

## Gold Coast is sweet for the future

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**Nick Nichols, business editor | September 16th, 2009**

THE global economic crisis has put the Gold Coast in a sweet spot for prosperity that could last the next 50 years, says a leading forecaster.

Demographer Bernard Salt yesterday revealed the severity of the shakeout had placed the tourism strip in pole position to benefit from a new world order that has shifted financial power to east Asia.

However, he said the lack of cheap housing remained the biggest threat to that future.

Since the economic meltdown, the traditional financial hubs of New York and London were bowing to Shanghai, Hong Kong, Singapore and even Sydney, said Mr Salt.

"I can see Australia trading and leveraging its resources into the Asian empire over the next 50 years," he said.

Mr Salt said, apart from resources, Australia also would be trading its 'lifestyle'.

"That's the global positioning the Gold Coast has to offer," he said. "The Gold Coast owns lifestyle on the Australian continent."

But Mr Salt warned lifestyle alone could not sustain the city's growth.

"The one threat that I do see is this issue of affordability," he said. "It has come out of nowhere over the last two or three years.

"For a city to be truly successful, it needs a diverse community, not just rich people, not just middle-class people, but also battlers."

Mr Salt, who yesterday addressed an economic forum hosted by Sanctuary Cove, said the Coast would grow by between 15,000 and 20,000 people a year over the next decade, creating the need for about 9000 new homes a year.

"This is, if you like, the Gold Coast's secret weapon: it's appeal as a destination to Australians on the move."

Mr Salt said the next decade would deliver a surge in 25-to-30-year-olds and a sharp rise in baby boomers.

He said boomers between 47 and 62 would be the 'mother lode' for the Gold Coast property market as they 'downshifted' from Sydney and Melbourne to the Coast.

"The Gold Coast has exact positioning," he said.

"It is the right product, at the right time, for the right demographic and for the right decade."

Meanwhile, CB Richard Ellis director Kevin Stanley yesterday told the forum not to expect significant gains in property values in the next year.

"We won't get a big bounce because we didn't get a big downturn," said Mr Stanley.

He forecast improved demand for housing priced between \$500,000 and \$1 million in the next six to 12 months, while the top end would be the last to recover.

Mr Salt said the jury was still out on how the scale-back of the first-home owners grant at the end of the year would affect the lower end of the market.

"It's a matter of wait and see," he said.