

OMINOUS SIGNS AS DWELLING APPROVALS KEEP FALLING

The continued slump in new dwelling approvals presents risks to housing affordability and economic growth, according to the Urban Development Institute of Australia (UDIA).

New dwelling approvals data released today show they have now fallen for 21 consecutive months and are now in the negative on trend terms across every state and territory.

“The ongoing slide in dwelling approvals is an ominous sign for economic growth and housing affordability,” said UDIA National Executive Connie Kirk.

“Housing development pipelines continue to thin and risk leaving homebuyers exposed to a market in which the mismatch between supply and demand widens.

“Homebuyers have already suffered through one cycle in which housing affordability reached crisis point – and don’t want to see a repeat.

“The other element of slowing approvals is the knock-on effect on the economy, given housing construction adds jobs, wages, and activity up and down supply chains.

“The banks now have a role to play in responding to the efforts of regulators in easing access to housing credit and applying a sensible regime for assessing home loan applications.

“We also need to see the Commonwealth and states work in partnership to accelerate land release – both via smart land use off the back of infrastructure investment and fixing inefficient planning systems.”

Media: Connie Kirk | 0412 244 988

www.udiapriorities.com.au