

# HOUSING FINANCE

FOR OWNER  
OCCUPATION  
AUSTRALIA

EMBARGOED UNTIL 11:30AM WED 13 MARCH 1996

## JANUARY KEY FIGURES

### TREND ESTIMATES

	Jan 96	% change Dec 95	% change Jan 95
Number of dwellings financed	38 354	0.2	6.1
Construction of dwellings	5 257	-1.6	-19.9
Purchase of new dwellings	1 809	0.9	4.5
Purchase of established dwellings	31 288	0.5	12.3

### SEASONALLY ADJUSTED

	Jan 96	% change Dec 95	% change Jan 95
Number of dwellings financed	39 359	8.4	10.7
Construction of dwellings	5 357	6.9	-17.6
Purchase of new dwellings	1 873	10.8	9.3
Purchase of established dwellings	32 129	8.5	17.5

## JANUARY KEY POINTS

### TREND ESTIMATES

- The trend for total dwellings financed during the month increased by 0.2% but is 21.3% below the peak of March 1994. The revised trend for December 1995 increased by 0.3% on November.
- The trend for the number of dwellings refinanced during the month increased by 1.3%, continuing trend increases since March 1995.
- During January 1996, 85.2% of commitments were made by Banks, 6.0% by Permanent Building Societies, and 8.8% by Other Lenders. For January 1995 the proportions were 88.0%, 5.7%, and 6.3% respectively.
- The trend estimate for the value of commitments was up 0.9%.

### SEASONALLY ADJUSTED ESTIMATES

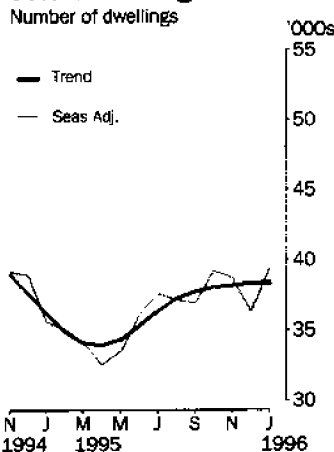
- The number of dwellings financed during the month increased by 8.4% on December 1995.
- The number of commitments made during the month for the construction of dwellings, the purchase of newly erected dwellings, and the purchase of established dwellings increased by 6.9%, 10.8%, and 8.5% respectively.

### ORIGINAL ESTIMATES

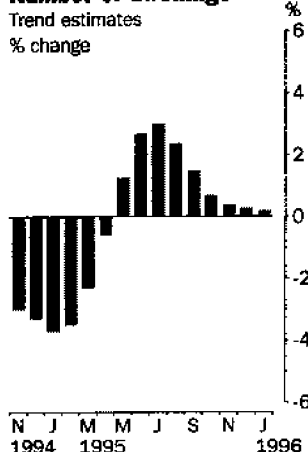
- There were 32 908 dwelling units financed during the month, down 1.1% on December 1995 but up 15.5% on January 1995.
- The refinancing of 6 988 dwellings accounted for 21.2% of the total number of dwellings financed during the month.
- Fixed rate loan commitments accounted for 19.5% of total dwelling finance commitments in January.

**Australian  
Bureau of  
Statistics**

#### Secured housing finance



#### Number of dwellings



IPIES

- For further information about these and related statistics, contact Karen Young on 02 268 4784, or any ABS Office.

# HOUSING FINANCE NOTES

## FORTHCOMING ISSUES

ISSUE	RELEASE DATE
February 1996	16 April 1996
March 1996	16 May 1996
April 1996	11 June 1996

## CHANGES IN THIS ISSUE

Following a review of the average absolute percentage change of the seasonally adjusted series, the percentage used in the sensitivity analysis has been changed from 5 to 4 per cent.

## SENSITIVITY ANALYSIS

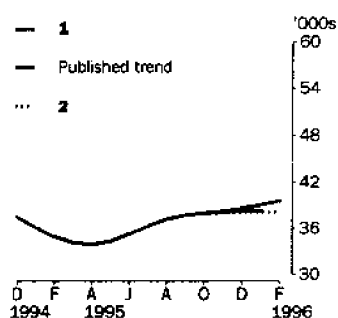
Readers should exercise care when interpreting this month's trend estimates because they will be revised when next month's seasonally adjusted estimates become available. For further information, see Explanatory Notes 12 and 13.

The graph below presents the effect of two possible scenarios on the previous trend estimates:

- 1** The February seasonally adjusted estimate of number of dwellings financed is *higher* than the January seasonally adjusted estimate by 4%.
- 2** The February seasonally adjusted estimate of number of dwellings financed is *lower* than the January seasonally adjusted estimate by 4%.

The percentage change of 4% was chosen because the average absolute percentage change of the seasonally adjusted series, based on the last 10 years of data, has been 4%.

## NUMBER OF DWELLINGS FINANCED



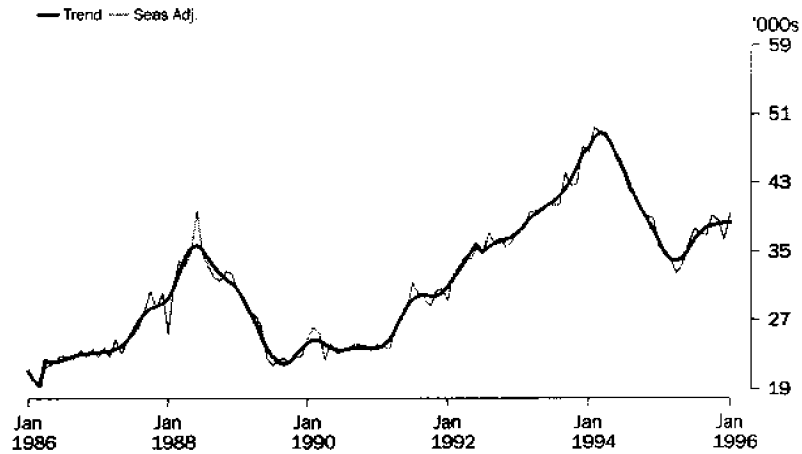
	TREND AS PUBLISHED		WHAT IF NEXT MONTH'S SEASONALLY ADJUSTED ESTIMATE:			
	estimate	% change	<b>1</b> rises by 4% on Jan 1996 estimate % change	<b>2</b> falls by 4% on Jan 1996 estimate % change		
<b>1995</b>						
August	37 185	2.4	37 155	2.3	37 216	2.2
September	37 733	1.5	37 688	1.4	37 795	1.6
October	37 986	0.7	37 965	0.7	38 018	0.6
November	38 147	0.4	38 222	0.7	38 081	0.2
December	38 270	0.3	38 602	1.0	38 136	0.1
<b>1996</b>						
January	38 354	0.2	39 046	1.1	38 167	0.1
February (new)	—	—	39 543	1.3	38 217	0.1

