MACKAY REGION HOUSING STRATEGY

2026 – 2031

Mackay REGIONAL COUNCIL

Mackay Regional Council respects the traditional custodians of the lands that make up our region, the **Yuwi and Widi people.** We also acknowledge all other Aboriginal and Torres Strait Islander people who call our region home.

TABLE OF
CONTENTS

INTRODUCTION

WHY PREPARE A HOUSING STRATEGY?

Appropriate housing is foundational to community wellbeing and supports better health, educational outcomes, and economic opportunities for residents. It contributes to more than simply a roof over your head. Household composition in the Mackay region has been changing, however, the type of dwellings delivered in the region have not. While it is important that new housing is delivered to accommodate population growth, it is crucial that the housing types are diverse and provide housing choices to meet the needs of the region's changing households.

Looking at the current housing stock, only 18 per cent (7,856) of dwellings are one or two-bedroom dwellings despite 60 per cent of households (25,577) being one or two-person households. This indicates a misalignment between available housing stock and the housing needs of our households. More specifically, there is a lack of housing choice, particularly as smaller households will constitute most of the household growth through to 2046. Housing choice will decline even further if the region continues to primarily deliver large, detached housing as has been delivered for the past 20 years. This housing strategy responds to the need to support housing choice and to ensure housing supply meets the needs of current and future households.

The Queensland Government's (state) planning interests are detailed in the State Planning Policy (SPP). A key planning interest for the state is the delivery of 'diverse, accessible and well-serviced housing and land for housing'[1] . The state encourages councils to prepare a housing strategy to understand the housing needs of their region and to align their local planning scheme to ensure future housing provision meets community needs.

WHAT DOES THIS HOUSING STRATEGY AIM TO ACHIEVE?

The strategy aims to achieve greater housing diversity in well-located areas to meet the needs of the changing households in the Mackay region. This includes a focus on both private developments and public and social housing. Achieving housing outcomes is a shared responsibility between council, developers and several other players in housing delivery. While council administers the planning scheme (which guides and regulates housing types in suitable locations), it does not construct or deliver housing. Housing delivery is the responsibility of the private sector, the state government and Community Housing Providers (CHPs).

The strategy identifies opportunities for amendments to the Mackay Region Planning Scheme (planning scheme) to support the delivery of a variety of housing types and sizes to cater for all households in both new growth areas and established suburbs. The strategy also considers policy interventions beyond the planning scheme for council to influence housing delivery.

Housing diversity responds to lifecycles (allowing ageing households to remain in the same suburb or neighbourhood) and accommodates the growing number of smaller households (such as single person households, elderly households or single parent households) that may not need the space associated with a large family home on a large lot. Diversity in housing allows people to access homes that meet their needs, life stage, budget, family size and structure, while also facilitating diverse and inclusive communities and promoting equitable access to employment, services and transport.

[1] *www.planning.qld.gov.au/planning-framework/plan-making/state-planning/state-planning-policy*

To demonstrate the commitment to housing diversity, the strategy sets specific housing delivery targets for the private sector and public and social housing delivered by the state.

The strategy also sets the expectation that the range of housing types in well-located areas of existing suburbs, and to a lesser extent growth areas at the urban edges, will need to change. This means that in these areas we should expect:

- An incremental increase in residential densities (at a scale that avoids overdevelopment) and;
- To support public and social dwellings.

STRATEGY CONTENTS

The Strategy:
Describes the existing housing situation in the Mackay region.

Identifies trends in the region's population and its households and what it means for housing needs.

Identifies the key changes that need to be made to housing delivery to address identified issues.

Provides support for planning scheme amendments, other policy interventions, and local advocacy for more public and social housing.

HOUSING AND HOUSEHOLDS

IN THE MACKAY REGION

COMMUNITY SNAPSHOT

POPULATION
121,691

MEDIAN AGE
38

AVERAGE HOUSEHOLD SIZE
2.6

DWELLINGS
48,143

AVERAGE BEDROOMS PER DWELLING
3.2

AVERAGE WEEKLY INCOME
$1853

9% **IN MORTGAGE STRESS**

25.4% **IN RENTAL STRESS**

- **38.2%** Own with a mortgage
- **29.1%** Own without a mortgage
- **28.6%** Renting
- **4.1%** Other

OUR HOUSEHOLDS

In 2021, the region's 121,691 residents lived in 42,964 dwellings. Each dwelling represents a household, and each household has housing needs that vary depending on the number of people, their income, their age, and if they have children. A family of four, a young single person or an elderly couple have different housing arrangement needs. It is crucial that the region's housing providers understand these different needs and deliver a variety of housing types to cater for these needs.

[2] The ABS Census 2021 did not capture information for 5179 dwellings

Household composition

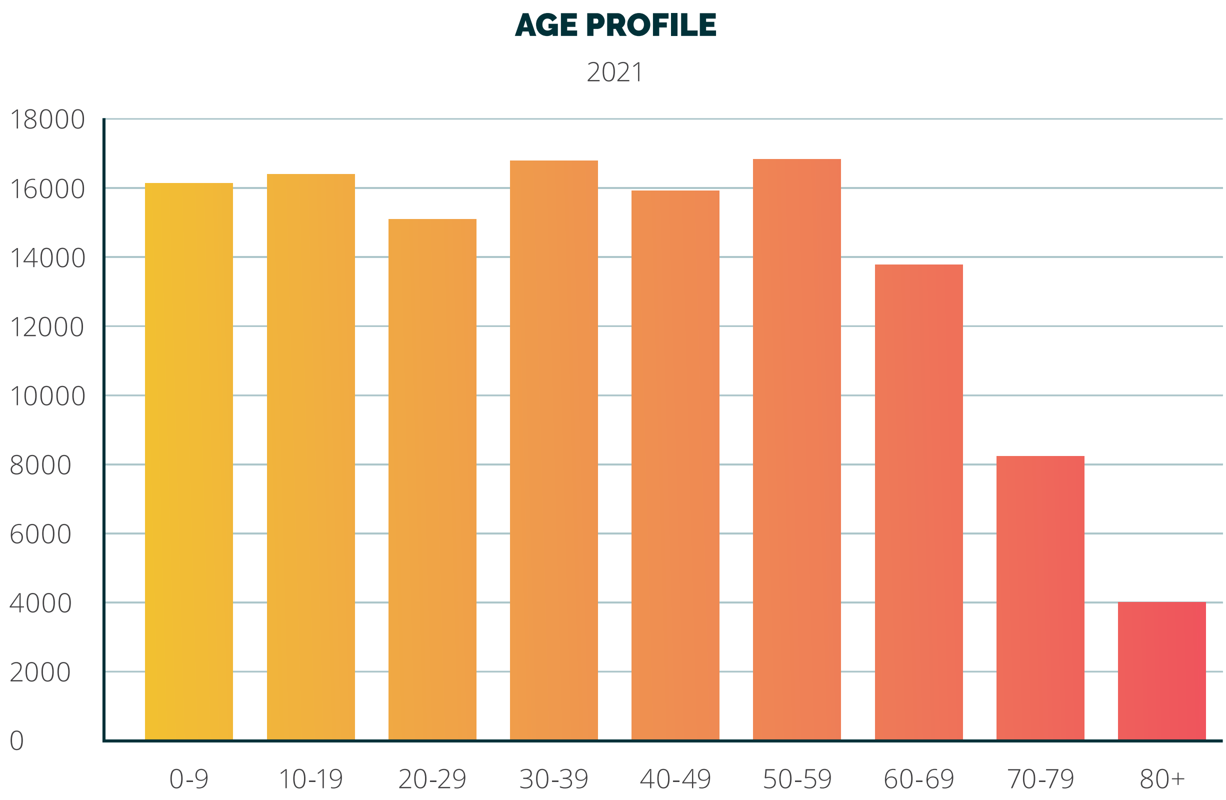
Almost a quarter of households in Mackay consist of only one person and 29 per cent of households comprise of a couple without children. Between 2011 and 2021, the proportion of families with children decreased (-2.6%) as opposed to an increase in single-person households (+32.5%), couples without children (+11.3%) and single parent families (+25.2%).

