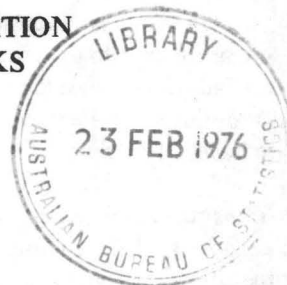


Reference No. 5.57

HOUSING FINANCE FOR OWNER OCCUPATION  
SAVINGS BANKS AND TRADING BANKS  
DECEMBER 1975

## EXPLANATORY NOTES



## Introduction

This bulletin presents statistics of secured housing finance for owner occupation provided by banks. It replaces the monthly bulletin *Savings Banks - Housing Finance Transactions Within Australia* (Reference No. 5.35), and includes statistics on trading banks. Selected statistics shown in this publication will subsequently be incorporated in a new monthly bulletin *Housing Finance for Owner Occupation* (Reference No. 5.56) which will present details of housing finance for owner occupation provided by all significant lenders; it is expected that the first issue of this bulletin will be released shortly.

## Scope

2. For the purposes of these statistics a *bank* is defined as -

- (a) a bank within the meaning of the *Banking Act* 1959-1974
- (b) a bank constituted by a State act.

3. Figures for each State or Territory are compiled on the basis of business written or recorded by banks (or branches of banks) operating in that State or Territory, but this does not necessarily indicate that the funds so provided are used within that State or Territory.

## Coverage

4. A bank is included in the collection if :

- (a) it falls within the scope outlined above, and
- (b) it satisfies either of the following criteria on an Australia-wide basis -
  - (i) loans approved for housing finance for owner occupation during 1974-75 exceeded \$250,000, or
  - (ii) balances outstanding on such loans at 30 June 1975 exceeded \$2 million.

As all savings banks included in the previous collection satisfied the above criteria there has been no change in coverage.

## Period covered

5. Statistics for trading banks relate to the period ending on the second Wednesday following the month shown, while for savings banks they relate to the periods ending on either the last Monday, the last Wednesday or the last day of the month.

## Description of data items

6. *Loans approved.* A loan approval is a firm commitment by a bank to advance funds. Loans approved for amounts additional to loans previously approved are also included.

7. *Cancellation of loans.* This item refers to the value of loans approved but subsequently cancelled or reduced. Loans approved and cancelled during the same month are recorded as both loan approvals and cancellations for that month. Where a loan is cancelled in part, the number of dwelling units is not recorded in the cancellation category.

8. *Loans advanced.* This item refers to the actual money advanced during a period. Where loans are advanced by instalments, only the actual cash paid out is included. Capitalised mortgage insurance premium payments and other capitalised charges (e.g. legal fees, inspection and valuation fees) are included.

9. *Dwelling.* A dwelling is classified as either a *house* or *other dwelling*.

- (a) A *house* is defined as a building which has been designed so that its prime purpose is to be a single self-contained (i.e. includes bathing and cooking facilities) dwelling unit which is completely detached from other buildings, and occupies a separate titled block of land.
- (b) An *other dwelling* is defined as a self-contained dwelling unit other than a house as defined in (a) above. Examples of an *other dwelling* are flats, home units, semi-detached cottages, villa units, town houses etc.

10. *Number of dwelling units.* This item refers to the number of houses and other dwellings for which first mortgage loans have been approved. If amounts

additional to the original loan are approved to complete the purchase or construction, the number of dwellings involved is not recorded again.

11. *Alterations and additions.* Alterations are changes to existing dwellings without an increase in floor area whereas additions are structural changes to existing dwellings resulting in an increase in floor area. Detached garages are included in these statistics as additions.

12. *Construction of other dwellings.* This category includes situations where a group of people combine to organise the construction of a block of home units, town houses etc., and it is intended that each person in the group will acquire a title to one of the dwelling units.

13. *Newly erected dwellings.* These are dwellings which have been completed within a period of twelve months preceding lodgement of the loan application, and the applicant is, or will be, the first occupant.

14. *Established dwellings.* These are dwellings which have been completed for a period greater than twelve months, or if completed within the twelve months preceding lodgement of the loan application the applicant is not the original occupant.

#### Comparability with other statistics on housing finance

15. The statistics on housing finance for owner occupation published in this bulletin will be directly comparable with those published in the bulletin *Housing Finance for Owner Occupation – Permanent Building Societies* (Reference No. 5.58) and the proposed bulletin *Housing Finance for Owner Occupation* (Reference No. 5.56).

