

# Building activity falls, still at 10-year low

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Building activity fell 2.3 percent in the September 2011 quarter (after adjusting for price and seasonal effects), Statistics New Zealand said today. The latest quarter's fall again brings building activity to the lowest level in 10 years. A drop in non-residential building activity led to the latest quarterly fall, while residential building activity was unchanged.

Non-residential building activity has fallen over the latest three quarters, and in the September 2011 quarter was at a similar low level as in the December 2009 quarter.

Residential building activity was at its lowest level in 18 years. This coincided with consents issued for new homes also hitting a near-record low earlier in 2011. Building consents issued indicate the intention to build, and building activity estimates the work that was put in place.

This survey of building activity is designed for accuracy at the national level, not regionally. However, to assess the effect of the 2010 and 2011 Canterbury earthquakes, we investigated building activity in the region and compared it with the rest of the country in the September 2011 quarter.

"Overall building activity in Canterbury appeared to have a similar drop as in the rest of New Zealand," industry and labour statistics manager Louise Holmes-Oliver said. "However, residential building work in the region seemed to have fallen, while the rest of the country had a small increase. Non-residential building work in Canterbury appeared to have risen, while it fell in the rest of the country."

In the September 2011 year compared with the September 2010 year, the national unadjusted value of:

- all building work was \$10,201 million, **down** 6.5 percent
- residential building work was \$5,492 million, **down** 13 percent
- non-residential building work was \$4,709 million, **up** 2.2 percent.

Data on building activity is obtained each quarter, primarily by a postal survey of around 3,500 builders, owners, and other building consent applicants.

Geoff Bascand  
Government Statistician

5 December 2011

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