

# 10 Construction

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In terms of the Victorian economy, the construction industry contributed 6.1 per cent of the State's Gross Domestic Product (GDP) at factor cost during 1985-86. By comparison, the national construction industry contributed 6.8 per cent of Australia's GDP at factor cost. Victoria's construction industry contributed 24.8 per cent of the GDP at factor cost generated by Australia's construction industry during 1985-86.

## **Construction industry activity**

At 30 June 1985 an estimated 29,616 private sector construction establishments were operating in Victoria. These establishments constituted 29.4 per cent of Australia's private sector construction and contributed 24.3 per cent of the value of work done in Australia during 1984-85. Almost three-quarters (73.5 per cent) of Victoria's construction establishments were engaged primarily in special trade construction, while the remaining 26.5 per cent were engaged primarily in general construction. Of the 7,851 general construction establishments, almost 90 per cent were engaged in building construction and of these, 88.6 per cent were engaged in residential building construction.

Although special trade construction establishments outnumbered general construction establishments, the value of work done by the latter category during 1984-85 was greater (\$3,577.0m) than for special trade construction establishments (\$2,416.5m). During 1984-85, Victoria's share of the value of private sector general construction work done in Australia was 22.8 per cent, while the share of special trade construction work done was 27.1 per cent. Victoria's share of Australia's public sector construction expenditure was 21.8 per cent.

## **Building construction**

At current prices the value of building work completed in Victoria during 1985-86 (\$3,974.1m) represented 89.2 per cent of the value of all construction work completed in Victoria. The value of building work completed represented a 23.1 per cent increase over the previous year, and constituted 25.7 per cent of the total value of building work done in Australia during 1985-86. Between 1981-82 and 1985-86, Victoria's share of the value of building work done in Australia increased from 19.7 per cent to 25.7 per cent.

## **Non - residential building**

The commercial sector of non-residential building (i.e. hotels, shops, factories, offices, and other business premises) accounted for 30.5 per cent (\$1,210.7m) of the value of all building work completed in Victoria during 1985-86, with office construction being the largest component of this commercial sector activity. Building for community purposes accounted for 9.1 per cent of the value of building construction, with the largest component being building for education purposes. Miscellaneous building accounted for 1.9 per cent of the value of all building work.

In the commercial sector, the value of offices completed increased by 139.9 per cent between 1984-85 and 1985-86 (from \$262.3m to \$629.4m) while the

**TABLE 10.1 PRIVATE SECTOR CONSTRUCTION ESTABLISHMENTS, SUMMARY OF OPERATIONS BY INDUSTRY CLASS, VICTORIA, 1984-85**

ASIC code	Industry class	Establishments operating at 30 June 1985				Average employment over whole year				Wages and salaries \$'000	Turnover \$'000	Stocks		Purchases and selected expenses \$'000	Value added \$'000	Fixed capital expenditure less disposals \$'000
		Vic.		Aust.		Males		Females				Opening	Closing			
		No.	No.	No.	No.	No.	No.	No.	No.							
	General construction -															
	Building construction -															
4111	House construction	5,778	19,438	8,718	4,668	13,386		71,795	1,368,566	145,027	208,402	1,114,260	317,681	24,730		
4112	Residential building construction n.e.c.	421	1,536	795	322	1,117		12,216	165,126	39,511	49,528	141,148	33,995	8,125		
4113	Non-residential building construction	799	2,987	6,785	940	7,725		157,842	1,275,921	60,483	70,593	1,008,038	277,993	17,085		
411	Total building construction	6,998	23,961	16,297	5,930	22,228		241,854	2,809,613	245,021	328,523	2,263,445	629,669	49,939		
	Non-building construction -															
4121	Road and bridge construction	267	844	1,937	246	2,183		41,095	311,578	25,544	27,600	222,087	91,548	7,896		
4122	Non-building construction n.e.c.	586	2,519	4,221	608	4,828		107,933	471,507	14,283	14,931	279,539	192,616	6,154,		
412	Total non-building construction	853	3,362	6,157	854	7,012		149,027	783,085	39,827	42,532	501,626	284,163	14,051		
41	Total	7,851	27,323	22,455	6,784	29,239		390,881	3,592,697	284,849	371,054	2,765,071	913,832	63,990		
	Special trade construction -															
4231	Concreting	1,128	4,459	2,819	998	3,817		38,565	261,054	3,672	6,436	171,916	91,901	9,263		
4232	Bricklaying	2,823	8,912	4,291	1,516	5,807		20,791	124,447	1,276	1,217	37,347	87,041	8,787		
4233	Roof tiling	189	1,035	600	196	796		9,681	43,651	487	638	25,319	18,483	678		
4234	Floor and wall tiling	631	3,029	782	333	1,115		3,438	33,672	633	959	16,919	17,080	357		
4241	Structural steel erection	343	1,206	1,055	416	1,471		15,956	47,687	1,522	945	20,656	27,454	*222		
4242	Plumbing	3,451	10,396	6,830	2,358	9,188		98,092	407,396	12,322	14,083	235,238	173,919	10,741		
4243	Electrical work	2,309	8,561	4,177	1,760	421		32,794	183,495	15,191	16,915	204,320	181,530	9,921		
4244	Heating and airconditioning	404	1,177	1,760	421	2,181		32,794	183,495	8,200	8,964	127,444	56,816	*880		
4245	Plastering and plaster fixing	1,682	4,551	2,613	986	3,600		19,899	177,235	2,527	2,640	111,901	65,448	4,742		
4246	Carpentry	2,818	10,528	3,979	1,613	5,592		15,258	140,135	1,907	3,357	60,723	80,862	8,482		
4247	Painting	3,212	9,840	4,907	1,175	6,622		31,280	185,989	2,487	4,373	83,592	104,283	7,684		
4248	Earthmoving and dredging	980	4,165	2,122	920	3,042		31,861	197,181	4,854	4,296	117,588	79,036	14,407		
4249	Special trades n.e.c.	1,794	5,607	3,933	1,134	5,067		50,928	283,106	7,889	10,783	161,825	124,175	7,235		
42	Total	21,764	73,467	42,018	14,306	56,324		440,673	2,470,174	62,968	75,607	1,374,785	1,108,028	83,400		
41-42	Total construction	29,616	100,789	64,473	21,090	85,563		831,554	6,062,871	347,816	446,662	4,139,857	2,021,860	147,390		

