

HOUSING FINANCE

FOR OWNER
OCCUPATION
AUSTRALIA

EMBARGOED UNTIL 11:30AM TUES 11 JUNE 1996

APRIL KEY FIGURES

TREND ESTIMATES

	Apr 96	% change Mar 96	% change Apr 95
Number of dwellings financed	38 592	-0.3	13.9
Construction of dwellings	5 330	-0.1	-4.3
Purchase of new dwellings	1 840	0.1	13.2
Purchase of established dwellings	31 421	-0.4	17.8

SEASONALLY ADJUSTED

	Apr 96	% change Mar 96	% change Apr 95
Number of dwellings financed	38 032	0.4	17.1
Construction of dwellings	5 315	1.3	1.9
Purchase of new dwellings	1 821	-1.5	14.0
Purchase of established dwellings	30 896	0.3	20.4

APRIL KEY POINTS

TREND ESTIMATES

- The trend for total dwellings financed during the month decreased by 0.3% and is 20.8% below the peak of March 1994. There has been relatively little monthly change in the trend estimate over the last six months.
- In April 1996, 22.6% of the number of dwellings financed was attributable to refinancing, slightly less than the March proportion which was the highest proportion since the inception of the series in July 1991. This proportion has been steadily increasing since September 1994, however, has changed little in the last four months.
- The trend estimate for the value of commitments was down 0.3%.

SEASONALLY ADJUSTED ESTIMATES

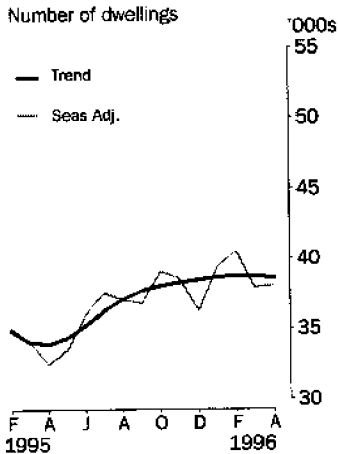
- The number of dwellings financed during the month increased by 0.4% on March 1996. The number of commitments for the construction of dwellings increased by 1.3%, the purchase of newly erected dwellings decreased by 1.5%, and the purchase of established dwellings increased by 0.3%.

ORIGINAL ESTIMATES

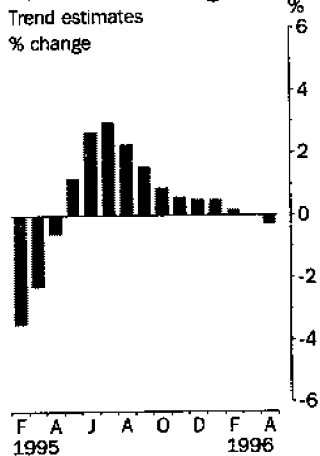
- There were 35 692 dwelling units financed during the month, down 14.2% on March 1996 but up 22.0% on April 1995.
- Fixed rate loan commitments accounted for 20.3% of total dwelling finance commitments in April.
- During April 1996, 84.3% of commitments were made by Banks, 4.9% by Permanent Building Societies, and 10.8% by Other Lenders. For April 1995, the proportions were 87.0%, 5.7% and 7.3% respectively.



Secured housing finance



Number of dwellings



INQUIRIES

- 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
May 1996	15 July 1996
June 1996	8 August 1996
July 1996	10 September 1996

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CHANGES

This issue includes revisions to previously published statistics for July 1995 to March 1996. These revisions have mainly been necessary to correct misreporting of investment housing finance commitments in this series. The revisions have reduced the level of owner-occupied housing finance commitments for Australia by less than 0.5 per cent in original and seasonally adjusted terms.

A reanalysis of seasonal adjustment factors for the State series is currently being undertaken. Seasonally adjusted and trend estimates based on the results of this reanalysis will be released in the May 1996 issue. See Explanatory Note 12.

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SENSITIVITY ANALYSIS

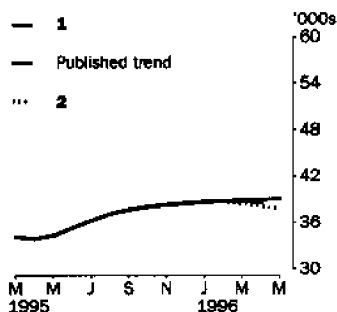
Readers should exercise care when interpreting this month's trend estimates because they will be revised when next month's seasonally adjusted estimates become available. For further information, see Explanatory Notes 13 and 14.

