

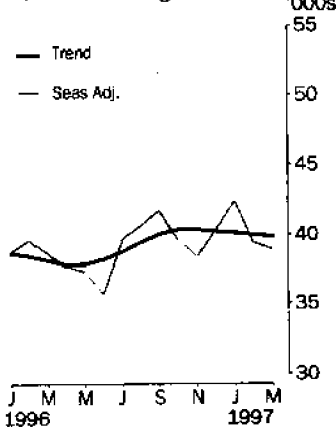
# HOUSING FINANCE FOR OWNER OCCUPATION

AUSTRALIA

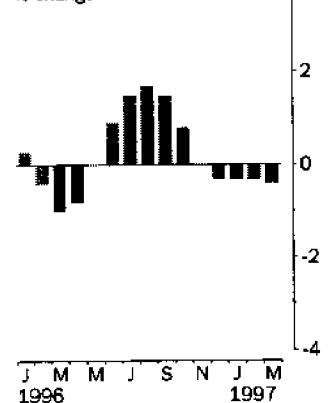
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## MARCH KEY FIGURES

**Secured housing finance**  
Number of dwellings



**Number of dwellings**  
Trend estimates  
% change



### TREND ESTIMATES

	Mar 97	% change Feb 97	% change Mar 96
Number of dwellings financed	39 834	-0.4	4.5
Construction of dwellings	5 588	-0.2	6.3
Purchase of new dwellings	1 965	-0.7	11.2
Purchase of established dwellings	32 280	-0.4	3.8

### SEASONALLY ADJUSTED

	Mar 97	% change Feb 97	% change Mar 96
Number of dwellings financed	38 931	-1.3	0.7
Construction of dwellings	5 354	-5.9	-0.9
Purchase of new dwellings	1 868	-3.0	0.9
Purchase of established dwellings	31 709	-0.4	0.9

## MARCH KEY POINTS

### TREND ESTIMATES

- The trend estimate for total dwellings financed has shown little change during the past six months. Most components are now static or showing marginal declines for the last few months.
- The number of commitments for refinancing decreased by 1.1%, continuing the slow decline since October 1996.

### SEASONALLY ADJUSTED ESTIMATES

- The number of dwellings financed during March was 38 931, 1.3% lower than in February. Decreases occurred for each type of housing and for each lender type.
- The number of commitments under new finance, excluding refinancing, increased slightly in March, following a fall of 5.9% in February.

### ORIGINAL ESTIMATES

- There were 39 792 dwellings financed in March, a decrease of 4.3% on March 1996.
- During March 1997, 83.8% of commitments were made by Banks, 3.6% by Permanent Building Societies and 12.6% by Other Lenders. For March 1996, the proportions were 84.0%, 5.6% and 10.4% respectively. Mortgage Managers accounted for 5.6% of commitments, compared to 5.2% in March 1996.

## INQUIRIES

- For further information about these and related statistics, contact Andrea McIntyre on 02 9268 4784, or any ABS Office.

# HOUSING FINANCE NOTES

## FORTHCOMING ISSUES

ISSUE	RELEASE DATE
April 1997	11 June 1997
May 1997	11 July 1997
June 1997	8 August 1997

## CHANGES IN THIS ISSUE

The graphs on the top of page three and page four, and the middle and lower graphs on page five have all had changes in scale.

## SENSITIVITY ANALYSIS

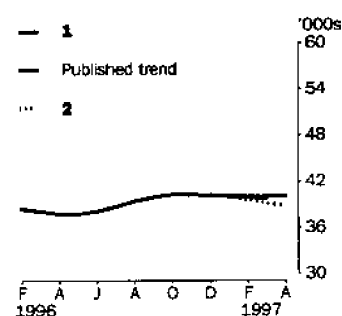
Readers should exercise care when interpreting this month's trend estimates because they will be revised when next month's seasonally adjusted estimates become available. For further information, see Explanatory Notes 13 to 15.

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

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



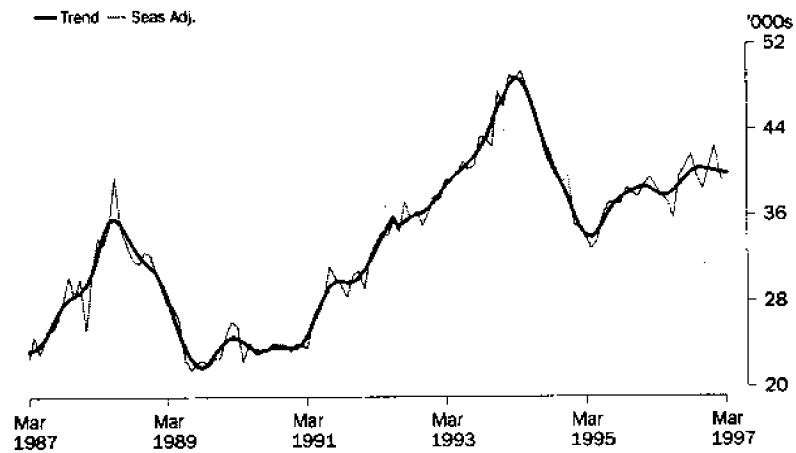
	TREND AS PUBLISHED		WHAT IF NEXT MONTH'S SEASONALLY ADJUSTED ESTIMATE:			
	estimate	% change	<b>1</b> rises by 4% on Mar 1997		<b>2</b> falls by 4% on Mar 1997	
			estimate	% change	estimate	% change
<b>1996</b>						
October	40 354	0.8	40 362	0.9	40 422	0.9
November	40 362	0.0	40 375	0.0	40 481	0.1
December	40 228	-0.3	40 230	-0.4	40 283	-0.5
<b>1997</b>						
January	40 120	-0.3	40 150	-0.2	40 010	-0.7
February	39 998	-0.3	40 125	-0.1	39 664	-0.9
March	39 834	-0.4	40 072	-0.1	39 203	-1.2
April (new)	—	—	40 112	0.1	38 800	-1.0

