30 July 2026

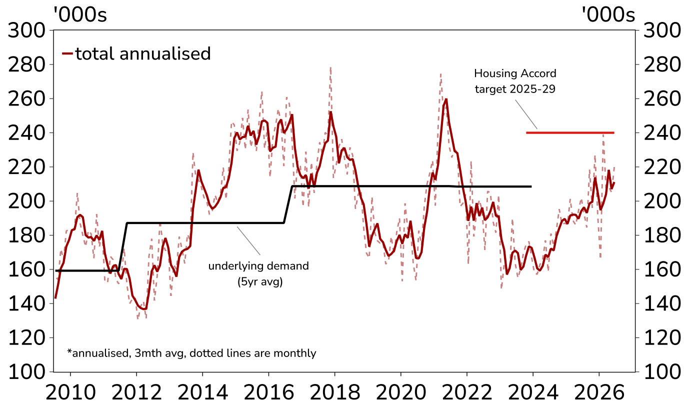
AUSTRALIAN DWELLING APPROVALS BULLETIN

Unit approvals drive rebound

Key points

- Total dwelling approvals rose 7.2%mth in June, with the annual pace strengthening to 8.9%yr. The result was driven by a rebound in unit approvals.
- Private detached dwelling approvals remained resilient, rising 0.4%mth. Private unit approvals reversed recent weakness, increasing 17.8%mth, led by a sharp rise in high-rise projects.
- Queensland recorded the strongest result, while NSW and WA also posted gains. In contrast, SA and Victoria recorded declines.
- The value of residential building approvals rose 15.1%mth. However, a sharp fall in non-residential approvals, led by the 'other commercial buildings' segment, saw the total value of building approvals decline 5.5%mth.
- Recent RBA cash rate increases and still-elevated construction costs are expected to remain headwinds for the sector.

Dwelling approvals



Source: ABS, Macrobond, Westpac Economics

Total dwelling approvals 7.2%mth, 8.9%yr

Detached dwelling approvals hold at elevated levels

Luka Belobrajdic
Economist

Total dwelling approvals rose 7.2%mth in June, with the annual pace strengthening to 8.9%yr. The result was well above both Westpac's and the market's expectations of a 2.0%mth and 0.5%mth decline respectively. Unit approvals drove the upside surprise, while private detached dwelling approvals remained above 10,000 for a sixth consecutive month.

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

Private detached dwelling approvals recorded a modest 0.4%mth increase in June following May's strong result. While May was revised slightly lower to 2.4%mth (–0.4ppts), the annual pace strengthened to 15.8%yr. Detached dwelling approvals continue to show resilience despite higher interest rates and elevated construction costs.

Private unit approvals reversed course in June, rising 17.8%mth and partially unwinding the weakness recorded over the previous three months. However, with May revised lower to –11.0%mth (–0.6ppts), the annual pace remained in contraction at –1.5%yr. High rise approvals again drove the headline move, with Westpac seasonally adjusted estimates across both private and public sectors rising 76%mth, while low mid rise approvals declined 7.3%mth.

Queensland recorded the strongest result, with private dwelling approvals rising 40.3%mth, supported by both detached dwellings and units. NSW also recorded growth (11.6%mth), driven by units, while WA approvals increased 9.9%mth following a sharp rise in unit approvals, as detached dwelling approvals fell in the month. In contrast, SA (–10.0%mth) and Victoria (–18.5%mth) recorded declines, reflecting weakness in unit approvals despite some resilience in detached housing.

In value terms, residential building approvals rose 15.1%mth, driven by an 18.0%mth increase in new residential approvals, partly offset by a 4.0%mth decline in renovation activity. The value of non residential approvals fell 24.7%mth partly unwinding a 40.4%mth surge in May. The decline was led by the other commercial buildings segment, which fell 88%mth on a non seasonally adjusted basis. As a result, the total value of building approvals declined 5.5%mth in June.

