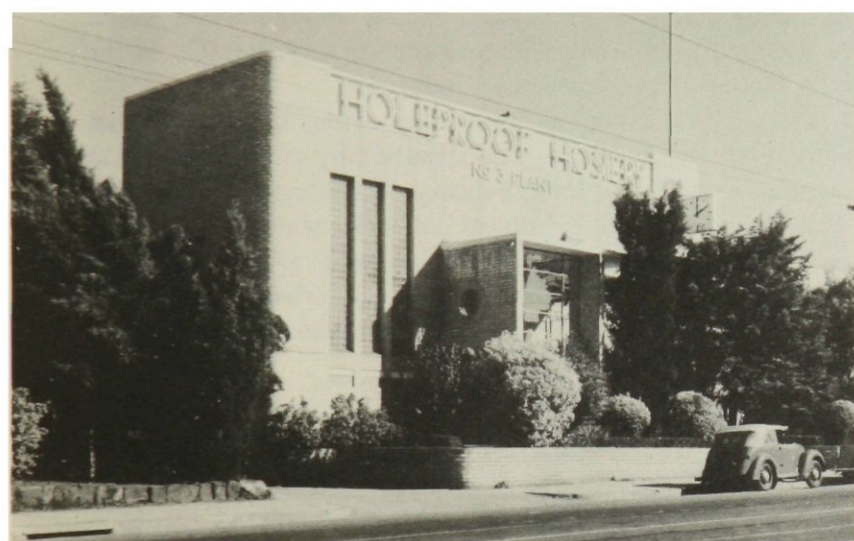


Industries with direct access to wharf space



Light industry suitably located near residential areas



Mixed development where factories are replacing old housing

sections of the electrical trades, where volume production is essential to economic production and transport costs are relatively light, the vulnerability to overseas competition is more marked. Because of the rapid growth of this industry both during and since the war, the high percentage of the work force now employed, the vulnerability of sections of this industry to economic conditions and overseas competition and the scope for increased mechanisation in many fields, the proportion of labour employed in certain sections may decrease in the long run as world trade and output develops. In addition, until the domestic market has expanded considerably, there would appear to be little prospect of developing any appreciable export trade other than

in certain sections of heavy engineering. There will probably be an increase in the average size of factories engaged in engineering as the industrial structure becomes more settled.

The *clothing* industry is a fairly stable one that has tended to expand with the population, although the proportion engaged as a percentage of the work force has steadily declined mainly because of more mechanised methods. However, it remains the second largest employer of labour. It is also developing new fields of ready-made clothing and should continue to grow as in the past. Because of the labour shortage, the post-war trend has been for a large number of smaller decentralised factories to develop, chiefly to attract local labour. As more labour becomes available,

the tendency may be for larger factories to develop. This is essentially a local market industry whose size is dependent on the growth in population.

As with clothing, the *textile* industry produces essentially for the Australian market, although some export trade in woollens and worsteds was developed immediately after the war. Now that other countries are producing again, this export trade is declining, and because of higher costs of production it seems unlikely that any appreciable export trade can be developed for some time at least. The average size of factory units is much higher than with clothing. This industry should continue to produce the great bulk of Australian requirements for woollen and worsted products, which are less vulnerable to overseas competition than the rayon and cotton spinning sections.

The *food* industry is another whose growth is steady. At the present time it includes a fair volume of export in certain lines such as flour, butter, cheese, frozen and canned meat, and canned fruit. However, with the rapidly growing Australian population the volume of export trade may decrease. The trend is for the scale of operations in the various food canning fields to increase.

Of the other sections, *building and construction, timber and furniture, and mine and quarrying products* are all closely associated with population growth and prosperity, and tend to fluctuate considerably as economic conditions affect the demand for housing.

The *chemical industry* is one that has shown considerable world-wide development in recent years and is preparing for considerable expansion in Australia in the field of basic chemical products and oil refining.

The growth of the *paper and printing* industry is largely associated with the general prosperity and development of the community.

With such a wide industrial base as now exists in Australia, it is natural that certain new fields will develop to augment the structure as new scientific products and processes are evolved, such as has happened in recent years with plastics and rayon. The high capital cost of establishing some industries in relation to the limited size of the local market will, however, always tend to limit the development in certain specialised fields, such as aircraft production and the manufacture of highly specialised and expensive plant and equipment. It will be more economical to import such products from abroad until the Australian population has grown to a size where local production is an economic proposition.

In concluding these comments on the future development of industry in Melbourne, it is well to note two important factors. Firstly, despite the absence of nearby coal and iron deposits, Melbourne is the most centrally located industrial city in Australia from the national distribution angle, which is important when one considers that the great bulk of industrial production in Australia is consumed in the capital cities and that transport costs are becoming an

increasingly important factor in overall costs. Secondly, with most of the Australian population and industrial market centred in the capital cities, and in view of the considerable distances between such cities, all of which are adjacent to a port, it is difficult to foresee any great voluntary movement from them. Although some degree of decentralisation to the principal country centres has developed and should be encouraged in certain industries, especially sections of the clothing and food industries, the basic fact remains that as long as adequate labour is available in the metropolitan area, it is economically more attractive for the bulk of industry which produces for the national market to be located close to the distributive centre and to associated industries.

