



## APRIL RISE IN APPROVALS MASKS DISAPPOINTING 2007

A lift in building approvals in April masks a flat new home building market in 2007 to date.

Dwelling approval figures released today show that building approvals increased by 8.1 per cent in April following a 10.5 per cent fall the previous month. Detached house approvals rose by 3.6 per cent while apartment approvals reversed their sharp drop in March, increasing by 19.8 per cent.

Detached house approvals were effectively flat over the three months to April this year (down 0.1 per cent) and were 1 per cent lower than over the three months to April 2006.

Australia's peak building industry body, HIA, said that within a volatile 2007 so far, building approvals painted an overall dull picture of new building activity.

HIA's Chief Economist, Mr Harley Dale, said that building approvals suggested little chance of a recovery in home building emerging over the remainder of 2007.

"Labour markets are strong, household income growth is robust, and interest rates are on hold, and yet there is no sign of a housing recovery," Mr Dale said.

"It is clear, yet again, that the excessively high structural costs which make housing such an unaffordable proposition are preventing a much needed recovery in residential construction," Mr Dale added.

Building Approvals - Australia



*On a state by state basis, the trend estimate for total dwelling units approved increased in the Northern Territory (+7.0%), the Australian Capital Territory (+5.7%), Queensland (+1.4%), New South Wales (+0.9%), and Tasmania (+0.4%). The trend estimate fell in South Australia (-0.7%), Western Australia (-0.7%), and also in Victoria (-0.1%).*

### Further information:

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