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

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



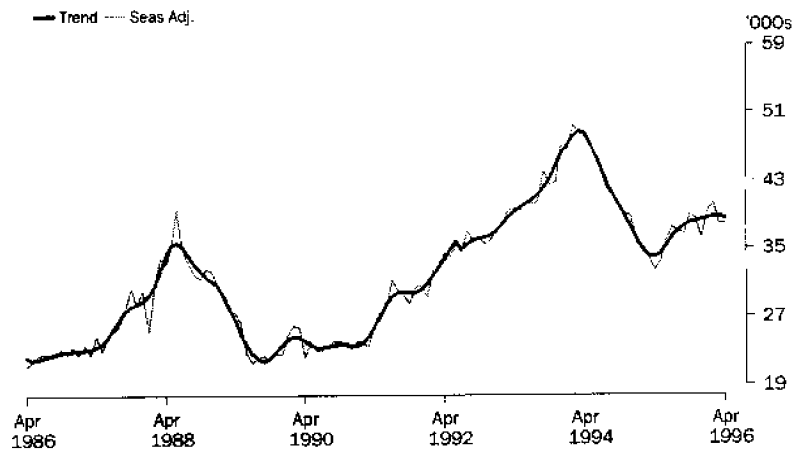
	TREND AS PUBLISHED	WHAT IF NEXT MONTH'S SEASONALLY ADJUSTED ESTIMATE:					
				1		2	
		estimate	% change	estimate	% change	estimate	% change
1995							
November	38 231	0.6	38 233	0.4	38 291	0.4	
December	38 432	0.5	38 418	0.5	38 521	0.6	
1996							
January	38 611	0.5	38 600	0.5	38 652	0.3	
February	38 703	0.2	38 730	0.3	38 594	-0.2	
March	38 718	0.0	38 827	0.3	38 377	-0.6	
April	38 592	-0.3	38 886	0.2	38 037	-0.9	
May (new)	—	—	39 001	0.3	37 720	-0.8	

W. McLennan
Australian Statistician

SECURED HOUSING FINANCE: Trend/Seasonally adjusted

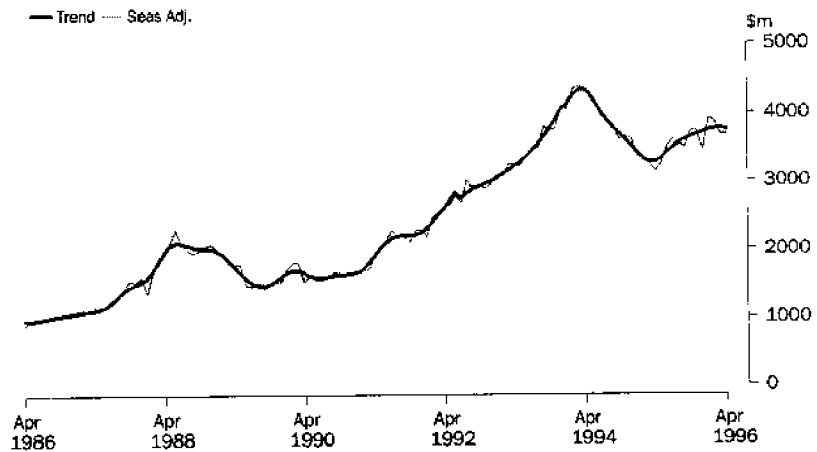
NUMBER OF DWELLINGS FINANCED

The trend estimate for the number of dwellings financed decreased by 0.3% in April to 38 592. In trend terms, after ten consecutive months of increase, March showed little change from February, and April was the first month of trend decline, though small. Monthly changes over the last six months have been relatively small. Seasonally adjusted, the number of dwellings financed was up 0.4% on the previous month.



VALUE OF COMMITMENTS

The trend estimate for the value of owner-occupied housing commitments for April 1996 was \$3 751.4 million, down 0.3% on March. Seasonally adjusted, the value of commitments fell 0.1% on the previous month. The average borrowing was \$97 400 in original terms.

