9 Housing and Transport

Introduction

This chapter contains data pertaining to housing and transport and their effects on the way in which people live and travel in Victoria. The housing section includes information about the number of building approvals, the value of residential building work done, details of housing loans, house price index data and housing occupancy and costs. The transport section looks at the Victorian road network, the number of vehicle registrations and driver licences, public transport, and air transport.

The data in this chapter is sourced, in the main, from surveys conducted by the ABS. Contributions have also been made by the Roads Corporation (VicRoads), the Victorian Department of Infrastructure (DOI) and the Department of Transport and Regional Services.

Residential building

Building approvals

The Building Approvals Collection is based on data from building permits issued by local government authorities and licensed private building surveyors; and contracts let by, or day labour work authorised by, Commonwealth, State, semi-government, and local government authorities.

The number of dwellings approved reached record highs in 1999–2000, with the series peaking in March 2000. From 1998–99 to 1999–2000, the number of dwelling unit approvals increased by 25%. This increase was driven by private new house approvals accounting for 72% of approvals overall (table 9.1).

9.1 DWELLING UNITS APPROVED, By Type and Ownership

	Private sector			Public sector				
	New houses	New other residential building	Total	New houses	New other residential building	Total	Other approvals(a)	**Total dwelling units**
	no.	no.	no.	no.	no.	no.	no.	**no.**
1994–95	25 284	3 225	28 509	601	808	1 409	1 347	**31 265**
1995–96	18 425	3 218	21 643	464	937	1 401	663	**23 707**
1996–97	19 593	6 421	26 014	212	384	596	1 240	**27 850**
1997–98	27 367	6 811	34 178	570	601	1 171	1 089	**36 438**
1998–99	28 683	8 511	37 194	544	350	894	1 616	**39 704**
1999–2000	35 668	11 729	47 397	507	280	787	1 614	**49 798**

(a) Includes non-residential buildings, alterations and additions to residential buildings, and conversions.

Source: Building Approvals, Victoria (Cat. no. 8731.2).

Building activity

The Building Activity Survey involves a sample survey of private sector house building activity and a complete enumeration of building jobs, other than private sector house construction, with an approval value of $10,000 or more. The survey is compiled on the basis of returns collected from builders, individuals and organisations involved in building activity.

The value of residential building work done has increased each year since 1995–96, to reach a record high in 1999–2000 (table 9.2). Work done on new houses, other new residential buildings and alterations and additions all reached record levels in 1999–2000, with owner-occupiers bringing forward work prior to the introduction of The New Tax System (TNTS). The construction of new houses accounted for 63% of the value of residential building work done in 1999–2000. Between 1998–99 and 1999–2000, the value of new housing construction work done increased by 33%, and the value of alterations and additions by 26%.

9.2 VALUE OF RESIDENTIAL BUILDING WORK DONE

	1994–95	1995–96	1996–97	1997–98	1998–99r	1999–2000p
Type of building	$m	$m	$m	$m	$m	$m
New houses	2 573.9	2 111.1	1 988.8	2 808.4	3 366.2	4 448.3
New other residential buildings	300.0	452.0	621.4	760.2	948.0	1 337.0
Alterations and additions to residential buildings	707.5	698.1	775.3	911.5	998.1	1 259.5
Total	**3 581.5**	**3 261.2**	**3 385.5**	**4 480.1**	**5 312.3**	**7 044.8**

Source: Building Activity, Victoria (Cat. no. 8752.2).

Housing loans

The Housing Finance for Owner Occupation Survey is an annual collection which covers all banks and permanent building societies. It covers firm offers of housing finance which either have been, or are normally expected to be, accepted.

The total value and number of new housing loan commitments has continued to rise each year since 1994–95 (table 9.3). During 1999–2000 the value of new housing loan commitments increased by 20%, while the number of new housing loan commitments rose by 2%. The contribution by banks to new housing loan commitments has remained relatively unchanged since 1998–99 with banks accounting for 89% of the value of all new housing loan commitments. Some 74% of total loan commitment value went to established dwellings and 22% to new dwellings.