W. McLennan  
Australian Statistician

# SECURED HOUSING FINANCE: Trend/Seasonally adjusted

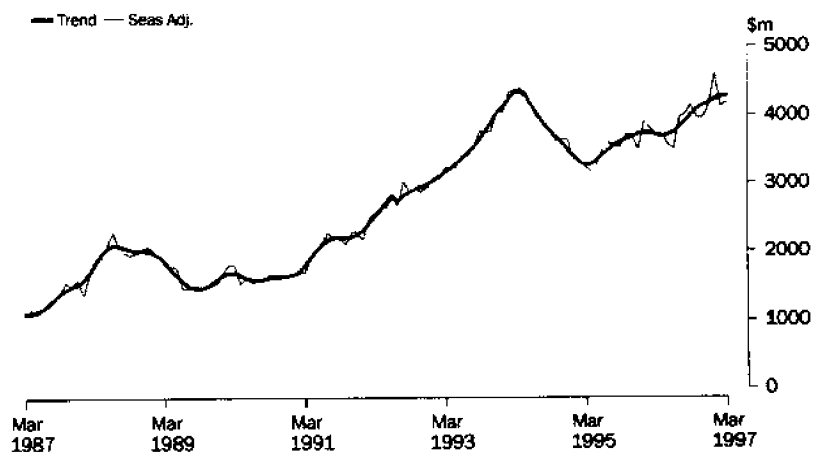
## NUMBER OF DWELLINGS FINANCED

The trend estimate for the number of dwellings financed has shown little change during the past six months. Commitments for the purchase of established dwellings, excluding refinancing, has remained static since September. The number of dwellings refinanced fell by 1.1% in trend terms, the sixth consecutive monthly decrease. Seasonally adjusted, the number of dwellings financed decreased by 1.3%, with decreases recorded for all types of housing and for all lender types. The number of dwellings refinanced fell by 8.3% and is now 34.0% below the peak in September 1996.



## VALUE OF COMMITMENTS

The trend estimate for the value of commitments in March was \$4 279.2 million, slightly higher than in February and the eleventh consecutive monthly increase. Seasonally adjusted, the value of commitments increased 1.4% to \$4 185.3 million. The average borrowing size was \$106 500 in original terms, compared to \$97 600 in March 1996.

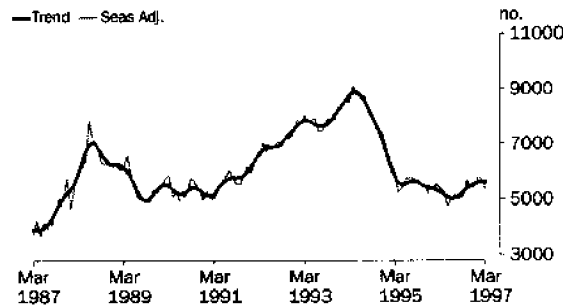


# TYPE OF HOUSING: Seasonally adjusted and trend

## NUMBER OF DWELLINGS FINANCED

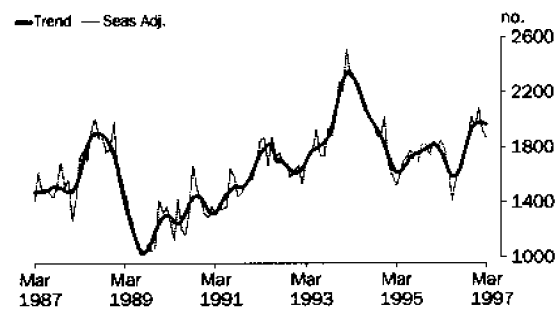
### CONSTRUCTION OF DWELLINGS

The trend estimate for the construction of dwellings financed was 5 588, a slight decrease on February, following seven months of consecutive increases. Seasonally adjusted, the number of dwellings financed was 5 354, a 5.9% decrease on February.



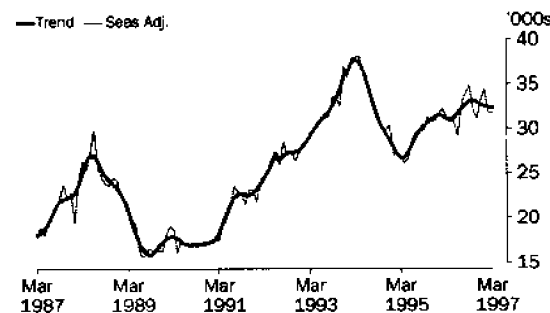
### PURCHASE OF NEW DWELLINGS

The trend estimate for the number of new dwellings financed was 1 965, a slight decrease on February. This series has remained relatively static for the last three months, following six months of consecutive increases. Seasonally adjusted, finance was committed for 1 868 dwellings, a 3.0% decrease on February.



