



Summary

Monthly % Change (Trend):

Queensland	↓	2.0%
Australia	↓	1.1%

- Total dwelling approvals in Queensland fell for the fifth consecutive month in November 2005.
- After trending downwards over 2004, Queensland dwelling approvals have remained largely unchanged to November 2005. In annual terms, total dwelling approvals fell by 3.3% in Queensland and 4.6% nationally.
- In seasonally adjusted terms, national dwelling approvals rose 3.4% in November, exceeding the market expectations of a 1.8% rise.

Analysis

Falls in private house approvals (down 0.8% in November), which fell for the fifth consecutive month, and private other dwelling approvals, which fell for the seventh consecutive month (down 5.0%), drove total approvals lower in the State. However, over the year to November, total Queensland dwelling approvals are only down by 3.3%.

Over the year to November 2005, private sector house approvals (down 2.7%) have largely stabilised after trending downwards over 2004, whereas private other residential approvals such as units and townhouses (down 12.4%) continue to trend lower, consistent with easing investor demand (Chart 1).

Nationally, dwelling approvals declined 1.1% in November, to be 4.6% lower compared with a year earlier. New South Wales and Victoria continue to be the main source of weakness in national housing activity (Table 2). Building approvals fell by 15.2% in New South Wales over the year to November 2005, while Victoria recorded a 7.3% fall over the same period.

Housing construction in Queensland should be supported in the medium term through continued strong population and employment growth, and falling residential rental vacancy rates. Further, a large volume of construction work yet to be completed should alleviate any impact from the lower level of dwelling approvals in 2004 on construction activity over coming quarters.

Table 1: Dwelling Approvals, November 2005

	Monthly % change	
	Qld	Aust
Trend		
Total No. Residential Approvals:	-2.0	-1.1
Private Sector Houses	-0.8	-1.1
Private Other Residential Buildings	-5.0	-0.9
Seasonally Adjusted		
Total No. Residential Approvals:	-3.1	3.4
Private Sector Houses	-0.8	2.6
Private Other Residential Buildings	-7.5	7.6
	Annual % change	
Trend		
Total No. Residential Approvals:	-3.3	-4.6
Private Sector Houses	-2.7	-2.0
Private Other Residential Buildings	-12.4	-12.8
Seasonally Adjusted		
Total No. Residential Approvals:	-0.3	-3.8
Private Sector Houses	-4.6	-1.4
Private Other Residential Buildings	6.2	-7.5

Table 2: Dwelling Approvals (trend), States, November 2005

States/Australia	monthly % change	annual % change
Queensland	-2.0	-3.3
New South Wales	-1.9	-15.2
Victoria	-1.6	-7.3
South Australia	1.2	9.0
Western Australia	1.8	8.4
Tasmania	-2.0	-16.7
Australia	-1.1	-4.6

Chart 1: Queensland Dwelling Approvals (trend)

