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Skilled Trade Shortages are Widespread says HIA

The latest Housing Industry Association-Austral Bricks Trades Report shows there was a deterioration in the availability of skilled tradespeople in the residential sector in the December 2009 quarter.

The HIA, Australia's largest building industry organisation, said the report highlighted a widespread shortage of skilled labour in the residential sector across trades and regions.

HIA's Chief Economist, Dr Harley Dale said that there was a shortage of labour in ten out of thirteen skilled trades at the end of 2009, compared to eight trades being in shortage in the September quarter. The headline HIA-Austral Bricks Trade Availability Index ticked down one notch from -0.07 to -0.08 in the December 2009 quarter, meaning tradespeople were defined as being in moderate under supply.

"Trade rates, meanwhile, are on the rise again, but remain lower when compared to late 2008," Harley Dale said.

The HIA-Austral Bricks Trade Prices Index increased by 0.9 per cent in the December 2009 quarter following a rise of 0.5 per cent the previous quarter. The index was 2 per cent lower compared to the December 2008 quarter.

"Price pressure is still modest and trade availability, while deteriorating, is still considerably better than it was up until late 2008. So it is a favourable time to build a new home or renovate an existing property.

"The clock is ticking, however, given the competition across different sectors in 2010 for a limited pool of skilled labour. There is a clear risk that labour shortages will re-emerge as a significant constraint on the rate of recovery in both new home building and renovations by the middle of this year.

"The training of apprentices and trainees needs to be afforded high priority, and so too does the encouragement of young people to not only start a trade but to complete the training. Failure to achieve this will only exacerbate intergenerational challenges.

"Immigration policy is also an important focus at the same time as we look to bolster the ranks of the domestic skilled workforce over the next few years. The current immigration framework is less than effective in plugging skilled labour shortages in the residential sector as distinct from the wider construction industry and HIA have sought to work with the Government to address this issue," Harley Dale said.

For Further Information please contact:

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For a full copy of the HIA-Austral Bricks Trades Report (media only), please contact Kirsten Lewis on (02) 6245 1393 or k.lewis@hia.com.au

media release



media release

	Mar-07	Jun-07	Sep-07	Dec-07	Mar-08	Jun-08	Sep-08	Dec-08	Mar-09	Jun-09	Sep-09	Dec-09	Quarterly Movement in Availability
Bricklaying	0.00	-0.48	-0.49	-0.63	-0.27	-0.17	-0.13	0.00	-0.12	-0.06	-0.10	-0.08	↑
Carpentry	-0.30	-0.35	-0.50	-0.55	-0.46	-0.37	-0.29	0.11	0.16	0.08	0.04	-0.03	↓
Ceramic Tiling	-0.36	-0.32	-0.37	-0.61	-0.43	-0.40	-0.33	0.00	-0.08	-0.21	-0.25	-0.33	↓
Electrical	-0.70	-0.56	-0.57	-1.07	-0.25	-0.17	-0.30	-0.83	-0.51	-0.14	-0.15	-0.03	↑
General Building	-0.54	-0.44	-0.49	-0.60	-0.44	-0.45	-0.17	0.06	0.13	0.03	-0.06	-0.05	↑
Joinery	-0.32	-0.34	-0.40	-0.68	-0.44	-0.27	-0.27	-0.11	0.12	0.38	0.19	0.18	↓
Landscaping	0.00	-0.47	-0.49	-0.33	-0.50	-0.25	-0.10	0.09	0.18	0.11	-0.14	-0.17	↓
Other Trades	-0.20	-0.32	-0.41	-0.34	-0.44	-0.24	-0.25	-0.36	-0.05	0.04	-0.04	-0.06	↓
Painting	-0.47	-0.66	-0.40	-0.67	-0.62	-0.50	-0.36	-0.60	-0.08	0.18	0.00	-0.13	↓
Plastering	-0.29	-0.28	-0.50	-0.77	-0.56	-0.44	-0.39	-0.18	0.13	0.22	0.14	0.00	↓
Plumbing	-0.80	-0.85	-0.80	-0.76	-0.50	-0.26	-0.14	-0.50	-0.36	0.01	-0.25	-0.14	↑
Roofing	-0.33	-0.76	-0.79	-0.96	-1.00	-0.40	-0.76	-0.31	-0.35	0.01	-0.14	-0.36	↓
Site Preparation	-0.75	-0.84	-0.80	-0.50	-0.57	-0.57	-0.25	0.00	-0.09	0.13	0.08	0.14	↑
All trades	-0.41	-0.43	-0.46	-0.51	-0.46	-0.40	-0.29	-0.06	-0.05	0.10	-0.07	-0.08	↓

A down arrow indicates a deterioration in trade availability over the quarter while an up arrow indicates an improvement in trade availability.

Source: HIA-Austral Bricks Trades Report

Note to Editors

1. The HIA-Austral Bricks Trades Report is a quarterly measure of trade prices and availability on a capital city and rest of state basis for 13 different trade categories in the 5 largest states.
2. The data is sourced each quarter from a sample of HIA builder and contractor members. The price series is the current charge out rate minus GST and materials. The data is weighted and expressed in terms of an index (with a base of 100 being the weighted average price for all trades in all regions in September 2002).
3. The trade availability measure is derived from a question asking members about the availability of their trade in their particular region. There are five possible responses ranging from critical short supply to massive oversupply. A net balance method is used to derive the single measure.
4. For a full copy of the HIA-Austral Bricks Trades Report (media only), please contact Kirsten Lewis on (02) 6245 1393