

Building Approvals – December 2019

ABS Cat No 8731.0

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ACT
Government

Chief Minister, Treasury and
Economic Development

Number of residential building approvals increased in December 2019

ACT (trend and original)

The trend *number* of residential building approvals in the ACT increased by 1.0 per cent in December 2019. Through the year¹ to December 2019, the trend *number* of residential building approvals decreased by 22.9 per cent.

The *value* of residential building approvals increased by 64.0 per cent in December 2019 (original data²). Through the year to December 2019, the *value* of residential building approvals increased by 46.3 per cent (original data).

National (seasonally adjusted)

The *number* of residential building approvals decreased by 0.2 per cent in December 2019. Through the year to December 2019, the *number* of residential building approvals increased by 2.7 per cent.

The *value* of residential building approvals increased by 2.6 per cent in December 2019. Through the year to December 2019, the *value* of residential building approvals increased by 3.3 per cent.

Building Approvals, ACT and Australia, December 2019

State/National	Level	Change (%)	
		Monthly	tty ¹
ACT			
Residential			
No. of Approvals ³	310	1.0	-22.9
Value of Approvals ² (\$ million)	128	64.0	46.3
Non-Residential ⁴			
No. of Approvals ²	33	-40.0	-13.2
Value of Approvals ² (\$ million)	28	53.4	-33.9
Australia			
Residential			
No. of Approvals ⁵	14,752	-0.2	2.7
Value of Approvals ⁵ (\$ million)	5,499	2.6	3.3
Non-Residential ⁴			
No. of Approvals ²	2,259	-17.5	-2.5
Value of Approvals ⁵ (\$ million)	4,351	30.9	25.4

Source: ABS Cat. No. 8731.0

¹ Through the year (tty) growth is the percentage change from the same period in the previous year.

² Care should be taken when interpreting original data due to its volatility.

³ In trend terms.

⁴ This comprises non-residential building approvals valued at \$50,000 or more of an educational; health; aged-care; office; religious; transport; industrial; and commercial nature.

⁵ In seasonally adjusted terms.

Commentary

Building approvals data are volatile for a small jurisdiction like the ACT, especially where reported in original terms. Data should be interpreted with care.

Residential

In **December 2019**⁶, the trend number of residential building approvals increased by 1.0 per cent, the fourth consecutive monthly increase.⁷ The ACT's monthly increase was the third highest of all jurisdictions, behind Victoria (up 6.1 per cent) and the Northern Territory (up 4.5 per cent).

There were 92 approvals for *detached houses* in December 2019, lower than its five-year average of 97 approvals. There were 230 approvals for *other residential*⁸ dwellings in December 2019, lower than its five-year average of 343 approvals.⁹

Through the year to December 2019, the trend number of approvals decreased by 22.9 per cent, the tenth consecutive through the year decline. All jurisdictions, except South Australia (up 19.0 per cent) and Victoria (up 7.0 per cent), recorded a decline in the trend number of residential building approvals through the year to December 2019 with the ACT recording the largest decline.

Through the year to December 2019⁹, the number of approvals for *detached houses* increased by 22.7 per cent, while the number of approvals for *other residential* dwellings increased by 25.7 per cent.

In the 12 months to December 2019, there were 4,615 residential approvals in total, consisting of 1,199 approvals for *detached houses*, 2,276 approvals for *flats, units or apartments* (including those attached to a house), and 1,140 approvals for *semi-detached, row or terrace houses and townhouses*.⁹

Non-residential

Non-residential building approvals are often associated with one-off events, and hence are highly volatile.

In **December 2019**, there was \$28 million worth of non-residential building approvals, a 53.4 per cent increase in the month. This monthly increase was largely due to increases in *Commercial* buildings (up 103 per cent), *Office* buildings (up 111 per cent), *Transport* buildings (up 737 per cent), *Entertainment and Recreation* buildings (up 63 per cent) and *Educational* buildings (up 41 per cent).

Through the year to December 2019, the value of non-residential building approvals decreased by 33.9 per cent. This was mainly due to decreases in *Entertainment and Recreation* buildings (down 88 per cent), *Retail and Wholesale* buildings (down 37 per cent), *Industrial* buildings (down 91 per cent), *Health* buildings (down 94 per cent) and *Warehouses* buildings (down 100 per cent).