It has already been estimated that the future total work force of Melbourne for a population of 2,500,000 would be about 1,150,000. It has also been shown that 47 per cent. of the present work force is engaged in secondary production which is a high figure that is unlikely to be maintained. Taking 47 per cent. as a maximum figure, however, the proportion of the future work force engaged in industry would be 540,000, of which it is estimated about 80,000 would be engaged in building and construction and 460,000 in the manufacturing and extractive industries.

Table 39 estimates the proportion of this future industrial work force that is likely to be absorbed by the various broad sections of manufacturing industry, assuming a continuation of the present trend with those industries which have tended to grow in relation to population and apportioning the balance of the work force among the other industries in accordance with the best available estimates of their likely growth.

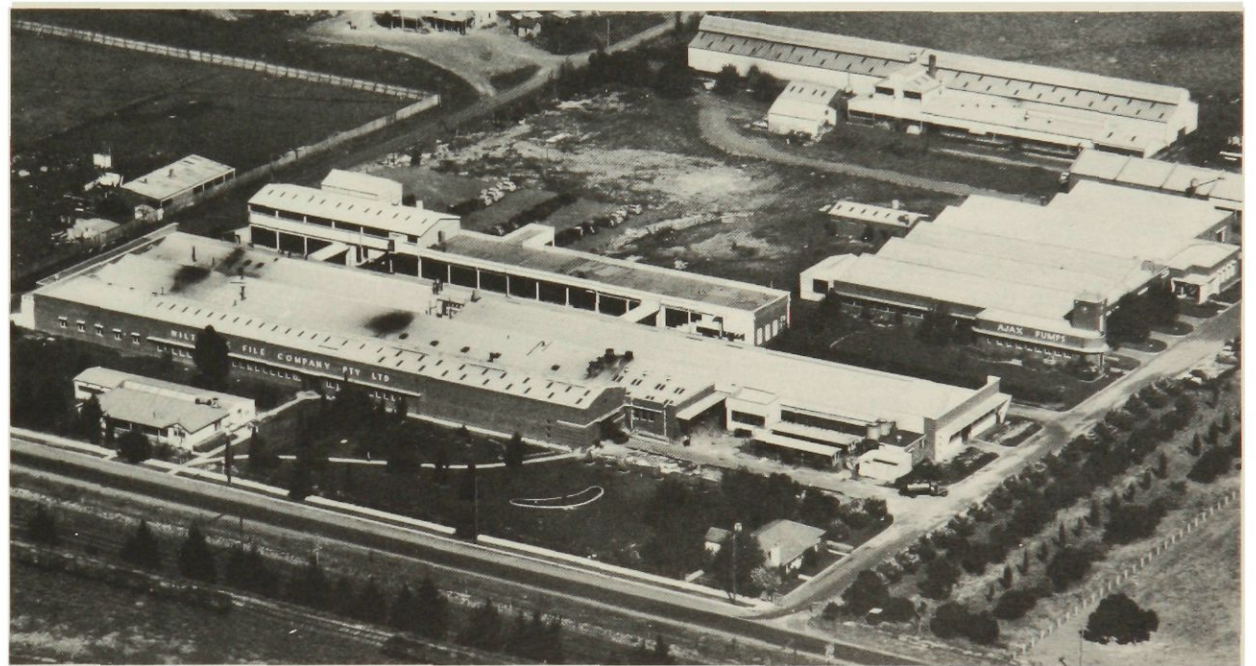
Table 39
ESTIMATED DISTRIBUTION OF FUTURE
INDUSTRIAL WORK FORCE*

Type of Industry	1949 Population		Population of 2,500,000	
	Distribution of Workers	%	Distribution of Workers	%
Engineering	79,799	33.4	142,500	31
Clothing	41,952	17.5	78,000	17
Textiles	24,961	10.5	46,000	10
Food	24,818	10.4	50,500	11
Paper and Printing	14,079	5.9	23,000	5
Timber and Furniture	13,435	5.6	23,000	5
Chemicals (ex. Oils and Explosives)	7,734	3.2	23,000	5
Skins, Leather and Furs	5,202	2.2	9,250	2
Rubber	4,272	1.8	9,250	2
Miscellaneous	13,103	5.6	32,250	7
Oil and Explosives	2,860	1.2	9,250	2
Extractive	6,419	2.7	14,000	3
	238,635	100	460,000	100

*Excluding Building and Construction



High density vertical development with site area often completely built on



Modern factories showing lower density horizontal type development