9.3 NEW HOUSING LOAN COMMITMENTS, By Type of Lender

	Purpose				Type of lender			
	New dwellings(a)		Established dwellings(b)					
					All banks	Permanent building societies	Other lenders	**Total(c)**
	no.	$m	no.	$m	$m	$m	$m	**$m**
1994–95	21 484	1 844	81 604	6 959	9 127	377	168	**9 672**
1995–96	16 848	1 577	89 902	7 829	9 162	179	811	**10 152**
1996–97	20 849	2 038	92 640	8 615	9 993	214	1 138	**11 346**
1997–98	26 897	2 952	92 793	9 639	11 433	244	1 585	**13 262**
1998–99	27 859	3 383	94 170	10 993	13 493	244	1 451	**15 188**
1999–2000	28 518	3 828	101 830	13 482	16 274	125	1 852	**18 250**

(a) Includes construction of new dwellings and purchases of newly erected dwellings. (b) Includes purchase of established dwellings and refinancing of existing housing loans. (c) Sum of components may not equal total due to rounding.

Source: Unpublished data, Housing Finance for Owner Occupation Survey.

House prices

In Melbourne the House Price Index increased by 14% for established homes and 8.4% for project homes from 1998–99 to 1999–2000 (table 9.4). The increase in the price index of established homes for Melbourne was the highest recorded of all cities. The increase in the price index of project homes for Melbourne was significantly larger than the previous year's increase of 3.6%. This increase was only exceeded by Adelaide, where the price index for project homes increased by 8.7% over this period.

When compared to 1994–95, the price index for Melbourne has increased by 47.7% for established homes and 15.3% for project homes. Relative to other cities, Melbourne has recorded the largest and second largest increases respectively, in both these price indexes, between 1994–95 and 1999–2000.

9.4 HOUSE PRICE INDEX(a)

	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Darwin	Canberra
Established houses								
1994–95	113.7	97.9	139.3	111.7	109.0	129.0	178.1	112.6
1995–96	115.8	97.6	136.8	108.3	108.2	129.8	188.0	112.7
1996–97	118.9	101.4	137.2	108.2	109.2	128.5	196.9	126.4
1997–98	128.5	114.3	138.9	112.1	113.3	125.4	198.9	126.2
1998–99	137.9	126.8	141.0	114.1	118.9	123.2	193.6	128.2
1999–2000	153.1	144.6	142.2	123.2	125.9	129.0	199.2	137.0
Project homes								
1994–95	107.9	105.8	112.5	114.6	100.0	121.3	125.2	108.1
1995–96	110.2	107.3	113.7	112.8	101.6	123.4	129.9	109.5
1996–97	110.4	107.7	112.7	108.3	101.3	123.3	136.0	123.6
1997–98	112.2	108.6	112.4	113.1	102.2	123.3	137.3	123.5
1998–99	115.2	112.5	113.4	117.0	106.1	123.3	139.0	124.4
1999–2000	123.1	122.0	118.2	127.2	114.8	126.2	143.2	131.9

(a) Base of each index: 1989–90=100.0. Weighted average of capital city.

Source: House Price Indexes: Eight Capital Cities (Cat. no. 6416.0).

Housing occupancy and costs

The average weekly cost of housing for Melbourne in 1997–98 was $117 (table 9.5). This was the third lowest of the capital cities in Australia. For households which were being purchased, and those in private rental accommodation, housing costs were almost $60 cheaper per week in Melbourne compared to Sydney.

When housing costs are expressed as a proportion of household income, the figures are similar across Australia, but there are marked differences by type of tenure. In Melbourne, owners with a mortgage had average weekly housing costs of $207 per week, accounting for 17% of household income. However, renters in State housing paid an average of $71 per week in housing costs, which was also 17% of their household income.