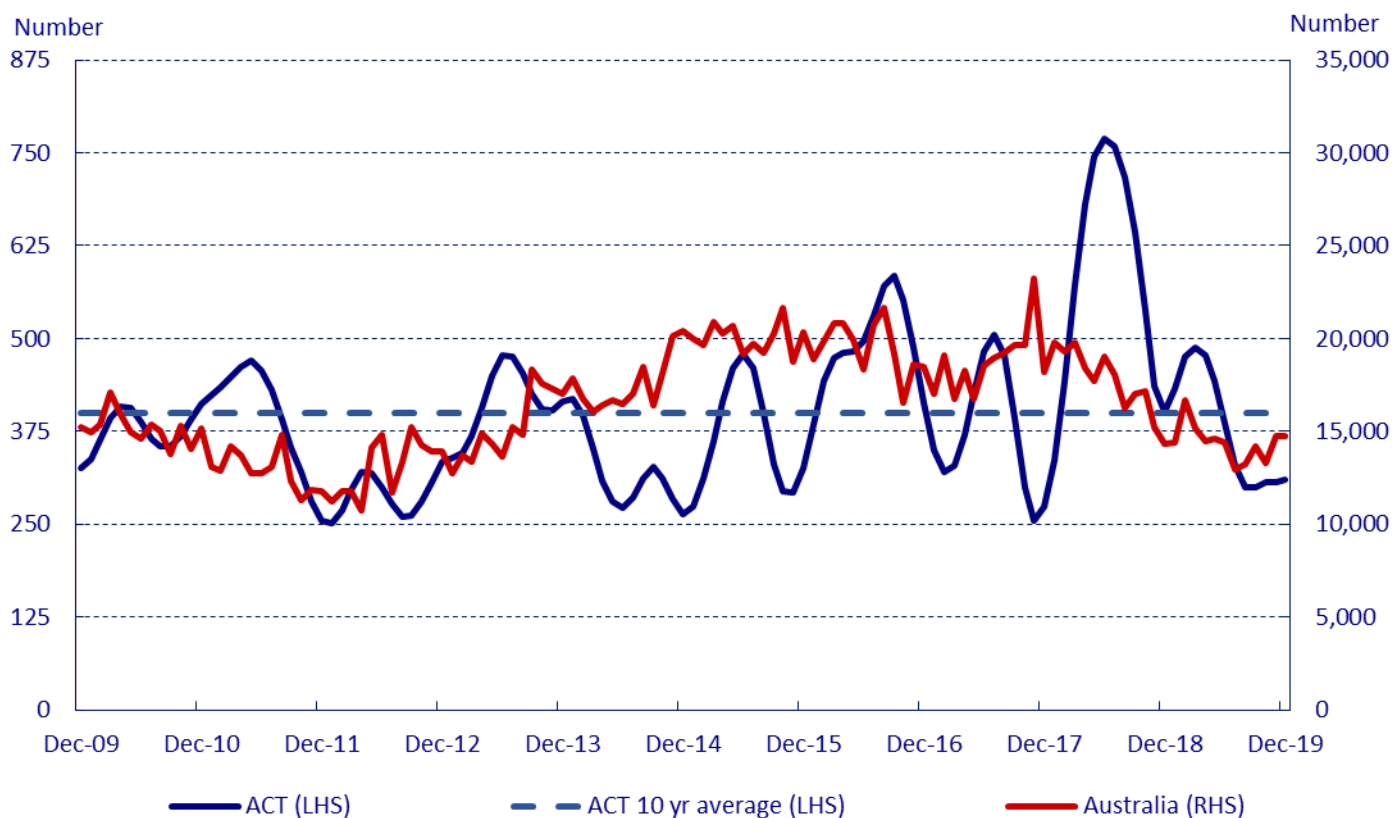
⁶ In the December 2019 publication, revisions are provided for the time period from July 2018 to November 2019. The ABS noted that "Bushfires resulted in minor disruption to data collection activities during December 2019 in New South Wales, Victoria and the Australian Capital Territory. Quality assurance undertaken by the ABS confirmed that these disruptions did not result in any impacts to Building Approval statistics. Whilst it is expected that bushfire rebuilding and recovery activity will have some impact on future Building Approvals estimates this activity is not yet present in the December estimates".

