

2 April 2025

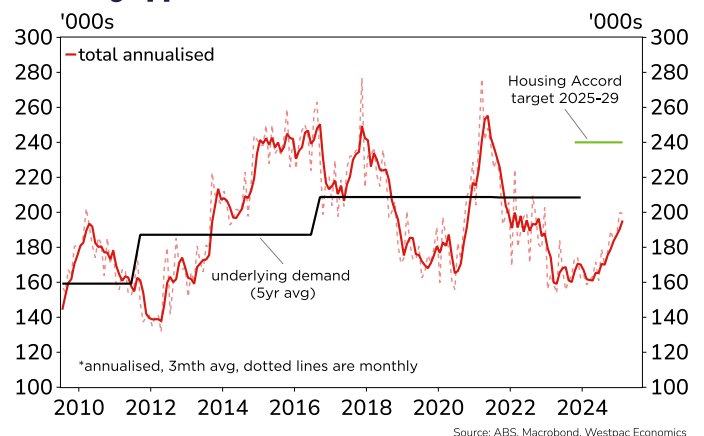
# AUSTRALIAN DWELLING APPROVALS BULLETIN

Uptrend remains intact

## Key points

- Total dwelling approvals declined -0.3%<sub>mt</sub> in February, entirely due to a fall in private unit approvals. Private house approvals rose for a second consecutive month, reversing some of the late-2024 weakness.
- Overall, a clear uptrend in approvals is in place. However today's data underscores how fluctuations in high-rise approvals can disrupt the momentum. Without a sustained increase in house (and low-mid rise units), the uptrend could quickly veer off course.
- The value of renovation approvals dipped -0.3%<sub>mt</sub> in February, while the value of non-residential buildings approved fell -16.5%<sub>mt</sub>.

## Dwelling approvals



**Total dwelling approvals**  
**-0.3%<sub>mt</sub>,**  
**+25.7%<sub>yr</sub>**

# Private house approvals up again



**Neha Sharma**  
Economist

Total dwelling approvals dipped -0.3%*mt* in February, a smaller decline than the consensus estimate of -1.3%*mt*. January's result was also revised up by 0.6mt. Despite the monthly dip, approvals remain on the upward trajectory that formed in early-2024. Annually, approvals rose 25.7%*yr* – the strongest annual pace since mid-2021.

Most of the figures in the table and accompanying charts show approvals in a rolling three-month average basis to tone down the month-to-month volatility.

Segment-wise, private house approvals provided some support in the month, rising 1.0%*mt* after a 1.4%*mt* increase in January. The slowing trend seen over late-2024 appears to have stabilised but has yet to fully reverse. On a three-month average basis, private houses are down -2.5%*qtr* annual growth slowing to 5.0%*yr*. The February increase was centred on NSW (5.1%*mt*). Qld and Vic saw modest gains of 0.5%*mt* and 0.3%*mt*, respectively. Meanwhile, approvals declined -1.9%*mt* in SA and -8.5%*mt* in WA.

Completely offsetting the gain in house approvals, unit approvals fell -1.5%*mt* in February – the segment more prone to monthly swings. This decline follows two strong monthly increases of 14.0%*mt* and 16.8%*mt*, which have lifted private unit approvals 26.8%*qtr* on a rolling three-month average basis. The monthly drop in unit approvals was almost entirely due to a sharp decline in high-rise approvals, centred on NSW – the main drivers of gains over the previous two months. This concentration had [already](#) been flagged as a risk that can disrupt the momentum in new dwelling approvals.

The value of renovation approvals declined -0.3%*mt* in February, following an upwardly revised 2.4%*mt* increase in January. On a three-month average basis, it was down -0.9%*qtr* but remained 9.9%*yr* higher. The value of non-residential building approvals fell -16.5%*mt*, extending the -21.6%*mt* drop from the previous month. However the underlying trend is more positive with approvals up 3.8%*qtr* and 19.4%*yr*.

