

HOUSING, BUILDING, AND CONSTRUCTION

GENERAL BACKGROUND

Use of timber in the housing and construction industry

Availability

In the early days of Victoria's settlement, fine Eucalypt forests covered large areas of Victoria from which were drawn the basic material for shelter and warmth. These forests provided the timber for building houses, fences, bridges, railways, wharves, telephone poles, boats, and furniture.

The Henty brothers in 1834 were the first European settlers to build a dwelling in Victoria at Portland. One hundred years later there were 432,872 occupied dwellings in the State and this figure reached 1,127,623 in 1976. Ninety per cent of the homes now built are timber framed, and as a result of forward planning and forest management, this trend is expected to continue in the industry.

Housing and construction now consume 60 to 70 per cent of the timber available in Victoria, derived from both Victorian production as well as imports. However, there are also exports to offset this figure.

In the year ended 30 June 1976, softwood production was 133,000 cubic metres and hardwood 604,000 cubic metres. Overseas imports totalled 152,000 cubic metres of softwood and 56,000 cubic metres of hardwood. Recorded interstate movements of timber into Victoria totalled 290,000 cubic metres, of which 200,000 cubic metres were Tasmanian hardwood and 70,000 cubic metres South Australian softwood. Thus Victoria's apparent consumption of sawn timber approximates the sum of these figures (1,235,000 cubic metres), less 24,000 cubic metres sold interstate and 1,000 cubic metres exported.

Dwelling construction

The largest single market for Victoria's production of sawn timber is in dwelling framing including stumps, sub-floor structures, wall frames, roofing, and fencing. The share of timber in these markets ranges from a small percentage for stumps to virtually 100 per cent for roofing structures.

New dwellings completed in Victoria numbered 36,605 in 1975-76 including houses, flats, villa units, town houses, etc. Most houses and villa units and some flats use timber as their wall frame material. Approximately 94 per cent of houses are built with timber frames, while flats have tended to use predominantly concrete floor and solid brick construction, although there has been a recent trend towards brick veneer.

Traditionally Victorian dwellings have been floored with "tongue and groove" strip flooring manufactured from eucalyptus hardwood, mainly Tasmanian. Recently there has been a trend towards concrete "slab on ground"

flooring. It is estimated that in 1976 30 per cent of new dwellings commenced used concrete slab flooring. In addition there has been a recent increase in platform construction, using sheet materials such as particle board or plywood instead of the traditional strip flooring. However, the use of sheet materials still requires a timber sub-floor.

While a very high percentage of the wall frame market is still held by timber, the types of timber used are changing. Five years ago the majority of timber wall frames were built in unseasoned building grade hardwood supplied from Victorian sawmills. The timber industry is now capable of producing seasoned and dimensioned stock in both hardwood and pine which are now finding ready markets in wall frames. Recent figures indicate the market comprises approximately 70 per cent unseasoned hardwood, 15 per cent Radiata pine, 10 per cent stabilised hardwood, and 5 per cent imported timbers, mostly Oregon from New Zealand and North America.

As indicated above, roof framing consists almost entirely of timber, with unseasoned hardwood being the preferred type. Advanced processes are bringing about changes in the type of timber used or the mode of its erection. The use of timber trusses, which are factory fabricated and then delivered to the building site and lifted onto the wall frames, has been gaining increasing acceptance and represents approximately 20 per cent of the dwelling roofs built in Victoria. This same trend has been developing in wall framing with increased factory manufacture of wall frame components for delivery to, and rapid erection on, site.

The market share of timber in window frames is relatively steady at approximately 50 per cent of the total. The rest is supplied by metal frame manufacturers.

Standards

Commencing in the early 1960s, the then CSIRO Division of Forest Products, now the Division of Building Research, has been continuously engaged in a study of timber performance in house framing. The culmination of this work, done in close collaboration with the timber industry, has been the development and subsequent publication, as an Australian Standard, of the *Light Timber Framing Code*. This code is a comprehensive and well documented specification for house framing, taking full account of the strength properties of the many species of Victorian and imported timber suitable for framing purposes. The document has been introduced into the Uniform Building Regulations as the standard reference for timber framework and sizes. In addition to providing all the necessary tables for timber spans, spacings, sizes, and strengths, it also devotes a large section to building practice. All timber which is to be used for structural purposes is now delivered to site carefully graded and appropriately branded.

At the same time as the *Light Timber Framing Code* was being developed, further work was in progress for heavier type construction and resulted in the development of the *Timber Engineering Code*, also published as an Australian Standard. Like the *Light Timber Framing Code*, it relies heavily on the use of specified stress grades and on the producer's ability to produce accurately to those grades.

The development of these codes has enabled the timber industry to achieve a market share in areas previously dominated by other materials. Such applications include large clear spans for bridges; for instance, one such was recently erected in the Shire of Diamond Valley with an unsupported span of over 50 metres. Laminated timber beams are becoming increasingly used as structural elements in schools and halls, and in smaller sections are used as decorative beams in domestic structures. The development of this type of timber product has resulted from advances in drying, preservation, and adhesion procedures.

High rise building

It has often been thought that a large market has been lost to the timber industry in the erection of high rise commercial and industrial buildings. However, in addition to substantial quantities of timber and timber based products often specified for finishing, such buildings may also use substantial quantities of timber in the course of their construction. For example, in a typical 20 storey reinforced concrete building, approximately 235 cubic metres of solid timber are used for form-work, bracing, scaffolding, hoardings, etc. Over 4,800 square metres of plywood would be used for form-work while finishing would consume 60 cubic metres of kiln dried hardwood, 12 cubic metres of Oregon, 10,000 square metres of particle board, and 365 solid core wooden doors.

Domestic use

As a result of the current trend to renovation and house extensions, the timber industry has found additional markets in framing, flooring, wall linings, cupboards, all types of joinery, and laminated timber kitchen bench tops in hard, durable, and colourful timbers. Suitably prepared species of timber are also now used in landscaping and outdoor play areas. A growing number of treated, round Radiata pine poles are used in many council and government reserves and parks.

One of the appeals of timber lies in its "natural" appearance, and for this reason furniture manufacturers value its intrinsic qualities of versatility. The industry seeks to match these characteristics with timber of adequate strength, correctly processed for the many purposes for which it is to be used.

