



the voice of the industry

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Renovations to boost Tassie Building Market

The latest edition of the *Renovations Roundup* report has just been released by the Housing Industry Association (HIA), the voice of Australia's residential building industry. The report is the most comprehensive regular review of Australia's home renovations market and also provides forecasts for renovations activity in Tasmania over the next few years.

"With a challenging short-term outlook for new home building activity, Tasmania's residential building industry will receive some support from home renovations," said Rick Sassin, HIA Executive Director, Tasmania.

"Renovations activity in Tasmania is set to benefit from the environment of very low interest rates and the recent accumulation of home equity in the local market."

"With unemployment across the state now falling, there is a bit more confidence amongst households about engaging in big ticket expenditures like major renovations work on their homes."

"The amount of turnover in the established house market has an important influence on home renovations activity because the new owners of older homes very often embark on substantial upgrade work. Fortunately, Tasmania is one of the only markets in Australia where the volume of established house transactions is rising. This is another positive for the industry here," concluded Rick Sassin.

Although renovations activity in Tasmania shrank by 2.8 per cent during 2016, an expansion of 6.1 per cent is forecast for 2017. Activity is projected to increase by 2.9 per cent in 2018 followed by growth of 2.1 per cent during 2019. A further expansion of 2.7 per cent in 2020 is anticipated to bring the value of renovations activity in the state to \$758 million.

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