

Construction Project Manager		New South Wales (NSW)
ANZSCO Code: 1331-11	July 2009	
Labour market rating:	Recruitment difficulty	
Comment: <i>Recruitment difficulties are evident for specialised areas such as dam construction.</i>		

Occupational demand

Demand for construction project managers has been mixed over the past year. The Construction Forecasting Council (CFC) estimates that the total value of construction in NSW grew by 9.1 per cent in 2008-09 (not adjusted for inflation) following growth of 7.4 per cent the previous year. The CFC estimates that a five per cent fall in non-residential building activity over this period was more than offset by a 31 per cent rise in engineering construction, with the biggest increases in roads, electricity infrastructure, heavy industry and mining, and recreation and other industry.

Occupational supply

The supply of construction project managers is dependent on the number of engineering and construction graduates and other persons with experience in the construction industry who progress to managerial roles. As a result, no reliable figures for domestic supply are available. Immigration, however, is a significant supply source for the occupation. Data from Department of Immigration and Citizenship show that net permanent and long-term arrivals of building and construction managers from overseas to NSW were 100 in 2007-08 which was double the average for the previous five years.

Employer and industry comments/current labour market

A DEEWR survey of employers who had recently advertised for construction project managers found that 75 per cent of vacancies were filled within six weeks of advertising. The majority of employers in Sydney and regional NSW were able to fill positions with little difficulty across most sectors of the industry, including residential building, commercial construction, infrastructure projects and general civil engineering. The consensus of employers and recruitment agencies was that the supply of experienced project managers seeking work had increased significantly as a result of the economic downturn. For the surveyed advertisements there was an average of three suitable applicants per vacancy and most employers were able to select the best of several good applicants. In some cases, advertisements attracted experienced construction project managers but positions remained unfilled because employers were hesitating to recruit less-than-ideal applicants in the hope that better applicants would become available in the current downturn. In other cases advertisements attracted a number of potentially promising candidates but employers suspended the recruitment process due to the economic downturn. In a small number of instances, advertisements attracted suitable applicants but they were unable to reach an agreement with the employer on remuneration. Recruitment difficulties were mainly confined to positions with specialised requirements such as recent experience in dam construction.

Labour market outlook

It is likely that demand for construction project managers will remain patchy over the short term. The CFC expects non-residential building activity to fall further in 2009-10, although, once again, this is forecast to be more than offset by solid growth in engineering construction (by 12 per cent in nominal dollars). The CFC expects growth to be led by bridges, railways and harbours, roads, and telecommunications. Construction activity in 2009-10 will be boosted by high levels of expenditure on infrastructure by the Australian Government and NSW Government. The NSW Government has budgeted for a 31 per cent increase in state infrastructure expenditure in 2009-10. The \$18 billion in infrastructure expenditure includes funding under various Australian Government infrastructure programs. As a result it is likely that recruitment difficulties will persist for construction managers with experience in specified types of infrastructure projects.

Construction Project Manager		Queensland
ANZSCO Code: 1331-11	April 2009	
Labour market rating	No shortage	
Comment:		

Occupational demand

Construction project managers (CPM) plan, organise and coordinate the physical and human resources involved in the construction of major building and civil engineering projects such as hotels, factories, offices, schools and housing developments. The majority of CPMs in Queensland work within the construction industry, with smaller numbers employed in property and business services or the public sector. Demand for this occupation is directly related to the levels of building activity in the State. High levels of population growth, combined with government infrastructure spending and building policies, contributed to significant building activity in Queensland over the past twelve months. The latest Australian Bureau of Statistics data show that the value of total building work done in Queensland over the year to December 2008 was \$19.65 billion, an increase of 9.9 per cent.

Occupational supply

Entry to this occupation requires the completion of an Advanced Diploma of Building and Construction Management or tertiary studies in construction management, architecture, engineering or quantity surveying. Mandatory licensing with the Building Services Authority requires a minimum four years relevant experience. Relevant courses vary in length and delivery mode, while some universities offer a generic program prior to students choosing a discipline. Therefore specific commencement and completion figures for CPMs are difficult to ascertain. However, as one indicator, data from the Department of Education, Employment and Workplace Relations show that an annual average of 93 students commenced the Bachelor of Applied Science (Construction Management) between 2002 and 2005. Upon the introduction of a generic urban development degree in 2006, commencement numbers decreased to 10. The number of students leaving this course before completion has averaged around 42 per cent and, if completions stay commensurate with enrolments, it is anticipated that around 55 newly qualified CPMs will graduate from this course at the end of 2009. Department of Immigration and Citizenship figures show that 64 self-identified building and construction managers entered the State in 2007-08, possibly a moderate source of supply.

Employer and industry comments/current labour market

While 37 per cent of vacancies for CPMs remained unfilled within six weeks of advertising, these vacancies were for extremely experienced and specialised professionals, and were unrepresentative of the majority of those in this year's survey. Overall, 57 per cent of applicants were considered unsuitable due to insufficient experience, no qualifications or a lack of stable work history. Recruitment agencies noted that the CPM labour market has eased considerably over the past six months and employers are now insisting that suitable applicants have specific skill sets and experience. They also advised that, as increasing numbers of commercial and residential projects are postponed, vacancies for CPMs are declining and existing vacancies are being withdrawn by employers in greater volumes. While respondents reported strong interest from overseas, the strength of the domestic labour market meant that these applicants were not seriously considered.