9.5 CAPITAL CITY HOUSEHOLDS, Housing Costs by Tenure Type — 1997–98

	Owners without a mortgage	Owners with a mortgage	Renters: State housing authority	Renters: Private landlord	Renters: *Total renters*	Total
MEAN WEEKLY HOUSING COSTS ($)						
Sydney	25	269	59	210	*172*	138
Melbourne	22	207	71	153	*138*	117
Brisbane	27	201	61	147	*132*	122
Adelaide	18	174	60	136	*103*	98
Perth	18	193	68	135	*119*	106
Hobart	20	142	*54	129	*106*	127
Canberra	25	241	80	166	*127*	136
MEAN HOUSING COSTS AS A PROPORTION OF INCOME (%)						
Sydney	2	20	17	21	*20*	13
Melbourne	3	17	17	20	*19*	13
Brisbane	3	16	15	22	*20*	13
Adelaide	3	17	16	19	*18*	12
Perth	2	17	20	20	*19*	13
Hobart	3	15	*22	22	*22*	12
Canberra	2	20	17	18	*17*	14

Source: Housing Occupancy and Costs, Australia (Cat. no. 4130.0).

In 1997–98, the mean value of separate houses in Melbourne was $180,000, behind Sydney ($295,100), Perth ($194,000) and Brisbane ($182,700) (table 9.6). One quarter of separate houses in Melbourne were worth more than $200,000, compared to almost 60% in Sydney.

9.6 CAPITAL CITY HOUSEHOLDS, Value of Dwelling — 1997–98

	Unit	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Canberra
Less than $75,001	%	n.p.	*2.1	*3.5	9.8	4.1	12.2	—
$75,001 to $100,000	%	*2.6	16.8	12.2	28.4	14.2	30.6	6.9
$100,001 to $125,000	%	4.3	15.1	16.5	22.2	15.4	15.6	16.8
$125,001 to $150,000	%	16.1	19.2	20.6	16.3	15.4	18.8	29.3
$150,001 to $200,000	%	18.3	22.1	23.8	11.3	23.3	14.5	23.1
$200,001 to $250,000	%	11.2	8.3	8.7	5.1	9.5	*3.7	12.7
$250,001 to $300,000	%	12.5	7.3	7.6	*2.5	6.7	n.p.	*5.2
Greater than $300,000	%	34.8	9.0	7.1	4.3	11.3	n.p.	*6.1
Mean value	$'000	295.1	180.0	182.7	138.1	194.0	129.1	176.7

Source: Housing Occupancy and Costs, Australia (Cat. no. 4130.0).

Transport

In Victoria, an extensive transport infrastructure is supported by both government and business. Road, rail and air transport modes are all critical to the movement of people for commercial and domestic purposes.

Road network

There are over 150,000 kilometres of road in Victoria (table 9.7). VicRoads is responsible for the maintenance and improvement of arterial roads (just over 22,000 kilometres) and bridges in Victoria. There are a number of national highways within Victoria which are fully funded by the Commonwealth. These are; the Hume Freeway, the Western Freeway and Highway, the Sturt Highway between the South Australian border and Mildura, and the Goulburn Valley Highway between Seymour and the New South Wales border at Tocumwal. A lower level of Commonwealth funding is provided for roads of national importance. Local government is responsible for maintaining most local roads.

A number of projects have been completed or commenced on the Victorian road network recently. The 'Black Forest' section of the Calder Highway (M79) was officially opened in March 2000. The project included planting 2,220 native trees, the construction of koala and kangaroo-resistant fences, and construction of two wildlife tunnels. The Principal Bicycle Network was completed in Melbourne's inner eastern suburbs (Richmond, Burnley, Abbotsford, Hawthorn and Kew). The final section of the Western Ring Road (M80) was opened to traffic in August 1999. The West Gate Freeway was widened to provide four lanes of traffic each way between the West Gate Bridge and Laverton. Work commenced on upgrading Geelong Road in February 2000.

