

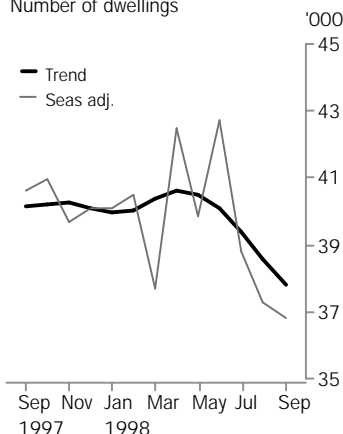
HOUSING FINANCE FOR OWNER OCCUPATION

AUSTRALIA

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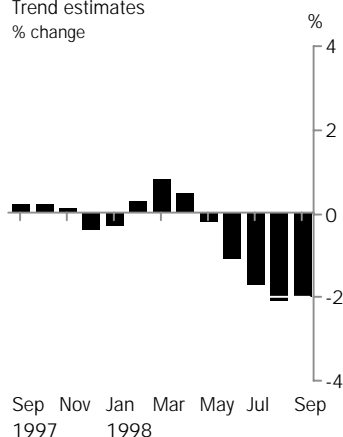
Housing finance

Number of dwellings



Number of dwellings

Trend estimates
% change



SEPTEMBER KEY FIGURES

TREND ESTIMATES

	Sep 98	% change Aug 98	% change Sep 97
Number of dwellings financed	37 785	-2.0	-5.8
Construction of dwellings	5 795	-1.8	-5.9
Purchase of new dwellings	1 796	-1.3	-10.5
Purchase of established dwellings	30 194	-2.0	-5.5

SEASONALLY ADJUSTED

	Sep 98	% change Aug 98	% change Sep 97
Number of dwellings financed	36 797	-1.2	-9.4
Construction of dwellings	5 801	4.4	-11.3
Purchase of new dwellings	1 721	0.7	-13.3
Purchase of established dwellings	29 275	-2.4	-8.7

SEPTEMBER KEY POINTS

TREND ESTIMATES

- There was a decrease of 2.0% in the total number of dwellings financed during September 1998, the fifth consecutive month of decline.
- All categories of dwelling finance and all categories of lender type declined.

SEASONALLY ADJUSTED ESTIMATES

- The number of dwellings financed during September fell 1.2%, with falls observed in NSW, WA, Tasmania and the Northern Territory.
- The number of commitments to finance construction of dwellings increased by 4.4% and commitments to finance the purchase of new dwellings increased by only 0.7%.
- Commitments to purchase established dwellings and commitments to refinance dwellings both decreased, by 2.4% and 1.0% respectively.

ORIGINAL ESTIMATES

- The proportion of commitments at a fixed rate of interest (for two years or more) rose slightly to 19.9% in September 1998.
- The average borrowing size of all housing commitments for owner occupation in September 1998 was \$118 700.

- For further information about these and related statistics, contact Greg Smith on Sydney 02 9268 4537, or any ABS office shown on the back cover of this publication.

NOTES

FORTHCOMING ISSUES

ISSUE

RELEASE DATE

October 1998	9 December 1998
November 1998	15 January 1999
December 1998	12 February 1999
January 1999	10 March 1999
February 1999	9 April 1999
March 1999	12 May 1999

CHANGES IN THIS ISSUE

There are no changes in this issue.

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 15 to 17.

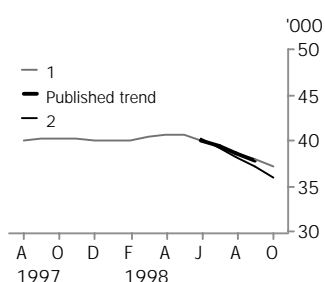
The graph below presents the effect of two possible scenarios on the previous trend estimates:

1 The October 1998 seasonally adjusted estimate of number of dwellings financed is *higher* than the September 1998 seasonally adjusted estimate by 4.0%.

2 The October 1998 seasonally adjusted estimate of number of dwellings financed is *lower* than the September 1998 seasonally adjusted estimate by 4.0%.

The percentage change of 4.0% was chosen because the average absolute percentage change of the seasonally adjusted series, based on the last 10 years of data, has been 4.0%.

NUMBER OF DWELLINGS FINANCED



TREND AS PUBLISHED

WHAT IF NEXT MONTH'S SEASONALLY ADJUSTED ESTIMATE:

1 rises by 4% on Sep 1998
2 falls by 4% on Sep 1998

	estimate	% change	estimate	% change	estimate	% change
April 1998	40 590	0.5	40 594	0.6	40 651	0.7
May 1998	40 504	-0.2	40 511	-0.2	40 611	-0.1
June 1998	40 068	-1.1	40 068	-1.1	40 118	-1.2
July 1998	39 367	-1.7	39 374	-1.7	39 242	-2.2
August 1998	38 541	-2.1	38 590	-2.0	38 154	-2.8
September 1998	37 785	-2.0	37 897	-1.8	37 075	-2.8
October 1998 (new)	—	—	37 139	-2.0	35 899	-3.2

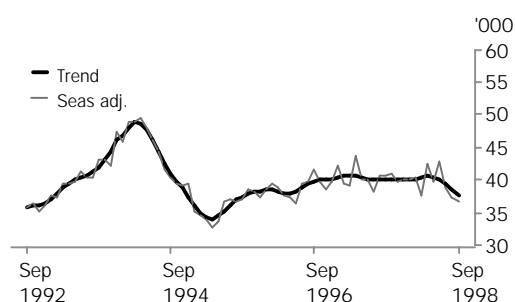
W. McLennan
Australian Statistician

HOUSING FINANCE: Summary of findings

NUMBER OF DWELLINGS FINANCED

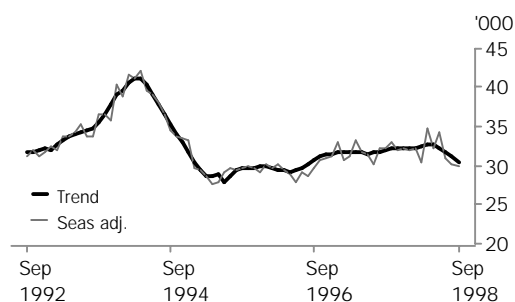
DWELLINGS FINANCED

The trend for the total number of dwellings financed in September 1998 fell by 2.0% to 37 785. This is the fifth consecutive month of overall decline. Trends are down for all lender types, all dwelling finance categories and in all States except the ACT. Seasonally adjusted, total commitments fell 1.2% in September after falls of 9.1% and 4.0% in July and August.



