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MEDIA RELEASE

Approvals ease further from record highs

New dwelling approvals declined for a second consecutive month in June 2016, as the pipeline of new building eases from record highs. During the month, total new dwelling approvals declined by 2.9 per cent with a 2.4 per cent reduction in detached house approvals and a 3.4 per cent fall on the 'multi-unit' side.

"Today's figures show that approvals are continuing to ease back from the record highs hit last year," explained HIA Senior Economist, Shane Garrett.

"Approvals on both the detached house and multi-unit side peaked in mid-2015. Since then, detached house approvals have glided lower in an orderly manner. Multi-unit approvals have continued to be resilient, although sit at levels slightly lower than a year ago," Shane Garrett noted.

"The immediate pipeline of new home building work is set to remain very solid, based on this latest approvals update."

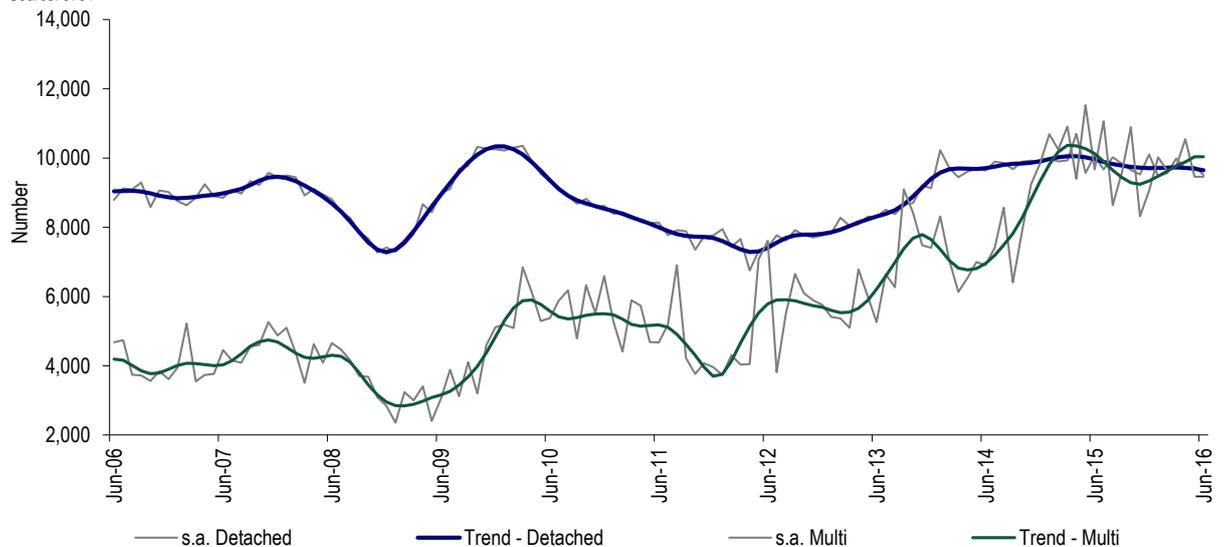
"Recent approvals releases have also highlighted the considerable variation in new home building activity across the different states and territories."

"We expect the trajectory of new dwelling approvals to continue retreating at a modest pace over coming months," concluded Shane Garrett.

During June 2016, total seasonally-adjusted new home building approvals rose most strongly in South Australia (+12.4 per cent), with increases also occurring in Victoria (+4.1 per cent) and Western Australia (+2.5 per cent). Tasmania experienced the largest fall in approvals (-23.9 per cent), with reductions also affecting New South Wales (-4.0 per cent) and Queensland (-2.1 per cent). In trend terms, approvals rose by 4.2 per cent in the Northern Territory, but fell by 2.7 per cent in the Australian Capital Territory.

Building Approvals - Australia

Source: 8731



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