**TABLE 10.2 PRIVATE SECTOR CONSTRUCTION ESTABLISHMENTS: VALUE OF CONSTRUCTION WORK DONE (a) BY INDUSTRY CLASS AND BROAD COMMODITY, VICTORIA, 1984-85**  
(\$'000)

Industry	Building			Total construction work done			
	Houses	Other residential building	Non-residential building	Total building	Total non-building (b)	Victoria	Australia
Total general construction (41)	1,301,620	218,155	1,221,174	2,740,950	836,004	3,576,954	15,701,728
Special trade construction -							
Concreting (4231)	119,625	6,104	95,018	220,747	39,578	260,325	815,995
Bricklaying (4232)	83,270	7,108	30,116	120,494	3,462	123,956	434,845
Roof tiling (4233)	34,561	3,425	1,411	39,397	3,434	42,831	163,785
Floor and wall tiling (4234)	21,477	1,377	8,890	31,744	934	32,678	123,539
Structural steel erection (4241)	1,268	20	24,224	25,513	22,436	47,949	234,965
Plumbing(4242)	174,470	22,122	122,448	319,041	82,465	401,506	1,338,745
Electrical work (4243)	90,835	12,181	204,207	307,222	69,363	376,585	1,437,738
Heating and airconditioning (4244)	35,040	6,928	130,315	172,284	6,988	179,272	722,570
Plastering and plaster fixing (4245)	113,872	9,090	41,963	164,925	2,042	166,967	558,656
Carpentry (4246)	76,707	10,991	43,343	131,041	7,167	138,209	566,633
Painting (4247)	76,245	6,963	61,623	144,830	39,435	184,265	630,553
Earthmoving and dredging (4248)	23,185	502	26,601	50,288	143,460	193,748	876,126
Special trades n.e.c. (4249)	73,602	12,401	116,068	202,070	66,116	268,186	1,023,765
Total special trade construction (42)	924,157	99,212	906,226	1,929,596	486,881	2,416,477	8,927,917
<b>Total construction (41-42)</b>	<b>2,225,778</b>	<b>317,368</b>	<b>2,127,400</b>	<b>4,670,546</b>	<b>1,322,885</b>	<b>5,993,431</b>	<b>24,629,645</b>

(a) Comprises prime and subcontract, speculative, and capital work done for own use.

(b) Comprises engineering construction, repairs, maintenance, and demolition.

**TABLE 10.3 PUBLIC SECTOR ENTERPRISES: CONSTRUCTION AND MAINTENANCE EXPENDITURE (a) BY LEVEL OF GOVERNMENT, VICTORIA, 1984-85**  
(\$'000)

Level of government	Construction expenditure					Maintenance expenditure					
	Houses	Other residential buildings	Non-residential buildings	Engineering construction	Total	Demolition	Victoria	Australia	Road maintenance	Other maintenance	Total
Commonwealth	3,328	582	74,209	391,452	292	469,863	2,573,433	2,037	395,040	397,077	1,747,809
State	48,077	45,685	243,494	1,107,549	235	1,445,040	5,950,460	99,378	514,353	613,731	2,217,520
Local	2,318	23	54,476	244,532	116	301,465	1,638,613	127,277	76,516	203,792	1,223,954
<b>Total</b>	<b>53,723</b>	<b>46,290</b>	<b>372,179</b>	<b>1,743,533</b>	<b>643</b>	<b>2,216,368</b>	<b>10,162,506</b>	<b>228,692</b>	<b>985,909</b>	<b>1,214,600</b>	<b>5,189,285</b>

(a) There exists duplication of some expenditure data where construction contracts are let between public sector enterprises.