W. McLennan  
Australian Statistician

# SECURED HOUSING FINANCE: Trend/Seasonally adjusted

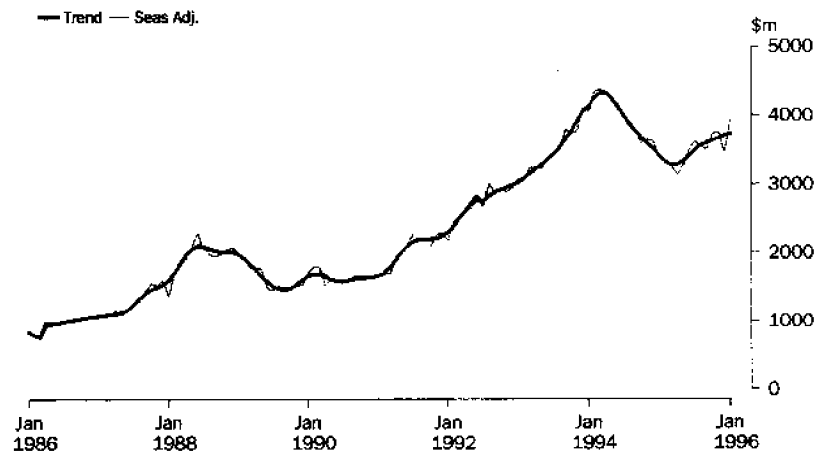
## NUMBER OF DWELLINGS FINANCED

The trend estimate for the number of dwellings financed increased by 0.2% in January. Seasonally adjusted, the number of dwellings financed was up 8.4% on the previous month.



## VALUE OF COMMITMENTS

The trend estimate for the value of owner-occupied housing commitments for January 1996 was \$3 735.0 million, up 0.9% on December. Seasonally adjusted, the value of commitments rose 13.2% on the previous month. The average borrowing was \$96 000 in original terms.

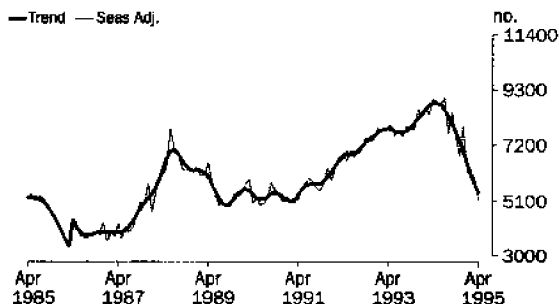


# TYPE OF HOUSING: Seasonally adjusted and trend

## NUMBER OF DWELLINGS FINANCED

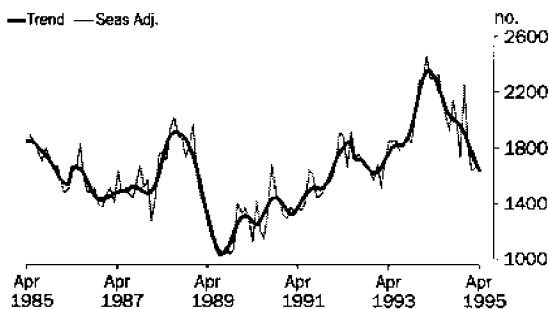
### CONSTRUCTION OF DWELLINGS

The trend estimate for the number of dwellings financed in January 1996 was 5 257, a decrease of 1.6% on December and 19.9% lower than in January 1995. Seasonally adjusted, finance was committed for 5 357 dwellings, 6.9% higher than in the previous month.



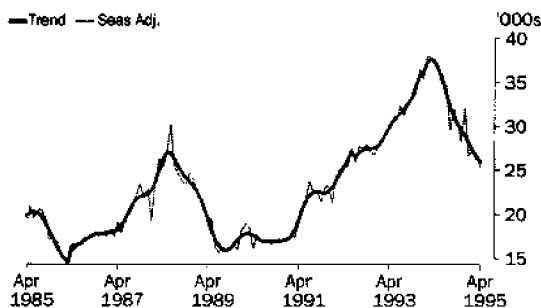
### PURCHASE OF NEW DWELLINGS

The trend estimate for the number of dwellings financed was 1 809, an increase of 0.9% on December and 4.5% higher than in January 1995. Seasonally adjusted, finance was committed for 1 873 dwellings, an increase of 10.8% on the previous month.



### PURCHASE OF ESTABLISHED DWELLINGS

The trend estimate for the number of dwellings financed was 31 288, up 0.5% on December and 12.3% higher than in January 1995. Seasonally adjusted, finance was committed for 32 129 dwellings, an increase of 8.5% on the previous month.

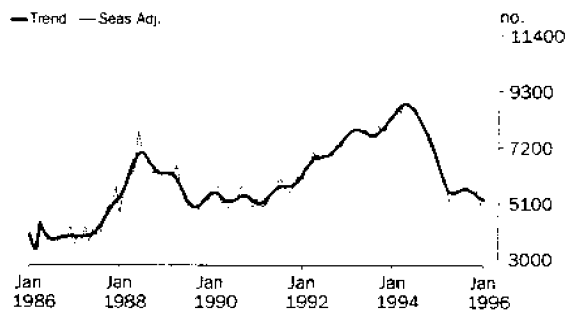


# TYPE OF HOUSING: Seasonally adjusted and trend

## NUMBER OF DWELLINGS FINANCED

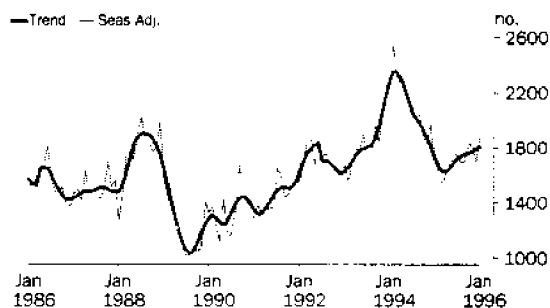
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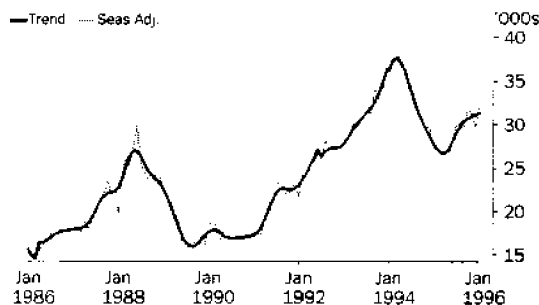
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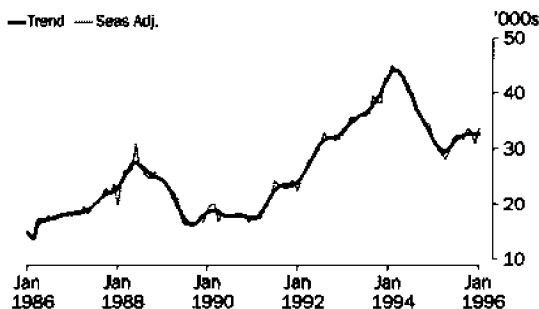


# TYPE OF LENDER: Seasonally adjusted and trend

## NUMBER OF DWELLINGS FINANCED

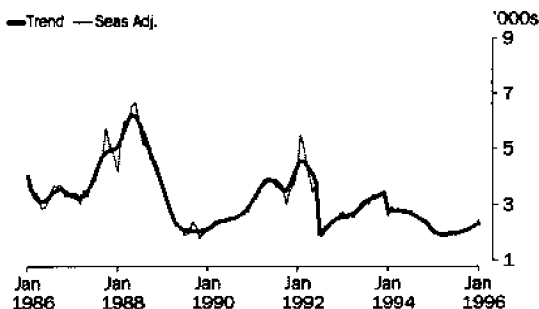
### BANKS

The trend estimate for the number of dwellings financed in January 1996 was 32 680, up 0.1% on December and 2.8% higher than in January 1995. Seasonally adjusted, finance was committed for 33 559 dwellings, an increase of 8.6% on the previous month.



