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the voice of the industry

MEDIA RELEASE

14 March 2012

2011 a weak year for SA's Dwelling Starts

The Housing Industry Association, the voice of Australia's residential building industry, said that ABS figures released today showed that dwelling commencements in South Australia dropped markedly in the December 2011 quarter, wrapping up a year of already subdued activity.

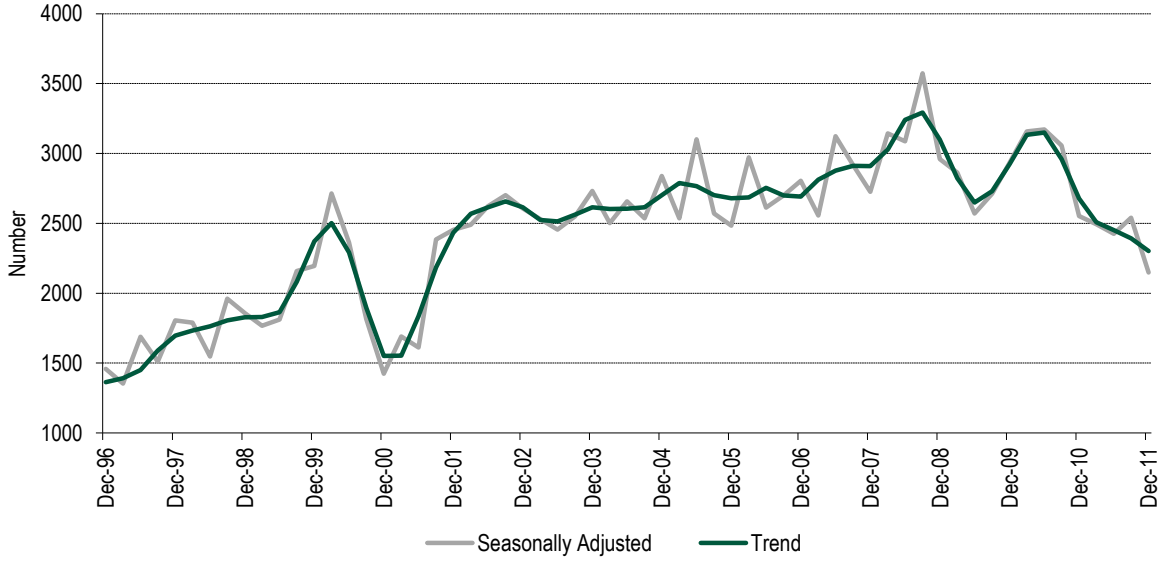
Seasonally adjusted dwelling commencements fell by 15.4 per cent over the December 2011 quarter in South Australia. Dwelling commencements over the calendar year 2011 were down by 19.5 per cent compared to levels over calendar year 2010.

HIA Executive Director, South Australia, Mr Robert Harding said that with the exception of the June 2011 quarter, South Australia has been enduring consecutive quarterly declines in starts since mid-2010.

"Today's figures provide a weak conclusion to South Australia's new home building activity in 2011, with only 9,608 homes being started. This means that South Australia has built 2,330 less homes than in 2010. Although we are yet to see effects of the official interest rate cuts of November and December, independent action by the banks combined with cautious consumers, means more is needed to address the persistent low levels of activity. The South Australian government should not rely on interest rates, but double their efforts to reform housing processes to reduce the costs of new housing," said Mr Harding.

Total Dwelling Starts – South Australia

Source: ABS 8750.0, HIA



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