



# MEDIA RELEASE

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## PRESSURE MOUNTS AGAIN ON HOME BUILDING TRADES

After improving slightly in the first half of the year, the impact of Australia's two-speed economy has put pressure back on home building trades.

Figures released today from the HIA-Austral Bricks Trades Report for the September quarter 2006 show that home building trades in the booming regions of Western Australia and Regional Queensland remain under pressure.

Australia's peak building industry body, HIA, said that across the nation, the price of 13 key home building trades rose by 1.8 per cent for the September quarter to be up 2.0 per cent over the year.

HIA's Executive Director of Housing and Economics, Mr Simon Tennent said that while the skills issue is a national industry-wide problem, the current shortage of new housing in the resource rich regions of Western Australia and Regional Queensland is likely to hurt job prospects and economic growth in the years ahead.

"Fortunately the pace at which home building trade prices are rising nationally is still below the rate of overall inflation reflecting the better balance of supply and demand in the non-resource boom regions," Mr Tennent said.

On a state by state basis, quarterly trade prices increased by 4.9 per cent in Regional Queensland, 4.5 per cent in Melbourne, 3.9 per cent in Perth, 2.8 per cent in Regional Victoria, 2.7 per cent in Regional NSW, 2.3 per cent in Regional WA, 1.6 per cent in Regional SA and 0.2 per cent in Sydney. Prices fell by 3.0 per cent in Brisbane and 2.7 per cent in Adelaide.

On an individual trade basis, the largest increases in prices over the quarter were in roofing, up 9.2 per cent, painting, up 8.6 per cent, plastering up 8.0 per cent and ceramic tiling, up 6.4 per cent.

### HIA Trade Contractor Price Index - by Trade

(Sep 02 All Trades, All Regions = 100)

	Sep-02	Jun-03	Sep-03	Jun-04	Sep-04	Dec-04	Mar-05	Jun-05	Sep-05	Dec-05	Mar-06	Jun-06	Sep-06	Qtly Change	Annual Change
<b>Bricklaying</b>	89.6	78.2	101.8	87.2	96.8	102.3	105.4	106.9	109.6	110.4	109.7	105.5	110.7	4.9%	1.0%
<b>Carpentry</b>	80.0	86.5	90.1	97.3	94.7	104.8	105.2	102.2	105.8	104.5	112.3	112.8	112.0	-0.7%	5.9%
<b>Ceramic Tiling</b>	105.8	98.2	124.0	118.3	112.9	111.5	109.4	108.4	113.2	116.1	112.9	120.5	128.2	6.4%	13.2%
<b>Electrical</b>	118.8	118.0	127.1	130.3	139.5	145.9	142.3	141.6	146.6	148.8	150.9	148.8	150.1	0.8%	2.4%
<b>General Building</b>	89.5	93.0	102.1	110.0	114.1	107.9	110.2	114.2	114.4	116.1	116.3	120.7	120.0	-0.6%	4.9%
<b>Joinery</b>	114.7	117.0	128.0	129.2	120.1	121.2	118.6	125.4	129.0	127.5	129.0	119.0	120.2	1.1%	-6.8%
<b>Landscaping</b>	101.5	103.4	106.2	114.7	119.1	116.3	111.9	115.5	110.4	111.4	114.6	121.3	110.0	-9.3%	-0.4%
<b>Other Trades</b>	116.2	136.7	128.0	139.5	141.1	129.3	129.1	123.8	122.0	124.0	122.1	125.7	126.9	0.9%	4.0%
<b>Painting</b>	87.0	86.7	94.7	94.9	97.5	101.8	95.3	101.7	94.7	97.3	105.7	100.5	109.2	8.6%	15.2%
<b>Plastering</b>	77.5	102.3	97.7	107.3	104.6	109.6	107.7	99.2	102.3	104.2	108.3	103.4	111.6	8.0%	9.1%
<b>Plumbing</b>	115.3	118.9	127.2	132.3	143.0	144.0	151.3	155.3	147.3	142.6	139.9	146.4	138.1	-5.6%	-6.2%
<b>Roofing</b>	104.4	121.8	113.9	123.7	113.2	124.2	121.6	135.5	123.8	119.1	118.4	122.1	133.3	9.2%	7.7%
<b>Site Preparation</b>	110.7	97.3	126.5	107.7	115.8	123.4	121.6	124.0	117.7	114.1	119.7	124.8	123.4	-1.1%	4.9%
<b>All trades</b>	<b>100.0</b>	<b>102.5</b>	<b>108.3</b>	<b>115.3</b>	<b>117.2</b>	<b>118.8</b>	<b>118.1</b>	<b>118.8</b>	<b>120.2</b>	<b>119.9</b>	<b>120.5</b>	<b>120.4</b>	<b>122.6</b>	<b>1.8%</b>	<b>2.0%</b>

