

Media Release



MASTER BUILDERS
A U S T R A L I A

6 April 2017

Disparity In Two Speed Housing Market Widens

The continuing housing boom in Sydney and Melbourne has driven business confidence to a two year high in the latest *National Survey of Building and Construction* for the March quarter 2017.

“But the most dominant picture emerging is of the growing disparity in activity and confidence between these markets and the rest of Australia. Western Australia’s builders are doing it particularly tough with some Perth building businesses reporting that confidence is at its lowest in 30 years,” Matthew Pollock, Master Builders National Manager Housing said.

“As we approach the May Federal Budget, this should reinforce to policy makers why ‘sledgehammer’ one-size-fits-all responses to housing affordability are extremely ill-advised,” he said.

“Overall, the residential building sector’s record run has some way to go with the March quarter survey supporting an expectation of a high level of building activity to extend until the end of the year,” Matthew Pollock said.

“The survey also shows tentative signs of improvement for builders in the non-residential sector for the remainder of 2017 in line with expectations that the sector has reached the bottom of the cycle,” he said.

“Despite the non-residential activity index dipping below 50 and the national pipeline of non-residential work remaining unchanged, better approvals data supports a more positive outlook,” Matthew Pollock said.

Consistent with previous quarters, demand for labour continues to be dominated by the Sydney and Melbourne markets with pressures around availability of some trades reflecting conditions typical in a peaking cycle.

But a new bright spot to emerge in the March quarter was the indication that the majority of South Australian builders intend to hire more staff in the next six months.

“It’s a good sign for SA’s builders and highlights the vital role the industry plays in building a stronger economy and stronger communities,” Matthew Pollock said.

For further information contact:

Ben Carter, Director Media & Public Affairs, 0447 775 507