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## HOUSING AND CONSTRUCTION

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### HOUSING

To own one's own home has long been the ultimate goal of most Australians.

While home ownership has obvious benefits for the owner, it is also beneficial to the government. Governments see an adequately housed population as being more politically and economically stable, healthy and productive. Additionally, a healthy housing construction industry provides substantial employment both within the industry and in associated sectors of the economy—notably in banking, the real estate industry and manufacturing. It is no accident that Australia has the highest rate of private home ownership per head of population in the world. This has come about as a result of a variety of government initiatives and policies since Federation.

The need for housing and construction statistics has developed with these initiatives to the point where Australia's statistics are quite comprehensive. Of course, user requirements change with government policy changes, and more and different data will always need to be developed.

The principal data are discussed below.

### Census Dwellings

At each census of the population, in addition to the questions relating to personal particulars, there have been a number of questions relating to dwellings. A 'dwelling' is defined as any habitation occupied by a household group living together as a domestic unit, whether comprising the whole or only part of a building, and includes, in addition to houses and self-contained flats, a great variety of dwellings ranging from a single-roomed shack to a multi-roomed hotel or institution. This section contains particulars of such information on dwellings as is available from the 1986 Census, together with information from earlier censuses.

Extensive information on dwellings obtained from censuses is available in the detailed tables of the publications issued for each individual census. A list of the 1986 Census publications is shown in the *ABS Catalogue of Publications, Australia* (1101.0). The most relevant 1986 Census publication is *Census 86—Summary Characteristics of Persons and Dwellings* (2479.0–2487.0). More detailed dwellings information is available on microfiche. Tables are listed in the *Catalogue of 1986 Census Tables* (2175.0).

### Number of dwellings

The following table shows the number of occupied and unoccupied dwellings in Australia at each census from 1961 to 1986. Occupied dwellings are classified into 'private', 'caravans, etc. in caravan parks' and 'non-private' dwellings.

**Private dwellings** were classified by the census collector for the 1986 Census; collectors allocated each dwelling to one of the following categories:

*Separate house*  
*Semi-detached house*  
*Row or terrace house*  
*Medium density housing*  
*Flat, unit in building, over three storeys*  
*Caravan, tent, cabin, etc. in caravan park*  
*Caravan not in caravan park, houseboat, etc.*  
*Improved home*  
*House or flat attached to a shop, office, etc.*

**Caravans, etc.** includes occupied caravans, tents, cabins, etc. in caravan parks and occupied boats in marinas. These dwellings were treated as separate households in the 1986 Census. Previously, each caravan park was treated as a non-private dwelling.

**Non-private dwellings** include hotels, motels, boarding houses and hostels, educational, religious and charitable institutions, hospitals, defence and penal establishments, staff barracks and quarters, etc.

**An unoccupied dwelling** is defined as a structure built specifically for private living purposes and which is habitable though unoccupied at the time of the census. The total number of unoccupied dwellings shown for any area does not represent the number of vacant dwellings available for sale or renting.

#### DWELLINGS (a): AUSTRALIA: CENSUS YEARS

Census	Occupied				Total	Unoccupied
	Private	Caravans etc.(b)	Non- private(b)			
1961	2,781,945	n.a.	35,325		2,817,270	194,114
1966	3,155,340	n.a.	33,917		3,189,257	263,873
1971	3,670,553	n.a.	24,006		3,694,559	339,057
1976	4,140,521	n.a.	21,543		4,162,064	431,200
1981	4,668,909	n.a.	22,516		4,691,425	469,742
1986	5,187,422	77,094	21,054	(c)	5,208,476	543,539

(a) Excludes dwellings occupied solely by Aborigines before 1966. (b) Prior to the 1986 Census, caravan parks were classified as non-private dwellings. Therefore, 1986 Census non-private dwelling counts are not comparable with previous censuses. (c) Excludes caravans, etc. in caravan parks.

The total number of occupied and unoccupied dwellings in each State and Territory at the Censuses of 1981 and 1986 were as follows:

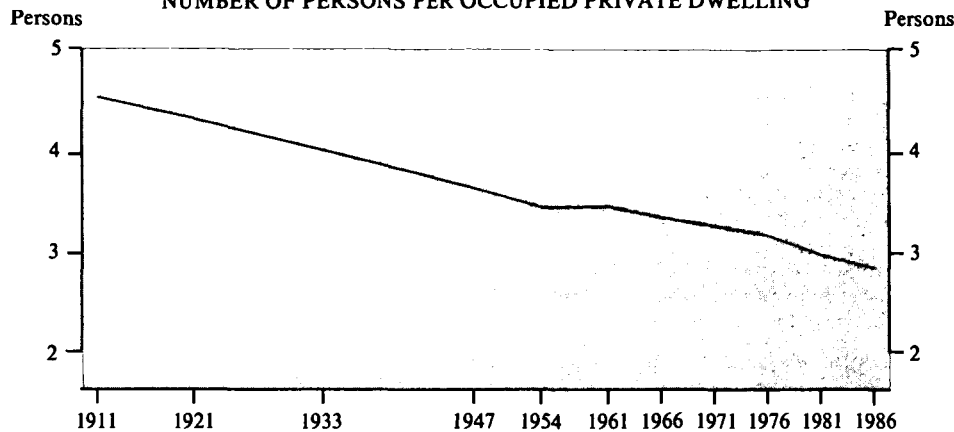
#### DWELLINGS, BY STATE: CENSUS YEARS

State or Territory	Census 30 June 1981		Census 30 June 1986		
	Occupied(a)	Unoccupied	Occupied(a)(b)	Caravans, etc.(c)	Unoccupied
New South Wales	1,669,594	153,251	1,817,392	21,916	174,467
Victoria	1,243,451	124,522	1,351,118	9,475	143,264
Queensland	703,964	83,366	838,122	27,310	94,714
South Australia	433,841	42,407	474,456	3,162	48,546
Western Australia	405,997	42,100	458,762	10,749	53,851
Tasmania	136,269	17,765	149,484	658	19,470
Northern Territory	29,563	2,368	39,779	3,456	3,639
Australian Capital Territory	68,740	3,963	79,363	368	5,588
<b>Australia</b>	<b>4,691,419</b>	<b>469,742</b>	<b>5,208,476</b>	<b>77,094</b>	<b>543,539</b>

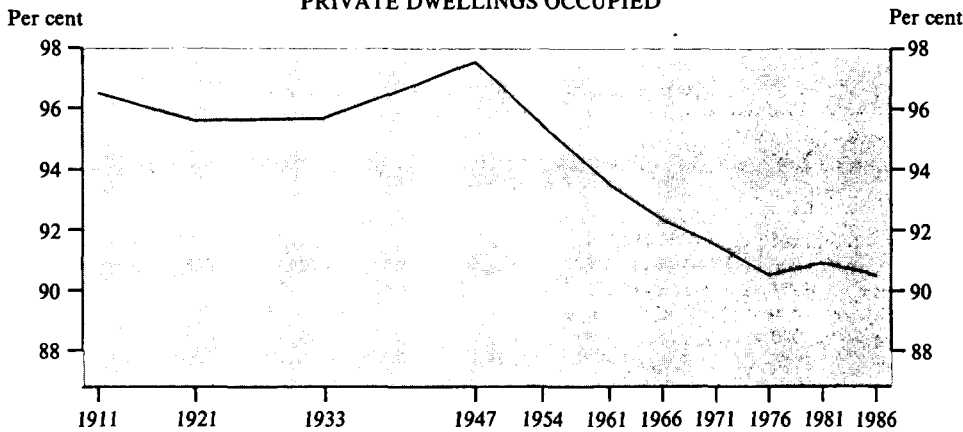
(a) Includes non-private dwellings. (b) Excludes caravans, etc. in caravan parks. (c) Includes occupied caravans, tents, cabins, etc., in caravan parks and occupied boats in marinas.