- **31%** Couple with children
- **29%** Couples without children
- **24%** Single person
- **10%** Single parent
- **4%** Other

Household size

In terms of household sizes, between 2011 and 2021, the proportion of small households (comprising one or two persons) increased. Specifically, one person households increased by 32.5 per cent (or 2523) and two person households increased by 13 per cent (or 1758). Three person households increased by only 3.9 per cent (or 247) while the proportion of larger households (four, five and six or more persons) decreased by 1.6 per cent, 0.4 per cent and 1.6 per cent respectively. This trend of small household growth is expected to continue through to 2046 (as our population ages and fewer couples have children) and represents a shift in overall housing needs.

Source: ABS Census, 2021



Ageing

Like many regions in Australia, the Mackay region is ageing. Between 2011 and 2021, the number of people aged over 60 increased from 16 per cent (17,681) of the population to 21 per cent (26,029) of the population in 2021. This is an increase of almost 50 per cent in this age cohort. An ageing population with a growing number of smaller households requires different housing options, including opportunities to downsize.

OUR HOMES

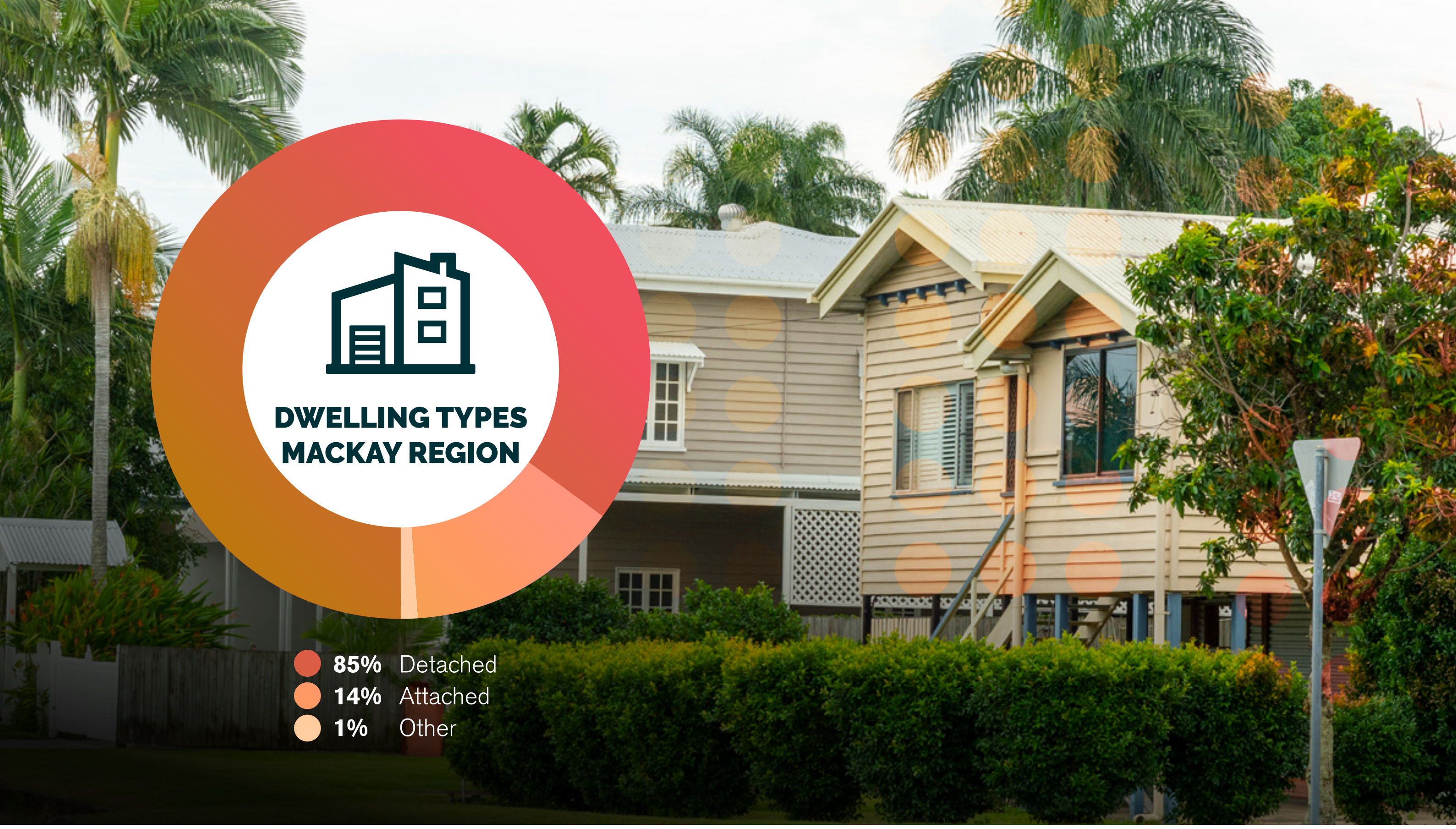
Housing in the region is dominated by large, detached homes; 85 per cent of homes are detached dwellings, 90 per cent of which have three or more bedrooms. Between 2001 and 2021, 14,000 dwellings have been added to the dwelling stock and detached dwellings comprised 81 per cent of this growth[3]. This dependence on large, detached homes does not facilitate housing choice and does not address the housing needs of most small households.

A detached dwelling takes its form as a stand-alone house, while attached dwellings are traditionally smaller dwellings in the form of units in a duplex, townhouses, row or terrace housing, or apartments.

Most localities in the region provide very limited choice in the types of homes, except for the Mackay City Centre and Mackay Harbour Statistical Areas (SA2s), which provide higher density living options. The older established areas of East Mackay, South Mackay, West Mackay and North Mackay also provide better access to smaller dwellings (one and two bedrooms) and accommodate the bulk of the rental stock that contains one or two bedrooms.

