



# HOUSING FINANCE

FOR OWNER  
OCCUPATION  
AUSTRALIA

EMBARGOED UNTIL 11:30AM THURS 23 FEBRUARY 1995



## DECEMBER KEY FIGURES

### TREND ESTIMATES

	Dec 94	% change Nov 94	% change Dec 93
Number of dwellings financed	38 481	-0.8	-16.6
Construction of dwellings	7 325	-2.0	-10.8
Purchase of new dwellings	2 017	1.4	-7.6
Purchase of established dwellings	29 139	-0.6	-18.4

### SEASONALLY ADJUSTED

	Dec 94	% change Nov 94	% change Dec 93
Number of dwellings financed	41 752	16.2	-12.0
Construction of dwellings	7 893	17.2	-8.1
Purchase of new dwellings	2 288	32.9	0.5
Purchase of established dwellings	31 571	14.9	-13.7

## DECEMBER KEY POINTS

### TREND ESTIMATES

- The trend estimate for the total number of dwellings financed in December 1994 was down 0.8 per cent on November 1994.
- This compares with the revised monthly trend decreases for November 1994 of 1.7 per cent and for October 1994 of 2.6 per cent.
- In December 1994, the number of commitments for both the construction of dwellings and the purchase of established dwellings decreased by 2.0 and 0.6 per cent respectively, while commitments for the purchase of new dwellings increased by 1.4 per cent.
- The trend estimate for the value of commitments in December 1994 was down 0.3 per cent on November 1994.

### SEASONALLY ADJUSTED ESTIMATES

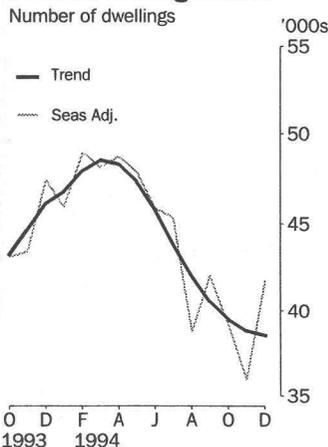
- In December 1994, the number of dwellings financed increased by 16.2 per cent on November 1994 but was 12.0 per cent lower than in December 1993.
- Seasonally adjusted estimates for all categories increased in December.

**TAKE CARE!**  
Take care with interpretation  
of seasonally adjusted data.  
See Explanatory Notes 9-11.

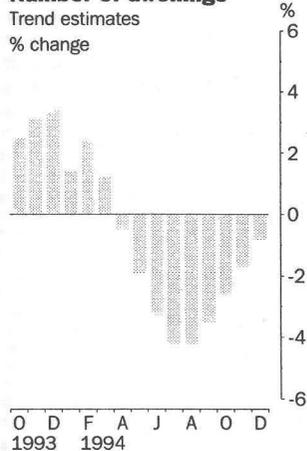
### ORIGINAL ESTIMATES

- There were 35 678 dwelling units financed during December 1994, a decrease of 12.0 per cent on November 1994 and a decrease of 21.3 per cent on December 1993.
- Lending institutions reported that 5 070 (14.2 per cent) of the total number of dwelling units financed in December 1994 were being refinanced.

### Secured housing finance



### Number of dwellings



## INQUIRIES

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

# HOUSING FINANCE NOTES

## FORTHCOMING ISSUES

ISSUE	RELEASE DATE
January 1995	21 March 1995
February 1995	20 April 1995
March 1995	18 May 1995

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## CHANGES IN THIS ISSUE

There are no changes in this issue.

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## SENSITIVITY ANALYSIS

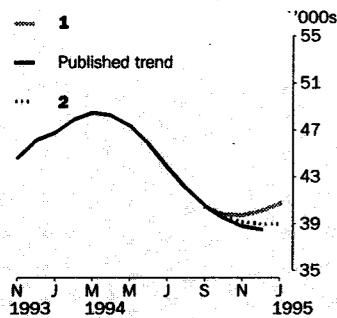
Readers should exercise care when interpreting this month's trend estimates because they will be revised when next month's seasonally adjusted estimates become available. For further information, see Explanatory Notes 12 and 13.

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

- 1** The January seasonally adjusted estimate of number of dwellings financed is *higher* than the December seasonally adjusted estimate by 5.0%.
- 2** The January seasonally adjusted estimate of number of dwellings financed is *lower* than the December seasonally adjusted estimate by 5.0%.

The percentage change of 5.0% was chosen because the average absolute percentage change, based on the last 150 observations, has been 5.0%.

## NUMBER OF DWELLINGS FINANCED



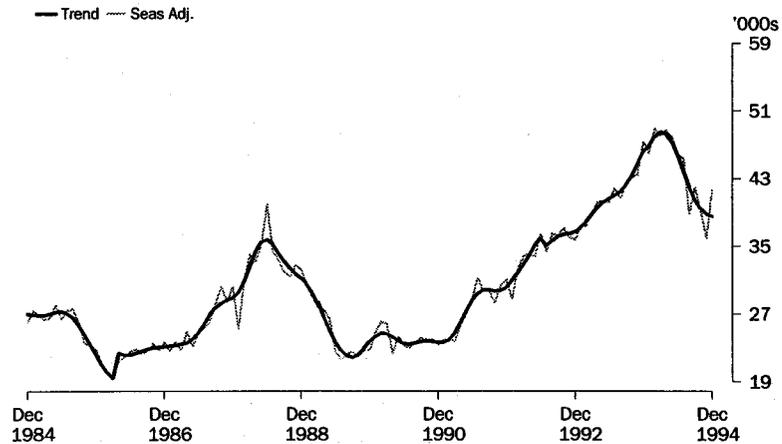
	TREND AS PUBLISHED		WHAT IF NEXT MONTH'S SEASONALLY ADJUSTED ESTIMATE:			
	estimate	% change	<b>1</b> rises by 5% on Dec 1994 estimate	% change	<b>2</b> falls by 5% on Dec 1994 estimate	% change
<b>1994</b>						
July	43 881	-4.2	43 769	-4.6	43 850	-4.5
August	42 035	-4.2	41 812	-4.5	41 954	-4.3
September	40 551	-3.5	40 438	-3.3	40 508	-3.4
October	39 487	-2.6	39 791	-1.6	39 604	-2.2
November	38 797	-1.7	39 751	-0.1	39 132	-1.2
December	38 481	-0.8	40 111	0.9	38 946	-0.5
<b>1995</b>						
January (new)	—	—	40 747	1.6	38 989	0.1