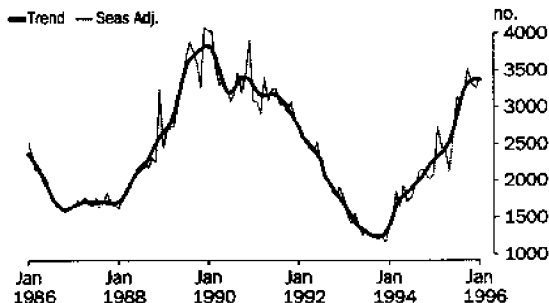
### PERMANENT BUILDING SOCIETIES

The trend estimate for the number of dwellings financed in January 1996 was 2 304, an increase of 3.3% on December and 10.9% higher than in January 1995. Seasonally adjusted, finance was committed for 2 434 dwellings, 12.2% higher than in the previous month.



### OTHER LENDERS

The trend estimate for the number of dwellings financed in January 1996 was 3 370, 0.2% down on December but 48.2% higher than in January 1995. Seasonally adjusted, finance was committed for 3 366 dwellings, an increase of 3.7% on the previous month.



SECURED HOUSING FINANCE COMMITMENTS<sup>1</sup>, By Purpose: All series

Month	Construction of dwellings		Purchase of newly erected dwellings		Purchase of established dwellings <sup>2</sup>		Total	
	Number	\$m	Number	\$m	Number	\$m	Number	\$m
..... ORIGINAL								
<b>1994</b>								
November	7 647	669.6	1 897	200.0	31 979	2 958.0	41 523	3 827.6
December	6 573	579.4	1 783	178.9	27 946	2 648.0	36 302	3 406.3
<b>1995</b>								
January	5 053	438.6	1 386	145.8	22 049	2 005.4	28 488	2 589.8
February	5 868	511.9	1 531	162.5	26 796	2 553.7	34 195	3 228.1
March	6 841	634.7	1 758	181.8	30 899	2 984.3	39 498	3 800.8
April	4 785	452.7	1 411	146.1	23 061	2 250.5	29 257	2 849.3
May	6 122	580.4	1 762	184.8	29 393	2 900.6	37 277	3 665.8
June	6 010	556.8	1 818	188.3	30 347	2 996.9	38 175	3 742.0
July	5 718	542.8	1 822	183.3	29 335	2 845.9	36 875	3 572.0
August	6 249	580.7	1 893	191.1	31 316	2 993.0	39 458	3 764.8
September	5 587	507.7	1 718	176.4	29 114	2 800.1	36 419	3 484.2
October	5 264	492.7	1 870	185.0	30 761	2 945.0	37 895	3 622.7
November	5 753	538.6	1 885	194.1	32 919	3 172.7	40 557	3 905.4
December	4 548	419.4	1 466	153.8	27 266	2 621.0	33 280	3 194.2
<b>1996</b>								
January	4 356	407.4	1 567	164.0	26 985	2 574.7	32 908	3 146.2
..... SEASONALLY ADJUSTED								
<b>1994</b>								
November	7 485	642.8	1 832	193.3	29 783	2 805.6	39 100	3 641.7
December	7 192	641.5	1 975	194.4	29 694	2 793.3	38 861	3 629.2
<b>1995</b>								
January	6 501	577.0	1 713	182.3	27 350	2 595.6	35 564	3 355.0
February	6 108	541.8	1 628	170.9	27 341	2 628.5	35 077	3 341.3
March	5 819	544.4	1 544	160.6	26 684	2 565.4	34 047	3 270.4
April	5 217	487.6	1 597	165.8	25 660	2 479.7	32 474	3 133.2
May	5 382	513.6	1 666	171.1	26 402	2 569.6	33 450	3 254.4
June	5 641	528.3	1 741	177.0	28 588	2 799.4	35 970	3 504.7
July	5 803	540.5	1 757	181.8	30 033	2 909.2	37 593	3 631.5
August	5 750	520.3	1 691	172.7	29 694	2 855.6	37 135	3 548.6
September	5 564	509.0	1 693	175.4	29 622	2 818.3	36 879	3 502.7
October	5 545	517.7	1 824	181.5	31 796	3 031.4	39 165	3 730.5
November	5 610	512.4	1 820	187.0	31 229	3 051.6	38 659	3 751.0
December	5 009	470.0	1 691	174.3	29 621	2 816.0	36 321	3 460.3
<b>1996</b>								
January	5 357	518.6	1 873	198.9	32 129	3 198.2	39 359	3 915.7
..... TREND ESTIMATES								
<b>1994</b>								
November	7 402	643.8	1 878	194.8	29 570	2 758.1	38 850	3 596.7
December	7 003	614.7	1 809	188.1	28 740	2 704.1	37 551	3 507.0
<b>1995</b>								
January	6 559	583.3	1 731	180.2	27 857	2 644.3	36 148	3 407.8
February	6 127	554.3	1 667	173.3	27 085	2 593.3	34 879	3 320.9
March	5 778	532.4	1 631	169.4	26 659	2 572.1	34 068	3 273.9
April	5 569	519.9	1 625	168.4	26 683	2 587.8	33 877	3 276.1
May	5 500	515.8	1 643	169.7	27 164	2 638.6	34 307	3 324.1
June	5 540	518.4	1 679	172.6	28 023	2 719.2	35 241	3 410.2
July	5 613	521.6	1 715	175.4	28 982	2 801.5	36 310	3 498.8
August	5 653	521.4	1 737	177.3	29 796	2 868.5	37 185	3 567.2
September	5 625	517.4	1 750	178.6	30 358	2 916.3	37 733	3 612.3
October	5 537	510.9	1 762	180.2	30 687	2 950.0	37 986	3 641.1
November	5 435	505.0	1 777	182.6	30 934	2 983.7	38 147	3 671.3
December	5 340	500.7	1 793	185.3	31 137	3 017.4	38 270	3 703.4
<b>1996</b>								
January	5 257	497.6	1 809	188.0	31 288	3 049.4	38 354	3 735.0

<sup>1</sup> Excludes alterations and additions.

<sup>2</sup> Includes refinancing.



