

Media Release

Building approval numbers sink as WA falls further behind

3 November 2025

Western Australia's housing crisis continues to deepen, with new data from the Australian Bureau of Statistics (ABS) showing the state's new home building approvals are trending in the wrong direction.

In September, total approvals for new homes experienced a 5.1 per cent drop compared to August 2025 – the weakest month for new home approvals since October 2024.

Even more concerning, this represents a 15.5 per cent drop compared to September 2024.

There were 23,003 total new home building approvals issued over the year to September 2025 against a National Housing Accord annual target of 25,940. This leaves a shortfall of 2,937 homes in just one year.

Attributable to Master Builders Australia Chief Economist Shane Garrett:

"In WA, the total number of dwellings approved fell by 5.1 per cent in September 2025, making it the weakest month for approvals since October 2024."

"Detached house approvals experienced a modest increase of 5 per cent in September. However, this improvement was more than offset by a further reduction in higher density dwelling approvals during the month."

Attributable to Master Builders Western Australia CEO Matt Moran:

"There is a clear gap between policy ambition and reality, with approvals going backwards, not forwards."

"September's inflation data, released by the ABS last week, shows Perth experienced an annual inflation rate of 4.5 per cent – the second highest in the country – and this has driven a startling 83.9 per cent increase in the cost of a new home since 2019."

"Cost increases like we have seen are simply not sustainable. MBAWA continues to call for faster approvals and less red tape to boost supply."

"We are committed to working with the State Government to develop pragmatic policies to fast-track supply. It's more important than ever if we are going to meet our National Housing Accord target and ease the pressures that drive up housing costs."

"If we don't build enough new homes, affordability deteriorates. To turn this around, we must urgently tackle our industry's poor productivity and skills shortage to ensure new home building remains viable."

“Constant regulatory changes and the crippling skills shortage are draining productivity and making it harder to deliver homes at speed and scale.”

“Offering attractive incentives for employers to take on apprentices is critical to build the workforce we need. More needs to be done to encourage young people to enter a building trade.”

“It is important young people know attending university is not the only way to achieve success – you can build a great career by studying a trade.”

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About Master Builders WA

Master Builders WA services the needs of the entire building and construction industry, from residential to commercial, civil engineering businesses, principal contractors to subcontractors, manufacturers and suppliers. We assist members by providing a wide range of specialised services, an impressive degree of recognition, as well as advocacy to government and industry. Master Builders WA also serves the Western Australian community by fostering best practice work standards.

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