⁷ ABS upwardly revised the trend number of residential building approvals from September 2019 to November 2019. This has resulted in increases to the trend number of residential building approvals in those months.

⁸ Other residential refers to semi-detached, row or terrace houses, townhouses and flats, units or apartments (including those attached to a house).

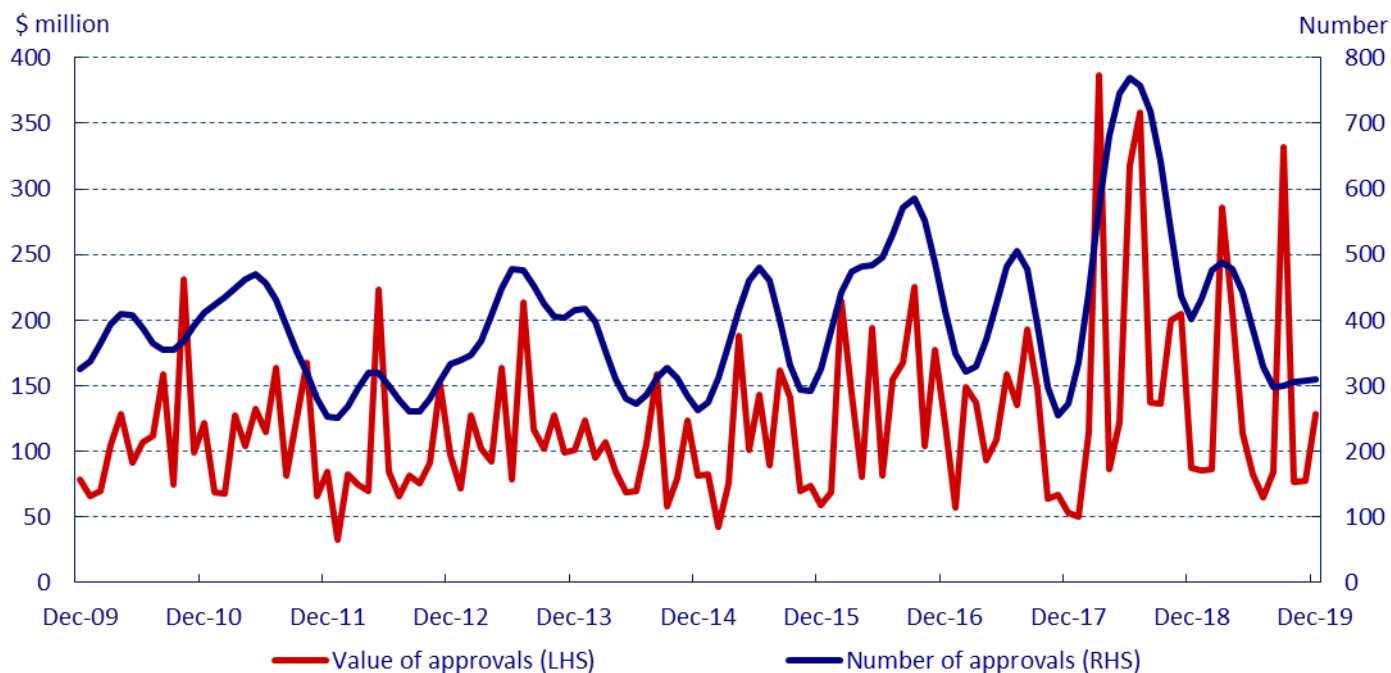
⁹ Original data.

Number of Residential Building Approvals, ACT (Trend Data) and Australia (Seasonally Adjusted Data), Monthly Data