DWELLING STATISTICS AT CENSUS

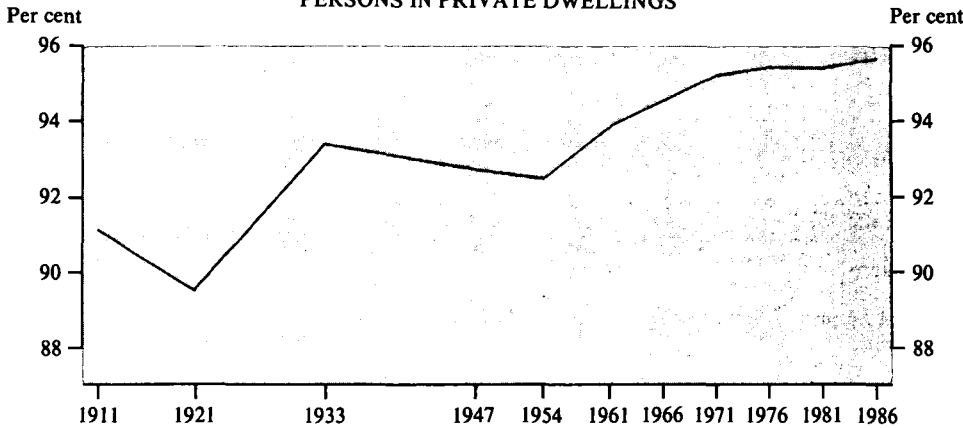
NUMBER OF PERSONS PER OCCUPIED PRIVATE DWELLING



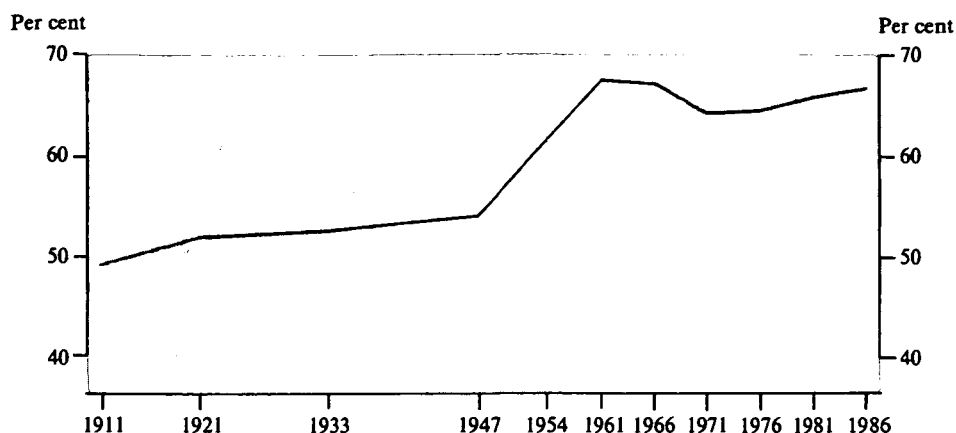
PRIVATE DWELLINGS OCCUPIED



PERSONS IN PRIVATE DWELLINGS



**DWELLING STATISTICS AT CENSUSES**  
**OCCUPIED PRIVATE DWELLINGS OWNED OR BEING PURCHASED**



### Commonwealth and State Government Housing Assistance

A range of assistance programs has been developed to target assistance to households in the owner-occupied, public housing and private rental housing sectors. The Government provides funds for public housing, supported accommodation services, crises accommodation, mortgage and rent relief, home purchase loans and home purchase subsidies to individuals and families.

The bulk of Commonwealth financial assistance for housing is provided through the First Home Owners Scheme (FHOS) and the Commonwealth-State Housing Agreement (CSHA).

#### First Home Owners Scheme

The First Home Owners Scheme was introduced on 1 October 1983. Applications for assistance under the *First Home Owners Act 1983* may be made by persons who contract to buy or build or who commence constructing their first home in Australia on or after 1 October 1983. There is no restriction on the marital status or age of the applicant. The home must be intended as the applicants' principal place of residence. At least one applicant must be an Australian citizen or must have the right to reside here permanently. Applicants cannot have owned a home in Australia previously, received assistance under the First Home Owners Scheme, or a grant under the Home Savings Grant Scheme or Home Deposit Assistance Scheme.

The income limits for a home acquired after 31 March 1987 are shown below.

#### INCOME LIMITS (\$)

	<i>Lower</i>	<i>Upper</i>
Sole or joint applicants with two or more dependent children	26,000	34,000
Sole or joint applicants with one dependent child	25,000	33,000
Joint applicants without dependent children	23,000	31,000
Sole applicants without dependent children	11,500	15,500

The amount of assistance payable relates directly to the amount of taxable income of all the applicants. The income to be tested is, generally, the taxable income for the year

before home acquisition. In certain circumstances income for the current financial year may be tested. New arrivals will be tested against income in the first full year as a taxpayer.

**MAXIMUM ASSISTANCE AVAILABLE AND OPTIONS FOR HOMES ACQUIRED  
FROM 17 APRIL 1985 TO 25 MAY 1988  
(\$)**

<i>Benefit options</i>	<i>No dependants</i>	<i>One dependant</i>	<i>Two or more dependants</i>
Option 1—			
Subsidy only	4,000	5,500	6,000
Option 2—			
Subsidy	2,300	3,800	3,800
Lump Sum	1,200	1,200	1,700
Option 3—			
Subsidy	1,250	2,250	2,250
Lump Sum	2,000	2,500	3,000

**MAXIMUM ASSISTANCE AVAILABLE AND OPTIONS FOR HOMES ACQUIRED  
SINCE 26 MAY 1988  
(\$)**

<i>Benefit options</i>	<i>No dependants</i>	<i>One dependant</i>	<i>Two or more dependants</i>
Option 1—			
Subsidy only	3,000	4,500	5,000
Option 2—			
Subsidy	n.a.	3,300	3,300
Lump sum		700	1,200
Option 3—			
Subsidy	n.a.	1,750	1,750
Lump sum		2,000	2,500

The subsidy is paid monthly, generally over five years, into an account with a financial institution. The lump sum is paid with the first monthly payment or, where requested, by early direct payment for deposit assistance or for settlement.

During the five year subsidy period applicants must confirm in writing each year that they continue to own and occupy the home. The subsidy will cease upon the sale of the home, but may recommence if a subsequent home is acquired within 12 months of the sale of the first home.

The following table sets out the operations of the scheme from 1 July 1987 to 30 June 1988.

**FIRST HOME OWNERS SCHEME: OPERATIONS 1987-1988**

<i>State</i>	<i>Number of applications</i>		<i>Amount of benefit approval (\$'000)</i>	<i>Amount of benefit paid (\$'000)</i>
	<i>Received</i>	<i>Approved</i>		
New South Wales	15,765	14,928	60,470	62,824
Victoria	13,505	11,679	44,984	52,107
Queensland	10,590	8,912	35,773	39,408
South Australia	5,135	4,575	17,487	19,144
Western Australia	9,140	7,945	31,446	32,972
Tasmania	1,880	1,872	7,179	7,675
Northern Territory	228	195	736	1,093
Australian Capital Territory	1,862	1,639	6,553	6,691
<b>Australia</b>	<b>58,105</b>	<b>51,745</b>	<b>204,628</b>	<b>221,914</b>

### **1984 Commonwealth-State Housing Agreement—CSHA**

The 1984 CSHA came into operation on 1 July 1984 following the renegotiation of the 1981 Agreement. The Agreement is set to run for a 10 year period with triennial reviews. Financial assistance under the 1984 Agreement is to be provided as a combination of grants and loans with normally at least 75 per cent to be provided as grants. Since 1984-85, all assistance was provided as grants. Each State decides on the distribution of untied funds between home purchase and rental housing assistance and is required to match these funds on a dollar for dollar basis with funds provided from their own resources.

The Commonwealth guaranteed a minimum level of funding of \$530 million in 1984-85 and \$510 million for 1985-86 and 1986-87. The base level funding was increased to \$700 million in 1987-88. The same amount was provided in 1988-89 and at least this amount will be provided in 1989-90. Total funding each year is determined in the Budget context. Total funding under the 1984 CSHA in 1988-89 is \$700.0 million, comprising \$530.6 million in 'untied' grants, \$37.5 million for pensioners, \$70.0 million for Aborigines, \$26.4 million for the Mortgage and Rent Relief Scheme, \$19.5 million for the Crisis Accommodation Program and \$16.0 million for the Local Government and Community Housing Program.

In addition to direct CSHA funding, since 1982-83 the States and the Northern Territory have been able to nominate further funds for public housing from their Loan Council allocations. In 1987-88 the States and Northern Territory nominated \$414 million. In 1988-89 the amount available for nomination was reduced to \$310.3 million however additional capital grants of \$103.5 million were made available for public housing by the Commonwealth. Nominated Loan Council funds are provided subject to States matching the untied component of the CSHA (\$350.6 million in 1988-89).

Under the nominated arrangements Loan Council funds nominated for public housing are made available at the highly concessional rate of 4.5 per cent per annum repayable over a 53 year period.

The Commonwealth Government is continuing to implement the major principles incorporated in the 1984 CSHA which focus on alleviating housing related poverty and achieving equitable distribution of housing assistance between tenures.

#### **Home purchase assistance**

Funds available under the CSHA for home purchase assistance comprise Commonwealth funds, revolving funds arising from the operation of previous home purchase programs and State funds. These funds are used principally to make loans to cooperative housing societies and approved State lending authorities for on-lending to home purchasers. Under the 1984 CSHA the annual interest rate charged by a State to societies and approved lending authorities is to be determined periodically by the Commonwealth and State Ministers with regard to the minimum Commonwealth Savings Bank market rate for housing loans. Eligibility conditions are set by each State, but loans can only be made to those who cannot obtain mortgage finance on the open market, or from other sources. Loan repayments are based on the borrower's income.

#### **Rental housing assistance**

Funds available to the States for the provision of public rental housing include federal funds, internally generated funds arising from the operation of housing programs, proceeds from the sale of rental housing, and State contributions. Under the 1984 Agreement, each State determines eligibility for rental housing subject only to the condition that all people are eligible for assistance but priority goes to those most in need. As required under the 1984 CSHA, State Housing Authorities have implemented a cost rent formula for setting rents. Cost rents reflect the cost of providing rental housing.

Each State determines its policy on sales of rental dwellings but all sales are to be at market value or replacement cost and on the basis of a cash transaction. Home purchase assistance funds can be used to finance the purchase of rental dwellings.

