



the voice of the industry

FOR IMMEDIATE RELEASE

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MEDIA RELEASE

SA Building Approvals Languishing

The Housing Industry Association, the voice of Australia’s residential building industry, said that ABS figures released today showed building approvals falling for the third consecutive month in South Australia in December 2011.

HIA Executive Director, South Australia, Mr Robert Harding said that “2011 has incontrovertibly been the worst year in over a decade for new home building in South Australia.”

“In terms of dwelling approvals, we have bookended the year with the two worst months in the last decade. In January we saw only 664 approvals for new homes and we have closed the year out with only 668” Mr Harding added.

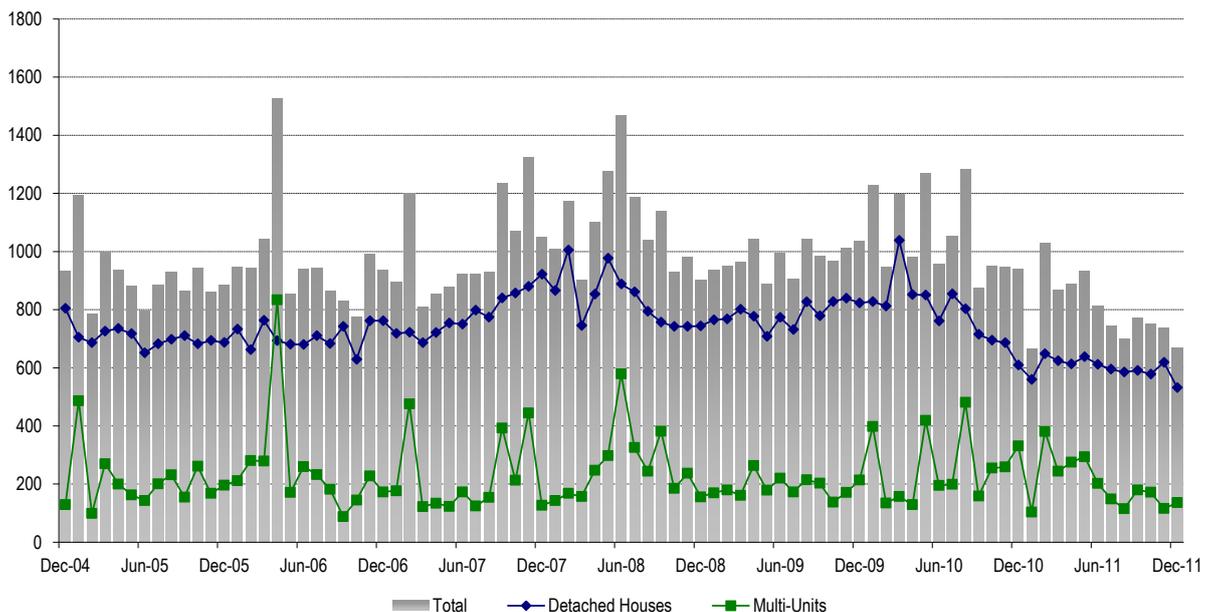
In the month of December 2011, the seasonally adjusted number of approvals for detached houses declined by 14.1 per cent to only 532, making it the lowest volume of approvals in any month since March 2001 when the industry was in the midst of being shaken by the introduction of the GST.

The number of approvals for other dwellings posted a modest recovery from the lows in November 2011 and grew by 17.2 per cent to 136 approvals. Despite the uptick the volume remains low. Approvals for ‘other dwellings’ in the December 2011 quarter remain 49.8 per cent below the level of the December quarter of 2010.

“In getting the Olympic Dam expansion project over the line the South Australian Government has demonstrated a considerable commitment to improving the economic outlook for the state. However, in the shorter term there are dark clouds gathering over the residential construction sector and any fall out has the potential to greatly undermine the state’s short term growth prospects” said Mr Harding.

SA Monthly Dwelling Approvals

Source: ABS Building Approvals



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