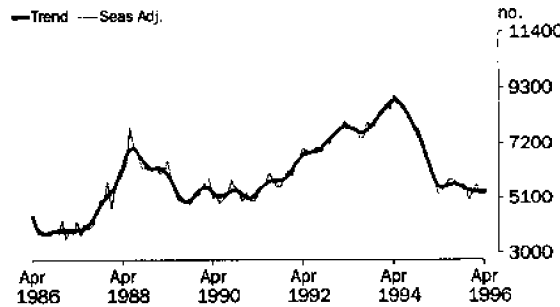


TYPE OF HOUSING: Seasonally adjusted and trend

NUMBER OF DWELLINGS FINANCED

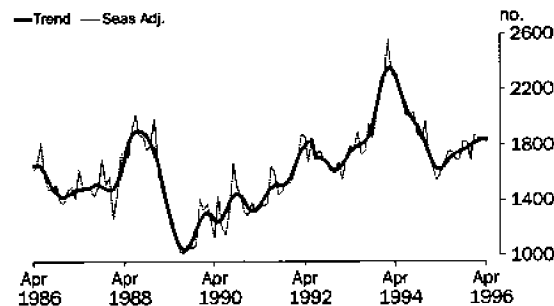
CONSTRUCTION OF DWELLINGS

The trend estimate for the number of dwellings financed in April 1996 was 5 330, a decrease of 0.1% from the previous month and 4.3% lower than in April 1995. After a period of large monthly decreases which ended in mid 1995, the number of commitments decreased slightly each month over the last eight months with the rate of decrease slowing in recent months. Seasonally adjusted, finance was committed for 5 315 dwellings, 1.3% higher than in the previous month.



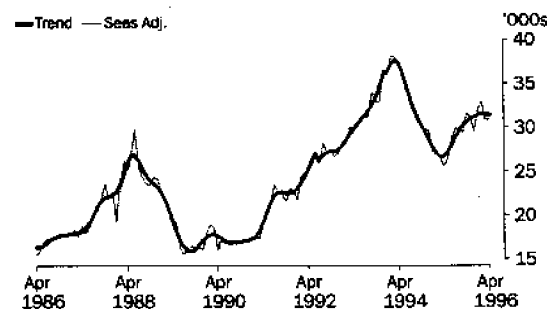
PURCHASE OF NEW DWELLINGS

The trend estimate for the number of dwellings financed was 1 840, virtually unchanged from last month but 13.2% higher than in April 1995. The trend estimate has been continuously increasing from May 1995, however the rate of increase has slowed over the last four months. Seasonally adjusted, finance was committed for 1 821 dwellings, a decrease of 1.5% on the previous month.



PURCHASE OF ESTABLISHED DWELLINGS

The trend estimate for the number of dwellings financed was 31 421, down 0.4% on March but 17.8% higher than in April 1995. The April 1996 trend estimate represents the first month of decrease following twelve consecutive monthly increases. Seasonally adjusted, finance commitments increased 0.3% on the previous month.

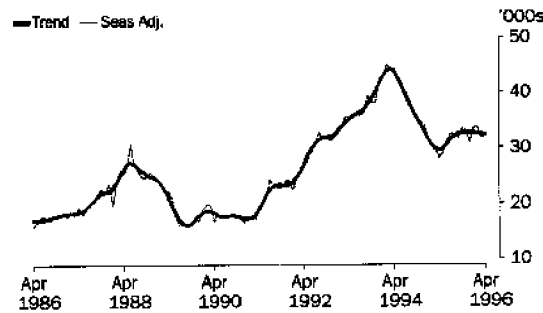


TYPE OF LENDER: Seasonally adjusted and trend

NUMBER OF DWELLINGS FINANCED

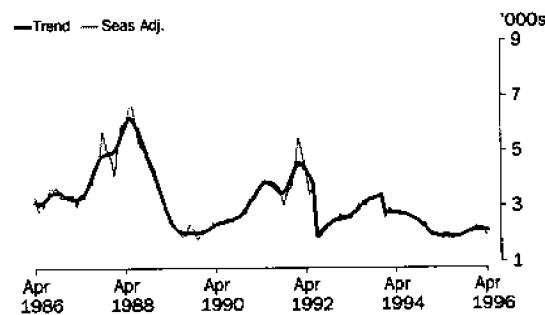
BANKS

The trend estimate for the number of dwellings financed in April 1996 was 32 281, down 0.6% on March but 9.3% higher than in April 1995. Seasonally adjusted, finance was committed for 32 111 dwellings, an increase of 1.5% on the previous month.



