

MEDIA RELEASE

2 December 2025

ABS housing approvals – a rollercoaster ride

Urban Taskforce CEO, Tom Forrest, said the final set of housing approval figures for 2025 showed NSW unfortunately going backwards for the month of October.

After a strong pick up in September, the rollercoaster ride of housing approvals saw only 3,705 new dwelling units approved in NSW in October. Concerningly, stand-alone housing (largely greenfield development) remains in a rut with only 1,913 new homes approved.

With the slow start to the gearing up of the performance of the planning system in NSW, we started the Accord from a long way behind. The former NSW State Government left the planning system in a dire mess. NSW now needs to deliver around 7,000 new homes each month to reach the housing numbers required under the National Housing Accord.

We're more than a quarter through the 5-year Accord period, so for every month that we underperform against the target, the better we need to do in each of the remaining months available.

With the HDA and the low and mid-rise pattern book reforms clearing a path for larger approval numbers, the real concern will be ensuring they are feasible for construction and these dwellings get built.

NSW dwelling approvals - previous 13 months - ABS Release: 02/12/2025

	Multi Unit Dwellings	Houses	Total
October 2025	1,792	1,913	3,705
September 2025	2,753	1,916	4,669
August 2025	1,888	1,776	3,664
July 2025	2,240	1,846	4,086
June 2025	3,981	1,844	5,825
May 2025	2,427	1,880	4,307
April 2025	1,941	1,975	3,916
March 2025	2,257	1,937	4,194
February 2025	1,442	1,902	3,344
January 2025	4,445	1,806	6,251
December 2024	2,505	1,826	4,331
November 2024	1,950	1,768	3,718
October 2024	2,343	1,800	4,143

ABS, 8731.0 Building Approvals, Australia, Table 01. Number of dwelling units approved, by sector, all series - New South Wales, - Released: 02/12/2025

While the annualised data for the 12 months to October 2025 showed over 52,000 new dwelling approvals.

With 12 months of underperformance (though it represents a big pick up from the 12 months prior), we now require almost 90,000 approvals per year to get to the Accord numbers needed in NSW.

NSW annualised dwelling approvals - ABS Release: 02/12/2025

	Multi-Unit Dwellings	Houses	Total
12 months till end October 2025	29,621	22,389	52,010
12 months till end October 2024	20,377	22,694	43,071
12 months till end October 2023	23,369	23,379	46,748
12 months till end October 2022	25,655	28,268	53,923
12 months till end October 2021	32,906	31,633	64,539
12 months till end October 2020	24,340	25,248	49,588
12 months till end October 2019	25,796	26,324	52,120
12 months till end October 2018	37,205	31,138	68,343
12 months till end October 2017	42,211	29,513	71,724
12 months till end October 2016	47,310	29,780	77,090

ABS, 8731.0 Building Approvals, Australia, Table 01. Number of dwelling units approved, by sector, all series - New South Wales, - Released: 02/12/2025

A faltering housing pipeline will only put more upward pressure on housing costs, placing further costs of living pressures on those who can least afford it. We are entering a vicious cycle of circular and cumulative causation which demands a response.

Increased housing costs push inflation up. Higher inflation causes the RBA to lift interest rates. Increased interest rates drive up construction cost and worsen new home affordability!

Only cuts to fees, taxes and charges, along with a focus on improved building construction productivity and reduced planning red tape can break this vicious circle.

With less than 16 months to the next NSW election, the pressure is on both sides of politics to maintain the spirit of bipartisanship and continue to streamline the planning system so that it can support more housing approvals.

And an improved planning system needs to be backed up by Federal and State Treasurers taking some of the burden off the array of fees, taxes and charges being placed on new home builds and new home buyers.

While the recent planning reforms now sees housing supply as a central objective of the Act, NSW continues to hit new housing for six through more and more taxes on housing supply.