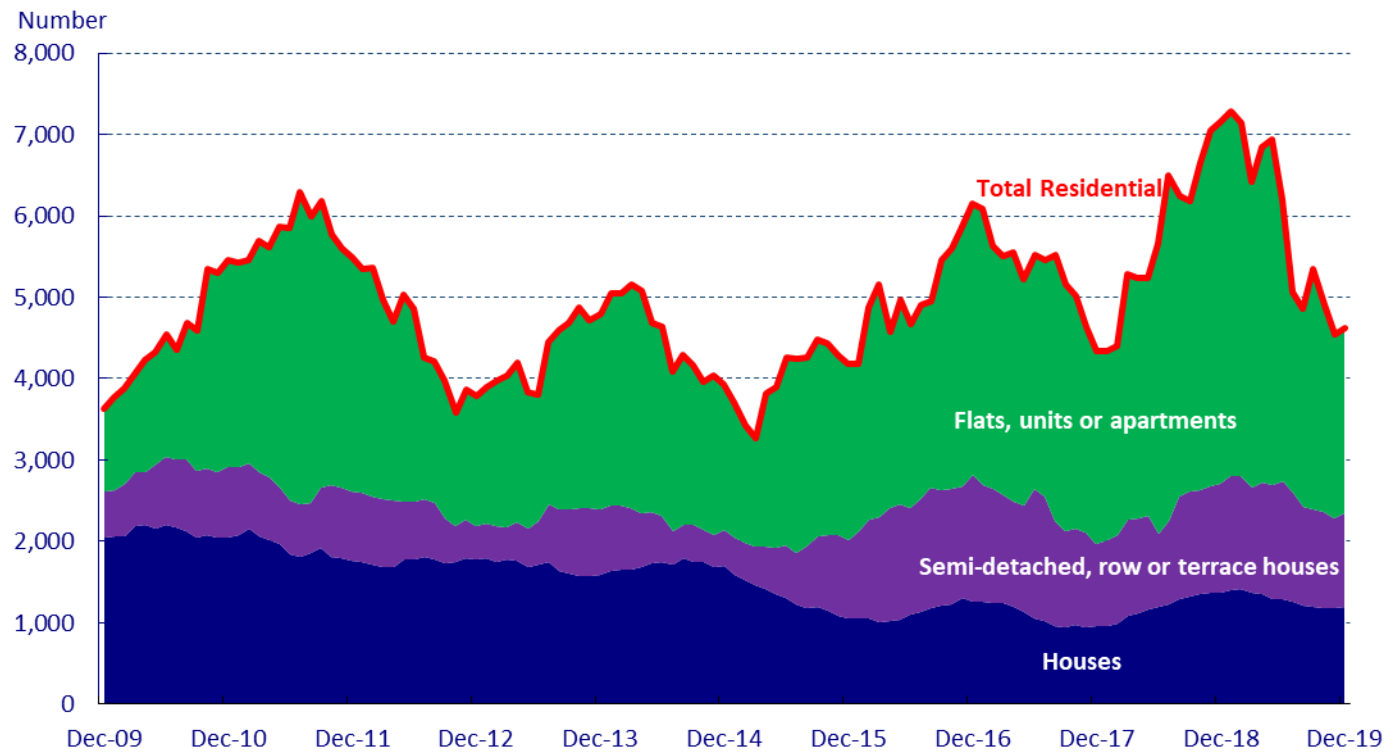
Source: ABS Cat. No. 8731.0

Value (Original) and Number (Trend) of Residential Building Approvals, ACT, Monthly Data