#### COMMONWEALTH-STATE HOUSING AGREEMENT: OUTCOMES FOR 1986-87

	NSW	Vic.	Qld	SA	WA	Tas.	NT	Total
<b>Rental Housing Assistance—</b>								
Commenced	5,114	1,682	786	1,636	842	520	518	11,098
Completed	3,982	1,877	1,223	2,396	1,043	568	596	11,685
Purchased	685	900	280	180	113	103	49	2,310
Sold	157	70	49	85	298	270	291	1,220
<b>Total as at 30 June 1987</b>	<b>108,084</b>	<b>53,902</b>	<b>29,791</b>	<b>58,884</b>	<b>31,661</b>	<b>13,061</b>	<b>8,791</b>	<b>304,174</b>
<b>Households accommodated</b>	<b>12,176</b>	<b>9,254</b>	<b>6,203</b>	<b>6,444</b>	<b>8,087</b>	<b>1,872</b>	<b>3,013</b>	<b>47,049</b>
<b>Home Purchase Assistance—</b>								
Loans approved for purchase	—	66	794	72	4	170	23	1,129
New	1,235	1,768	2,231	1,491	345	592	40	7,702
Other	910	336	624	571	241	51	19	2,752
Construction	557	85	—	614	798	—	367	2,421

#### COMMONWEALTH-STATE HOUSING AGREEMENT: DISTRIBUTION OF 1988-89 FEDERAL FUNDS (1987-88 FIGURES IN BRACKETS) (\$'000)

State	Rental Assistance for Untied	Rental Assistance for Pensioners	Mortgage and Aborigines	Rent Relief
NSW	(184,439) 179,027	(14,517) 13,869	(12,345) 13,641	(8,817) 9,257
Vic.	(141,004) 135,989	(8,560) 8,794	(3,417) 3,417	(6,623) 6,949
Qld	(77,545) 79,428	(7,396) 7,382	(15,186) 19,000	(4,132) 4,418
SA	(57,468) 52,053	(2,614) 2,819	(5,595) 6,391	(2,182) 2,302
WA	(49,561) 48,502	(3,051) 3,268	(10,264) 12,121	(2,299) 2,471
Tas.	(23,222) 20,952	(839) 845	(696) 696	(710) 742
NT	(16,761) 14,649	(523) 523	(12,497) 14,734	(237) 261
<b>Aust.</b>	<b>(550,000) 530,600</b>	<b>(37,500) 37,500</b>	<b>(60,000) 70,000</b>	<b>(25,000) 26,400</b>

State	Crisis Accommodation Program	Local Government and Community Housing Program	Total
NSW	(5,447) 6,835	(4,201) 5,596	(229,766) 228,225
Vic.	(4,092) 5,131	(3,156) 4,200	(166,852) 164,480
Qld	(2,553) 3,262	(1,969) 2,671	(108,781) 116,161
SA	(1,349) 1,700	(1,040) 1,391	(70,248) 66,656
WA	(1,420) 1,824	(1,095) 1,494	(67,690) 69,680
Tas.	(439) 548	(339) 448	(26,245) 24,231
NT	(200) 200	(200) 200	(30,418) 30,567
<b>Aust.</b>	<b>(15,500) 19,500</b>	<b>(12,000) 16,000</b>	<b>(700,000) 700,000</b>

#### Specific purpose programs

In addition to untied assistance used for the provision of home purchase assistance and general public rental housing, the CSHA provides funds for a number of specific purpose programs:

- (a) *Rental Assistance for Pensioners* — provides rental housing assistance to pensioners and beneficiaries including age or invalid pensioners, widows and supporting parents.
- (b) *Rental Assistance for Aborigines* — since 1979–80 the Federal Government has provided separately identified funding to the States for rental housing assistance for Aborigines through the CSHA. Between 1980 and 30 June 1987, 5,617 dwellings have been provided in the six States and the Northern Territory under this program. This includes the upgrading of existing dwellings.
- (c) *Mortgage and Rent Relief Scheme* — provides assistance to households experiencing severe short term hardship in meeting private mortgage or rental payments. Rental assistance can also be used for bond money, relocation costs and housing advisory services.
- (d) *Crisis Accommodation Program (CAP)* — provides crisis accommodation dwellings for youth, women and the chronically homeless. It operates in close conjunction with the Supported Accommodation Assistance Program (SAAP) which provides recurrent funding for the delivery of crisis accommodation services.
- (e) *Local Government and Community Housing Program* — provides assistance to achieve the following objectives:
- encourage local government bodies and community groups to provide rental housing;
  - facilitate greater tenant management of rental housing;
  - respond to specific housing needs previously overlooked;
  - attract local government and non-government funds and other resources into the program;
  - involve local government and community groups in the identification of housing needs and the formulation of local housing policies.

### **Housing Loans Insurance Corporation**

The Housing Loans Insurance Corporation is a government business enterprise which insures lenders (such as building societies, banks, etc.) against loss on housing and building loans.

From November 1965, when the Corporation commenced operations, until the end of June 1988, 860,000 loans to the value of \$26,850 million had been insured.

### **Housing Agreement (Service Personnel)**

State housing authorities build and upgrade dwellings for allocation to service personnel under agreed arrangements with the Commonwealth Government.

Dwellings no longer required for service personnel revert to State public housing stock. In 1987–88 some 151 dwellings were returned to the States for use as public rental housing. \$1.99 million was spent on the provision and upgrading of dwellings.

Following the 1984 Task Force Review on Housing for Service Personnel, the Government announced on 30 January 1986 several initiatives to improve the quality of service housing, including the establishment of a Defence Housing Authority and renegotiation of the CSHA(s). The Defence Housing Authority formally began operations on 1 January 1988 and renegotiation of the CSHA(s) is likely to be completed in 1988–89.

### **Defence Service Homes (DSH) Scheme**

#### **Housing Assistance Program**

The DSH Scheme provides housing related benefits to those who qualify through war or defence service. Benefits include a long-term, low-interest housing loan at concessional rates of interest and low-cost homeowners' insurance cover.



On 1 December 1988, the Westpac Banking Corporation bought responsibility for the existing mortgage portfolio, the insurance business and the running of the DSH scheme. The legislation allowing for this asset sale was passed by Parliament during November 1988.

### Lending Sub-program

Since the inception of the DSH Scheme in 1919, 431,677 eligible people have been assisted to acquire homes. The maximum DSH loan now is \$25,000 and is available over a maximum term of 25 years at an effective interest rate of 6.85 per cent per annum.

### DEFENCE SERVICE HOMES ACT: NUMBER OF LOANS GRANTED

<i>Year</i>	<i>Construction of homes</i>	<i>Purchase of new homes</i>	<i>Purchase of previously occupied homes</i>	<i>Enlargement of existing homes</i>	<i>Total</i>
1982-83	2,345	419	3,568	225	6,557
1983-84	1,998	254	3,058	220	5,530
1984-85	2,201	266	3,226	216	5,909
1985-86	1,926	275	2,837	229	5,267
1986-87	1,858	284	2,833	227	5,202
1987-88	1,887	263	3,088	263	5,501

### DEFENCE SERVICE HOMES ACT: STATE SUMMARY OF OPERATIONS

<i>Year</i>	<i>NSW(a)</i>	<i>Vic.</i>	<i>Qld(b)</i>	<i>SA(c)</i>	<i>WA</i>	<i>Tas.</i>	<i>ACT</i>	<i>Aust.</i>
<b>NUMBER OF LOANS GRANTED</b>								
1982-83	1,576	1,484	1,447	687	808	185	370	6,557
1983-84	1,222	1,264	1,215	580	770	177	302	5,530
1984-85	1,372	1,266	1,249	580	944	228	270	5,909
1985-86	1,344	1,032	1,192	474	830	155	240	5,267
1986-87	1,357	945	1,299	454	740	124	283	5,202
1987-88	1,440	956	1,369	499	820	149	268	5,501

### CAPITAL EXPENDITURE (\$'000)

1982-83	36,677	33,939	34,416	15,500	18,877	4,001	9,067	152,477
1983-84	28,218	29,133	28,321	13,213	18,487	4,078	7,336	128,786
1984-85	31,841	29,169	29,860	13,423	21,821	4,937	6,511	137,562
1985-86	31,801	24,998	28,598	11,855	19,351	3,498	5,871	125,972
1986-87	32,081	22,353	31,652	10,968	17,029	2,880	6,489	123,452
1987-88	33,474	23,483	31,798	11,818	19,241	3,428	6,310	129,552

### LOAN REPAYMENTS (\$'000)

1982-83	27,951	22,084	13,191	8,032	8,017	1,772	(d)	81,047
1983-84	33,837	25,856	16,433	9,936	10,322	2,575	(d)	98,959
1984-85	37,247	29,721	18,224	11,144	12,679	3,202	(d)	112,217
1985-86	30,336	24,800	14,906	8,563	9,910	2,670	(d)	91,185
1986-87	30,315	25,723	14,305	8,334	11,323	2,536	(d)	92,536
1987-88	39,579	28,183	22,814	9,188	14,979	2,532	(d)	117,275

### NUMBER OF LOAN ACCOUNTS AT 30 JUNE

1983	55,949	44,473	25,476	14,649	16,246	3,856	(d)	160,649
1984	54,114	42,738	25,198	14,181	15,990	3,761	(d)	155,982
1985	52,106	40,943	24,873	13,709	15,660	3,694	(d)	150,985
1986	46,412	39,259	24,710	13,315	15,521	3,607	3,796	146,620
1987	44,777	37,530	24,700	12,990	15,071	3,484	3,860	142,412
1988	42,515	35,633	24,186	12,582	14,508	3,392	3,791	136,607

(a) Includes Norfolk Island. (b) Includes Papua New Guinea. (c) Includes Northern Territory. (d) Included in New South Wales.