### PURCHASE OF ESTABLISHED DWELLINGS

The trend estimate for the purchase of established dwellings is showing a slight decline from November 1996, while the trend estimate for the purchase of established dwellings, excluding refinancing, is relatively stable. Seasonally adjusted, finance was committed for 31 709 dwellings, a slight decrease on February. Commitments for established dwellings, excluding refinancing, increased by 2.5% on February.

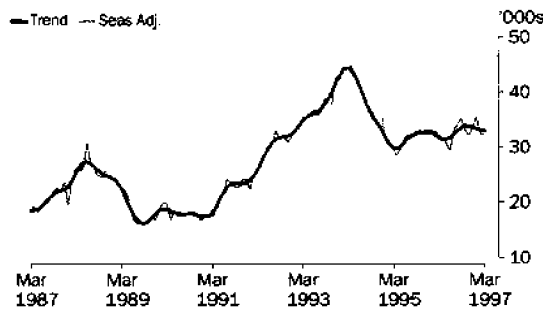


# TYPE OF LENDER: Seasonally adjusted and trend

## NUMBER OF DWELLINGS FINANCED

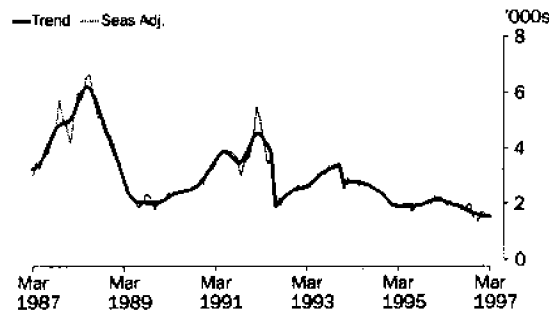
### BANKS

The trend estimate for the number of dwellings financed has slowly declined from November 1996. Seasonally adjusted, finance was committed for 32 167 dwellings, down slightly in March, following a fall of 9.8% in February.



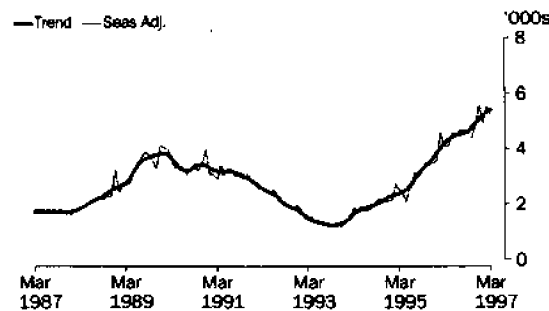
### PERMANENT BUILDING SOCIETIES

The trend estimate for the number of dwellings financed was 1 539, the thirteenth consecutive month of decline and down 1.2% on February. Seasonally adjusted, finance was committed for 1 542 dwellings, a 5.2% decrease on February. The graph below contains breaks in series when Permanent Building Societies converted to Banks, see Explanatory Note 6.



### OTHER LENDERS

The trend estimate for the number of dwellings financed was 5 418, up 1.8% on February and 29.7% on March 1996. This series has increased in trend terms each month since November 1993. Seasonally adjusted, finance was committed for 5 222 dwellings, down 6.2% on February but up 28.3% on March 1996.





