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**JELD-WEN**  
 AUSTRALIA


## Weak New Home Sales Prompt Renewed Call for Government Action

A sharp decline in new home sales has prompted the Housing Industry Association (HIA) to call on the new government to adopt a three point action plan to reduce the impact of regulation on the cost of new housing supply.

The latest HIA - Jeld-Wen New Home Sales Report, a survey of Australia's major residential builders, showed that the number of new homes sold fell by 7 per cent in July 2010, the third consecutive fall. Sales were down by 8 per cent over the three months to July to be 2 per cent lower when compared to the same period in 2009.

HIA Chief Economist, Dr Harley Dale, said that the severe decline in new home sales highlighted the need for a new government to implement a housing action plan.

HIA calls on the new government to state their commitment to pursuing three key policy priorities:

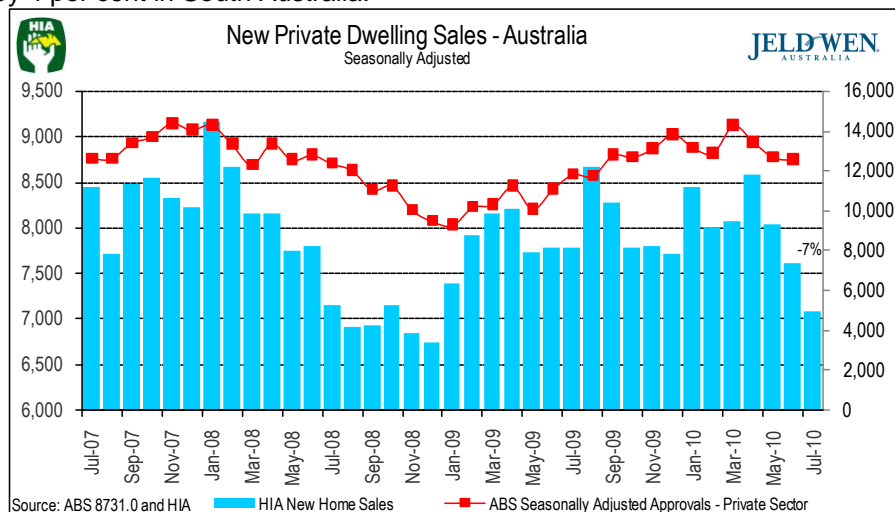
- a new housing cost reduction program
- a housing and development ministry
- recognition and support for small business

"There needs to be a re-doubling of efforts to reduce the impact of regulation, development charging, and excessive taxation on the cost of new housing supply. This action needs to include considerable federal level engagement, without which Australia's dwelling shortage will continue to increase, placing avoidable upward pressure on existing home prices and disadvantaging households seeking to purchase or rent a dwelling," Harley Dale said.

Detached house sales fell by 7.3 per cent in July 2010, while sales in the multi-unit sector fell by 4.1 per cent.

"Large volume builders assess that the confidence of people enquiring about building a new home weakened over the four month period to July. Clearly higher interest rates and the unwinding of fiscal stimulus have had a negative impact on new home building this year," Harley Dale added.

In the month of July 2010 detached new home sales fell by 12.9 per cent in Victoria, 7.6 per cent in Queensland, 3.1 per cent in New South Wales, and 2 per cent in Western Australia. Sales increased by 4 per cent in South Australia.



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\*\*\*For a full copy of the New Home Sales Report (media only) or for an annual subscription, please contact Kirsten Lewis on (02) 6245 1393 or [k.lewis@hia.com.au](mailto:k.lewis@hia.com.au)

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