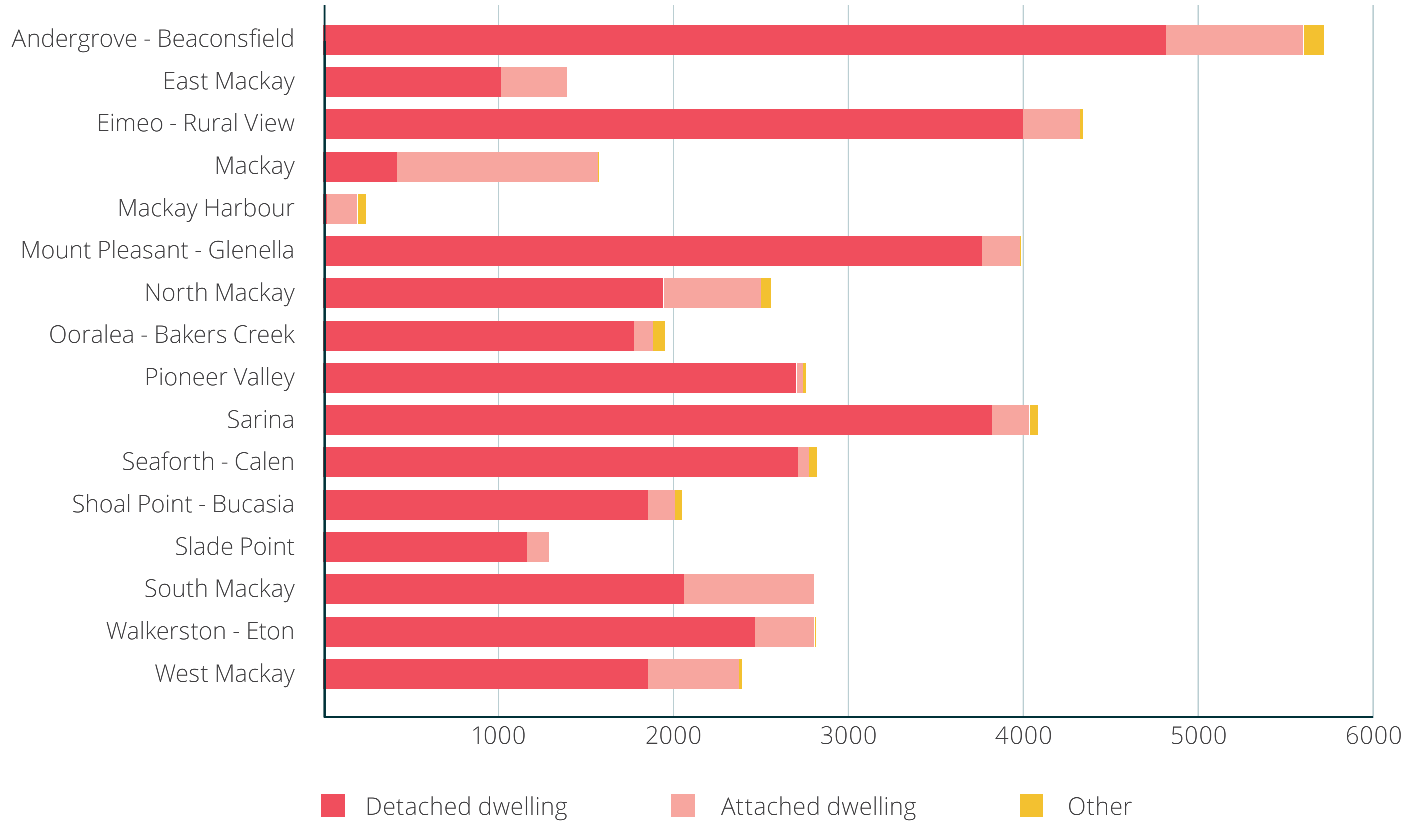
The region's new housing development is mostly located at the northern and southern edges of the Mackay urban area, specifically in the Eimeo-Rural View and Shoal Point-Bucasia SA2s in the north and the Ooralea-Bakers Creek SA2 in the south. In these areas, the limited housing diversity is evident as these areas are dominated by large, detached homes.

[3]*ABS Time Series 2001-2011 and 2011-2021 (via QGSO)*



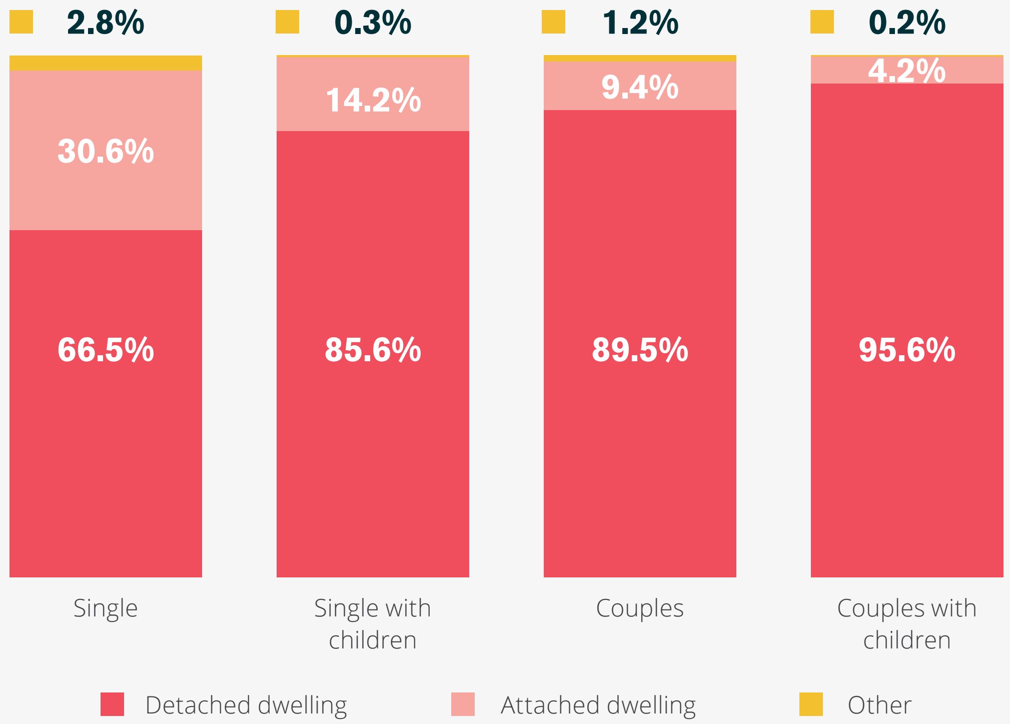
DWELLING TYPE

Statistical Area Level 2



Source: ABS Census, 2021

WHICH HOUSEHOLDS ARE LIVING IN WHICH HOMES?



Detached dwellings continue to dominate the residential building approvals issued by private certifiers each year. Since 2015, detached dwellings have comprised 95 per cent of all residential building approvals each year on average[4]. This highlights the relative ease with which the residential zoned land on the urban edge is developed for house and land packages compared with other products such as duplexes, townhouses, row or terrace housing or apartments.

Public and social housing

Public and social housing delivers crucial housing opportunities for those households the private market does not support. In the Mackay region in 2024, 1892 (or 3.9 per cent) of dwellings were provided by the state and CHPs. Between June 2023 and June 2024, only 35 dwellings were added to the region's public and social housing stock[5]. In the same period, the waiting list for public and social housing in the region grew by 111 households (or 258 persons) to 698 households (or 1,144 persons)[6].

[4] *ABS, Building Approvals, November 2024*

[5] *Department of Housing annual update to Mackay Regional Council, 2023 and 2024*

[6] *Social Housing Register - Open Data Portal | Queensland Government*

While the proportion of public and social housing in the region is small, it provides a strong diversity of housing types that is not reflected in housing in the private market. Of the 1892 public and social dwellings, 51 per cent (or 956) are attached and 49 per cent (or 936) are detached. Further diversity is demonstrated in dwelling size: 25.7 per cent are one-bedroom dwellings, 27.5 per cent have two bedrooms, while 36.2 per cent and 10.7 per cent have three and four bedrooms respectively.

Small households make up 80 per cent of the waitlist for social housing (June 2025) and the housing diversity provided by the state is well-suited to cater for the needs of these households.

Housing costs

The cost of obtaining housing (whether renting or purchasing) is volatile and impacts low-income households and some small households that are not low income.

From 2017 to 2025, the median detached house price has increased from $340,000 to $606,000 (+78%) and the median attached house price has increased from $225,000 to $380,500 (+69%).

Rents have also increased significantly during the same period. The median rent for a detached dwelling has increased from $276 per week to $637 (+131%), while the median rent for an attached dwelling has increased from $233 per week to $505 (+117%). These pressures are felt by low income or single person households.

Housing affordability is a key regional issue. One quarter of renting households (or 3113) are under rental stress (spending more than 30 per cent of household income on rent) while nearly one in 10 households (or 1468) paying down a mortgage are under mortgage stress (spending more than 30 per cent of household income on repayments)[7].