**Insurance sub-program**

The DSH Insurance Scheme is run as a cooperative, requiring no budget outlay. DSH insurance is available to the owners of homes on which the DSH Corporation has made or will make a loan. Insurance with the Corporation may be continued after repayment of the loan as long as the insured keeps the home. Premiums are below those generally available elsewhere, and 99 per cent of those eligible to take out DSH insurance do so.

Average sum insured at 30 June 1988	\$77,452
Total sums insured at 30 June 1988 (\$ million)	13,864
Number of homes insured at 30 June 1988	179,006
Claims paid 1987-88 — Number	21,922
— Amount	\$7,298,375

**State housing authorities**

The following paragraphs describe briefly the organisation of the various State housing authorities and their activities in the fields of home construction and provision of homes on a rental basis.

**New South Wales—Department of Housing**

The Department came into being with the enactment of the *Housing Act 1985* on 1 January 1986, which enabled the amalgamation of the Housing and Land Commissions of New South Wales and various housing related divisions of other departments. The Department's structure reflects a more objective and integrated approach to the provision of secure, appropriate and affordable housing to all sections of the community with housing needs.

Advances from the Commonwealth Government have provided most of the Department's capital funds and by 30 June 1987 the balance outstanding was \$1,110,584,000. Other net funds of the Department at 30 June 1987 comprised: repayable advances from the State, \$543,321,000; public loans raised by the Department, \$371,287,000; grants from the Commonwealth Government, \$986,461,000; grants from the State, \$24,787,000; and accumulated surplus, \$123,587,000. In addition, the Department owed \$74,910,000 to creditors, mainly for purchase of land and work-in-progress. These funds were represented by fixed assets, \$3,200,409,000 (including \$114,109,000 owed by purchasers of homes); and current assets, \$114,679,000. In 1986-87, the Department's income was \$301,761,000 (including rent, \$258,200,000 and interest, \$14,717,000); expenditure was \$346,091,000 (interest, \$92,415,000).

The permanent dwellings provided by the Department have been erected under the Commonwealth-State Housing Agreements or from State loans and grants. In 1986-87, 4,551 dwellings were purchased or completed for the Department.

Upon request by other State departments, the Department will erect houses for employees of those departments, the departments providing the necessary lands and funds. In addition, the Department erects (with State funds) dwellings for employees of industries connected with decentralisation and development. Specially designed units are erected by the Department to provide dwellings for elderly persons at rentals within their means.

**Victoria—Ministry of Housing**

The Ministry's key objectives are to:

- facilitate the continuing access of all Victorians to affordable, adequate and appropriate housing;
- deliver housing assistance programs in an effective, efficient and equitable manner.

Thus, the Ministry is not only involved in the provision of public rental accommodation but also in the provision of assistance to private tenants and existing and potential homeowners. The Ministry also cooperates with community groups in the provision of emergency housing, and programs to assist the homeless are currently under development.

During 1987-88 a total of 3,105 public rental units were built or purchased, using funds provided under the Commonwealth-State Housing Agreement, State funds and Ministry funds. The Ministry's public rental stock was 56,900 as at 30 June 1988 of which 36,600 (or 64 per cent) were located in the metropolitan area. Households on reduced rents (rebates) totalled 42,586 at this date, representing 78 per cent of all tenants.

The Ministry also provides assistance to households renting in the private sector. Under the Bond and Relocation Scheme, the Ministry provides financial assistance to individuals or households in the private rental market by making funds available for security deposits (bonds), rent-in-advance and removal expenses. Individual single applicants may receive a maximum loan of \$300 and families or groups may receive up to \$500. During 1987-88 some 10,514 households received assistance under this scheme, at an average level of assistance of \$471 per household.

#### **Queensland—Queensland Housing Commission**

During 1987-88 the Commission provided 5,337 dwelling units, bringing the total number under all schemes since the revival of housing construction in 1944-45 to 94,346. Of this number, 61,019 houses, or 64.7 per cent, were for home ownership, and 33,327, or 35.3 per cent, were for rental.

In the field of rental housing, the Commission administers, and acts as the constructing authority under, the Commonwealth-State Housing Agreements and States Grants (Housing) legislation. Operating under the provisions of the *State Housing Act 1945-1986*, the Commission, through its scheme of mortgage finance, makes advances for the construction of dwellings to eligible persons who own a suitable building site or to purchase a house and land package. The number of dwellings completed during 1987-88 under this scheme amounted to 3,521, making a total of 59,211 completions since the inception of the scheme. The Commission also has power to make advances, secured by mortgage, to firms for housing of employees. The Commission has power to sell houses under contract of sale conditions. Contract of sale agreements were made to purchase 117 of the Commission's houses during 1987-88.

#### **South Australia—South Australian Housing Trust**

The primary role of the Trust is to provide housing for those in need, and within their capacity to pay. The Trust aims to provide housing which is appropriate for the householders' needs, is of an acceptable and modern standard and is integrated within the surrounding environment.

The Trust also provides assistance to tenants renting privately through:

- the administration of the Rent Relief Scheme;
- its management responsibility for the Emergency Housing Office;
- exercising its responsibilities under the Housing Improvements Act.

It also assists home owners in financial crisis through the Mortgage Relief Scheme.

The Trust has a separate responsibility to government to act as the State's industrial property authority, to provide industrial premises for approved additions to or extensions of industrial facilities within the State.

A total of 110,072 dwellings have been built, purchased or leased by the Trust since 1936.

### Western Australia—State Housing Commission of Western Australia

The State Housing Commission, trading as Homeswest, constructs a variety of dwelling types for its rental and purchase programs. In addition, it constructs housing for other government departments (both Commonwealth and State Government, and semi- and local government authorities) and constructs and maintains houses for the Government Employees' Housing Authority.

At 30 June 1988, the Commission had provided under all schemes since 30 June 1944 a total of 80,403 units of accommodation throughout the State (including 12,046 units completed under the *Defence Services Homes Act 1918*).

During the twelve months ended 30 June 1988, 1,115 units of accommodation were provided: 667 in the metropolitan area, 241 in country areas and 207 north of the 26th parallel.

Building societies are a major source of housing finance in Western Australia. At 30 June 1988, it was estimated that the assets of permanent and terminating societies were about \$1,966 million. Currently, 7 permanent and 180 terminating societies are operating.

### Tasmania—Housing Tasmania

Housing Tasmania is responsible for administering the portion of the *Homes Act 1935* relating to the acquisition and development of land for housing purposes, and the erection of homes for rental and sale to those deemed in need of assistance.

During 1987–88, dwelling completions numbered 539. The total number of dwellings constructed to 30 June 1988 was 24,389 of which 8,822 have either been sold or demolished.

The number of properties purchased numbered 1,489, making a total dwelling stock of 17,056. Of these 11,643 are detached or semi-detached, 2,470 are elderly persons' units, 424 are multi-unit flats, 2,490 are villa units, and 29 are movable units.

Dwellings are allotted on a rental or purchase basis. Rental is now assessed at a proportion of household income. Tenants are able to buy their home if they wish.

## Housing Schemes in Australian Territories

### Northern Territory

The Northern Territory Housing Commission was established in 1959 and currently operates under authority of the *Housing Act 1982*. For administration purposes only, the Commission was amalgamated with other bodies to form the Department of Lands and Housing on 19 March 1987. However, the Commission still retains its autonomy under a single Commissioner.

### Australian Capital Territory

The ACT Housing Trust provides houses, flats and aged persons' units for rental to persons on low incomes who live or are employed in the Australian Capital Territory. At 30 June 1988, the ACT Housing Trust controlled 7,645 houses and 4,071 flats (including aged persons' units) for rental purposes. Public rental houses are currently not available for purchase by tenants, but this policy is under review.

## Summary of rental activities of government authorities

### GOVERNMENT HOUSING AUTHORITIES: REVENUE FROM RENTALS (\$'000)

Year	NSW	Vic.(a)	Qld	SA	WA(b)	Tas.	NT(b)	ACT	Aust.
1982–83	188,317	74,343	55,865	77,201	40,475	25,149	18,712	37,780	517,842
1983–84	200,371	86,299	59,675	86,136	44,108	28,178	19,899	35,794	560,460
1984–85	218,820	96,175	66,946	95,548	45,945	30,386	22,727	28,090	604,637
1985–86	238,598	109,103	72,036	102,242	49,292	36,033	26,454	33,764	667,522
1986–87	258,200	117,958	78,898	117,788	53,920	40,776	30,074	38,548	736,162
1987–88	298,648	135,744	84,042	140,219	60,746	49,629	33,068	31,475	833,571

(a) Prior to 1983–84 figures relate to Housing Commission only and thereafter to the Ministry of Housing. (b) Figures relate to Housing Commission only.