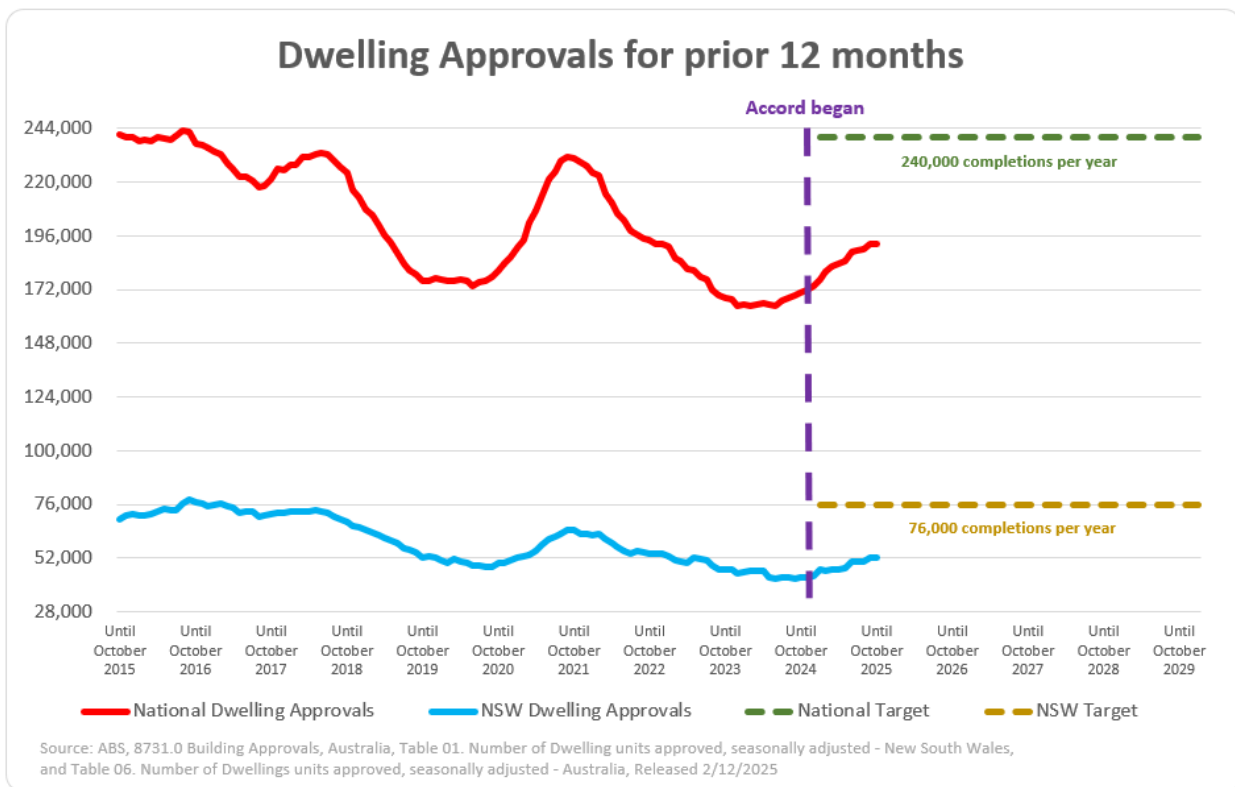
Urban Taskforce research this year showed that the NSW Government adds \$346,000 onto the cost of a new apartment, and \$576,000 onto the cost of a new standalone house. This is not only killing project feasibility, but it is undermining the planning improvements we have seen and the prospects of even getting close to the Housing Accord target.

The states need to be supported by serious Commonwealth support for housing enabling infrastructure. National data showed a falling away of approvals, led by the two major states - NSW and Victoria.

National annualised dwelling approvals - ABS Release: 02/12/2025

	Multi Unit Dwellings	Houses	Total
12 months till end October 2025	79,674	112,430	192,103
12 months till end October 2024	60,759	109,922	170,677
12 months till end October 2023	65,398	102,896	168,294
12 months till end October 2022	75,739	118,257	193,996
12 months till end October 2021	78,758	151,717	230,476
12 months till end October 2020	69,596	111,109	180,707
12 months till end October 2019	69,218	106,581	175,799
12 months till end October 2018	101,408	122,787	224,198
12 months till end October 2017	102,694	118,538	221,230
12 months till end October 2016	117,575	119,596	237,171

ABS, 8731.0 Building Approvals, Australia, Table 06. Number of dwelling units approved, by sector, all series - Australia, - Released: 02/12/2025



The Albanese Government's failure to treat the housing supply crisis as a "crisis" and have all arms of his government fighting for housing supply and reducing costs is taking its toll on the states' efforts.

We urgently need to see investment in housing related infrastructure.

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

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