

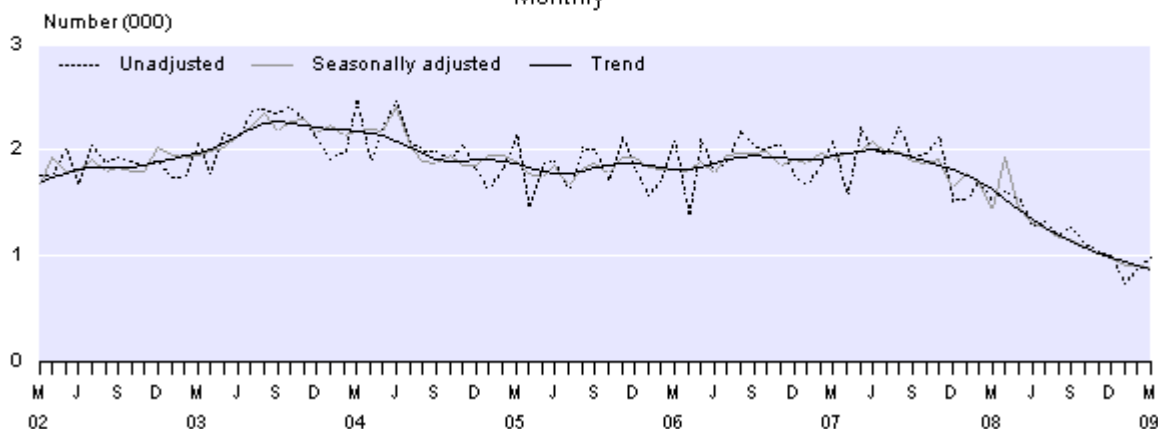
Embargoed until 10:45am – 30 April 2009

Building Consents Issued: March 2009

Highlights

- The trend indicates that the number of authorised new dwellings, excluding apartments, has continued to fall since June 2007.
- The seasonally adjusted number of authorised new dwellings, excluding apartments, fell 1.3 percent.
- 1,091 new dwellings were authorised, including 104 apartments.
- The value of non-residential building consents fell 6.4 percent.

New Dwellings Authorised
Excluding apartment units
Monthly



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30 April 2009
ISSN 1178-0231

See also [Building Consents Issued: March 2009 – Media release](#).

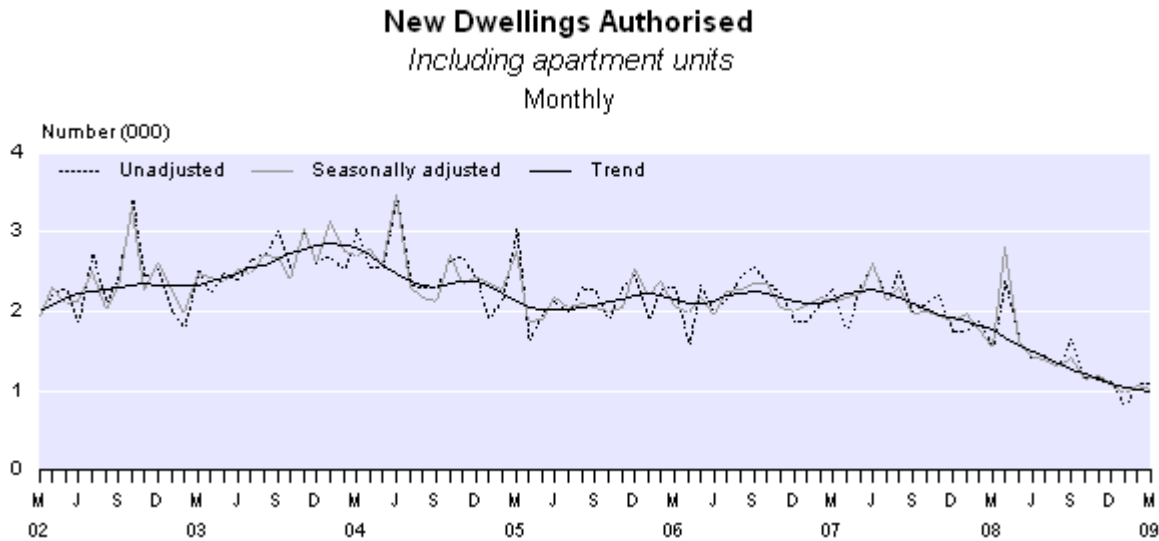
Commentary

Residential buildings

In March 2009, consents were issued for:

- 1,091 new dwellings, including apartments
- 987 new dwellings, excluding apartments
- 104 new apartments.