DWELLINGS FINANCED EXCLUDING REFINANCING

The September 1998 trend estimate for total dwelling finance, excluding refinancing, was down 1.9% to 30 507. This is the fifth consecutive monthly decline. On a seasonally adjusted basis finance commitments excluding refinancing fell 1.3%.



VALUE OF COMMITMENTS

The trend for the value of commitments declined by 1.0% to \$4 520 million in September 1998. Seasonally adjusted, the value of commitments fell 3.9%.

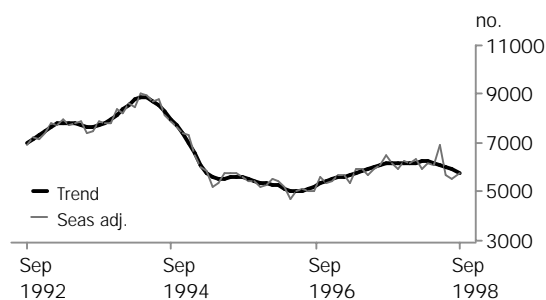
In original terms, the average borrowing size for commitments for owner occupied housing fell 1.4% to \$118 700 in September 1998.

TYPE OF HOUSING: Summary of findings

PURPOSE OF FINANCE

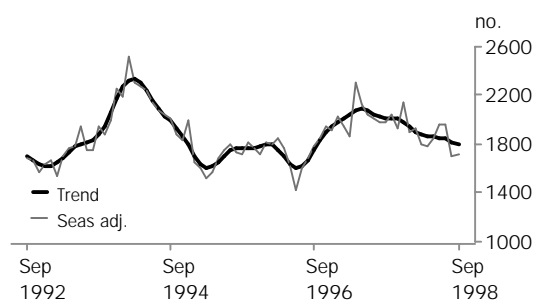
CONSTRUCTION OF DWELLINGS

There was a 1.8% fall in the trend series of commitments for the construction of dwellings to 5 795 in September 1998. The series has declined for the fifth consecutive month and was last at this level in April 1997. Seasonally adjusted, there was a 4.4% increase in commitments for financing the construction of dwellings in September 1998.



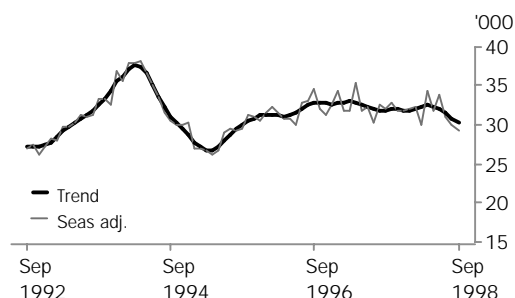
PURCHASE OF NEW DWELLINGS

The trend estimate for financing the purchase of newly erected dwellings fell 1.3% to 1 796 in September 1998. This series has now been in continuous decline since May 1997. Seasonally adjusted, there was a 0.7% decrease in commitments for financing the purchase of newly erected dwellings in September 1998.



PURCHASE OF ESTABLISHED DWELLINGS

The September trend estimate for commitments to finance the purchase of established dwellings fell by 2.0% to 30 194, continuing a decline evident since April 1998 and was last at this level in October 1995. Seasonally adjusted, commitments declined by 2.4% in September 1998. This followed falls in July and August of 8.0% and 3.7% respectively.

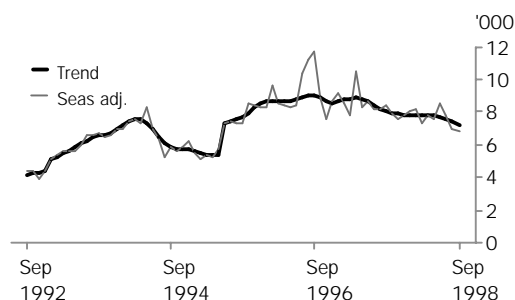


HOUSING FINANCE: Summary of findings

PURPOSE OF FINANCE *continued*

REFINANCING

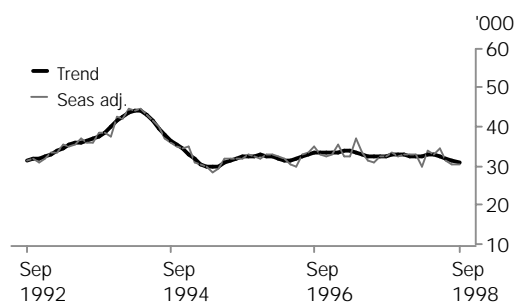
The trend estimate for refinancing commitments fell 2.1% in September 1998 to 7 278. The series has been in a general decline since April 1997 with a short period of increase in March and April 1998. Seasonally adjusted, there was a 1.0% decrease in refinancing commitments.



