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FOR IMMEDIATE RELEASE

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MEDIA RELEASE

Positive conditions to remain for Tasmanian new home building

The forecast remains positive for Tasmania with industry once again registering strong levels of building activity over the last financial year, according to HIA Senior Economist, Geordan Murray, as he delivered the annual Industry Outlook in Hobart.

This economic revival in Tasmania, fuelled by the State's housing sector, is creating jobs and wealth. It comes on the back of strong population growth, high levels of consumer and business confidence, wage growth and increasing house prices.

HIA Tasmanian Executive Director, Stuart Collins, also expects the current conditions to remain in the short to medium term as he went on to say "We're forecasting total housing starts in 2019 to be over 2,500 providing much needed new homes to Tasmanians followed closely by a spike in renovation activity".

He further explained "This strong backdrop to new home building has prevailed over the effects of the national credit squeeze and the downturn experienced in other parts of the country."

Despite industry performing well, Mr Murray cautioned that Tasmania's home building industry is unlikely to be immune to adjustments in the mortgage market, skills shortages, lack of land supply and planning red tape. These issues can all impact adversely on housing starts.

However, in the interim Tasmania looks set to continue to buck the trend.

For further information please contact:

Stuart Collins, HIA Tasmanian Executive Director

0418 507 377