

Dwelling Approvals April 2026

Dwelling approvals fell a seasonally adjusted 3.4% in April, steeper than the market expectation for a 1.6% fall, following a 10.5% decline in March.

Despite the back-to-back declines, approvals were 10.2% higher than in April 2025.

Seasonally Adjusted (%)	MoM	YoY
Total Dwelling Approvals	-3.4	10.2
Private Dwellings	-2.0	11.9
- Houses	-1.0	7.0
- Dwellings Ex Houses	-3.6	20.5

Both private houses and multi-dwellings fell to three-month lows.

Despite the declines, annual growth in private dwelling approvals remains solid.

Looking through the volatility, monthly trend growth in private dwelling permits has eased from over 1% in late 2025 to just 0.1%. Trend growth for private sector houses was 0.7%, while multi-dwellings were down 0.9%.

States

Dwelling approvals declined in New South Wales, Victoria and Western Australia in April.

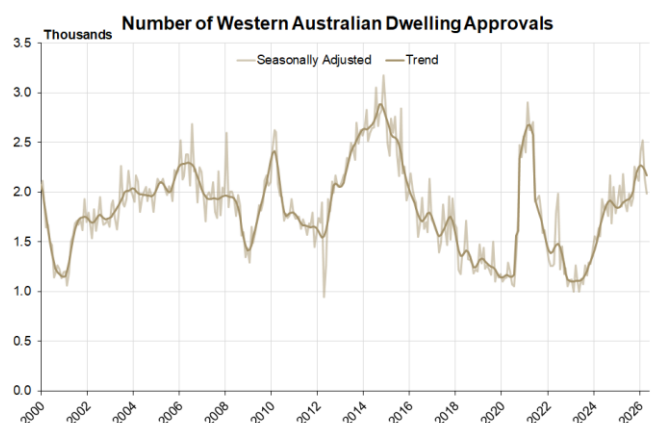
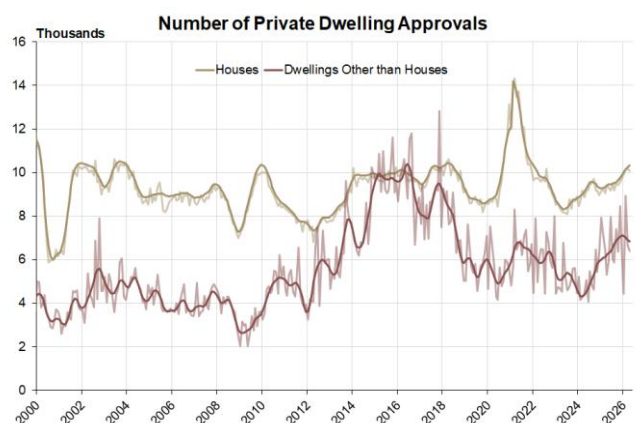
The decline in Western Australian approvals over the past two months has come after building permits in the state hit a near four-year high in February. The 9.0% YoY fall is partly due to base effects, after Western Australian approvals jumped 17.7% in April 2025.

The rise in South Australia followed a 3.5% fall in March, while Queensland dwelling approvals stabilised after a period of volatility.

Seasonally Adjusted (%)	MoM	YoY
Western Australia	-7.4	-9.0
New South Wales	-9.5	0.7
Victoria	-3.9	23.1
Queensland	0.3	19.4
South Australia	4.3	-2.4
Tasmania	42.2	69.5

Seasonally adjusted private sector house approvals fell sharply in New South Wales (-13.8%), with a smaller decline in Western Australia (-1.2%). Private house approvals were up in the other mainland states, led by an 11.4% increase in South Australia.

The trend in private house approvals remains positive in all mainland states except Western Australia (-1.5%). However, this trend decline comes after a strong period, with the level of approvals in Western Australia remaining close to the highest levels since 2015, excluding the COVID-19 boom.



Comment

The upward trend in private dwelling approvals appears to have turned, with growth losing momentum this year following a strong 2025.

In other news, the national Cotality home value index was unchanged in May, as a 0.6% increase in regional home prices offset a 0.1% fall in the index for the combined capital cities, to be up 8.8% YoY. Perth prices continue to outstrip the other capital cities, rising 1.5% (25.8% YoY), while prices continued to decline in Sydney (-0.9%) and Melbourne (-0.8%).

The changes to the capital gains tax discount and negative gearing rules would theoretically put some downward pressure on house prices. However, the supply and demand dynamics suggest substantial declines are unlikely. New builds will be carved out of the proposed new rules to incentivise supply.

Cotality estimates that the national rental vacancy rate was 1.5% in May, in line with the record lows of 2022 and 2023. Separate data indicates the vacancy rate in Perth was 0.6% in April.

The Australian housing market is facing increasing headwinds, following 75 basis points of cash rate increases from the RBA and ongoing uncertainty driven by the Iran war and its impact on oil prices.

02 June 2026