## GOVERNMENT HOUSING AUTHORITIES: NUMBER OF TENANTS PAYING RENT

<i>Year</i>	<i>NSW</i>	<i>Vic.(a)</i>	<i>Qld</i>	<i>SA</i>	<i>WA(b)</i>	<i>Tas.(c)</i>	<i>NT(c)</i>	<i>ACT(c)</i>	<i>Aust.</i>
1982-83	97,286	45,806	25,421	48,466	28,656	10,996	7,167	9,638	273,436
1983-84	99,979	49,026	26,890	50,914	28,934	11,736	7,497	9,849	284,825
1984-85	100,098	51,642	28,393	53,281	30,178	12,437	7,878	10,005	293,912
1985-86	104,410	54,665	29,793	56,028	31,484	12,633	8,623	10,574	308,210
1986-87	133,826	57,300	31,628	58,884	32,270	12,911	8,830	11,028	346,677
1987-88	109,958	60,300	34,050	60,655	32,912	13,305	9,276	11,326	331,782

(a) Prior to 1983-84 figures relate to Housing Commission only and thereafter to Ministry of Housing. (b) Figures relate to Housing Commission only. (c) Number of occupied dwellings at 30 June.

## Advances to Home Purchasers

Many prospective home purchasers wish to borrow for the purpose of constructing or purchasing their own homes. Usually the loan is covered by way of mortgage of the home to be constructed or bought. Such loans are provided from a number of private sources and from agencies owned or guaranteed by the Commonwealth or State Governments. The information in this section concerns the direct loans made to home purchasers by the more important institutional lenders. Loans to institutions which in turn lend moneys to home purchasers and loans to contract builders, etc., are excluded as far as possible. The loans may be for the construction of new dwellings, the purchase of existing dwellings, for additions, renovations, etc., as first or subsequent mortgages, overdrafts and so on. While figures of all loans to home purchasers are not available, the institutions mentioned account for a significant proportion of total loans. Details of the terms and conditions of lending are given, together with available information on the number and value of loans made.

### State and Territory authorities and agencies

#### New South Wales—State Bank of New South Wales

The State Bank of New South Wales, by arrangement with the New South Wales Government, administers funds provided in respect of agency schemes under which finance is made available to individuals for erection or purchase of homes and for other approved purposes associated with homes.

The Housing Society Agency administers advances made to cooperative housing societies and the State Bank (as the approved government lending institution of the State) from funds allocated to the State under Commonwealth-State Housing Agreements and Arrangements. Borrowers pay interest on the advances made prior to 1 July 1985 at rates ranging from 5 per cent per annum to rates which increase annually until they are 1 per cent per annum below the then current Commonwealth Savings Bank rate for housing loans. Changes brought about by the *Housing Assistance Act 1984* require borrowers to pay interest at the rate of 11.25 per cent per annum on advances made from 1 July 1985, but for low income earners a rebate of interest is allowed. Repayments by borrowers range from 20 to 30 per cent of income.

Particulars of advances by the Agency during the last six years appear in the following table.

**AGENCY ADVANCES**  
(**\$'000**)

<i>Year ended 30 June</i>	<i>Advances during year</i>	<i>Total advances to end of year</i>	<i>Principal repaid during year</i>	<i>Advances outstanding at end of year</i>
1982	50,615	718,940	27,702	396,865
1983	37,565	756,505	27,976	406,500
1984	78,265	834,770	40,487	444,423
1985	63,027	897,797	45,781	461,710
1986	72,146	969,943	40,316	490,794
1987	106,308	1,076,251	48,419	548,683

*Stamp Duty Deferred Payment Scheme*

In 1976 the State Government introduced a scheme by which first home buyers may be eligible for a deferment of the amount of stamp duty payable on their first home. The Stamp Duties Office determines, on behalf of the Treasury, the eligibility of applicants and properties and, if acceptable, approves of an advance being made for payment of stamp duty in accordance with the scheme. Applicants repay the advance through the State Bank over a period of five years by equal annual instalments. The advances are free of interest provided instalments are paid by the due date. To 30 June 1987, 203,154 applicants had taken advantage of the Deferred Payment Scheme to the extent of \$172.4 million. Balances outstanding as at 30 June 1987 totalled \$61.4 million in respect of 99,796 accounts.

*State Second Mortgage Loan Scheme*

On 1 July 1981 the New South Wales Government introduced the State Second Mortgage Loan Scheme to provide second mortgages to assist eligible low to moderate income earning families to acquire their home. The interest rate charged is 12 per cent per annum or the notional rate payable on the first mortgage, whichever is the higher, and remains fixed for the term of the loan. The maximum loan is \$15,000 and loans are payable over 10 years. The scheme is financed from funds made available by various government instrumentalities and is administered by the State Bank of New South Wales. From the inception of the scheme to 30 June 1987, 7,606 loans for \$71.1 million were approved.

**State Bank of New South Wales—other loans**

The State Bank of New South Wales provides assistance to individuals for the erection or purchase of homes and for other approved purposes associated with homes. Advances are based on the bank's official valuation of the dwelling. The rate of interest on new long term loans for housing purposes as at July 1988 was 13.5 per cent per annum.

**Victoria—Ministry of Housing**

Home purchase loans granted totalled 2,243 over 1987–88, of which 574 were provided through the cooperative housing societies. The loans were provided through several schemes: Capital Indexed Loans (CAPIL)—1,211 loans; Indexed Repayment Loans—897 loans and Home Ownership for the Over Fifties—135 loans.

CAPIL is the Ministry's standard lending instrument. Repayments are fixed at 25 per cent of an eligible household's income with the interest rate tied to the annual rate of inflation to provide a real rate of return of 3 per cent per annum. The second loan type (Indexed Repayment Loan) is a joint venture between the Ministry and four leading banks. The scheme provides for a two part loan arrangement, with a first mortgage being held by the banks and the second mortgage with the Ministry. The first mortgage is over a fixed 25 year term with a variable interest rate set by the bank. The borrower pays the Ministry repayments set at 25 per cent of income and the Ministry pays the full instalment to the bank. The shortfall on the repayments made to the Ministry is secured under the second mortgage with an interest rate geared to the Consumer Price Index. When the first

mortgage is paid out repayments continue until the Ministry's second mortgage is discharged.

From 2 March 1988, the new Home Opportunity Loans program was established in conjunction with the National Mortgage Market Corporation and the Estate Agents Board and is funded through the establishment of the Victorian Housing Bonds scheme. This program is designed to assist households who cannot afford conventional loans and may otherwise be trapped in the private rental sector. It is expected to allow up to 3,000 low-income and moderately low-income families to gain access to housing finance, with 1,500 of the loans being available to families with incomes as low as \$290 per week.

Commission loan schemes are available to non-home owners to purchase or construct a home they intend to reside in. The schemes are:

*Interest Subsidy Scheme —*

This Scheme assists low income earners by subsidising interest charges and providing an affordable monthly payment at 25 per cent of gross income, adjusted whenever income changes. Most borrowers under this Scheme would not have the capacity to obtain finance from other lenders.

*Second Loan Scheme —*

May be available to borrowers eligible for an Interest Subsidy Loan and who are also eligible for the Commonwealth First Home Owners Scheme. This loan assists to bridge the deposit gap.

*Flexible Term Loan —*

This loan is intended as an alternative source of finance for borrowers not eligible for the Interest Subsidy Scheme or for those with sufficient income or savings to not need the protection of an Interest Subsidy Loan. 'Slow' and 'Quick' start options are offered with several term options also available.

*Commercial Scheme —*

Provides loans at commercial rates for borrowers unable to obtain funds from other sources.

**South Australia—South Australia Housing Trust**

The Trust administers the Rental Purchase Scheme in conjunction with the State Bank. This scheme supersedes the Low Deposit Purchase Scheme in assisting low income people in purchasing a home through a nominal deposit and low interest loan.

In September 1986, the Trust initiated the Home Trust Shared Ownership Scheme whereby tenants can purchase their home in affordable stages commencing with a 25 per cent share.

**Western Australia—State Housing Commission of Western Australia**

The commission administers four schemes to assist applicants achieve home ownership. These schemes are known as First Mortgage, Flexible Deposit, Shared Equity and Senior Citizens Loan Schemes. The maximum interest rate is maintained in relationship with the Commonwealth Bank interest mortgage rate and the repayment of the loan is on an income geared basis with an applicant not being expected to pay more than 25 per cent of assessed family income in repayments. The maximum repayment period is 30 years.

Under the schemes, the applicants are able to select an established home or build a new home of their choice. The maximum income limits vary with the location. A family with one child can have a maximum weekly income of \$392.50 in the metropolitan area, \$507.90 in remote areas and \$554.10 in the Kimberley region. These limits increase by \$22 for each additional child after the first, and \$28 for each additional child beyond the third.

Under the First Mortgage, Flexible Deposit and Shared Equity Schemes, the maximum value of house and land in the metropolitan area is \$47,000 if buying an established

home or if building a new home. In non-metropolitan areas, the maximum value varies from \$49,000 in country areas to \$89,000 in the Kimberley region. Minimum deposit required is usually 5 per cent of valuation, although with the Flexible Deposit Scheme as little as \$500 can be paid as the deposit on a home.

The Shared Equity Scheme was designed to help people on very low incomes into home ownership. Homewest purchases the home on behalf of the applicant and funds the applicant to an equity share of not less than 60 per cent of the home value. Normally 5 per cent of the loan sought is required for the deposit but this can be reduced to as little as \$500. All maintenance, insurance and rates are shared in accordance with the applicants' equity share.