**RICHARD MADDEN**  
ACTING AUSTRALIAN STATISTICIAN

# SECURED HOUSING FINANCE: Trend/Seasonally adjusted

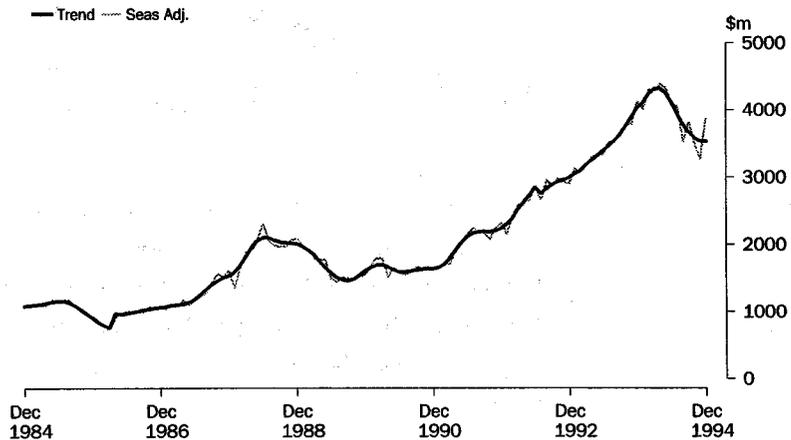
## NUMBER OF DWELLINGS FINANCED

The trend estimate for the total number of dwellings financed in December 1994 was 38 481, a decrease of 0.8 per cent. A turning point was reached in March 1994 and from April the trend has been in continuous decline, although the rate of decline has been slowing since September 1994. Seasonally adjusted, the number of dwelling units financed in December 1994 increased by 16.2 per cent on November 1994.



## VALUE OF COMMITMENTS

The trend estimate for December 1994 for the total value of commitments for owner-occupied housing was \$3 526.6 million, a decrease of 0.3 per cent on November 1994. Seasonally adjusted, the value of commitments increased by 18.4 per cent on November 1994.

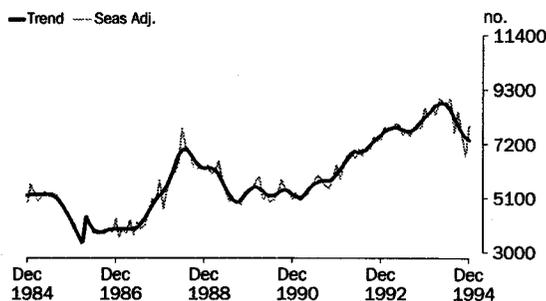


# TYPE OF HOUSING: Seasonally adjusted and trend

## NUMBER OF DWELLINGS FINANCED

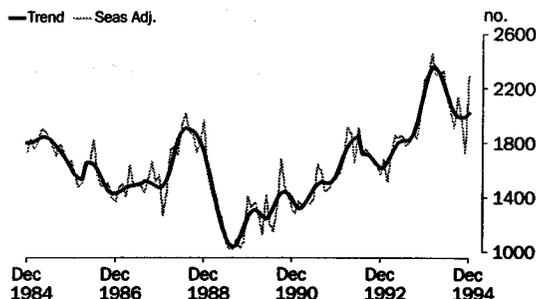
### CONSTRUCTION OF DWELLINGS

The trend estimate for the number of dwellings financed in December 1994 was 7 325, a decrease of 2.0 per cent on November 1994. Seasonally adjusted, finance was committed to individuals for the construction of 7 893 dwelling units, 17.2 per cent more than in November 1994.



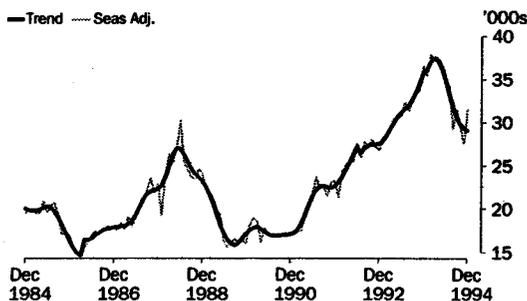
### PURCHASE OF NEW DWELLINGS

The trend estimate for the number of dwellings financed in December 1994 was 2 017, an increase of 1.4 per cent on November 1994. Seasonally adjusted, finance was committed to individuals for the purchase of 2 288 newly erected dwellings, 32.9 per cent more than in November 1994.