[7]*ABS, 2021 Mackay, Census QuickStats*

FUTURE DEMAND FOR HOUSING

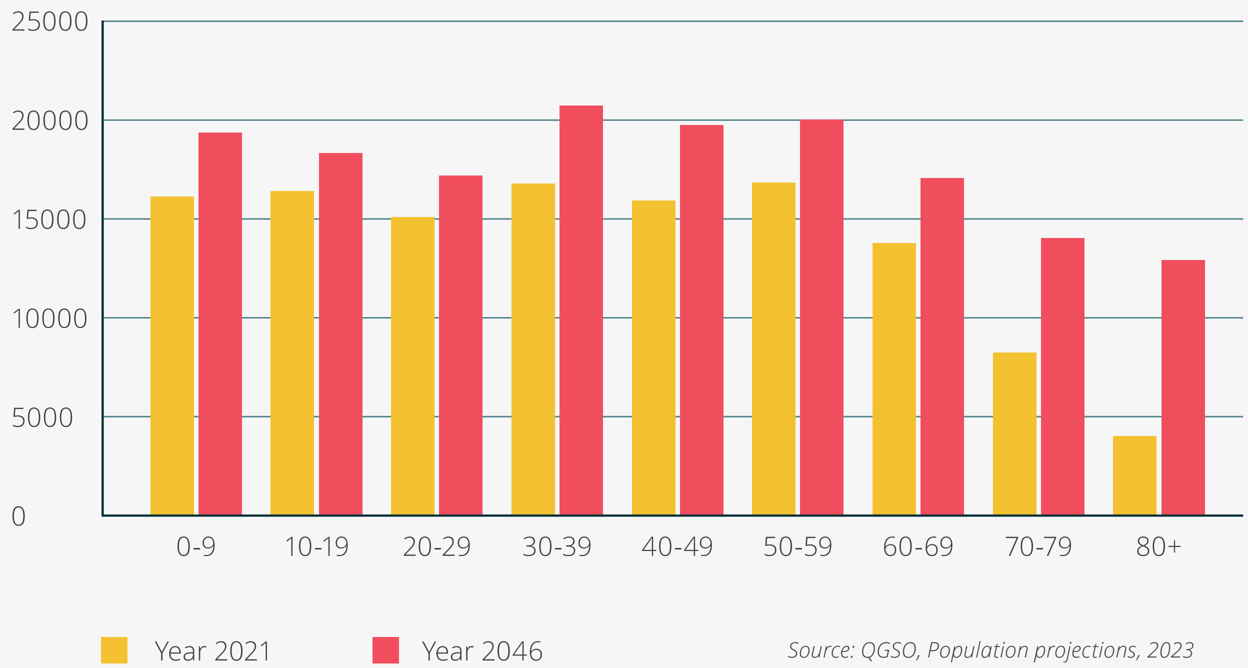
WHAT SHAPES FUTURE HOUSING DEMAND?

Housing demand is driven by population growth and household needs. According to the Queensland Government Statistician's Office (QGSO), the Mackay region is expected to house an additional 36,178 people by 2046. While this population growth will increase demand for housing, the region's changing households will alter the housing types required to meet the needs of the community.

AGEING POPULATION

Between 2011 and 2021, there was an increase of 8348 people more than 60 years of age. Between 2021 and 2046, this ageing trend is expected to double with an additional 17,994 people aged more than 60, which represents 50 per cent of expected population growth during this period.

PROJECTED AGE PROFILE



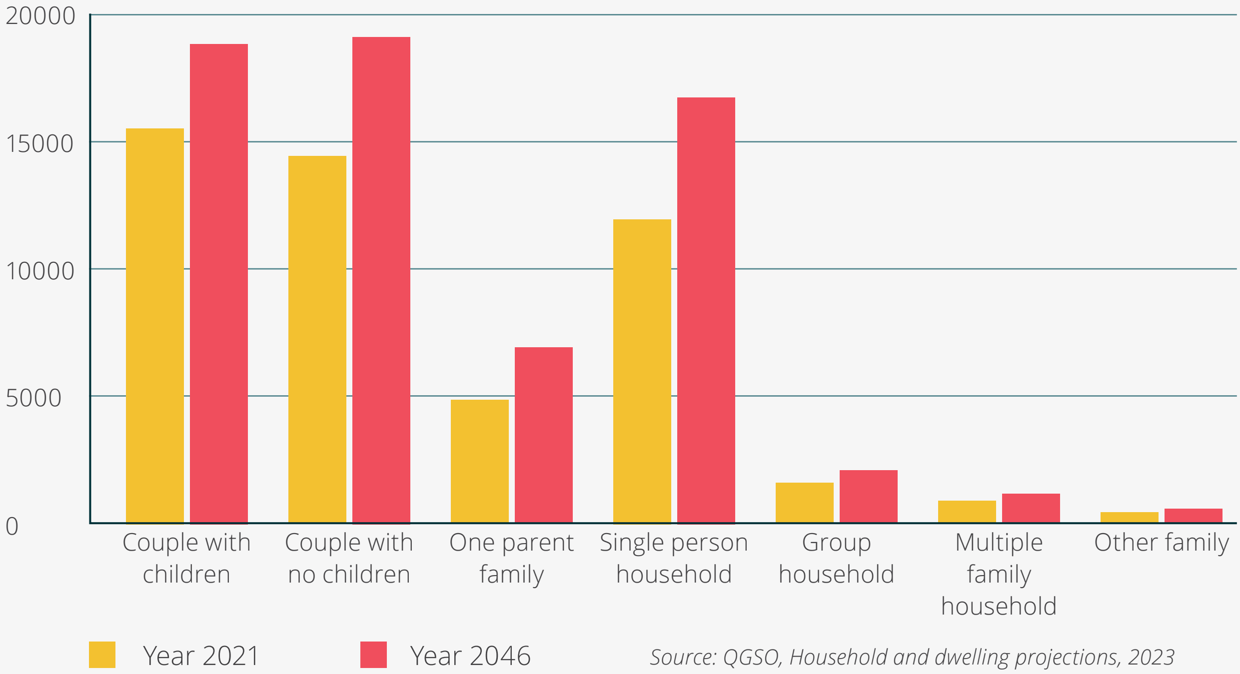
Source: QGSO, Population projections, 2023

SMALLER HOUSEHOLDS

Household sizes decreased between 2011 and 2021 and this trend is expected to continue. By 2046, the region is expected to grow by 15,700 households and 67 per cent of this growth is predicted to be small households (one or two persons). Most of the growth will be in couple households with no children (+4,672) and lone person households (+4,776).

The misalignment between housing needs and existing housing stock is evident in the region's growth areas. In the Eimeo-Rural View SA2, there is currently only one available small dwelling (one or two bedrooms) for every 10 small households (one or two persons). This misalignment is also found in the Ooralea-Bakers Creek SA2 (one available small dwelling for every 6.4 small households) and the Shoal Point-Bucasia SA2 (one available small dwelling for every 5 small households).

HOUSEHOLD TYPES



Source: QGSO, Household and dwelling projections, 2023

WHAT DOES THIS MEAN FOR FUTURE HOUSING DELIVERY?

Clear trends for the Mackay region show an ageing population and a growing proportion of small households. Emerging between 2011 and 2021, these trends are expected to continue for at least the next 20 years. The region's current housing stock is already poorly suited to our households. For example, there are only 7856 small dwellings (one or two bedrooms) to meet the needs of our 25,577 small households (one or two persons). While some small households may prefer to live in larger dwellings, this cannot be assumed for all of them. With an additional 10,472 small households expected by 2046 (67 per cent of household growth), the suitability of our housing will decline further if there is no change to the diversity of our housing stock, specifically to increase the proportion of smaller dwellings.