Assistance through Terminating Building Societies is available to eligible applicants from the Loans Priority List under first mortgage conditions. Funds are not available for second mortgages. The interest rate on advances is 13.5 per cent and the maximum term is for 30 years. In the metropolitan area, the maximum income limit is \$392.50 per week plus an extra \$22 per week for each dependent child, and \$28 for each additional child beyond the third. The value of house and land cannot exceed \$47,000 and a 5 to 10 per cent deposit is required. In other areas around the State, maximum income limits vary between \$392.50 in country areas and \$554.10 in the Kimberley region and the maximum value of house and land varies from \$49,000 in country areas to \$89,000 in the Kimberley region.

#### **Tasmanian Development Authority**

The Authority is responsible for the administration of funds made under the Home Purchase Assistance section of the *Housing Assistance Act 1984*. The State has also provided State loan funds for lending under the Homes Act.

The primary principle of the Housing Assistance Act is to ensure that every person in Australia has access to adequate and appropriate housing at a price within his or her capacity to pay.

The Authority has a Deferred Interest Subsidy Scheme, whereby low income earners can borrow sufficient amounts to enable them to purchase a reasonable dwelling. The current rate of interest is 13.5 per cent with monthly repayments based on 25 per cent of joint gross monthly income. When the repayment is not sufficient to meet the interest charged on the loan, the balance is deferred and repaid in the later years of the loan. There is no interest charged on the deferred proportion of the loan.

The Authority has a Home Ownership Building Industry Scheme (HOBIS) whereby private builders are requested to tender for the construction of homes throughout the State for low to moderate income earners who could not otherwise afford to purchase a new home.

#### **TASMANIAN DEVELOPMENT AUTHORITY, ADVANCES FOR HOUSING (a)**

<i>Particulars</i>	<i>1982-83</i>	<i>1983-84</i>	<i>1984-85</i>	<i>1985-86</i>	<i>1986-87</i>	<i>1987-88</i>
Advances approved—						
Number	450	624	537	815	624	704
Value (\$'000)	12,665	18,030	17,437	28,390	24,790	29,423
Advances outstanding						
at 30 June (\$'000)	71,020	83,081	90,338	106,000	114,606	126,263

(a) Excludes advances to cooperative housing societies.

#### **Northern Territory—Loans Scheme**

The Northern Territory Home Purchase Assistance Scheme is based on the principles set out in the Commonwealth-State Housing Agreement.



The Scheme provides for a maximum loan of \$50,000 to lower income groups. As the gross weekly income of the highest earner increases, the amount of the Commission loan decreases. There is a requirement that a prescribed amount be borrowed from a private lending institution for the higher income group.

Repayments on the loan are based on 20 per cent of gross family income and reviewed annually. Where the repayment is insufficient to cover interest due, the unpaid amount is allowed to accumulate free of additional charges.

The interest rate currently charged is 13.5 per cent and the Commonwealth Savings Bank Home Loan rate will be an indicator for future interest rates. The maximum term of the loan is 45 years.

To be eligible to apply, applicants must not own a home elsewhere in Australia, have resided in the Territory for the six months prior to application and property value must not exceed \$100,000. Loans can be on a first or second mortgage basis.

#### **Northern Territory—Sales Scheme**

A scheme exists to allow eligible tenants of the Northern Territory Housing Commission dwellings to purchase dwellings under the General Public Sales Scheme. Sales are on a cash basis only to approved tenants.

#### **Australian Capital Territory**

The Commissioner for Housing operates an income-g geared loan scheme to assist people who are generally unable to afford finance in the private market. Loans to a maximum of \$60,000 over a maximum term of 30 years are available for the purchase or erection of dwellings in the Australian Capital Territory. The exact amount of loan granted and term of the loan are determined by the applicant's level of income and assets and the value of the property to be purchased. To qualify for a loan an applicant must:

- be a permanent resident of Australia and have lived or worked in the Australian Capital Territory for at least six months prior to loan approval;
- not have any interest whatsoever in real property located in the Australian Capital Territory or Queanbeyan other than the dwelling or the land upon which it is proposed to erect the dwelling;
- not previously have received government financial assistance in the form of a loan for the purchase or construction of a dwelling in the Australian Capital Territory or Queanbeyan.

Interest rates for new loans are aligned with the Commonwealth Savings Bank new home loans rate. Instalment repayments are geared to the applicant committing 25 per cent of income to total mortgage payments and instalment subsidies are repaid over the term of the loan or upon discharge. At 30 June 1988, 7,811 properties were under mortgage to the Commissioner for Housing. The Commissioner also administers 5,563 Commonwealth of Australia mortgages.

## **CONSTRUCTION**

### **Building**

Building activity is a significant indicator of the level of economic activity. In addition, the level of building activity and the types of buildings being constructed affect the Australian physical and social environment. Building approvals statistics give an indication of the potential future level of investment of private individuals, companies and government agencies in approved building construction. Building activity statistics show the level of actual building construction activity in terms of the level of commencements and completions, building jobs under construction and the value of work done and yet to be done on building jobs.

### Number of new houses

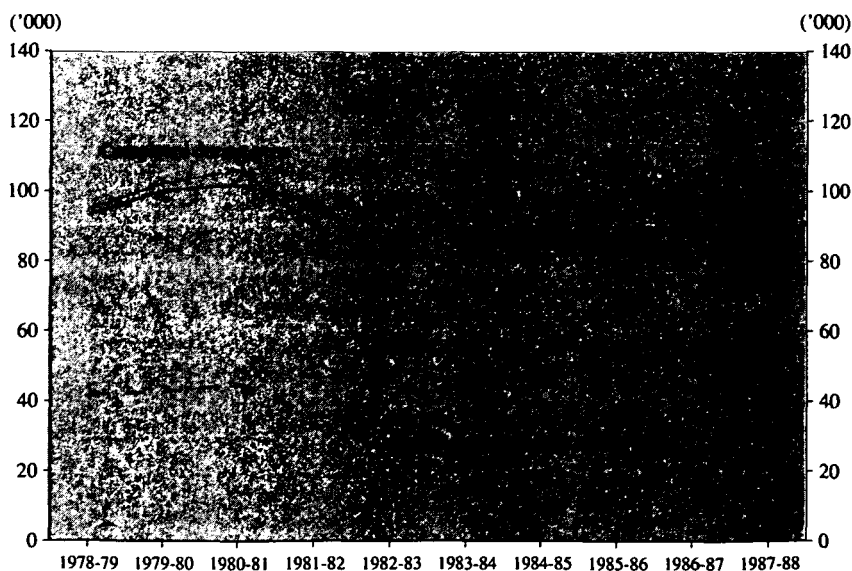
The following table provides a summary of the number of new houses approved, commenced, under construction and completed by type of ownership in each State and Territory for the year 1987-88.

NUMBER OF NEW HOUSES, 1987-88  
(<sup>'000</sup>)

	NSW	Vic.	Qld	SA	WA	Tas.	NT	ACT	Aust.
Private Sector—									
Approved	32.6	28.5	24.8	6.3	16.3	2.4	0.5	1.6	113.1
Commenced	27.3	26.4	22.5	5.7	13.9	2.2	0.4	1.6	100.0
Under construction(a)	17.4	15.4	7.6	2.3	6.6	1.7	0.2	0.8	51.9
Completed	21.6	26.2	18.9	5.5	11.8	2.1	0.4	1.4	87.8
Public Sector—									
Approved	0.6	1.3	0.8	0.6	0.7	0.3	0.3	0.1	4.6
Commenced	0.4	1.1	0.7	0.7	0.7	0.3	0.4	0.1	4.4
Under construction(a)	0.4	0.5	0.3	0.3	0.2	0.1	0.4	0.1	2.3
Completed	0.7	1.5	0.5	0.8	0.6	0.3	0.3	0.1	4.8
Total—									
Approved	33.2	29.9	25.6	6.9	17.0	2.7	0.8	1.7	117.7
Commenced	27.7	27.4	23.3	6.4	14.6	2.5	0.8	1.7	104.5
Under construction(a)	17.8	15.9	7.9	2.6	6.8	1.8	0.7	0.8	54.2
Completed	22.2	27.7	19.4	6.3	12.4	2.5	0.7	1.5	92.6

