Victorian building permits top $28 billion in the 2014-15 financial year

A record $28 billion of building permits were reported to the Victorian Building Authority (VBA) as issued in the 2014-15 financial year.

Driven by major increases in the value of building permits for Domestic (which includes houses) and Residential (including apartments), the total value was 11 per cent higher than the record $25.3 billion reported in the previous financial year. The number of building permits, 105,431, is below the record 113,670 permits in 2009-10, but it is 4 per cent above the 101,349 in the 12 months to the end of June 2014.

The Chief Executive Officer of the VBA, Prue Digby, said that among highlights of the latest building permit data was that there were increases in the value of permits in all regions of the state in 2014-15 compared with 2013-14.

“In the five Rural regions, all but one, the North East, recorded double digital growth year-on-year. Overall Rural growth in building permit value was 21.5 per cent, outstripping the combined growth in the two Metropolitan regions of 8.3 per cent,” Ms Digby said.

“There also were increases in both value and number of permits reported for Domestic and Residential. Domestic building permits (which includes houses) reported rose in value by 13.6 per cent to $14.4 billion and the number of permits rose 4.1 per cent. With Residential (which includes apartments), the value of permits reported leapt 39 per cent to $4.8 billion and the number of permits jumped 7 per cent to 2,625.”

Two of the top five building permits by cost of work for the financial year were from regional Victoria, two were from Inner Melbourne and the other, the largest reported, was from Outer Melbourne:

1. Quarantine facility in Mickleham, valued at $210 million
2. Epworth Geelong Hospital in Waurn Ponds, valued at $148.9 million
3. Apartments, and retail development in Docklands, valued at $112.1 million
4. New Bendigo hospital, valued at $103.4 million
5. Residential development in Melbourne, valued at $100 million.

Value of building permits by building use category:

- Domestic (houses) jumped 13.6 per cent to $14.4 billion
- Residential (including apartments) surged 39.0 per cent to $4.8 billion
- Commercial fell 12.3 per cent to $3.0 billion
- Retail decreased 9.7 per cent to $1.9 billion
- Industrial leapt 62.8 per cent to $825 million
- Hospital/Healthcare rose 8.8 per cent to $1.4 billion
- Public Buildings declined 7.1 per cent to $1.7 billion

Value of building permits by region:

- Inner Melbourne rose 7.8 per cent to $12.8 billion
- Outer Melbourne increased 9.1 per cent to $9.1 billion
- Gippsland jumped 13.7 per cent to $858 million
- North Central climbed 26.1 per cent to $1.4 billion
- North East rose 4.5 per cent to $703 million
- North West leapt 35.1 per cent to $1.1 billion
- South West rose 22.0 per cent to $1.9 billion

The VBA collects Victorian building permit information monthly from building surveyors who provide details of building permits they issue.

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