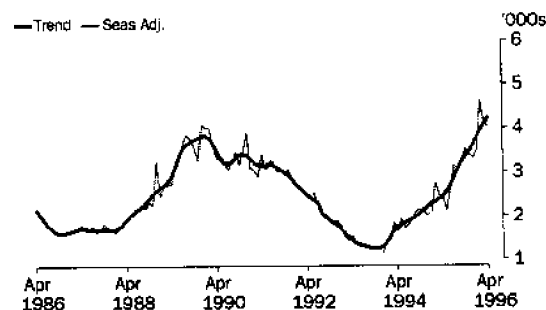
PERMANENT BUILDING SOCIETIES

The trend estimate for the number of dwellings financed in April 1996 was 2 107, a decrease of 1.4% on March but 10.4% higher than in April 1995. Seasonally adjusted, finance was committed for 1 887 dwellings. 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 in April 1996 was 4 204, 2.6% up on March and 72.6% higher than in April 1995. Seasonally adjusted, finance was committed for 4 034 dwellings, a decrease of 0.7% on the previous month.



SECURED HOUSING FINANCE COMMITMENTS¹, By Purpose: All series

Month	Construction of dwellings		Purchase of newly erected dwellings		Purchase of established dwellings ²		Total	
	Number	\$m	Number	\$m	Number	\$m	Number	\$m
ORIGINAL								
1995								
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	29 285	2 842.5	36 825	3 568.7
August	6 249	580.7	1 893	191.1	31 192	2 982.0	39 334	3 753.8
September	5 587	507.7	1 718	176.4	29 030	2 792.1	36 335	3 476.3
October	5 264	492.7	1 870	185.0	30 663	2 936.0	37 797	3 613.7
November	5 753	538.6	1 885	194.1	32 851	3 167.9	40 489	3 900.5
December	4 545	419.2	1 466	153.8	27 227	2 617.1	33 238	3 190.2
1996								
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	489.4	1 737	193.5	28 945	2 791.9	35 692	3 474.8
SEASONALLY ADJUSTED								
1995								
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	29 976	2 905.2	37 536	3 627.5
August	5 750	520.3	1 691	172.7	29 580	2 845.4	37 021	3 538.4
September	5 564	509.0	1 693	175.4	29 538	2 810.3	36 795	3 494.7
October	5 545	517.7	1 824	181.5	31 701	3 022.4	39 070	3 721.6
November	5 610	512.4	1 820	187.0	31 159	3 046.3	38 589	3 745.7
December	5 006	469.9	1 691	174.3	29 577	2 811.3	36 274	3 455.5
1996								
January	5 357	518.6	1 873	198.9	32 104	3 200.0	39 334	3 917.5
February	5 624	539.2	1 843	190.8	33 025	3 160.8	40 492	3 884.8
March	5 249	522.9	1 848	186.8	30 801	2 977.3	37 898	3 687.1
April	5 315	512.7	1 821	201.1	30 896	2 968.0	38 032	3 681.9
TREND ESTIMATES								
1995								
February	6 127	554.3	1 667	173.3	27 089	2 593.6	34 883	3 321.2
March	5 778	532.4	1 631	169.4	26 664	2 572.5	34 073	3 274.3
April	5 569	519.9	1 625	168.4	26 684	2 587.9	33 878	3 276.2
May	5 500	515.8	1 643	169.7	27 152	2 637.7	34 295	3 323.2
June	5 540	518.4	1 679	172.6	27 991	2 716.6	35 210	3 407.6
July	5 613	521.6	1 715	175.4	28 927	2 796.7	36 255	3 493.7
August	5 646	520.7	1 737	177.3	29 705	2 861.1	37 088	3 559.1
September	5 619	516.1	1 750	178.7	30 296	2 912.3	37 666	3 607.1
October	5 542	510.2	1 763	180.2	30 714	2 954.2	38 019	3 644.7
November	5 451	506.3	1 780	182.5	31 001	2 989.7	38 231	3 678.4
December	5 389	506.9	1 799	185.4	31 243	3 022.3	38 432	3 714.6
1996								
January	5 360	510.5	1 817	188.4	31 434	3 045.9	38 611	3 744.9
February	5 346	514.7	1 829	191.2	31 528	3 054.6	38 703	3 760.5
March	5 338	518.5	1 839	193.6	31 541	3 052.4	38 718	3 764.5
April	5 330	521.1	1 840	195.6	31 421	3 034.7	38 592	3 751.4

¹ Excludes alterations and additions.