Development of architecture in Victoria, 1962 ; Building trends since 1945, 1963 ; Developments in building methods since 1945, 1964 ; Building materials, 1966 ; Redevelopment of the inner residential areas, 1967 ; Early building in Victoria, 1968 ; Housing for aged persons, 1969 ; Building trends in Melbourne since 1961, 1970 ; Bridges in Victoria, 1971 ; Division of Building Research, C.S.I.R.O., 1972, 1974, 1975 ; Metrication in the building and construction industry, 1976 ; Historical introduction, 1977 ; The National Estate, 1977 ; Historic Buildings Preservation Council, 1977 ; Victorian Urban Land Council, 1977 ; Residential Land Development Committee, 1977 ; Building and Development Approvals Committee, 1977

BUILDING LEGISLATION

Supervision and control of building

The *Local Government Act* 1958 and the *Town and Country Planning Act* 1961 provide regulations for the uniform control of building and the preparation of planning schemes throughout Victoria.

Uniform Building Regulations

Under the *Local Government Act* 1958 the power to administer Uniform Building Regulations is vested in the councils of municipalities, except where provided under certain clauses of the Regulations concerning Health Acts, Sewerage Regulations, and Water Supply Regulations, which are subject to the sanction of appropriate government authorities. These powers apply to all municipalities.

The Uniform Building Regulations define detailed provisions for building operations, and prescribe certain minimum standards which councils are bound to observe ; however, councils have the power to insist on standards above those prescribed by these Regulations, provided these requirements are not unreasonable and do not cause undue hardship. If any doubt, difference, or dissatisfaction arises between any parties concerned, in respect of any Regulation, by-law, or decision by a council, they may appeal to a panel of referees, appointed pursuant to the provisions of the Act, for a decision, which is final. These referees are empowered

to modify or vary any Regulation or by-law, providing that a modification or variation might reasonably be made without detriment to the public interest.

Under the provisions of the Uniform Building Regulations, no building may be constructed, erected, placed in position, rebuilt, reconstructed, re-erected, replaced in position, altered, structurally altered, pulled down, or removed, unless it complies with the Local Government Act and Uniform Building Regulations, and is approved by a council. A written permit must be obtained from the council and a fee paid as prescribed in the Regulations. The council is required to ensure that the building, during its course of construction, demolition, or removal, complies with the Act, Regulations, and the plans and specifications it originally approved.

Urban renewal, 1976

BUILDING DEVELOPMENT IN THE CITY OF MELBOURNE, 1976

The number of applications for permits to construct new buildings or to carry out major alterations to existing buildings decreased to 1,056 (1975: 1,400), and the stated cost decreased from \$72.1m to \$34.3m.

The following list, supplied by the City of Melbourne, shows major buildings under construction at 30 September 1976:

Owner	Location	Stated cost (a) (\$m)
The Abbey Capital Property Group	500 Bourke Street	17.1
Australian Mutual Provident Society	17-65 Collins Street	40.0
Cancer Institute of Victoria	471 Little Lonsdale Street	5.6
College of Nursing, Australia	431 St Kilda Road	7.0
Collins Wales Pty Ltd	360-74 Collins Street	26.8
Methodist Church Trust	15-21 Jones Lane	2.0
Metropolitan Fire Brigades Board	Gisborne Street	4.0
State Savings Bank of Victoria	65 Elizabeth Street	48.0
Victorian Government (Stages a and c)	Victorian Arts Centre	7.0

(a) It should be noted that the stated cost is at the approval stage and completed costs will be significantly greater due to rapidly increasing building costs.

BUILDING STATISTICS

General concepts

The statistics in the following pages deal only with the construction of buildings, as distinct from other construction such as railways, bridges, earthworks, water storage, etc. In the following tables, all alterations and additions valued at \$10,000 and over are included in the values stated. With the exception of the table relating to building approvals, particulars of minor alterations and additions are excluded, and in all tables particulars of renovations and repairs to buildings are excluded, because of the difficulty in obtaining complete lists of persons who undertake such operations. Figures for houses exclude converted military huts, temporary dwellings, flats, and dwellings attached to other new buildings.

Since the September quarter 1945, a quarterly collection of statistics of building operations has been undertaken, comprising the activities of all private contractors and government authorities engaged in the erection of new buildings, and owner-builders who erect buildings without the services of a contractor responsible for the whole job.

The bases of the collection are building permits issued by local government authorities, and contracts let or day labour work authorised by Commonwealth, State, semi-government, and local government authorities. As a complete list of government authorities and building contractors is maintained, details shown in

the following tables embrace all local government areas. However, details for building approvals and owner-builders cover only those areas subject to building control by local government authorities, and up to 1 December 1972 exclude some rural areas not subject to permit issues.

The following definitions of terms used in the succeeding tables are necessary for an understanding of the data presented :

Building approvals. These comprise private permits issued by local government authorities together with contracts let or day labour work authorised by Commonwealth, State, semi-government, and local government authorities.

Private or government. Building is classified as private or government according to ownership at the time of commencement. Thus, building carried out directly by day labour or for government instrumentalities by private contractors, even though for subsequent sale, is classed as government. Building carried out by private contractors for private ownership, or which is financed or supervised by government instrumentalities but erected for a specified person, is classed as private.

Owner-built. A building actually erected or being erected by the owner or under the owner's direction, without the services of a contractor who is responsible for the whole job.

Commenced. A building is regarded as having been commenced when work on foundations has begun. Because of the difficulty of defining the exact point that this represents in building operations, interpretations made by informants may not be entirely uniform.

Completed. A building is regarded as having been completed when the building contractor has fulfilled the terms of the contract or, in the case of owner-built houses, when the house is either completed or substantially completed and occupied (the value shown in this case is that of the owner-built house as a finished project). As with commencements, the interpretation placed on this definition by informants may not be entirely uniform.

Under construction (i.e., unfinished). Irrespective of when commenced, and regardless of whether or not work has actually proceeded at all times, once a building has been commenced it continues to be shown in the tables as under construction (i.e., unfinished) until completed. Buildings on which work has been permanently abandoned are excluded.