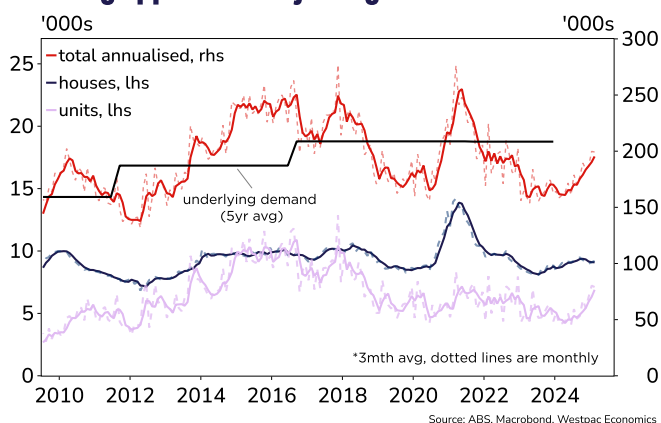
As the data settles after the December-January noise, today's result is encouraging for two reasons: the overall uptrend remains intact; and the late-2024 downturn in house approvals appears to have bottomed out. However, the figures also highlight a key risk: without a sustained recovery in house approvals, ongoing volatility in the high-rise unit segment can quickly disrupt the broader trend.

## Building approvals – February 2025

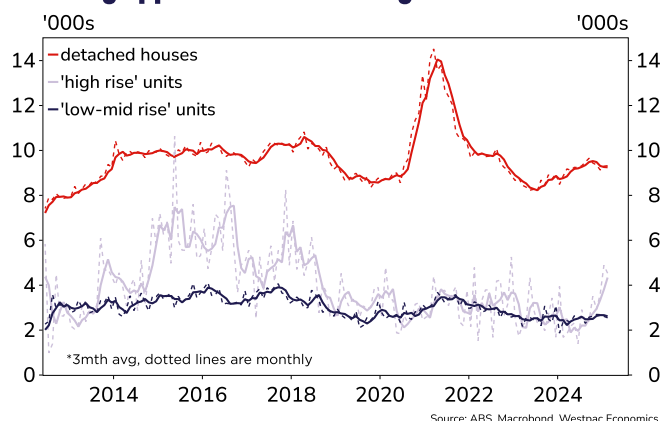
3mth avg	3mth %chg*			%yr	
	latest	Jan	Feb	Jan	Feb
Private houses	9,097	-2.9	-2.5	5.5	5.0
Private units	6,892	22.9	26.8	25.4	52.4
Public dwellings	288	9.2	-46.8	82.8	-0.2
Total dwellings	16,276	6.3	6.4	14.0	20.8
Total dwellings, mthly*	16,606	6.9	-0.3	21.6	25.7
– units in 'high rise'^	4,313	32.0	41.0	24.6	76.7
– units in 'low rise'^	2,615	5.3	1.5	11.0	8.0
Renovations, \$bn	1.154	-0.6	-0.9	8.8	9.9
Non-res., \$bn	5.820	15.1	3.8	24.2	19.4

\*figures for 'total dwellings mthly' are monthly and mthly%ch, all others are rolling 3mth avg and 3mth%ch; ^all sectors, Westpac estimates  
Sources: ABS, Westpac Economics