² Includes refinancing.

SECURED HOUSING FINANCE COMMITMENTS¹, By Type of Lender: All series

Month	All banks		Permanent building societies		Other lenders		Total	
	Number	\$m	Number	\$m	Number	\$m	Number	\$m
ORIGINAL								
1995								
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	32 116	3 119.6	1 634	146.2	3 075	302.9	36 825	3 568.7
August	34 085	3 225.9	2 120	188.6	3 129	339.4	39 334	3 753.8
September	31 193	2 980.3	1 889	176.7	3 253	319.2	36 335	3 476.3
October	32 121	3 067.0	1 999	177.5	3 677	369.2	37 797	3 613.7
November	34 511	3 322.1	2 156	199.3	3 822	379.2	40 489	3 900.5
December	28 293	2 713.8	1 884	177.0	3 061	299.5	33 238	3 190.2
1996								
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	173.0	3 844	399.0	35 692	3 474.8
SEASONALLY ADJUSTED								
1995								
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	176.6	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	32 601	3 148.3	1 792	160.4	3 143	318.9	37 536	3 627.5
August	32 015	3 038.3	1 938	172.9	3 068	327.2	37 021	3 538.4
September	31 696	2 993.9	1 886	178.1	3 213	322.7	36 795	3 494.7
October	33 598	3 188.7	1 949	177.1	3 523	355.7	39 070	3 721.6
November	33 139	3 217.7	2 073	193.7	3 377	334.3	38 589	3 745.7
December	30 905	2 934.6	2 057	199.5	3 312	321.3	36 274	3 455.5
1996								
January	33 559	3 340.1	2 286	205.0	3 489	372.5	39 334	3 917.5
February	33 659	3 228.6	2 192	196.5	4 641	459.7	40 492	3 884.8
March	31 630	3 078.0	2 204	213.5	4 064	395.6	37 898	3 687.1
April	32 111	3 092.3	1 887	184.9	4 034	404.7	38 032	3 681.9
TREND ESTIMATES								
1995								
February	30 571	2 913.4	1 988	173.6	2 324	234.3	34 883	3 321.2
March	29 767	2 866.4	1 932	167.8	2 374	240.1	34 073	3 274.3
April	29 534	2 862.3	1 908	166.0	2 436	247.9	33 878	3 276.2
May	29 861	2 896.8	1 905	166.9	2 530	259.5	34 295	3 323.2
June	30 627	2 962.5	1 908	168.8	2 675	276.3	35 210	3 407.6
July	31 483	3 026.9	1 905	170.7	2 867	296.1	36 255	3 493.7
August	32 130	3 072.1	1 905	173.2	3 052	313.8	37 088	3 559.1
September	32 590	3 102.5	1 926	177.1	3 210	327.5	37 666	3 607.1
October	32 702	3 123.7	1 981	183.3	3 336	337.7	38 019	3 644.7
November	32 720	3 140.2	2 053	190.4	3 457	347.8	38 231	3 678.4
December	32 713	3 157.0	2 115	196.3	3 603	361.3	38 432	3 714.6
1996								
January	32 684	3 166.7	2 147	199.8	3 779	378.4	38 611	3 744.9
February	32 599	3 164.2	2 153	201.3	3 951	395.0	38 703	3 760.5
March	32 482	3 154.0	2 138	201.5	4 098	409.0	38 718	3 764.5
April	32 281	3 132.1	2 107	200.6	4 204	418.6	38 592	3 751.4

¹ Excludes alterations and additions. Includes refinancing.

