



Summary

Monthly % Change (Trend):

Queensland: ↓ 0.9%
Australia: unchanged 0.0%

- Total dwelling approvals in Queensland fell slightly (down 0.9%) in February 2006, to be 9.2% lower over the year.
- In seasonally adjusted terms, national dwelling approvals rose 2.2% in February, which was stronger than the market expectation of a 1.4% rise for the month.

Analysis

In February 2006, a (trend) rise in approvals for private houses was more than offset by a decline in other residential buildings in the State, resulting in a 0.9% decline in overall approvals. The trend number of private house approvals rose 0.9% in February, following a revised marginal rise in the previous month. The rise in private house approvals was in contrast to a further decline in the number of private other residential approvals (units, townhouses etc.), which fell 3.1% in February, the tenth consecutive monthly decline.

Total approvals in the State fell by 9.2% (trend) over the year to February 2006. Private sector house approvals (up 2.9%) have stabilised in annual terms, whereas private other residential approvals (down 29.9%) continue to trend lower (see Chart 1).

The stronger trend outcomes in Queensland in February (when compared with the January 2006 release) were driven by a substantial rebound in seasonally adjusted (sa) data. In sa terms, the number of approvals for private houses increased 18.3% in February, while approvals for private other residential approvals rose 32.5%, resulting in an increase in total approvals of 21.5%.

Nationally, the trend number of dwelling approvals was virtually unchanged in February, but still remained 6.0% lower over the year.

Looking ahead, housing construction in Queensland should be supported through a combination of solid population growth and a large volume of construction work yet to be completed. Further, the latest ABS housing finance data show the number of finance approvals for the construction of new

dwellings in Queensland in the three months to January 2006 was virtually unchanged over the year, suggesting the number of dwelling approvals should remain relatively stable over the near term.

Table 1: Dwelling Approvals, February 2006

	Monthly % change	
	Qld	Aust
Trend		
Total No. Residential Approvals:	-0.9	0.0
Private Sector Houses	0.9	0.7
Private Other Residential Buildings	-3.1	-1.1
Seasonally Adjusted		
Total No. Residential Approvals:	21.5	2.2
Private Sector Houses	18.3	5.2
Private Other Residential Buildings	32.5	2.5
Annual % change		
Trend		
Total No. Residential Approvals:	-9.2	-6.0
Private Sector Houses	2.9	-1.2
Private Other Residential Buildings	-29.9	-16.1
Seasonally Adjusted		
Total No. Residential Approvals:	-2.4	-6.3
Private Sector Houses	13.6	3.6
Private Other Residential Buildings	-28.9	-25.9

Table 2: Dwelling Approvals (trend), States, February 2006

States/Australia	monthly % change	annual % change
Queensland	-0.9	-9.2
New South Wales	-1.9	-19.2
Victoria	0.5	-9.8
South Australia	2.1	9.5
Western Australia	1.3	15.0
Tasmania	0.0	-15.4
Australia	0.0	-6.0

Chart 1: Queensland dwelling approvals (number, trend)