Smaller dwellings traditionally sell at a lower price point, which provides more affordable housing options for households that are currently living in larger homes unsuited to their needs. The combination of rental stress, increased demand for small dwellings and the increasing social housing register further emphasises the critical need to increase public and social housing options. Currently, the private market is not supporting these households.

While providing diverse housing types is crucial, the location is also important. Well-located housing allows residents to benefit from access to nearby employment areas, shops, community services, public transport and park networks or other areas of amenity to ensure they enable affordable lifestyles.

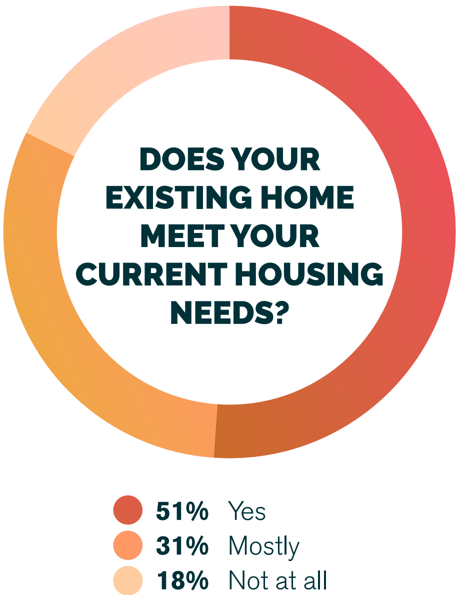
COMMUNITY
FEEDBACK

Council consulted with the community to better understand the changing housing needs of households in the region. Public consultation was open in September and October 2025 and asked households to consider their current housing needs, how those needs would change in the future and whether their current home would support those future needs. A summary of the key findings from the survey responses is provided below.

CURRENT HOUSING NEEDS

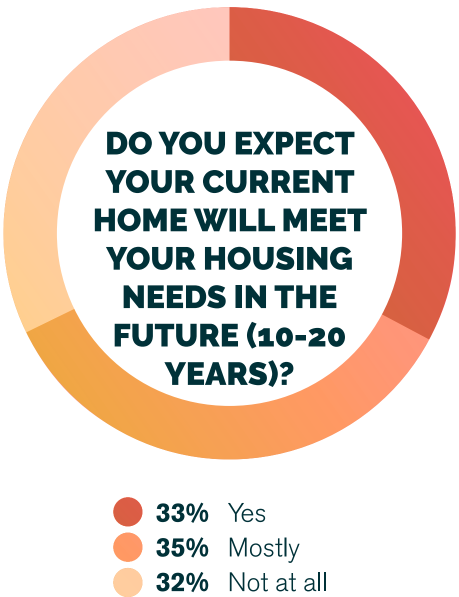
51 per cent of respondents feel their current home suits their household's needs, while 18 per cent say it does not at all. Looking ahead 10–20 years, only 33 per cent expect their home will still meet their needs and 32 per cent believe it will not.

This not only shows that the current homes in the region are not meeting the housing needs of the region's households, it also shows that without policy changes to ensure the right mix of homes are delivered, these pressures will worsen for households as they change.



TYPE OF HOME

When asked about their current home, 84 per cent of respondents reported living in a separate or detached dwelling, 10 per cent in a flat or apartment and 4 per cent in a dual occupancy or secondary dwelling. When asked 'what type of home better meets your current household needs', preferences for a separate or detached dwelling decreased to 69 per cent, flat or apartment increased to 14 per cent and dual occupancy or secondary dwelling increased to 14 per cent. When asked to 'consider which type of dwelling would better meet your future household needs', the preference for a separate or detached dwelling decreased further to 64 per



cent, flat or apartment increased further to 16 per cent and dual occupancy or secondary dwelling further increased to 16 per cent.

There is a clear desire for more diverse housing types to cater for the needs of the diverse households in the region.

SIZE OF HOME

Survey participants were asked about their households' needs in terms of the size of their existing home.

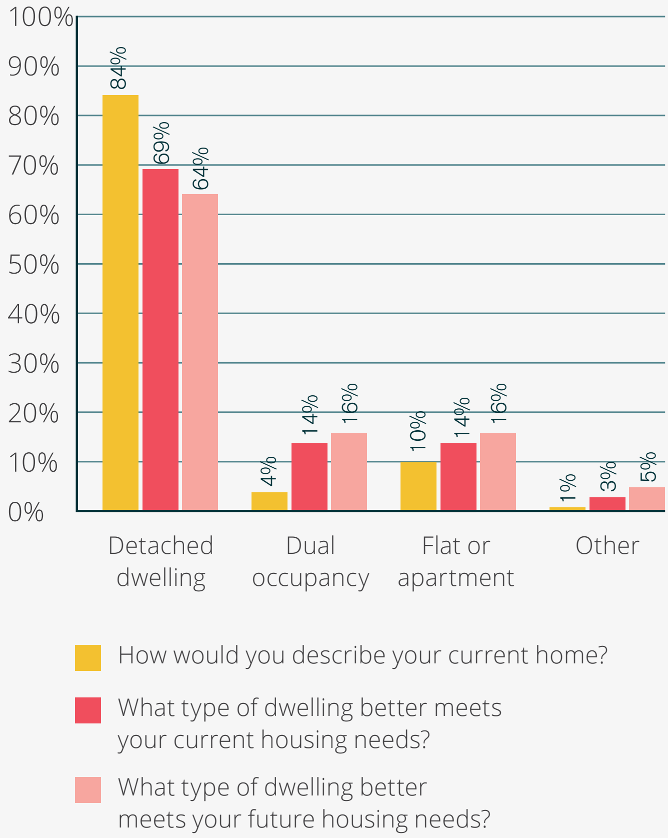
Currently, 16 per cent of respondents reported their home as having two bedrooms, 41 per cent having three bedrooms and 36 per cent having four bedrooms. Asked 'how many bedrooms their current household needs', preference for two bedroom homes increased to 23 per cent, three bedroom homes decreased to 29 per cent and four bedroom homes decreased to 34 per cent. Asked 'how many bedrooms your future household would need', the preference for two bedroom homes further increased to 32 per cent, three bedroom homes decreased further to 25 per cent and four bedroom homes decreased further to 30 per cent.

There was also a strong increase in demand for homes with more than four bedrooms, which may be reflective of more multi-generational households emerging due to unaffordable housing.

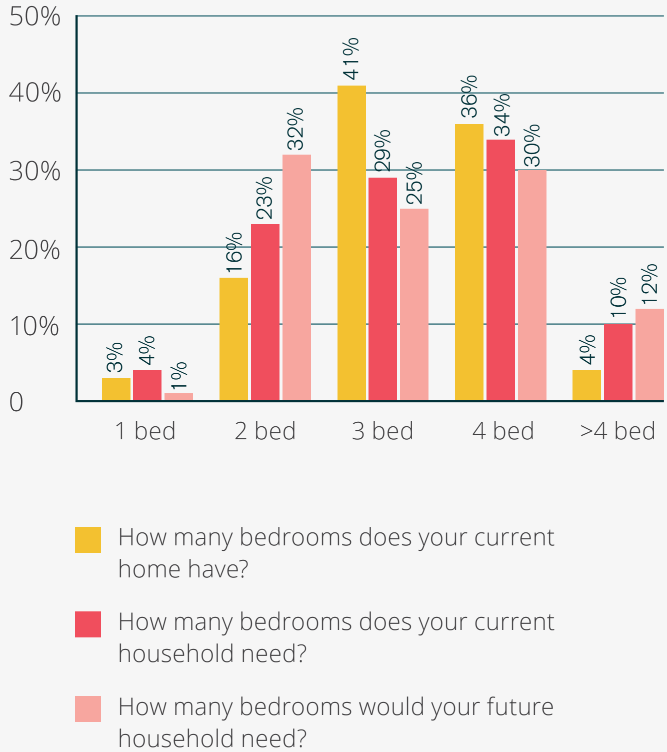
Despite larger households being notably overrepresented in the survey responses, there remains a strong preference for smaller homes. This indicates a high demand for diverse housing options in well-located areas.