TYPE OF LENDER

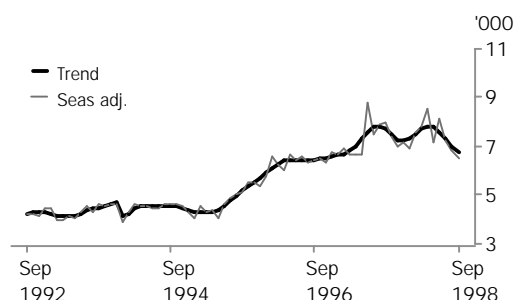
BANKS

The September 1998 trend estimate for bank commitments to finance owner occupied housing fell 1.5% to 31 022. The estimate has declined for five continuous months and was last at this level in June 1995. On a seasonally adjusted basis, commitments by banks fell by 0.4% to 30 294. In original terms, the 'bank' market share was up 0.3% to a level of 82.3% for the month of September.



NON-BANKS

The trend estimate for commitments by non-bank lenders fell by 4.0% to 6 763 in September 1998. The estimate has declined for five continuous months and was last at this level in February 1997. On a seasonally adjusted basis, commitments by non-banks fell by 4.7% to 6 503. In original terms, the market share for non-banks fell slightly during the month to 17.7% of total commitments in September 1998.



HOUSING FINANCE COMMITMENTS(a), By Purpose

	CONSTRUCTION OF DWELLINGS		PURCHASE OF NEWLY ERECTED DWELLINGS.....		REFINANCING OF ESTABLISHED DWELLINGS.....		TOTAL PURCHASE OF ESTABLISHED DWELLINGS.....		TOTAL.....	
Month	no.	\$m	no.	\$m	no.	\$m	no.	\$m	no.	\$m
ORIGINAL										
1997										
July	6 374	692	2 129	257	8 944	861	33 143	3 665	41 646	4 614
August	6 110	671	1 967	249	8 577	860	31 918	3 541	39 995	4 461
September	6 620	737	2 051	258	8 655	847	32 815	3 657	41 486	4 652
October	6 517	723	2 139	263	8 212	820	33 408	3 770	42 064	4 756
November	5 692	654	1 930	243	7 578	739	31 234	3 553	38 856	4 450
December	5 861	673	2 002	261	7 361	721	30 901	3 525	38 764	4 460
1998										
January	4 874	554	1 592	191	6 262	626	26 154	2 937	32 620	3 682
February	6 137	687	1 849	225	7 656	772	31 871	3 528	39 857	4 440
March	6 399	741	2 036	254	7 920	793	33 342	3 784	41 777	4 779
April	6 291	702	1 741	224	7 596	750	32 763	3 670	40 795	4 596
May	6 372	714	1 783	226	7 551	772	32 135	3 674	40 290	4 614
June	6 970	832	2 051	256	8 849	905	35 002	4 070	44 023	5 159
July	6 308	779	2 068	259	8 636	885	33 550	3 921	41 926	4 959
August	5 574	696	1 751	236	7 458	753	29 606	3 516	36 931	4 448
September	6 084	753	1 726	238	7 506	765	30 486	3 555	38 296	4 547
SEASONALLY ADJUSTED										
1997										
July	5 918	633	2 018	244	8 190	781	30 348	3 390	38 284	4 266
August	6 083	656	1 975	251	8 212	838	32 506	3 582	40 564	4 489
September	6 539	735	1 985	249	8 408	837	32 080	3 590	40 604	4 574
October	6 149	694	2 046	250	7 909	813	32 752	3 697	40 947	4 641
November	5 914	684	1 935	245	7 600	746	31 803	3 606	39 651	4 535
December	6 246	729	2 148	278	7 778	756	31 722	3 674	40 116	4 681
1998										
January	6 214	712	1 903	229	8 069	824	31 989	3 675	40 106	4 616
February	6 331	717	1 938	237	8 199	804	32 227	3 581	40 496	4 534
March	5 947	679	1 795	235	7 286	736	29 943	3 418	37 684	4 332
April	6 195	691	1 788	223	7 792	781	34 511	3 830	42 494	4 744
May	6 130	671	1 846	229	7 549	765	31 905	3 536	39 881	4 436
June	6 906	828	1 956	243	8 538	822	33 851	3 932	42 713	5 003
July	5 723	689	1 966	244	7 894	822	31 133	3 638	38 822	4 571
August	5 555	693	1 710	236	6 962	712	29 988	3 590	37 253	4 519
September	5 801	738	1 721	235	6 893	714	29 275	3 373	36 797	4 345
TREND ESTIMATES										
1997										
July	6 023	645	2 047	249	8 455	825	32 026	3 515	40 096	4 410
August	6 102	666	2 022	250	8 242	814	31 930	3 547	40 053	4 463
September	6 157	686	2 007	251	8 064	803	31 958	3 587	40 123	4 524
October	6 190	702	2 007	252	7 964	797	32 023	3 625	40 220	4 578
November	6 203	711	2 009	252	7 925	793	32 037	3 646	40 248	4 609
December	6 176	711	1 987	249	7 855	784	31 910	3 637	40 073	4 597
1998										
January	6 156	705	1 947	244	7 805	778	31 851	3 620	39 954	4 569
February	6 181	702	1 904	238	7 798	777	31 972	3 613	40 058	4 553
March	6 228	703	1 874	234	7 836	781	32 267	3 632	40 369	4 569
April	6 248	707	1 861	232	7 862	786	32 481	3 661	40 590	4 600
May	6 211	713	1 859	233	7 831	785	32 434	3 681	40 504	4 626
June	6 133	719	1 857	236	7 748	780	32 078	3 678	40 068	4 633
July	6 024	724	1 844	238	7 614	771	31 499	3 650	39 367	4 611
August	5 901	726	1 819	238	7 437	759	30 821	3 604	38 541	4 569
September	5 795	729	1 796	239	7 278	747	30 194	3 552	37 785	4 520

(a) Excludes alterations and additions.

(b) Includes refinancing.

