

Dwelling Approvals March 2026

Dwelling approvals dropped by a seasonally adjusted 10.5% in March, broadly in line with market expectations (-10.0%).

This followed an upwardly revised surge of 31.0% in February (originally: +29.7%).

Seasonally Adjusted (%)	MoM	YoY
Total Dwelling Approvals	-10.5	9.0
Private Dwellings	-11.8	8.4
- Houses	0.9	12.0
- Dwellings Ex Houses	-26.0	3.4

The seasonally adjusted fall was driven by a 26.0% drop in dwellings other than houses, while private sector houses saw a marginal 0.9% gain.

Looking through the month-to-month swings, trend dwelling approvals rose by 0.5% in March, with a 1.1% increase in consents for private sector house construction partly offset by a 0.6% decline in approvals of other dwellings.

Through the year, dwelling approvals continued to see a broad-based increase, whether in seasonally adjusted or trend terms.

States

Dwelling approvals declined in most states in March, with Victoria seeing the largest drop of 16.9%. New South Wales and Tasmania were the only states that recorded gains, of 3.2% and 2.6%, respectively.

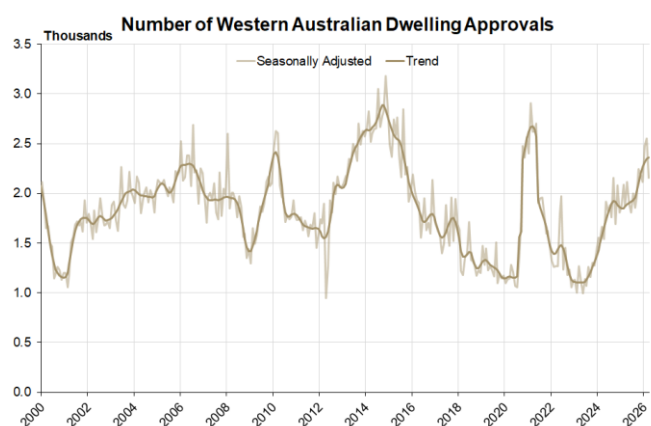
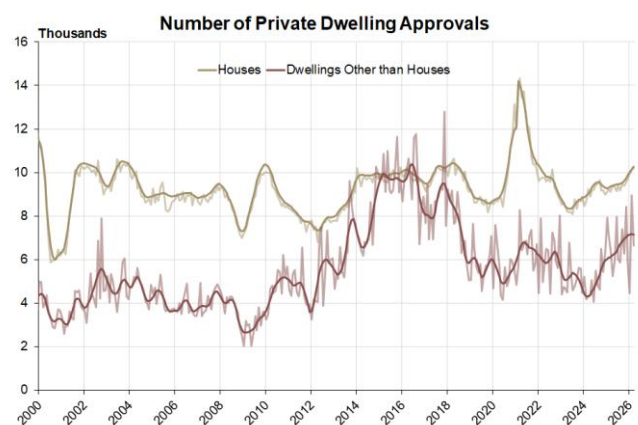
New South Wales and Tasmania were also the only states to register slightly negative trend growth rates in March (-0.5% and -1.9%, respectively). The strongest trend growth in dwelling approvals, of 1.5%, was recorded in Victoria.

In Western Australia, dwelling approvals retreated by 15.5% in March, having risen in the first two months of 2026. Despite the decline, approvals in the State remained 15.0% up through the year. Trend approvals rose by 0.4% in Western Australia in March.

Seasonally Adjusted (%)	MoM	YoY
Western Australia	-15.5	15.0
New South Wales	3.2	4.0
Victoria	-16.9	18.6
Queensland	-6.4	18.1
South Australia	-2.1	5.6
Tasmania	2.6	18.7

Private sector house approvals also declined in most mainland states, except for Queensland (+7.2%) and New South Wales (+9.5%). Trend growth in private sector approvals remained positive in most of mainland states (there is no data for Tasmania).

Western Australian private sector house approvals fell by 8.6% in March, but were still 14.2% up YoY. Trend private sector approvals ebbed by 0.2%, but remained a whopping 26.0% stronger over the year to March.



Comment

House approvals have been highly volatile over the past few years, reflecting the swings in the approvals for dwellings other than houses. Meanwhile, monthly trend growth in private sector house approvals is a solid 1.1%.

Over the year to March, there were nearly 200k dwellings approved, which is somewhat short of the 240k annual growth implied by the National Housing Accord. This compares with a 423k rise in population in the year to September 2025 (the latest available data).

The insufficient housing supply compared with population growth continues to be reflected in upward pressure on home prices. While the restart of monetary policy tightening by the RBA saw home prices retreat in Sydney and Melbourne in the first months of the year, the less populous mainland capital cities continued to see quite solid gains.

Further interest rate hikes from the RBA, which are expected by markets, along with a decline in real disposable income amid higher inflation, will drag on housing market sentiment in the months ahead. However, they are unlikely to change the underlying fundamentals of the supply-demand imbalance.

04 May 2026