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>1996</b>								
January	4 356	407.4	1 567	164.0	26 977	2 575.9	32 900	3 147.3
February	5 563	523.8	1 818	190.7	33 436	3 169.7	40 817	3 884.2
March	5 772	570.1	1 974	196.1	33 840	3 293.0	41 586	4 059.2
April	5 010	493.4	1 737	193.9	28 945	2 816.5	35 692	3 503.8
May	5 466	529.4	1 695	194.2	33 783	3 332.4	40 944	4 056.0
June	4 934	479.2	1 368	155.1	29 218	2 886.0	35 520	3 520.3
July	5 546	543.4	1 697	204.9	35 393	3 477.8	42 636	4 226.1
August	5 192	512.2	1 769	197.7	33 743	3 344.7	40 704	4 054.6
September	5 115	495.1	1 829	207.7	33 969	3 341.4	40 913	4 044.2
October	5 773	561.4	1 923	212.3	33 342	3 324.5	41 038	4 098.2
November	5 265	512.4	1 986	226.5	31 482	3 241.7	38 733	3 980.5
December	4 841	477.9	1 753	190.5	30 287	3 185.6	36 881	3 854.0
<b>1997</b>								
January	4 800	473.7	1 747	203.6	29 321	3 081.0	35 868	3 758.3
February	5 509	570.0	1 860	214.4	31 382	3 245.4	38 751	4 029.8
March	5 368	565.6	2 025	224.0	32 399	3 447.6	39 792	4 237.3
SEASONALLY ADJUSTED								
<b>1996</b>								
January	5 317	513.1	1 854	195.1	31 617	3 188.2	38 788	3 896.4
February	5 526	528.6	1 783	187.0	32 273	3 093.1	39 582	3 808.8
March	5 401	522.6	1 851	187.6	31 413	3 013.7	38 665	3 724.0
April	5 249	522.6	1 788	204.0	30 686	3 008.0	37 723	3 734.5
May	4 758	450.8	1 636	181.0	30 869	2 954.2	37 263	3 586.1
June	5 019	496.2	1 409	157.5	29 284	2 848.0	35 712	3 501.7
July	5 127	500.9	1 576	191.1	32 920	3 268.4	39 623	3 960.4
August	5 016	480.4	1 657	187.5	33 971	3 352.7	40 644	4 020.5
September	5 071	495.3	1 745	203.4	34 886	3 461.3	41 702	4 160.0
October	5 660	560.1	1 846	202.9	32 100	3 205.8	39 606	3 968.9
November	5 411	511.0	2 027	227.8	31 016	3 219.3	38 454	3 958.1
December	5 429	535.0	1 943	206.7	33 001	3 425.4	40 373	4 167.1
<b>1997</b>								
January	5 752	578.0	2 086	242.1	34 565	3 792.0	42 403	4 612.1
February	5 691	602.2	1 926	220.7	31 831	3 305.3	39 448	4 128.2
March	5 354	559.5	1 868	213.6	31 709	3 412.1	38 931	4 185.3
TREND ESTIMATES								
<b>1996</b>								
January	5 365	509.7	1 825	188.4	31 466	3 044.2	38 656	3 742.2
February	5 322	511.0	1 812	189.7	31 373	3 036.0	38 507	3 736.6
March	5 258	509.1	1 767	188.4	31 111	3 010.5	38 136	3 708.0
April	5 165	502.6	1 701	185.7	30 960	2 999.1	37 827	3 687.4
May	5 072	494.9	1 634	182.7	31 135	3 022.8	37 842	3 700.5
June	5 018	489.5	1 590	181.7	31 592	3 078.6	38 200	3 749.9
July	5 025	489.1	1 592	183.7	32 163	3 149.3	38 779	3 822.1
August	5 102	494.9	1 648	189.6	32 708	3 230.2	39 457	3 914.7
September	5 230	506.3	1 745	198.5	33 073	3 303.3	40 048	4 008.0
October	5 364	520.9	1 850	208.2	33 140	3 357.9	40 354	4 087.0
November	5 468	535.8	1 928	215.8	32 967	3 392.8	40 362	4 144.3
December	5 538	550.3	1 967	220.2	32 722	3 418.2	40 228	4 188.6
<b>1997</b>								
January	5 579	563.4	1 981	222.9	32 560	3 444.8	40 120	4 231.1
February	5 597	574.4	1 980	224.4	32 421	3 464.5	39 998	4 263.3
March	5 588	581.4	1 965	224.0	32 280	3 473.8	39 834	4 279.2

<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>1996</b>								
January	27 968	2 672.4	1 813	169.5	3 119	305.5	32 900	3 147.3
February	34 059	3 220.3	2 359	215.7	4 399	448.2	40 817	3 884.2
March	34 941	3 400.2	2 313	223.1	4 332	436.0	41 586	4 059.2
April	30 090	2 902.9	1 758	202.0	3 844	399.0	35 692	3 503.8
May	33 534	3 300.0	2 384	225.0	5 026	531.0	40 944	4 056.0
June	29 528	2 888.8	1 871	194.2	4 121	437.3	35 520	3 520.3
July	35 767	3 525.4	1 925	193.7	4 944	507.0	42 636	4 226.1
August	34 225	3 390.3	1 826	179.0	4 653	485.2	40 704	4 054.6
September	34 615	3 412.3	1 785	171.6	4 513	460.3	40 913	4 044.2
October	34 062	3 383.5	2 167	225.6	4 809	489.1	41 038	4 098.2
November	31 953	3 241.9	1 551	169.7	5 229	568.9	38 733	3 980.5
December	30 541	3 173.5	1 309	134.2	5 031	546.3	36 881	3 854.0
<b>1997</b>								
January	30 108	3 168.5	1 388	133.5	4 372	456.4	35 868	3 758.3
February	31 958	3 311.5	1 660	168.3	5 133	550.0	38 751	4 029.8
March	33 331	3 558.5	1 429	152.4	5 032	526.3	39 792	4 237.3
SEASONALLY ADJUSTED								
<b>1996</b>								
January	32 974	3 321.9	2 272	204.2	3 542	370.3	38 788	3 896.4
February	32 784	3 165.3	2 207	201.3	4 591	442.2	39 582	3 808.8
March	32 408	3 110.2	2 188	211.0	4 069	402.8	38 665	3 724.0
April	31 719	3 104.8	1 916	217.1	4 088	412.6	37 723	3 734.5
May	30 625	2 924.5	2 077	194.2	4 561	467.4	37 263	3 586.1
June	29 276	2 810.1	1 909	201.0	4 527	490.6	35 712	3 501.7
July	33 089	3 281.7	1 904	188.5	4 630	490.2	39 623	3 960.4
August	34 233	3 363.8	1 795	177.3	4 616	479.4	40 644	4 020.5
September	35 322	3 508.5	1 845	177.2	4 535	474.3	41 702	4 160.0
October	33 177	3 310.3	2 044	213.7	4 385	444.8	39 606	3 968.9
November	32 200	3 263.9	1 502	169.1	4 752	525.1	38 454	3 958.1
December	33 450	3 423.1	1 349	141.6	5 574	602.4	40 373	4 167.1
<b>1997</b>								
January	35 742	3 907.2	1 740	160.1	4 921	544.7	42 403	4 612.1
February	32 256	3 396.5	1 626	166.4	5 566	565.2	39 448	4 128.2
March	32 167	3 482.6	1 542	161.4	5 222	541.3	38 931	4 185.3
TREND ESTIMATES								
<b>1996</b>								
January	32 701	3 164.4	2 150	201.6	3 805	376.2	38 656	3 742.2
February	32 354	3 134.3	2 156	206.0	3 996	396.4	38 507	3 736.6
March	31 830	3 081.2	2 129	208.1	4 177	418.7	38 136	3 708.0
April	31 423	3 040.0	2 068	206.1	4 336	441.3	37 827	3 687.4
May	31 389	3 039.6	2 002	201.6	4 451	459.3	37 842	3 700.5
June	31 751	3 084.1	1 952	196.9	4 497	468.8	38 200	3 749.9
July	32 348	3 155.7	1 912	192.7	4 519	473.7	38 779	3 822.1
August	33 041	3 247.6	1 868	188.4	4 549	478.7	39 457	3 914.7
September	33 624	3 336.8	1 810	183.6	4 613	487.6	40 048	4 008.0
October	33 897	3 407.7	1 743	178.3	4 714	501.0	40 354	4 087.0
November	33 819	3 452.5	1 678	172.4	4 866	519.4	40 362	4 144.3
December	33 566	3 483.4	1 623	166.7	5 038	538.6	40 228	4 188.6
<b>1997</b>								
January	33 342	3 515.6	1 583	161.8	5 195	553.7	40 120	4 231.1
February	33 119	3 541.2	1 558	158.5	5 321	563.6	39 998	4 263.3
March	32 876	3 553.6	1 539	156.1	5 418	569.5	39 834	4 279.2