(b) Includes expenditure on maintenance projects partially contracted out.

value of shops completed increased by 16.0 per cent (from \$179.2m to \$208.0m). The value of factories completed and hotels, guest houses, etc. completed increased by 10.4 and 10.0 per cent respectively. In contrast, the value of other business premises completed declined by 27.6 per cent, from \$171.2m to \$123.9m.

In the community sector, the value of buildings completed for health purposes increased by 90.3 per cent while the value of buildings completed for educational and religious purposes increased, respectively, by 62.7 per cent and 51.6 per cent. In contrast, the value of buildings completed for entertainment and recreation purposes declined by 64.4 per cent from \$178.7m in 1984-85 to \$63.6m in 1985-86.

These changes in value of work done reflect not only changes in building activity but also increases in the cost of building due to inflation. It should also be noted that in any period where there are appreciable increases or decreases in the value of buildings completed for industrial, commercial, business, health, etc. purposes, this movement can be attributed, to some extent to the completion of large-scale projects.

### **Residential building**

Residential building (including alterations and additions) accounted for 58.5 per cent of the value of all building construction during 1985-86. Residential building's share of the value of all building work done varied widely between 1980-81 and 1985-86, with a peak of 61.6 per cent in 1984-85 and a trough of 49.2 per cent in 1982-83.

New house completions accounted for 74.9 per cent of the value of residential building work completed during 1985-86 while new 'other residential building' completions and 'alterations and additions' each accounted for 12.6 per cent.

The number of new residential buildings completed during 1985-86 was 36,470, an increase of 2.7 per cent over the previous year. Of these 36,470 buildings, 82.2 per cent were houses. Private sector activity accounted for at least 90 per cent of the number of new residential buildings completed each year from 1980-81 to 1985-86, ranging from a low of 90.2 per cent in 1983-84 to a high of 94.5 per cent in 1980-81. During 1985-86, private sector activity accounted for 93.7 per cent of all new residential buildings completed.

### **House commencements and housing loans**

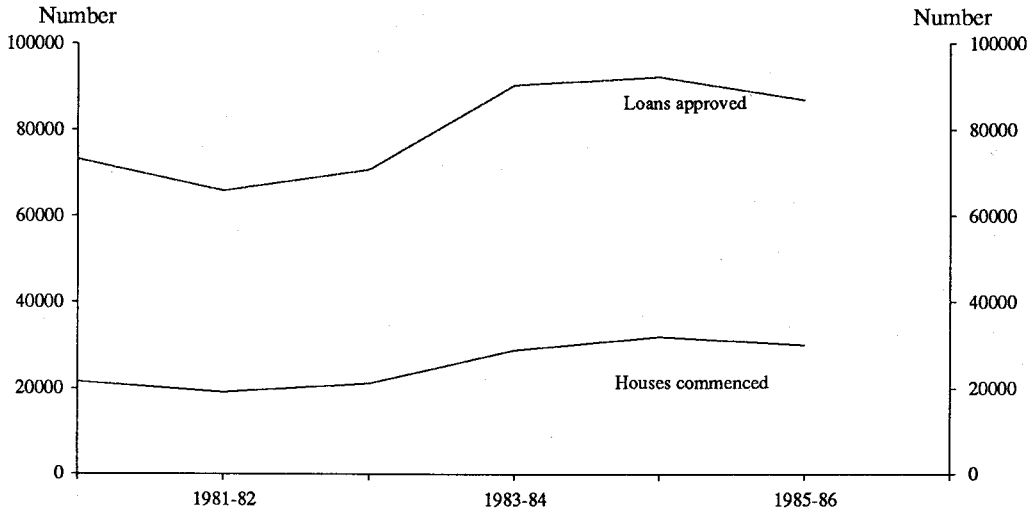
During 1985-86, there were 30,190 houses commenced in Victoria, which represented a decline of 5.7 per cent over the previous year. The number of houses commenced each year between 1980-81 and 1985-86 followed a similar pattern to the number of housing loans approved.

At current prices the value of housing loans approved during 1985-86 was \$3,572m. Although this was virtually the same as for the previous year, it represented a 107.9 per cent increase from 1981-82 when the value of loans approved was \$1,718m. Savings banks accounted for 72.1 per cent of the value of loans approved in 1985-86, an increase from 53.8 per cent in 1980-81.