HOUSING FINANCE COMMITMENTS(a), By Type of Lender

Month	ALL BANKS.....		PERMANENT BUILDING SOCIETIES.....		MORTGAGE MANAGERS.....		TOTAL OTHER LENDERS(b).....		TOTAL.....	
	no.	\$m	no.	\$m	no.	\$m	no.	\$m	no.	\$m
ORIGINAL										
1997										
July	33 692	3 727	1 524	165	3 321	448	6 430	722	41 646	4 614
August	32 145	3 598	1 627	162	3 214	431	6 223	701	39 995	4 461
September	33 269	3 729	1 807	194	3 330	452	6 410	729	41 486	4 652
October	34 136	3 834	1 751	193	3 147	437	6 177	729	42 064	4 756
November	31 687	3 644	1 606	174	2 801	387	5 563	632	38 856	4 450
December	31 858	3 684	1 430	158	2 624	363	5 476	618	38 764	4 460
1998										
January	26 860	3 049	1 213	128	2 085	291	4 547	504	32 620	3 682
February	32 449	3 606	1 690	175	2 881	406	5 718	659	39 857	4 440
March	33 282	3 792	1 880	205	3 492	503	6 615	782	41 777	4 779
April	32 942	3 668	1 703	192	3 266	474	6 150	736	40 795	4 596
May	32 871	3 725	1 589	182	3 099	452	5 830	708	40 290	4 614
June	36 056	4 244	1 909	206	3 307	471	6 058	709	44 023	5 159
July	34 191	4 069	1 682	185	3 183	451	6 053	704	41 926	4 959
August	30 301	3 684	1 484	163	2 673	381	5 146	602	36 931	4 448
September	31 507	3 760	1 560	178	2 622	375	5 229	608	38 296	4 547
SEASONALLY ADJUSTED										
1997										
July	30 816	3 425	1 515	161	n.y.a.	n.y.a.	5 953	681	38 284	4 266
August	32 659	3 611	1 616	167	n.y.a.	n.y.a.	6 289	712	40 564	4 489
September	32 620	3 665	1 732	186	n.y.a.	n.y.a.	6 252	723	40 604	4 574
October	33 557	3 778	1 703	187	n.y.a.	n.y.a.	5 687	676	40 947	4 641
November	32 620	3 746	1 647	181	n.y.a.	n.y.a.	5 384	608	39 651	4 535
December	32 971	3 852	1 481	164	n.y.a.	n.y.a.	5 664	665	40 116	4 681
1998										
January	33 183	3 822	1 518	163	n.y.a.	n.y.a.	5 406	631	40 106	4 616
February	32 963	3 718	1 623	174	n.y.a.	n.y.a.	5 910	642	40 496	4 534
March	29 862	3 430	1 725	189	n.y.a.	n.y.a.	6 098	713	37 684	4 332
April	33 948	3 773	1 910	199	n.y.a.	n.y.a.	6 636	771	42 494	4 744
May	32 714	3 589	1 452	169	n.y.a.	n.y.a.	5 715	677	39 881	4 436
June	34 587	4 067	1 801	191	n.y.a.	n.y.a.	6 325	746	42 713	5 003
July	31 566	3 728	1 716	185	n.y.a.	n.y.a.	5 540	658	38 822	4 571
August	30 427	3 720	1 528	171	n.y.a.	n.y.a.	5 299	628	37 253	4 519
September	30 294	3 586	1 460	166	n.y.a.	n.y.a.	5 043	593	36 797	4 345
TREND ESTIMATES										
1997										
July	32 313	3 545	1 564	166	n.y.a.	n.y.a.	6 219	699	40 096	4 410
August	32 227	3 581	1 611	172	n.y.a.	n.y.a.	6 215	711	40 053	4 463
September	32 425	3 647	1 637	176	n.y.a.	n.y.a.	6 061	701	40 123	4 524
October	32 764	3 725	1 633	177	n.y.a.	n.y.a.	5 823	676	40 220	4 578
November	32 987	3 780	1 617	176	n.y.a.	n.y.a.	5 644	654	40 248	4 609
December	32 868	3 776	1 604	175	n.y.a.	n.y.a.	5 602	645	40 073	4 597
1998										
January	32 645	3 740	1 605	175	n.y.a.	n.y.a.	5 703	654	39 954	4 569
February	32 556	3 703	1 630	177	n.y.a.	n.y.a.	5 871	673	40 058	4 553
March	32 645	3 690	1 672	181	n.y.a.	n.y.a.	6 052	697	40 369	4 569
April	32 750	3 703	1 705	184	n.y.a.	n.y.a.	6 135	713	40 590	4 600
May	32 724	3 730	1 708	185	n.y.a.	n.y.a.	6 072	711	40 504	4 626
June	32 487	3 753	1 679	183	n.y.a.	n.y.a.	5 901	696	40 068	4 633
July	32 053	3 759	1 635	180	n.y.a.	n.y.a.	5 679	673	39 367	4 611
August	31 507	3 746	1 587	176	n.y.a.	n.y.a.	5 446	647	38 541	4 569
September	31 022	3 729	1 537	171	n.y.a.	n.y.a.	5 226	619	37 785	4 520

(a) Excludes alterations and additions. Includes refinancing.

(b) Includes mortgage managers.

HOUSING FINANCE COMMITMENTS(a), By State

TOTAL NUMBER OF DWELLINGS.....

