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DROP IN ACTIVITY YET SKILLS SHORTAGES REMAIN

The latest HIA-Austral Bricks Trades Report highlights a continuation in the shortage of skilled labour despite a decline in building activity.

While there was marginal improvement in the availability of a number of trades this was overshadowed by confirmation that all thirteen trades surveyed remain in short supply and are less available than twelve months ago.

HIA Chief Executive – Policy, Mr Chris Lamont said, “Shortages pose a real concern for new house prices as trades prices combined with rises in the cost of materials such as steel would increase the cost of new houses and add to housing affordability woes.”

Trade Shortages are most extreme in Adelaide, Queensland and Western Australia where new housing activity remains buoyant in defiance of the downward national trend.

“The Government’s commitment of funding to skills and training commencing with \$2.5 Billion to establish trade centres in schools is a positive start. We now need to look at practical short courses for the industry that will fast-track skills delivery. There is also a need to better promote the opportunities that exist within the industry.”

“Vocational education and training programs such as HIA youthBUILD are having a very positive effect in this regard.” Mr Lamont said.

HIA is concerned that skill shortages are adding to the cost of new house prices. Building materials are on the rise with the cost of steel and other items recording strong price rises in recent months.

“Price pressures are being recorded across all thirteen trades throughout the country and this is particularly alarming as we are yet to see an increase in residential construction activity,” Mr Lamont said.

On a brighter note the Report confirms that young Australians considering residential construction industry pathways are all but guaranteed of a future career.

“Underlying demand for residential construction continues to outpace supply, and therefore, employment opportunities have never been better,” said Mr Lamont.

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media release



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	Sep-07	Dec-07	Mar-08	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	-0.49	-0.63	-0.27	↑
Carpentry	-0.49	-0.41	-0.42	-0.48	-0.49	-0.34	-0.30	-0.29	-0.30	-0.35	-0.50	-0.55	-0.46	↑
Ceramic Tiling	-0.40	-0.50	-0.73	-0.57	-0.29	-0.48	-0.78	-0.80	-0.36	-0.32	-0.37	-0.61	-0.43	↑
Electrical	-0.38	-0.80	-0.36	-0.91	-0.50	0.46	-0.75	-0.68	-0.70	-0.56	-0.57	-1.07	-0.25	↑
General Building	-0.48	-0.51	-0.54	-0.42	-0.37	-0.50	-0.58	-0.52	-0.54	-0.44	-0.49	-0.60	-0.44	↑
Joinery	-0.34	-0.06	-0.31	-0.47	-0.63	-0.53	-0.43	-0.35	-0.32	-0.34	-0.40	-0.68	-0.44	↑
Landscaping	-0.30	-0.08	0.17	0.30	-0.31	-0.33	-0.50	-0.45	0.00	-0.47	-0.49	-0.33	-0.50	↓
Other Trades	-0.35	-0.43	-0.43	-0.50	-0.42	-0.44	-0.38	-0.16	-0.20	-0.32	-0.41	-0.34	-0.44	↓
Painting	-0.24	-0.33	-0.12	-0.77	-0.24	-0.22	-0.35	-0.41	-0.47	-0.66	-0.40	-0.67	-0.62	↑
Plastering	-0.33	-0.79	-0.27	-0.22	-0.24	-0.22	-0.55	-0.53	-0.29	-0.28	-0.50	-0.77	-0.56	↑
Plumbing	-0.32	-0.45	-0.37	-0.64	-0.42	-0.57	-0.78	-0.76	-0.80	-0.85	-0.80	-0.76	-0.50	↑
Roofing	0.33	-0.79	-0.67	-0.38	-0.10	-0.40	-0.92	-0.92	-0.33	-0.76	-0.79	-0.96	-1.00	↓
Site Preparation	-0.50	-0.75	0.14	-0.33	-0.38	-0.67	-0.75	-0.73	-0.75	-0.84	-0.80	-0.50	-0.57	↓
All trades	-0.40	-0.34	-0.35	-0.35	-0.43	-0.41	-0.42	-0.37	-0.41	-0.43	-0.46	-0.51	-0.46	↑

**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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