SECURED HOUSING FINANCE COMMITMENTS<sup>1</sup>, By Type of Lender: All series

Month	All banks		Permanent building societies		Other lenders		Total	
	Number	\$m	Number	\$m	Number	\$m	Number	\$m
ORIGINAL								
<b>1994</b>								
November	36 541	3 367.4	2 606	225.8	2 376	234.4	41 523	3 827.6
December	32 218	3 027.3	2 168	194.1	1 916	184.9	36 302	3 406.3
<b>1995</b>								
January	25 143	2 275.8	1 536	138.9	1 809	175.1	28 488	2 589.8
February	29 700	2 796.9	1 970	171.9	2 525	259.3	34 195	3 228.1
March	34 614	3 328.1	2 079	178.6	2 805	294.1	39 498	3 800.8
April	25 441	2 476.9	1 677	149.0	2 139	223.4	29 257	2 849.3
May	32 759	3 236.9	2 266	201.3	2 252	227.6	37 277	3 665.8
June	33 487	3 285.6	2 108	186.6	2 580	269.8	38 175	3 742.0
July	32 110	3 118.4	1 701	151.7	3 064	301.9	36 875	3 572.0
August	34 085	3 225.9	2 244	199.6	3 129	339.4	39 458	3 764.8
September	31 193	3 080.3	1 973	184.6	3 253	319.2	36 419	3 484.2
October	32 121	3 067.0	2 097	186.5	3 677	369.2	37 895	3 622.7
November	34 511	3 322.1	2 282	211.1	3 764	372.2	40 557	3 905.4
December	28 293	2 713.8	1 986	187.2	3 001	293.2	33 280	3 194.2
<b>1996</b>								
January	27 968	2 672.4	1 932	180.8	3 008	293.0	32 908	3 146.2
SEASONALLY ADJUSTED								
<b>1994</b>								
November	34 583	3 220.0	2 434	216.5	2 083	205.2	39 100	3 641.7
December	34 527	3 225.6	2 319	210.6	2 015	193.0	38 861	3 629.2
<b>1995</b>								
January	31 499	2 961.8	1 965	172.9	2 100	220.3	35 564	3 355.0
February	30 406	2 899.8	1 918	165.3	2 753	276.2	35 077	3 341.3
March	29 706	2 862.3	1 868	157.8	2 473	250.3	34 047	3 270.4
April	28 156	2 721.9	1 917	170.6	2 401	240.7	32 474	3 133.2
May	29 317	2 869.3	2 016	175.6	2 117	208.5	33 450	3 254.4
June	31 387	3 048.2	1 978	175.4	2 605	281.1	35 970	3 504.7
July	32 595	3 147.1	1 866	166.5	3 132	317.8	37 593	3 631.5
August	32 015	3 038.3	2 052	183.1	3 068	327.2	37 135	3 548.6
September	31 696	2 993.9	1 970	186.1	3 213	322.7	36 879	3 502.7
October	33 598	3 188.7	2 044	186.1	3 523	355.7	39 165	3 730.5
November	33 139	3 217.7	2 194	205.2	3 326	328.1	38 659	3 751.0
December	30 905	2 934.6	2 169	211.0	3 247	314.7	36 321	3 460.3
<b>1996</b>								
January	33 559	3 340.1	2 434	218.2	3 366	357.4	39 359	3 915.7
TREND ESTIMATES								
<b>1994</b>								
November	34 386	3 177.7	2 335	210.6	2 129	208.4	38 850	3 596.7
December	33 140	3 090.6	2 200	196.0	2 212	220.4	37 551	3 507.0
<b>1995</b>								
January	31 795	2 996.1	2 078	183.1	2 274	228.6	36 148	3 407.8
February	30 571	2 913.4	1 984	173.2	2 324	234.3	34 879	3 320.9
March	29 767	2 866.4	1 928	167.4	2 374	240.1	34 068	3 273.9
April	29 533	2 862.2	1 909	166.0	2 435	247.8	33 877	3 276.1
May	29 860	2 896.7	1 918	168.0	2 529	259.5	34 307	3 324.1
June	30 625	2 962.2	1 940	171.6	2 676	276.4	35 241	3 410.2
July	31 482	3 026.6	1 959	175.6	2 868	296.4	36 310	3 498.6
August	32 131	3 071.7	1 982	180.0	3 071	315.5	37 185	3 567.2
September	32 479	3 097.5	2 023	185.9	3 231	328.9	37 733	3 612.3
October	32 585	3 112.9	2 083	193.2	3 318	335.0	37 986	3 641.1
November	32 631	3 132.6	2 156	201.0	3 360	337.7	38 147	3 671.3
December	32 662	3 155.8	2 231	208.4	3 377	339.2	38 270	3 703.4
<b>1996</b>								
January	32 680	3 180.0	2 304	215.1	3 370	340.0	38 354	3 735.0

<sup>1</sup> Excludes alterations and additions. Includes refinancing.

