





Introduction

The increasing significance of services in the Australian economy and the need for industry-specific information led to the establishment of a series of Service Industry Surveys. Data contained in this chapter have been derived from the following service industries: personal and tourism related services, retail and wholesale industries, recreational services, business and professional services.

1991-92 SERVICE INDUSTRIES SURVEY

The ABS conducted a series of surveys on tourism-related industries in respect of the 1991-92 financial year. These industries included motor vehicle hire, hospitality, and amusement and theme parks. For the hospitality industry separate data was collected for accommodation, cafes and restaurants, licensed clubs, and pubs, bars and taverns. Across Australia, information was also collected for casinos; however none operated in Victoria during the reference period. The tourism-related industries were previously surveyed in respect of the 1986-87 financial year.

TABLE 11.1 HOSPITALITY INDUSTRIES: SUMMARY OF OPERATIONS, VICTORIA, 1991-92

	Businesses operating at 30 June 1992 (a)	Total employment at 30 June 1992 (b)	Wages and salaries	Selected income (c)
	no.	no.	\$m	\$m
Accommodation -				
Victoria	1 113	14 373	216.1	693.0
Australia	4 761	74 136	1 205.0	3 616.9
Pubs, bars and taverns -				
Victoria	1 004	18 172	226.0	1 304.2
Australia	4 369	73 526	928.6	5 889.1
Cafes and restaurants -				
Victoria	2 121	31 792	344.7	1 289.5
Australia	8 793	120 752	1 246.8	4 617.0
Licensed clubs -				
Victoria	512	5 357	73.1	234.6
Australia	3 811	60 424	1 012.4	3 760.2
Total hospitality industry (d)				
Victoria	4 750	69 694	859.9	3 471.3
Australia	21 734	328 838	4 392.8	17 883.2

(a) Multi-state businesses are counted in each State of operation.

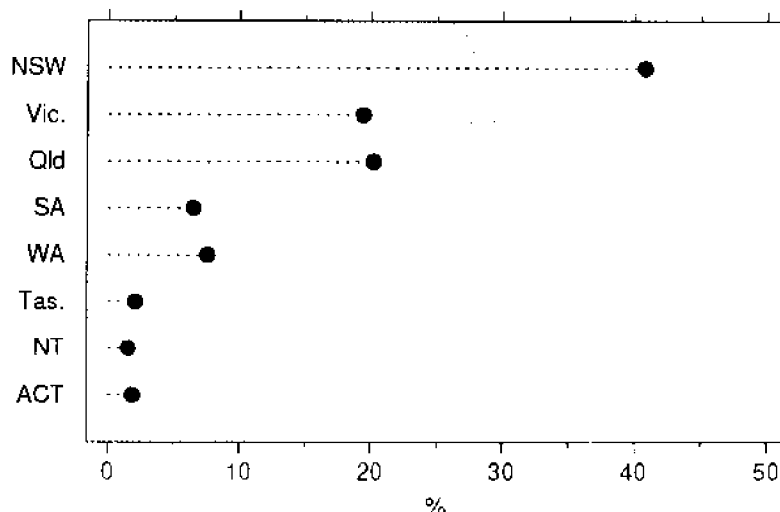
(b) Total employment includes working proprietors and partners.

(c) Selected income for all industries is gross income minus dividends received, royalties and interest income for the accommodation industry selected income also excludes other income.

(d) Excluding casinos.

Source: *Hospitality Industries, Australia* (8674.0)

PERCENTAGE OF SELECTED INCOME BY STATE FOR THE HOSPITALITY INDUSTRIES, 1991-92



Source: *Hospitality Industries, Australia* (8674.0)

Accommodation

Of the 4,761 businesses operating in the accommodation industry in Australia at the end of June 1992, 1,113 (23.4%) operated in Victoria.

For the year ended 30 June 1992, selected income (defined as gross income minus dividends received, royalties, interest and other income) was \$693.0 million for Victoria and \$3,616.9 million for Australia. The selected income per business was \$623,000 for Victoria compared with \$760,000 for Australia. The industry had an operating loss before tax of \$4.8 million in Victoria (\$319.2 million in Australia) after interest expenses of \$89.2 million (\$533.3 million for Australia).