SECURED HOUSING FINANCE COMMITMENTS¹, 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
ORIGINAL									
1995									
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	11 571	8 133	7 159	3 013	4 836	991	336	786	36 825
August	11 761	9 162	7 624	3 307	5 247	1 007	388	838	39 334
September	11 085	8 052	7 188	3 161	4 786	930	415	718	36 335
October	11 045	8 787	7 548	3 257	5 097	954	367	742	37 797
November	12 481	8 998	7 725	3 593	5 197	1 035	473	987	40 489
December	9 776	8 229	5 977	2 981	4 292	864	373	746	33 238
1996									
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
SEASONALLY ADJUSTED²									
1995									
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	11 883	8 145	7 466	3 137	4 853	1 024	360	841	37 536
August	11 001	8 447	6 988	3 036	4 804	979	369	775	37 021
September	11 080	8 321	7 401	3 310	5 054	1 028	415	735	36 795
October	11 711	8 741	7 640	3 401	5 336	1 027	363	790	39 070
November	11 735	8 358	7 177	3 426	4 911	970	431	974	38 589
December	11 614	9 137	7 209	3 256	5 296	987	415	925	36 274
1996									
January	11 009	9 253	6 553	3 126	5 211	891	339	848	39 334
February	11 771	10 424	6 934	3 432	5 571	873	377	790	40 492
March	11 423	10 125	7 329	3 549	5 294	949	351	829	37 898
April	11 313	9 701	5 941	3 575	5 244	848	368	836	38 032
TREND ESTIMATES²									
1995									
February	10 794	8 076	6 525	2 808	4 782	876	322	734	34 883
March	10 687	7 772	6 309	2 762	4 521	867	332	681	34 073
April	10 785	7 566	6 294	2 768	4 373	881	341	662	33 878
May	11 020	7 524	6 471	2 828	4 373	913	351	671	34 295
June	11 300	7 648	6 768	2 931	4 504	952	362	700	35 210
July	11 523	7 884	7 086	3 062	4 699	987	375	739	36 255
August	11 601	8 130	7 306	3 182	4 871	1 012	386	779	37 088
September	11 573	8 373	7 387	3 262	5 011	1 018	393	817	37 666
October	11 507	8 605	7 361	3 302	5 115	1 007	396	848	38 019
November	11 468	8 847	7 257	3 314	5 186	983	395	865	38 231
December	11 489	9 135	7 128	3 327	5 242	956	389	869	38 432
1996									
January	11 500	9 456	6 989	3 354	5 289	931	380	865	38 611
February	11 467	9 747	6 837	3 395	5 324	908	370	852	38 703
March	11 428	9 979	6 681	3 445	5 344	888	362	838	38 718
April	11 370	10 133	6 534	3 498	5 349	873	358	821	38 592

¹ Excludes alterations and additions. Includes refinancing.

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

SECURED HOUSING FINANCE COMMITMENTS¹, 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									
1995									
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	1 312.6	729.0	676.2	243.5	433.1	66.3	32.3	75.6	3 568.7
August	1 314.8	813.5	698.7	256.3	476.4	68.7	45.0	80.4	3 753.8
September	1 243.8	702.9	675.6	241.5	438.5	63.8	39.4	70.9	3 476.3
October	1 264.5	753.4	706.4	246.9	462.7	66.9	36.4	76.5	3 613.7
November	1 433.4	786.7	715.0	271.3	484.0	70.3	43.1	96.8	3 900.5
December	1 116.0	719.4	556.3	231.2	397.1	59.6	36.3	74.3	3 190.2
1996									
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	1 291.7	797.3	532.9	249.5	432.8	58.9	31.5	80.3	3 474.8
SEASONALLY ADJUSTED ²									
1995									
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	1 325.5	737.4	697.4	250.4	434.2	69.8	35.8	81.6	3 627.5
August	1 245.4	748.9	640.8	237.9	427.5	66.9	40.2	72.5	3 538.4
September	1 252.4	728.3	685.9	255.3	452.8	69.4	40.5	71.6	3 494.7
October	1 325.7	755.4	712.2	261.9	483.5	71.4	37.0	79.9	3 721.6
November	1 365.6	715.3	666.3	264.2	465.6	65.7	39.1	97.9	3 745.7
December	1 295.7	778.7	673.9	255.9	496.0	66.7	40.1	84.8	3 455.5
1996									
January	1 323.5	833.2	633.2	241.0	491.6	60.0	35.3	84.6	3 917.5
February	1 337.9	913.2	637.0	259.9	496.4	63.2	35.3	84.7	3 884.8
March	1 355.3	893.7	699.3	267.3	486.8	65.2	34.9	84.8	3 687.1
April	1 316.2	849.6	581.1	267.6	458.7	58.7	34.9	80.2	3 681.9
TREND ESTIMATES ²									
1995									
February	1 212.6	695.4	596.3	225.0	428.4	57.4	30.7	72.3	3 321.2
March	1 215.3	677.1	579.0	221.9	408.2	56.9	32.3	68.5	3 274.3
April	1 233.2	667.4	580.3	222.5	396.3	56.9	33.7	67.0	3 276.2
May	1 258.3	670.1	599.3	226.8	395.3	57.3	35.1	67.1	3 323.2
June	1 284.8	684.1	628.9	233.8	404.9	67.9	36.4	68.8	3 407.6
July	1 303.7	702.9	658.6	242.2	420.9	68.5	37.7	71.8	3 493.7
August	1 310.5	718.9	678.2	249.8	437.4	68.9	38.7	75.5	3 559.1
September	1 309.6	733.1	685.4	254.5	453.9	68.9	39.2	79.2	3 607.1
October	1 308.2	748.1	684.0	256.3	468.9	68.2	39.2	82.6	3 644.7
November	1 312.1	767.4	676.6	256.4	479.9	67.0	38.6	85.0	3 678.4
December	1 323.3	794.5	667.7	256.5	486.3	65.5	37.8	86.2	3 714.6
1996									
January	1 331.9	826.4	658.2	257.3	488.7	64.1	36.8	86.3	3 744.9
February	1 334.5	855.6	647.7	258.7	487.7	62.8	35.9	85.4	3 760.5
March	1 335.2	878.7	636.9	260.7	484.5	61.7	35.2	84.2	3 764.5
April	1 332.2	894.3	626.8	263.0	479.5	60.8	34.7	82.5	3 751.4

