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MEDIA RELEASE

Large States see Big Falls in Building Approvals

Residential building approvals figures released this morning by the ABS indicate that total dwelling approvals experienced a large decline during the month of September, said the Housing Industry Association - the voice of Australia's residential building industry.

"During September, total new dwelling approvals fell by 8.7 per cent due to big reductions in the larger states," explained HIA Senior Economist, Shane Garrett.

"During the month, a total of 18,945 approvals were recorded. Detached house approvals actually increased by 1.7 per cent during the month, while multi-unit approvals were down by some 17.5 per cent in month-on-month terms," added Shane Garrett.

"Despite the large drop in multi-unit dwelling approvals during September, the volume of approvals in this segment of the market is still at very high levels by historic standards - this means that the immediate pipeline of work will remain very elevated on the apartment side," Shane Garrett pointed out.

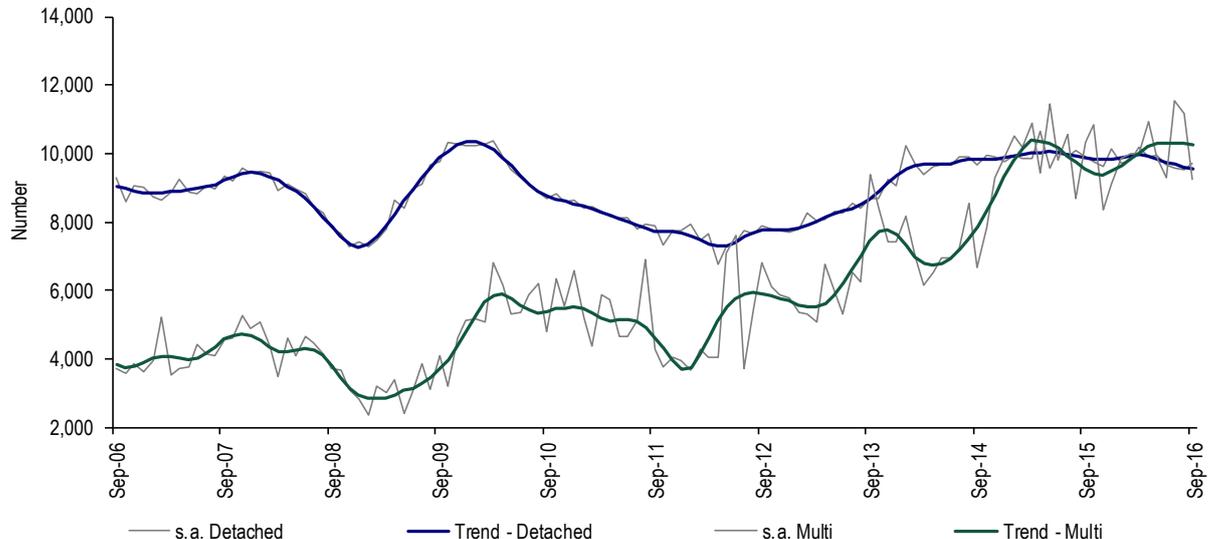
"The concentration of multi-unit dwelling construction in the large states like NSW and Victoria means that these big players bore the brunt of the reduction in multi-unit approvals during September," explained Shane Garrett.

"During September, detached house approvals rose to their highest level since May which was good news for both South Australia and Western Australia where detached houses still account for the large majority of new dwellings," concluded Shane Garrett.

In September 2016, total seasonally-adjusted new home building approvals increased by 9.4 per cent in South Australia and by 5.5 per cent in Western Australia. During September, building approvals experienced the largest decline in Victoria (-15.6 per cent) followed by New South Wales (-13.3 per cent). Queensland (-11.7 per cent) and Tasmania (-3.6 per cent) also saw reductions in approvals during the month. In trend terms, approvals eased by 6.0 per cent in the Northern Territory but grew by 15.8 per cent in the Australian Capital Territory.

Building Approvals - Australia

Source: 8731



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