16. The statistics on housing finance for owner occupation for Savings Banks in this bulletin are not strictly comparable with those published in the bulletin *Savings Banks – Housing Finance Transactions Within Australia* (Reference No. 5.35) for the following reasons

- (a) The categories *dwellings not previously occupied* and *dwellings previously occupied* have been defined more precisely with the former category being replaced by the categories *construction of dwellings* and *newly erected dwellings* and the latter by the category *established dwellings*.
- (b) Loans approved for alterations and additions to existing dwellings estimated to cost \$10,000 or more are included in the category *loans approved for alterations and additions to dwellings*. Previously such loans were included in the categories *previously occupied* and *not previously occupied*.
- (c) Previous statistics included a small component of lending for commercial purposes.

17. A summary of loan approvals for dwellings by savings banks for the period July to December 1975 is shown in the table below. The resultant effects of the changes in definitions outlined in paragraph 16 are not known, and lines drawn across the columns for September 1975 indicate a break in the series.

#### Rounding

18. Unless otherwise indicated any discrepancies between totals and sums of components in tables are due to rounding

SUMMARY OF LOANS APPROVED TO INDIVIDUALS FOR DWELLINGS – AUSTRALIA  
SAVINGS BANKS

	<i>Construction of dwellings and purchase of newly erected dwellings</i>		<i>Purchase of established dwellings</i>		<i>Total approvals for dwellings</i>	
	<i>Number of dwelling units</i>	<i>\$'000</i>	<i>Number of dwelling units</i>	<i>\$'000</i>	<i>Number of dwelling units</i>	<i>\$'000</i>
1975 –						
July	2,992	49,138	7,052	109,695	10,044	158,833
August	2,575	42,831	6,497	102,510	9,072	145,341
September	2,733	45,769	7,127	115,653	9,860	161,422
October	3,627	53,398	8,578	129,046	12,205	182,444
November	2,704	44,476	6,914	113,376	9,618	157,852
December	3,010	50,221	7,547	127,528	10,557	177,749

#### Symbols and other usages

.. – nil, or less than half the final digit shown.

n.a. – not available for publication.

TABLE 1. - SAVINGS BANKS - LOANS APPROVED TO INDIVIDUALS

	Construction of dwellings		Purchase of newly erected dwellings		Purchase of established dwellings		Total		Alterations and additions
	Number of dwelling units	\$'000	Number of dwelling units	\$'000	Number of dwelling units	\$'000	Number of dwelling units	\$'000	\$'000
<b>HOUSES</b>									
N.S.W.	367	6,468	178	3,312	2,099	37,404	2,644	47,184	
Vic.	445	8,440	570	9,197	2,631	46,452	3,646	64,089	
Qld	330	4,790	203	3,023	808	11,562	1,341	19,375	
S.A.	118	2,098	125	2,151	689	11,440	932	15,689	
W.A.	295	4,854	48	754	545	8,132	888	13,740	(a)
Tas.	53	786	6	99	192	2,740	251	3,625	
N.T.	5	89	3	58	13	256	21	403	
A.C.T.	56	785	59	724	102	1,653	217	3,162	
1975 - December	1,669	28,310	1,192	19,318	7,079	119,639	9,940	167,267	
November	1,580	25,953	964	15,893	6,488	106,449	9,032	148,295	
October	2,035	30,608	1,417	20,022	8,133	121,865	11,585	172,495	
<b>OTHER DWELLINGS</b>									
N.S.W.	..	..	48	820	307	5,373	355	6,193	
Vic.	..	..	51	973	75	1,228	126	2,201	
Qld	..	..	23	392	18	268	41	660	
S.A.	..	..	17	277	37	538	54	815	
W.A.	..	..	4	49	21	277	25	326	(a)
Tas.	..	..	2	19	2	40	4	59	
N.T.	..	..	..	..	..	..	..	..	
A.C.T.	..	..	4	63	8	165	12	228	
1975 - December	..	..	149	2,593	468	7,889	617	10,482	
November	3	44	157	2,586	426	6,927	586	9,557	
October	8	102	167	2,666	445	7,181	620	9,949	
<b>TOTAL</b>									
N.S.W.	367	6,468	226	4,132	2,406	42,777	2,999	53,377	2,406
Vic.	445	8,440	621	10,170	2,706	47,680	3,772	66,290	3,984
Qld	330	4,790	226	3,415	826	11,830	1,382	20,035	555
S.A.	118	2,098	142	2,428	726	11,978	986	16,504	398
W.A.	295	4,854	52	803	566	8,409	913	14,066	505
Tas.	53	786	8	118	194	2,780	255	3,684	102
N.T.	5	89	3	58	13	256	21	403	25
A.C.T.	56	785	63	787	110	1,818	229	3,390	352
1975 - December	1,669	28,310	1,341	21,911	7,547	127,528	10,557	177,749	8,327
November	1,583	25,997	1,121	18,479	6,914	113,376	9,618	157,852	8,486
October	2,043	30,710	1,584	22,688	8,578	129,046	12,205	182,444	7,585

(a) Details not collected.

