

Dwelling Approvals February 2026

Dwelling approvals surged a seasonally adjusted 29.7% in February, significantly more than the 5.5% increase pencilled in by the market consensus.

Monthly trend growth, which looks through the monthly volatility, eased to 1.2% from 1.3%.

	Seasonally Adjusted (%)	MoM	YoY
Total Dwelling Approvals		29.7	14.0
Private Dwellings		31.6	14.2
- Houses		0.2	6.1
- Dwellings Ex Houses		101.2	24.6

The surge in seasonally adjusted approvals was mainly due to consents for the building of dwellings other than houses doubling over the month, reflecting a bounce in approvals of both apartments and townhouses.

Private sector house approvals ticked up by a seasonally adjusted 0.2% in February, the least in four months.

Trend growth rates remained positive both for private sector houses (+0.9%) and other dwellings (+1.7%).

States

Dwelling approvals picked up in all states but Tasmania, which saw a 27.7% drop. The strongest gain, driven to a large extent by dwellings other than houses, was recorded in Victoria (+85.1%).

Trend approvals were mixed across states, with declines in New South Wales, Queensland and Tasmania and gains in other states.

Western Australian dwelling approvals rose by a seasonally adjusted 3.1% in March, to be 20.7% up through the year. The monthly trend increase in building consents, of 3.4%, was the highest of all states.

	Seasonally Adjusted (%)	MoM	YoY
Western Australia		3.1	20.7
New South Wales		10.1	24.0
Victoria		85.1	2.5
Queensland		14.7	26.3
South Australia		12.3	-6.0
Tasmania		-27.7	-34.8

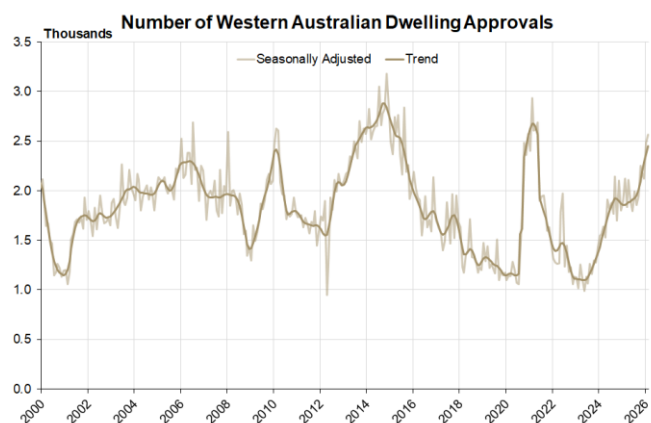
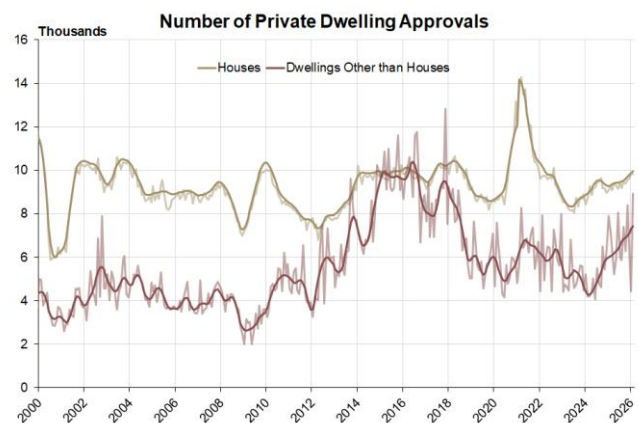
Private sector house approvals rose in New South Wales (+13.7%), Victoria (+7.7%) and South Australia (+5.8%). At the same time, there were declines in Queensland (-13.4%) and Western Australia (-7.1%).

Trend private sector house approvals remained negative in New South Wales (-0.1%) and Queensland (-1.6%), while staying positive in other states, including Western Australia (+2.0%, the strongest of all states).

Non-residential approvals

Trend non-residential approvals growth slowed to 1.3% in February from 2.2% a month before, but remained up 21.0% through the year.

All states except for New South Wales (-1.8%) and Victoria (-3.7%) saw gains in trend non-residential approvals in February. The strongest increase was recorded in South Australia (+3.7%), followed by Western Australia (+1.1%).



Comment

Following softness at the turn of 2025 and 2026, unit and townhouse approvals surged in February. At the same time, private sector house building consents were little changed, after seeing some moderate gains in late 2025 and early 2026.

While choppy from month-to-month, dwelling approvals remain insufficient to close the supply gap, which is putting upward pressure on home prices.

According to a Cotality home value report, also released this morning, home prices rose by 0.7% nationally, with a 0.6% gain in capital cities and 1.1% in the regions. The divergence across the capital cities continued, with declines in Sydney (-0.1%) and Melbourne (-0.2%), and increases in less populous capital cities. Perth saw the strongest gain in March of 2.5%, which took the median home value above A\$1m (to A\$1,018k).

The declines in Sydney and Melbourne came just after the RBA cash rate hike in February, which could suggest that these markets are more sensitive to a rise in funding costs than the other capital cities. With another [cash rate hike in mid-March](#), and two more fully priced in for later this year, there are some downside risks to home price growth across Australia. This does not change the underlying factor of the strong upswing in home prices and the ongoing housing undersupply.

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