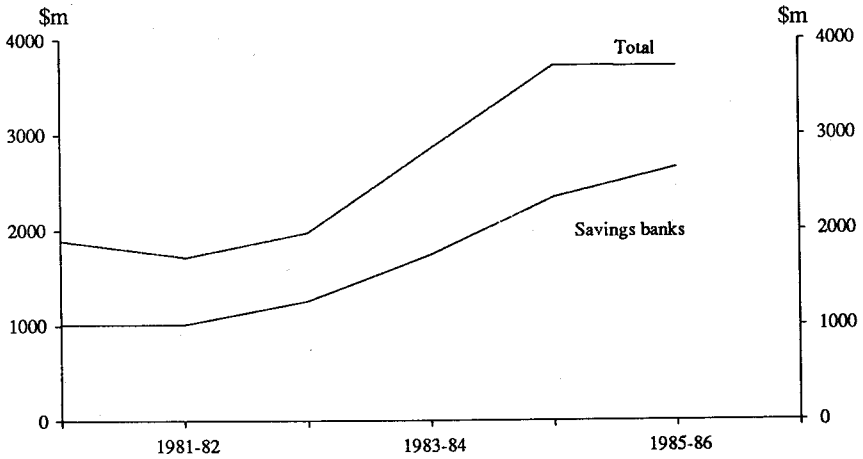
### **Material of outer walls**

The prevalence of brick veneer houses commenced in Victoria has generally declined from 74.1 per cent of houses commenced in 1980-81 to 65.6 per cent in 1985-86. In contrast, the proportion of timber houses has increased from 4.9 per cent in 1980-81 to 8.7 per cent in 1985-86.

**NUMBER OF HOUSES COMMENCED AND HOUSING LOANS APPROVED, VICTORIA**



**VALUE OF HOUSING LOANS APPROVED, VICTORIA**



## Regions

Commencements of new residential buildings in the Melbourne Statistical Division (MSD) accounted for 61.2 per cent of Victoria's commencements during 1985-86. Although this proportion was relatively stable between 1980-81 and 1985-86, it represented a substantial decline from 1970-71 and 1971-72 when MSD commencements accounted for 80.7 per cent of Victoria's commencements.

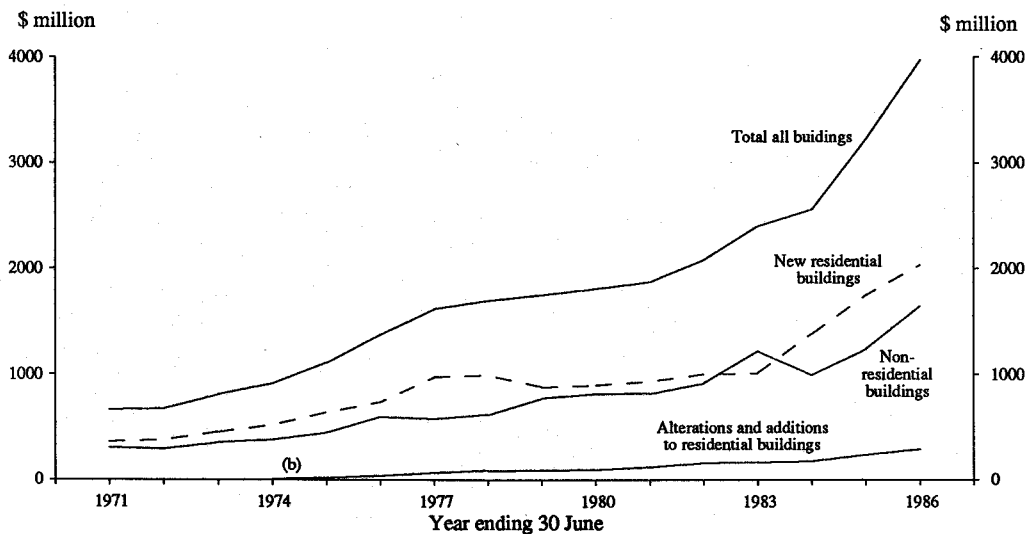
Within the MSD, the areas with an increasing share of commencements were the Western Melbourne region and the Mornington Peninsula. Areas with a declining share of MSD's commencements were the established regions: Inner Eastern Melbourne, Southern Melbourne, and North Eastern Melbourne.

**TABLE 10.4 VALUE OF BUILDING ACTIVITY COMPLETED, VICTORIAN SUMMARY**  
(\$m)

	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86
<b>New residential buildings -</b>						
Houses	817.5	870.5	866.2	1,205.4	1,524.8	1,741.0
Other	115.6	132.1	147.1	176.2	223.8	292.7
<b>Total</b>	<b>933.1</b>	<b>1,002.7</b>	<b>1,013.3</b>	<b>1,381.6</b>	<b>1,748.5</b>	<b>2,033.7</b>
<b>Alterations and additions to residential buildings</b>	119.5	159.8	167.3	178.6	240.1	292.2
<b>Non-residential building</b>	817.0	915.5	1,217.4	997.5	1,240.7	(a)1,648.1
<b>Total all building -</b>						
Victoria	1,869.6	2,078.0	2,398.1	2,557.7	3,229.3	(a)3,974.1
Australia	8,687.8	10,547.7	10,550.6	10,268.5	12,605.5	(a)15,436.8

(a) Break in series between 1984-85 and 1985-86. Refer to data sources at end of chapter.

**VALUE (a) OF BUILDING ACTIVITY COMPLETED, VICTORIAN SUMMARY**



(a) At current prices.

(b) Prior to 1974, alterations and additions were included with new residential buildings.

