

Australia's new home sales fall 3.7 pct in Sept.

SYDNEY, Oct. 30 (Xinhua) -- New home sales in Australia fell for the third consecutive month in September due to the loss of consumer confidence in housing sector, a new report released on Tuesday by the Housing Industry Association (HIA) showed.

The HIA new home sales report showed a decline of 3.7 percent in September, following a fall of 5.3 percent in August.

The report said sales in the detached housing segment recorded a fall of 3.5 percent in the month while multi-unit sales dropped 4.2 percent.

HIA Chief Economist Harley Dale said the persistent weakness in new home sales in 2012 reflected a dire lack of consumer confidence in the housing sector.

"Interest rates have come down since November 2011 and there is a recognition that the home-buying environment has improved in 2012.

However, households remain reticent to actually make a decision to buy," he said.

"This situation is especially evident in the new home building sector where excessive taxation instills a bias against new housing relative to existing property."

However, Dale said interest rate cuts should help foster a recovery in new home sales in the December quarter, along with new home incentives for first time buyers in three states and a promising recovery gathering legs in Western Australia.