

2 June 2026

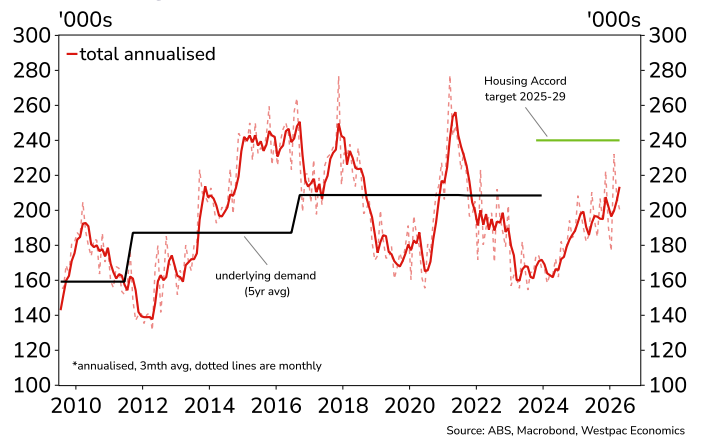
AUSTRALIAN DWELLING APPROVALS BULLETIN

Turning point emerging?

Key points

- Total dwelling approvals fell 3.4%*mth* in April, with the annual pace lifting to 10.2%*yr*. Approvals look to have normalised back towards the 2025 average monthly run rate following February's surge.
- Declines were broad-based, with detached approvals down 1.0%*mth*, the first fall in six months. Unit approvals continued to unwind, falling 3.6%*mth*, led by high-rises.
- NSW and WA drove the monthly decline, while Vic and Qld were broadly flat and SA rose.
- The value of residential building approvals fell slightly in the month, but a sharp rebound in non-residential lifted the total value of building approvals by 10.2%*mth*.
- Further softening looks likely driven by a higher rates environment and home-building cost pressures.

Dwelling approvals



**Total dwelling approvals
-3.4%*mth*,
10.2%*yr***

Approvals normalise to 2025 average



Neha Sharma
Economist

Total dwelling approvals fell 3.4%*mt* in April, although the annual pace lifted to 10.2%. The result came in below both Westpac's and the market's expectations. Following the surge in February, approvals have now broadly returned to the average monthly run rate seen through 2025.

Note that most figures in the charts and table are presented on a rolling-three month basis to smooth out monthly volatility.

Declines were broad-based in April. Private detached dwellings fell 1% over the month, marking the first decline since October 2025. In contrast to recent months, there were no meaningful upward revisions to the back series, with March instead revised down to a 0.5% gain, lowering the annual pace to 7.0%. While the underlying uptrend remains intact for now, as flagged in our preview, today's result may be an early sign that this year's rate rises are beginning to impact.

Private units continued to unwind from February's surge, declining 3.6%*mt* in April following a 26%*mt* fall in March. While the annual pace remains elevated at 20.5%, approvals in April were running slightly below the 2025 monthly average. Westpac's seasonally adjusted estimates suggest the decline was led by high-rise with the low-mid-rise segment posting a slight increase. Overall, private units have accounted for just over 40% of total private approvals over the past year and remain around the post-pandemic peak reached in late 2025.

State-level trends show the decline in private approvals was led by NSW (-8.6%*mt*), driven by a 13.8%*mt* fall in detached houses with a more modest pull-back in units. WA also recorded a decline (-7.8%*mt*), reflecting a sharp 32%*mt* drop in units. By contrast, outcomes were closer to flat in Victoria and Queensland, while SA edged higher, up 5.8%*mt*. Despite the monthly weakness, approvals have increased on both a rolling three-month and annual basis in all states except WA.

In value terms, residential building fell 0.3%*mt* (+18.4%*yr*), reflecting a 2.5%*mt* decline in renovations alongside a flat outcome for new residential. The value of non-residential building rebounded sharply, rising nearly 30%*mt*, but after March's big decline it is still 14.7%*yr* lower. Overall, the total value of building increased 10.2%*mt* and is 1.9%*yr* higher.