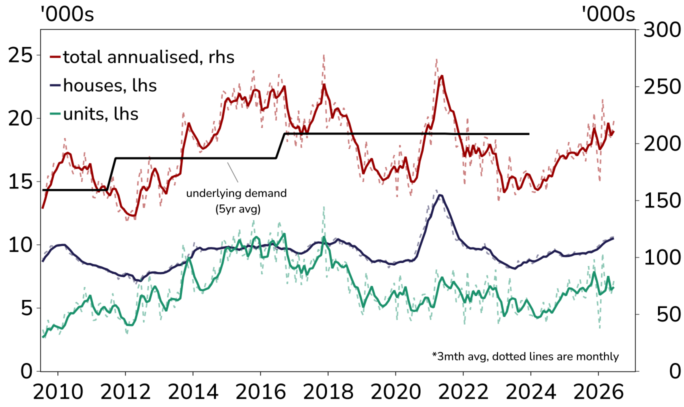
While unit approvals continue to drive month-to-month volatility, detached dwelling approvals have demonstrated meaningful resilience. Looking ahead, improving homebuyer sentiment (see here) and recently announced tax measures may provide some support to dwelling demand. However, recent RBA cash rate increases and still-elevated construction costs (see here) are expected to remain headwinds for the sector.

Building approvals – June 2026

		3mth %chg*		%yr	
3mth avg	**latest**	**May**	**Jun**	**May**	**Jun**
Private houses	10,518	4.0	2.9	12.4	13.0
Private units	6,668	3.5	4.3	4.5	2.6
Public dwellings	412	29.2	6.2	6.4	11.3
Total dwellings	17,598	4.2	3.5	9.2	8.8
Total dwellings, mthly*	18,328	-1.6	7.2	5.5	8.9
– units in 'high rise'^	3,732	-1.1	-4.4	10.4	11.5
– units in 'low rise'^	3,000	0.5	-1.6	2.5	-3.6
Renovations, $bn	1.351	3.5	0.2	15.2	11.7
Non–res., $bn	9.010	4.2	16.9	11.0	16.3

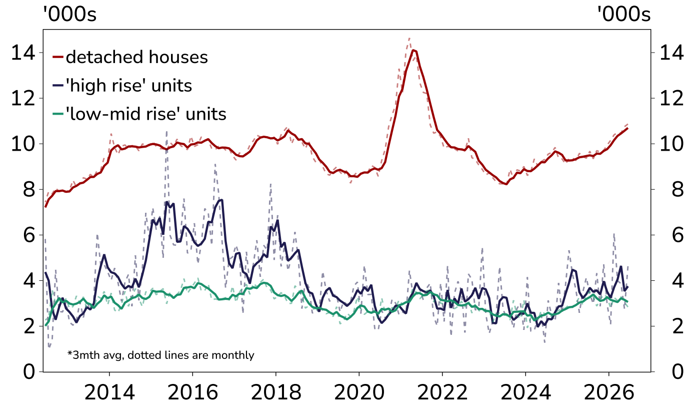
*figures for 'total dwellings mthly' are monthly and mthly%ch, all others are rolling 3mth avg and 3mth%ch; ^all sectors, Westpac estimates
Sources: ABS, Westpac Economics

Dwelling approvals: major segment



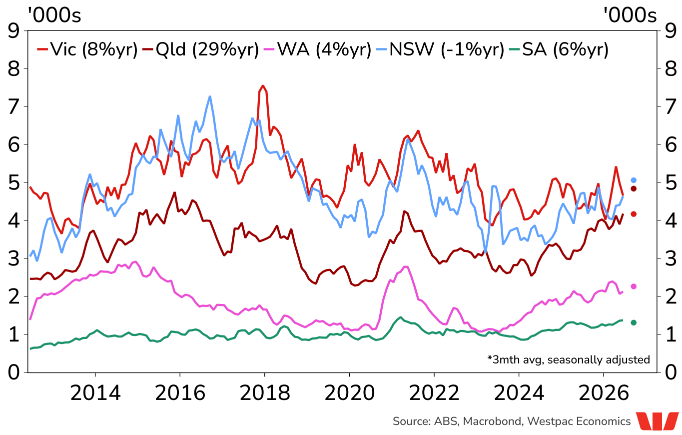
Source: ABS, Macrobond, Westpac Economics