**TABLE 10.5 VALUE OF BUILDINGS COMPLETED, CLASSIFIED BY TYPE, VICTORIA**  
(S'000)

<i>Type of building</i>	<i>1980-81</i>	<i>1981-82</i>	<i>1982-83</i>	<i>1983-84</i>	<i>1984-85</i>	<i>1985-86</i>
Houses	817,490	870,526	866,167	1,205,396	1,524,763	1,741,000
Other residential buildings	115,633	132,150	147,150	176,244	223,610	292,748
Alterations and additions to residential buildings	119,488	159,845	167,260	178,591	240,108	292,213
Hotels, guest houses, etc.	32,058	28,323	27,764	24,357	68,661	75,494
Shops	108,855	115,589	102,041	110,129	179,205	207,964
Factories	157,847	219,829	231,947	148,514	157,455	173,880
Offices	167,758	144,335	384,679	250,931	262,330	629,385
Other business premises	89,918	136,269	100,301	101,215	171,179	123,941
Education	107,722	94,835	118,448	132,203	108,954	177,289
Religious	10,159	11,165	9,243	9,280	6,669	10,110
Health	56,551	62,207	97,229	36,655	57,470	109,389
Entertainment and recreation	47,597	39,979	94,441	40,868	178,708	63,604
Miscellaneous	38,520	62,961	51,109	143,353	50,115	77,066
<b>Total</b>	<b>1,869,596</b>	<b>2,078,012</b>	<b>2,397,778</b>	<b>2,557,736</b>	<b>3,229,225</b>	<b>3,974,083</b>

**TABLE 10.6 NUMBER OF NEW RESIDENTIAL BUILDINGS COMPLETED BY OWNERSHIP, TABLE 10.6 VICTORIA**

<i>Year</i>	<i>Private sector</i>			<i>Public sector</i>			<i>Total Number</i>	<i>Private sector as a percentage of total</i>
	<i>Houses</i>	<i>Other</i>	<i>Total</i>	<i>Houses</i>	<i>Other</i>	<i>Total</i>		
1980-81	20,710	3,776	24,490	769	647	1,416	25,900	94.5
1981-82	18,960	3,684	22,640	1,004	846	1,850	24,490	92.4
1982-83	17,700	4,040	21,740	1,145	966	2,111	23,860	91.1
1983-84	23,330	4,477	27,810	2,472	553	3,025	30,830	90.2
1984-85	27,860	5,544	33,410	1,789	310	2,099	35,510	94.1
1985-86	28,130	6,034	34,170	1,833	465	2,298	36,470	93.7

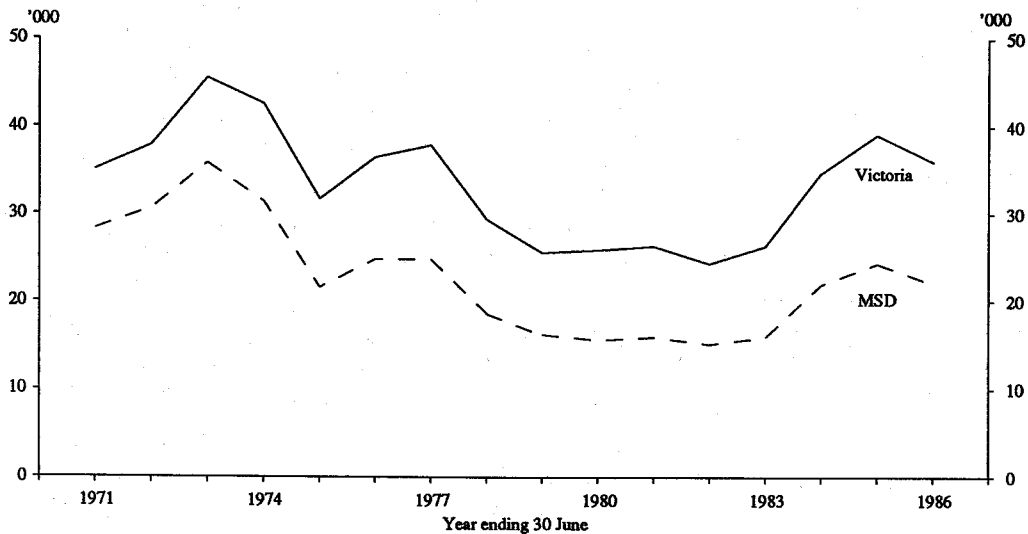
**TABLE 10.7 NUMBER OF NEW HOUSES COMMENCED, CLASSIFIED BY MATERIAL OF OUTER WALLS, VICTORIA**

<i>Year</i>	<i>Brick, concrete, and stone</i>	<i>Brick veneer</i>	<i>Timber</i>	<i>Fibre cement</i>	<i>Other and not stated</i>	<i>Total</i>
1980-81	1,978	16,007	1,067	940	1,615	21,607
1981-82	1,581	14,015	1,088	898	1,649	19,231
1982-83	1,209	15,323	1,458	870	2,339	21,199
1983-84	1,359	20,285	2,067	1,292	3,901	28,904
1984-85	943	22,897	2,723	1,204	4,234	32,001
1985-86	1,170	19,797	2,613	1,141	5,469	30,190