9.7 ROADS

Road type	Kilometres
Declared roads (at October 2000)	
National highways	1 004
State highways and freeways	6 524
Main roads	12 704
Tourist roads	1 694
Forest roads	312
Total declared roads(a)	*22 238*
Other roads (at 30 June 1999)	
Sealed roads	51 985
Formed and surfaced roads	52 132
Natural surface	29 843
Total other roads	*133 960*
Total roads open for traffic	**156 198**

(a) Excludes several thousand of kilometres of unclassified roads in forest areas that are the responsibility of the Victorian Government.

Source: VicRoads, Information Services Department.

Motor vehicle registrations and driver licences

The total number of licences in Victoria continued to grow steadily, increasing by 3% from 1998 to 1999 (table 9.8). The relative proportions of driver and rider licences in 1999 remained unchanged from previous years, with 94% of all licences being driver licences.

The number of motor vehicles (excluding motor cycles) registered in Victoria in 1999 increased by 3% (similar to the increase in the number of licences) over the previous year. Passenger vehicles accounted for 83% of this total. Increases in the number of vehicles on the register were recorded across all categories of motor vehicles from 1998 to 1999, with articulated trucks recording the largest increase (5%). The number of motor cycles registered in Victoria showed stronger growth than that of other motor vehicles, increasing by 7% from 1998 to 1999.

9.8 MOTOR VEHICLE REGISTRATIONS AND LICENCES—30 June

	1997	1998	1999
Type of licence(a)			
Driver	2 981 882	3 055 847	3 134 004
Rider	194 621	204 332	214 663
Total	*3 176 503*	*3 260 179*	*3 348 667*
Motor vehicles on register(b)			
Passenger vehicles	2 521 814	2 574 621	2 644 962
Campervans	7 144	7 137	7 266
Light commercial vehicles	385 907	390 753	401 995
Rigid trucks	87 035	85 044	85 469
Articulated trucks	17 144	17 326	18 121
Non-freight carrying trucks	5 386	5 643	5 704
Buses	14 266	14 542	15 021
Total motor vehicles (excluding motor cycles)	*3 038 696*	*3 095 066*	*3 178 538*
Motor cycles	80 271	82 324	87 954

(a) Licence holders may hold both a driver and a rider licence and therefore be counted in both categories. (b) Motor vehicle Census taken at 31 October.

Source: Motor Vehicle Census, Australia (Cat. no. 9309.0); VicRoads, Information Services Department.

Passenger vehicles manufactured by Ford, Holden and Toyota were the most prevalent on the register in 1999 (24%, 21% and 15% respectively) (table 9.9). These remain the top three, regardless of age of vehicle, with Ford and Holden vying for top position. For vehicles manufactured prior to 1985 and after 1997, Holdens are the most prevalent.