<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>1996</b>									
January	9 216	8 022	6 159	2 965	4 727	840	290	681	32 900
February	12 095	9 990	7 466	3 482	5 563	911	428	882	40 817
March	12 697	9 800	7 548	3 694	5 582	988	375	902	41 586
April	10 882	9 140	5 515	3 271	4 905	849	320	810	35 692
May	13 340	10 051	6 517	3 276	5 733	942	284	801	40 944
June	12 261	8 382	5 553	2 707	4 827	841	242	707	35 520
July	14 719	10 015	6 946	3 013	5 593	1 032	317	1 001	42 636
August	13 526	9 845	7 212	2 776	5 031	1 163	302	849	40 704
September	13 402	10 153	7 306	3 064	4 755	1 067	309	857	40 913
October	12 969	9 947	7 366	2 965	5 560	1 117	317	797	41 038
November	12 847	8 743	7 156	3 115	4 843	909	370	750	38 733
December	11 815	8 557	6 525	2 995	5 044	787	374	784	36 881
<b>1997</b>									
January	11 717	7 816	6 360	2 885	5 280	742	319	749	35 868
February	12 489	8 759	7 287	3 013	5 350	778	322	753	38 751
March	13 638	8 698	7 151	3 123	5 247	814	360	761	39 792
<b>SEASONALLY ADJUSTED<sup>2</sup></b>									
<b>1996</b>									
January	11 667	9 504	7 040	3 339	5 435	951	352	875	38 788
February	11 527	9 972	6 938	3 424	5 418	887	388	814	39 582
March	11 284	9 599	6 716	3 296	5 095	884	333	800	38 665
April	11 537	9 780	6 253	3 632	5 339	888	342	807	37 723
May	11 794	8 938	6 291	3 095	5 130	825	277	712	37 263
June	12 454	8 276	5 482	2 571	4 535	830	265	684	35 712
July	13 579	9 257	6 727	2 968	5 213	1 012	306	1 029	39 623
August	13 476	9 694	7 022	2 792	4 888	1 175	300	830	40 644
September	13 565	10 353	7 426	3 105	5 008	1 098	301	901	41 702
October	13 002	9 417	7 233	2 980	5 464	1 155	313	793	39 606
November	12 642	8 892	7 120	3 173	4 858	924	359	745	38 454
December	13 201	9 083	6 895	3 042	5 939	845	388	874	40 373
<b>1997</b>									
January	14 711	9 300	7 352	3 157	5 953	810	387	933	42 403
February	12 522	9 003	7 044	3 089	5 390	793	291	755	39 448
March	13 323	9 174	6 931	3 120	5 456	799	364	753	38 931
<b>TREND ESTIMATES<sup>2</sup></b>									
<b>1996</b>									
January	11 417	9 403	6 935	3 366	5 276	933	384	848	38 656
February	11 400	9 536	6 719	3 369	5 278	904	364	825	38 507
March	11 480	9 500	6 490	3 325	5 235	877	340	797	38 136
April	11 727	9 359	6 317	3 233	5 148	859	317	782	37 827
May	12 132	9 237	6 258	3 106	5 058	857	300	790	37 842
June	12 591	9 203	6 336	2 983	4 976	872	290	811	38 200
July	12 962	9 279	6 536	2 903	4 936	1 069	287	832	38 779
August	13 215	9 411	6 809	2 895	4 975	1 088	296	847	39 457
September	13 329	9 506	7 054	2 944	5 088	1 081	313	854	40 048
October	13 333	9 496	7 194	3 019	5 246	1 042	332	850	40 354
November	13 301	9 378	7 210	3 078	5 401	976	346	838	40 362
December	13 300	9 218	7 154	3 101	5 516	904	354	826	40 228
<b>1997</b>									
January	13 328	9 111	7 100	3 114	5 594	841	357	819	40 120
February	13 349	9 050	7 057	3 125	5 641	791	357	811	39 998
March	13 352	9 008	7 009	3 119	5 645	758	355	796	39 834