**TABLE 10.8 COMMENCEMENTS OF NEW RESIDENTIAL BUILDINGS**  
(Number)

<i>Year</i>	<i>Melbourne Statistical Division (MSD)</i>	<i>Victoria</i>	<i>MSD as a percentage of Victoria</i>
<b>HOUSES</b>			
1980-81	13,078	21,607	60.5
1981-82	11,905	19,231	61.9
1982-83	12,519	21,199	59.1
1983-84	17,896	28,904	61.9
1984-85	19,502	32,001	60.9
1985-86	18,205	30,190	60.3
<b>OTHER</b>			
1980-81	2,747	4,705	58.4
1981-82	3,205	5,087	63.0
1982-83	3,340	5,060	66.0
1983-84	3,993	5,829	68.5
1984-85	4,843	7,121	68.0
1985-86	3,796	5,783	65.6
<b>TOTAL</b>			
1980-81	15,825	26,312	60.1
1981-82	15,110	24,318	62.2
1982-83	15,859	26,259	60.4
1983-84	21,889	34,733	63.0
1984-85	24,345	39,122	62.2
1985-86	22,001	35,973	61.2

**NUMBER OF NEW RESIDENTIAL BUILDINGS COMMENCED**





**TABLE 10.9 COMMENCEMENTS OF NEW RESIDENTIAL BUILDINGS, STATISTICAL REGIONS OF MELBOURNE STATISTICAL DIVISION**

<i>Statistical region</i>	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86
NUMBER						
Western Melbourne	3,110	2,836	3,146	4,814	5,611	5,013
Inner Melbourne	561	670	803	452	682	612
North Eastern Melbourne	2,218	2,028	1,904	2,534	2,642	2,559
Inner Eastern Melbourne	2,415	2,346	2,017	2,529	2,491	2,183
Southern Melbourne	1,181	1,202	798	1,068	1,175	1,079
Outer Eastern Melbourne	2,610	2,538	2,567	3,748	4,285	3,885
Mornington Peninsula	3,730	3,490	4,624	6,744	7,459	6,670
<b>Total Melbourne Statistical Division</b>	<b>15,825</b>	<b>15,110</b>	<b>15,859</b>	<b>21,889</b>	<b>24,345</b>	<b>22,001</b>
PERCENTAGE OF MELBOURNE STATISTICAL DIVISION						
Western Melbourne	19.7	18.8	19.8	22.0	23.0	22.8
Inner Melbourne	3.5	4.4	5.1	2.1	2.8	2.8
North Eastern Melbourne	14.0	13.4	12.0	11.6	10.9	11.6
Inner Eastern Melbourne	15.3	15.5	12.7	11.6	10.2	9.9
Southern Melbourne	7.5	8.0	5.0	4.9	4.8	4.9
Outer Eastern Melbourne	16.5	16.8	16.2	17.1	17.6	17.7
Mornington Peninsula	23.6	23.1	29.2	30.8	30.6	30.3
<b>Total Melbourne Statistical Division</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

**TABLE 10.10 HOUSING LOANS APPROVED BY TYPE OF LENDER, VICTORIA**

<i>Year</i>	<i>Savings banks</i>	<i>Permanent building societies</i>	<i>Trading banks</i>	<i>Other lenders</i>	<i>Total</i>
1980-81	42,911	15,230	7,411	7,637	73,189
1981-82	42,100	9,838	7,543	6,392	65,873
1982-83	48,286	11,030	5,331	6,144	70,791
1983-84	59,704	18,668	5,563	6,473	90,408
1984-85 (a)	63,549	17,527	6,048	5,177	92,301
1985-86	66,456	7,644	7,054	5,811	86,965
VALUE (\$m)					
1980-81	1,015	489	153	231	1,888
1981-82	1,012	355	158	193	1,718
1982-83	1,260	410	114	191	1,975
1983-84	1,744	755	146	206	2,852
1984-85 (a)	2,234	846	259	209	3,548
1985-86	2,574	386	333	279	3,572

(a) Break in series between 1983-84 and 1984-85.

### Public housing

Under the Commonwealth - State Housing Agreement (CSHA), which came into effect on 1 July 1984, the Federal Government provides financial assistance to the States and Northern Territory for public housing programs. Victoria was allocated \$155.8m in 1985-86, which represented a 5.3 per cent increase over the previous year. Victoria's share of the CSHA funds distributed nationally rose marginally from 23.7 per cent in 1984-85 to 23.8 per cent in 1985-86.

The CSHA funds were provided in the form of untied grants (for rental housing and home purchase assistance) and in the form of grants for specific programs. During 1985-86, untied grants accounted for 84.4 per cent of Victoria's allocation, which was nearly the same proportion as for the previous year.