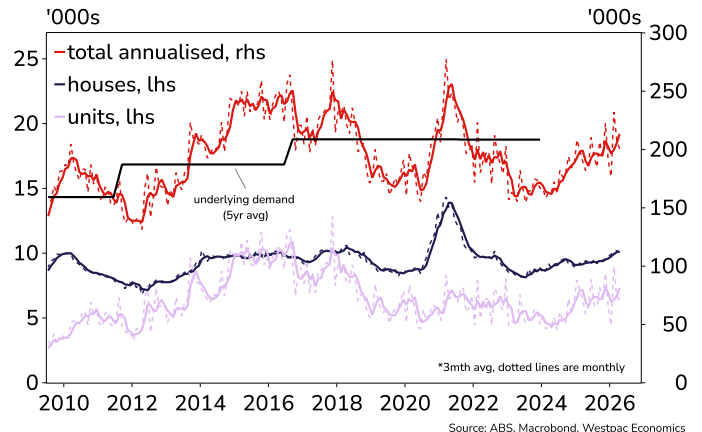
Approvals are likely beginning to reflect the effects of higher interest rates. The outlook is complicated by a mix of factors. In the near-term, downside risks persist, including the potential for further rate rises and still-elevated construction costs. At the same time, recent budget announcements could support demand for new dwellings, although the timing and magnitude of any uplift remain uncertain (see [here](#)).

Building approvals – April 2026

3mth avg	3mth %chg*			%yr	
	latest	Mar	Apr	Mar	Apr
Private houses	10,137	5.1	4.0	10.2	9.7
Private units	7,325	-3.2	17.1	-6.7	16.6
Public dwellings	325	5.5	-12.2	24.0	-6.4
Total dwellings	17,787	1.7	8.6	3.2	12.1
Total dwellings, mthly*	16,710	-0.5	-3.4	9.3	10.2
– units in 'high rise'^	4,421	1.0	38.2	-12.1	30.5
– units in 'low rise'^	3,206	-6.1	3.4	3.1	6.0
Renovations, \$bn	1.338	5.7	4.1	14.6	14.0
Non-res., \$bn	7.292	2.8	-4.1	36.0	7.2

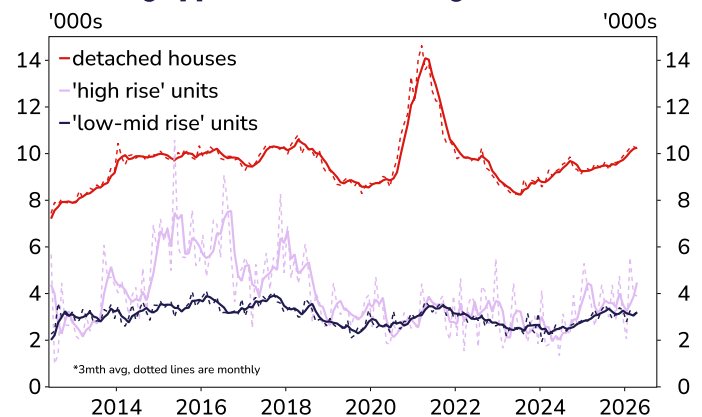
*figures for 'total dwellings mthly' are monthly and mthly%ch, all others are rolling 3mth avg and 3mth%ch; ^all sectors, Westpac estimates
Sources: ABS, Westpac Economics

Dwelling approvals: major segment



Source: ABS, Macrobond, Westpac Economics

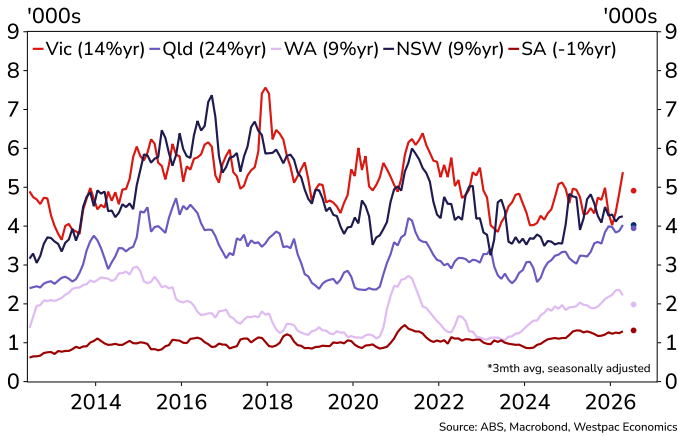
Dwelling approvals: detailed segment



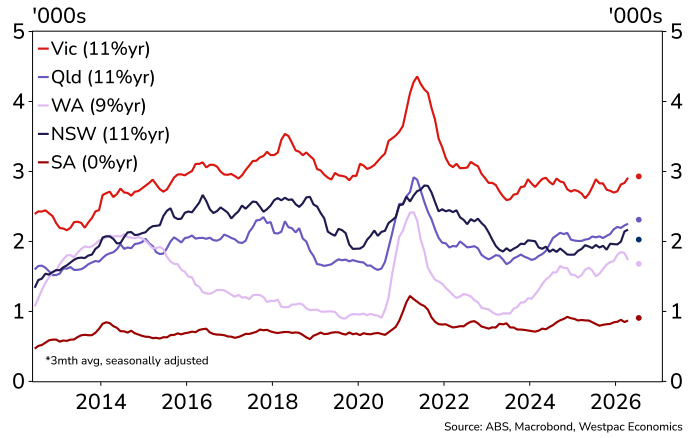
Source: ABS, Macrobond, Westpac Economics