Of the 13,930 people employed (excluding working proprietors and partners) in Victoria at 30 June 1992, 38.8% were part-time casuals, compared with 34.9% for Australia.

TABLE 11.2 ACCOMMODATION INDUSTRY: COMPONENTS OF INCOME, VICTORIA AND AUSTRALIA, 1991-92

	\$m	%	\$m	%
Takings from meals	138.8	18.0	766.9	19.3
Sales of wine, beer and spirits	62.9	8.2	368.0	9.2
Takings from accommodation	470.6	61.0	2 336.5	58.7
Other income	98.3	12.8	510.3	12.8
Gross Income	770.6	100.0	3 981.7	100.0

Source: *Hospitality Industries, Australia* (8674.0)

Pubs, bars and taverns

Of the 4,369 businesses in the pubs, bars and taverns industry in Australia at 30 June 1992, 1,004 (22.9%) were in Victoria. The number of persons employed at that date (excluding working proprietors and partners) was 17,754 in Victoria (70,635 in Australia) of whom 11,016, or 62.0%, were part-time casuals. Wages and salaries paid for the year ended 30 June 1992 were \$226.0 million in Victoria, compared with \$928.6 million in Australia.

The income from the sales of goods and services was \$1,294.5 million for Victoria, compared with \$5,834.2 for Australia.

TABLE 11.3 PUBS, BARS AND TAVERNS INDUSTRY: COMPONENTS OF INCOME, VICTORIA AND AUSTRALIA, 1991-92

	\$m	%	\$m	%
Takings from meals	167.5	12.8	504.9	8.5
Sales of wine, beer and spirits	1 037.3	79.1	4 676.0	79.1
Takings from accommodation	23.1	1.8	133.5	2.3
Other income	82.3	6.3	597.2	10.1
Gross income	1 310.2	100.0	5 911.6	100.0

Source: *Hospitality Industries, Australia* (8674.0)

Cafes and restaurants

At 30 June 1992, there were 2,121 businesses in the cafe and restaurant business in Victoria, compared with 8,793 in Australia. Of the 30,132 employees (i.e. excluding working proprietors and partners) in Victoria at 30 June 1992, 16,361 (54.2%) were part-time casuals. Victoria comprised 27.1% of the 111,301 total employees in Australia and 26.1% of the 62,658 part-time casual employees in Australia.

TABLE 11.4 CAFES AND RESTAURANTS INDUSTRY: COMPONENTS OF INCOME, VICTORIA AND AUSTRALIA, 1991-92

	\$m	%	\$m	%
Takings from meals	866.2	69.6	3 294.8	70.7
Sales of wine, beer and spirits	233.0	18.7	761.1	16.4
Takings from accommodation	16.1	1.3	70.3	1.5
Takings from ready-to-eat take away food	70.0	5.6	279.4	6.0
Other income	59.6	4.8	250.8	5.4
Gross income	1 244.9	100.0	4 656.4	100.0

Source: *Hospitality Industries, Australia* (8674.0)

Licensed clubs

There were 512 businesses in the licensed clubs industry operating in Victoria at 30 June 1992, which was 13.4% of the 3,811 businesses in Australia. The number of employees (excluding working proprietors and partners) in these Victorian businesses at 30 June 1992 was 5,357 or 8.9% of the Australian total of 60,424 employees.

The income from the sales of goods and services for the year ended 30 June 1992 was \$230.6m in Victoria, or only 6.2% of the Australian total of \$3,729.2 million. Income per business from the sales of goods and services was \$0.45 million in Victoria, compared with \$0.98 million for Australia and \$1.79 million in NSW. This significant difference is due to takings from poker machines, which totalled only \$4.7 million in Victoria, compared with \$1,345.2 million (or \$0.87 million per business) in NSW.

