

# MEDIA RELEASE



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## WA drives a lift in new home sales

WA is leading the nation when it comes to home building, with HIA's latest New Home Sales report showing the state's new home sales figures are increasing more than anywhere else in Australia, HIA WA Executive Director Cath Hart said today.

"The latest data out today shows a 175 per cent increase in WA's new home sales over the three months since HomeBuilder and the Building Bonus were announced in early June," Ms Hart said.

"WA saw an initial spike of 211 per cent in new home sales in June which moderated in July to 17 per cent, before increasing by 11.4 per cent in August."

The HIA New Home Sales report – a monthly survey of the largest volume home builders in the five largest states – is a leading indicator of future trends in the residential building industry.

New home sales in WA over the past six months to August were up by 91.1 per cent - the highest of all states - compared to the same period the year before, Ms Hart said.

"However, I am worried consumers could miss out on their grants because we're going from an historic low to an historic high, and the grants require builders to commence work on-site quickly despite challenges in terms of titled land and labour," Ms Hart said.

"This spike of more than 175 per cent compared to the previous quarter has created challenges in securing titled land and labour given both building schemes were launched when WA was at a 20-year low in sales activity.

"We'd like land developers to be given until 30 June 2021 to title lots, and once that's done we'd like builders to be given six months to commence after lots are titled.

"We're not asking for the program itself to be extended beyond the original 31 December 2020 end date - just the timeframes to start building after that.

"Smoothing out the workflow like this will be important for the safety and sustainability of our workforce and would support the next phase of WA's post-COVID economic recovery by spreading the positive impact of these programs beyond next year.

"This is important longer-term because despite today's result, we also need to be thinking about how to transition the state's home building industry back toward WA's long-term average of 22,000 starts by ensuring a stable and sustainable pipeline of activity, plus the right mix of skills to deliver."

Under the Building Bonus, on-site work is required to commence within six months. Under the federal HomeBuilder program, on-site work is required to commence within three months, with the option of a three month extension for factors outside the consumers' control.

*For further information please contact:*

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