

# Media Release

1 July 2015



## **Growth In Residential Building Continues Despite Bubble Fears**

Despite recent fears of a housing bubble, building approvals for May 2015 show that housing supply is yet to catch up with demand.

“Growth in residential building can be expected to continue for some time to come, putting downward pressure on house prices which should allay fears of a housing bubble,”

“The boost in dwelling approvals for May is in line with Master Builders forecast that new dwelling commencements will reach record highs well above 200,000 in 2015 and 2016,” Peter Jones Chief Economist of Master Builders Australia said.

“Building approvals continue at near record levels with a 2.4 per cent seasonally adjusted rise to 19,414, driven by a 16.6 per cent surge in approvals for high rise apartments,” he said.

“Disappointingly, an 8.4 per cent seasonally adjusted fall in approvals for detached houses signals that impediments to more greenfield land release at state and local government level may be holding back a response to increased demand for detached housing,” Peter Jones said.

“Approvals in New South Wales, Victoria and Queensland were all up strongly due to units and apartments. Nationally, over 7,300 dwellings in buildings of 4 storeys or more were approved – an all-time record,” Peter Jones said.

### **For further information contact:**

Peter Jones, Chief Economist, 0403 440 838  
Ben Carter, Manager Media & Communications, 0447 775 507