TABLE 11.5 LICENSED CLUBS INDUSTRY: COMPONENTS OF INCOME, VICTORIA AND AUSTRALIA, 1991-92

	\$m	%	\$m	%
Takings from meals	21.5	9.1	354.7	9.3
Sales of wine, beer and spirits	106.2	44.7	1 351.0	35.4
Takings from accommodation	1.6	0.7	19.2	0.5
Takings from poker machines	4.7	2.0	1 435.4	37.7
Takings from membership fees	53.1	22.3	235.3	6.2
Other income	50.4	21.2	414.9	10.9
Total income	237.5	100.0	3 810.5	100.0

Source: *Hospitality Industries, Australia* (8674.0)

Amusement and theme parks

Of the 72 amusement and theme parks operating in Australia at 30 June 1992, 18 were in Victoria. As at 30 June 1992, the number of employees per park was 33 in Victoria, compared with 64 for Australia. For the year ended 30 June 1992, the gross income per park was \$1.1 million in Victoria, compared with \$3.3 million for Australia. The number of visitors per park was 108,222 in Victoria and 153,208 for Australia, while the takings per visitor were \$9.29 in Victoria and \$20.51 for Australia.

TABLE 11.6 AMUSEMENT AND THEME PARKS INDUSTRY: SUMMARY OF OPERATIONS BY STATE, 1991-92

State	Businesses at end June 1992	Total visitors	Employment at end June 1992	Wages and salaries	Rent, leasing, and hiring income	Gross income
	no.	'000	no.	\$'000	\$'000	\$'000
New South Wales	25	3 313	1 624	24 030	270	66 955
Victoria	18	1 948	588	7 631	426	19 215
Queensland	17	4 588	2 181	37 886	1 172	139 713
Other States and Territories	12	1 182	221	2 905	66	10 554
Australia	72	11 031	4 614	72 451	1 934	236 437

Source: *Amusement and Theme Parks, Australia* (8675.0)

Motor vehicle hire

The 40 motor vehicle hire businesses in Victoria employed 682 persons (excluding working proprietors and partners) at 30 June 1992 and paid wages and salaries of \$19.4 million for the 1991-92 financial year. This compared with 222 businesses in Australia employing 2,960 persons and paying wages and salaries of \$65.3 million.

In Victoria, the number of vehicle rental days was 764,000 for the year ended 30 June 1992 with takings from rentals of \$55.5 million and takings per rental day (per car) of \$72.64.

TABLE 11.7 MOTOR VEHICLE HIRE INDUSTRY: MAJOR ITEMS BY STATE, 1991-92

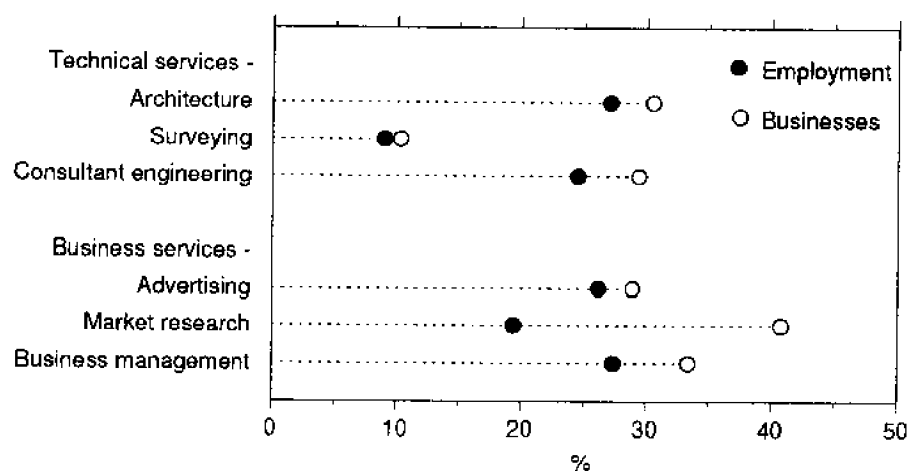
	<i>Businesses operating in this State at end June(a)</i>	<i>Employment at end June 1991-92</i>	<i>Wages and salaries</i>	<i>Vehicle rental-days</i>	<i>Takings from rentals</i>	<i>Takings per rental-day</i>
	no.	no.	\$m	'000	\$m	\$
New South Wales	62	768	14.3	1 238	89.4	72.21
Victoria	40	695	19.4	764	55.5	72.64
Queensland	75	639	13.4	1 392	97.1	69.76
South Australia	19	91	2.4	232	16.0	68.97
Western Australia	34	388	7.2	928	63.0	67.89
Tasmania	18	316	6.3	475	34.1	71.79
Northern Territory, Australian Capital Territory	11	119	2.3	183	18.2	99.45
Australia	222	3 016	65.3	5 212	373.3	71.62

Source: *Motor Vehicle Hire Industry, Australia* (8652.0)

1992-93 SERVICE INDUSTRIES SURVEY

In respect of the 1992-93 financial year, the ABS conducted a series of surveys on the property and business services industries. These industries included real estate agents, computing services, legal and accounting services, advertising, market research and business management services, and architectural, surveying and consultant engineering services.

