

MEDIA RELEASE



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Impact of HomeBuilder Now Evident in Housing Finance Data

“The short-term stimulus from HomeBuilder is emerging in the housing finance data released by the ABS today. This is particularly evident in the issuing of loans for the construction of new homes and in lending to first home buyers,” stated HIA’s Executive Director Tasmania, Stuart Collins.

“Nationally the number of loans for the construction of a new dwelling increased by 22.9 per cent in August 2020 to its highest level in over a decade.

“This result has been helped by Tasmania, with the number of loans to owner-occupiers in August for the purchase or construction of new dwellings increasing by 48.9 per cent, the best of any State or Territory.

“There has been a substantial improvement in sentiment and confidence in the housing market.

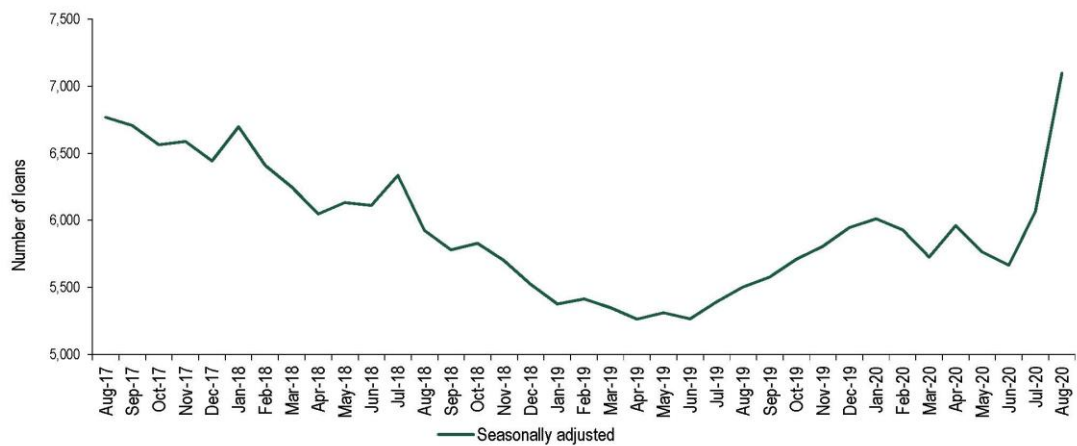
“The number of loans to first home buyers also rose significantly in August across the nation. Loans to first home buyers in the three months to August 2020 are now 24.1 per cent higher than for the same time last year.

“First home buyers are able to take advantage of the low interest rate environment as well as various government incentives such as HomeBuilder and the First Home Loan Deposit. This has offset the adverse impact of tighter lending criteria for first home buyers.

“It is evident in today’s data that there will be an increase in work on the ground in the December quarter this year which will protect jobs in the construction industry and the broader economy,” concluded Mr Collins.

Lending for Construction and Purchase of New Dwellings - Australia

Source: ABS 5609.1



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