9.9 PASSENGER VEHICLES ON REGISTER, By Year of Manufacture — 31 October 1999

Make of Vehicle	1978 and earlier	1979 to 1981	1982 to 1984	1985 to 1987	1988 to 1990	1991 to 1993	1994 to 1996	1997 to 1999	Not stated	*Total*
BMW	1 816	1 477	2 811	3 358	3 929	4 472	6 901	8 403	26	*33 193*
Chrysler	14 713	8 343	61	17	3	5	220	1 874	11	*25 247*
Daewoo	—	—	—	—	—	2	5 528	13 229	—	*18 759*
Daihatsu	7	508	1 459	1 527	3 476	5 418	2 802	2 571	3	*17 771*
Ford	48 125	42 400	82 302	100 605	97 353	74 845	97 180	87 389	199	*630 398*
Holden	72 014	54 070	63 215	70 308	71 482	60 423	81 543	90 290	160	*563 505*
Honda	3 277	4 312	4 778	7 109	13 745	11 736	13 917	18 634	27	*77 535*
Hyundai	1	—	4	1 336	3 748	6 920	22 557	34 809	—	*69 375*
Jaguar	3 571	612	741	882	780	191	251	532	10	*7 570*
Land Rover	231	56	54	223	39	1 348	3 477	4 314	—	*9 742*
Mazda	10 273	16 417	21 430	14 583	12 505	14 818	14 105	16 666	30	*120 827*
Mercedes-Benz	10 014	3 089	3 929	4 151	3 384	2 646	3 759	6 057	39	*37 068*
Mitsubishi	343	10 464	25 201	36 812	39 915	42 538	43 538	47 311	59	*246 181*
Nissan (including Datsun)	18 463	17 499	31 772	27 864	42 524	23 038	12 338	22 552	76	*196 126*
Peugot	2 479	1 296	1 558	1 153	767	829	2 329	2 488	5	*12 904*
Saab	236	193	426	1 438	1 773	2 041	3 013	2 979	4	*12 103*
Subaru	210	1 533	5 526	3 244	3 997	6 644	5 618	13 067	9	*39 848*
Suzuki	2	215	895	1 312	2 829	3 855	4 694	3 893	3	*17 698*
Toyota	29 547	27 726	46 677	52 453	58 925	52 606	55 314	66 576	85	*389 909*
Volkswagen	9 922	615	201	127	204	243	1 409	4 001	22	*16 744*
Volvo	4 588	3 683	3 712	3 110	2 390	1 391	1 966	2 367	8	*23 215*
Other/not stated	30 553	4 436	5 294	5 836	4 962	3 418	9 379	15 175	191	*79 244*
Total	*260 385*	*198 944*	*302 046*	*337 448*	*368 730*	*319 427*	*391 838*	*465 177*	*967*	*2 644 962*

Source: Unpublished data, Motor Vehicle Census.

Motor cycles manufactured by Honda were the most common motor cycle on register in 1999, accounting for 30% of the total (table 9.10). Those manufactured by Yamaha were the second most common, accounting for 21% of the total. These proportions remain similar regardless of the year of manufacture.

9.10 MOTOR CYCLES ON REGISTER, By Year of Manufacture — 31 October 1999

Make of vehicle	1978 and earlier	1979 to 1981	1982 to 1984	1985 to 1987	1988 to 1990	1991 to 1993	1994 to 1996	1997 to 1999	Not stated	*Total*
BMW	416	204	404	608	269	273	503	474	7	*3 158*
Ducati	248	88	161	45	87	138	274	570	4	*1 615*
Harley Davidson	1 152	411	406	454	738	1 140	1 879	1 735	28	*7 943*
Honda	1 412	2 177	3 548	2 805	2 129	2 510	4 447	6 867	100	*25 995*
Kawasaki	635	912	1 265	1 380	1 649	1 980	2 138	2 345	50	*12 354*
Suzuki	395	1 246	1 757	1 226	1 373	1 409	1 455	2 933	69	*11 863*
Triumph	681	86	30	15	1	48	294	532	6	*1 693*
Yamaha	757	1 565	2 028	2 097	2 036	2 365	2 811	4 586	96	*18 341*
Other/not stated	1 287	174	177	211	240	231	748	1 895	29	*4 992*
Total	*6 983*	*6 863*	*9 776*	*8 841*	*8 522*	*10 094*	*14 549*	*21 937*	*389*	*87 954*

Source: Unpublished data, Motor Vehicle Census.

Public transport

Victoria's public transport services are extensive, servicing metropolitan and regional communities. An integrated network of train, tram, bus and ferry services operate under contract with the State Government. Melbourne's electrified suburban train network is a very extensive system by world standards radiating from the central city on 15 main routes which extend to outer suburban locations up to 55 kilometres from the central business district. Melbourne has the largest tram network outside Europe, servicing 28 main routes to a distance of approximately 25 kilometres from the Central Business District (CBD). Regional services provided by V/Line Passenger comprise a number of long-distance rail and coach services between Melbourne and regional Victorian centres.

With effect from 1 July 1998, the State Government legislated to corporatise the Public Transport Corporation's (PTC) passenger transport services through the establishment of five business corporations. Each operator entered into 'franchise' contracts with the Government for periods of 10 to 15 years. These contracts set out the overall levels of service the companies are expected to provide, the tickets they must offer, the maximum fares they can charge for these tickets, and other performance standards.