PROPORTION OF EMPLOYMENT AND NUMBER OF BUSINESSES, VICTORIA, 1992-93



Source: *Technical Services, Australia* (8676.0), *Selected Business Services, Australia* (8677.0)

TABLE 11.8 PROPERTY AND BUSINESS SERVICES: SUMMARY OF OPERATIONS, VICTORIA, 1992-93

Industry	Businesses operating at 30 June 1993	Total employment at 30 June 1993 (a)	Wages and salaries	Selected income (b)
	no.	no.	\$m	\$m
Real estate agents -				
Victoria	1 259	8 300	211.3	465.5
Australia	7 265	51 922	1 285.5	2 819.3
Architectural services -				
Victoria	1 343	5 028	107.0	212.7
Australia	4 409	18 581	431.8	945.2
Surveying services -				
Victoria	121	630	14.6	30.4
Australia	1 175	6 964	64.3	481.2
Consultant engineering services -				
Victoria	1 606	7 883	255.7	557.4
Australia	5 454	32 163	1 118.0	2 325.2
Legal services -				
Victoria	2 884	16 932	398.4	(c) 1 427.8
Australia	8 850	63 108	465.4	(c) 5 144.0
Accounting services -				
Victoria	2 510	16 275	438.5	1 132.3
Australia	8 699	60 000	1 566.6	4 051.2
Advertising services -				
Victoria	248	2 376	92.5	244.9
Australia	858	9 083	322.5	842.1
Market research services -				
Victoria	71	1 565	23.0	80.4
Australia	174	8 064	96.4	251.7
Business management services -				
Victoria	229	1 351	50.2	135
Australia	686	4 933	174.2	506.6

(a) Total employment includes working proprietors and partners.

(b) Selected income excludes interest income, dividends, royalties and other non-operating income.

(c) Income from the legal services industry includes interest income, dividends, royalties and other non-operating income.

Source: ABS Service Industries Surveys

Real estate agents

There were 1,259 real estate agent businesses operating in Victoria at 30 June 1993, with a total employment of 8,300. In Australia, there were 7,265 businesses and a total employment of 51,922. For the year ended 30 June 1993, wages and salaries (including commissions paid to sales staff working solely on commission) were \$211.3 million in Victoria, compared with \$1,285.5 million in Australia.

Although Victoria accounted for 26% of Australia's population, real estate agents operating in Victoria accounted for only 17% of both the industry's gross income and the number of businesses. Of the 1,259 businesses in Victoria, 1,065 derived income from sales of property while 939 derived income from property management. In Victoria, 72.2% of businesses were members of a Real Estate Institute, compared with 68.0% for Australia.

TABLE 11.9 REAL ESTATE AGENTS: SOURCES OF INCOME, VICTORIA AND AUSTRALIA, 1992-93

	\$m	%	\$m	%
Sales of property	291.6	62.0	1 746.2	61.4
Property management	110.8	23.6	664.2	23.4
Property valuations	41.7	8.9	153.2	5.4
Conveyancing work	5.6	1.2	113.3	4.0
Other real estate operations	13.9	3.0	121.8	4.3
Other	5.9	1.3	44.1	1.5
Gross income	469.5	100.0	2 842.8	100.0

Source: *Real Estate Agents Industry, Australia* (8663.0)

Architectural services

At 30 June 1993, there were 1,343 architectural services businesses operating in Victoria, with total employment of 5,028 persons. This compares with 4,409 businesses in Australia with total employment of 16,204 persons (including 1,414 working proprietors and partners) and 2,377 contract and agency staff. Wages and salaries paid for the year ended 30 June 1993 were \$107.0 million in Victoria compared with \$431.8 million in Australia.