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Australia
Month	no.	no.	no.	no.	no.	no.	no.	no.	no.
ORIGINAL									
1997									
July	13 843	10 199	7 293	3 004	5 477	786	331	713	41 646
August	13 237	9 890	6 886	3 085	5 074	801	309	713	39 995
September	14 030	10 063	7 186	3 039	5 240	796	393	739	41 486
October	13 578	10 529	7 120	3 173	5 641	845	418	760	42 064
November	12 623	9 583	6 729	3 033	5 085	756	348	699	38 856
December	12 071	10 192	6 345	3 212	5 113	816	326	689	38 764
1998									
January	10 264	8 187	5 366	2 515	4 721	668	294	605	32 620
February	13 069	9 961	6 362	3 107	5 370	851	381	756	39 857
March	14 144	10 197	6 568	3 349	5 601	838	394	686	41 777
April	13 934	9 780	6 430	3 227	5 577	850	393	604	40 795
May	13 337	9 986	6 397	3 054	5 742	790	327	657	40 290
June	14 363	11 123	6 584	3 581	6 400	892	354	726	44 023
July	14 160	10 629	6 283	3 144	5 762	771	419	758	41 926
August	12 150	9 249	5 793	2 900	5 089	769	336	645	36 931
September	12 656	9 641	6 163	3 063	4 962	686	348	777	38 296
SEASONALLY ADJUSTED									
1997									
July	12 797	9 564	6 970	2 983	5 070	774	340	687	38 284
August	13 363	9 777	6 807	3 131	5 117	792	317	721	40 564
September	13 601	10 138	6 943	3 097	5 439	808	366	717	40 604
October	13 623	9 927	6 971	3 163	5 453	834	405	796	40 947
November	12 774	10 074	6 636	3 004	5 247	776	365	712	39 651
December	12 818	10 086	6 527	3 257	5 410	874	306	733	40 116
1998									
January	13 559	10 393	6 257	2 867	5 345	787	368	744	40 106
February	13 185	10 242	6 175	3 178	5 436	886	345	768	40 496
March	12 504	9 872	5 818	2 946	5 217	763	355	596	37 684
April	14 200	9 687	7 264	3 366	5 673	837	421	571	42 494
May	12 827	9 709	6 572	3 005	5 504	729	333	644	39 881
June	13 884	10 701	6 549	3 453	6 252	875	365	701	42 713
July	13 022	9 945	6 070	3 097	5 288	737	411	761	38 822
August	12 177	8 968	5 680	3 005	5 256	767	360	663	37 253
September	12 025	9 253	5 850	3 007	4 951	681	318	733	36 797
TREND ESTIMATES									
1997									
July	13 235	9 803	6 916	3 082	5 150	791	354	690	40 096
August	13 242	9 858	6 884	3 082	5 189	789	354	708	40 053
September	13 248	9 926	6 854	3 090	5 259	796	355	728	40 123
October	13 245	10 025	6 772	3 093	5 327	809	356	746	40 220
November	13 211	10 124	6 633	3 092	5 365	823	356	752	40 248
December	13 147	10 157	6 470	3 079	5 359	828	356	741	40 073
1998									
January	13 117	10 128	6 368	3 071	5 361	826	354	715	39 954
February	13 173	10 089	6 364	3 087	5 406	822	356	685	40 058
March	13 294	10 063	6 424	3 124	5 496	817	362	660	40 369
April	13 369	10 026	6 484	3 162	5 584	809	370	649	40 590
May	13 319	9 959	6 475	3 182	5 618	797	375	655	40 504
June	13 152	9 861	6 373	3 176	5 585	783	373	671	40 068
July	12 915	9 728	6 207	3 147	5 493	766	367	692	39 367
August	12 647	9 569	6 026	3 103	5 367	746	361	711	38 541
September	12 384	9 418	5 857	3 067	5 237	732	352	732	37 785

(a) Excludes alterations and additions. Includes refinancing.

(b) Sum of States and Territories may not equal Australian estimate, see Explanatory Notes 11 to 14.

HOUSING FINANCE COMMITMENTS(a), By State

TOTAL VALUE OF COMMITMENTS.....

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Australia
Month	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
1997									
July	1 878	1 039	745	243	539	58	36	76	4 614
August	1 794	1 031	712	251	502	61	34	76	4 461
September	1 885	1 060	754	253	511	63	43	83	4 652
October	1 891	1 109	739	268	560	61	48	82	4 756
November	1 771	1 019	713	258	511	57	38	83	4 450
December	1 700	1 090	683	275	526	64	38	83	4 460
1998									
January	1 398	878	575	207	475	51	33	65	3 682
February	1 750	1 028	674	254	537	67	43	87	4 440
March	1 955	1 080	709	283	568	65	44	76	4 779
April	1 920	1 011	687	271	543	59	38	65	4 596
May	1 885	1 063	664	258	579	59	33	74	4 614
June	2 097	1 183	746	307	632	74	39	80	5 159
July	2 045	1 155	713	269	577	65	45	90	4 959
August	1 796	1 013	701	244	523	65	38	69	4 448
September	1 838	1 041	695	262	526	58	39	87	4 547
SEASONALLY ADJUSTED									
1997									
July	1 708	955	712	242	495	57	37	71	4 266
August	1 824	1 040	708	258	503	60	31	80	4 489
September	1 856	1 047	724	258	521	63	43	82	4 574
October	1 884	1 051	722	272	530	60	44	79	4 641
November	1 805	1 091	709	258	533	58	39	87	4 535
December	1 789	1 054	719	285	588	68	39	83	4 681
1998									
January	1 928	1 089	664	236	532	59	42	80	4 616
February	1 790	1 076	657	259	539	68	40	90	4 534
March	1 728	1 027	632	248	531	58	45	68	4 332
April	1 919	1 017	761	270	560	59	38	63	4 744
May	1 775	1 070	681	253	552	53	32	72	4 436
June	2 023	1 125	735	298	630	78	42	78	5 003
July	1 838	1 058	688	264	520	63	44	85	4 571
August	1 825	988	689	254	527	65	38	73	4 519
September	1 759	1 015	665	259	523	56	35	83	4 345
TREND ESTIMATES									
1997									
July	1 780	1 003	703	251	500	59	38	74	4 410
August	1 803	1 022	710	255	505	59	38	76	4 463
September	1 822	1 041	717	260	517	60	39	79	4 524
October	1 838	1 059	716	263	531	61	40	83	4 578
November	1 844	1 071	707	264	542	62	41	84	4 609
December	1 836	1 072	693	262	545	62	41	84	4 597
1998									
January	1 824	1 066	682	258	547	62	41	81	4 569
February	1 821	1 061	678	257	549	62	40	78	4 553
March	1 832	1 059	683	258	553	62	40	75	4 569
April	1 849	1 060	692	262	558	62	40	73	4 600
May	1 862	1 060	701	266	560	63	39	73	4 626
June	1 865	1 056	703	268	559	64	39	75	4 633
July	1 859	1 049	700	268	553	64	39	77	4 611
August	1 846	1 039	693	265	544	63	39	79	4 569
September	1 827	1 029	685	263	534	63	38	82	4 520

(a) Excludes alterations and additions. Includes refinancing.

