

Building Associate		South Australia (SA)
ASCO Code: 3121-11	October 2006	
Labour market rating	No Shortage	
Comment		

Occupational demand

Two thirds of building associates are employed in the construction industry, with a further ten per cent each working in manufacturing, and property and business services. Demand for building associates is therefore mainly affected by the level of building and construction activity. The value of SA building 'work done' increased 2.8 per cent in the June quarter 2006 to around \$910 million, the highest level on record. However, building approvals – a useful indicator of forward demand and activity levels – declined for six consecutive months up to August 2006, and were 5.1 per cent lower compared to August 2005. Australian Bureau of Statistics labour force data (averaged over four quarters) show that employment of building, architectural and surveying associate professionals fell by over 10 per cent in the year to August 2006.

Occupational supply

Most building associates enter the occupation via informal means, typically combining a trade background with on-the-job experience. Skills may be further enhanced via the completion of selected training modules run by TAFE or relevant industry associations (such as the Housing Industry Association (HIA)). Only around one quarter of persons working as building associates had post-trade level qualifications at the time of the 2001 Census. Statistics from the National Centre for Vocational Education and Research (NCVER) show that the number of persons completing a relevant diploma level qualification (eg Diploma in Building) increased 39 per cent in 2005, from 41 to 57. SA Government data show that there was a 6.4 per cent increase in the number of registered building supervisors over the year to June 2005.

Employer and industry comments/current labour market

A survey of employers who had recently advertised for building associates showed that 80 per cent of vacancies were filled within six weeks. Approximately 20 per cent of applicants were considered suitable, while there was an average of two suitable applicants per vacancy. The majority of vacancies in the survey were classified as residential building supervisors, with a smaller number of positions for construction supervisors in the commercial sector. There was no appreciable difference in recruitment outcomes across the two sectors, although the required level of experience was slightly higher for positions associated with commercial construction projects. None of the surveyed vacancies were for building estimators. Unsuitable applicants were rejected almost entirely due to lack of relevant experience. The small number of unfilled vacancies resulted from either inadequate offers of remuneration (ie below the market rate) or because the company had advertised with a view to testing the market, rather than a serious attempt at filling a bona fide position. A number of contacts said that there was no shortage of building and construction supervisors, while another indicated that they received unsolicited resumes and job applications from building supervisors on a regular basis. Turnover levels were described as low by most employers, while there was evidence that some firms had reduced the number of building and construction supervisors they employed because of a decline in activity levels, relative to a year ago. Overall, the high vacancy filled rate combined with the available anecdotal evidence supports a current rating of 'no shortage'.

Labour market outlook

Occupational supply has increased steadily, with the number of registered building supervisors rising 36 per cent between 2000 and 2005. At the same time, forecasts from the HIA show that combined SA investment in new housing and non-residential construction will decline by around 2 per cent in 2006-07. A shortage of building associates is therefore not likely to emerge over the short-term.