Dwelling approvals: detailed segment

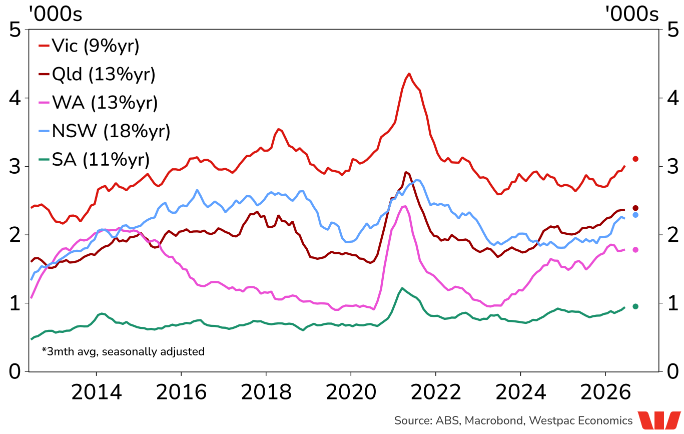


Source: ABS, Macrobond, Westpac Economics

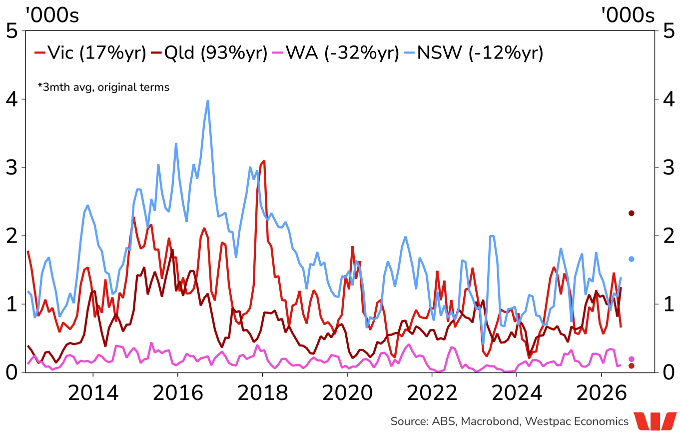
Total dwelling approvals: by state



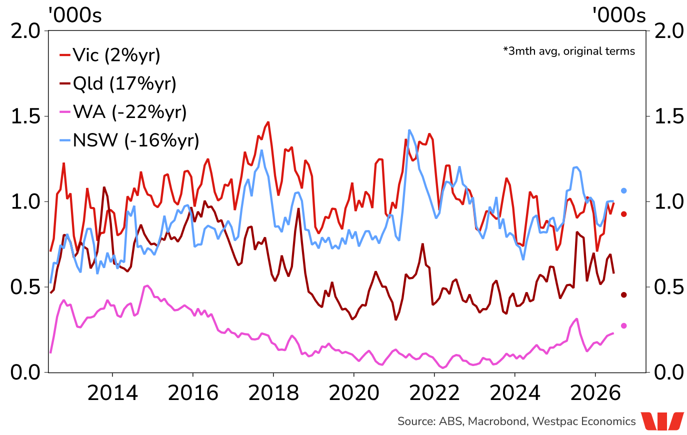
Detached house approvals: by state



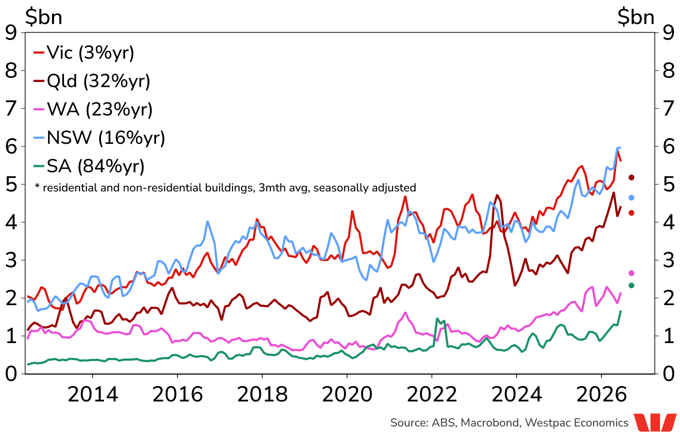
'High rise' approvals: by state



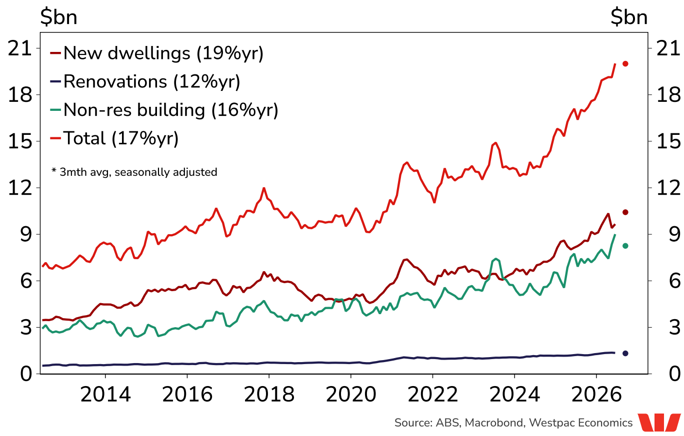
'Low-mid rise' approvals: by state



Total building approvals: by state



Total building approvals: by segment



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