¹ Excludes alterations and additions. Includes refinancing.

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

SECURED HOUSING FINANCE COMMITMENTS¹, 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
1995								
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	7 673	20.8	710.0	92.5	29 152	79.2	2 858.6	98.1
August	8 225	20.9	740.4	90.0	31 109	79.1	3 013.5	96.9
September	7 598	20.9	681.3	89.7	28 737	79.1	2 795.0	97.3
October	7 991	21.1	726.7	90.9	29 806	78.9	2 887.0	96.9
November	8 539	21.1	767.4	89.9	31 950	78.9	3 133.2	98.1
December	7 218	21.7	648.5	89.8	26 020	78.3	2 541.7	97.7
1996								
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	752.4	92.6	27 568	77.2	2 722.4	98.8

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
1995								
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	5 718	15.5	608.0	106.3	31 107	84.5	2 960.6	95.2
August	6 531	16.6	654.1	100.2	32 803	83.4	3 099.8	94.5
September	5 522	15.2	554.2	100.4	30 813	84.8	2 922.1	94.8
October	6 025	15.9	609.4	101.1	31 772	84.1	3 004.3	94.6
November	7 029	17.4	701.0	99.7	33 460	82.6	3 199.6	95.6
December	5 770	17.4	581.2	100.7	27 468	82.6	2 609.0	95.0
1996								
January	6 318	19.2	621.7	98.4	26 582	80.8	2 525.6	95.0
February	7 151	17.5	712.7	99.7	33 666	82.5	3 171.4	94.2
March	8 788	21.1	891.1	101.4	32 798	78.9	3 168.2	96.6
April	7 258	20.3	749.8	103.3	28 434	79.7	2 725.0	95.8

¹ Excludes alterations and additions. Includes refinancing.

SECURED HOUSING FINANCE COMMITMENTS, Summary Table: Original

Month	Total new housing commitments ¹ \$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
1995							
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	2 878.9	689.7	263.8	3 832.4	3 743.8	205.9	6 727.1
August	3 035.7	718.2	291.7	4 045.6	3 606.7	176.0	7 135.6
September	2 809.8	666.5	297.1	3 773.3	3 629.3	173.8	7 160.3
October	2 912.4	701.3	282.8	3 896.5	3 558.0	172.4	7 300.4
November	3 130.9	769.7	318.3	4 218.8	3 737.9	173.7	7 611.9
December	2 593.5	596.7	267.6	3 457.8	3 467.7	178.1	7 428.4
1996							
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	3 818.7	239.0	8 384.3
April	2 811.2	663.7	276.6	3 751.5	3 604.2	223.5	8 309.0

¹ 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.