These findings complement the demographic analysis included within this strategy, which emphasises that 67 per cent of additional households expected in the region by 2046 will be small households (one or two persons). The need for housing diversity is clear.

TYPE OF HOME



SIZE OF HOME



MEETING THE NEEDS
OF THE REGION

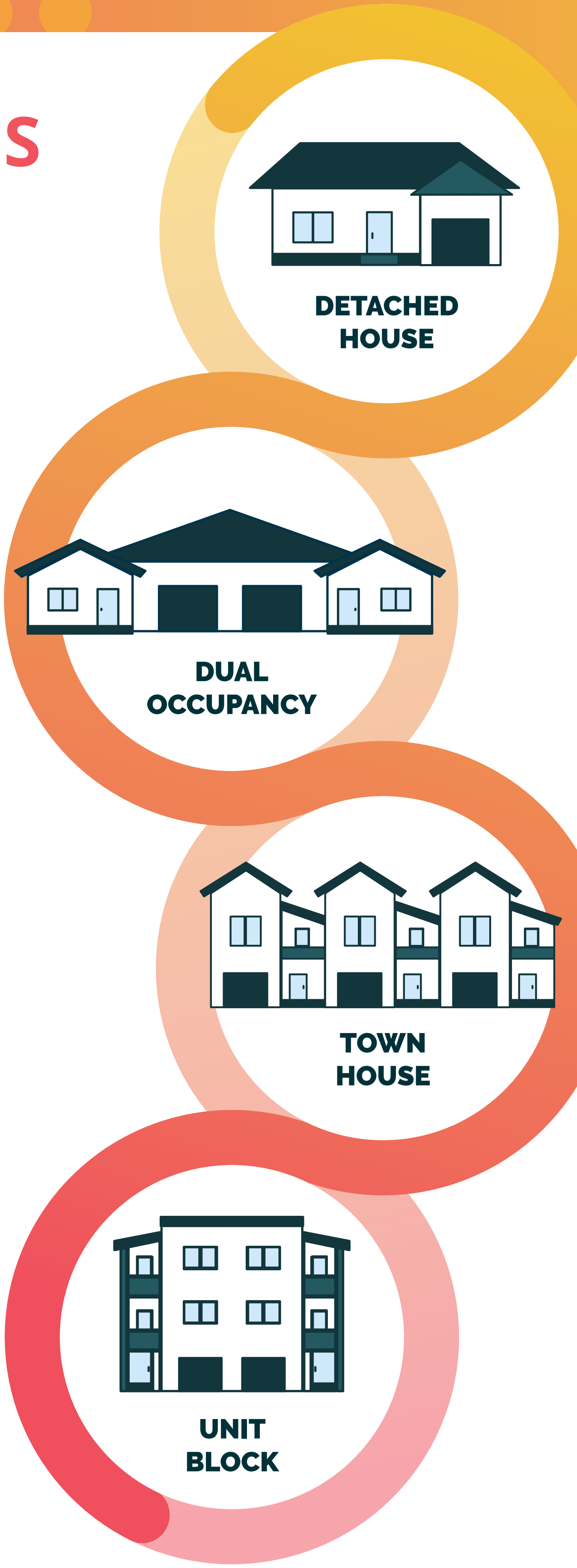
HOUSING DIVERSITY

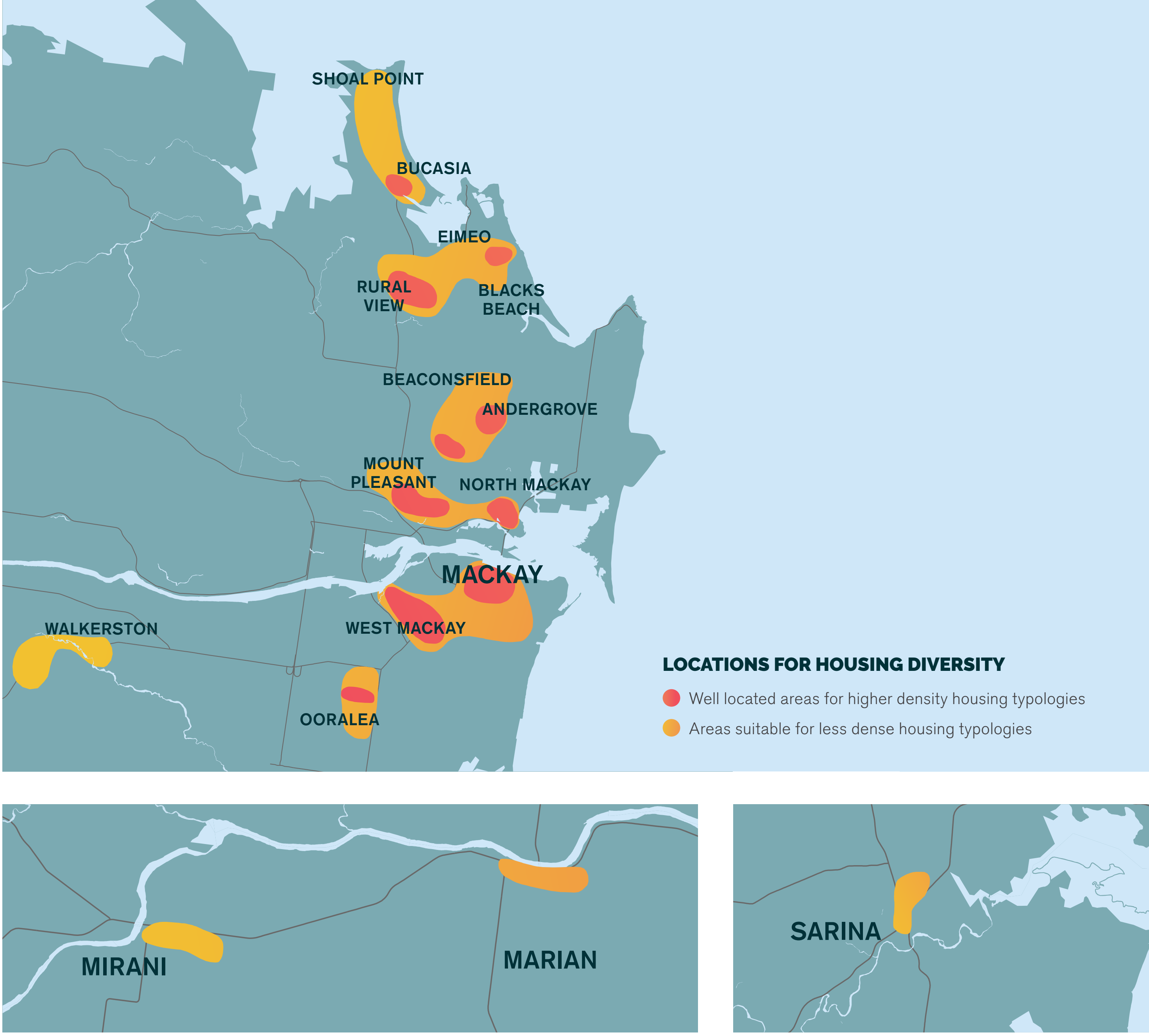
A lack of housing diversity can adversely impact the social fabric of a community. Homogeneous housing attracts homogeneous neighbourhoods, with residents predominantly in the same stage of life, with similar incomes and limited social movement within the community. A lack of housing choice results in inadequate opportunities for elderly residents to downsize in the same neighbourhood and prevents other small households from finding suitable housing in well-located areas.

