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## HIA Housing Report Card Points to Decent Home Building Activity in SA

New home building activity is set to recover in South Australia says the Housing Industry Association (HIA), the voice of Australia's residential building industry.

The HIA's quarterly South Australia State Outlook highlights a decent first stage new home building recovery in this year.

"We can expect a strong result for housing starts in 2010, following a disappointing 2009," said HIA Executive Director, SA, Mr Robert Harding. Housing starts are forecast to increase by 13 per cent this year.

"That is an encouraging outcome driven by previous policies of low interest rates, first home buyer assistance, and social housing provision," said Robert Harding.

"South Australia has a demand for 12,200 homes each year and so it's pleasing to see that we are on track to meet that with 12,420 starts this year."

On a financial year basis, the number of housing starts is forecast to fall by 2 per cent in 2009/10, but grow by 5 per cent in 2010/11 to reach a level of 12,260. Starts are forecast to flatten in 2011/12 at a level of 12,250.

"Further growth is going to be difficult to achieve unless restrictive lending practices for residential development are eased and further progress is made in reducing planning delays and inefficiencies," said Mr Harding.

"Improving labour market conditions and existing home price gains are forecast to see the total worth of the renovations sector increase by 2 per cent in 2009/10. Further annual growth of 2 per cent is forecast for each of the subsequent two years, taking renovations activity to a total worth of \$2.3 billion in 2011/12, the highest level since 2006/07," added Robert Harding.

**For further information please contact:**

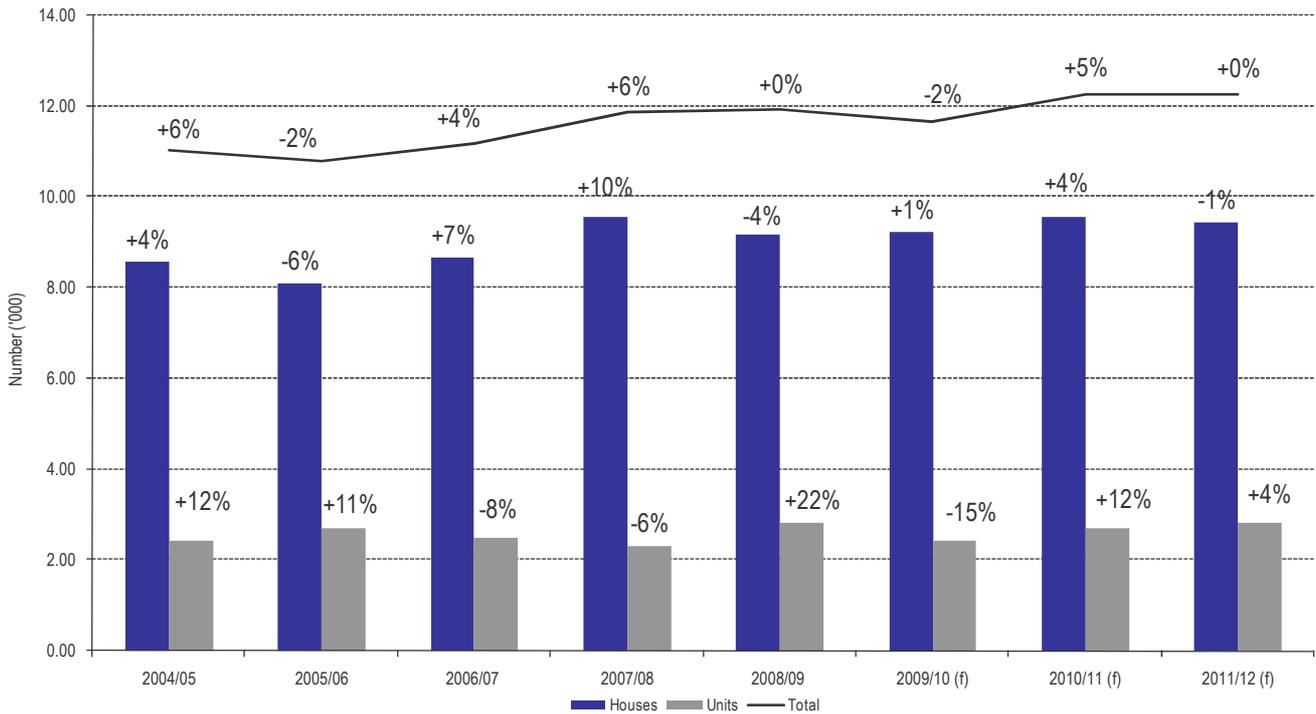
Robert Harding, HIA Executive Director, SA

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## New Housing Forecast, by Type, SA Dwelling Starts

Source: ABS



### Note to editors

1. HIA's State and National Outlook publications are a comprehensive quarterly roundup of key housing indicators on a state by state and National basis. There are nine reports in the set.
2. The data is sourced each quarter from the Australian Bureau of Statistics, the Department of Employment and Workplace Relations, the National Centre for Vocational and Education Research, [rpdata.com/Rismark](http://rpdata.com/Rismark), and HIA's own datasets.
3. For a copy of the full 80 page HIA Outlook reports (media only) please contact Kirsten Lewis on (02) 6245 1393 or [k.lewis@hia.com.au](mailto:k.lewis@hia.com.au) Copies of HIA State and National Outlook can be ordered from <http://economics.hia.com.au>