

Strong start for first month of National Housing Accord

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The first month of the National Housing Accord saw new home building approvals hit a 14-month high, according to the Australian Bureau of Statistics.

Master Builders Australia welcomed the news today, particularly the strong uplift in higher density home approvals but warned more work is needed to reach the 1.2 million target.

Chief Economist Shane Garrett said new home building approvals rose by 10.4 per cent compared with June.

“This was driven by a leap in approvals for higher density homes by 33.7 per cent.

“While the monthly figure can often be volatile, detached home building approvals also inched up by a conservative 0.3 per cent during July.

“These increases mean that detached home building approvals are running at their strongest level since October 2022.

“The volume of higher density home building approvals hasn’t been this high since November 2023,” Mr Garrett said.

Master Builders Australia CEO Denita Wawn added: “July marked the very first month of the new National Housing Accord, which seeks to deliver 1.2 million new homes by June 2029.

“Today’s figures show that we have started the Accord on the front foot. However, it will still be a huge challenge for us to deliver the Accord’s target.

“Over the past five years, just 940,000 new homes were approved across Australia.

“More ominous is the fact that 166,140 new home building approvals were received over the year to July.

“If we remain at this pace, we’re looking at creating about 831,000 new homes over the next five years.

“We cannot take the foot off the peddle when it comes to boosting housing supply and improving the investment environment for new projects.

“Workforce shortages, woeful industry productivity, a lack of critical infrastructure, high taxes and charges, slow approval process, and costly union Enterprise Bargaining Agreements all inhibit the building and construction industry’s capacity to get on with the job,” Ms Wawn concluded.

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