Residential development over recent decades has not delivered the housing diversity to accommodate changing households. A dwelling can take many forms, however for 20 years development has delivered predominantly large, detached family homes on large lots at the edge of the urban area. This has been supported by the traditional house and lack package model that has proven profitable for the development industry.

While increasing housing diversity in new growth areas is key, more important is the need to improve housing diversity in established suburbs. This ensures housing choice in well-located areas where residents can benefit from nearby employment, shops, services, public transport and parks. There is an expectation that diverse housing types will be spread across both growing and established suburbs and across a range of lot sizes. Currently, these choices are limited.

More dwellings are needed across a variety of housing types (such as dwelling houses, secondary dwellings, studios or Fonzie flats, duplexes, triplexes or quadplexes, row or terrace housing, or multiple dwelling complexes) in well-located areas.





Location of housing diversity

The strategy identifies that increased housing diversity and density should occur in areas with good access to employment, shops, community services, parkland and public transport routes. Generally, these well-located areas are:

- Within or in close proximity to commercial centres and employment generators, for example: the Principal centre in the Mackay city centre, the Major centres at Mount Pleasant, Rural View and Sarina, the District centres at Marian, Walkerston, Fourways in West Mackay, Evans Avenue in North Mackay, Oak Street in Andergrove, and the Local centres at Mirani, Andergrove Lakes, Slater Avenue in Blacks Beach, Downie Avenue in Bucasia;
- In proximity to areas of high amenity, for example: regional or district park or beachside esplanade, or;
- On key transport corridors, for example: Bridge Road, Paradise Street or Malcomson Street.

Encouraging housing diversity through higher density housing in these well-located areas is therefore strongly recommended.

Areas further from centre zones (in the Low density residential zone and Emerging community zone) also have a role to play in housing diversity. In these areas, development should achieve less dense housing typologies such as secondary dwellings, duplexes, triplexes or small multiple dwelling complexes.

What does this mean for the Mackay Region Planning Scheme?

Council administers the planning scheme to manage urban growth and housing development. Given the need for more variety in housing types, council should amend the planning scheme to strengthen housing diversity outcomes.

However, we must acknowledge the realities of housing when it is delivered through the private market. While planning schemes can support housing diversity in well-located areas through optimal planning provisions, if developers have little confidence in the sales price of diverse housing products, then development will not occur. Sales price is determined by what the seller decides is the maximum price purchasers can pay. We must acknowledge that even optimal planning provisions have limited ability to influence sales price.

To support improvements to housing diversity, and to better meet the needs of the region's households, the strategy supports a review of the planning scheme elements related to housing to inform future amendments. While the current planning scheme facilitates housing diversity in well-located areas, there are opportunities to modernise and improve the assessment benchmarks for housing to reflect the outcomes of this strategy.

The review should evaluate housing outcomes and provisions at every level of the planning scheme (strategic framework, tables of assessment, residential zone codes, residential use codes, reconfiguring a lot code, and zoning maps) with a view towards:

- Supporting smaller lot sizes in residential zones.
- Supporting multiple dwelling development in the Low density residential zone where there are minimal impacts on existing scale, density and character of the existing area.

- Removing the requirement for planning applications for small scale density developments.
- Discouraging development of a single dwelling on land zoned for higher residential densities.
- Strengthening dwelling diversity provisions for new growth areas and existing suburbs for residential subdivisions and unit developments.
- Calibrating residential densities across the residential zones.
- Determining appropriate residential densities for new residential estates.
- Re-examining the spatial application of higher density residential zones.

Improving liveability in well-located areas

While the housing provisions of the planning scheme can be modernised to better support higher density residential development in well-located areas, this type of development is unlikely to occur in isolation. To make higher density living more desirable, well-located areas also need to be pleasant and attractive places. Creating pleasant and attractive places includes many urban design considerations such as street design, walking and cycling connections, shade, seating, and centre design.

Council's Urban Greening Strategy sets a vision for the region to have cooler, greener and better-connected neighbourhoods, while council's Active Transport Strategy (currently being prepared) will, among other goals, aim to provide good connections for walking and cycling. Together, the strategies have the potential to support higher density living in and around centres, in proximity to areas of high amenity, or on key transport corridors by prioritising attractive pedestrian and cycling connections.

Detailed urban design planning for the public realm in the above-mentioned areas (that combines the objectives of these strategies) is an opportunity to make well-located areas more desirable places to live and to support development of higher residential densities in accordance with the planning scheme.

Setting a target for housing diversity

To demonstrate the commitment to housing diversity, this strategy sets a target of 1500 additional small dwellings delivered in well-located areas by 2031, which represents approximately 30 per cent of projected additional small households.

PUBLIC AND SOCIAL HOUSING

The role of public and social housing is critical given pressures on households to access affordable housing.

In the five years to June 2025:

MEDIAN WEEKLY RENT

+61% ATTACHED DWELLINGS
Increased from $314 to $505

+79% DETACHED DWELLINGS
Increased from $356 to $637

MEDIAN SALES PRICE

+67% ATTACHED DWELLINGS
Increased from $223K to $380.5K

+64% DETACHED DWELLINGS
Increased from $370K to $606K

The state's Housing Strategy 2017-2027 aims to deliver an affordable housing market where 'people will be connected to the services and support they need to move through the housing continuum including social and affordable housing, private rental and home ownership'. The growing number of households vulnerable to changes in the cost of housing in the private market emphasises the need to build more public and social housing. Like new houses in the private market, new public and social dwellings should be in well-located areas, which means there is an expectation that existing neighbourhoods will need to support this new housing. Currently, the rate of construction of new public and social houses is not keeping up with the demand as reflected in the social housing register.

The state's Housing Strategy 2017-2027 Action Plan aims to deliver more social and affordable housing by:

- 'partnering with private industry and community housing providers
- focusing on developing vacant and under-utilised government land
- delivering more social housing properties that better meet people's needs
- improving community liveability and prosperity
- enabling affordable by design options.'

The state owns vacant land in the region's urban areas that is well-located for housing and is appropriately zoned for residential use under the planning scheme. Therefore, there is no planning regulatory barrier for the state to develop such land for public housing.

In some circumstances the state delegates the development of social housing to local Community Housing Providers (CHPs). CHPs generally need to acquire suitable land for development (which means competing in the private market) and obtain planning approval from council. This makes securing funding challenging: funds might only be released to the CHP for a project once land and designs are locked in, though how do CHPs acquire land and commission designs without funding?

Ultimately, land acquisition requires agreement between a CHP and a landowner while funding is subject to agreements between a CHP and the state or federal government. However, council can continue to support CHPs by:

- Providing certainty through a planning scheme that supports public and social housing in particular zones and/or locations;
- Identifying specific land parcels suitable for public and social housing.

Setting a target for public and social housing

In June 2025, there were 805 households on the Social Housing Register waiting for suitable housing, of which 641 (or 80%) were small households (one or two persons).
The state's housing stock is diverse (53% is one or two bedroom dwellings) and well-suited to address these needs. To support housing diversity and small households, a target for the delivery of additional public and social housing by 2030 is required . This will require engagement and a commitment from the state government.

Council recommends that at least 500 public and social dwellings be delivered over the next five years to better address the social housing waitlist and to ensure supply grows as the region grows.

DO WE HAVE ENOUGH RESIDENTIAL LAND?

The planning scheme needs to ensure there is sufficient residential land to cater for population growth. Currently there are 1887 hectares of vacant land across the region's urban areas that the planning scheme designates for future residential growth. The vacant land is within various zones that support residential development in different forms: Low density residential, Medium density residential, High density residential, Mixed use, Emerging community, Rural residential, Township, and the Mackay Waterfront Priority Development Area (PDA).

