



the voice of the industry

FOR IMMEDIATE RELEASE

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MEDIA RELEASE

HIA forecasts a NSW housing recovery in 2012/13

The Housing Industry Association, the voice of Australia's residential building industry, today released the autumn edition of its New South Wales Outlook, the state's most comprehensive housing report card.

Following what is, unfortunately, already assured to be another weak year in 2011/12, housing starts are forecast to lift in the subsequent two years. Renovations activity is also forecast to grow in 2012/13 and 2013/14.

"The residential construction industry in NSW has endured a bad run over most of the last decade. This situation has been detrimental not only to those within the industry, but to the manufacturing and retail sectors and indeed the entire state economy," said HIA's Acting Executive Director, NSW, Natalie Shymko.

"The tide has not quite turned yet with housing starts and renovations activity set to fall in the current financial year and leading indicators signalling the risk of further weakness," said Ms Shymko.

"HIA has an optimistic outlook for the residential construction industry in NSW. This outlook is driven by the expectation that the Reserve Bank of Australia will need to cut interest rates further and, crucially, by the view that the NSW Government will engage in reforms to housing supply that have been needed for so long," added Ms Shymko.

Housing starts in NSW are forecast to fall by 5.6 per cent in 2011/12 to a level of just 29,233. Housing starts are then forecast to grow by 12.7 per cent in 2012/13 and 2.7 per cent in 2013/14, reaching a level of 33,834.

Total investment in renovations is forecast to fall by 4.0 per cent in 2011/12 to a value of \$8.05 billion. A recovery is forecast for the subsequent two years, with growth of 2.6 per cent and 0.3 per cent taking the total value to \$8.281 billion in 2013/14.

HIA is the leading industry association in the Australian residential building sector, supporting the businesses and interests of builders, contractors, manufacturers, suppliers, building professionals and business partners.

For further information please contact:

Natalie Shymko, Acting NSW Executive Director 0414 691 222