### PURCHASE OF ESTABLISHED DWELLINGS

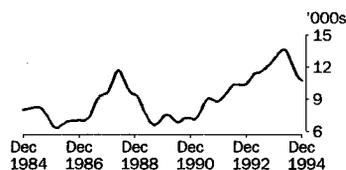
The trend estimate for the number of dwellings financed in December 1994 was 29 139, a decrease of 0.6 per cent on November 1994. Seasonally adjusted, finance was committed to individuals for the purchase of 31 571 dwelling units, 14.9 per cent more than in November 1994. Compared with December 1993, commitments for the purchase of established dwellings were 13.7 per cent lower in seasonally adjusted terms.



# STATE TRENDS : Trend series

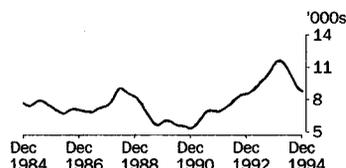
## NUMBER OF DWELLINGS FINANCED

### NEW SOUTH WALES



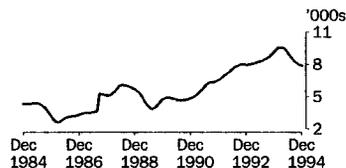
The downward trend in NSW which began in May 1994 continued in December with the trend estimate declining by 1.7%.

### VICTORIA



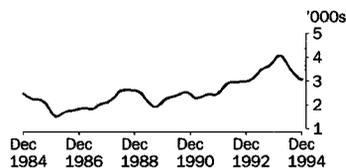
The decline of 2.1% in the December trend estimate continues the downward trend which began in March 1994.

### QUEENSLAND



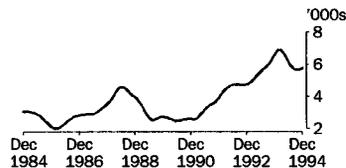
The decline of 1.1% in the December trend estimate continues the decline which began in April 1994.

### SOUTH AUSTRALIA



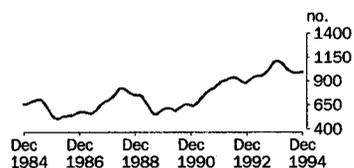
The trend estimate for SA declined by 1.8% in December, continuing the decline which began in April 1994.

### WESTERN AUSTRALIA



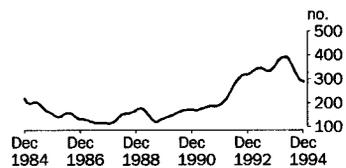
The December trend estimate increased by 1.3%, continuing the upward trend which began in November 1994.

### TASMANIA



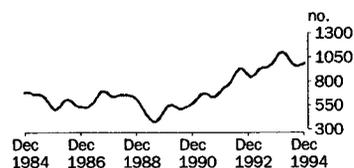
The trend estimate for Tasmania increased by 0.6%, and continues the upward trend which began in October 1994.

### NORTHERN TERRITORY



The NT trend estimate for November declined by 1.7%, continuing the downward trend which began in May 1994.

### AUSTRALIAN CAPITAL TERRITORY



The ACT trend estimate increased by 1.6%, continuing the upward trend which began in October 1994.

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>1993</b>								
October	7 426	593.1	1 833	165.6	31 327	2 802.0	40 586	3 560.7
November	7 777	636.6	2 120	192.9	34 226	3 012.4	44 123	3 841.9
December	8 005	648.8	2 062	198.3	35 293	3 112.6	45 360	3 959.7
<b>1994</b>								
January	6 337	510.4	1 769	159.0	28 340	2 402.4	36 446	3 071.8
February	8 361	684.9	2 414	230.5	37 400	3 274.6	48 175	4 190.0
March	9 763	825.5	2 656	253.6	44 328	3 954.4	56 747	5 033.5
April	8 500	725.5	2 058	199.7	34 393	3 092.7	44 951	4 017.8
May	9 677	830.7	2 299	228.1	38 673	3 535.2	50 649	4 594.0
June	9 440	787.1	2 223	220.7	37 666	3 468.3	49 329	4 476.1
July	8 609	737.9	2 050	193.5	32 642	2 949.8	43 301	3 881.1
August	8 875	769.9	2 265	229.3	32 975	3 006.9	44 115	4 006.0
September	8 070	716.5	2 109	215.6	30 265	2 783.5	40 444	3 715.7
October	7 110	598.3	1 975	202.5	27 531	2 502.9	36 616	3 303.7
November	7 491	654.7	1 993	204.9	31 069	2 838.8	40 553	3 698.4
December	6 459	568.6	1 888	182.5	27 331	2 565.6	35 678	3 316.7
SEASONALLY ADJUSTED								
<b>1993</b>								
October	7 853	630.6	1 836	164.0	33 428	2 994.6	43 117	3 789.2
November	7 775	621.6	2 016	182.8	33 644	2 970.0	43 435	3 774.4
December	8 585	708.1	2 277	214.6	36 570	3 201.6	47 432	4 124.3
<b>1994</b>								
January	8 271	683.8	2 291	212.4	35 387	3 108.5	45 949	4 004.6
February	8 627	711.2	2 459	234.0	37 829	3 350.9	48 915	4 296.1
March	8 331	710.3	2 293	219.0	37 501	3 349.2	48 125	4 278.6
April	8 943	770.5	2 296	219.2	37 450	3 389.1	48 689	4 378.8
May	8 806	765.0	2 334	227.2	36 747	3 340.1	47 887	4 332.4
June	8 777	738.0	2 147	209.8	34 918	3 155.7	45 842	4 103.4
July	8 982	762.6	2 032	194.7	34 354	3 091.9	45 368	4 049.2
August	7 616	650.5	1 913	193.9	29 218	2 675.4	38 747	3 519.8
September	8 471	735.8	2 140	226.7	31 476	2 863.4	42 087	3 825.9
October	7 562	635.2	1 976	203.7	29 617	2 655.3	39 155	3 494.2
November	6 737	569.9	1 721	175.0	27 474	2 525.5	35 932	3 270.4
December	7 893	704.8	2 288	216.9	31 571	2 951.5	41 752	3 873.3
TREND ESTIMATES								
<b>1993</b>								
October	7 885	633.9	1 946	178.0	33 431	2 936.3	43 262	3 748.2
November	8 045	652.1	2 062	189.8	34 513	3 039.9	44 620	3 881.7
December	8 211	671.6	2 183	202.5	35 728	3 153.2	46 122	4 027.2
<b>1994</b>								
January	8 359	691.7	2 287	214.2	36 140	3 197.7	46 785	4 103.6
February	8 509	713.2	2 351	222.3	37 058	3 292.7	47 918	4 228.2
March	8 696	736.4	2 359	224.5	37 448	3 346.1	48 504	4 307.0
April	8 774	748.0	2 315	221.8	37 191	3 343.2	48 280	4 313.0
May	8 797	752.8	2 245	216.9	36 321	3 281.9	47 363	4 251.6
June	8 720	746.2	2 162	211.7	34 908	3 161.9	45 790	4 119.8
July	8 527	728.2	2 083	207.4	33 270	3 015.2	43 881	3 950.8
August	8 246	703.1	2 026	204.4	31 763	2 880.4	42 035	3 787.9
September	7 946	678.5	1 993	202.6	30 612	2 782.2	40 551	3 663.3
October	7 684	659.0	1 984	201.6	29 819	2 721.3	39 487	3 581.9
November	7 479	645.0	1 990	201.0	29 328	2 690.1	38 797	3 536.2
December	7 325	636.8	2 017	201.7	29 139	2 688.0	38 481	3 526.6