Numbers. The numbers of houses, flats, and shops with dwellings attached, represent the number of separate dwelling units. Each flat in a block of flats is counted as a separate dwelling unit.

Values. All values shown exclude the value of the land and represent the estimated value of the buildings on completion.

Statistical tables

Building approvals

The following table shows the value of private and government building approved in Victoria for the years 1971-72 to 1975-76 :

VICTORIA—VALUE OF PRIVATE AND GOVERNMENT
BUILDING APPROVED
(\$'000)

Year	Houses and other dwellings	Other new buildings	Alterations and additions to buildings	Total all buildings
1971-72	410,880	352,956	(a)61,273	825,109
1972-73	591,119	496,083	(a)73,409	1,160,611
1973-74	671,901	483,805	(b)59,252	1,214,958
1974-75	618,268	470,566	(b)76,113	1,164,947
1975-76	960,489	512,816	(b)103,082	1,576,387

(a) Valued at less than \$10,000.

(b) Valued at \$2,000 to \$9,999.

In normal circumstances, information concerning building approvals is a primary indicator of building trends and gives some indication of the effect of varying economic conditions on the building industry. However, a complete comparison of buildings approved cannot be made against buildings commenced, since the relationship is affected by (1) some intended buildings never being begun, and new building plans being re-submitted, (2) estimated values recorded for building approvals being affected by rising costs resulting from delays in the commencement of buildings, and (3) as previously mentioned, building permits issued up to 1 December 1972 not embracing the whole of Victoria.

Value of building jobs

As with building approvals, increases in the value of buildings commenced, completed, and under construction, and in the value of work done during a period are not wholly attributable to increased building activity, but are partly the result of an almost continuous rise in the cost of building. It should also be realised that, in any period, where there are appreciable increases in the value of buildings commenced for industrial, commercial, business, health, etc., purposes, this movement could be misinterpreted to some extent, as these buildings may include the commencement of large scale projects, the completion of which may be spread over several years.

The following tables show the value of all buildings commenced, completed, and the value of work done during the period in Victoria, according to the type of building, for the years 1971-72 to 1975-76. The figures include all alterations and additions valued at \$10,000 and over. Renovations and repairs are excluded.

VICTORIA—VALUE (WHEN COMPLETED) OF BUILDING JOBS
COMMENCED : CLASSIFIED BY TYPE
(\$'000)

Type of building	1971-72	1972-73	1973-74	1974-75	1975-76
Houses	337,324	453,444	537,449	536,245	774,137
Other dwellings	76,128	109,344	131,764	102,518	139,378
Shops	19,294	46,737	49,415	34,672	61,266
Hotels, guest houses, etc.	19,550	26,708	14,524	11,194	11,949
Factories	55,952	90,551	119,372	78,275	75,367
Offices	106,824	166,239	102,277	92,256	56,887
Other business premises	19,924	21,603	35,309	34,362	36,322
Educational	46,389	76,837	113,592	105,169	77,224
Religious	4,152	2,707	2,839	5,518	5,491
Health	16,104	22,515	29,226	51,435	42,503
Entertainment and recreation	10,515	11,123	14,227	15,007	34,228
Miscellaneous	21,265	20,333	23,015	14,131	43,424
Total	733,418	1,048,141	1,173,008	1,080,783	1,358,176

VICTORIA—VALUE OF BUILDINGS COMPLETED :
CLASSIFIED BY TYPE
(\$'000)

Type of building	1971-72	1972-73	1973-74	1974-75	1975-76
Houses	306,315	372,099	428,557	530,106	647,138
Other dwellings	75,421	82,668	101,590	130,263	130,658
Shops	16,710	24,974	37,237	54,506	49,335
Hotels, guest houses, etc.	20,197	13,194	10,327	24,344	11,292
Factories	73,415	63,132	94,048	100,479	92,067
Offices	57,770	92,278	131,418	87,014	171,339
Other business premises	26,577	40,280	21,094	35,792	35,584
Educational	52,262	65,226	50,092	89,578	141,455
Religious	3,265	3,578	2,222	3,120	4,905
Health	25,428	18,521	12,324	19,484	41,946
Entertainment and recreation	7,877	11,982	9,749	11,888	25,341
Miscellaneous	12,145	21,968	11,824	21,702	23,412
Total	677,381	809,900	910,481	1,108,278	1,374,470

VICTORIA—VALUE OF WORK DONE ON BUILDINGS (a) :
CLASSIFIED BY TYPE
(\$'000)

Type of building	1971-72	1972-73	1973-74	1974-75	1975-76
Houses	319,217	402,326	491,946	538,519	727,016
Other dwellings	74,066	94,505	123,331	121,602	147,377
Shops	20,278	31,507	49,032	50,163	50,520
Hotels, guest houses, etc.	17,252	15,380	20,567	16,257	16,404
Factories	68,713	78,992	110,324	96,370	83,643
Offices	91,073	117,117	128,554	134,761	119,532
Other business premises	24,941	22,536	29,686	39,356	38,089
Educational	50,047	64,309	73,700	130,705	129,005
Religious	3,145	4,182	2,440	5,011	5,450
Health	18,372	22,310	23,801	38,100	64,655
Entertainment and recreation	8,561	11,745	12,635	15,329	28,024
Miscellaneous	17,706	17,879	18,709	20,204	29,565
Total	713,369	882,786	1,084,724	1,206,375	1,439,280

(a) Includes alterations and additions of \$10,000 and over.

NOTE. This table includes partly estimated values for owner-built constructions where actual value of work done during the period was not available.

Value of building jobs under construction (i.e., unfinished)

The value of all building work remaining unfinished increased from \$1,228,308,000 at 30 June 1975 to \$1,276,361,000 at 30 June 1976.

Number of dwellings

The following tables show the number of houses and individual flat units (excluding conversions to flats) commenced, completed, and under construction, classified by geographical distribution and ownership for the years 1971-72 to 1975-76, and the number of houses classified by material of outer walls, commenced, completed, and under construction. Because of the new concepts used at the Census of 30 June 1966 for the delineation of the boundaries of the Melbourne Statistical Division (see page 202), figures other than "State total", subsequent to 30 June 1966, are not comparable with those of earlier years.

