

Media Release

WA housing approvals lowest since 2001

30 October 2018

The sustained drop in housing approvals shows the residential building sector is under enormous pressure and needs assistance, according to Master Builders Executive Director John Gelavis.

“Approvals for housing across Western Australia continue to decline with Australian Bureau of Statistics reporting a drop of 19 per cent, which was the largest percentage across the country,” Mr Gelavis said.

“This result was impacted by the decline in detached housing approval numbers reaching 924. The last time these approvals sat below 924 was February 2001 when they hit 910, which highlights the pressure on the residential housing sector and the need for stimulus.

“For the month of September, ABS figures reported today indicate that detached house approvals fell by 14.5 per cent and apartments and other dwellings fell 29.9 per cent. Over the September quarter, detached housing fell 6.5 per cent and apartments and other dwellings dropped 15.2 per cent, indicating that the housing sector continues to struggle.

“The last 12 to 18 months has been an extremely difficult period for the residential building industry right across the state, with many regional markets such as the Pilbara, Mid-West, Great Southern South West and Goldfields all facing difficulties on the back of the tough economic climate. This new approvals data is not good news for the many builders, subcontractors and suppliers in the industry who employ local staff and apprentices.

“I understand the decision to remove the First Home Buyers Boost of \$5,000 when the Government came into office but now the state’s finances are improving, so it is the perfect time to reconsider this boost or other stimulus options to assist builders, trade contractors, suppliers and manufacturers who employ many West Australians.

“In a time when economic growth is required, we believe a \$5,000 boost to the \$10,000 First Home Buyers Grant will be particularly well received in regional towns that are doing it tough and provide a knock-on effect to other industries.

“Master Builders has written to State Government ministers including the Treasurer requesting that a stimulus package be considered to support the industry that employs many West Australians,” Mr Gelavis concluded.

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