(b) Sum of States and Territories may not equal Australian estimate, see Explanatory Notes 11 to 14.

HOUSING FINANCE COMMITMENTS, Original

	<i>Dwellings financed, excluding refinancing</i>	<i>Refinancing</i>	<i>Alterations and additions</i>	<i>Total</i>	<i>Commitments advanced during month</i>	<i>Cancellation of commitments during month</i>	<i>Commitments not advanced at end of month</i>
<i>Month</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
1997							
July	3 753	861	219	4 834	4 315	456	8 677
August	3 601	860	215	4 677	4 065	499	8 781
September	3 804	847	240	4 891	4 141	402	9 131
October	3 936	820	265	5 021	4 479	486	9 200
November	3 711	739	235	4 685	4 073	454	9 375
December	3 739	721	222	4 682	4 607	755	8 700
1998							
January	3 056	626	190	3 872	3 810	424	8 460
February	3 668	772	243	4 683	3 700	401	9 042
March	3 986	793	256	5 035	4 248	442	9 400
April	3 846	750	224	4 819	4 364	440	9 381
May	3 842	772	225	4 839	4 128	440	9 640
June	4 253	905	245	5 404	4 274	547	10 251
July	4 074	885	222	5 181	4 674	450	10 295
August	3 696	753	200	4 649	4 113	786	10 046
September	3 781	765	205	4 752	4 016	441	10 555

HOUSING FINANCE COMMITMENTS, Refinancing–Original

REFINANCING.....

ALL HOUSING
FINANCE

Month	All banks	Permanent building societies	Mortgage managers	Total other lenders(b)	Total	Total
NUMBER						
1997						
July	6 475	288	1 192	2 181	8 944	41 646
August	6 147	308	1 242	2 122	8 577	39 995
September	6 228	390	1 119	2 037	8 655	41 486
October	6 209	338	959	1 665	8 212	42 064
November	5 716	299	856	1 563	7 578	38 856
December	5 620	292	722	1 449	7 361	38 764
1998						
January	4 779	254	606	1 229	6 262	32 620
February	5 773	369	825	1 514	7 656	39 857
March	5 652	467	993	1 801	7 920	41 777
April	5 380	404	1 105	1 812	7 596	40 795
May	5 596	343	955	1 612	7 551	40 290
June	6 850	413	975	1 586	8 849	44 023
July	6 450	377	1 037	1 809	8 636	41 926
August	5 767	319	801	1 372	7 458	36 931
September	5 862	284	784	1 360	7 506	38 296
VALUE (\$ million)						
1997						
July	604	24	153	233	861	4 614
August	598	25	160	236	860	4 461
September	588	35	143	225	847	4 652
October	598	31	125	191	820	4 756
November	542	30	110	167	739	4 450
December	539	28	92	153	721	4 460
1998						
January	471	24	80	131	626	3 682
February	574	33	110	165	772	4 440
March	543	45	137	204	793	4 779
April	500	38	153	212	750	4 596
May	547	32	133	193	772	4 614
June	683	44	131	178	905	5 159
July	638	40	145	208	885	4 959
August	567	32	109	154	753	4 448
September	574	29	113	163	765	4 547
AVERAGE BORROWING SIZE (\$'000)						
1997						
July	93.3	84.4	128.0	106.9	96.3	110.8
August	97.4	81.4	128.8	111.3	100.2	111.5
September	94.3	89.9	127.9	110.3	97.9	112.1
October	96.3	90.9	130.6	114.7	99.8	113.1
November	94.8	101.2	128.0	106.8	97.5	114.5
December	95.9	95.8	128.1	105.9	97.9	115.0
1998						
January	98.6	93.3	132.1	106.6	99.9	112.9
February	99.4	90.4	133.2	109.0	100.8	111.4
March	96.1	96.7	138.4	113.5	100.1	114.4
April	92.9	94.5	138.4	116.8	98.7	112.7
May	97.8	94.6	139.3	119.4	102.3	114.5
June	99.8	105.5	133.9	112.4	102.3	117.2
July	98.9	105.0	139.7	114.9	102.5	118.3
August	98.2	100.0	136.0	112.5	100.9	120.4
September	97.9	102.7	143.6	119.5	102.0	118.7

(a) Excludes alterations and additions.

(b) Includes mortgage managers.

HOUSING FINANCE COMMITMENTS(a), By Type of Borrower and Loan-Original

	FIRST HOME BUYERS.....			FIXED RATE (2 YEARS OR LONGER)...			ALL FINANCE....
	<i>Dwellings financed</i>	<i>% of total</i>	<i>Average borrowing size</i>	<i>Dwellings financed</i>	<i>% of total</i>	<i>Average borrowing size</i>	<i>Average borrowing size</i>
<i>Month</i>	<i>no.</i>	<i>%</i>	<i>\$'000</i>	<i>no.</i>	<i>%</i>	<i>\$'000</i>	<i>\$'000</i>
1997							
July	8 330	20.0	104.1	3 461	8.3	100.8	110.8
August	7 890	19.7	103.8	3 402	8.5	101.8	111.5
September	8 389	20.2	105.9	3 534	8.5	103.7	112.1
October	8 872	21.1	108.1	4 143	9.8	108.4	113.1
November	8 251	21.2	105.2	4 821	12.4	111.0	114.5
December	8 047	20.8	104.0	6 023	15.5	114.2	115.0
1998							
January	6 420	19.7	107.4	7 185	22.0	111.5	112.9
February	7 914	19.9	106.9	9 805	24.6	110.7	111.4
March	8 565	20.5	108.7	8 064	19.3	111.6	114.4
April	8 121	19.9	106.8	7 116	17.4	112.3	112.7
May	8 317	20.6	107.5	6 076	15.1	115.4	114.5
June	8 256	18.8	109.9	10 733	24.4	114.5	117.2
July	8 122	19.4	113.3	9 445	22.5	112.6	118.3
August	7 530	20.4	116.2	7 247	19.6	116.1	120.4
September	7 878	20.6	116.0	7 634	19.9	112.7	118.7

(a) Excludes alterations and additions. Includes refinancing.