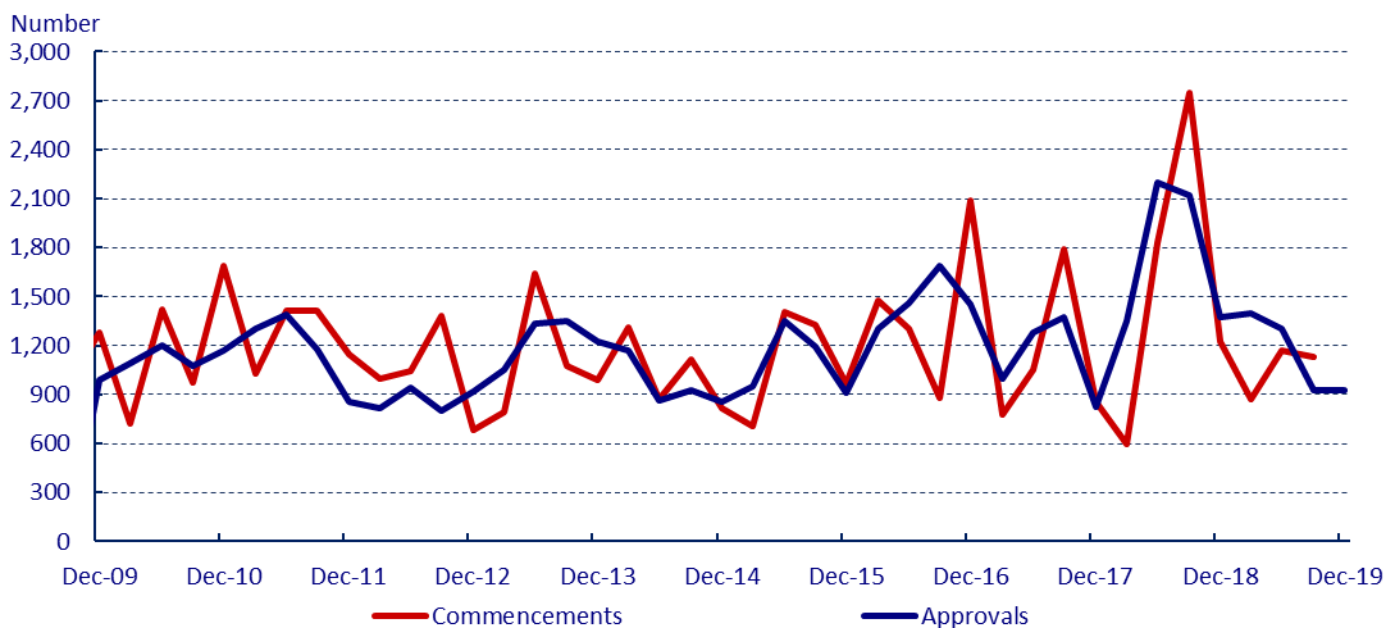
Source: ABS Cat. No. 8731.0

Number of Residential Building Approvals by Building Type, ACT (Original data), 12-Month Moving Total



Source: ABS Cat. No. 8731.0

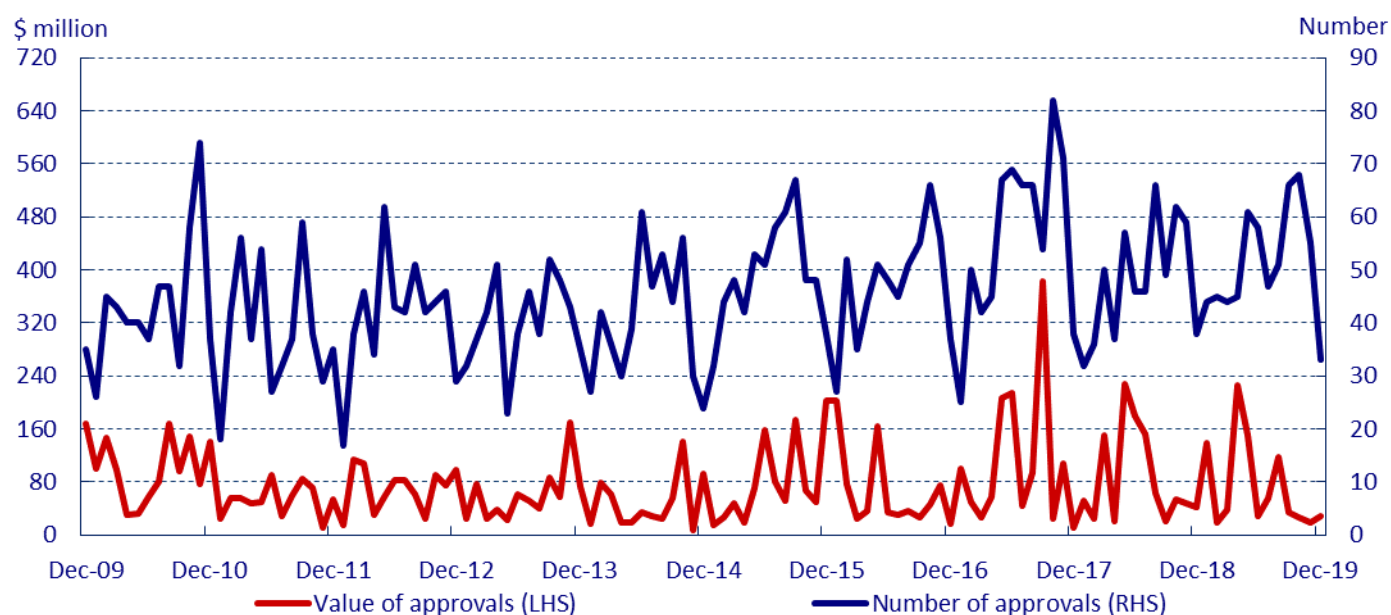
Number of Residential Building Commencements and Approvals, ACT, Quarterly Data¹⁰



