



MEDIA RELEASE

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BUILDING TRADE AVAILABILITY STILL IN THE RED

Despite an easing in new home and renovation activity, the availability of key home building and renovation trades remains stuck in the red.

Figures released today from the HIA-Austral Bricks Trades Report showed that the squeeze on trade availability has returned with shortages reported in most capital cities and regional centres.

Australia's peak building industry body, HIA, said that while Australia's residential builders are doing a remarkable job of keeping building costs in check, the same pressures on trade supply remain.

HIA's Chief Economist, Mr Harley Dale said that all trades remain in shortage, with 9 of the 13 trades surveyed experiencing a decline in availability during the June 2007 quarter.

"Trade shortages were most prevalent in plumbing, site preparation, and roofing while on a state by state basis, the largest shortages are in Western Australia and Queensland," Mr Dale said.

"There remain some deep seated challenges ahead for the building industry which without the injection of more apprentices and skilled migrants, will see another round of building cost pressures emerge later in the decade," he added.

"Today's figures underline the importance of keeping key building trades on the Federal Governments Migration Occupations in Demand List (MODL), in order to satisfy demand for trades and alleviate pressure on building costs.

"For apprentices, ongoing reforms to competency based training, mutual recognition arrangements for skills and licensing, and changes to apprenticeships are crucial in keeping costs down and improving housing affordability."

Trade Availability - by Individual Trade

	Mar-05	Jun-05	Sep-05	Dec-05	Mar-06	Jun-06	Sep-06	Dec-06	Mar-07	Jun-07	Quarterly Movement in Availability
Bricklaying	-0.60	-0.50	-0.24	-0.35	-0.26	-0.25	-0.36	-0.46	0.00	-0.48	↓
Carpentry	-0.49	-0.41	-0.42	-0.48	-0.49	-0.34	-0.30	-0.29	-0.30	-0.35	↓
Ceramic Tiling	-0.40	-0.50	-0.73	-0.57	-0.29	-0.48	-0.78	-0.80	-0.36	-0.32	↑
Electrical	-0.38	-0.80	-0.36	-0.91	-0.50	0.46	-0.75	-0.68	-0.70	-0.56	↑
General Building	-0.48	-0.51	-0.54	-0.42	-0.37	-0.50	-0.58	-0.52	-0.54	-0.44	↑
Joinery	-0.34	-0.06	-0.31	-0.47	-0.63	-0.53	-0.43	-0.35	-0.32	-0.34	↓
Landscaping	-0.30	-0.08	0.17	0.30	-0.31	-0.33	-0.50	-0.45	0.00	-0.47	↓
Other Trades	-0.35	-0.43	-0.43	-0.50	-0.42	-0.44	-0.38	-0.16	-0.20	-0.32	↓
Painting	-0.24	-0.33	-0.12	-0.77	-0.24	-0.22	-0.35	-0.41	-0.47	-0.66	↓
Plastering	-0.33	-0.79	-0.27	-0.22	-0.24	-0.22	-0.55	-0.53	-0.29	-0.28	↑
Plumbing	-0.32	-0.45	-0.37	-0.64	-0.42	-0.57	-0.78	-0.76	-0.80	-0.85	↓
Roofing	0.33	-0.79	-0.67	-0.38	-0.10	-0.40	-0.92	-0.92	-0.33	-0.76	↓
Site Preparation	-0.50	-0.75	0.14	-0.33	-0.38	-0.67	-0.75	-0.73	-0.75	-0.84	↓
All trades	-0.40	-0.34	-0.35	-0.35	-0.43	-0.41	-0.42	-0.37	-0.41	-0.43	↓

**Note: Critical Short Supply is between -2 and -1, Moderate Short Supply is between -1 and 0, In balance = 0
Moderate oversupply is between 0 and 1, and massive oversupply is between 1 and 2.*

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 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 particular 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

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