Building permits up on 2012

The Victorian Building Authority’s (VBA) industry data from January 2013 to 31 July 2013 showed the value of the state’s building permit activity was $13.4 billion, a 3.3 percent increase on the same period in 2012.

VBA Chief Executive Officer Greg Hyams said this was a positive result for the Victorian building industry, which contributed significantly to the state and national economies.

Mr Hyams said the results were sound for the state, but cautioned that July 2013 levy collection of $2.34 billion had significantly driven the outcome.

“On a monthly basis, building permit activity in July 2013 was $2.34 billion, a 30.3 percent increase on July 2012 and 2.2 percent higher than the previous record of $2.29 billion in July 2010. It was the highest level of building permit activity recorded in any month,” Mr Hyams said.

“There were three significant levies collected in July that helped make this the highest one, but given there were also increases across several categories, these are positive results and bode well for the industry’s future.

“In five of the seven building categories – residential (including high rise) commercial, hospital and healthcare, retail and industrial – the value of permits was higher for the period.”

In terms of the value of building permits for the seven months (January to end of July 2013) compared to the same period in 2012:

- Retail rose 31 percent
- Hospital/Healthcare increased 26.8 percent
- Residential (including high rise) was up 22.6 per cent
- Industrial rose 12.4 per cent
- Commercial increased 4 per cent
- Domestic declined 2 per cent
- Public buildings was down 25.7 per cent.

The value of building permits in July 2013 compared with July 2012 showed:

- Retail jumped 181.3 percent
- Residential (including high rise) rose 115.8 percent
- Commercial was up 40 percent
- Industrial increased 35.9 percent
- Domestic (housing) was 7.4 percent higher
- Hospital/Healthcare declined 17.1 percent
- Public Buildings was down 19.3 percent.

Mr Hyams said building permit data varied from month-to-month depending on the value of individual permits.
“The VBA wanted the industry to continue to be a strong contributor, while it also ensured high standards of building compliance were maintained and protected,” Mr Hyams said.

Background
The VBA collects Victorian building information monthly from building surveyors who provide details of building permits they issue. This media release is based on a summary of that information.