investment have caused Australia's rental crisis, according to speakers at a Property Investment Professionals of Australia (PIPA) seminar.

PIPA Chair Nicola McDougall says since 2014, investor lending has been targeted with APRA lending restrictions; negative gearing and Capital Gains Tax laws are continually on the chopping block; and emergency tenancy laws were enacted during the pandemic.

REIQ CEO Antonia Mercorella, says investors are becoming increasingly frustrated with legislative intervention that effectively limits what they can and can't do. "You only have to look at the number of properties that have been transferred from the long-term permanent rental market into short-term letting, as well as the volume that have been sold to see their frustration in action."

CoreLogic Research director Tim Lawless says the short term rental supply outlook is "pretty glum" with approvals at their lowest levels in more than a decade and that governments should have a bigger stake in rental home ownership.



WAGE



Business Against Wage Rises

Business owners are expected to push back on a call for 7% wage rise for award workers.

The rise, if given the green light, is in line with recent inflation figures.

A Federal Government submission to the Fair Work Commission's annual wage does not seek to nominate a wage increase figure but Finance Minister Katy Gallagher says they want to ensure low-income workers are being given sustainable and affordable pay rises.

Treasurer Jim Chalmers warns there should not be automatic minimum wage rises that always match the headline inflation rate.

"But we do believe that this time was a special circumstance, as did the Fair Work Commission, and that's why we welcome the outcome."

Business Council of Australia's Jennifer Westacott says lifting productivity is a more sustainable way to increase wages.

A Productivity Commission report, released last week says: "The sustained path to sustained wage increases is to lift our level of productivity, which is as low as it's been in 60 years."

Properties Still Selling For Record Prices

The property market remains strong despite predictions of a tough year, with prices staying high and houses quickly snapped up in capital cities.

PropTrack's February report shows a rise in housing prices, but fewer new listings compared to last year.

Wages growth, higher migration and competition for more affordable states mean interest is expected to stay strong.

Examples of record prices include a \$1.37m unit in Coogee and a vacant block in Mosman selling for \$8m.

And demand is tipped to stay strong, with wages growth on a slow uptick and higher migration also propping up that demand.

The RBA's April rates decision is likely to influence the market, and buyers and sellers have adopted a 'wait and see' attitude as they assess what impact the decision will have on their ability to purchase or sell property.

It will be interesting to see how the market moves in the coming months.

Osborne Shipyard To Triple

Adelaide's Osborne shipyard is tipped to transform into one of the world's top defence building precincts on the back of the AUKUS submarines deal.

Based on South Australia's Lefevre Peninsula, the shipyard is already well known for its innovation and automation technology.

To build the proposed nuclear-powered submarines, under the AUKUS deal, the shipyard will triple in size. The Federal Government has purchased land north of the existing shipyard, where the vessels will be built.

It is expected about \$2billion will be spent on the shipyard in the next four years.

Defence's AUKUS taskforce head, Vice Admiral Jonathan Mead, says the project will redefine South Australia's industrial landscape.

The submarine building project is predicted to cost between \$268 billion and \$368 billion and to create 20,000 direct jobs throughout Australia over 30 years.

It is likely to lead to extra STEM (science, technology, engineering, and math) courses in South Australian universities and the creation of a shipbuilding academy at Osborne.