Excluding apartments, the seasonally adjusted number of new dwellings authorised fell 1.3 percent in March 2009, after rising 0.2 percent in February 2009. Including apartments, the seasonally adjusted number of new dwellings authorised fell 4.6 percent in March 2009, after rising 12 percent in February.



For the year ended March 2009, consents were issued for 16,234 new dwelling units, including apartment units, a 34 percent decrease from the year ended March 2008. Consents for new dwelling units (excluding apartments) fell by 37 percent while consents for new apartments fell by only 1 percent.

The trends for the number of authorised new dwellings, both including and excluding apartments, have fallen 56 percent since their recent peaks, both in June 2007.

The value of residential building consents was \$408 million in March 2009, a 25 percent decrease compared with March 2008. The trend indicates that the value has fallen 46 percent since its peak in June 2007.

For the year ended March 2009, residential building consents valued at \$5,633 million were issued, a 26 percent decrease from the March 2008 year.

Regional residential results

In 14 of New Zealand's 16 regions, fewer new dwelling units were authorised in March 2009 than in March 2008. Numbers fell by 361 units (34 percent) in the North Island, and by 115 units (23 percent) in the South Island.

The highest regional numbers of new dwellings authorised for March 2009 were:

- Auckland, with 315 units, down 23 units
- Canterbury, with 209 units, down 36 units
- Waikato, with 112 units, down 94 units
- Otago, with 82 units, down 40 units.

In 15 of New Zealand's 16 regions, fewer new dwelling units were authorised in the year ended March 2009 than in the year ended March 2008. Tasman was the only region to show an increase with 272 units, up 8 units.

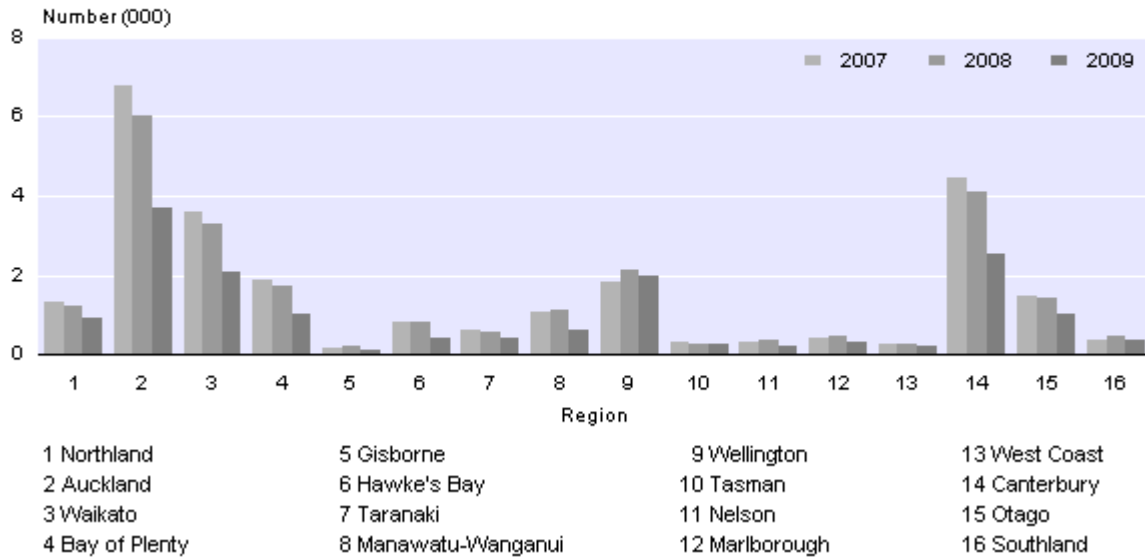
The regions with the largest decreases for the March 2009 year compared with the previous year were:

- Auckland, with 3,699 units, down 2,303 units
- Canterbury, with 2,554 units, down 1,558 units
- Waikato, with 2,079 units, down 1,235 units.

New Dwellings Authorised

By region

Year ended March



Non-residential buildings

The value of non-residential building consents was \$332 million in March 2009, a decrease of 6.4 percent compared with March 2008. Seven of the 11 building types recorded decreases.