Between 1987-88 and 1992-93, in Victoria, there was an increase of 6.6% in the number of businesses (from 1,260 to 1,343) but a decrease in selected income (gross income minus non-operating income) of 23.6% (from \$278.4 million to \$212.7 million).

TABLE 11.10 ARCHITECTURAL SERVICES : PERCENTAGE CHANGE IN KEY DATA ITEMS, END JUNE 1988 AND 1993

Number of Businesses -				
Victoria	no.	1 260	1 343	6.6
Australia	no.	4 534	4 409	-2.8
Selected Income -				
Victoria	\$m	278.4	212.7	-23.6
Australia	\$m	1 030.4	945.2	-8.3

Source: *Selected Technical Services, Australia* (8676.0)

Surveying services

Compared to Australia, the surveying services industry in Victoria is very small. For 1992-93, Victoria contributed only 10.3% of businesses, 9.0% of employment and 6.3% of gross income. For 1992-93, in Victoria, there were 121 businesses with total employment of 630, wages and salaries of \$14.6 million and gross income of \$30.4 million.

Consultant engineering services

At 30 June 1993, there were 1,606 businesses in the consultant engineering services industry in Victoria with total employment of 7,883 persons and gross income of \$557.4 million. This compares with 5,454 businesses in Australia with total employment of 32,163 persons and gross income of \$2,325.2 million.

Legal services

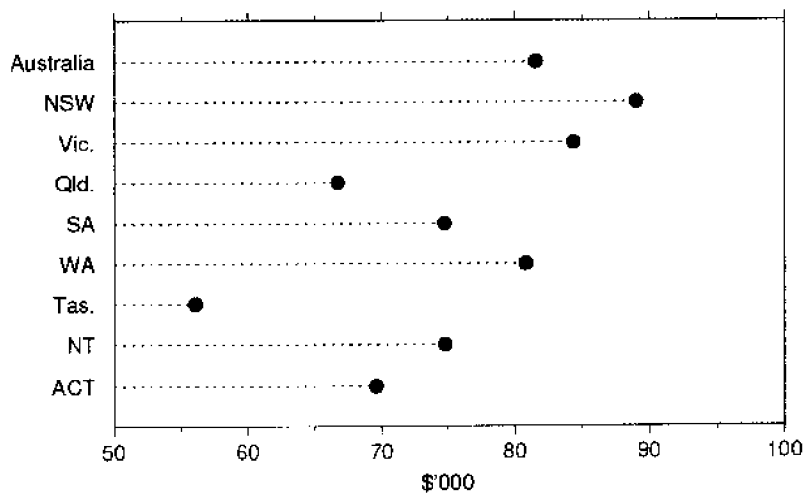
At 30 June 1993 there were 2,884 legal services businesses operating in Victoria. These businesses had 4,473 working proprietors and partners and 12,459 employees, with wages and salaries for the year of \$398.4 million. This compares with 8,850 businesses in Australia having 15,260 working proprietors and partners and 47,847 employees and wages and salaries of \$1,465.4 million. The gross income per business was \$495,000 in Victoria, compared with \$581,000 in Australia.

TABLE 11.11 LEGAL SERVICES INDUSTRY: SOURCES OF INCOME, VICTORIA AND AUSTRALIA, 1992-93

	\$m	%	\$m	%
Income from legal services -				
Property conveyancing	162.0	11.3	747.8	14.5
Other property work	85.6	6.0	320.9	6.2
Probate	64.7	4.5	185.1	3.6
Commercial, finance and business	492.2	34.5	1 637.4	31.8
Family	77.2	5.4	307.8	6.0
Criminal	91.6	6.4	241.9	4.7
Environmental	15.0	1.1	82.3	1.6
Other fields	306.5	21.5	† 199.3	23.3
Total income from legal services	1 294.8	91.0	4 722.3	91.8
Gross disbursement recoveries	49.8	3.5	214.0	4.2
Other operating income	77.0	5.4	168.8	3.3
Non-operating income	6.2	0.5	38.8	0.7
Gross income	1 427.8	100.0	5 144.0	100.0