Using the planning scheme's residential density provisions for each zone, the 1887 hectares of vacant residential land has capacity for an additional 17,660 dwellings. The QGSO medium projection series expects demand for an additional 16,249 dwellings in the region through to 2046. Therefore, the planning scheme provides sufficient residential land supply.

In the past decade, the maximum number of new residential lots registered in a financial year was 369 in 2020/21.

Based on this level of demand for new housing, it will take a maximum of 46 years to exhaust the current supply of vacant residential land in the region.

This analysis is conservative. It is derived from an above average level of demand for housing and only considers capacity within vacant residential land in new growth areas. It has not accounted for the additional housing in established suburbs that the strategy calls for. Our existing suburbs have capacity for various housing typologies at increased densities. On this basis, the capacity of the planning scheme to support additional housing exceeds that which is described above.

In addition to ensuring there is sufficient residential zoned land to cater for growth, council must ensure the zoned land is serviced, or planned to be serviced, with appropriate infrastructure. Council is responsible for funding this infrastructure and utilises state and federal funding opportunities wherever possible.

PACE OF HOUSING SUPPLY

Achieving housing diversity requires a steady supply of new housing.

Currently in the Mackay region there are 4885 residential lots with council planning approval that are yet to be developed . This number has exceeded 4000 since March 2008. Over the past decade, an average of 192 lots have been registered per year. One of the challenges for the housing strategy is to understand why these approved lots are not being converted into new residential lots on the ground by the development industry.

While the conditions of the private market largely determine the pace of new housing delivery, there are mechanisms available to councils to influence the pace of housing supply.

Financial incentives for development

The strategy recognises that achieving housing diversity cannot rely on planning scheme provisions alone. Council should consider and support incentives to reduce development costs for development that contributes to housing diversity.

Council currently offers financial incentives for small lot and unit development (as reflected in its Adopted Charges Resolution and Facilitating Development in the Mackay Region Policy). These incentives provide up to 90 per cent discount for developers on infrastructure charges for small lot development, and the waiving of up to 100 per cent of the infrastructure charges for dual occupancy, multiple dwelling, rooming accommodation and relocatable home park development.

These incentives increase the feasibility of small lot and multiple dwelling development. The strategy supports accelerating the delivery of housing diversity through these incentives.

Holding costs and rates reform

Timing of development is influenced by several factors, including the costs of owning developable land. Local government rates contribute to the cost of holding developable land.

Not all feasible development opportunities are delivered quickly. If holding costs are low and future profits are better than today's, a landowner may decide to delay development. If the holding costs are too high, a landowner may decide to sell the land or bring forward development.

Council should investigate how rates reform might influence the cost of holding land and its potential to bring forward development opportunities.

Partial lot release

For new residential lot development, council currently offers the opportunity for developers to slowly release lots to the market in subdivisions that have been fully constructed. The arrangement provides cashflow benefits to developers as payment of infrastructure charges for developed lots is spread over time rather than upfront.

In some circumstances, the partial release process is impacting ratepayers (purchasers of new lots). The process results in delayed state valuations for the individually released new lots, which in turn delays council's rates notice.

Council established the partial release process in 2015 when the local development industry experienced a downturn. At this time the number of sales and median sales price of both vacant residential land and house & land packages were in decline. In 2025 this is not the case: the median sales price of house and land packages now exceeds the 2014-15 peak while number of sales has increased and stabilised. Similarly, the median sales price of vacant residential land also now exceeds the 2014-15 peak.

In deciding whether to maintain or alter the partial lot release process, council will balance the benefit to the development industry, impacts on the community, administrative impact of partial lot release and changes to the staging of developments.

WHAT WILL COUNCIL DO?

STRATEGY OUTCOMES

The strategy demonstrates the need for housing diversity in well-located areas to meet the needs of the changing households in the Mackay region. While the planning scheme already supports the delivery of diverse housing types, amendments to modernise the assessment benchmarks for housing in the planning scheme can improve housing diversity in emerging communities, and especially in established suburbs.

The existing stock of public and social housing demonstrates strong housing diversity, which aligns well with household needs in the region. The strategy therefore supports increasing the proportion of public and social housing.

In the private sector, the pace of housing delivery is based on private financial decisions. Sometimes feasible development opportunities are delayed, especially if the cost of owning vacant land is low and future profits are high. There are mechanisms available to council to influence the cost of holding vacant residential land.

The housing strategy proposes the following strategy outcomes:

Strategy outcome 1
Increase housing diversity by supporting increased residential density in well-located areas.

Strategy outcome 2
Increase the proportion of public and social housing.

Strategy outcome 3
Support accelerated housing delivery in the region.

ACTION PLAN

The following actions are to be undertaken by Council to support the strategy outcomes.

STRATEGY OUTCOME 1 Increase housing diversity by supporting increased residential density in well-located areas.			
Action	**Description**	**What will this action achieve?**	**Timeframe**
1	Review the housing elements of the planning scheme: • Strategic framework. • Tables of assessment. • Residential zone codes. • Residential use codes. • Spatial application of higher residential density zones.	• The review will be the first step in amending the planning scheme to strengthen housing diversity outcomes.	• As part of the 10-year review of the planning scheme. • By June 2026.
2	Amend the housing elements of the planning scheme.	• Facilitating housing diversity on existing lots while reducing the need for planning applications. • Facilitating delivery of smaller lots to serve the needs of the growing number of small households. • Enabling existing suburbs to increase residential densities and diverse housing types without adverse impacts to the existing scale, density and character. • Avoiding underdevelopment of land zoned for higher densities. • Enabling a range of attached, detached, single-storey, double-storey, one, two, three and four bedroom dwellings to be delivered across a range of lot sizes. • Enabling delivery of housing diversity in growth areas and efficient use of infrastructure.	• As part of the 10-year review of the planning scheme. • By June 2027.
3	Continue to provide developer incentives for small lot and unit development through council's Facilitating Development in the Mackay Region Policy and council's Adopted Charges Resolution.	• Supporting the types of development that result in housing diversity.	• Incentives in place. • Policies reviewed annually.

STRATEGY OUTCOME 2 Increase the proportion of public and social housing.			
Action	**Description**	**What will this action achieve?**	**Timeframe**
4	Develop an advocacy plan to obtain a commitment from the State to accelerate and increase the delivery of public, social and affordable housing in well-located areas. The advocacy will: • Reinforce the target for public and social housing delivery in the strategy • Encourage the State Government to conduct an audit of available social housing stock, land assets and to support a higher level of utilisation where appropriate.	• Advocacy for increased access to affordable housing through additional public and social housing (eg one and two bedroom dwellings).	• By December 2026.
5	Work with State Government and Community Housing Providers to support accelerated delivery of social housing, including location and distribution, and scale and design.	• Council will continue to provide information to facilitate the delivery of appropriate housing.	• Ongoing

STRATEGY OUTCOME 3 Support accelerated housing delivery in the region.			
Action	**Description**	**What will this action achieve?**	**Timeframe**
6	Review council's partial release process.	• Ensuring timely release of residential land.	• Recommendation by December 2026.
7	Investigate whether rates reform can support and bring forward development opportunities.	• Supporting accelerated housing delivery.	• Recommendation by December 2026.
8	Work with industry to identify areas of collaboration through continuation of regular joint working groups.	• Supporting accelerated housing delivery.	• Joint working groups already in place with Master Builders and UDIA.
9	Facilitate the delivery of trunk infrastructure through grants, infrastructure agreements and working with industry.	• Supporting accelerated housing delivery.	• Ongoing.

PROJECT UPDATE

Learn more and subscribe to project updates at
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Mackay REGIONAL COUNCIL