

Patience and planning needed for healthy building

Building activity continues to flag in South Australia with approvals falling further behind.

South Australia was the only State to record a fall on its 10-year average. About 10,900 approvals were recorded in the year to February, down 3 per cent on the 10-year annual average of 11,208 dwellings approved.

In contrast, New South Wales is rocketing ahead 62 per cent above its long-term average while Tasmania ranks second-lowest – still 2 per cent ahead of its 10-year average.

The value of approvals has increased to \$4.575 billion over the past 12 months, up 7.7 per cent on the previous 12 months and 8.7 per cent over the average of the past 10 years.

Master Builders SA Chief Executive Officer Ian Markos said there was a consistent story – reforms are needed to spark new demand.

“Steel, Defence and auto-manufacturing have reached or passed crisis point and have the full attention of the Government for good reason,” he said.

“But the building and construction sector employs more than 55,000 people directly and many more indirectly – the Government needs to engage with the reform proposals we have provided to avoid heavy job losses in one of South Australia’s most fundamental sectors.

“Planning reforms are a start – now it’s time to look to our Budget proposal and reform proposals for the changes that will build the sector over the next decade.”

Ends

For further information

Russell Emmerson: 0422 463 333

Available for interviews

Ian Markos, Chief Executive Officer

Background

Summary of building approvals data released by the Australian Bureau of Statistics for February 2016:

NUMBER OF BUILDING APPROVALS (12 MONTHS)

TREND (number)

	Past 12 months		Previous 12 months		Ten year annual average	
NSW	65,042	53,520	22%	40,035	62%	
VIC	66,476	63,027	5%	51,684	29%	
QLD	45,727	40,020	14%	36,436	25%	
SA	10,900	11,320	(4%)	11,208	(3%)	
WA	27,134	32,429	(16%)	24,774	10%	
TAS	2,767	2,568	8%	2,709	2%	
NT	1,641	2,017	(19%)	1,420	16%	
ACT	4,159	3,520	18%	3,648	14%	

Source: Australian Bureau of Statistics, Building Approvals, cat. 8731.0 table 7

VALUE OF SOUTH AUSTRALIAN BUILDING APPROVALS

TREND (\$m)

	Feb-2016		Previous 12 months		Ten year annual average	
Residential - New	\$ 2,409.8	\$ 2,372.8	2%	\$ 2,149.5	12%	
Residential - Alterations, Additions	\$ 383.9	\$ 363.1	6%	\$ 357.4	7%	
Residential - Total Work	\$ 2,793.7	\$ 2,735.9	2%	\$ 2,506.9	11%	
Non Residential - Total Work	\$ 1,781.4	\$ 1,513.2	18%	\$ 1,702.4	5%	
Total Building Approvals	\$ 4,575.0	\$ 4,249.0	8%	\$ 4,209.3	9%	

Source: Australian Bureau of Statistics, Building Approvals, cat. 8731.0 table 33