VICTORIA—NUMBER OF HOUSES AND OTHER
DWELLINGS (a) : GEOGRAPHICAL DISTRIBUTION

Year	Commenced		Completed		Under construction (i.e., unfinished) at end of period	
	Houses	Other dwellings	Houses	Other dwellings	Houses	Other dwellings
MELBOURNE STATISTICAL DIVISION						
1971-72	21,703	8,927	20,070	8,840	8,493	5,596
1972-73	25,213	10,611	21,931	8,475	11,535	7,613
1973-74	21,925	9,790	20,122	8,297	12,903	8,849
1974-75	16,664	5,804	19,337	8,547	9,851	5,582
1975-76	21,065	6,199	18,749	6,202	11,668	5,422
REMAINDER OF VICTORIA						
1971-72	5,897	1,408	5,557	1,251	3,467	804
1972-73	7,785	1,937	6,329	1,448	4,861	1,272
1973-74	9,366	2,364	7,502	1,768	6,540	1,837
1974-75	9,156	1,657	8,752	1,915	6,755	1,541
1975-76	10,169	1,909	9,654	2,000	7,111	1,414
STATE TOTAL						
1971-72	27,600	10,335	25,627	10,091	11,960	6,400
1972-73	32,998	12,548	28,260	9,923	16,396	8,885
1973-74	31,291	12,154	27,624	10,065	19,443	10,686
1974-75	25,820	7,461	28,089	10,462	16,606	7,123
1975-76	31,234	8,108	28,403	8,202	18,779	6,836

(a) Includes alterations and additions of \$10,000 and over.

VICTORIA—NUMBER OF HOUSES AND OTHER DWELLINGS (a) : CLASSIFIED BY OWNERSHIP

Year	Number of houses and other dwellings erected for—				Total houses and other dwellings
	Government ownership (b)	Private ownership (b)			
		By contractors	By owner-builders	Total private	
COMMENCED					
1971-72	2,839	31,626	3,470	35,096	37,935
1972-73	2,263	38,726	4,557	43,283	45,546
1973-74	2,300	35,872	5,273	41,145	43,445
1974-75	3,602	23,658	6,021	29,679	33,281
1975-76	2,283	25,788	11,271	37,059	39,342
COMPLETED					
1971-72	2,845	29,734	3,139	32,873	35,718
1972-73	2,197	32,455	3,531	35,986	38,183
1973-74	1,524	32,112	4,053	36,165	37,689
1974-75	3,493	30,640	4,418	35,058	38,551
1975-76	3,251	24,727	8,627	33,354	36,605
UNDER CONSTRUCTION (I.E., UNFINISHED) AT END OF PERIOD					
1971-72	1,982	13,105	3,273	16,378	18,360
1972-73	2,114	18,930	4,237	23,167	25,281
1973-74	2,890	21,921	5,318	27,239	30,129
1974-75	2,954	13,991	6,784	20,775	23,729
1975-76	1,908	13,081	10,626	23,707	25,615

(a) Includes alterations and additions of \$10,000 and over.

(b) See definitions on page 283.

VICTORIA—NUMBER OF HOUSES (a) : CLASSIFIED BY MATERIAL OF OUTER WALLS

Year	Brick, concrete, and stone	Brick veneer	Wood	Asbestos-cement	Other	Total
COMMENCED						
1971-72	873	24,350	710	1,647	20	27,600
1972-73	1,177	29,075	759	1,947	40	32,998
1973-74	1,464	26,629	939	2,174	85	31,291
1974-75	1,575	20,814	1,048	2,151	232	25,820
1975-76	2,136	24,940	1,549	2,396	313	31,334
COMPLETED						
1971-72	706	22,515	738	1,649	19	25,627
1972-73	887	24,930	688	1,724	31	28,260
1973-74	1,016	23,787	768	1,978	75	27,624
1974-75	1,271	23,783	848	1,992	195	28,089
1975-76	1,571	23,084	1,236	2,229	283	28,403
UNDER CONSTRUCTION (I.E., UNFINISHED) AT END OF PERIOD						
1971-72	626	9,486	441	1,382	25	11,960
1972-73	849	13,435	482	1,599	31	16,396
1973-74	1,243	15,830	603	1,728	39	19,443
1974-75	1,441	12,473	751	1,838	103	16,606
1975-76	1,996	13,693	1,037	1,936	117	18,779

(a) Includes alterations and additions of \$10,000 and over.

GOVERNMENT BUILDING AUTHORITIES

Commonwealth Government*General*

Commonwealth Government activities in the housing field have, in the main, included the provision of moneys to State Governments under various agreements; financial assistance to defence (and eligible ex-service) personnel in the erection and purchase of homes; assistance to young married couples under the Homes Savings Grant Act; the operations of the Housing Loans Insurance Corporation; assistance in the provision of accommodation for the aged; and the provision of homes in the Territories.

Commonwealth Government-State Housing Agreements 1945-1973

There have been several Commonwealth-State Housing agreements since the Second World War, namely, in 1945, 1956, 1961, and 1966. These were succeeded by the *States Grants (Housing) Act* 1971 which continued the provisions of the last agreement to a substantial degree. In addition the *Housing Assistance Act* 1973 authorised special advances to States of \$6.55m for rental housing.

1973-74 Housing Agreement

Under this agreement advances were made by the Commonwealth Government to the States for welfare housing for the five years from 1 July 1973. The rate of interest payable on all advances was 4 per cent for allocation to State Housing Authorities and 4.5 per cent for allocations to the States Home Builders accounts for lending to eligible prospective home owners.

Sales of family dwellings financed with funds made available to State Housing Authorities and completed in the five years commencing 1 January 1974 are limited to 30 per cent of the total, except in Tasmania where 50 per cent and 40 per cent were permitted, respectively, in the first two years. The remainder are to be added to the stock of dwellings for rental to eligible families. Eligibility is limited by a needs test whereby the income of the main bread-winner should not be greater than 85 per cent of the quarterly seasonally adjusted average weekly earnings plus \$2 per each child beyond the second. A needs test of 95 per cent of the quarterly seasonally adjusted average weekly earnings plus \$2 for each child beyond the second is applied to establish eligibility for assistance when persons seek Home Builders Account loans.