## SECURED HOUSING FINANCE COMMITMENTS<sup>1</sup>, By State: All Series

### TOTAL NUMBER OF DWELLINGS

Month	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Australia
	Number	Number	Number	Number	Number	Number	Number	Number	Number
<b>ORIGINAL</b>									
<b>1994</b>									
November	12 700	9 441	8 182	3 228	5 674	1 066	301	931	41 523
December	10 724	8 707	6 925	2 839	5 079	874	308	846	36 302
<b>1995</b>									
January	8 271	6 188	5 706	2 643	4 071	753	255	601	28 488
February	10 792	7 810	6 530	2 629	4 513	862	374	685	34 195
March	12 677	8 814	7 317	3 228	5 234	1 038	365	825	39 498
April	9 465	6 632	5 323	2 390	3 793	803	271	580	29 257
May	12 203	8 076	6 930	2 923	4 984	1 003	393	765	37 277
June	12 697	8 015	7 063	3 290	4 913	1 051	384	762	38 175
July	11 565	8 133	7 215	3 013	4 836	991	336	786	36 875
August	11 761	9 162	7 748	3 307	5 247	1 007	388	838	39 458
September	11 085	8 052	7 272	3 161	4 786	930	415	718	36 419
October	11 057	8 787	7 634	3 257	5 097	954	367	742	37 895
November	12 456	8 988	7 836	3 587	5 197	1 035	473	985	40 557
December	9 765	8 219	6 054	2 974	4 287	862	373	746	33 280
<b>1996</b>									
January	9 167	8 012	6 249	2 959	4 719	836	289	677	32 908
<b>SEASONALLY ADJUSTED</b>									
<b>1994</b>									
November	11 583	8 624	7 496	3 099	5 285	993	284	909	39 100
December	12 525	9 441	8 101	2 990	6 177	966	334	1 018	38 861
<b>1995</b>									
January	10 933	7 883	6 716	3 011	4 967	857	323	795	35 564
February	10 667	8 360	6 276	2 719	4 614	869	345	643	35 077
March	10 285	8 109	6 226	2 760	4 446	885	301	682	34 047
April	10 367	7 471	6 042	2 708	4 199	848	318	632	32 474
May	10 351	6 602	6 156	2 705	4 267	852	372	644	33 450
June	12 851	7 823	7 160	3 063	4 571	1 015	385	700	35 970
July	11 877	8 145	7 524	3 137	4 853	1 024	360	841	37 593
August	11 001	8 447	7 102	3 036	4 804	979	369	775	37 135
September	11 080	8 321	7 488	3 310	5 054	1 028	415	735	36 879
October	11 723	8 741	7 727	3 401	5 336	1 027	363	790	39 165
November	11 712	8 349	7 280	3 420	4 911	970	431	972	38 659
December	11 601	9 126	7 302	3 249	5 290	985	415	925	36 321
<b>1996</b>									
January	10 950	9 242	6 649	3 119	5 202	887	338	843	39 359
<b>TREND ESTIMATES</b>									
<b>1994</b>									
November	11 776	8 935	7 701	3 101	5 571	968	305	917	38 850
December	11 454	8 679	7 322	3 002	5 376	940	306	871	37 551
<b>1995</b>									
January	11 088	8 398	6 891	2 895	5 093	904	312	805	36 148
February	10 794	8 076	6 521	2 808	4 782	876	322	734	34 879
March	10 687	7 772	6 304	2 762	4 521	867	332	681	34 088
April	10 785	7 566	6 294	2 768	4 373	881	341	662	33 877
May	11 020	7 524	6 483	2 828	4 373	913	351	671	34 307
June	11 299	7 649	6 798	2 931	4 504	952	362	700	35 241
July	11 524	7 885	7 138	3 062	4 700	988	375	739	36 310
August	11 602	8 157	7 370	3 181	4 876	1 009	385	776	37 185
September	11 565	8 420	7 457	3 262	5 011	1 013	391	810	37 733
October	11 486	8 615	7 423	3 302	5 099	1 002	394	840	37 986
November	11 429	8 776	7 329	3 312	5 160	983	394	866	38 147
December	11 362	8 922	7 200	3 299	5 205	962	392	888	38 270
<b>1996</b>									
January	11 372	9 059	7 066	3 278	5 232	942	388	900	38 354

<sup>1</sup> Excludes alterations and additions. Includes refinancing.

## SECURED HOUSING FINANCE COMMITMENTS<sup>1</sup>, By State: All Series

### TOTAL VALUE OF COMMITMENTS.....

Month	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Australia
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
..... ORIGINAL									
<b>1994</b>									
November	1 372.2	806.4	724.9	252.4	489.4	69.8	26.7	85.7	3 827.6
December	1 186.9	752.8	650.2	220.6	453.5	56.4	26.1	79.9	3 406.3
<b>1995</b>									
January	872.8	525.9	508.4	210.3	344.3	47.2	23.8	57.1	2 589.8
February	1 196.3	664.2	584.6	215.4	405.0	57.5	36.6	68.4	3 228.1
March	1 450.9	763.5	667.9	260.7	471.4	68.7	37.3	80.5	3 800.8
April	1 098.8	580.8	487.8	192.8	348.9	53.7	27.0	59.4	2 849.3
May	1 423.1	725.4	645.2	236.9	451.8	66.5	39.8	77.0	3 665.8
June	1 473.9	714.3	660.2	268.2	445.9	67.0	36.6	75.9	3 742.0
July	1 311.5	729.0	680.7	243.5	433.1	66.3	32.3	75.6	3 572.0
August	1 314.8	813.5	709.7	256.3	476.4	68.7	45.0	80.4	3 764.8
September	1 243.8	702.9	683.6	241.5	438.5	63.8	39.4	70.9	3 484.2
October	1 266.0	753.4	713.9	246.9	462.7	66.9	36.4	76.5	3 622.7
November	1 429.8	785.8	725.0	270.8	484.0	70.3	43.1	96.6	3 905.4
December	1 114.9	718.6	563.3	230.7	396.7	59.5	36.3	74.3	3 194.2
<b>1996</b>									
January	1 037.1	713.1	585.6	226.5	428.8	58.8	29.2	67.1	3 146.2
..... SEASONALLY ADJUSTED									
<b>1994</b>									
November	1 270.0	726.6	674.0	248.3	463.8	63.1	25.0	84.6	3 641.7
December	1 326.3	790.5	761.8	233.3	550.9	62.1	28.6	88.3	3 629.2
<b>1995</b>									
January	1 217.0	678.6	610.0	241.7	431.6	51.7	29.7	77.4	3 355.0
February	1 209.1	716.6	552.1	222.8	413.3	59.1	33.7	69.0	3 341.3
March	1 185.0	705.7	573.6	217.9	407.8	58.2	32.0	69.5	3 270.4
April	1 189.3	657.4	556.5	215.7	384.1	57.0	29.6	63.5	3 133.2
May	1 180.1	595.1	579.8	218.0	388.1	56.0	37.9	64.6	3 254.4
June	1 466.5	693.8	664.6	246.3	408.1	68.1	36.8	68.4	3 504.7
July	1 324.3	737.4	702.1	250.4	434.2	69.8	35.8	81.6	3 631.5
August	1 245.4	748.9	650.9	237.9	427.5	66.9	40.2	72.5	3 548.6
September	1 252.4	728.3	694.0	255.3	452.8	69.4	40.5	71.6	3 502.7
October	1 327.2	755.4	719.8	261.9	483.5	71.4	37.0	79.9	3 730.5
November	1 362.2	714.5	675.6	263.7	465.6	65.7	39.1	97.7	3 751.0
December	1 294.5	777.8	682.3	255.3	495.4	66.6	40.1	84.8	3 460.3
<b>1996</b>									
January	1 315.2	832.0	642.1	240.6	490.9	59.7	35.1	84.2	3 915.7
..... TREND ESTIMATES									
<b>1994</b>									
November	1 270.7	753.1	694.7	244.8	491.2	61.0	27.7	86.0	3 596.7
December	1 249.1	735.5	664.8	238.5	475.5	59.8	28.0	82.4	3 507.0
<b>1995</b>									
January	1 226.5	716.5	627.9	231.0	452.8	58.4	29.2	77.5	3 407.8
February	1 212.6	695.4	596.0	225.0	428.4	57.4	30.7	72.3	3 320.9
March	1 215.3	677.1	578.5	221.9	408.2	56.9	32.3	68.5	3 273.9
April	1 233.1	667.4	580.2	222.5	396.3	56.9	33.7	67.0	3 276.1
May	1 258.2	670.2	600.3	226.8	395.3	57.3	35.1	67.1	3 324.1
June	1 284.7	684.2	631.5	233.8	404.9	67.9	36.4	68.8	3 410.2
July	1 303.7	702.9	663.2	242.2	420.9	68.5	37.7	71.8	3 498.6
August	1 310.2	721.3	683.3	249.7	437.4	68.9	38.6	75.4	3 567.2
September	1 308.8	737.5	691.2	254.2	453.2	68.8	39.0	78.9	3 612.3
October	1 306.5	749.6	690.0	256.0	466.5	68.1	38.9	82.0	3 641.1
November	1 309.0	761.3	684.6	256.2	477.7	66.8	38.6	84.7	3 671.3
December	1 311.2	774.1	676.8	255.0	487.1	65.3	38.3	86.8	3 703.4
<b>1996</b>									
January	1 323.2	787.3	668.4	253.4	493.9	63.8	37.8	88.0	3 735.0

<sup>1</sup> Excludes alterations and additions. Includes refinancing.