<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>1993</b>								
October	36 045	3 218.9	3 232	254.0	1 309	87.7	40 586	3 560.7
November	39 209	3 469.3	3 491	275.3	1 423	97.3	44 123	3 841.9
December	40 887	3 607.5	3 323	270.0	1 150	82.2	45 360	3 959.7
<b>1994</b>								
January	33 418	2 835.3	1 893	162.0	1 135	74.5	36 446	3 071.8
February	43 996	3 844.8	3 022	260.9	1 157	84.3	48 175	4 190.0
March	51 968	4 644.2	3 178	274.7	1 601	114.5	56 747	5 033.5
April	41 082	3 695.3	2 590	226.8	1 279	95.8	44 951	4 017.8
May	46 061	4 215.1	2 956	260.3	1 632	118.7	50 649	4 594.0
June	45 045	4 112.5	2 869	261.9	1 415	101.7	49 329	4 476.1
July	39 230	3 540.7	2 585	234.2	1 486	106.2	43 301	3 881.1
August	39 723	3 632.9	2 817	256.8	1 575	116.4	44 115	4 006.0
September	36 312	3 368.1	2 626	238.1	1 506	109.4	40 444	3 715.7
October	32 904	2 985.7	2 287	207.5	1 425	110.5	36 616	3 303.7
November	36 541	3 367.4	2 597	224.8	1 415	106.1	40 553	3 698.4
December	32 194	3 022.4	2 168	194.1	1 316	100.2	35 678	3 316.7
SEASONALLY ADJUSTED								
<b>1993</b>								
October	38 499	3 439.3	3 311	263.2	1 307	86.7	43 117	3 789.2
November	38 765	3 423.4	3 426	264.2	1 244	86.8	43 435	3 774.4
December	42 678	3 749.2	3 633	295.0	1 121	80.1	47 432	4 124.3
<b>1994</b>								
January	42 247	3 698.7	2 378	214.0	1 324	91.9	45 949	4 004.6
February	44 776	3 968.1	2 883	237.7	1 256	90.3	48 915	4 296.1
March	43 941	3 949.1	2 711	226.2	1 473	103.3	48 125	4 278.6
April	44 485	4 027.7	2 794	248.2	1 410	103.0	48 689	4 378.8
May	43 634	3 974.2	2 673	245.0	1 580	113.2	47 887	4 332.4
June	41 667	3 751.6	2 752	250.2	1 423	101.6	45 842	4 103.4
July	41 156	3 691.1	2 691	249.9	1 521	108.2	45 368	4 049.2
August	34 487	3 157.4	2 742	249.6	1 518	112.8	38 747	3 519.8
September	38 036	3 482.9	2 582	233.9	1 469	109.2	42 087	3 825.9
October	35 289	3 164.1	2 413	218.5	1 453	111.7	39 155	3 494.2
November	32 174	2 961.0	2 532	216.2	1 226	93.2	35 932	3 270.4
December	38 025	3 554.9	2 406	217.1	1 321	101.3	41 752	3 873.3
TREND ESTIMATES								
<b>1993</b>								
October	38 654	3 397.3	3 358	265.2	1 250	85.7	43 262	3 748.2
November	39 984	3 523.5	3 394	272.7	1 241	85.5	44 620	3 881.7
December	41 456	3 659.5	3 423	281.3	1 243	86.5	46 122	4 027.2
<b>1994</b>								
January	42 815	3 791.4	2 707	223.3	1 264	88.9	46 785	4 103.6
February	43 901	3 906.3	2 717	229.8	1 300	92.1	47 918	4 228.2
March	44 364	3 969.7	2 728	236.2	1 412	101.0	48 504	4 307.0
April	44 082	3 966.4	2 743	242.4	1 455	104.1	48 280	4 313.0
May	43 126	3 897.7	2 747	247.1	1 491	106.8	47 363	4 251.6
June	41 547	3 762.1	2 734	249.0	1 509	108.6	45 790	4 119.8
July	39 679	3 594.4	2 697	247.0	1 505	109.3	43 881	3 950.8
August	37 909	3 437.5	2 645	241.5	1 481	108.9	42 035	3 787.9
September	36 518	3 321.5	2 589	234.2	1 444	107.5	40 551	3 663.3
October	35 557	3 249.4	2 530	226.8	1 400	105.6	39 487	3 581.9
November	34 965	3 212.5	2 478	220.3	1 354	103.3	38 797	3 536.2
December	34 734	3 210.5	2 429	214.6	1 319	101.6	38 481	3 526.6