Source: *Legal and Accounting Services, Australia* (8678.0)

GROSS INCOME PER WORKING PERSON FOR THE LEGAL SERVICES INDUSTRY BY STATE, 1992-93



Source: *Legal and Accounting Services, Australia* (8678.0)

Accounting services

The accountancy services industry in Victoria experienced large growth between 1987-88 and 1992-93. From 30 June 1988 to 30 June 1993 the number of businesses increased 53.9%, from 1,631 to 2,510, while total employment increased 24.6%, from 13,057 to 16,275. Selected income (total sales of goods and services) increased 79.5% from \$630.8 million to \$1,132.3 million. Over the same period, Australia displayed increases in the number of businesses of 43.8%, total employment of 21.3% and selected income of 73.6%.

In Victoria, businesses with less than 10 persons accounted for 88.4% of all businesses, 46.3% of total employment, 33.5% of gross income and 37.3% of operating profit before tax.

TABLE 11.12 ACCOUNTING SERVICES INDUSTRY: KEY CHARACTERISTICS BY BUSINESS SIZE, VICTORIA, 1992-93

Employment size category at end June	Employment at 30 June 1993					
	Businesses at 30 June 1993	Working proprietors and partners	Employees	Total employment	Gross income	Operating profit before tax
	no.	no.	no.	no.	\$m	\$m
0-4 persons	1 662	1 386	2 576	3 962	183.8	42.9
5-9 persons	557	485	3 093	3 578	198.4	40.2
10-19 persons	194	283	2 238	2 521	172.7	37.0
Total small businesses	2 413	2 153	7 908	10 061	554.9	120.0
20-49 persons	78	186	1 492	1 678	115.7	29.5
50-99 persons	10	45	645	690	53.7	13.7
100 or more persons	9	324	3 522	3 846	416.4	59.3
Total other businesses	97	554	5 660	6 214	585.8	102.5
Total businesses	2 510	2 707	13 568	16 275	1 140.7	222.6

Source: *Legal and Accounting Services, Australia* (8678.0)

Advertising services

At 30 June 1993, in Victoria there were 248 businesses in the advertising services industry with a total employment of 2,376 persons. For the year ended 30 June 1993, wages and salaries were \$92.5 million and selected income was \$244.9 million.

Employment per business at the end of June was 9.6 persons in Victoria, compared with 10.6 persons for Australia. The selected income per person employed was \$103,000 in Victoria and \$92,700 for Australia.

Market research

At 30 June 1993, in Victoria there were 71 businesses in the market research services industry with a total employment of 1,565 persons. For the year ended 30 June 1993, wages and salaries were \$23.0 million and selected income was \$80.4 million. This compares with 174 businesses in Australia with a total employment of 8,064 persons, wages and salaries of \$96.4 million and selected income of \$251.7 million.

Business management services

At 30 June 1993, in Victoria there were 229 businesses in the business management services industry with a total employment of 1,351 persons. For the year ended 30 June 1993, wages and salaries were \$50.2 million and selected income was \$135.0 million. Victoria accounted for 33.4% Australian businesses, 27.4% of employment and 26.6% of selected income.

REFERENCES

Data sources

The increasing significance of services in the Australian economy and the need for detailed industry specific information led the ABS to launch a series of Personal and Tourism related Service Industry Surveys in 1986-87 and Business and Professional Service Industries in 1987-88.

In 1991-92, a round of service industry collections included a Retail Census, a Wholesale Industry Survey and a range of Personal and Recreational Services similar to those undertaken in 1986-87, while the 1992-93 round included a repeat of Business and Professional Services. The 1993-94 program included surveys of the Audio and Visual industries, the results of which will be available in early 1996.

ABS publications

- Motor Vehicle Hire Industry, Australia* (8652.0)
- Real Estate Agents Industry, Australia* (8663.0)
- Computer Services Industry, Australia* (8669.0)
- Hospitality Industries, Australia* (8674.0)
- Amusement and Theme Parks, Australia* (8675.0)
- Selected Technical Services, Australia* (8676.0)
- Selected Business Services, Australia* (8677.0)
- Legal and Accounting Services, Australia* (8678.0)