



Welcome to the January pulse° today, the monthly update from pulse°

This month includes:
 - updates to three data measures
 - results of the 2011 pulse building consumer survey

94% of building consumers in 2011 experienced no major problems during their building project. *Source: Building Commission*

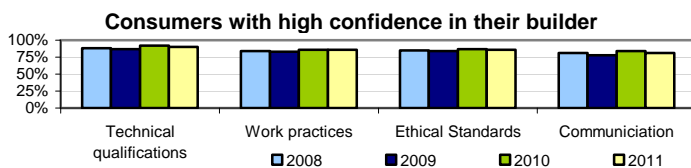
42% decrease in the number of business construction tradesperson bankruptcies in 2010-11. *Source: ITSA*

80% of Registered Building Practitioners expect their business profitability to either increase or stay the same over the next two years. *Source: Building Commission*

Updates

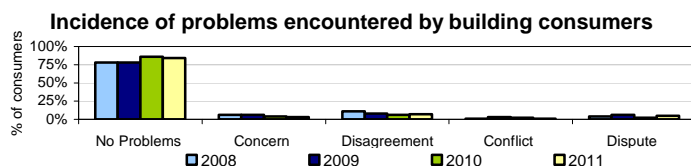
Consumer confidence *Source: Building Commission*

Building Commission research shows that 86 per cent of building consumers in 2011 rated their builder highly over four areas of confidence (technical capabilities, communication, work practices and ethical standards), compared to 87 per cent in 2010. [more detail...](#)



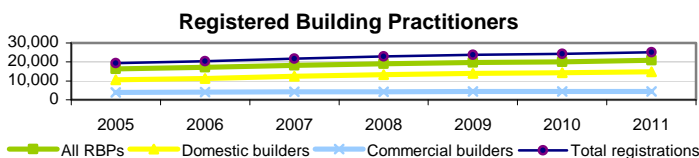
Incidence of problems *Source: Building Commission*

In 2011, 84 per cent of consumers experienced no problems at all during the building project, compared to 86 per cent in 2010. Of those consumers that had a problem, 6 per cent had a major problem (5 per cent had a dispute and 1 per cent had a conflict), 7 per cent had a disagreement with their builder and 3 per cent had a concern that was never raised. [more detail...](#)



Registered Building Practitioners *Source: Building Commission*

There were 20,949 Registered Building Practitioners at the end of 2011, up 4 per cent on 2010. There were 3 per cent more domestic builders and 1 per cent more commercial builders. [more detail...](#)



Consumer satisfaction

Building Commission independent research in 2011 found that building consumers continue to be highly confident and satisfied with the Victorian building industry outcomes. Since 2003, 600 building consumers have been interviewed about their building experience, views and expectations showing positive results for the industry.

The 2011 survey found that 92 per cent of building consumers were highly satisfied with the quality of their built product. Furthermore, 83 per cent were highly satisfied with their builder's management of the project and 84 per cent highly satisfied with their overall building experience, these figures are consistent with previous years.

Since 2004, the survey has also investigated issues experienced during their building project. In 2011, the majority of consumers, 94 per cent, reported having no major problems during their building project. That is, 5 per cent reported having a dispute, where the matter was taken to a binding legal court/tribunal such as the Victorian Civil and Administrative Tribunal (VCAT), and 1 per cent reported having a conflict - where third party conciliation was required to resolve.

Seven per cent of consumers had a disagreement with their builder, which was resolved before third party intervention and a further 3 per cent reported having a concern but did not raise it with their builder. In 2011, 84 per cent of consumers reported having no problems at all.

Of the problems encountered, just over a quarter (26 per cent) were quality of work-related issues (28 per cent in 2010), and 23 per cent were timing issues (20 per cent in 2010). A further 15 per cent were due to contract or scope of work issues (28 per cent in 2010).

Consumers rated their satisfaction with the outcome of their issue as 5.9 out of 10 (where 10 is the highest), compared to 6.0 out of 10 in 2010. Three quarters (75 per cent) of consumers did not incur any costs to resolve the matter. Of those that did, 12 per cent spent \$5,000 or less, 3 per cent between \$5,001 and \$10,000, 6 per cent between \$10,001 and \$50,000 and 1 per cent between \$50,001 and \$100,000). For more information visit the [pulse° website](#).

pulse° publishes and analyses data on the building industry including: building practitioner, building permits, compliance, consumer satisfaction and much more. [more](#)