SECURED HOUSING FINANCE COMMITMENTS<sup>1</sup>, By Type of Borrower & Loan: Original

TYPE OF BORROWER

Month	FIRST HOME BUYERS.....				OTHER.....			
	Number of dwellings financed	Number as per cent of total	Value of commitments	Average borrowing size	Number of dwellings financed	Number as per cent of total	Value of commitments	Average borrowing size
		%	\$m	\$'000		%	\$m	\$'000
<b>1994</b>								
November	9 165	22.1	819.1	89.4	32 358	77.9	3 008.6	93.0
December	7 789	21.5	703.0	90.3	28 513	78.5	2 703.3	94.8
<b>1995</b>								
January	6 472	22.7	576.5	89.1	22 016	77.3	2 013.3	91.4
February	7 965	23.3	723.1	90.8	26 230	76.7	2 505.0	95.5
March	9 132	23.1	833.2	91.2	30 366	76.9	2 967.6	97.7
April	6 439	22.0	601.7	93.4	22 818	78.0	2 247.6	98.5
May	8 570	23.0	794.2	92.7	28 707	77.0	2 871.6	100.0
June	8 013	21.0	744.0	92.9	30 162	79.0	2 998.0	99.4
July	7 672	20.8	709.7	92.5	29 203	79.2	2 862.3	98.0
August	8 225	20.8	740.4	90.0	31 233	79.2	3 024.5	96.8
September	7 598	20.9	681.3	89.7	28 821	79.1	2 802.9	97.3
October	7 991	21.1	726.7	90.9	29 904	78.9	2 895.9	96.8
November	8 539	21.1	767.4	89.9	32 018	78.9	3 138.0	98.0
December	7 218	21.7	648.5	89.8	26 062	78.3	2 545.7	97.7
<b>1996</b>								
January	7 382	22.4	685.9	92.9	25 526	77.6	2 460.2	96.4

TYPE OF LOAN

Month	FIXED RATE.....				OTHER.....			
	Number of dwellings financed	Number as per cent of total	Value of commitments	Average borrowing size	Number of dwellings financed	Number as per cent of total	Value of commitments	Average borrowing size
		%	\$m	\$'000		%	\$m	\$'000
<b>1994</b>								
November	4 978	12.0	476.8	95.8	36 545	88.0	3 350.8	91.7
December	4 633	12.8	450.8	97.3	31 669	87.2	2 955.5	93.3
<b>1995</b>								
January	3 656	12.8	341.0	93.3	24 832	87.2	2 248.8	90.6
February	3 812	11.1	351.1	92.1	30 383	88.9	2 877.0	94.7
March	3 591	9.1	335.3	93.4	35 907	90.9	3 465.6	96.5
April	2 047	7.0	201.1	98.2	27 210	93.0	2 648.2	97.3
May	2 539	6.8	241.2	95.0	34 738	93.2	3 424.6	98.6
June	3 792	9.9	402.7	106.2	34 383	90.1	3 339.3	97.1
July	5 758	15.6	609.5	105.9	31 117	84.4	2 962.5	95.2
August	6 618	16.8	659.4	99.6	32 840	83.2	3 105.4	94.6
September	5 568	15.3	556.9	100.0	30 851	84.7	2 927.3	94.9
October	6 074	16.0	612.4	100.8	31 821	84.0	3 010.2	94.6
November	7 105	17.5	705.5	99.3	33 452	82.5	3 199.9	95.7
December	5 826	17.5	584.6	100.3	27 454	82.5	2 609.6	95.1
<b>1996</b>								
January	6 415	19.5	626.6	97.7	26 493	80.5	2 519.6	95.1

<sup>1</sup> Excludes alterations and additions. Includes refinancing.

SECURED HOUSING FINANCE COMMITMENTS, Summary Table: Original

Month	Total new housing commitments <sup>1</sup>	Refinancing	Alterations and additions	Total	Commitments advanced during month	Cancellations of commitments during month	Commitments not advanced at end of month
	\$m						
<b>1994</b>							
November	3 315.0	512.6	329.2	4 156.8	3 869.3	187.9	7 393.0
December	2 946.3	460.0	279.7	3 686.0	3 811.3	181.2	7 088.4
<b>1995</b>							
January	2 240.9	348.9	231.5	2 821.4	2 828.4	195.7	6 902.0
February	2 794.3	433.8	306.3	3 534.4	3 145.7	215.4	7 103.3
March	3 248.1	552.7	340.5	4 141.3	4 331.0	220.9	6 654.0
April	2 431.3	418.0	266.4	3 115.7	3 168.7	189.9	6 417.8
May	3 119.2	546.6	291.8	3 957.6	3 518.5	258.5	6 722.2
June	3 064.2	677.9	303.8	4 045.8	3 754.1	218.4	6 772.6
July	2 882.1	689.9	263.6	3 835.6	3 745.8	206.2	6 725.8
August	3 043.7	721.2	291.7	4 056.6	3 610.2	176.4	7 156.7
September	2 815.6	668.6	297.1	3 781.3	3 638.4	174.0	7 180.0
October	2 919.0	703.7	282.8	3 905.5	3 567.9	172.6	7 311.8
November	3 134.7	770.7	318.0	4 223.4	3 748.9	174.3	7 615.4
December	2 598.7	595.5	267.5	3 461.7	3 476.9	178.6	7 426.9
<b>1996</b>							
January	2 545.9	600.2	260.9	3 407.0	3 040.2	200.8	7 571.3

<sup>1</sup> Excluding refinancing.

## REFINANCING

### IMPACT ON HOUSING FINANCE ESTIMATES

The ABS began collecting separate information on the level of refinancing in July 1991. Up until that time refinancing was included with statistics of finance for established dwellings. Growth in refinancing in recent years has led to requests for trend estimates of total commitments for housing finance excluding commitments for refinancing.

Preliminary seasonally adjusted and trend estimates for dwellings refinanced are now available from July 1991 based on the actual recorded level of refinancing. These should be used with caution as there is still an insufficient number of observations to produce estimates as reliable as others in this publication.

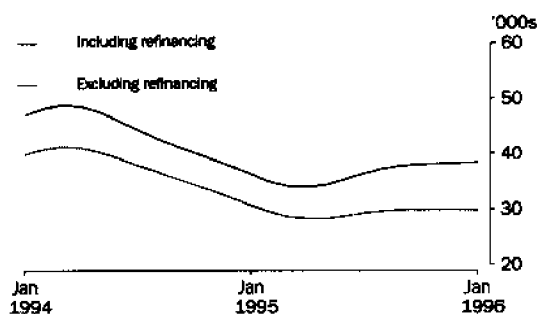
The table below compares the seasonally adjusted and trend estimates, and trend growth rates in housing finance, both inclusive and exclusive of refinancing, for the most recent fifteen month period. The graph opposite illustrates this comparison on an extended time frame.