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

<sup>2</sup> Sum of States and Territories may not equal Australian estimate (see Explanatory Notes 9 to 12)



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>1996</b>									
January	1 043.7	714.1	577.5	226.9	429.3	59.1	29.3	67.4	3 147.3
February	1 352.2	872.8	702.3	264.6	501.4	63.3	40.7	86.8	3 884.2
March	1 497.7	852.0	719.5	284.8	510.5	69.4	37.1	88.4	4 059.2
April	1 298.0	797.3	555.6	249.5	432.8	58.9	31.5	80.3	3 503.8
May	1 572.6	911.2	619.6	252.0	529.5	64.7	28.6	77.8	4 056.0
June	1 417.1	753.0	543.2	213.6	440.9	58.3	24.6	69.7	3 520.3
July	1 701.6	899.9	664.5	237.8	521.2	66.1	32.8	102.3	4 226.1
August	1 599.4	874.1	683.3	216.9	484.1	77.2	35.1	84.4	4 054.6
September	1 573.9	899.6	686.1	250.6	443.6	68.8	34.6	87.1	4 044.2
October	1 567.9	903.3	700.6	233.6	504.8	75.9	35.1	77.0	4 098.2
November	1 615.0	798.3	679.3	248.1	461.6	60.7	37.2	80.3	3 980.5
December	1 491.0	809.6	631.0	251.5	490.2	54.4	42.4	83.9	3 854.0
<b>1997</b>									
January	1 494.5	740.7	627.5	231.3	503.9	49.5	33.2	77.7	3 758.3
February	1 555.1	818.1	722.6	246.6	522.7	56.1	32.0	76.5	4 029.8
March	1 743.4	845.3	718.8	251.9	504.8	59.2	34.2	79.7	4 237.3
SEASONALLY ADJUSTED <sup>2</sup>									
<b>1996</b>									
January	1 366.8	834.1	671.7	251.7	499.8	63.0	35.7	87.7	3 896.4
February	1 329.3	866.1	646.1	260.7	479.1	62.7	37.5	81.1	3 808.8
March	1 323.5	860.4	640.6	251.8	475.8	61.0	34.2	83.3	3 724.0
April	1 350.8	838.9	633.8	264.1	470.7	61.3	35.0	80.2	3 734.5
May	1 352.2	812.0	597.8	237.8	461.8	55.6	24.9	65.6	3 586.1
June	1 438.5	766.9	533.5	201.2	435.5	61.0	27.4	68.0	3 501.7
July	1 550.9	821.7	646.2	233.1	486.7	64.7	32.5	101.4	3 960.4
August	1 609.8	868.5	660.0	220.2	451.6	79.6	32.4	84.4	4 020.5
September	1 601.2	906.3	688.0	255.2	461.9	70.4	36.2	90.5	4 160.0
October	1 559.2	857.0	694.4	240.2	492.3	80.8	34.3	73.7	3 968.9
November	1 592.6	814.8	669.6	255.3	464.0	61.5	33.7	84.3	3 958.1
December	1 675.8	823.5	672.9	265.8	588.6	57.6	48.8	90.5	4 167.1
<b>1997</b>									
January	1 943.4	867.8	735.3	249.0	566.0	51.6	38.3	96.2	4 612.1
February	1 592.5	853.7	696.5	254.2	527.3	56.9	29.5	78.1	4 128.2
March	1 679.2	929.6	690.6	247.6	530.6	57.9	33.4	82.9	4 185.3
TREND ESTIMATES <sup>2</sup>									
<b>1996</b>									
January	1 324.7	817.5	655.1	257.5	483.5	63.8	37.4	85.1	3 742.2
February	1 326.1	834.4	640.8	255.9	480.9	61.6	35.7	82.5	3 736.6
March	1 334.0	838.0	624.7	251.2	475.4	59.9	33.6	79.3	3 708.0
April	1 359.2	831.9	611.8	244.1	468.6	59.4	31.6	77.5	3 687.4
May	1 402.7	825.3	606.4	236.2	463.0	60.9	30.3	77.8	3 700.5
June	1 455.6	824.9	610.3	229.7	457.7	64.0	29.8	79.6	3 749.9
July	1 503.7	832.0	623.4	227.6	455.8	68.0	30.3	81.8	3 822.1
August	1 549.1	843.3	644.0	230.9	460.6	71.2	32.1	84.0	3 914.7
September	1 590.7	850.9	665.5	238.4	473.1	72.0	34.6	85.7	4 008.0
October	1 626.6	852.7	682.4	246.7	491.4	70.0	36.8	86.5	4 087.0
November	1 657.0	850.7	691.2	252.5	511.0	65.8	37.8	86.2	4 144.3
December	1 683.9	850.3	694.4	254.5	528.0	61.2	37.8	85.9	4 188.6
<b>1997</b>									
January	1 706.1	856.5	697.4	254.9	540.9	57.6	37.2	86.0	4 231.1
February	1 719.2	867.4	700.3	254.5	549.4	54.9	36.1	85.9	4 263.3
March	1 725.7	880.0	701.2	252.3	552.8	53.5	34.8	85.2	4 279.2

