Dwelling Approvals September 2026

Dwelling approvals rose a seasonally adjusted 5.1% in September, over twice more than the 2.0% gain pencilled in by the market consensus.

Despite the increase in September, dwelling approvals remained 0.8% down through the year.

Monthly trend growth accelerated to a five-month high of 1.3% in September, with trend approvals up by 10.6% through the year, roughly the same as a month ago.

Seasonally Adjusted (%)	MoM	YoY
Total Dwelling Approvals	5.1	-0.8
Private Dwellings	2.1	-4.4
- Houses	-5.3	9.6
- Dwellings Ex Houses	16.6	-20.5

The rise in building consents in September was caused by a 16.6% surge in dwellings other than houses driven by apartment approvals. Despite this increase, approvals for dwellings other than houses were still 20.5% down through the year.

Meanwhile, private sector house approvals fell by 5.3%, the most in around a year, but were still 9.6% up YoY.

In trend terms, private sector house approvals ticked up by just 0.1% in September (13.4% YoY), while dwellings other than houses saw a 3.5% gain (8.5% YoY).

States

Dwelling approvals were mixed across states in September.

There were very strong increases in New South Wales (37.3%) and Queensland (28.0%) driven by dwellings other than houses. Other states, including Western Australia (-8.7%), saw declines.

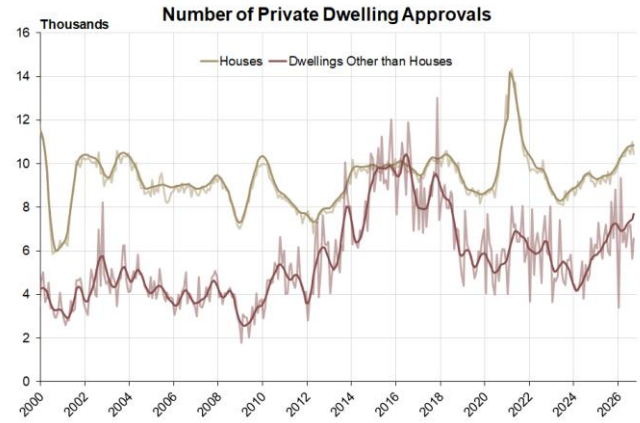
Trend approvals continued to climb across all mainland states, with the notable exception of Queensland.

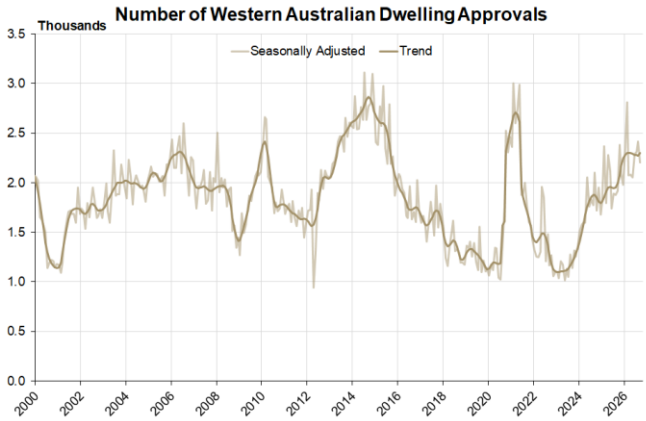
Seasonally Adjusted (%)	MoM	YoY
Western Australia	-8.7	15.0
New South Wales	37.3	-3.9
Victoria	-28.9	-33.5
Queensland	28.0	23.9
South Australia	-3.2	46.2
Tasmania	-25.7	-20.2

Private sector house approvals fell in all mainland states, with the pace of decline varying between 5.1% in Queensland and 7.8% in South Australia. Western Australian private sector house approvals fell by 4.6%.

Trend private sector house approvals declined in New South Wales (-1.8%) and Victoria. Other mainland states saw gains, with the strongest growth of recorded for 1.9% recorded for Western Australia.

The trend estimate of non-residential approvals fell by 1.1% nationwide, with all states except Victoria recording declines (-5.9% in Western Australia). However, non-residential approvals remained very close to their record highs from earlier in the year thanks to the ongoing data centre building boom.





Comment

Dwelling approvals can be choppy month-to-month amid the volatile high-rise building activity. Looking through monthly volatilities, approvals are trending higher.

However, the ongoing shortages of labour and materials, coupled with higher costs of funding, mean that the approved houses take a long time to complete. The most recent report on building activity for Q2 2026, continued to point to depressed number of completions compared to the pre-COVID levels.

The depressed number of completions is accompanied by declining investor demand for housing caused by the recent changes to negative gearing and capital gains tax, as well as the ongoing RBA monetary policy tightening.

In other housing market news, the Cotality home value index fell another 1.2% in October, which took the annual rate of decline to 2.8%.

Capital cities saw a 1.4% decline in October (-4.8% YoY), while home prices in the regions fell by 0.7% but remained 3.4% up through the year.

Declines in home prices were recorded in all mainland state capital cities, while Hobart managed to record a gain of 0.5%. The declines varied between 0.8% in Melbourne and 2.0% in Brisbane.

Perth saw a 1.7% fall, with home prices remaining 3.9% up over the year to October, the most of all capital cities.

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