Reliability of a public transport service is considered important by its users, and one measure of reliability is the percentage of services which run on time. Punctuality varies significantly between different types of public transport with trams generally performing less well than trains and buses (table 9.11).

9.11 ON-TIME PERFORMANCE FOR TRAINS, TRAMS AND BUSES(a) — Services Run

	Jan–Mar 1999	Apr–Jun 1999	Jul–Sep 1999	Oct–Dec 1999	Jan–Mar 2000	Apr–Jun 2000
	%	%	%	%	%	%
Bayside Trains	93.8	94.0	96.9	97.4	96.2	94.6
Connex	93.2	93.2	95.2	97.0	94.2	95.0
V/Line Passenger	93.2	94.5	95.7	94.5	93.5	91.4
Swanston Trams	55.5	61.8	70.9	72.6	70.4	69.2
Yarra Trams	70.7	71.2	75.5	79.8	77.4	77.7
Metro buses	n.a.	n.a.	n.a.	n.a.	94.3	93.1

(a) Trains and trams are considered to be on time if they arrive at their destination not more than 59 seconds before, or not later than 5 minutes and 59 seconds after, the scheduled time. For buses, on time is defined as not more than 2 minutes early or 5 minutes late at scheduled destination. V/Line Passenger trains are considered on time if they arrive earlier than scheduled or not later than 5 minutes and 59 seconds after the scheduled time.

Source: Victorian Department of Infrastructure, Track Record.

The number of public transport services cancelled can also be considered an important measure of reliability (table 9.12).

9.12 CANCELLATIONS OF TRAINS, TRAMS AND BUSES — Services Scheduled

	Jan–Mar 1999	Apr–Jun 1999	Jul–Sep 1999	Oct–Dec 1999	Jan–Mar 2000	Apr–Jun 2000
	%	%	%	%	%	%
Bayside Trains	1.5	0.8	0.5	0.6	0.6	1.9
Connex	0.8	0.6	0.4	0.3	0.4	0.7
V/Line Passenger	0.2	0.3	0.2	0.1	0.1	0.3
Swanston Trams	0.9	0.6	0.5	0.7	0.9	1.0
Yarra Trams	0.8	0.4	0.4	0.3	0.3	0.2
Metro buses	n.a.	n.a.	n.a.	n.a.	0.1	0.1

Source: Victorian Department of Infrastructure, Track Record.

Air

Victoria's major airport, Melbourne Airport, is located at Tullamarine, 22 kilometres northwest of Melbourne's CBD, and is accessed via the Tullamarine Freeway. The airport is privately operated by a majority Australian-owned company with headquarters in Melbourne. The airport is open 24 hours a day for aircraft movements. Melbourne Airport is the only major Australian airport with both domestic and international terminals located 'under the one roof'.

In 1999, passenger and freight movements for domestic and regional traffic decreased from 1998 levels, while international traffic increased over the same period (table 9.13). While the absolute number of domestic passenger movements was lower in 1999 than 1998, the average number of passenger movements per aircraft movement increased from 94 to 119 over this period. In terms of international traffic, the volume of freight moved increased by 21% from 1998 to 1999, with passenger and aircraft movements increasing by 7% and 6% respectively.

The total number of Melbourne airport passenger movements decreased by 1% from 1998 to 1999. In contrast, the combined volume of freight moved increased by 13% over the same period.

9.13 MELBOURNE AIRPORT (TULLAMARINE), Passenger and Freight Movements

	Units	1997	1998	1999
Domestic and regional traffic				
Passenger movements	no.	11 227 713	11 429 141	11 169 679
Aircraft movements	no.	118 482	121 928	93 662
Freight	tonnes	81 161	79 704	76 694
International traffic				
Passenger movements	no.	2 370 948	r 2 489 132	2 653 705
Aircraft movements	no.	17 392	17 732	18 861
Freight	tonnes	162 500	152 634	184 856

Source: Department of Transport and Regional Services.

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