<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>1993</b>									
October	11 378	10 162	8 133	3 348	5 510	894	337	824	40 586
November	12 731	10 867	8 745	3 489	5 955	1 012	359	965	44 123
December	12 299	11 497	8 855	3 976	6 201	1 207	381	944	45 360
<b>1994</b>									
January	9 569	9 092	7 285	3 212	5 366	887	282	753	36 446
February	13 177	10 979	10 330	4 093	6 886	1 113	388	1 209	48 175
March	16 628	12 334	11 839	4 850	8 025	1 241	452	1 378	56 747
April	12 732	10 649	8 729	3 702	6 667	1 032	384	1 056	44 951
May	14 584	12 165	9 750	4 011	7 360	1 198	369	1 212	50 649
June	14 334	12 147	9 579	4 086	6 578	1 083	374	1 148	49 329
July	12 701	10 516	8 529	3 419	5 854	985	344	953	43 301
August	12 694	10 720	8 925	3 580	5 928	963	370	935	44 115
September	11 766	9 408	8 209	3 209	5 593	935	354	970	40 444
October	9 988	8 760	7 612	3 051	5 198	903	261	843	36 616
November	11 739	9 441	8 182	3 219	5 674	1 066	301	931	40 553
December	10 062	8 706	6 925	2 842	5 075	874	309	885	35 678
<b>SEASONALLY ADJUSTED</b>									
<b>1993</b>									
October	12 256	10 477	8 886	3 628	5 815	996	321	894	43 117
November	12 201	10 460	8 728	3 515	6 028	1 014	346	1 030	43 435
December	13 062	11 336	9 457	3 946	6 973	1 263	387	1 064	47 432
<b>1994</b>									
January	12 865	11 680	8 707	3 844	6 656	1 047	357	1 038	45 949
February	12 924	12 019	9 768	4 290	6 918	1 142	374	1 147	48 915
March	13 502	11 313	9 680	4 067	6 732	1 025	371	1 097	48 125
April	13 482	11 481	9 691	4 046	7 062	1 080	427	1 060	48 689
May	13 776	11 003	9 613	3 934	6 685	1 078	394	1 058	47 887
June	13 803	10 972	8 926	3 656	5 824	994	367	1 050	45 842
July	13 429	10 739	8 995	3 531	6 021	1 013	363	1 006	45 368
August	11 626	9 847	8 199	3 307	5 426	936	359	908	38 747
September	11 600	9 658	8 387	3 214	5 995	991	353	954	42 087
October	10 979	8 968	8 348	3 383	5 600	1 017	241	941	39 155
November	10 362	8 438	7 454	3 025	5 252	1 000	274	943	35 932
December	11 714	9 426	8 149	3 044	6 260	988	338	1 075	41 752
<b>TREND ESTIMATES</b>									
<b>1993</b>									
October	12 196	10 537	8 708	3 636	6 077	1 041	337	970	43 262
November	12 443	10 890	8 906	3 724	6 289	1 076	345	1 002	44 620
December	12 682	11 229	9 123	3 844	6 527	1 100	357	1 038	46 122
<b>1994</b>									
January	12 925	11 480	9 328	3 968	6 747	1 110	371	1 071	46 785
February	13 207	11 611	9 501	4 060	6 882	1 107	381	1 092	47 918
March	13 469	11 602	9 593	4 083	6 874	1 090	389	1 097	48 504
April	13 631	11 459	9 565	4 017	6 723	1 065	392	1 083	48 280
May	13 625	11 204	9 417	3 882	6 486	1 037	391	1 057	47 363
June	13 362	10 848	9 160	3 711	6 207	1 015	382	1 022	45 790
July	12 867	10 434	8 845	3 544	5 953	1 001	364	988	43 881
August	12 256	10 001	8 542	3 403	5 770	991	342	966	42 035
September	11 690	9 588	8 300	3 289	5 680	987	322	957	40 551
October	11 250	9 237	8 105	3 194	5 661	988	306	959	39 487
November	10 940	8 970	7 951	3 114	5 683	991	295	970	38 797
December	10 751	8 780	7 861	3 059	5 755	997	290	986	38 481

