



Queensland  
Government

QUEENSLAND TREASURY  
ECONOMIC POLICY BRANCH

**BUILDING APPROVALS: APRIL 2004**

ABS 8731.0

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**Summary**

**Monthly % Change (Trend):**

Queensland                    ↓            1.0%  
Australia                     ↓            0.2%

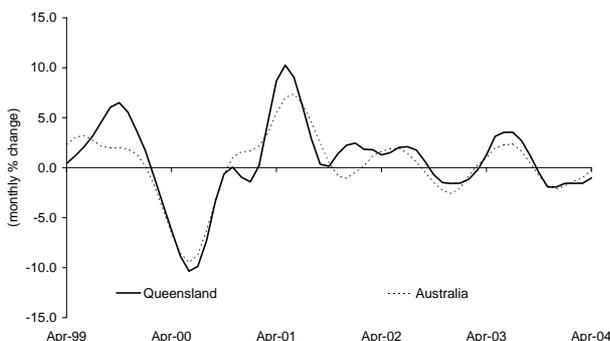
**Analysis**

The total number of dwelling approvals (trend) in Queensland moderated further in April 2004, declining 1.0%. Approvals have fallen for seven consecutive months, although the rate of decline continued to ease in April. Approvals of private sector houses fell 1.7% during the month while approvals of other residential buildings rose modestly (up 0.4%). The number of approvals in the rest of Australia was relatively steady in April 2004 (up 0.1%).

Although the trend number of building approvals continued to decline in April, the number of building approvals remains at a high level by historical standards. In trend terms, 3,446 dwellings were approved in Queensland during April. Over the past year, Queensland has accounted for 24.4% of total dwellings approved nationally, reflecting the State's substantially stronger population growth.

Despite the easing in recent months, the total number of building approvals remained 3.9% higher in Queensland in April 2004 compared with a year earlier. Both private house approvals and other residential building approvals (units, townhouses etc) grew by more than 3% over the year. In comparison, total approvals in the rest of Australia declined over the year to April (down 1.9%), with approvals of private houses and other residential buildings both falling.

**Chart 1: Dwelling Approvals (trend)**



**Table 1: Dwelling Approvals, April 2004**

	Monthly % change	
	Qld	Aust
<b>Trend</b>		
Total No. Residential Approvals:	-1.0	-0.2
Private Sector Houses	-1.7	-0.6
Other Residential Buildings	0.4	0.9
<b>Seasonally Adjusted</b>		
Total No. Residential Approvals:	-1.7	1.5
Private Sector Houses	-1.3	-0.3
Other Residential Buildings	-2.5	5.7
	Annual % change	
<b>Trend</b>		
Total No. Residential Approvals:	3.9	-0.5
Private Sector Houses	3.7	0.3
Other Residential Buildings	3.7	-1.6
<b>Seasonally Adjusted</b>		
Total No. Residential Approvals:	19.8	1.4
Private Sector Houses	9.0	3.7
Other Residential Buildings	51.7	-2.8

**Table 2: Dwelling Approvals (trend), States, April 2004**

States/Australia	monthly % change	annual % change
<b>Queensland</b>	<b>-1.0</b>	<b>3.9</b>
New South Wales	2.3	-1.2
Victoria	-0.8	-5.7
South Australia	-1.3	1.1
Western Australia	-2.1	7.0
Tasmania	4.7	41.3
<b>Australia</b>	<b>-0.2</b>	<b>-0.5</b>

**Implications**

While the total number of new dwellings approved for construction (trend) continued to decline in April 2004, the rate of decline has been mild and fears of a sharp fall in dwelling construction activity have abated. The overall level of building approvals in Queensland remains at a high level.

The high growth in the number of dwellings approved in Queensland over the past year has caused an accumulation of approved building work in the pipeline, suggesting that the lag between the easing in approvals and any easing in dwelling investment may be longer than normal. This is supported by the fact that dwelling investment rose a further 4.0% in March quarter 2004, despite dwelling approvals beginning their recent easing in September 2003.