#### TOTAL DWELLINGS FINANCED—Including & excluding refinancing

Month	ORIGINAL	SEASONALLY ADJUSTED.....			TREND.....				
	Dwellings refinanced	Total dwellings financed	Dwellings under new finance excluding dwellings refinanced	Dwellings refinanced	Total dwellings financed	Dwellings under new finance excluding dwellings refinanced	Dwellings refinanced	Month to month change in total dwellings financed	Month to month change in dwellings under new finance
	Number	Number	Number	Number	Number	Number	Number	%	%
<b>1994</b>									
November	6 180	39 100	33 084	6 016	38 850	33 089	5 761	-3.0	-3.4
December	5 470	38 861	32 802	6 059	37 551	31 865	5 686	-3.3	-3.7
<b>1995</b>									
January	4 158	35 564	30 064	5 500	36 148	30 616	5 531	-3.7	-3.9
February	4 882	35 077	29 852	5 225	34 879	29 474	5 405	-3.5	-3.7
March	6 302	34 047	28 616	5 431	34 068	28 633	5 436	-2.3	-2.9
April	4 764	32 474	27 283	5 191	33 877	28 214	5 664	-0.6	-1.5
May	6 293	33 450	27 769	5 681	34 307	28 259	6 048	1.3	0.2
June	7 433	35 970	28 677	7 293	35 241	28 686	6 555	2.7	1.5
July	7 812	37 593	30 219	7 374	36 310	29 218	7 092	3.0	1.9
August	8 296	37 135	29 795	7 340	37 185	29 628	7 557	2.4	1.4
September	7 624	36 879	29 582	7 297	37 733	29 825	7 908	1.5	0.7
October	8 235	39 165	30 437	8 728	37 986	29 830	8 157	0.7	0.0
November	9 049	38 659	29 736	8 923	38 147	29 795	8 352	0.4	-0.1
December	7 095	36 321	28 332	7 989	38 270	29 782	8 488	0.3	0.0
<b>1996</b>									
January	6 988	39 359	30 883	8 476	38 354	29 758	8 596	0.2	-0.1

## REFINANCING *(continued)*

### HOUSING FINANCE, INCLUDING & EXCLUDING REFINANCING: TREND



The table below shows the contribution of refinancing to percentage monthly movements in trend estimates of housing finance for the most recent fifteen month period.

### TOTAL DWELLINGS FINANCED—Contribution of components to monthly growth: Trend

Month	Month to month change in total dwellings financed including those refinanced	COMPONENT OF TOTAL MOVEMENT ATTRIBUTABLE TO .....	
		Dwellings under new finance excluding dwellings refinanced	Dwellings refinanced
	%	Percentage points	Percentage points
<b>1994</b>			
November	-3.0	-2.9	-0.1
December	-3.3	-3.2	-0.2
<b>1995</b>			
January	-3.7	-3.3	-0.4
February	-3.5	-3.2	-0.3
March	-2.3	-2.4	0.1
April	-0.6	-1.2	0.7
May	1.3	0.1	1.1
June	2.7	1.2	1.5
July	3.0	1.5	1.5
August	2.4	1.1	1.3
September	1.5	0.5	0.9
October	0.7	0.0	0.7
November	0.4	-0.1	0.5
December	0.3	0.0	0.4
<b>1996</b>			
January	0.2	-0.1	0.3

## OTHER LENDERS—MORTGAGE MANAGERS

Commitments made by mortgage managers for secured housing finance for owner occupation are included in the 'other lenders' and 'total lenders' categories in this publication. The table below shows the level of lending commitments by mortgage managers to individuals for construction and purchase of dwellings, commencing from July 1995. Data for the more significant mortgage managers, where available, has been included for earlier months elsewhere in this publication under 'other lenders', but not shown separately. More comprehensive data are only available from July 1995 when the annual adjustment to the population of the monthly survey underlying these statistics introduced a number of additional mortgage managers. The data in the following table are on an original basis; seasonally adjusted data will not be available for some years as a large number of observations are needed to produce reliable seasonal factors.

Care should be exercised in the interpretation of these statistics as:

- only those mortgage managers identified as significant lenders are included;
- only those commitments funded by securitisers are included. Commitments made by mortgage managers acting as agents or brokers for other financial institutions are excluded from this table. Such commitments are reported by those lending institutions providing the finance and are included in the lender type category relating to those institutions; and
- commitments made by mortgage managers for investment housing are excluded. The value of those commitments is included in the 'other lenders' and 'total lenders' categories of the ABS's Commercial Finance standard data service (5643.0.40.002).

## SECURED HOUSING FINANCE COMMITMENTS BY MORTGAGE MANAGERS

Month	Total dwelling commitments <sup>1</sup>		Refinancing		Total new dwelling commitments <sup>2</sup>	
	Number	\$m	Number	\$m	Number	\$m
<b>1995</b>						
July	1 537	186.3	691	81.0	846	105.3
August	1 673	216.7	776	94.7	897	122.0
September	1 497	184.0	756	90.4	741	93.6
October	1 743	220.1	813	100.7	930	119.4
November	1 900	231.6	871	102.3	1 029	129.4
December	1 257	161.5	583	72.2	674	89.3
<b>1996</b>						
January	1 287	160.8	538	63.0	749	97.8

<sup>1</sup> Excludes alterations and additions. Includes refinancing.

<sup>2</sup> Excludes alterations and additions, and refinancing.



# EXPLANATORY NOTES

.....

## INTRODUCTION

**1** This publication presents statistics of secured housing finance commitments made by significant lenders to individuals. The commitments are for the construction or purchase of owner-occupied dwellings.

## SCOPE

**2** The scope of the survey comprises the following types of lenders:

- Banks
- Permanent building societies
- Credit unions/co-operative credit societies
- Life or general insurance companies
- General government enterprises
- Superannuation funds
- Organisations raising funds through the secondary mortgage market for approved home buyers under State government housing schemes
- Other financial corporations registered under the Financial Corporations Act 1974
- Other providers of consumer finance registered with State credit tribunals, including mortgage managers.

## COVERAGE

**3** The statistics cover significant lenders only. Significant lenders are the largest lenders to individuals for the construction and purchase of owner-occupied dwellings. They account in aggregate for at least 95% of the Australian total and at least 90% of each State total of finance commitments for housing.

**4** An annual collection is conducted to maintain coverage of significant lenders. In addition, new lenders are included in the series as their level of lending for owner occupied housing becomes significant.

**5** All banks and permanent building societies qualify as significant lenders and are therefore covered by these statistics. The category 'other lenders' includes a large number of small lenders that do not qualify as significant lenders and therefore are excluded from the survey. Although their omission does not have a serious impact on the overall coverage of lending activity, the statistics for 'other lenders' are affected to a greater extent by this coverage constraint.

