



## Summary

### Monthly % Change (Trend):

Queensland: ↑ 0.5%  
Australia: ↓ 0.5%

- Total dwelling approvals in Queensland rose slightly (up 0.5%) in April 2006, but remained 9.6% lower over the year.
- In seasonally adjusted terms, national dwelling approvals declined 3.4% in April. This result was well below the market expectation of a 1.0% rise for the month.

## Analysis

A (trend) rise in approvals for private houses more than offset a modest decline in approvals for other residential buildings (units, townhouses etc.) in April, resulting in a 0.5% increase in overall approvals.

Growth in the trend number of private house approvals moderated slightly to 0.9% in April, but represented the fifth consecutive monthly rise. Strongly influenced by a 30% seasonally adjusted (sa) decline in April 2006, the trend number of private other residential approvals declined 2.0% over the month, representing the eleventh consecutive monthly fall.

Total approvals in the State declined 9.6%, in trend terms, over the year to April 2006. Modest growth in private sector house approvals over the year was more than offset by a substantial 34.4% decline in private other residential approvals.

Approvals for private houses continue to underpin total approvals in Queensland (Chart 1). This category is by far the largest, currently accounting for around 70% of total approvals (both in Queensland and nationally). Following a general decline in 2004, the trend number of private house approvals have stabilised in Queensland, rising 3.4% over the year to April 2006. In comparison private house approvals remain strong in Western Australia (up 14.8%), supported by resources-led economic activity and stronger population growth, while approvals in New South Wales (down 21.8%), Victoria (down 7.6%) and South Australia (down 3.0%) all continued to decline over the year.

Looking ahead, several factors suggest dwelling construction activity in the State should remain robust over the near term. These include the current stabilisation in trend building approvals, a

record value of residential work in the pipeline, modest annual growth in finance approvals for the construction of new dwellings and the strongest annual population growth in Australia.

The main risk to this outlook is the potential impact of the recent rise in official interest rates.

**Table 1: Dwelling Approvals, April 2006**

	Monthly % change	
	Qld	Aust
<b>Trend</b>		
Total No. Residential Approvals:	0.5	-0.5
Private Sector Houses	0.9	0.2
Private Other Residential Buildings	-2.0	-2.3
<b>Seasonally Adjusted</b>		
Total No. Residential Approvals:	-9.4	-3.4
Private Sector Houses	-1.0	0.3
Private Other Residential Buildings	-30.0	-14.6
<b>Annual % change</b>		
<b>Trend</b>		
Total No. Residential Approvals:	-9.6	-10.1
Private Sector Houses	3.4	-3.1
Private Other Residential Buildings	-34.4	-25.1
<b>Seasonally Adjusted</b>		
Total No. Residential Approvals:	-8.9	-7.5
Private Sector Houses	-0.6	-1.8
Private Other Residential Buildings	-32.2	-23.0

**Table 2: Dwelling Approvals (trend), States, April 2006**

States/Australia	monthly % change	annual % change
<b>Queensland</b>	<b>0.5</b>	<b>-9.6</b>
New South Wales	-2.9	-25.5
Victoria	-0.4	-14.7
South Australia	2.4	6.7
Western Australia	-0.5	9.4
Tasmania	1.8	-1.3
<b>Australia</b>	<b>-0.5</b>	<b>-10.1</b>

**Chart 1: Queensland dwelling approvals (number, trend)**

