



# HIA Housing Scorecard

HALF  
YEARLY  
REVIEW

STATE BY  
STATE  
ANALYSIS

STATE  
RANKINGS

NEW HOME  
BUILDING

A state by state performance review of residential construction

Summer 2018

# NSW AND VIC LOSING THEIR LUSTRE

## WA & NT BATTLE RESOURCES FALLOUT

The HIA Housing Scorecard provides a half yearly review of residential building conditions in each state and territory. Across a range of activity indicators, the most recent performance in each state is benchmarked against the state's longer term average. This analysis is aggregated in a scoring system which provides a ranking that highlights the relative strength or weakness of residential building activity in each state and territory.

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Victoria and New South Wales remain the top-ranked home building markets. Victoria has maintained its lead for the last three quarters and four out of the last five quarters. This follows a period when NSW was the top ranked state for 17 out of the previous 18 quarters back to the December quarter of 2013.

Victoria's key strengths were in approvals for alterations and additions, lending to first home buyers, and detached homes under construction. The state also led on net overseas migration with 30,968 people in the September quarter. Victoria struggled slightly in some areas, notably in total expenditure on alterations and additions and approvals for multi-unit dwellings.

NSW retains its broad strength across indicators tracking new home building but exhibited weakness in total expenditure on alterations and additions, lending to first home buyers and net interstate migration.

Victoria's and NSW's scores have thus fallen slightly. This is consistent with the cooling property market in Melbourne and Sydney. Consequently, their sizable lead over the other states and territories has been eroded.

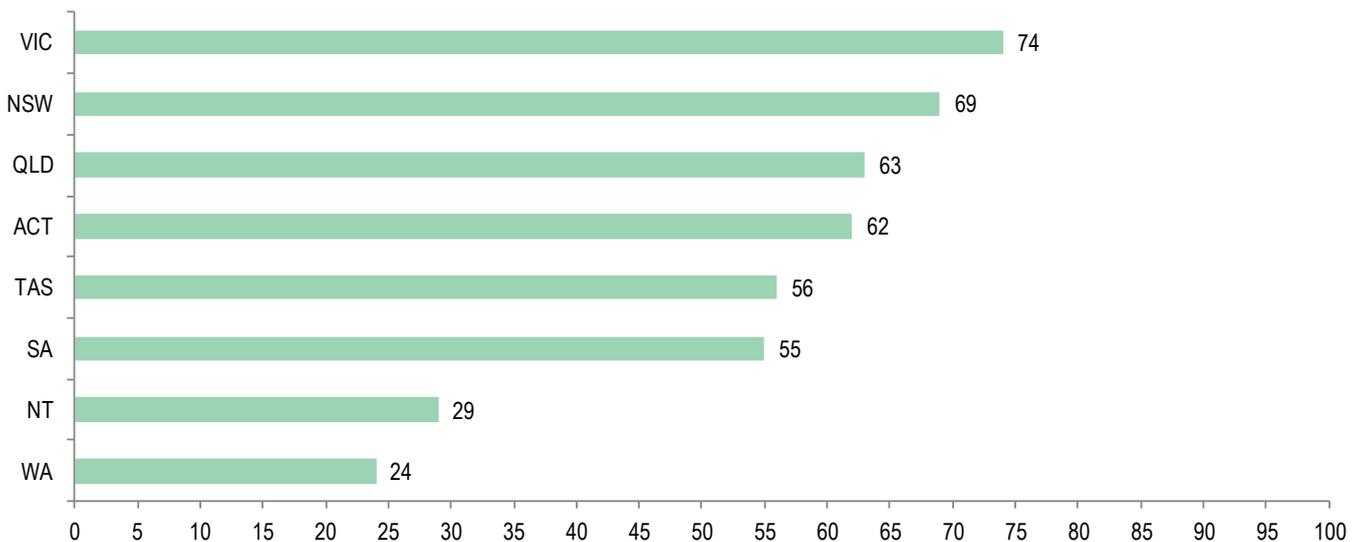
Queensland's third place partly represents improving net interstate migration, rating as the second strongest jurisdiction on this metric. Queensland is also experiencing

relatively strong conditions within the renovations market. The ACT ranks fourth owing to the strength of activity in the multi-unit market.

South Australia and Tasmania have both recorded improvements in their overall scores over the past two years but this has only cemented their places in the middle of the table. Tasmania ranks fifth but was the top ranked jurisdiction in terms of lending to first home buyers, detached house approvals and net interstate migration. Beyond these hotspots there are a number of weaknesses in the state, notably in the renovations market which ranks as the weakest in the country.

The ghosts of the mining boom continue to haunt Western Australia and the Northern Territory. The scores for WA and the NT have worsened over the last six months, especially WA which dropped into eighth place. After being tied for seventh place six months ago, WA is now unambiguously in last place while the NT remains in seventh. Given recent federal and territory funding to upgrade remote housing, the NT has become the top ranked jurisdiction in terms of the total expenditure on alterations and additions which was enough to edge out WA on overall score.

### State Scores



Score - A state score of 12 is the lowest possible and would arise if a state posted the lowest indicator score of 1 for all 12 indicators, 96 is the maximum possible and would arise if a state recorded the strongest possible score of 8 across all 12 indicators.