The largest changes for March 2009 compared with March 2008 were:

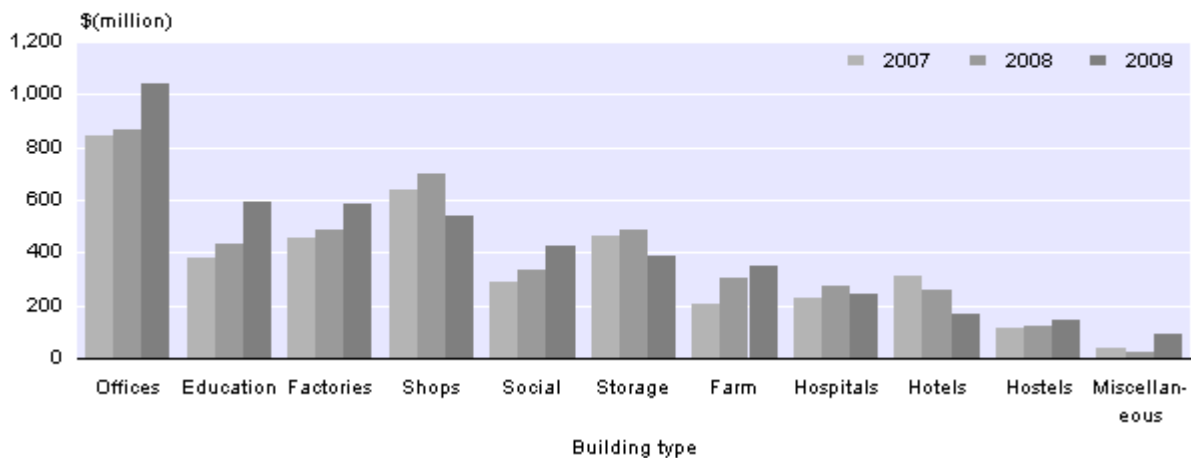
- hostels and boarding houses, up \$31 million
- factories and industrial buildings, down \$17 million
- storage buildings, down \$15 million
- education buildings, down \$13 million.

For the year ended March 2009, non-residential building consents valued at \$4,564 million were issued, a 6.3 percent increase from the March 2008 year. Seven of the 11 building types recorded increases.

The largest changes for the March 2009 year compared with the March 2008 year were:

- offices and administration buildings, up \$172 million
- education buildings, up \$156 million
- shops, restaurants and taverns, down \$156 million.

Value of Non-residential Buildings Authorised
By building type (including alterations and additions)
Year ended March

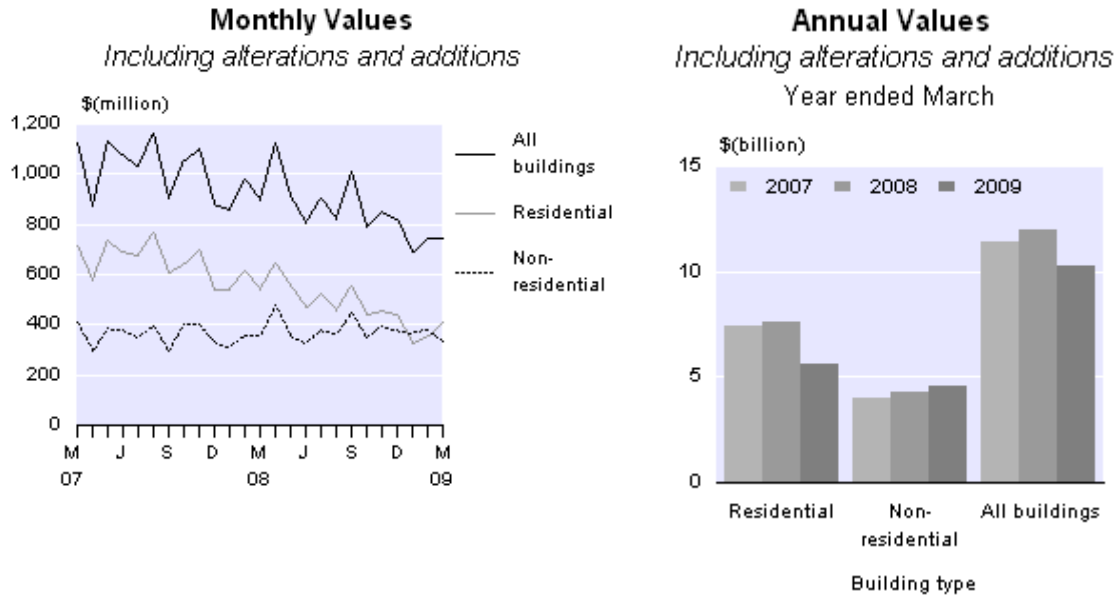


The three largest contributors to the value of non-residential building consents authorised in the year ended March 2009 were:

- offices and administration buildings, at 23 percent
- education buildings, at 13 percent
- factories and industrial buildings, at 13 percent.

All buildings

In March 2009, the value of consents issued for all buildings was \$740 million, a decrease of 17 percent compared with March 2008.



For the year ended March 2009 compared with the March 2008 year, the total value of consents issued for:

- all buildings was \$10,197 million, down \$1,727 million (14 percent)
- residential buildings was \$5,633 million, down \$1,999 million (26 percent)
- non-residential buildings was \$4,564 million, up \$272 million (6.3 percent).

