

Australian Kitchens and Bathrooms Getting Bigger and Better

Australians are demanding bigger kitchens and bathrooms, with a new report from the Housing Industry Association predicting the value of K&B installations and renovations will hit a record \$12 billion by 2012.

The *HIA Kitchens and Bathrooms Report* for 2009/10 highlights the amount of money Australians spend each year on kitchen and bathroom renovations and the state of industry activity.

The report found the past financial year was tough for the K&B industry. In value terms, the kitchen industry was worth \$5.6 billion in 2008/09, which represented a fall of 5.1 per cent.

“Despite evidence to suggest that detached houses in Australia may be gradually declining in size, there has been a clear trend towards larger kitchens in Australia for some time now,” said HIA Chief Economist Dr Harley Dale.

The report predicts the value of kitchens will rise to almost \$6 billion in 2009/10 and almost \$7 billion by 2011/12. “The intense competition amongst kitchen installers is likely to see the trend towards better quality kitchens continue for the foreseeable future,” Harley Dale said.

The bathroom industry also suffered last financial year. The report found it was worth \$3.9 billion in 2008/09, which represents a 6 per cent contraction from a year earlier.

“Fortunately, the worst appears over, and 2009/10 is expected to feature a lift in housing starts as well as overall renovations activity, which is good news for bathroom installations,” Harley Dale said.

The value of the industry is expected to climb by 25 per cent – that’s over \$1 billion – over the next three years. By 2011/12 Australians will be spending almost \$4.9 billion on bathroom renovations alone.

Consumer trends

The report also included survey responses from hundreds of small to large businesses in the K&B industry, detailing the average cost of new installations and the types of materials and appliances consumers are demanding in their kitchens and bathrooms.

In 2008/09 there were 130,650 new dwellings started in Australia, valued at \$34.03 billion, and at an average value of around \$260,489. The average value for both a kitchen or bathroom installation was around \$14,000.

“One of the strongest growth categories within the kitchen and bathroom sector in recent years has been the use of high-end hardware and storage solutions,” Dr Dale said.

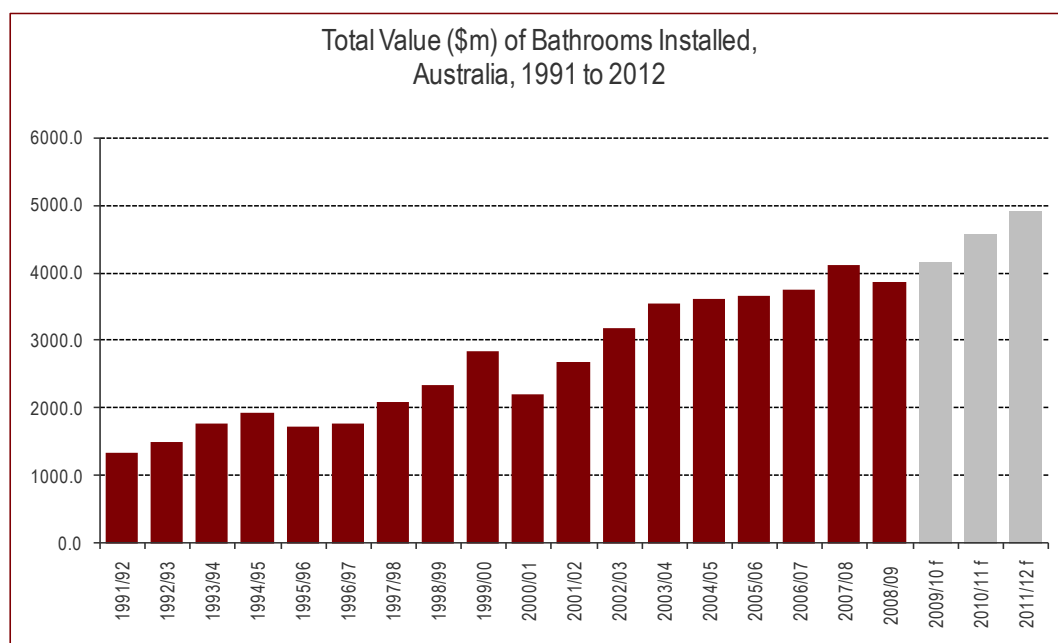
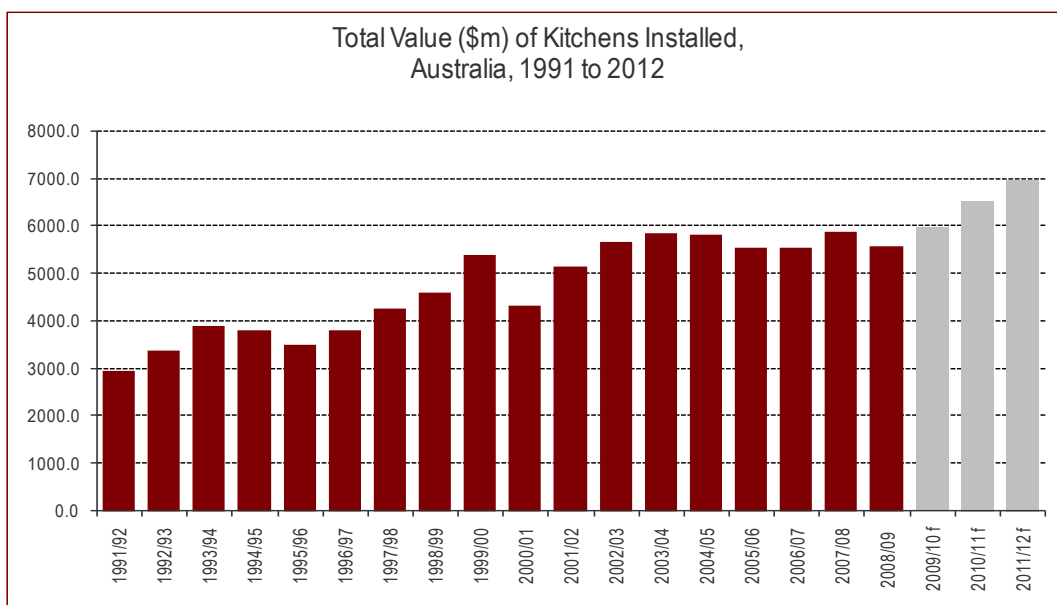
“The growth in the use of storage solutions held steady for lazy susans in the 2009 survey, but increased for every other category. The fastest growth was for soft closing draws. Lift-up door operating systems and touch opening door and drawer systems also grew in popularity.”

In terms of kitchen appliances, the greatest increase was for wine cooler/fridges, LCD/plasma TVs, and European freestanding stoves and dishwasher drawers.

The survey found the most popular components replaced in a bathroom makeover were basins, vanity units, tap ware, and tiling. There was also a large increase in semi-frameless shower screens, multiple basins, and multiple showerheads compared to previous surveys. Under-mount sinks continue to be the fastest growing sink.

The 2009 survey also asked respondents about various materials types and their usage. “Engineered stone, solid surface and granite bench tops were all in high demand. But there was a decline in usage rates for stainless steel, concrete, and timber bench tops,” Harley Dale said. “Glass and engineered stone splashbacks are on the rise, but there’s a decline for granite and tiled splashbacks.

In the miscellaneous survey category corner drawer systems and water filtration systems were a hit.



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