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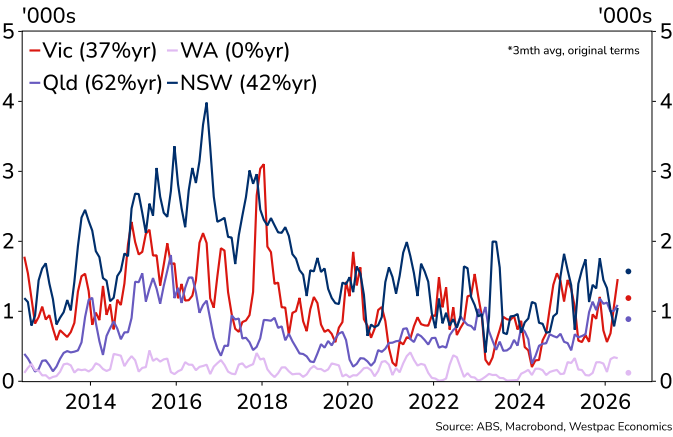
Total dwelling approvals: by state



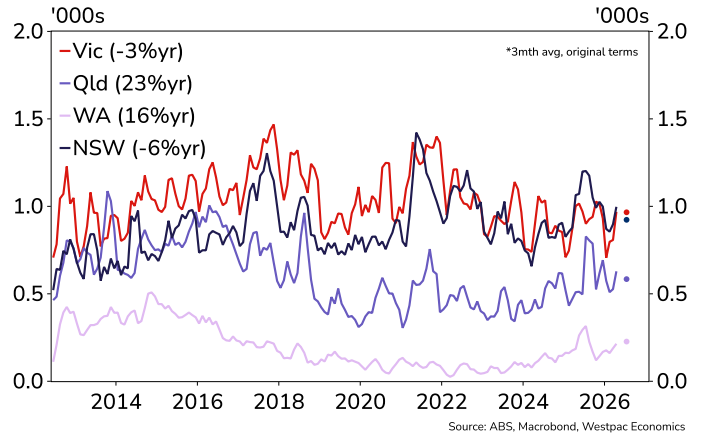
Detached house approvals: by state



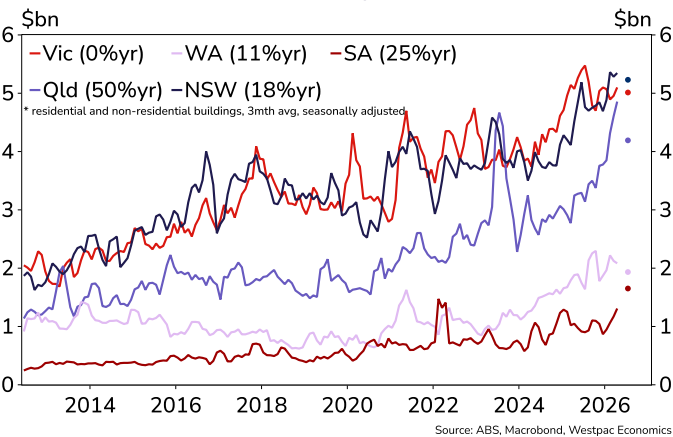
'High rise' approvals: by state



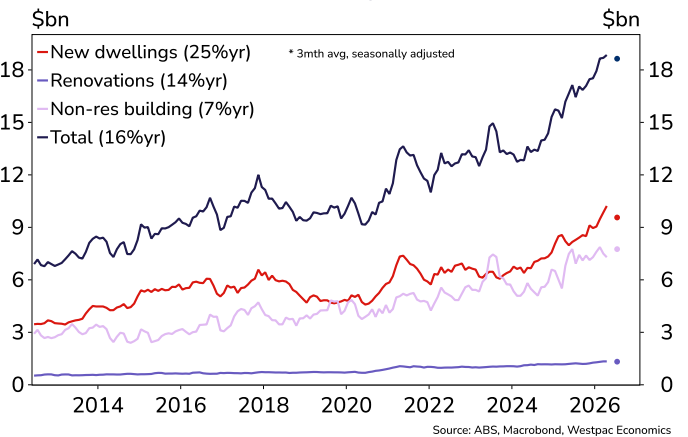
'Low-mid rise' approvals: by state



Total building approvals: by state



Total building approvals: by segment



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