

KEY POINTS

Building activity declines further in the March quarter

Total building activity

- The seasonally adjusted value of total building work done (in chain volume measure) fell by 4.1% in the March quarter 2011 (following a decline of 3.7% in the previous quarter) to be 5.0% below the level in the March quarter 2010.
- The value of private building work done remained largely unchanged, rising by just 0.2% in the December quarter (after a fall of 1.7% in the December quarter) to be 6.8% down on a year ago.
- The contraction in the value of public building work done accelerated, declining by 17.9% in the March quarter (after a fall of 9.7% in the December quarter) reflecting the winding back of the Federal Government's fiscal stimulus package.
- The seasonally adjusted estimate of the value of total building work done rose in the Northern Territory (0.4%) and the Australian Capital Territory (9.7%). All other states and territories fell with South Australia (-11.5%) and Queensland (-10.1%) experiencing the largest falls.

New residential building activity

- The seasonally adjusted value of new residential building work done rose slightly by 0.7% to \$10,083.1m. Work done on new houses fell by 1.2% to \$6,461.6m, while new other residential building (primarily apartments) rose by 4.2% to \$3,621.6m.

Non-residential building activity

- The seasonally adjusted value of non-residential building work done in the March quarter fell by 10.1% (following an 8.3% fall in the December quarter) to be 15.7% below the level of a year ago. Original series data indicates that the overall decline was driven by falls in the public building sectors - education (-34.4%) and health facilities (-17.5%) with private sector weakness dominated by falls in retail premises (-22.4%) and hotels & accommodation (-15.4%).

Chart: Trends in building activity