<sup>1</sup> Excludes alterations and additions. Includes refinancing.<sup>2</sup> Sum of States and Territories may not equal Australian estimate (see Explanatory Notes 9 to 12)

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>1996</b>								
January	7 382	22.4	685.9	92.9	25 518	77.6	2 461.4	96.5
February	8 549	20.9	797.0	93.2	32 268	79.1	3 087.2	95.7
March	8 625	20.7	814.1	94.4	32 961	79.3	3 245.1	98.5
April	8 124	22.8	756.6	93.1	27 568	77.2	2 747.2	99.7
May	8 803	21.5	839.2	95.3	32 141	78.5	3 216.8	100.1
June	7 677	21.6	726.4	94.6	27 843	78.4	2 793.9	100.3
July	9 067	21.3	867.5	95.7	33 569	78.7	3 358.6	100.1
August	8 989	22.1	863.9	96.1	31 715	77.9	3 190.7	100.6
September	9 345	22.8	873.0	93.4	31 568	77.2	3 171.2	100.5
October	9 803	23.9	929.1	94.8	31 235	76.1	3 169.2	101.5
November	9 181	23.7	896.7	97.7	29 552	76.3	3 083.9	104.4
December	8 427	22.8	836.0	99.2	28 454	77.2	3 018.0	106.1
<b>1997</b>								
January	7 876	22.0	766.6	97.3	27 992	78.0	2 991.7	106.9
February	8 775	22.6	864.1	98.5	29 976	77.4	3 165.7	105.6
March	8 800	22.1	891.6	101.3	30 992	77.9	3 345.7	108.0

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>1996</b>								
January	6 354	19.3	624.2	98.2	26 546	80.7	2 523.2	95.0
February	7 197	17.6	715.8	99.5	33 620	82.4	3 168.3	94.2
March	8 840	21.3	894.5	101.2	32 746	78.7	3 164.7	96.6
April	7 315	20.5	770.3	105.3	28 377	79.5	2 733.5	96.3
May	7 363	18.0	766.2	104.1	33 581	82.0	3 289.8	98.0
June	5 414	15.2	551.8	101.9	30 106	84.8	2 968.6	98.6
July	4 918	11.5	519.2	105.6	37 718	88.5	3 706.9	98.3
August	3 997	9.8	400.1	100.1	36 707	90.2	3 654.5	99.6
September	5 245	12.8	533.6	101.7	35 668	87.2	3 510.7	98.4
October	5 398	13.2	553.1	102.5	35 640	86.8	3 545.1	99.5
November	4 309	11.1	424.7	98.6	34 424	88.9	3 555.8	103.3
December	5 053	13.7	511.9	101.3	31 828	86.3	3 342.1	105.0
<b>1997</b>								
January	4 460	12.4	445.0	99.8	31 408	87.6	3 313.3	105.5
February	4 391	11.3	434.4	98.9	34 360	88.7	3 595.4	104.6
March	4 871	12.2	500.0	102.7	34 921	87.8	3 737.2	107.0

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

SECURED HOUSING FINANCE COMMITMENTS, Summary Table: Original

Month	Total new housing commitments <sup>1</sup> \$m	Refinancing \$m	Alterations and additions \$m	Total \$m	Commitments advanced during month \$m	Cancellations of commitments during month \$m	Commitments not advanced at end of month \$m
<b>1996</b>							
January	2 543.1	604.3	261.0	3 408.3	3 037.2	200.3	7 566.4
February	3 105.2	778.9	309.3	4 193.4	3 485.3	219.0	8 080.6
March	3 257.3	801.9	327.7	4 386.9	3 800.9	239.0	8 402.1
April	2 837.8	666.0	276.8	3 780.6	3 604.2	223.5	8 361.6
May	3 246.3	809.7	316.2	4 372.2	4 025.5	255.7	8 456.6
June	2 763.8	756.5	297.0	3 817.3	3 568.2	217.7	8 482.7
July	3 186.0	1 040.1	336.4	4 562.5	4 569.0	267.7	8 208.1
August	2 967.0	1 087.5	304.4	4 358.9	3 900.5	236.6	8 430.6
September	2 965.1	1 079.2	267.5	4 311.7	3 904.6	222.3	8 611.7
October	3 265.7	832.5	272.9	4 371.2	3 704.0	307.0	8 967.5
November	3 260.9	719.6	229.7	4 210.3	3 538.3	331.3	9 360.8
December	3 142.9	711.2	212.9	4 066.9	3 837.7	362.7	9 274.8
<b>1997</b>							
January	3 012.6	745.7	219.1	3 977.4	3 352.5	551.3	9 350.6
February	3 252.5	777.3	233.3	4 263.1	3 305.3	490.3	9 837.5
March	3 382.8	854.5	242.0	4 479.2	3 615.8	459.5	10 247.0

<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.