Commonwealth-State Housing Agreement (Servicemen) 1972

On expiration of the 1956-66 Housing Agreement on 30 June 1971, a separate agreement was entered into between the Commonwealth and States for the erection of dwellings for servicemen and capital improvements to dwellings built for servicemen under all Housing Agreements.

Operations under the Commonwealth-State Housing Agreements in Victoria to 30 June 1976 are summarised as follows:

Loan funds advanced	\$832,080,000
Allocations from State Loan funds (<i>State Grants Housing</i>) Act 1971-73	\$74,000,000
Loan funds allocated to the Housing Commission, Victoria	\$682,603,000
Loan funds allocated to Home Builders Accounts	\$223,477,000
Supplementary advances made by Commonwealth Government for housing for defence forces, 1 July 1956 to 30 June 1971	\$24,558,182
Drawings from Home Builders Accounts by Co-operative Terminating Housing Societies	\$323,168,121
Dwellings completed by Housing Commission, Victoria	78,965
Dwellings completed or purchased under Home Builders Accounts	35,721

Commonwealth-State Housing Agreement (Servicemen) 1 July 1971 to 30 June 1976

Commonwealth Government advances—construction	\$11,500,934
—improvements	\$4,649,161
Dwellings completed by Housing Commission, Victoria—construction	594
—improvements	1,433

Housing Assistance Act 1973

Commonwealth Government advances allocated to Housing Commission, Victoria	\$1,500,000
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Defence Service Homes (formerly War Service Homes)

The *Defence Service Homes Act 1918* makes provision for assistance to be granted to persons who satisfy the eligibility conditions set out in the Act, to enable them to acquire on concessional terms a soundly constructed home that they would occupy as a residence.

VICTORIA—DEFENCE SERVICE HOMES SCHEME : OPERATIONS

Year	Homes provided during year			Total	Total homes provided (a)	Annual expenditure (\$'000)	Instalments paid (b) (\$'000)	Loans repaid
	By erection	By purchase	By discharge of mortgage					
1971-72	189	1,477	412	2,078	89,135	17,613	23,581	1,890
1972-73	339	1,414	420	2,173	91,308	18,750	27,771	2,592
1973-74	174	1,683	388	2,245	93,553	25,469	29,489	2,794
1974-75	237	1,429	506	2,172	95,725	28,801	27,247	2,155
1975-76	307	1,302	489	2,098	97,823	31,971	33,724	2,790

(a) Excludes Commonwealth State Housing Agreement Loans.

(b) Includes excess instalments payments.

Home Savings Grant Scheme

The purpose of the Home Savings Grant Scheme is to assist people to buy or build their first homes. The scheme also aims at increasing the proportion of total savings available for housing by encouraging people to save with those institutions that provide the bulk of housing finance. The scheme was introduced in 1964 and subsequently replaced by a new scheme to apply after 1 January 1977 which substantially increased the size of grants and removed some restrictions applied under the old scheme.

VICTORIA—HOME SAVINGS GRANT SCHEME : OPERATIONS

Year	Applications received	Applications approved	Grants approved	Average grant (a)	Expenditure from National Welfare Fund
	number	number	\$'000	\$	\$'000
1971-72	14,698	13,934	6,267	450	6,440
1972-73	17,375	15,309	8,338	545	8,331
1973-74	14,644	13,659	8,707	637	8,618
1974-75	6,165	5,814	3,770	648	3,954
1975-76	2,311	2,043	1,311	642	1,342

(a) The maximum grant was raised from \$500 to \$750 in respect of homes acquired on or after 16 August 1972.

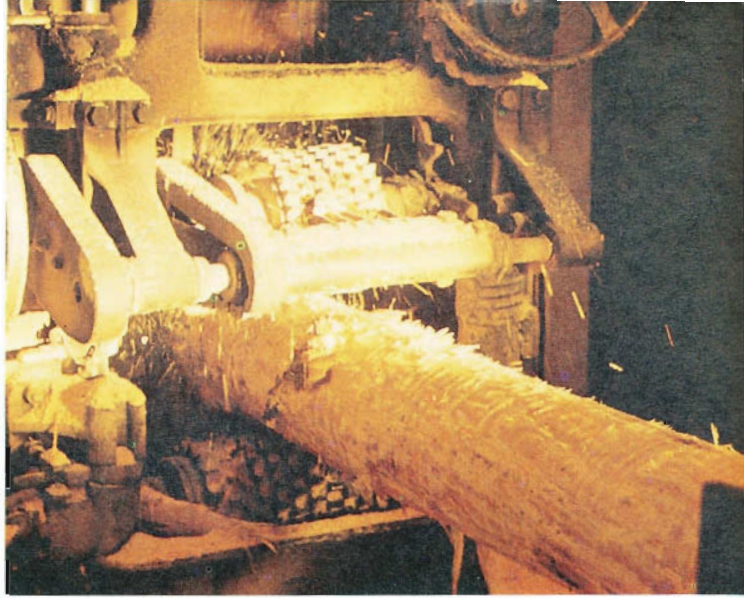


Radiata pine seedlings—improved strains of radiata pine for plantation forestry are developed by systematic selection and breeding.

Logging from the hardwood forest—after felling, the trees are cut into required log lengths, snigged to the landing stage, and loaded onto timber trucks for cartage to the sawmill.



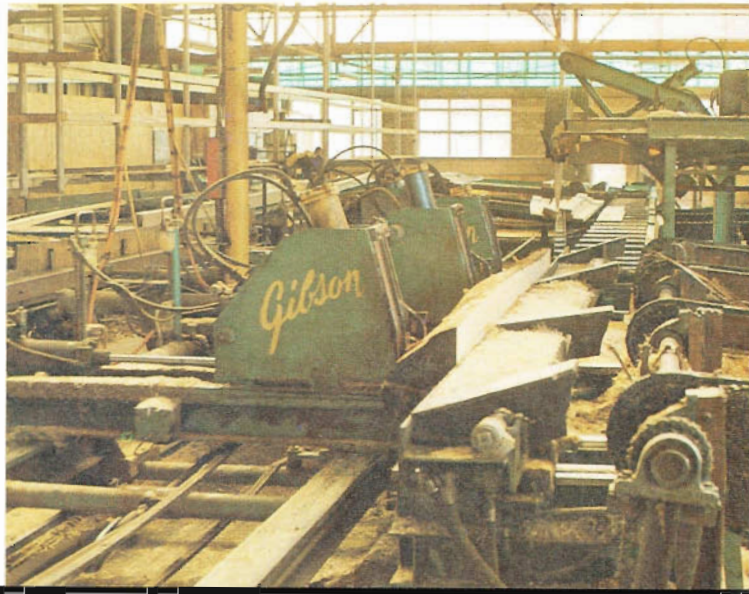
Debarking logs in the sawmill prior to sawing.



