

3 June 2008



Better Month For Building Approvals

Following a dreadful first quarter in 2008, building approvals increased 7.8 per cent in April, offering some signs of improvement which will assist in pegging underlying demand for housing.

On a seasonally adjusted basis, detached house approvals gained 1.4 per cent, while multi-unit approvals were up 17.5 per cent.

In spite of the good result for April, over the first four months of 2008 building approvals were off by 5.8 per cent. Approvals for detached houses fell by 3.7 per cent and multi-unit approvals suffered a hefty 11.7 per cent decline.

HIA Chief Executive – Policy, Mr Chris Lamont said April was a better month for building approvals.

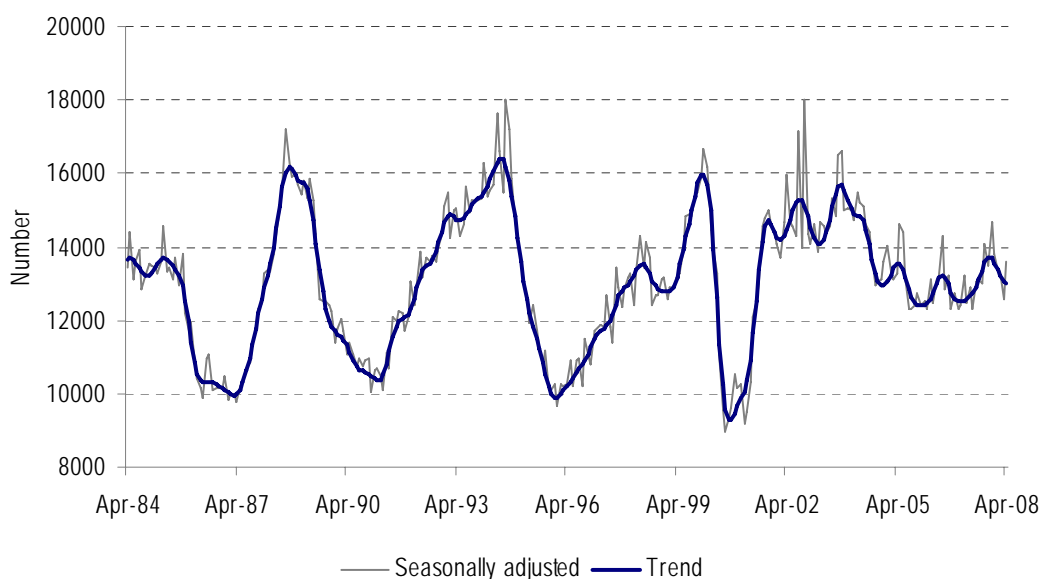
“Several years of poor housing activity and a strong upsurge in immigration this year highlight the urgency of implementing policies to boost the supply of affordable housing,” Chris Lamont said.

“Housing affordability has been hit hard over the last four years and we know that the full impact interest rate rises are yet to filter through, any further interest rate increases would only serve to further put off a housing recovery. So today’s announcement by the RBA is welcomed one”, said Chris Lamont

Building approvals rose over April in five of the eight states and territories around Australia.

On a state by state basis the number of seasonally adjusted building approvals in April grew by 42.4 per cent in Tasmania, 10.3 per cent in South Australia, 43.3 per cent in Queensland and 1.6 per cent in New South Wales. Approvals fell by 4.1 per cent in Victoria and 18.8 per cent in Western Australia. The trend in building approvals fell by 4.2 per cent in the Australian Capital Territory and grew by 1.2 per cent in the Northern Territory.

Building Approvals - Australia



For further information please contact:

Chris Lamont, 0414 765 040

Ben Phillips, 0424 147 321