Sources: ABS Cat. No. 8752.0 and 8731.0

¹⁰ Dwelling commencements data is as at the September quarter 2019 in seasonally adjusted terms. Building approvals data are converted from a monthly series to a quarterly series, ending December quarter 2019, the most recent whole quarter.

Value and Number of Non-Residential Building Approvals, ACT, Monthly Original Data

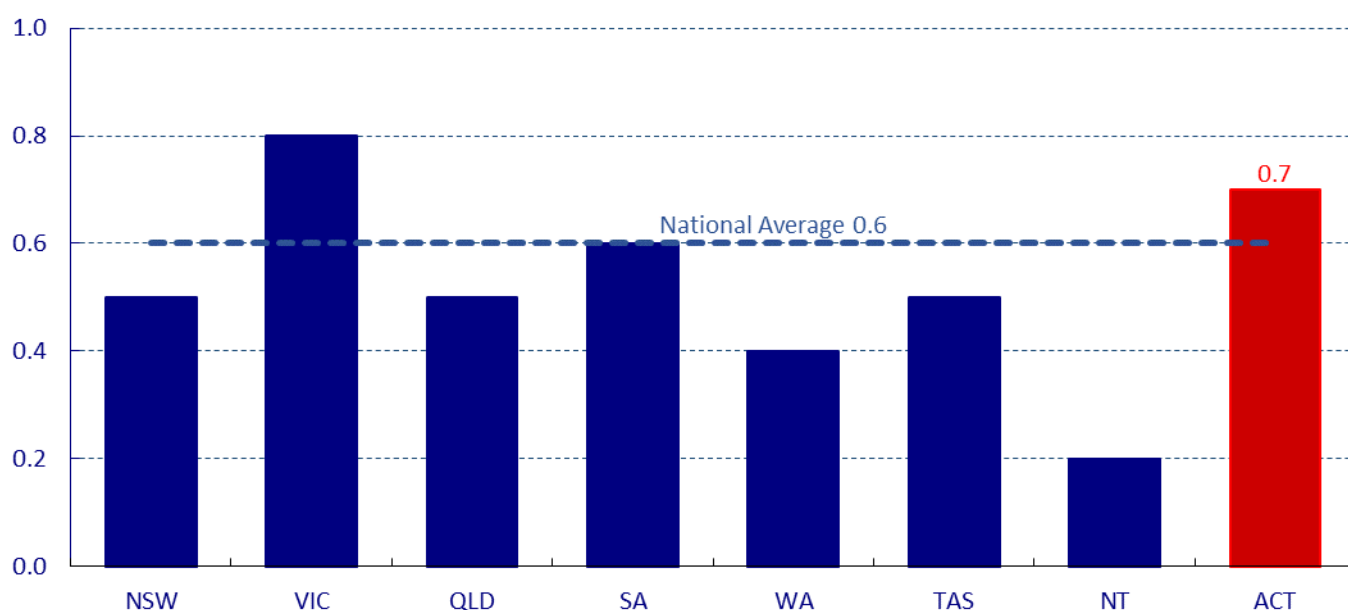


Source: ABS Cat. No. 8731.0

Residential building approvals per 1,000 Persons

In December 2019, the ACT recorded 0.7 approvals per 1,000 persons, higher than the national average of 0.6 approvals per 1,000 persons. This is the second highest result (behind Victoria) of all jurisdictions.

Residential Building Approvals per 1,000 Persons, December 2019



Sources: ACT Treasury calculation based on ABS Cat. No. 8731.0 and 3101.0.

Note: The number of residential building approvals per 1,000 persons is calculated by dividing the estimate of residential building approvals (ABS Cat No. 8731.0) by the latest estimated resident population (ABS Cat No. 3101.0).