HOUSING FINANCE COMMITMENTS, By Purpose and State-Original

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Australia
Month	no.	no.	no.	no.	no.	no.	no.	no.	no.
CONSTRUCTION OF DWELLINGS									
1997									
July	1 735	1 608	1 414	373	1 040	86	62	56	6 374
August	1 650	1 593	1 410	374	916	85	37	45	6 110
September	1 829	1 742	1 429	393	1 001	85	74	67	6 620
October	1 712	1 801	1 343	392	1 053	85	62	69	6 517
November	1 527	1 487	1 268	329	901	82	36	62	5 692
December	1 522	1 680	1 173	350	948	93	38	57	5 861
1998									
January	1 297	1 418	936	272	803	81	30	37	4 874
February	1 675	1 830	1 216	380	839	83	53	61	6 137
March	1 794	1 812	1 283	367	957	77	57	52	6 399
April	1 721	1 814	1 213	345	1 025	93	48	32	6 291
May	1 671	1 887	1 188	362	1 082	87	44	51	6 372
June	1 844	2 048	1 284	476	1 102	86	70	60	6 970
July	1 760	1 798	1 135	416	993	82	51	73	6 308
August	1 470	1 565	1 120	384	878	72	30	55	5 574
September	1 602	1 807	1 250	381	885	59	33	67	6 084
PURCHASE OF NEWLY ERECTED DWELLINGS									
1997									
July	770	571	366	96	240	14	22	50	2 129
August	731	541	330	83	192	24	17	49	1 967
September	749	503	370	72	230	16	6	105	2 051
October	707	573	407	101	263	27	14	47	2 139
November	705	508	340	93	209	24	16	35	1 930
December	688	562	363	108	205	26	10	40	2 002
1998									
January	531	404	292	75	211	18	26	35	1 592
February	671	479	301	97	203	19	39	40	1 849
March	753	557	351	97	204	12	31	31	2 036
April	689	447	316	85	134	18	32	20	1 741
May	632	473	323	87	194	13	28	33	1 783
June	764	559	357	88	211	18	18	36	2 051
July	844	546	350	75	142	12	25	74	2 068
August	607	521	346	75	121	8	35	38	1 751
September	651	465	340	83	124	24	18	21	1 726
PURCHASE OF ESTABLISHED DWELLINGS(a)									
1997									
July	11 338	8 020	5 513	2 535	4 197	686	247	607	33 143
August	10 856	7 756	5 146	2 628	3 966	692	255	619	31 918
September	11 452	7 818	5 387	2 574	4 009	695	313	567	32 815
October	11 159	8 155	5 370	2 680	4 325	733	342	644	33 408
November	10 391	7 588	5 121	2 611	3 975	650	296	602	31 234
December	9 861	7 950	4 809	2 754	3 960	697	278	592	30 901
1998									
January	8 436	6 365	4 138	2 168	3 707	569	238	533	26 154
February	10 723	7 652	4 845	2 630	4 328	749	289	655	31 871
March	11 597	7 828	4 934	2 885	4 440	749	306	603	33 342
April	11 524	7 519	4 901	2 797	4 418	739	313	552	32 763
May	11 034	7 626	4 886	2 605	4 466	690	255	573	32 135
June	11 755	8 516	4 943	3 017	5 087	788	266	630	35 002
July	11 556	8 285	4 798	2 653	4 627	677	343	611	33 550
August	10 073	7 163	4 327	2 441	4 090	689	271	552	29 606
September	10 403	7 369	4 573	2 599	3 953	603	297	689	30 486

(a) Includes refinancing.

