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Persistent Skilled Trade Shortages Highlight Need for Further Action

The latest Housing Industry Association-Austral Bricks Trades Report highlights a persistent shortage of skilled tradespeople in the residential sector.

The HIA, the voice of Australia's residential building industry, said the latest Trades Report, for the June 2010 quarter, confirmed widespread shortages of skilled labour.

HIA's Chief Economist, Dr Harley Dale said that in the June 2010 quarter the HIA-Austral Bricks Trade Availability Index showed a shortage of skilled tradespeople in eight of thirteen skilled trades.

"The structural shortage of skilled labour in the residential sector is an obstacle preventing an adequate supply of new homes. Addressing this shortage therefore forms a vital component to ensuring Australia's critical housing shortage improves."

"There are many areas requiring urgent attention, including reversing the growing rate of attrition of first year apprentices, currently at 33 per cent, and the overall high numbers who fail to complete an apprenticeship."

"There is obviously a significant lead time involved with policies required to tackle the domestic challenges related to apprentices and training. It is therefore important that Australia's skilled migration intake include a component specifically targeted at the residential sector, something the current system doesn't achieve," Harley Dale said.

"Trade rates, meanwhile, continue to rise although aggregate price pressures remain relatively modest," Harley Dale said.

The HIA-Austral Bricks Trade Prices Index increased by 0.6 per cent in the June 2010 quarter.

"The Trade Prices Index was 3.2 per cent higher compared to the June 2009 quarter, with the latter period representing the cyclical trough for what was a very weak new home building environment," Harley Dale added.

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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

	Jun-07	Sep-07	Dec-07	Mar-08	Jun-08	Sep-08	Dec-08	Mar-09	Jun-09	Sep-09	Dec-09	Mar-10	Jun-10	Quarterly Movement in Availability
Bricklaying	-0.48	-0.49	-0.63	-0.27	-0.17	-0.13	0.00	-0.12	-0.06	-0.10	-0.08	-0.18	-0.33	↓
Carpentry	-0.35	-0.50	-0.55	-0.46	-0.37	-0.29	0.11	0.16	0.08	0.04	-0.03	-0.18	-0.10	↑
Ceramic Tiling	-0.32	-0.37	-0.61	-0.43	-0.40	-0.33	0.00	-0.08	-0.21	-0.25	-0.33	-0.25	-0.23	↑
Electrical	-0.56	-0.57	-1.07	-0.25	-0.17	-0.30	-0.83	-0.51	-0.14	-0.15	-0.03	-0.18	-0.08	↑
General Building	-0.44	-0.49	-0.60	-0.44	-0.45	-0.17	0.06	0.13	0.03	-0.06	-0.05	-0.06	-0.18	↓
Joinery	-0.34	-0.40	-0.68	-0.44	-0.27	-0.27	-0.11	0.12	0.38	0.19	0.18	0.05	-0.14	↓
Landscaping	-0.47	-0.49	-0.33	-0.50	-0.25	-0.10	0.09	0.18	0.11	-0.14	-0.17	-0.25	-0.29	↓
Other Trades	-0.32	-0.41	-0.34	-0.44	-0.24	-0.25	-0.36	-0.05	0.04	-0.04	-0.06	-0.04	0.02	↑
Painting	-0.66	-0.40	-0.67	-0.62	-0.50	-0.36	-0.60	-0.08	0.18	0.00	-0.13	0.00	0.01	↑
Plastering	-0.28	-0.50	-0.77	-0.56	-0.44	-0.39	-0.18	0.13	0.22	0.14	0.00	0.07	0.17	↑
Plumbing	-0.85	-0.80	-0.76	-0.50	-0.26	-0.14	-0.50	-0.36	0.01	-0.25	-0.14	-0.33	-0.13	↑
Roofing	-0.76	-0.79	-0.96	-1.00	-0.40	-0.76	-0.31	-0.35	0.01	-0.14	-0.36	-0.21	0.05	↑
Site Preparation	-0.84	-0.80	-0.50	-0.57	-0.57	-0.25	0.00	-0.09	0.13	0.08	0.14	-0.03	0.00	↑
All trades	-0.43	-0.46	-0.51	-0.46	-0.40	-0.29	-0.06	-0.05	0.10	-0.07	-0.08	-0.11	-0.09	↑

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