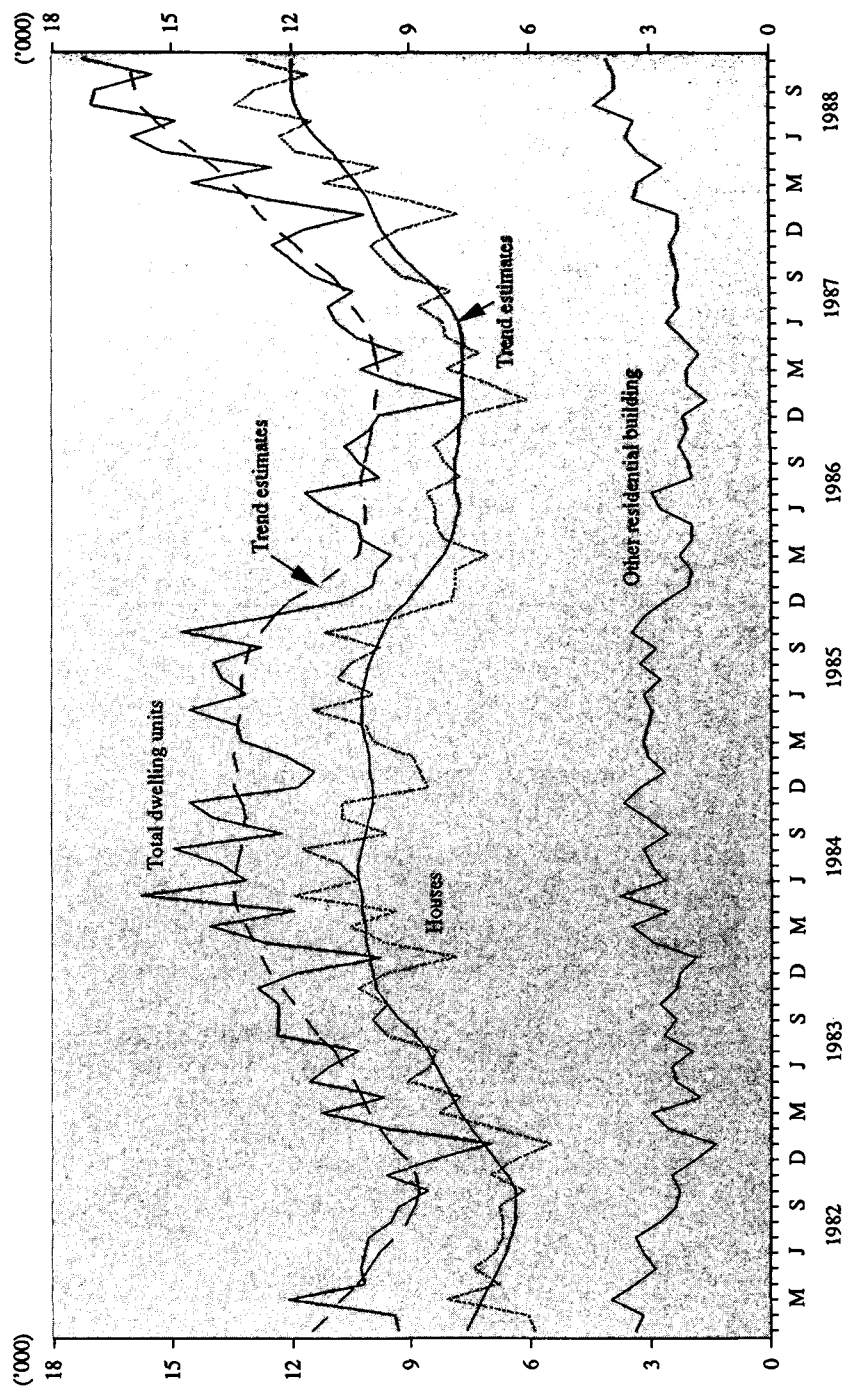
(a) At end of period.

NUMBER OF NEW HOUSES, AUSTRALIA



Note: Break in series from 1980-81 and 1981-82. (See explanation on pages 715-16 in Year Book No.71)

NUMBER OF DWELLING UNITS APPROVED IN NEW RESIDENTIAL BUILDINGS,  
AUSTRALIA



### Number of new houses approved, by material of outer walls

The use of certain materials for outer walls is dictated by such factors as cost, durability, appearance and climatic conditions. Changes in the materials used over time indicate changes in the characteristics of the housing stock.

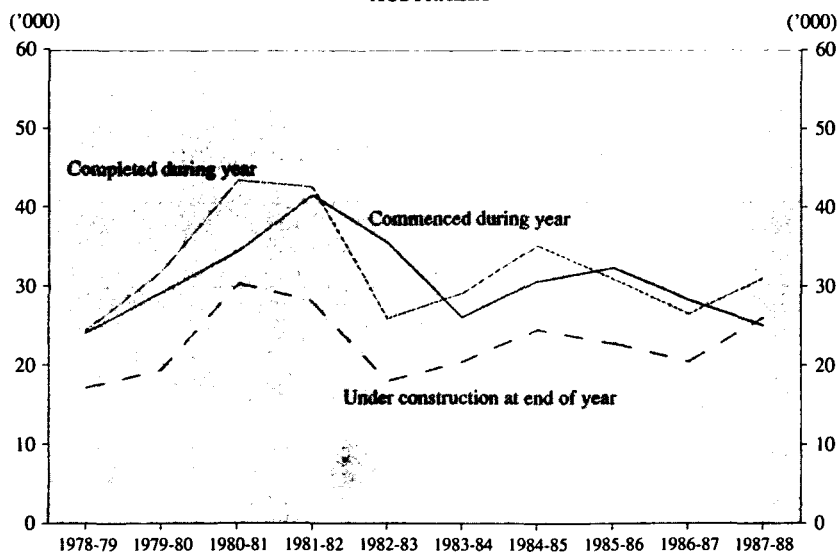
The following table shows the number of new houses approved in each State and Territory during the year 1987-88, classified according to the material of their outer walls.

**NUMBER OF NEW HOUSES APPROVED BY MATERIAL OF OUTER WALLS, 1987-88**  
(<sup>'000</sup>)

<i>Material of outer wall</i>	<i>NSW</i>	<i>Vic.</i>	<i>Qld</i>	<i>SA</i>	<i>WA</i>	<i>Tas.</i>	<i>NT</i>	<i>ACT</i>	<i>Aust.</i>
Double Brick(a)	4.2	0.6	1.9	0.6	15.0	0.1	0.4	—	22.9
Brick veneer	25.4	18.6	20.0	4.7	0.7	2.0	0.2	1.6	73.2
Timber	1.7	2.0	1.9	0.1	0.3	0.4	—	—	6.4
Fibre cement	1.6	0.9	1.5	0.5	0.7	—	—	—	5.3
Other	0.3	0.4	—	—	0.1	—	—	—	0.7
Not stated	—	7.2	—	1.0	—	—	—	0.1	8.3
<b>Total</b>	<b>33.2</b>	<b>29.9</b>	<b>25.6</b>	<b>6.9</b>	<b>17.0</b>	<b>2.7</b>	<b>0.8</b>	<b>1.7</b>	<b>117.7</b>

(a) Includes houses constructed with outer walls of stone or concrete.

**NUMBER OF DWELLING UNITS IN NEW OTHER RESIDENTIAL BUILDINGS, AUSTRALIA**



Note: Break in series from 1980-81 and 1981-82. (See explanation on pages 715-16 in Year Book No.71)

### Number of dwelling units in new other residential building

The level of other residential building construction is highly variable and does not follow the regular pattern experienced in house construction. This can be explained partly by the generally larger size of other residential building construction jobs and also by the extent of speculative building of private flats, home units and similar other residential building projects.

The following table shows the number of new dwelling units in other residential building approved, commenced, under construction and completed by type of ownership in each State and Territory for the year 1987-88.

**NUMBER OF DWELLING UNITS IN NEW OTHER RESIDENTIAL BUILDING 1987-88**  
(<sup>'000</sup>)

	<i>NSW</i>	<i>Vic.</i>	<i>Qld</i>	<i>SA</i>	<i>WA</i>	<i>Tas.</i>	<i>NT</i>	<i>ACT</i>	<i>Aust.</i>
<b>Private Sector—</b>									
Approved	8.3	3.8	8.5	1.1	4.0	0.7	0.3	0.8	27.4
Commenced	7.2	3.7	7.6	1.0	3.7	0.6	0.3	0.6	24.8
Under construction(a)	7.7	2.9	4.8	0.8	1.9	0.3	0.2	0.6	19.0
Completed	4.9	4.4	4.9	1.0	3.1	0.6	0.3	0.4	19.7
<b>Public Sector—</b>									
Approved	1.9	0.9	1.2	1.0	0.6	0.2	0.1	0.2	6.1
Commenced	2.6	0.7	1.2	1.0	0.5	0.2	0.1	0.3	6.5
Under construction(a)	3.7	0.7	0.8	0.7	0.3	0.1	0.1	0.3	6.7
Completed	2.7	0.4	0.7	1.0	0.4	0.2	0.2	0.3	5.9
<b>Total—</b>									
Approved	10.2	4.8	9.7	2.0	4.6	0.8	0.3	1.0	33.5
Commenced	9.7	4.5	8.8	2.1	4.2	0.8	0.4	0.9	31.3
Under construction(a)	11.4	3.6	5.5	1.4	2.2	0.4	0.3	0.9	25.7
Completed	7.6	4.8	5.6	2.0	3.5	0.9	0.5	0.7	25.6

(a) At end of period.

## Value of buildings

The following table shows the value of all buildings approved, commenced, under construction, completed, work done and work yet to be done in Australia for the year 1987-88, according to the class of buildings. The classification of non-residential building by type of building is according to the function a building is intended to serve, as specified on building authorisations.