The hardwood mill in its natural environment and near its raw material base.



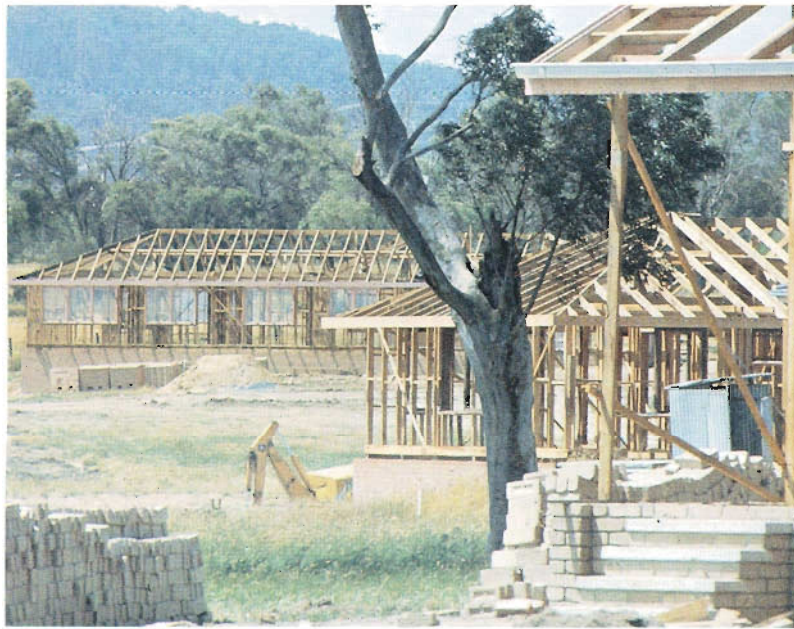
Inside a modern hardwood mill—log flitch ready for sawing firmly held on the log carriage.





Structural and non-structural timber for housing—an average size conventionally designed house uses a total of about 20 cubic metres of timber.

Victorian hardwood as a structural material—over the years timber has been found to be an ideal house framing material because of its strength, versatility, and cost advantages.



Trussed roof construction—Victorian hardwood trusses with toothed metal plate connectors provide an efficient roof framing system.



Structural and non-structural timber products can be combined in an architectural environment for striking effect.

(Right) Timber in every day home use—the planter box.

(Far right) Timber as an aesthetic and functional material.



Use of durable timbers for exposed locations—timber has become a part of the aesthetics of modern home design.



The photographs in this Section have been reproduced by courtesy of the Timber Promotion Council.

Transitory Flats for Migrants

A scheme to provide fully furnished flats for occupation by newly arrived migrant families for a maximum of six months was introduced in 1967. At 30 June 1976 there were 396 flats in use of which 104 were located in Melbourne.

Dwellings for Pensioners Scheme

This scheme is directed towards single eligible pensioners living alone in unsuitable private accommodation and paying too high a proportion of their pensions in rent. Commonwealth Government assistance under this scheme was introduced to supplement the States' existing efforts in this field. To 30 June 1976 \$14,090,000 were allocated to Victoria, and 76 schemes providing 1,360 dwellings were approved or completed. Grants paid to Victoria to that date totalled \$10,670,000.

Housing Loans Insurance Corporation

The Housing Loans Insurance Corporation was established by the *Housing Loans Insurance Act 1965-1973* to insure approved lenders against losses arising from the making of housing loans. The main purpose of the activities of the Corporation is to assist people to borrow, as a single loan, the money they need, and can afford to repay to obtain a home. During 1975-76, 7,121 loans for \$155.88m were insured in Victoria. Comparable figures for 1974-75 were 2,380 loans for \$41.41m.

New Home Savings Grant Scheme

On 31 March 1976, the then Minister for Environment, Housing and Community Development announced details of a proposed new Home Savings Grant Scheme. The new scheme would apply to persons who contract to build or buy their first homes on or after 1 January 1977, in respect of acceptable savings from 1 January 1976.

The new scheme provides larger grants to a wider range of home seekers and removes restrictions that applied under the old scheme. Features of the new scheme include:

- (1) Removal of the age limit, the value limit on homes, the requirement of marriage, and the requirement of three years' residence for migrants; and
- (2) an increase in the maximum grant from \$750 to \$2,000 for three years of savings, and payment of grants of up to \$667 and \$1,333 for completed savings periods of one and two years, respectively.

A grant is not payable where the applicant or his spouse, or any other person with an interest in the home, has previously owned another home. (Legislation giving effect to the new scheme was passed by the Parliament on 7 December 1976.)

Further reference, 1977**Victorian Government***Ministry of Housing*

On 5 December 1972, the Victorian Parliament set up a Ministry of Housing in Victoria to co-ordinate all Victorian Government housing activities. The authorities within the Ministry of Housing are the Housing Commission, the Registry of Co-operative Housing Societies and Co-operative Societies, the Home Finance Trust, the Decentralized Industry Housing Authority, and the Teacher Housing Authority. Details of each of these authorities are provided in the following notes.

Housing Commission

Victoria's population at 30 June 1977 was approximately 3,781,500 persons more than 347,300 of whom were living in Housing Commission houses and flats.

The Commission, since its formation in 1938, has provided modern, low-rental accommodation, in pleasant landscaped surroundings, for families on limited incomes and pensioners who formerly had to live in the sub-standard dwellings of depressed areas.