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

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

## TOTAL VALUE OF COMMITMENTS.....

Month	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Australia
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>ORIGINAL</b>									
<b>1993</b>									
October	1 202.3	817.8	682.3	243.8	446.7	56.4	27.1	84.2	3 560.7
November	1 313.7	876.4	722.1	250.2	491.1	61.2	30.2	96.9	3 841.9
December	1 306.2	920.9	741.5	287.4	490.9	74.9	33.8	104.2	3 959.7
<b>1994</b>									
January	960.5	689.2	607.6	226.0	439.3	55.0	22.4	71.8	3 071.8
February	1 361.9	845.7	882.8	301.5	582.5	67.5	33.0	115.1	4 190.0
March	1 755.0	971.8	1 011.7	375.1	670.6	77.8	38.2	133.1	5 033.5
April	1 368.4	851.4	744.2	287.5	559.9	64.6	34.2	107.6	4 017.8
May	1 595.5	985.5	853.1	310.7	622.1	73.3	33.6	120.3	4 594.0
June	1 546.7	996.8	834.0	317.8	559.4	66.3	33.9	121.1	4 476.1
July	1 343.3	866.1	727.8	263.8	494.7	62.1	29.6	93.7	3 881.1
August	1 343.9	876.2	786.1	276.2	536.3	61.8	34.6	91.0	4 006.0
September	1 243.5	800.3	733.5	248.5	503.9	59.5	32.2	94.4	3 715.7
October	1 042.9	727.4	682.3	234.0	453.7	55.5	24.3	83.7	3 303.7
November	1 244.0	806.4	724.9	251.4	489.4	69.8	26.7	85.7	3 698.4
December	1 077.1	752.7	650.0	220.9	452.9	56.3	26.2	80.5	3 316.7
<b>SEASONALLY ADJUSTED</b>									
<b>1993</b>									
October	1 285.8	843.5	744.9	264.2	477.9	61.3	25.7	93.3	3 789.2
November	1 261.2	844.5	727.7	256.2	496.0	60.9	28.8	100.5	3 774.4
December	1 387.0	870.6	802.4	284.8	567.1	76.4	34.0	111.1	4 124.3
<b>1994</b>									
January	1 353.8	898.6	730.7	283.7	557.4	63.3	28.9	100.8	4 004.6
February	1 370.0	935.0	827.2	315.5	589.0	69.7	31.8	112.9	4 296.1
March	1 438.7	892.9	833.9	305.5	571.4	64.7	33.3	113.7	4 278.6
April	1 442.4	918.0	836.9	309.1	594.7	67.4	37.5	103.4	4 378.8
May	1 452.4	894.7	836.0	304.0	563.9	66.5	35.2	109.1	4 332.4
June	1 456.0	893.7	772.6	281.0	478.6	63.1	31.9	106.4	4 103.4
July	1 392.4	893.5	764.5	271.1	505.6	63.8	31.9	99.9	4 049.2
August	1 261.3	815.1	722.0	257.6	480.2	60.2	32.7	86.6	3 519.8
September	1 224.4	814.1	737.9	250.1	537.7	63.2	32.4	91.9	3 825.9
October	1 122.9	750.9	738.4	257.3	491.7	62.2	23.0	94.5	3 494.2
November	1 114.0	717.9	674.5	242.7	458.4	64.4	23.7	84.3	3 270.4
December	1 247.4	784.6	767.6	234.3	558.7	62.4	28.6	92.4	3 873.3
<b>TREND ESTIMATES</b>									
<b>1993</b>									
October	1 267.2	837.6	728.5	263.8	495.1	63.5	27.8	98.2	3 748.2
November	1 304.0	859.2	747.5	270.9	518.1	65.4	28.7	101.1	3 881.7
December	1 336.9	879.0	768.4	280.7	542.8	66.9	30.1	104.3	4 027.2
<b>1994</b>									
January	1 368.6	894.8	790.1	291.8	564.9	67.6	31.6	107.2	4 103.6
February	1 401.5	906.9	809.6	301.5	578.3	67.8	32.9	109.4	4 228.2
March	1 429.8	913.5	821.9	306.5	578.1	67.3	33.8	110.2	4 307.0
April	1 446.3	913.3	822.9	304.9	565.5	66.3	34.4	109.0	4 313.0
May	1 443.5	905.5	812.6	297.2	546.2	65.1	34.6	106.4	4 251.6
June	1 412.4	887.9	791.6	285.9	525.1	64.0	34.0	102.7	4 119.8
July	1 357.5	862.1	766.5	274.0	508.2	63.2	32.7	98.6	3 950.8
August	1 291.8	832.3	744.9	263.5	498.9	62.7	30.8	94.9	3 787.9
September	1 232.7	802.1	731.5	255.1	497.3	62.5	29.1	92.1	3 663.3
October	1 187.9	775.8	724.3	248.3	500.1	62.6	27.5	90.1	3 581.9
November	1 157.3	755.4	721.0	242.5	505.2	62.7	26.3	88.8	3 536.2
December	1 139.7	740.4	723.2	238.6	513.9	63.0	25.5	88.2	3 526.6

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

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

## TYPE OF BORROWER

Month	FIRST HOME BUYERS.....				OTHER.....			
	Number of dwellings financed	Number as per cent of total	Value of commitments	Average borrowing size	Number of dwellings financed	Number as per cent of total	Value of commitments	Average borrowing size
		%	\$m	\$'000		%	\$m	\$'000
<b>1993</b>								
October	8 842	21.8	743.2	84.1	31 744	78.2	2 817.5	88.8
November	9 673	21.9	804.9	83.2	34 450	78.1	3 037.0	88.2
December	10 139	22.4	841.9	83.0	35 221	77.6	3 117.8	88.5
<b>1994</b>								
January	8 011	22.0	656.4	81.9	28 435	78.0	2 415.4	84.9
February	10 549	21.9	888.7	84.2	37 626	78.1	3 301.2	87.7
March	12 343	21.8	1 066.1	86.4	44 404	78.2	3 967.3	89.3
April	10 055	22.4	865.1	86.0	34 896	77.6	3 152.7	90.3
May	11 350	22.4	993.7	87.5	39 299	77.6	3 600.4	91.6
June	11 013	22.3	949.0	86.2	38 316	77.7	3 527.1	92.1
July	10 055	23.2	867.5	86.3	33 246	76.8	3 013.6	90.6
August	10 227	23.2	887.4	86.8	33 888	76.8	3 118.6	92.0
September	9 407	23.3	835.5	88.8	31 037	76.7	2 880.2	92.8
October	8 625	23.6	751.5	87.1	27 991	76.4	2 552.2	91.2
November	9 105	22.5	807.6	88.7	31 448	77.5	2 890.8	91.9
December	7 775	21.8	695.3	89.4	27 903	78.2	2 621.5	93.9

