



Media Release

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Builders welcome positive data on private sector housing

Statement by Executive Director of the MBA-ACT, John Miller

Canberra's peak building and construction industry organisation, Master Builders ACT has played down a significant decline in building approvals revealed in the latest data released by the Australian Bureau of Statistics, pointing to a steady pattern with respect to private sector housing.

The executive director of the MBA-ACT, John Miller said the 17.3 per cent national seasonally-adjusted decline during July was concerning but there was reason for optimism because data relating to approvals for private sector housing had remained in positive territory.

"The scale of the decline revealed in the July data is concerning because it has occurred against the backdrop of a stable or declining interest rate environment this year," he said. "However it is almost entirely attributable to private sector dwellings excluding houses, which fell by 40.5 per cent."

Mr Miller said the 1.6 per cent national seasonally-adjusted increase in private sector houses was a welcome reflection of a continuing, though modest, improvement in consumer sentiment.

He said it was particularly pleasing to note the seasonally-adjusted increases with respect to private sector houses in the ACT, NSW and South Australia.

Mr Miller said that the sustained period of either falling or stable interest rates had clearly begun to provide some impetus to the home building industry with the trend data having been in positive territory for the past six months.

"While it is clear that many challenges remain and that our industry is still facing an uphill battle, there are signs that sentiment and therefore activity levels are beginning to head in the right direction," he said.

Mr Miller said he believed that in circumstances where the Reserve Bank appeared likely to leave rates on hold for at least the foreseeable future, he believed that consumers would continue their tentative return to the market.

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