As the Commission's various projects developed, special attention was given to the housing needs of the aged. In addition to the normal type of accommodation provided for elderly persons, the Commission in recent years introduced the "Granny Flat", a concept in government housing which has evoked considerable interest. The Granny Flat (movable unit) consisting of a separate bedroom, living room, kitchen, entry porch, and bathroom-toilet, is completely self-contained and equipped with all contemporary conveniences. It is designed to be erected in the householder's backyard for occupancy by pensioner parents. The rentals charged are the same as for pensioners. When no longer needed, the Granny Flat, because of its special construction, can be transported easily to another site. When this occurs, the Commission clears the site and restores it to its original state, after disconnecting the services.

Aware that Victorians are used to the concept of an individual home on its own block of land, the Commission has encouraged home ownership. Of the 81,792 dwellings completed to 30 June 1976, the Commission had sold 24,782 in the Melbourne Statistical Division and 16,535 in the rest of Victoria.

The Commonwealth Government provides funds annually for the provision of houses and their maintenance for Aboriginal families at reasonable rental. For the period 1 July 1975 to 30 June 1976, 100 housing grants were paid to Aboriginal applicants and 42 houses were purchased by the Commission for Aboriginals.

The *Urban Renewal Act* 1970 provides for renewal procedures designed to ensure that urban areas can be rehabilitated through a system of co-ordinated research and consultation, which joins the interest and skills of the people of the area, the councils, and the relevant State authorities. The procedures start with an invitation from the Council to the Urban Renewal Authority to discuss the uses of renewal with regard to the borough, city, or shire. If these discussions are satisfactory to the municipal council a liaison committee is formed, comprising members of the council and members of the Commission in its capacity as an Urban Renewal Authority, to pursue the question of the possible use of renewal pertaining to specific areas within the municipality.

Urban renewal is one of the most significant spheres the Commission has entered during the last five years. A comprehensive article on this topic appears on pages 303-4 of the *Victorian Year Book* 1976.

VICTORIA—HOUSING COMMISSION : DWELLING CONSTRUCTION

Geographical distribution (a)	Houses and flat units				
	1971-72	1972-73	1973-74	1974-75	1975-76
COMPLETED					
Melbourne Statistical Division	1,975	1,326	889	1,820	1,200
Remainder of Victoria	758	660	558	1,196	1,715
State Total	2,733	1,986	1,447	3,016	2,915
UNDER CONTRACT AT END OF PERIOD (INCLUDES CONTRACTS LET, WORK NOT STARTED)					
Melbourne Statistical Division	1,705	1,707	1,896	1,363	1,191
Remainder of Victoria	688	1,307	1,571	1,860	1,444
State Total	2,393	3,014	3,467	3,223	2,635

(a) Figures are according to boundaries as determined at 30 June 1966.

VICTORIA—HOUSING COMMISSION : REVENUE, EXPENDITURE, ETC.
(\$'000)

Particulars	1971-72	1972-73	1973-74	1974-75	1975-76
REVENUE					
Rentals	21,091	21,629	25,487	30,350	39,927
Gross surplus—house sales	2,873	3,065	6,392	10,139	10,529
Interest—					
House sales (net)	2,136	2,042	2,053	2,300	2,792
Sundry	599	649	2,429	2,906	2,005
Miscellaneous	745	585	513	954	2,216
Total revenue	27,445	27,971	36,874	46,649	57,469
EXPENDITURE					
Interest—less amounts capitalised and applied to house sales	9,280	9,636	11,365	12,742	13,875
Loan redemption—					
Commonwealth Government—					
State Agreement	2,370	2,434	2,460	2,603	2,753
Contribution to National Debt Sinking Fund	17	18	23	29	22
Redemption of debentures and debenture Loan Sinking Fund contribution	7	7	7	7	7
Administration—					
General	1,588	1,674	1,872	2,491	3,238
House and land sales	1,138	1,101	1,323	1,648	1,879
Rates—less amount capitalised	3,407	3,735	4,467	5,815	6,971
Provision for accrued maintenance	2,914	3,356	3,678	5,964	9,720
Provision for irrecoverable rents	107	128	75	56	67
Communal services—flats and garden maintenance	1,234	1,377	1,783	2,439	2,800
House purchasers' Death Benefit Fund appropriation	464	452	452	461	468
Transfer to House and Land Sales Reserve Suspense Accounts	1,273	1,034	3,234	6,802	7,349
Maintenance and repairs on houses sold	299	228	269	437	500
Other	1,092	939	1,168	1,956	2,147
Total expenditure	25,189	26,118	32,176	43,450	51,796
Operating surplus	2,256	1,852	4,698	3,199	5,673
Fixed assets at 30 June	357,507	377,295	413,677	492,274	535,232
Loan indebtedness at 30 June (a)—					
Government advances	457,499	500,934	538,574	605,776	684,646
Debenture issues	400	400	400	400	400
Death Benefit Fund Advances	5,241	5,128	5,338	4,853	5,946

(a) Excludes subsidies from State Loan Fund for slum reclamation.

Registry of Co-operative Housing Societies and Co-operative Societies

The *Co-operative Housing Societies Act* 1958 empowers societies to raise money on loan for the purposes of making advances to their members to erect houses ; to purchase houses (within certain age limits) ; to meet street making and sewerage installation charges ; to undertake additional permanent improvements to a dwelling acquired through a society ; to maintain and keep the house in proper repair ; and to purchase a residential flat on the security of a stratum title.

Until 30 June 1956, co-operative housing societies were entirely dependent on institutional finance for their funds, but since 1956 they have received a portion of Victoria's housing loan allocation under the Commonwealth Government-State Housing Agreements.