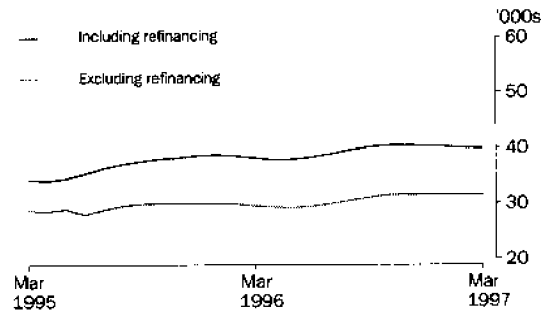
The table below compares the seasonally adjusted and trend estimates, and trend growth rates in housing finance, both inclusive and exclusive of refinancing, for the most recent fifteen month period. The graph opposite illustrates this comparison on an extended time frame.

### TOTAL DWELLINGS FINANCED—Including & excluding refinancing

Month	ORIGINAL	SEASONALLY ADJUSTED.....			TREND.....					
	Dwellings refinanced	Total dwellings financed	Dwellings under new finance		Total dwellings financed	Dwellings under new finance		Month to month change in total dwellings financed	Month to month change in dwellings under new finance	
			excluding dwellings refinanced	Dwellings refinanced		excluding dwellings refinanced	Dwellings refinanced			
Number	Number	Number	Number	Number	Number	Number	Number	%	%	
<b>1996</b>										
January	7 020	38 788	30 204	8 584	38 656	29 922	8 734	0.3	0.0	
February	9 264	39 582	29 912	9 670	38 507	29 773	8 734	-0.4	-0.5	
March	9 331	38 665	30 285	8 380	38 136	29 477	8 659	-1.0	-1.0	
April	7 820	37 723	29 226	8 497	37 827	29 210	8 617	-0.8	-0.9	
May	8 977	37 263	28 855	8 408	37 842	29 149	8 693	0.0	-0.2	
June	8 563	35 712	27 315	8 397	38 200	29 360	8 841	0.9	0.7	
July	11 620	39 623	29 238	10 385	38 779	29 802	8 977	1.5	1.5	
August	11 970	40 644	29 417	11 227	39 457	30 393	9 064	1.7	2.0	
September	11 921	41 702	29 858	11 844	40 048	30 980	9 068	1.5	1.9	
October	9 269	39 606	30 630	8 976	40 354	31 392	8 962	0.8	1.3	
November	7 712	38 454	30 758	7 696	40 362	31 554	8 809	0.0	0.5	
December	7 496	40 373	31 804	8 569	40 228	31 564	8 663	-0.3	0.0	
<b>1997</b>										
January	7 580	42 403	32 845	9 558	40 120	31 566	8 554	-0.3	0.0	
February	8 021	39 448	30 922	8 526	39 998	31 547	8 451	-0.3	-0.1	
March	8 868	38 931	31 111	7 820	39 834	31 478	8 355	-0.4	-0.2	

# 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>1996</b>			
January	0.3	0.0	0.4
February	-0.4	-0.4	0.0
March	-1.0	-0.8	-0.2
April	-0.8	-0.7	-0.1
May	0.0	-0.2	0.2
June	0.9	0.6	0.4
July	1.5	1.2	0.4
August	1.7	1.5	0.2
September	1.5	1.5	0.0
October	0.8	1.0	-0.3
November	0.0	0.4	-0.4
December	-0.3	0.0	-0.4
<b>1997</b>			
January	-0.3	0.0	-0.3
February	-0.3	0.0	-0.3
March	-0.4	-0.2	-0.2

## 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>1996</b>						
January	1 287	160.8	538	63.0	749	97.8
February	2 319	291.1	1 145	141.9	1 174	149.3
March	2 171	272.7	965	116.8	1 206	155.9
April	1 984	251.1	864	102.7	1 120	148.4
May	2 922	365.4	1 358	161.6	1 564	203.9
June	2 379	293.3	1 255	148.6	1 124	144.7
July	2 890	352.5	1 427	165.9	1 463	186.6
August	2 754	340.7	1 388	164.8	1 366	175.9
September	2 210	275.7	1 030	122.6	1 180	153.1
October	2 258	289.1	910	112.0	1 348	177.1
November	3 055	393.9	1 378	169.8	1 677	224.1
December	2 121	284.1	775	99.6	1 346	184.4
<b>1997</b>						
January	1 998	264.6	822	104.2	1 176	160.4
February	2 611	345.0	1 062	135.4	1 549	209.6
March	2 228	300.2	924	117.4	1 304	182.9

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

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

## EXPLANATORY NOTES

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### 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 such lenders are not reclassified. 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.

### 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

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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** Over the period from early 1990 to April 1995, each of the four major banks changed from reporting for the 4 or 5 weeks ending on the last Wednesday of each month to reporting on a calendar month basis. The published seasonally adjusted data takes account of this change in pattern.

**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, trading day and other calendar influences 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.

**12** State component series have been seasonally adjusted independently of the Australian series. The sum of the States components is therefore unlikely to equal the corresponding Australian total series. The State component series are also affected by the changes mentioned in paragraphs 10 and 11.

TREND ESTIMATES

**13** 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.

**14** While the smoothing technique described in paragraph 13 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.

**15** Volatility in the refinancing series means that the most recent trend estimates may be subjected to greater revision than usual. Users are advised to exercise care when interpreting movements affected by this volatility.



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RELATED PUBLICATIONS

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

- *Building Approvals, Australia* (8731.0)
- *Building Activity Australia: Dwelling Unit Commencements* (8750.0)
- *Lending Finance, Australia* (5671.0)

**17** 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 \$25 million Australia-wide during the calendar year 1995.

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