



MEDIA RELEASE

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BUILDING TRADE SHORTAGES SUSTAIN PRICE PRESSURES

Building trade shortages continue to place upward pressure on trade prices.

Figures released today from the HIA-Austral Bricks Trades Report showed that trade shortages remain prevalent across all trades and regions surveyed.

Australia's peak building industry body, HIA, said that the building industry is extremely competitive despite trade shortages placing increasing pressure on trade prices.

HIA's Senior Executive Director Industry Policy, Mr Chris Lamont, said all trades are suffering from shortages in supply, with ten of the thirteen trades exhibiting further deterioration in availability during the September 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 Lamont said.

HIA is calling for urgent reforms in the training system and for new intermediate trade qualifications. These reforms are aimed at providing greater flexibility and providing more incentives for both young Australians and employers.

"There remain some real challenges ahead for the building industry. There has not been any real reform in the trade training system for thirty years. The solution is not just about expenditure it involves delivering reforms that will appeal to job seekers and greater incentives for employers looking to assist new entrants," said Mr Lamont.

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