The following table, compiled from annual reports published by the Registrar of Co-operative Housing Societies, provides particulars relating to the operations of societies at 30 June for each of the years 1972 to 1976 :

**VICTORIA—OPERATIONS OF CO-OPERATIVE HOUSING SOCIETIES
AT 30 JUNE**

Particulars	Unit	1972	1973	1974	1975	1976
Societies registered	number	1,429	1,481	1,640	1,687	1,817
Members registered	number	54,646	53,395	54,581	54,125	53,108
Shares subscribed	number	3,476,736	3,238,762	3,410,941	3,716,949	4,066,333
Nominal share capital	\$m	347	323	341	373	406
Advances approved	number	47,220	44,039	45,341	58,185	44,943
Advances approved	\$m	317	307	330	418	391
Government guarantees executed	number	811	863	906	927	940
Government guarantees executed	\$m	199	201	210	214	219
Indemnities given and subsisting	number	3,481	3,854	4,403	4,940	5,099
Indemnities subsisting	\$'000	1,925	2,319	2,995	3,992	4,785
Housing loan funds paid into Home Builders' Account	\$m	130	141	157	195	224
Dwelling houses completed to date (a)	number	75,660	76,989	80,559	84,726	87,846
Dwelling houses in course of erection (a)	number	1,248	908	1,509	1,267	931

(a) Includes residential flats.

Home Finance Trust

The Home Finance Trust is a corporate body constituted under the *Home Finance Act 1962*. It is authorised to receive money on deposit, the repayment of which is guaranteed by the Victorian Government, for the purpose of making loans for housing on the security of first and second mortgages. Under the terms of the Act, the Trust is precluded from making loans in certain circumstances.

The number of loans granted by the Trust to 30 June 1976 and subsisting totalled 3,054 on the security of first mortgages, and 626 on second mortgages, the amounts involved being \$24.9m and \$1.7m, respectively.

Further reference, 1967

Approved housing institutions

The *Home Finance Act 1962* empowers the Victorian Government Treasurer, *inter alia*, to guarantee, in certain circumstances, the repayment of part of a housing loan made by an approved institution on the security of a first mortgage.

The Treasurer's guarantee covers that portion of a loan which exceeds the institution's loan limit, whether statutory or under the terms of a trust, or where there is no such limit, the guarantee applies to the amount of loan in excess of 60 per cent of the valuation of the security. Guarantees are available under the Act for loans up to 95 per cent of the value of the security.

At 30 June 1976, there were six approved institutions. Guarantees given by the Treasurer and subsisting totalled 96, the amount involved being \$158,102.

Further reference, 1967

Decentralized Industry Housing Authority

The Decentralized Industry Housing Authority is a statutory authority, established by an Act of the Victorian Parliament on 19 April 1973. Its charter is to provide housing assistance to approved decentralised secondary industries established outside an 80 kilometre radius of the Melbourne G.P.O., and their key personnel. Housing loans are made on a first mortgage basis to enable eligible persons to purchase or build residential accommodation in the towns where they are employed.

An amendment to the legislation in 1975 gave the Authority powers to grant housing assistance to persons employed in public administration who are

transferred to country locations. The total value of loans approved, to 31 December 1976, exceeded \$7.5m.

Teacher Housing Authority

The Teacher Housing Authority was created as a statutory authority by an Act of the Victorian Parliament on 22 December 1970. Its objectives are to provide suitable housing accommodation for teachers and to improve existing housing conditions in respect of the accommodation provided by the Authority.

The Authority has a stock of over 2,000 houses with a total value of over \$40m spread throughout the country areas of the State. The average rent charged in respect of the houses is approximately \$13 per week.

An amendment to the legislation on 7 December 1976 gave the Authority the power to fix its own rents. It also increased the membership of the Authority by two to a total of five including a Teacher Unions representative.

Its Capital Works Programme has expanded over recent years. Expenditure for new housing for 1976-77 exceeded \$3m and a total of 300 houses have now been provided since its inception. As well, 150 single teacher flats, either site-built or transportable, have been provided during this time.

Rural Finance and Settlement Commission

The Rural Finance and Settlement Commission was constituted in March 1962 by the passing of the *Rural Finance and Settlement Commission Act 1961*, which provided for the merger of the Rural Finance Corporation and the Soldier Settlement Commission.

The Commission administered the settlement of eligible discharged servicemen on the land as part of the general scheme of rehabilitation of ex-servicemen, and is also administering the scheme of land settlement under the *Land Settlement Act 1959*. At 30 June 1976, a total of 3,434 houses had been completed since the inception of the Soldier Settlement Commission in 1945.

State Savings Bank of Victoria

The State Savings Bank of Victoria grants loans to eligible persons to build, purchase, or improve homes upon such terms and subject to such covenants and conditions as are prescribed or are fixed by the Bank's commissioners.

Loans are made from the Savings Bank and Credit Foncier Departments. Particulars for the years 1971-72 to 1975-76 can be found in Chapter 21.

Other Victorian authorities

Victorian Government authorities (other than those providing rental housing under Housing Agreements) such as the Public Works Department, the State Electricity Commission, the Victorian Railways, the State Rivers and Water Supply Commission, etc., from time to time provide the necessary land and finance for the erection of dwellings for employees of those departments. The rentals charged are fixed according to the salaries of the officers occupying the dwellings. The dwellings erected by these authorities do not come under the control of the Housing Commission.

Other lenders

Details of all loans made to home purchasers are not available. However, particulars of the value of loans approved by major institutions to individuals for the construction or purchase of dwellings in Victoria for owner occupation are shown for the nine months ending June 1976. A dwelling is classified as either a house or other dwelling. Examples of other dwellings are flats, home units, semi-detached cottages, villa units, town houses, etc. The amounts shown are loans approved, as distinct from actual payments, and do not include loans approved to institutions, public authorities, corporate bodies, or to persons constructing or purchasing homes for resale or for investment purposes.

HOUSING, BUILDING, AND CONSTRUCTION

**VICTORIA—HOUSING FINANCE STATISTICS:
LOANS APPROVED BY MAJOR INSTITUTIONS
TO INDIVIDUALS FOR THE CONSTRUCTION OR
PURCHASE OF DWELLINGS
(\$'000)**

Institution	Loan approvals 9 months ending June 1976
Savings banks	595,633
Trading banks	116,154
Permanent building societies	255,812
Terminatory building societies	43,050
Finance companies	50,759
Government	72,416
Other	20,322
Total	1,154,147

NOTE. Permanent finance figures for new homes in Victoria, as shown in previous year books, are not available for the years after 1974-75 due to a change in collection scope.

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- 8703.2 Building approvals by local government areas (annual)
- 8704.2 Building operations: number of new houses and other dwellings: preliminary estimates (quarterly)
- 8705.2 Building operations (quarterly)

Central Office

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