

Housing Results Prove Policy Success

Building approvals increased for the second consecutive month in March 2009, the first time this has occurred since late 2007, said the Housing Industry Association, Australia's largest building industry association.

HIA Chief Economist, Dr Harley Dale said that the modest turnaround in building approvals figures highlights the success that government policies such as the boost to the first home owners grant have had in supporting economic activity and employment.

"Evidence has emerged over 2009 to date of a recovery in a range of leading housing indicators, albeit a recovery of modest proportions in the case of building approvals," said Harley Dale.

"This evidence proves the worth of continuing to look at policies to stimulate the residential sector as clearly such policies have a positive impact on construction, employment, and on the demand for manufactured products," said Harley Dale.

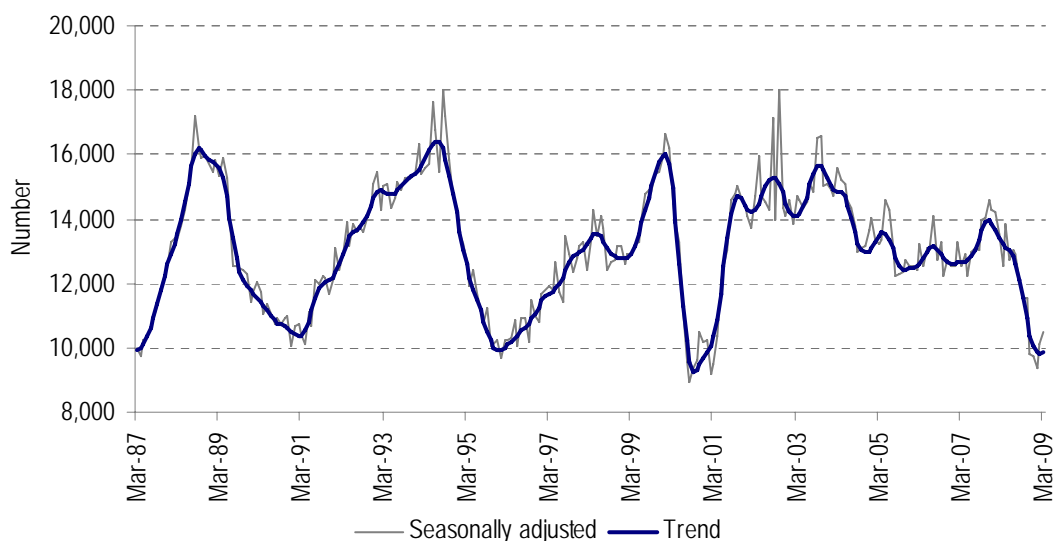
Total building approvals increased by 3.5 per cent in March 2009 due to a 3.4 per cent rise in detached house approvals, the fourth increase in a row, and a lift of 4 per cent in non-house building approvals, the second consecutive increase.

"Approvals were still down in the March 2009 quarter (-26 per cent on the March 2008 quarter) on account of the investor and trade-up buyer markets," Harley Dale said.

The number of seasonally adjusted residential dwelling approvals increased in March in Victoria (+15 per cent), Queensland (+7 per cent), and South Australia (+4.9 per cent). The trend number of approvals increased in both the Northern Territory (+5.7 per cent) and the Australian Capital Territory (+1.7 per cent). The number of seasonally adjusted approvals fell by 7.2 per cent in New South Wales, 10.5 per cent in Tasmania, and 14.9 per cent in Western Australia.

Building Approvals - Australia

Source: ABS 8731



For further information please contact:

Harley Dale 0414 994 186

Chris Lamont 0414 765 040