## 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>1993</b>								
October	5 153	12.7	484.9	94.1	35 433	87.3	3 075.8	86.8
November	5 546	12.6	536.2	96.7	38 577	87.4	3 305.7	85.7
December	5 866	12.9	551.4	94.0	39 494	87.1	3 408.3	86.3
<b>1994</b>								
January	3 350	9.2	318.5	95.1	33 096	90.8	2 753.3	83.2
February	4 937	10.2	462.0	93.6	43 238	89.8	3 727.9	86.2
March	7 068	12.5	682.8	96.6	49 679	87.5	4 350.7	87.6
April	6 309	14.0	633.5	100.4	38 642	86.0	3 384.3	87.6
May	5 832	11.5	568.8	97.5	44 817	88.5	4 025.2	89.8
June	5 885	11.9	582.7	99.0	43 444	88.1	3 893.4	89.6
July	6 122	14.1	588.8	96.2	37 179	85.9	3 292.3	88.6
August	5 244	11.9	496.0	94.6	38 871	88.1	3 510.0	90.3
September	4 424	10.9	419.3	94.8	36 020	89.1	3 296.4	91.5
October	4 360	11.9	404.2	92.7	32 256	88.1	2 899.5	89.9
November	5 493	13.5	502.9	91.6	35 060	86.5	3 195.5	91.1
December	5 272	14.8	483.9	91.8	30 406	85.2	2 832.9	93.2

<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>1993</b>							
October	3 078.7	482.0	182.5	3 743.2	3 478.0	167.3	7 051.0
November	3 345.0	496.9	227.0	4 068.9	3 600.0	149.6	7 388.3
December	3 451.4	508.3	253.8	4 213.5	4 240.0	200.9	7 163.0
<b>1994</b>							
January	2 678.8	393.1	186.7	3 258.5	3 188.0	148.7	7 081.0
February	3 658.8	531.2	253.2	4 443.2	3 744.6	156.9	7 623.1
March	4 372.1	661.3	344.5	5 378.0	4 773.9	208.4	8 014.4
April	3 499.9	518.0	269.8	4 287.6	3 930.3	234.5	8 137.2
May	3 939.1	654.9	322.9	4 916.9	4 878.8	232.6	7 844.3
June	3 882.8	593.4	322.4	4 798.6	4 607.1	257.3	7 885.2
July	3 388.7	492.3	309.3	4 190.4	4 133.2	245.4	7 708.1
August	3 555.9	450.1	291.6	4 297.7	4 011.8	247.9	7 735.9
September	3 295.2	420.5	270.2	3 985.9	4 235.5	217.8	7 343.2
October	2 904.1	399.6	256.2	3 560.0	3 595.4	179.3	7 134.7
November	3 245.7	452.7	329.2	4 027.6	3 810.2	176.9	7 159.8
December	2 898.8	418.0	279.6	3 596.3	3 701.0	171.9	6 865.3

<sup>1</sup> Excluding refinancing.

# REFINANCING

## IMPACT ON HOUSING FINANCE ESTIMATES

The ABS began collecting separate information on the level of refinancing in July 1991. Up until that time refinancing was included with statistics of finance for established dwellings. Growth in refinancing in recent years has led to requests for trend estimates of total commitments for housing finance excluding commitments for refinancing. These estimates have not been available because the data on refinancing available from July 1991 have insufficient observations to undertake seasonal analysis of the data, a prerequisite for calculating trend estimates.

The trend estimates for refinancing contained in this section are derived from seasonally adjusted data for refinancing that have been calculated on the assumption that the level of refinancing in the months from January 1990 to July 1991 was the same percentage of total financing (ie 6%) that it was in July 1991. The calculations for months since July 1991 have been based on the actual recorded level of refinancing. Hence the estimates can only be regarded as a guide in view of the assumption of a constant level of refinancing prior to July 1991.

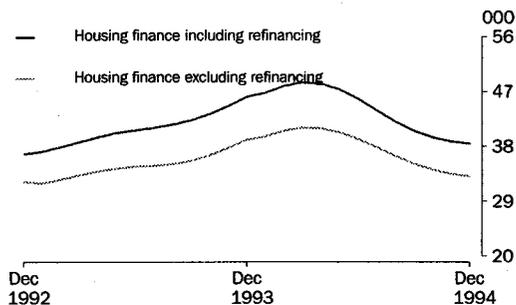
The table below compares the seasonally adjusted and trend estimates, and trend growth rates in housing finance, both inclusive and exclusive of refinancing, for the most recent fifteen month period. The graph opposite illustrates this comparison on an extended time frame.