HOUSING FINANCE COMMITMENTS(a), By State–Original: September 1998

State	CONSTRUCTION OF DWELLINGS		PURCHASE OF NEWLY ERECTED DWELLINGS....		PURCHASE OF ESTABLISHED DWELLINGS(b)...		TOTAL DWELLINGS, EXCLUDING REFINANCING.....		REFINANCING	TOTAL...
	Houses	Other	Houses	Other	Houses	Other	Houses	Other	All dwellings	All dwellings
NUMBER										
New South Wales	1 528	74	391	260	6 763	945	8 682	1 279	2 695	12 656
Victoria	1 720	87	301	164	5 336	498	7 357	749	1 535	9 641
Queensland	1 214	36	211	129	3 199	243	4 624	408	1 131	6 163
South Australia	373	8	62	21	1 744	56	2 179	85	799	3 063
Western Australia	798	87	95	29	2 562	426	3 455	542	965	4 962
Tasmania	58	1	16	8	405	32	479	41	166	686
Northern Territory	30	3	15	3	211	15	256	21	71	348
Australian Capital Territory	58	9	13	8	508	37	579	54	144	777
Australia	5 779	305	1 104	622	20 728	2 252	27 611	3 179	7 506	38 296
VALUE (\$ million)										
New South Wales	232	10	61	45	1 008	154	1 301	210	328	1 838
Victoria	196	9	34	26	573	60	802	95	144	1 041
Queensland	133	4	25	17	372	31	529	51	115	695
South Australia	33	1	6	3	155	4	194	8	60	262
Western Australia	104	9	12	4	266	45	382	58	86	526
Tasmania	6	0	1	1	34	3	41	4	13	58
Northern Territory	5	0	1	0	23	2	30	2	6	39
Australian Capital Territory	9	1	2	1	55	5	66	6	14	87
Australia	718	35	142	96	2 486	304	3 346	435	765	4 547
AVERAGE BORROWING SIZE (\$'000)										
New South Wales	151.6	141.5	155.7	174.6	149.1	162.7	149.9	163.9	121.5	145.2
Victoria	113.8	107.2	111.6	157.0	107.4	120.6	109.1	127.0	93.5	108.0
Queensland	109.2	107.2	119.3	131.1	116.1	125.7	114.5	125.8	101.6	112.8
South Australia	89.7	114.1	90.1	120.6	88.9	80.0	89.1	93.3	75.6	85.7
Western Australia	130.9	107.1	127.2	121.0	103.8	105.6	110.7	106.6	89.1	106.0
Tasmania	98.6	8.0	90.6	120.9	83.2	105.2	85.3	105.9	75.4	84.1
Northern Territory	169.8	82.7	99.9	103.7	110.6	127.1	116.9	117.4	89.5	111.4
Australian Capital Territory	162.3	92.9	116.5	125.1	108.9	124.2	114.4	119.1	98.3	111.8
Australia	124.3	114.7	128.4	154.9	119.9	134.9	121.2	136.9	102.0	118.7

(a) Excludes alterations and additions.

(b) Excludes 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. Commitments for the purchase of land, or for the construction or purchase of dwellings for rental or resale, are excluded and shown in *Lending Finance* (5671.0).

SCOPE

2 The following types of lenders are included:

- 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 owner-occupied housing.

4 An annual collection is conducted to maintain coverage of significant lenders. New lenders are included as their 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.

REFINANCING

8 Data on refinancing has been collected separately since July 1991. The seasonally adjusted estimates should be considered preliminary until additional observations are available to produce more reliable seasonal estimates. Refinancing excludes an institution's refinancing of its own loans over the same dwelling (refer to glossary).

EXPLANATORY NOTES

MORTGAGE MANAGERS

9 Commitments for housing finance by mortgage managers are included in 'other lenders' and 'total lenders' when not separately identified. Data for mortgage managers are only available separately from July 1995. Prior to July 1995, the more significant mortgage managers were included with 'other lenders'. Seasonally adjusted data for mortgage managers will not be available until a sufficient number of observations are available to estimate seasonal patterns.

10 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 reported by those lending institutions providing the finance, and are included in the lender type category relating to those institutions;
- commitments by mortgage managers for investment housing are excluded. The value of those commitments is included in Commercial Finance estimates.

SEASONAL ADJUSTMENT

11 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.

12 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.

13 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.

14 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 12 and 13.

TREND ESTIMATES

15 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 02 6252 6345.

EXPLANATORY NOTES

TREND ESTIMATES *continued*

16 While the smoothing technique described in paragraph 15 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.

17 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.

RELATED RELEASES

18 Estimates for months prior to those shown in this publication are available. Users may wish to refer to more detailed commitment series for Personal, Commercial and Lease Finance that are available by purpose, type of facility and industry. There may be a charge for this information, depending on the volume of data requested.

19 Users may also wish to refer to the following releases:

- *Lending Finance, Australia* (5671.0)
Provides monthly data on the value of finance commitments for individuals for housing and other personal finance commitments, commercial finance commitments to businesses under fixed and revolving credit facilities and value of goods under lease finance commitments.
- *Assets and Liabilities of Australian Securitisers* (5232.0.40.001)
Provides quarterly information on the assets and liabilities of securitisers. These financial institutions issue short and/or long term securities (known as asset-backed securities) against specifically matched assets (e.g. mortgages, credit cards receivables).
- *Annual Statistics for Financial Institutions* (5661.0.40.001)
The statistics cover type and amount of assets and liabilities, source of income, type of expenditure and appropriation of profits for each institution type registered under the *Financial Corporations Act 1974*.
- *Reserve Bank of Australia Bulletin* (Reserve Bank of Australia)
Contains feature articles on current issues in the financial markets and monthly financial information for banks and other financial institutions registered under the *Financial Corporations Act 1974*. Statistics on the financial markets (e.g. interest rates and share prices indices) and relevant aggregates of the Commonwealth Government, National Accounts and Balance of Payments are also published.
- *Buildings Approvals, Australia* (8731.0)
Provides monthly data on the number dwelling units and value of residential buildings approved for private and public sector, value of alterations and additions and value of non-residential buildings by class of building.
- *Building Activity Australia, Dwelling Unit Commencements* (8750.0)
Contains preliminary quarterly estimates of the number of dwelling units commenced for private and public sector.

SYMBOLS AND OTHER USAGES

- n.p. not available for publication
n.y.a not yet available
m millions

G L O S S A R Y

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	<p>Average borrowing is calculated as follows:</p> $\frac{\text{Total value of lending commitments per month}}{\text{Total number of dwellings financed per month}}$ <p>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.</p>
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.
Commitments not advanced	<p>Commitments not advanced at the end of the period are calculated as follows:</p> $ \begin{aligned} &\text{Balance of unadvanced commitments at the end of the previous period} \\ + &\text{Total new housing commitments (including refinancing)} \\ + &\text{Alterations and additions} \\ \hline = &\text{Total commitments} \\ - &\text{Cancellations of commitments} \\ - &\text{Commitments advanced during the period} \\ \hline = &\text{Commitments not advanced at the end of the period} \end{aligned} $
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 house, etc.
Dwelling Units	Dwelling units refer 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.

G L O S S A R Y

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 Managers	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.
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 \$34 million Australia-wide during the calendar year 1997.

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