**VALUE BY CLASS OF BUILDING, AUSTRALIA 1987-88**  
(\$ million)

<i>Class of building</i>	<i>Approved</i>	<i>Commenced</i>	<i>Under construction(a)</i>	<i>Completed</i>	<i>Work done (b)</i>	<i>Work yet to be done (a)</i>
<b>New residential buildings—</b>						
New houses	7,798.0	7,030.9	4,143.2	5,993.7	6,509.2	2,067.7
New other residential buildings	1,713.8	1,715.7	1,593.5	1,328.9	1,513.9	814.6
<b>Total new residential building</b>	<b>9,511.8</b>	<b>8,746.6</b>	<b>5,736.8</b>	<b>7,322.6</b>	<b>8,023.1</b>	<b>2,882.3</b>
<b>Alterations and additions to residential buildings(c)</b>	<b>1,395.8</b>	<b>1,330.3</b>	<b>771.0</b>	<b>1,175.5</b>	<b>1,317.8</b>	<b>324.9</b>
<b>Non-residential building—</b>						
Hotels, etc.	1,208.6	1,158.7	1,511.0	740.9	1,012.6	777.3
Shops	1,564.4	1,514.0	1,210.3	1,790.0	1,802.3	503.0
Factories	1,078.6	1,174.2	1,271.3	977.1	1,175.6	447.0
Offices	3,884.7	3,741.3	6,341.9	2,899.5	3,784.2	3,094.8
Other business premises	1,313.4	1,297.2	1,092.4	1,047.3	1,317.8	463.2
Educational	822.1	876.8	992.7	957.3	1,002.5	407.9
Religious	62.5	66.0	60.0	55.5	61.9	30.4
Health	420.1	421.7	955.7	400.7	567.7	343.5
Entertainment and recreational	360.4	405.4	675.4	500.9	640.6	153.7
Miscellaneous	596.6	561.9	1,487.3	390.0	648.0	334.9
<b>Total non-residential building(d)</b>	<b>11,311.6</b>	<b>11,217.2</b>	<b>15,598.0</b>	<b>9,759.2</b>	<b>12,013.1</b>	<b>6,555.5</b>
<b>Total building</b>	<b>22,219.2</b>	<b>21,294.2</b>	<b>22,105.8</b>	<b>18,257.3</b>	<b>21,354.1</b>	<b>9,762.8</b>

(a) At end of period. (b) During period. (c) Valued at \$10,000 or more. (d) Valued at \$30,000 or more.

### Constant prices

Estimates of the value of work done at average 1984-85 prices are presented in the following table. Constant price estimates measure changes in value after the direct effects of price changes have been eliminated.

VALUE OF BUILDING WORK DONE AT AVERAGE 1984-85 PRICES, AUSTRALIA  
(\$ million)

Year	New residential building			Alterations and additions to residential buildings	Non-residential building	Total building
	Houses	Other residential buildings	Total			
1982-83	4,063.2	1,490.3	5,553.5	706.1	4,785.0	11,044.6
1983-84	5,013.9	1,232.2	6,246.1	726.9	5,245.8	12,218.8
1984-85	5,665.2	1,399.3	7,064.5	842.4	6,107.3	14,014.2
1985-86	5,552.4	1,306.7	6,859.1	953.4	7,407.4	15,219.9
1986-87	4,808.4	1,113.1	5,921.5	951.7	7,968.9	14,842.1
1987-88	5,316.4	1,162.3	6,478.7	1,067.7	9,060.2	16,606.6

### Building research activity

Recent government initiatives have resulted in the recent amalgamation of the National Building Technology Centre in Sydney with the CSIRO Divisions of Building Research and Energy Technology to form a new CSIRO Division of Building, Construction and Engineering.

Staffed by some 200 researchers and technologists of international standing, their laboratories in Melbourne and Sydney contain the most extensive range of modern testing equipment in Australia. Close links are also maintained with leading overseas researchers and their specialist laboratories.

The work of the Division covers residential, non-residential, and engineering construction including all aspects of design, maintenance, construction, and planning. In addition to its research activities, it provides major support of national regulatory and standardisation processes, appraisal and testing of products, and a wide range of consulting services.

### Engineering Construction Survey

This section contains estimates of engineering construction activity in Australia by both public and private sector organisations.

These estimates together with results from the ABS Building Activity Survey provide a complete picture of building and construction activity in Australia.

### Scope and coverage of the surveys

The ECS aims to measure the value of all engineering construction work undertaken in Australia. The cost of land and the value of building construction is excluded from the survey's scope. Where projects include elements of both building and engineering construction, for example, electricity generation and heavy industrial plant, every effort is taken to exclude the building component from these statistics.

Repair and maintenance activity is excluded from the survey as are the value of any transfers of existing assets, the value of installed machinery and equipment not integral to the structure and the expenses for relocation of utility services.

A contract for the installation of machinery and equipment, which is an integral part of a construction project, is included in the statistics even though, in some cases, the activity in installing such machinery and equipment is classified to the manufacturing industry in the *Australian Standard Industrial Classification*, Volume 1 (1201.0).

The following tables show the value of engineering construction (ESC) activity by the private sector for sector of ownership and by the public sector for the year 1987-88.

**VALUE OF ENGINEERING CONSTRUCTION ACTIVITY BY THE PRIVATE SECTOR 1987-88**  
(\$ million)

	<i>Commenced</i>	<i>Work done(a)</i>	<i>Work yet to be done(b)</i>
<b>FOR THE PRIVATE SECTOR</b>			
Roads, highways and subdivisions	608.5	591.7	560.6
Bridges	3.0	3.5	0.6
Railways	7.6	39.5	8.3
Harbours	43.0	122.8	7.8
Water storage and supply	56.1	55.1	5.3
Sewerage and drainage	75.2	55.8	7.1
Electricity generation, transmission and distribution	49.5	116.2	34.5
Pipelines	64.8	69.4	11.2
Recreation	176.2	192.0	14.1
Telecommunications	4.3	6.3	1.9
Heavy industry	857.6	1216.6	475.7
Other	34.0	51.4	14.5
<b>Total</b>	<b>1,979.7</b>	<b>2,520.3</b>	<b>1,141.4</b>
<b>FOR THE PUBLIC SECTOR</b>			
Roads, highways and subdivisions	597.9	622.4	234.1
Bridges	37.7	97.1	19.1
Railways	22.6	120.2	17.4
Harbours	28.2	41.5	12.6
Water storage and supply	100.9	168.5	65.3
Sewerage and drainage	198.4	171.9	118.5
Electricity generation, transmission and distribution	279.6	386.2	347.9
Pipelines	14.8	15.3	2.0
Recreation	33.9	43.0	4.5
Telecommunications	52.4	40.2	19.3
Heavy industry	41.3	70.3	39.9
Other	8.2	9.8	4.0
<b>Total</b>	<b>1,415.9</b>	<b>1,786.5</b>	<b>884.6</b>
<b>TOTAL</b>			
Roads, highways and subdivisions	1,206.4	1,214.1	794.7
Bridges	40.7	100.6	19.6
Railways	30.2	159.8	25.7
Harbours	71.1	164.3	20.4
Water storage and supply	156.9	223.6	70.5
Sewerage and drainage	273.6	227.7	125.7
Electricity generation, transmission and distribution	329.0	502.4	382.4
Pipelines	79.6	84.7	13.2
Recreation	210.2	234.9	18.6
Telecommunications	56.7	46.5	21.2
Heavy industry	898.8	1286.9	515.6
Other	42.2	61.3	18.5
<b>Total</b>	<b>3,395.6</b>	<b>4,306.8</b>	<b>2,026.0</b>

(a) During period. (b) At end of period.

**VALUE OF ENGINEERING CONSTRUCTION ACTIVITY BY THE PUBLIC SECTOR 1987-88**  
(\$ million)

	<i>Commenced</i>	<i>Work done(a)</i>	<i>Work yet to be done done(b)</i>
Roads, highways and subdivisions	1,862.5	1,151.9	1,264.4
Bridges	162.0	83.8	122.3
Railways	186.8	143.3	88.6
Harbours	19.4	20.4	15.3
Water storage and supply	331.7	326.7	220.8
Sewerage and drainage	386.7	330.2	332.6
Electricity generation, transmission and distribution	502.1	614.0	456.6
Pipelines	54.7	54.5	2.9
Recreation	99.5	91.3	25.4
Telecommunications	1,677.0	1,592.7	2.4
Heavy industry	6.2	8.6	6.4
Other	11.3	7.7	1.5
<b>Total</b>	<b>5,300.0</b>	<b>4,425.2</b>	<b>2,539.4</b>

(a) During period. (b) At end of period.

### Construction Industry Survey

The Construction Industry Survey is a sample survey of private sector construction establishments and of public sector enterprises engaged in construction and repair and maintenance activities. The most recent survey was conducted in respect of 1984-85. The next Construction Survey will be conducted in respect of 1988-89. For further details see *Year Book* No. 70.

The private sector collection was conducted as a component of the Bureau's integrated economic statistics program. 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.

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### ABS Publications

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- Digest of Current Economic Statistics, Australia* (1305.0)
- Building Approvals, Australia* (8731.0)
- Building Activity, Australia: Dwelling Unit Commencements, Preliminary* (8750.0)
- Building Activity, Australia* (8752.0)
- Engineering Construction Survey, Australia* (8762.0)
- Construction Industry Survey: Private Sector Construction Establishments, Detail of Operation, States and Territories, 1984-85* (8772.0-8772.8)
- Public Sector Construction Activity Survey, 1984-85* (8775.0)
- Directory of Housing Related Statistics* (1118.0)

Details for particular States are available from publications issued regularly by the Deputy Commonwealth Statistician in each State.

### Other Publications

The annual reports of the Commonwealth and State Government Housing Authorities show further details of government activities in the field of housing.