

Home building approvals hit 15-month high

31 October 2024

Building approvals rose by 4.4 per cent in September and 6.3 per cent over the quarter, indicating a recovery in the home building market, according to new ABS figures.

However, Master Builders Australia's Chief Economist Shane Garrett said there's still a long way to go to meet the Housing Accord's goal of 1.2 million new homes.

"September saw a 2.4 per cent increase in detached house building approvals while those for higher density homes rose by 8.4 per cent.

"Total dwelling approvals are now 6.8 per cent higher than a year ago.

"Over the same period, detached house approvals have expanded by 16.3 per cent.

"For new home building approvals, September was the best month we've seen since May last year.

"Detached house building approvals enjoyed their strongest month since August 2022.

"Home building approvals seem to be finding some momentum – but the challenge of ending the housing crisis is still formidable.

"The past year has seen less than 168,000 new homes approved for building, well below the 240,000 homes needed per year.

"More action is still needed to bring down the high costs and timelines associated with building to encourage even more people into the new home building market.

"Addressing labour shortages, speeding up planning approvals, ending housing legislative stalemates in the Senate are some examples of how to improve the investment environment in new home building," Mr Garrett concluded.

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