

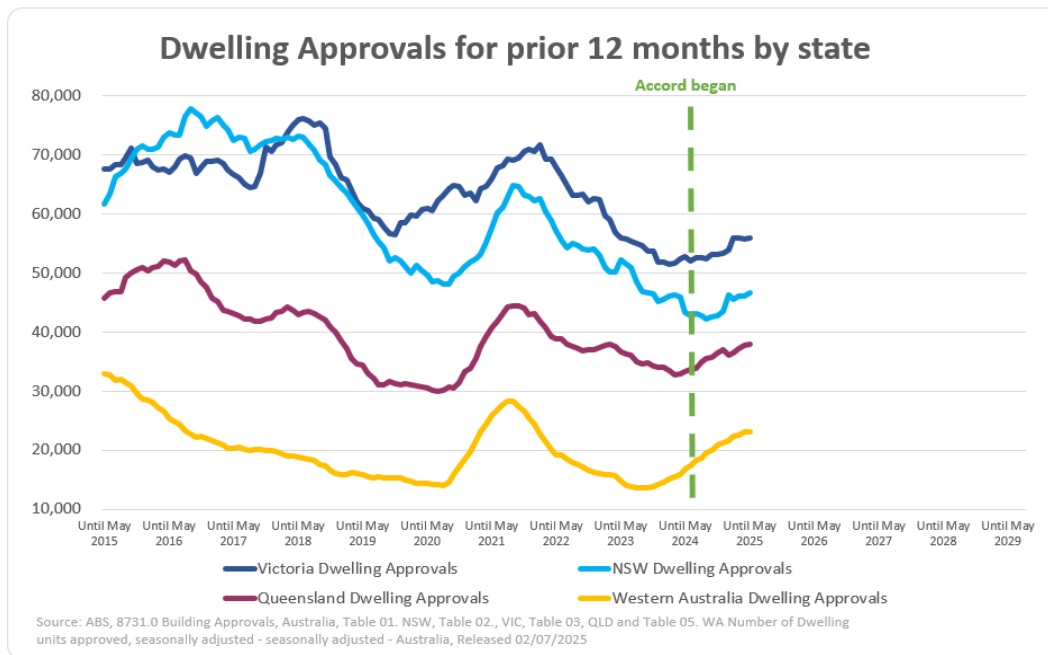
MEDIA RELEASE

2 July 2025

ABS housing approvals – NSW turning the corner

CEO of Urban Taskforce Australia, Tom Forrest, today welcomed the positive signs for housing approvals in May 2025, and for the annualised data across Australia. The data shows how important it is to have a target. It is the National Housing Accord targets that have driven this concerted push for reduced red tape, and improvements in the planning system and its starting to show positive outcomes.

However, we remain a long way behind the approval numbers required (240,000/year) to achieve the 1.2 million housing completions required under the National Housing Accord.



National annualised dwelling approvals - ABS Release: 02/07/2025

	Multi Unit Dwellings	Houses	Total
12 months till end May 2025	70,541	112,354	182,894
12 months till end May 2024	59,921	105,061	164,981
12 months till end May 2023	71,432	108,775	180,207
12 months till end May 2022	78,062	128,356	206,416
12 months till end May 2021	71,123	142,784	213,908
12 months till end May 2020	70,549	104,968	175,520
12 months till end May 2019	79,540	113,650	193,188
12 months till end May 2018	108,786	123,614	232,400
12 months till end May 2017	106,230	116,201	222,431
12 months till end May 2016	119,146	120,479	239,626

ABS, 8731.0 Building Approvals, Australia, Table 06. Number of dwelling units approved, by sector, all series - Australia, - Released: 02/07/2025

The engine room of the Australian economy, NSW, has at last started to show signs of structural improvement when it comes to planning approvals.

ABS data for the month of May 2025 showed a solid uptick in approvals - up 11% on seasonally adjusted figures to 4,167 approvals.