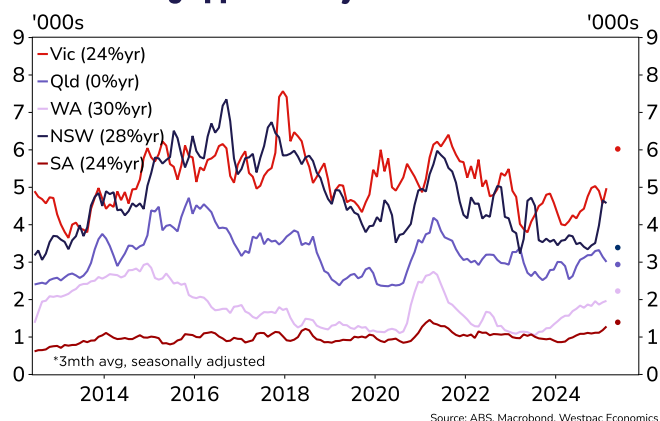
## Dwelling approvals: major segment



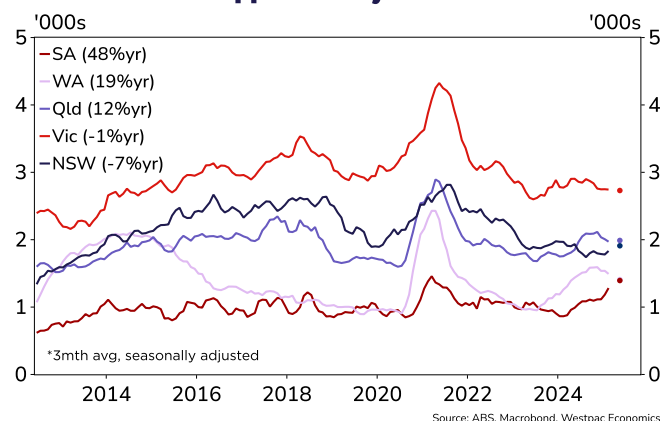
## Dwelling approvals: detailed segment



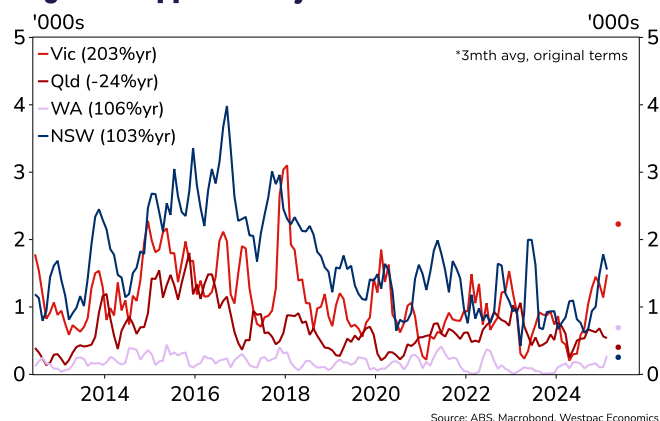
## Total dwelling approvals: by state



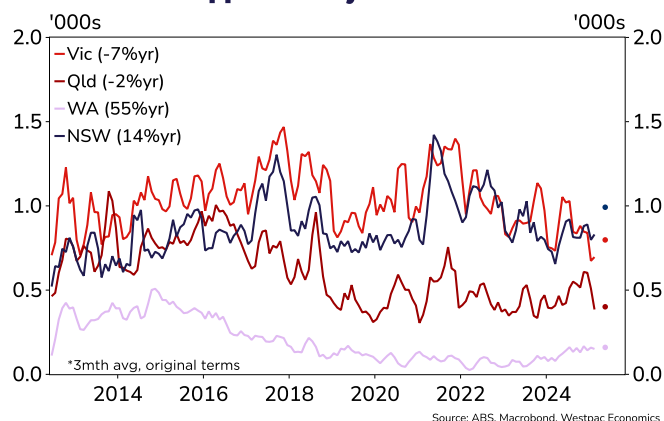
## Detached house approvals: by state



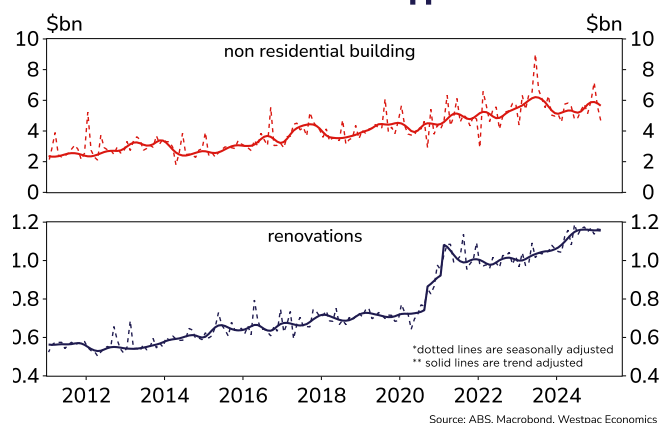
## 'High rise' approvals: by state



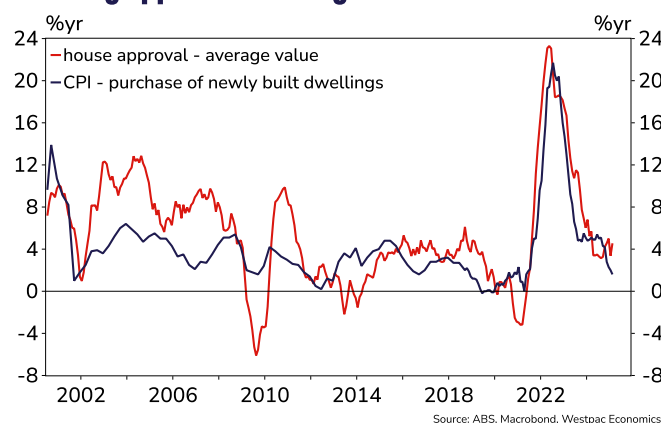
## 'Low-mid rise' approvals: by state



## Value of renovations & non-res approvals



## Dwelling approvals: average value





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