## HIA Trade Contractor Price Index - by Region

*(Sep 02 All Trades, All Regions = 100)*

	Sep-02	Jun-03	Sep-03	Jun-04	Sep-04	Dec-04	Mar-05	Jun-05	Sep-05	Dec-05	Mar-06	Jun-06	Sep-06	Qtly Change	Annual Change
<b>Sydney</b>	110.8	115.7	122.1	126.8	120.0	128.3	128.1	127.8	125.5	124.0	123.0	125.5	125.7	0.2%	0.1%
<b>Regional NSW</b>	90.4	95.2	102.7	109.6	121.8	112.8	112.8	110.8	116.1	111.6	114.5	109.1	112.1	2.7%	-3.5%
<b>Melbourne</b>	103.5	99.7	115.3	113.6	115.8	113.9	119.6	117.5	116.3	117.5	112.9	112.9	117.9	4.5%	1.4%
<b>Regional Vic</b>	95.1	112.7	92.7	119.3	102.4	99.3	94.7	99.3	104.5	101.2	95.5	99.9	102.7	2.8%	-1.7%
<b>Brisbane</b>	96.0	100.3	109.4	115.3	129.4	127.1	125.9	120.0	121.6	121.7	120.3	123.3	119.6	-3.0%	-1.6%
<b>Regional QLD</b>	97.5	97.9	106.6	111.5	111.1	110.4	114.6	118.9	114.9	118.5	118.8	112.9	118.5	4.9%	3.2%
<b>Adelaide</b>	94.7	112.2	106.9	123.5	102.9	115.5	108.1	135.6	129.0	125.3	115.1	114.4	111.2	-2.7%	-13.8%
<b>Regional SA</b>	88.5	96.5	97.6	106.2	110.1	106.1	105.4	108.5	113.1	111.6	103.9	112.3	114.1	1.6%	0.9%
<b>Perth</b>	94.5	99.9	103.5	111.9	111.6	118.8	117.8	118.5	120.8	119.3	120.3	124.5	129.4	3.9%	7.1%
<b>Regional WA</b>	94.0	99.9	99.9	107.5	119.4	136.4	139.4	133.3	136.4	134.0	135.2	138.9	142.1	2.3%	4.1%
<b>All of Australia</b>	<b>100.0</b>	<b>102.5</b>	<b>108.3</b>	<b>115.3</b>	<b>117.2</b>	<b>118.8</b>	<b>118.1</b>	<b>119.0</b>	<b>120.2</b>	<b>119.9</b>	<b>120.5</b>	<b>120.4</b>	<b>122.6</b>	<b>1.8%</b>	<b>2.0%</b>

### Note to Editors

The HIA-Austral Bricks Trades Report is a quarterly measure of trade prices and availability on a capital city and rest of state basis for 13 different trade categories in the 5 largest states. The data is sourced each quarter from a sample of HIA builder and contractor members. The price series is the current charge out rate minus GST and materials. The data is weighted and expressed in terms of an index (with base of 100 being the weighted average price for all trades in all regions in September 2002). The trade availability measure is derived from a question asking members about the availability of their particular trade in their particular region. There are five possible responses ranging from critical short supply to massive oversupply. A net balance method is used to derive the single measure. For a full copy of the HIA-Austral Bricks Trades Report (media only), please contact Kirsten Lewis on (02) 6245 1393

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### For a full copy of the HIA-Austral Bricks Trades Report, please contact:

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