### TOTAL DWELLINGS FINANCED—Including & excluding refinancing

Month	ORIGINAL	SEASONALLY ADJUSTED.....			TREND.....				
	Dwellings refinanced	Total dwellings financed	Dwellings under new finance excluding dwellings refinanced	Dwellings refinanced	Total dwellings financed	Dwellings under new finance excluding dwellings refinanced	Dwellings refinanced	Month on month change in total dwellings financed	Month on month change in dwellings under new finance
	Number	Number	Number	Number	Number	Number	Number	%	%
<b>1993</b>									
October	6 188	43 117	36 330	6 787	43 262	36 506	6 756	2.5	2.5
November	6 548	43 435	36 550	6 885	44 620	37 715	6 905	3.1	3.3
December	6 494	47 432	40 435	6 997	46 122	39 065	7 057	3.4	3.6
<b>1994</b>									
January	5 455	45 949	38 731	7 218	46 785	39 551	7 234	1.4	1.2
February	7 011	48 915	41 525	7 390	47 918	40 498	7 420	2.4	2.4
March	8 733	48 125	40 714	7 411	48 504	40 998	7 506	1.2	1.2
April	6 826	48 689	41 576	7 113	48 280	40 882	7 398	-0.5	-0.3
May	8 044	47 887	39 633	8 254	47 363	40 287	7 076	-1.9	-1.5
June	7 266	45 842	39 268	6 574	45 790	39 203	6 587	-3.3	-2.7
July	6 180	45 368	39 483	5 885	43 881	37 813	6 067	-4.2	-3.5
August	5 654	38 747	34 063	4 684	42 035	36 379	5 656	-4.2	-3.8
September	5 502	42 087	36 702	5 385	40 551	35 129	5 422	-3.5	-3.4
October	5 127	39 155	33 465	5 690	39 487	34 141	5 346	-2.6	-2.8
November	5 630	35 932	30 646	5 286	38 797	33 444	5 352	-1.7	-2.0
December	5 070	41 752	35 857	5 895	38 481	32 989	5 493	-0.8	-1.4

# 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>1993</b>			
October	2.5	2.1	0.4
November	3.1	2.8	0.3
December	3.4	3.0	0.3
<b>1994</b>			
January	1.4	1.1	0.4
February	2.4	2.0	0.4
March	1.2	1.0	0.2
April	-0.5	-0.2	-0.2
May	-1.9	-1.2	-0.7
June	-3.3	-2.3	-1.0
July	-4.2	-3.0	-1.1
August	-4.2	-3.3	-0.9
September	-3.5	-3.0	-0.6
October	-2.6	-2.4	-0.2
November	-1.7	-1.8	0.0
December	-0.8	-1.2	0.4

# EXPLANATORY NOTES



## INTRODUCTION

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

## SCOPE

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

- Banks
- Permanent building societies
- Credit unions/cooperative 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.

In addition the scope includes:

- Other financial corporations registered under the Financial Corporations Act 1974
- Other providers of consumer finance registered with State credit tribunals.

## 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** While statistics are for calendar months, users should note that, in the case of some larger banks, the data relate to a month ending on the last Wednesday of the month. Likewise, in the case of some other lenders, their accounting periods do not correspond exactly to a calendar month; no adjustments are made to their figures in the original series but the effect of the different accounting periods is removed in the seasonally adjusted and trend series.

**5** During the calendar year 1993, significant lenders accounted for the following percentages of total housing finance commitments made by all lenders for owner occupation:

- New South Wales, 97.5%
- Victoria, 97.8%
- Queensland, 98.0%
- South Australia, 98.2%
- Western Australia, 99.2%
- Tasmania, 98.4%
- Northern Territory, 99.2%
- Australian Capital Territory, 97.6%
- Australia, 98.0%.

**6** All banks and 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' should not be taken as indicative of this category's lending activity. The coverage of lending activity undertaken by 'other lenders' in each State and Territory varies considerably, therefore statistics for this category at the State level are not considered sufficiently reliable to include in this publication.

## REVISIONS

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

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COMMITMENTS NOT ADVANCED

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

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

SEASONAL ADJUSTMENT

9 Seasonal adjustment is a means of removing the estimated effects of normal seasonal variation and 'trading day effects' (arising from the varying reporting practices of the lenders). Adjustment has also been made for Easter which may affect the March and April estimates differently.

10 In recent years there have been significant changes in the reporting practices of banks. Most banks now report for calendar months whereas previously some reported for four or five weeks ending on a Wednesday. As well, the classification of some major financial institutions has changed (in particular, the conversion of building societies into banks). These influences are expected to induce changes in the trading day and seasonal patterns of housing finance data. There has been some preliminary evidence over the past year or so to suggest that such changes have begun to occur. Estimation of seasonal adjustment and trading day factors that reflect the full effect of these changes will not be possible until a sufficient number of years of data have been collected. In these circumstances especially, the trend estimate data provide the most reliable indicator of the underlying movement in housing finance approvals.

11 Seasonal adjustment does not remove from the series the effect of irregular or non-seasonal influences (e.g. a change in interest rates).

TREND ESTIMATES

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

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

RELATED PUBLICATIONS

14 Users may also wish to refer to the following statistical products which are available through subscription to a special data service:

- *Personal Finance, Australia*
- *Commercial Finance, Australia*

SYMBOLS AND OTHER USAGES

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

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## 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.
- Dwelling** A dwelling is either a house or other dwelling.
- Dwelling construction** Dwelling construction represents commitments made to individuals to finance, by way of progress payments, the construction of owner-occupied dwellings.
- 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.
- House** A house is a single self-contained place of residence detached from other buildings.
- New dwelling** A new dwelling has been or will be completed within twelve months of the lodgement of a loan application, and the borrower will be the first occupant.
- Other dwelling** 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.



**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 dwellings for owner occupation, regardless of type of security.

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

**Significant lenders**      Significant lenders are those lenders who committed funds of more than \$18 million Australia-wide during the calendar year 1993.



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2560900012940  
ISSN 1031-0320

RRP \$13.00

