

Media Release

Building approvals decline further

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New Australian Bureau of Statistics figures reveal the downward trend in the residential construction market is getting worse, with the number of new building approvals at a five-year low.

Master Builders Housing Director Jason Robertson said the figures were concerning but he predicted a very slow recovery.

“In WA the approval numbers have dropped 7.3 per cent on the previous month and are 28.1 per cent lower than this time last year. Figures for units and apartments continue to be particularly worrisome,” Mr Robertson said.

“The November figures, coupled with earlier data showing a decline in housing investor loans, continues to sound serious alarm bells to the erosion of market conditions in Western Australia.

“Our State Government has made some welcome announcements recently, including an increase to Keystart’s loan book and the Affordable Housing Action Plan, however further stimulus should be considered in the upcoming State Budget.

“One bright spot is detached housing approvals in November increased in the month, compared to October.

“The road to recovery will be slow and subdued. The Government needs to be aware of the difficulties facing the home building sector when making policy decisions.”

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