**Home purchase assistance**

Under the Home Purchase Assistance program, during 1985-86, Victoria had 35.0 per cent of Australia's loans outstanding, processed 18.0 per cent of Australia's loans approved, had 49.3 per cent of Australia's loan waiting list, and had twice Australia's estimated waiting time for loan approval (24 months compared with 12 months for Australia).

**Rental housing assistance**

Victoria's stock of public rental housing increased by 6.4 per cent between 1984-85 and 1985-86; from 47,945 at 30 June 1985 to 51,007 at 30 June 1986. In 1985-86, Victoria accounted for 17.7 per cent of Australia's stock of public rental housing, 18.6 per cent of Australia's rental waiting list, 24.8 per cent of Australia's new applicants for public rental housing, and 18.3 per cent of Australia's allocations of public rental housing.

**TABLE 10.11 COMMONWEALTH-STATE HOUSING AGREEMENT,  
ALLOCATION OF COMMONWEALTH FUNDS  
(\$'000)**

Program	Victoria		Australia	
	1984-85	1985-86	1984-85	1985-86
Untied funds	125,147	131,575	495,000	517,600
Rental assistance for pensioners	8,421	8,646	35,000	36,600
Rental assistance for Aborigines	3,417	3,417	52,000	54,300
Mortgage and rent relief	5,771	6,043	21,659	22,700
Crisis accommodation	3,348	3,504	12,601	13,200
Local government and community housing	1,865	2,662	7,000	10,000
<b>Total</b>	<b>147,969</b>	<b>155,847</b>	<b>623,260</b>	<b>654,400</b>

Source: Department of Housing and Construction.

**TABLE 10.12 HOME PURCHASE ASSISTANCE PERFORMANCE INDICATORS, 1985-86**

Item	Unit	Victoria	Australia
Loans current at end of period	number	58,094	165,800
Ratio- loans : 1,000 people	"	13.9	10.6
Loans approved	"	2,588	14,391
Ratio- approvals : 1,000 people	"	0.6	0.9
Total amount	\$'000	124,401	587,363
Average loan	\$'000	48.1	40.8
Loan waiting list	number	29,325	59,487
Ratio- applications : 1,000 people	"	7.0	3.8
Approvals: waiting list	per cent	8.8	24.2
Estimated waiting time (months) (a)	number	24	12

(a) Waiting times vary considerably according to region and type of dwelling.

Source: Department of Housing and Construction.

TABLE 10.13 PUBLIC RENTAL HOUSING PERFORMANCE INDICATORS, 1985-86

Item	Unit	Victoria	Australia
Stock	number	51,007	287,947
Ratio- dwellings : 1,000 people	"	12.2	18.3
Rental waiting list	"	28,722	154,419
Ratio - applications : 1,000 people	"	6.9	9.8
New applicants	"	21,268	85,635
Ratio - applicants : 1,000 people	"	5.1	5.5
Allocations	"	8,100	44,301
Allocations: new applicants	per cent	38.1	51.7
Allocations: waiting list	"	28.2	28.7
Estimated waiting time (months) (a)	number	6 to 96	Av.26

(a) See footnote (a) to previous table.

Source: Department of Housing and Construction.

### Construction other than building

Results from the survey of Construction (Other than Building) Activity indicated that, at current prices, the value of work done by the private sector on prime contracts valued at \$100,000 or more in Victoria during 1985-86 was \$649.8m, a decrease of 12.2 per cent over the previous year. The value of prime contracts completed declined by 27.3 per cent between 1984-85 and 1985-86, whereas the number rose by 0.9 per cent.

During 1985-86, two-thirds of the value of private sector work done on construction other than building was for the public sector. Almost one-third of the value of work done during the year was attributable to the construction of roads, highways, and related structures while the construction of power transmission and electrical generating plant accounted for one-quarter.

Results from the more comprehensive Engineering Construction Survey suggest that the survey of Construction (Other than Building) Activity accounted for only 37.6 per cent of the value of all engineering construction work done during the September quarter 1986. During 1986-87, the value (at current prices) of engineering construction work done was \$1,694.5m, of which 54.3 per cent (\$920.7m) was done by the public sector. Construction of roads, highways, and subdivisions accounted for 28.0 per cent of the value of work done, telecommunications for 21.6 per cent, and electricity generation, transmission, and distribution for 14.2 per cent.

TABLE 10.14 PRIVATE SECTOR PRIME CONTRACTS BY STAGE OF CONSTRUCTION, VICTORIA

Year	Commenced	Completed	Under construction at end of year	Work done during year	Work yet to be done
NUMBER					
1980-81	493	473	332	..	..
1981-82	561	522	371	..	..
1982-83	533	572	332	..	..
1983-84	703	573	462	..	..
1984-85	810	808	464	..	..
1985-86	820	815	469	..	..

