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MEDIA RELEASE

## Multi-Units lead Strong Bounce in Home Approvals

New dwelling approvals bounced back strongly during October 2014 following September's disappointing result, according to the Housing Industry Association (HIA), the voice of Australia's residential building industry.

Total dwelling approvals rose by 11.4 per cent in seasonally-adjusted terms during October, with a total of 17,062 approvals being recorded during the month. Growth was particularly strong in the multi-unit segment, with a monthly increase of some 30.4 per cent. Detached dwelling approvals eased slightly, by 0.3 per cent during the month. In the year to October 2014, there were a total of 197,530 new dwelling approvals, 14.8 per cent higher than the previous twelve-month period.

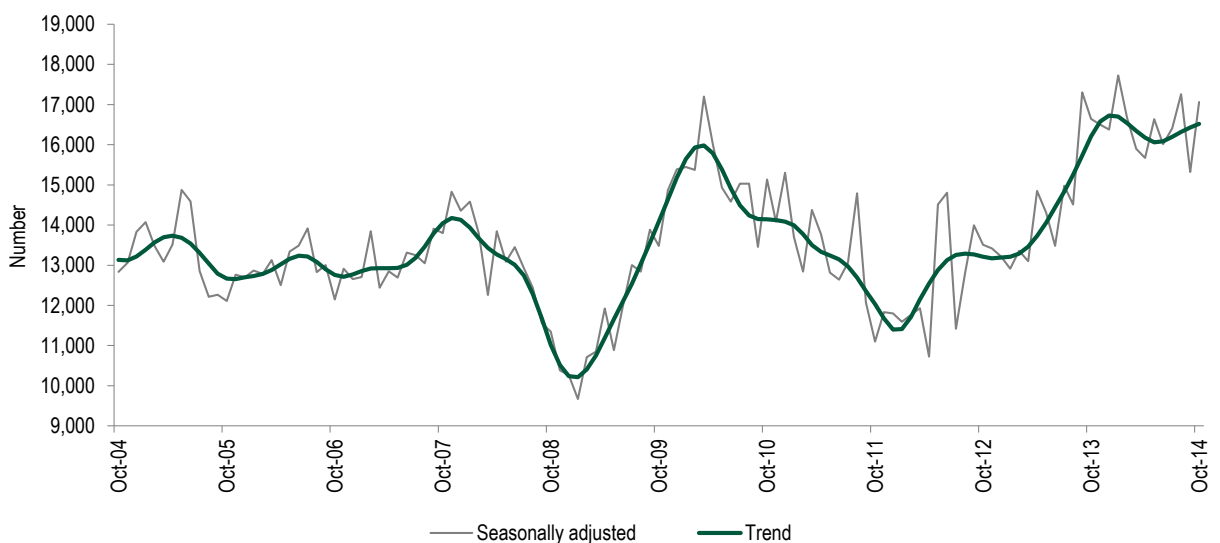
"Today's strong figures show that the home building recovery has still not run its course," noted HIA Senior Economist, Shane Garrett. "However, the large changes in activity over recent months are largely due to significant swings in medium and high-density approvals. Volatility of this nature makes month-to-month changes a bit more difficult to interpret," pointed out Shane Garrett.

"Australia needs to build a minimum of 180,000 new dwelling commencements per year over the long term," Shane Garrett said. "We are only barely scratching this figure now. It is very important that all supply constraints are addressed to ensure a level of commencements in excess of 180,000 being the benchmark, not a cyclical peak," concluded Shane Garrett.

During October 2014, seasonally-adjusted new dwelling approvals increased most strongly in Victoria (+27.6 per cent), followed by Tasmania (+9.6 per cent) and New South Wales (+5.9 per cent). Growth was also recorded in Queensland (+3.4 per cent) and in Western Australia (+2.5 per cent). South Australia was the only state to see a reduction in new dwelling approvals during October, down by 3.5 per cent. In trend terms, new dwelling approvals increased in the ACT (+0.5 per cent) but declined in the Northern Territory (-1.3 per cent).

### Monthly Building Approvals - Australia

Source: ABS 8731



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