Revision

Building consent statistics for storage buildings have been revised, changing the value for December 2008, and the floor area for December 2008 and January 2009.

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Next release ...

Building Consents Issued: April 2009 will be released on 29 May 2009.

Technical notes

Data source

Data for building consents is obtained each month from all territorial authorities. Values include GST and are not inflation adjusted.

Coverage

From September 1989, consents below \$5,000 are excluded. Under the building regulations effective from 1 January 1993, building authorisations are applied for under the building consents system administered by territorial authorities. Before this date, applications were made under the building permits system. The building consents system has wider coverage than the building permits system. The additional coverage includes some government building (particularly work on education buildings), and on-site drainage and reticulation work.

Classification of building types

A building is classified according to its main intended function. Some consents are for a building that may have more than one purpose (such as a shop/office building). Before June 1996, these consents were classified to a separate multi-purpose category. From the June 1996 month, the floor area and value of a consent for a multi-purpose building is split between each of the building's main functions. When sufficient detail cannot be obtained, the building is classified according to the predominant function of the building.

Figures for new apartments are compiled from consents that have 10 or more new attached dwelling units (flats or apartments). If there are fewer than 10 flats or apartments on a consent, they are treated as being dwellings other than apartments. Apartment numbers often show large fluctuations from month to month and, unless removed from dwelling figures, can mask underlying movements.

Staged consents

Some consents, particularly for large projects, are issued in stages across several months. Value data is collected at each stage but floor areas and dwelling or building counts are normally recorded at the first large stage of the project. This difference in timing can affect calculations of average prices.

Seasonally adjusted series

Seasonal adjustment removes the estimated impact of regular seasonal events, such as summer holidays and pre-Christmas purchasing, from statistical series. This makes figures for adjacent periods more comparable. To reduce distortions, the series for non-residential buildings is estimated after removal of large consent values of \$25 million or more.

The seasonally adjusted series are re-estimated monthly when each new month's data becomes available. Figures are therefore subject to revision, with the largest changes normally occurring in the latest months.

The X-12-ARIMA seasonal adjustment program, developed at the U.S. Census Bureau, is used to produce the seasonally adjusted and trend estimates.

Trend estimates

Trend estimation removes the estimated impact of regular seasonal events and irregular short-term variation from statistical series. This reveals turning points and the underlying direction of movement over time.

The trend series are re-estimated monthly when each new month's data becomes available. Figures are therefore subject to revision, with the largest changes normally occurring in the latest months. Revisions can be large if values are initially treated as outliers but are later found to be part of the underlying trend.

The X-12-ARIMA seasonal adjustment program is used to produce the seasonally adjusted and trend estimates. Irregular short-term variation is removed by smoothing the seasonally adjusted series using optimal weighted moving averages.

Further information on [seasonal adjustment](#) is on the Statistics New Zealand website.

Trading day adjustments

An aim of time series analysis is to identify movements that are due to actual changes. Seasonal adjustment is done to remove systematic calendar-related variation. Specific adjustments can be made to remove variations due to trading day differences and moving holidays, such as Easter, which are not accounted for in a standard seasonal adjustment.

Some of the apparent movement in building consent figures is due to trading day differences between months. For example, a month with four weekends will have more trading or working days than a comparable month with five weekends. This can affect monthly figures, even though there might be no difference in the length of the month or difference in the rate at which consents are issued. Trading day effects, when estimated to be statistically significant, are quantified and removed. This is trading day adjustment.

Since 1998, trading day adjustments have been made to the building consents series during the seasonal adjustment process. Since May 2004, an improved method has been used. At present, there is no adjustment to remove the effect of moving holidays such as Easter.

Trend estimates versus month-on-month comparisons

Trend estimates reveal the underlying direction of movement in statistical series. In contrast, comparisons of unadjusted data between one month and the same month in the previous year/s do not take account of data recorded for the intervening months, and are subject to one-off fluctuations. Reasons for fluctuations include changes in legislation, economic variables such as interest rates, and trading day composition of months.

For more information, see the [link](#) from the technical notes of this release on the Statistics NZ website.

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Timing

Timed statistical releases are delivered using postal and electronic services provided by third parties. Delivery of these releases may be delayed by circumstances outside the control of Statistics NZ. Statistics NZ accepts no responsibility for any such delays.

Tables

The following tables are printed with this Hot Off The Press and can also be downloaded from the Statistics New Zealand website in Excel format. If you do not have access to Excel, you may use the [Excel file viewer](#) to view, print and export the contents of the file.

1. Building consents issued – March
2. Number of new dwelling units authorised
3. Number and value of new dwelling units authorised, by region
4. Number of new dwelling units authorised, by selected territorial authorities
5. Value of building consents issued, unadjusted and trend values