**TABLE 10.14 PRIVATE SECTOR PRIME CONTRACTS BY STAGE OF CONSTRUCTION, VICTORIA - *continued***

<i>Year</i>	<i>Commenced</i>	<i>Completed</i>	<i>Under construction at end of year</i>	<i>Work done during year</i>	<i>Work yet to be done</i>
VALUE (\$m)					
1980-81	517.2	431.7	1,373.2	514.4	721.5
1981-82	352.9	565.5	1,321.9	654.7	586.3
1982-83	250.3	440.8	1,453.8	653.1	503.0
1983-84	572.4	573.4	1,636.4	579.2	684.7
1984-85	399.5	662.2	1,491.4	739.8	460.9
1985-86	647.0	482.5	1,686.1	649.8	488.6

**TABLE 10.15 VALUE OF PRIVATE SECTOR CONSTRUCTION (OTHER THAN BUILDING) BY TYPE, VICTORIA, 1985-86 (\$m)**

<i>Type of construction</i>	<i>Commenced</i>	<i>Completed</i>	<i>Under construction at end of year</i>	<i>Work done during year</i>	<i>Work yet to be done</i>
Roads, highways, and related structures	214.7	190.0	154.1	213.5	64.6
Dams, water supply, and sewerage	44.4	52.9	71.0	60.4	18.7
Power transmission and electrical generating plant	263.7	42.4	1,072.2	163.0	304.9
Heavy industrial plant and equipment, n.e.c.	61.0	123.0	202.2	109.6	49.0
Other (a)	63.0	74.2	186.6	103.3	51.4
Total of all construction -					
For private sector	187.9	164.7	203.9	223.5	65.7
For public sector	459.2	317.8	1,482.2	426.2	422.9
<b>Total</b>	<b>647.0</b>	<b>482.5</b>	<b>1,686.1</b>	<b>649.8</b>	<b>488.6</b>

(a) Includes bridges, railways, harbours, pipelines, street and highway lighting, telecommunications structures, and miscellaneous.

**TABLE 10.16 VALUE OF ENGINEERING CONSTRUCTION BY TYPE, VICTORIA, 1986-87 (\$m)**

<i>Type of construction</i>	<i>Commenced</i>	<i>Work done during year</i>	<i>Work yet to be done</i>
Roads, highways, and subdivisions	454.4	475.1	87.9
Bridges	58.8	66.6	42.9
Railways	75.8	48.1	35.3
Harbours	7.0	7.0	4.9
Water storage and supply	80.4	91.1	41.5
Sewerage and drainage	173.8	138.0	119.4
Electricity generation, transmission, and distribution	152.1	240.9	184.0
Pipelines	19.7	25.4	7.0
Recreation	52.4	45.8	8.8
Telecommunications	344.9	365.6	1.0
Heavy industry	198.7	176.9	134.3
Other	9.4	13.8	1.1
Total of all construction -			
By private sector	685.3	773.8	423.0
By public sector	941.1	920.7	245.1
<b>Total</b>	<b>1,626.4</b>	<b>1,694.5</b>	<b>668.1</b>

## REFERENCES

**Data sources**

The latest year for which ABS estimates are available for State Gross Domestic Product at factor cost is 1983-84. In order to bring the series up to 1985-86, use has been made of estimates for gross operating surplus prepared by the Victorian Department of Management and Budget.

The Construction Industry Survey (CIS) consisted of separate collections for the private and public sectors. The private sector collection was conducted as a component of the ABS's integrated economic statistics programme. This program has been developed so that data from each industry sector conform to the same basic conceptual standards, thereby allowing comparative analysis across different industry sectors. The results of this survey are therefore comparable with economic censuses undertaken annually for the mining, and electricity and gas industries and periodically for the transport, manufacturing, wholesale, retail, and selected service industries. However, as the public sector collection used different concepts, the public sector results cannot validly be aggregated with those for the private sector.

The Building Activity Survey involves a sample survey of private sector house construction activity and complete enumeration of building jobs other than private sector house construction. From the September quarter in 1985, the scope of the Building Activity Survey changed in respect of non-residential building activity. Only non-residential building jobs (both new and alterations and additions) with an approval value of \$30,000 or more are now included in the survey, whereas previously jobs with an approval value of \$10,000 or more were included. The building commencements collection is based on building permits issued by local government authorities, and contracts let by or day labour work authorised by Commonwealth, State, semi-government, and local government authorities.

Statistics drawn from the quarterly survey of construction other than building relate to work by private contractors on construction (other than building) prime contracts valued at \$100,000 or more. The prime contract is valued inclusive of all associated sub-contract work performed for the prime contractor. Alterations and additions undertaken as prime contracts and within the same value criterion are included in the statistics. The classification used is broadly compatible with that used for the Construction Industry Survey.

In contrast, the quarterly Engineering Construction Survey is based on a sample of all construction enterprises operating in Australia, in both private and public sectors.

**ABS publications**

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- Housing Finance for Owner Occupation, Australia (5609.0)*
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1984-85 (8772.2)*

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**Non - ABS sources**

*Department of Housing and Construction, Annual Report, 1985-86*

*Department of Management and Budget, Victoria, estimates of State accounts  
compiled by the Policy Planning Division.*