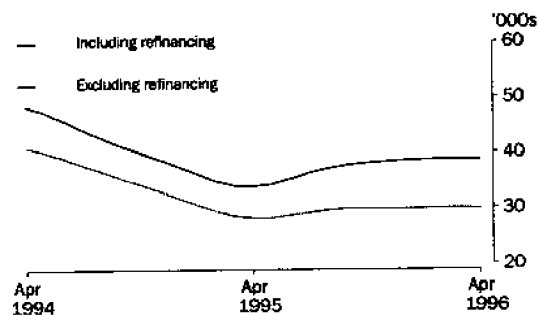
The table below compares the seasonally adjusted and trend estimates, and trend growth rates in housing finance, both inclusive and exclusive of refinancing, for the most recent fifteen month period. The graph opposite illustrates this comparison on an extended time frame.

TOTAL DWELLINGS FINANCED--Including & excluding refinancing

Month	ORIGINAL	SEASONALLY ADJUSTED.....		TREND.....		Dwellings 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
	Dwellings refinanced	Total dwellings financed	Dwellings under new finance excluding dwellings refinanced	Dwellings refinanced	Total dwellings financed				
	Number	Number	Number	Number	Number	Number	Number	%	%
1995									
February	4 882	35 077	29 852	5 225	34 883	29 477	5 406	-3.5	-3.7
March	6 302	34 047	28 616	5 431	34 073	28 636	5 437	-2.3	-2.9
April	4 764	32 474	27 283	5 191	33 878	28 213	5 665	-0.6	-1.5
May	6 293	33 450	27 769	5 681	34 295	28 248	6 047	1.2	0.1
June	7 433	35 970	28 677	7 293	35 210	28 661	6 549	2.7	1.5
July	7 810	37 536	30 164	7 372	36 255	29 176	7 078	3.0	1.8
August	8 259	37 021	29 714	7 307	37 088	29 560	7 528	2.3	1.3
September	7 601	36 795	29 520	7 275	37 666	29 773	7 893	1.6	0.7
October	8 208	39 070	30 371	8 699	38 019	29 824	8 195	0.9	0.2
November	9 038	38 589	29 677	8 912	38 231	29 800	8 431	0.6	-0.1
December	7 103	36 274	28 276	7 998	38 432	29 810	8 622	0.5	0.0
1996									
January	7 020	39 334	30 819	8 515	38 611	29 868	8 743	0.5	0.2
February	9 264	40 492	30 752	9 740	38 703	29 910	8 794	0.2	0.1
March	9 331	37 898	29 428	8 470	38 718	29 914	8 804	0.0	0.0
April	7 820	38 032	29 569	8 463	38 592	29 862	8 730	-0.3	-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 Percentage points	Dwellings refinanced Percentage points
1995			
February	-3.5	-3.2	-0.3
March	-2.3	-2.4	0.1
April	-0.6	-1.2	0.7
May	1.2	0.1	1.1
June	2.7	1.2	1.5
July	3.0	1.5	1.5
August	2.3	1.1	1.2
September	1.6	0.6	1.0
October	0.9	0.1	0.8
November	0.6	-0.1	0.6
December	0.5	0.0	0.5
1996			
January	0.5	0.1	0.3
February	0.2	0.1	0.1
March	0.0	0.0	0.0
April	-0.3	-0.1	-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 ¹		Refinancing		Total new dwelling commitments ²	
	Number	\$m	Number	\$m	Number	\$m
1995						
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	93.5
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
1996						
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

¹ Excludes alterations and additions. Includes refinancing.

² 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. 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

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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 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.

12 State component series appearing in Tables 3 and 4 have been seasonally adjusted independently of the 'by purpose' or 'by lender' series appearing in Tables 1 and 2 and the Australian total series appearing in Tables 1 to 4. Therefore, the sum of the State components is unlikely to equal the corresponding Australian total series. There is also some evidence that the State component series are affected by the changes mentioned in Explanatory Note 11 and the changed reporting practices of banks outlined in Explanatory Note 10. While some allowance has been made for the changed reporting practices of banks in the Australian total series, this has not yet been reflected in the State component series. In these circumstances, and pending the completion of a reanalysis of seasonal adjustment factors for the State series, the trend series provide a more reliable indicator of the underlying movement in these series.

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.

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TREND ESTIMATES (continued)

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.

RELATED PUBLICATIONS

15 Users may wish to refer to the following publications:

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

16 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

- 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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