

MEDIA RELEASE



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HomeBuilder yet to Impact GDP

“Today’s GDP data highlights why it was necessary for Government to introduce the HomeBuilder program back in June.” stated HIA’s Economist, Angela Lillicrap.

“Residential building activity during the September quarter was 13.0 per cent lower than the same period in 2019.

“This data reflects the impacts of the COVID-19 restrictions throughout the first half of the year but does not yet reflect the positive impact of HomeBuilder on the market.

“Due to the lead time between purchasing a house and commencing construction, the first impacts of HomeBuilder are likely to be seen in the December quarter GDP results.

“HomeBuilder has been the catalyst for improving consumer confidence in the housing market. Leading indicators show that the detached housing market has picked up since June with record monthly levels of building approvals and housing finance data recorded in recent months.

“In other positive news, renovations activity picked up in the September quarter to be 2.3 per cent higher than the same time last year.

“Many households’ have diverted funds that would typically be spent on holidays and eating out and put them towards improving their homes.

“It is evident from other leading indicators that HomeBuilder has been successful in creating work on the ground in the December quarter and will protect jobs across the economy,” concluded Ms Lillicrap.

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