TABLE 2. - TRADING BANKS - LOANS APPROVED TO INDIVIDUALS

	Construction of dwellings		Purchase of newly erected dwellings		Purchase of established dwellings		Total		Alterations and additions
	Number of dwelling units	\$'000	Number of dwelling units	\$'000	Number of dwelling units	\$'000	Number of dwelling units	\$'000	\$'000
HOUSES									
N.S.W.	217	3,325	74	1,146	826	12,833	1,117	17,304	
Vic.	151	2,093	85	1,035	445	7,051	681	10,179	
Qld	91	1,348	69	1,281	283	4,192	443	6,821	
S.A.	75	1,239	129	2,244	194	3,204	398	6,687	
W.A.	96	1,030	37	544	235	2,930	368	4,504	(a)
Tas.	24	291	9	143	44	639	77	1,073	
N.T.	3	32	2	12	6	42	11	86	
A.C.T.	10	116	7	64	15	458	32	638	
1975 - December	667	9,474	412	6,469	2,048	31,349	3,127	47,292	
November	777	11,087	464	6,509	2,022	28,698	3,263	46,293	
October	825	11,194	516	8,093	2,374	35,287	3,715	54,570	
OTHER DWELLINGS									
N.S.W.	8	59	31	249	126	1,817	165	2,125	
Vic.	15	216	15	241	50	737	80	1,194	
Qld	3	99	9	159	21	324	33	582	
S.A.	..	..	7	120	16	299	23	419	
W.A.	4	37	2	36	11	208	17	281	(a)
Tas.	}	}	}	}	}	}	9	89	
N.T.							..	..	
A.C.T.							5	80	
1975 - December	31	436	68	836	233	3,498	332	4,770	
November	12	185	81	1,054	214	3,700	307	4,939	
October	33	399	98	1,345	299	4,386	430	6,130	
TOTAL									
N.S.W.	225	3,384	105	1,395	952	14,650	1,282	19,429	4,913
Vic.	166	2,309	100	1,276	495	7,788	761	11,373	2,636
Qld	94	1,447	78	1,440	304	4,516	476	7,403	1,046
S.A.	75	1,239	136	2,364	210	3,503	421	7,106	815
W.A.	100	1,067	39	580	246	3,138	385	4,785	1,119
Tas.	}	}	}	}	}	}	86	1,162	142
N.T.							11	86	88
A.C.T.							37	718	197
1975 - December	698	9,910	480	7,305	2,281	34,847	3,459	52,062	10,956
November	789	11,272	545	7,563	2,236	32,398	3,570	51,233	11,326
October	858	11,593	614	9,438	2,673	39,673	4,145	60,700	15,255

(a) Details not collected.

TABLE 3. - ADDITIONAL HOUSING FINANCE INFORMATION

	Cancellations of loans previously approved to individuals						Savings banks				
	Savings banks			Trading banks			Loans advanced to individuals during month	Undrawn commitments to individuals during month	Interest debited to loan accounts of individuals during month	Balances outstanding at end of month on housing loans to	
	For dwellings		For alterations and additions	For dwellings		For alterations and additions				Individuals	Building societies (a)
	Number of dwelling units	\$'000		Number of dwelling units	\$'000		\$'000	\$'000	\$'000		
N.S.W.	255	4,428	129	75	1,274	64	55,783	149,988	8,882	1,487,312	111,618
Vic.	164	2,839	14	(b)	(b)	(b)	70,274	171,792	8,271	1,950,783	65,360
Qld	53	790	7	12	107	..	20,590	35,304	3,796	568,583	15,303
S.A.	34	588	(b)	(b)	(b)	(b)	16,902	34,114	4,103	571,138	(b)
W.A.	33	509	(b)	..	..	..	14,571	39,156	1,869	387,718	19,304
Tas.	17	274	(b)	..	..	..	3,786	7,922	1,117	120,740	1,863
N.T.	(b)	(b)	..	..	..	..	428	843	21	4,844	(b)
A.C.T.	(b)	(b)	(b)	..	..	..	3,742	12,212	624	88,281	1,292
1975 - December	568	9,605	173	93	1,496	70	186,076	451,331	28,683	5,179,399	215,128
November	579	9,669	229	68	1,056	130	150,644	486,222	23,928	5,043,210	211,765
October	643	10,496	124	95	1,460	75	162,166	480,425	59,491	4,957,349	212,639

(a) Includes amounts owing by Permanent Building Societies; October 1975 - \$4,798,000; November 1975 - \$4,667,000; December 1975 - \$4,549,000. (b) Confidential.

Australian Bureau of Statistics  
Canberra, A.C.T. 2600D. V. YOUNGMAN  
Acting Commonwealth Statistician

NOTE. Inquiries concerning these statistics may be made in Canberra by telephoning Mr C. H. Squair on 52 5331 or, in each State capital, by telephoning the office of the Australian Bureau of Statistics.