NSW dwelling approvals - previous 13 months - ABS Release: 02/07/2025	Multi-Unit Dwellings	Stand-Alone Homes	Total Seasonally Adjusted
Until May 2025	2,285	1,882	4,167
Until April 2025	1,766	1,988	3,754
Until March 2025	2,217	1,836	4,053
Until February 2025	1,430	1,902	3,332
Until January 2025	4,234	1,816	6,050
Until December 2024	2,452	1,813	4,265
Until November 2024	1,868	1,748	3,616
Until October 2024	2,194	1,825	4,019
Until September 2024	1,328	1,827	3,155
Until August 2024	1,537	1,861	3,398
Until July 2024	2,020	1,723	3,743
Until June 2024	1,385	1,632	3,017
Until May 2024	1,653	2,049	3,702

Considering not all approvals lead to completions – there needs to be in the order of 7,000 approvals on average, each month, to hit the Accord targets.

While NSW is a long way off these numbers, recent reforms like the Housing Delivery Authority, the embracing of State Significant project assessments, and the recent NSW Budget announcements of the pre-sale finance guarantee and an Investment Delivery Authority, should see these numbers continue to improve.

The 12-month, annualised figures for NSW, continued to show improvements in approvals – up by over 3,000 from the prior year, to 46,569 over the 12 months to May – but again - still a long way off from the 84,000 approvals needed to achieve those Accord targets. Nonetheless, the experience of 2016-2018 shows that these targets are not impossible, when the NSW planning system was consistently delivering over 70,000 approvals each year.

NSW annualised dwelling approvals ABS Release: 02/07/2025	Multi-Unit Dwellings	Stand-Alone Homes	Total Seasonally Adjusted
12 months till end May 2025	24,716	21,853	46,569
12 months till end May 2024	20,178	23,172	43,350
12 months till end May 2023	26,939	25,292	52,231
12 months till end May 2022	27,139	30,051	57,190
12 months till end May 2021	28,094	29,519	57,613
12 months till end May 2020	25,139	24,398	49,537
12 months till end May 2019	30,975	28,930	59,905
12 months till end May 2018	42,468	30,718	73,186
12 months till end May 2017	43,357	29,128	72,485
12 months till end May 2016	44,158	29,638	73,796

Using a medical analogy, these figures hopefully signify the bleeding has been largely stemmed, but now comes the tricky corrective surgery to have the patient back up and walking.

The Minns Government needs to keep on driving reform and productivity.

Specifically, we now have a once in a generation chance to fix the Planning Act with the bi-partisan support of the NSW Opposition. This opportunity cannot be missed. This also requires the Opposition in NSW to shed its NIMBY-centric recent past, and act in good faith to support new housing supply across NSW, including in areas where it may not be so electorally popular.

Greenfield housing supply remains problematic for NSW. The lack of new housing is driving prices up and forcing young families out of NSW. Housing choice is critical, or new home buyers will simply relocate to places where their choice is on offer at a more affordable price.

This is where the Commonwealth must come in to assist.

NSW gets only 86c back from every dollar it generates for the GST pool. Victoria gets 107c back for every dollar it generates. Why is NSW subsidising Victoria, while they generate greater housing supply, then steal our best and brightest young talent?

We need a better deal from the GST split. That would support improved infrastructure needed in Western Sydney for roads and water infrastructure. If the Commonwealth can't see its way to changing the GST share, then we need direct support in terms of funding for infrastructure.

When NSW sneezes, Australia catches a cold. This is the case in the area of housing. One way for the Albanese Government to give itself a hope of getting close to the National Housing Accord targets would be to invest more in the biggest state. Stop NSW sneezing and all of Australia will be doing much better.

Nationally, with the benefit of the river of GST gold flowing from NSW, Victoria continued to lead the way on housing approvals.

*The comments and analysis above can be attributed to **Tom Forrest**, CEO, Urban Taskforce.*

Media Enquires: Tom Forrest, Chief Executive Officer: 0429 460 863

Follow



*The **Urban Taskforce Australia** is a property development industry group, representing Australia's most prominent property developers and equity financiers.*