**6** Changes in the classification of lenders (for example, the conversion of a permanent building society to a bank) are reflected in the 'type of lender' statistics from the month of such changes. Data for earlier periods for reclassified lenders are not adjusted. Details of the establishment of new banks are published in the Reserve Bank of Australia's monthly Bulletin in the section on Technical Notes to Tables. In July 1995, a permanent building society converted to a bank and this change is reflected in the 'type of lender' statistics in Table 2. This is the only such change affecting these statistics for the period covered by tables in this publication.

## REVISIONS

**7** Revisions to previously published statistics are included in the publication as they occur.

## COMMITMENTS NOT ADVANCED

**8** Commitments not advanced at the end of the period are calculated as follows:

- + Balance of unadvanced commitments at the end of the previous period
- + Total new housing commitments (including refinancing)
- + Alterations and additions
- 
- = Total commitments
- Cancellations of commitments
- Commitments advanced during the period
- 
- = Commitments not advanced at the end of the period



**SEASONAL ADJUSTMENT**

**9** Seasonal adjustment is a means of removing the estimated effects of normal seasonal variation and 'trading day effects' (arising from the varying amounts of activity on different days of the week and the varying reporting practices of the lenders). Adjustment is also made for Easter which may affect the March and April estimates differently. Seasonal adjustment does not remove the effect of irregular or non-seasonal influences (for example, a change in interest rates) from the series.

**10** In late 1995, as part of its annual reanalysis of the housing finance series, the ABS reviewed the trading and seasonal patterns for the bank component to account for changes in bank reporting practices. Over the period from early 1990 to April 1995, each of the 4 major banks had changed from reporting for the 4 or 5 weeks ending on the last Wednesday of each month to calendar month reporting. The results of the reanalysis were included in the October 1995 issue of *Housing Finance for Owner Occupation, Australia, Supplement* (5609.0), released on 15 January 1996.

**11** Two other developments in recent years may induce some change in the trading day and seasonal patterns of housing finance data. These comprise the changes in the classification of some major financial institutions (in particular, the conversion of building societies into banks) and the recent expansion of activity by mortgage managers. Estimation of seasonal adjustment and trading day factors that reflect the full effect of all these changes will not be possible until a sufficient number of years of data have been collected. Accordingly, the trend estimate data provide the most reliable indicator of underlying movement in housing finance commitments.

**TREND ESTIMATES**

**12** Smoothing seasonally adjusted series reduces the impact of the irregular component of the seasonally adjusted series and creates trend estimates. These trend estimates are derived by applying a 13-term Henderson-weighted moving average to all months of the respective seasonally adjusted series except the last six months. Trend series are created for the last six months by applying surrogates of the Henderson moving average to the seasonally adjusted series. For further information, refer to *A Guide to Interpreting Time Series — Monitoring 'Trends': an Overview* (1348.0) or contact the Assistant Director, Time Series Analysis on (06) 252 6345.

**13** While the smoothing technique described in paragraph 12 enables trend estimates to be produced for the latest few months, it does result in revisions to the trend estimates as new data become available. Generally, revisions become smaller over time and, after three months, usually have a negligible impact on the series. Changes in the original data and re-estimation of seasonal factors may also lead to revisions to the trend.

**RELATED PUBLICATIONS**

**14** Users may wish to refer to the following publications:

- *Building Approvals, Australia* (8731.0)
- *Building Activity Australia: Dwelling Unit Commencements* (8750.0)

**15** Users may also wish to refer to the following statistical products which are available through subscription to a standard data service:

- *Personal Finance, Australia* (5642.0.40.002)
- *Commercial Finance, Australia* (5643.0.40.002)
- *Lease Finance, Australia* (5644.0.40.002)

**SYMBOLS AND OTHER USAGES**

n.p. not available for publication  
n.y.a not yet available

## GLOSSARY

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- Alterations and additions** Alterations and additions cover all structural and non-structural changes which are integral to the functional and structural design of a dwelling. Examples are garages, carports, pergolas, reroofing, recladding, etc. Alterations and additions do not include swimming pools, ongoing repairs, or maintenance and home improvements which do not involve building work.
- Average borrowing** Average borrowing is calculated as follows:  
$$\frac{\text{Total value of lending commitments per month}}{\text{Total number of dwellings financed per month}}$$
  
Average borrowing does not necessarily represent the average loan size per dwelling. For instance, average borrowing separately reflects first and second mortgages, committed in separate months, which apply to the same dwelling.
- Commitment** A lending commitment is a firm offer of housing finance. It either has been, or is normally expected to be, accepted. Included are commitments to provide housing finance to employees and commitments accepted and cancelled in the same month.
- Commitment value** The commitment value for a contract of sale is the dwelling's sale value less any deposit.
- Construction of dwellings** Construction of dwellings represents commitments made to individuals to finance, by way of progress payments, the construction of owner-occupied dwellings.
- Dwelling** A dwelling is either a house or other dwelling. A house is a single self-contained place of residence detached from other buildings. An other dwelling is a single self-contained place of residence other than a house. Examples of other dwellings are individual flats, home units, town houses, terrace houses, etc.
- Dwelling units** Dwelling units refers to the number of houses and other dwellings for which commitments have been made, either on the security of first mortgage or on contract of sale.
- Established dwelling** An established dwelling is one which has been completed for more than twelve months prior to the lodgement of a loan application, or which has been previously occupied.
- First home buyers** First home buyers are persons entering the home ownership market for the first time.
- Fixed rate loan** Fixed rate loans have a set interest rate which cannot be varied, either upward or downward, for a minimum period of two years. Capped loans are not categorised as fixed rate loans because their interest rate can vary within a two year period.
- Mortgage Manager** Mortgage managers obtain funds from financial institutions and through securitisation to lend for housing finance. In general, they manage the loans that they originate on behalf of the wholesale lenders. To avoid double counting, only those mortgage manager commitments funded by securitisers are included in the housing finance statistics. Those commitments made by mortgage managers acting as agents/brokers for other financial institutions are reported by those institutions.

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**Newly erected dwelling** A new dwelling that has been completed within twelve months of the lodgement of a loan application, and the borrower will be the first occupant.

**Refinancing** Refinancing represents a commitment to refinance an existing loan where the refinancing lender is not the lender who made the original loan. Excluded are an institution's refinancing of its own loans and the refinancing of loans to fund a change of residence. The latter is treated as a new lending commitment.

**Secured housing finance** This is all secured commitments to individuals for the construction or purchase of houses and other dwellings for owner occupation, regardless of type of security. Commitments for housing that will be occupied by persons other than the owner(s) are excluded.

**Self-contained** The dwelling includes bathing and cooking facilities.

**Significant lenders** Significant lenders are those lenders who committed funds of more than \$21 million Australia-wide during the calendar year 1994.



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ISSN 1031-0320

RRP \$14.00