Labour market outlook

Worsening economic conditions have led to a slowdown in the construction industry, with ABS data indicating a drop of 16.9 per cent in the trend value of building approvals in Queensland over the year to March 2009. Industry contacts affirm this slowdown, so shortages of construction project managers are not likely within the next six months.

Construction Project Manager		South Australia
ANZSCO Code: 1311-11	January 2009	
Labour market rating	No Shortage	
Comment		

Occupational demand

Demand for construction project managers is influenced by prevailing levels of building and construction activity. ABS data show a 4.9 per cent rise in the total value of building work done in South Australia during the December quarter 2008. In year-on-year comparisons, building work done increased 17.6 per cent up to December. However, there was a marked decline in the value of building projects approved by local councils during the second half of last year, indicating weakness in underlying demand conditions going forward into 2009. The value of approvals for combined residential and non-residential projects decreased by over 20 per cent in the year to December 2008. Month-on-month approvals declined for six consecutive months up to year's end. DEEWR's Skilled Vacancies Index data show that the number of advertised vacancies for construction project managers declined by around 28 per cent in the twelve months to January 2009.

Occupational supply

Census data indicate that a bachelor degree or trade certificate are the most common qualifications held by construction project managers. A sizeable proportion of the occupation have no post school qualifications and relevant industry experience is often regarded as sufficient to enter the occupation. Training data are not available for this occupation given the diverse backgrounds from which people may gain entry. Immigration data show that skilled migration is not a significant source of supply for construction project managers in South Australia.

Employer and industry comments/current labour market

A survey of employers who had recently advertised for construction project managers showed that 40 per cent of vacancies were filled within six weeks. The major reason for rejecting unsuitable applicants was a lack of relevant experience and/or qualifications. However, employers reported that labour market conditions appeared to ease considerably in the latter part of 2008 and early 2009. Some employers indicated they had recently received unsolicited enquiries from construction project managers seeking work due to a downturn in demand conditions in the construction industry. At least one previously unfilled vacancy was close to being filled as a result. Another unfilled vacancy had been withdrawn due to changing business requirements. Consequently, it appears that the labour market for construction project managers is changing rapidly due to falling demand and increasing levels of occupational supply. Therefore, despite the low vacancy fill rate obtained from the employer survey (based largely on vacancies advertised prior to the onset of the more recent economic turmoil) the current labour market rating is no shortage.

Labour market outlook

Building approvals slowed sharply in the latter half of 2008, suggesting weaker levels of construction activity going forward into 2009. The federal government's Nation Building and Jobs Plan (announced in February 2009) includes a multi-billion dollar investment in primary school infrastructure, secondary schools maintenance, and additional defence force housing, which is intended to stimulate construction industry activity and bolster employment. Given these countervailing forces, the labour market outlook for construction project managers is uncertain.

Construction Project Manager		Western Australia
ANZSCO Code: 1331-11		April 2009
Labour market rating:	Recruitment difficulty	
Comment <i>Recruitment difficulties exist when specialised skills and workplace experience are being sought.</i>		

Occupational demand

The 2006 Australian Bureau of Statistics (ABS) census data indicate that most construction project managers in WA (62 per cent) work in the industry division of Construction, mainly in the specific industry classifications of house construction, followed by non-residential building construction and engineering consulting services. ABS data show the number of construction project managers in WA has increased by 144 per cent between 2001 and 2006, to 2032. The ABS Labour Force Survey show that the number of construction managers working in WA has remained stable from February 2008 to February 2009. ABS data also show that the total number of new residential building approvals fell slightly from 2006-07 to 2007-08. However, the value of non-residential building approvals in WA almost doubled from \$2758 million in 2006-07 to \$5358 million in 2007-08.

Occupational supply

Entry into this occupation may be through a Bachelor of Applied Science (Construction Management and Economics) degree which is offered by Curtin University and is specifically designed for this occupation or through TAFE WA which offers a Certificate IV in Building and Construction and a Diploma of Building and Construction (Building - Builder's Registration). It is also possible that graduates of architecture courses may work in this profession. Graduate numbers of domestic students from the Curtin University Bachelor of Applied Science in recent years have seen a peak in 2006 with 13 graduates in 2007, 32 in 2006, and 16 in 2005. Overseas migration has provided a net gain of construction project managers to WA in 2007-08 of 117 persons, which was similar to the previous year.

Employer and industry comments/current labour market

A DEEWR survey of employers who had recently advertised for construction project managers found that 60 per cent of vacancies were filled within six weeks following advertising. There were over 29 applicants per vacancy of whom slightly less than four per vacancy were considered by employers to be suitable. The main reasons applicants were not considered suitable were that they lacked the specific skills and workplace experience sought by employers. Many employers reported a significant increase in the number of applicants for positions compared with previous recruitments during the last year. Some employers advised that while numbers had increased, current applicants were comparatively of a lower quality than in the past, indicating that positions requiring very specific skills and experience remained difficult to fill. Some employers noted they were moving away from the traditional method of recruiting by advertising, as they were not finding this an effective way to attract suitable applicants. In these cases, word of mouth or referrals from other sources were seen as being more effective. Many employers noted local work experience as being a requirement for their positions, indicating a number of applicants could not meet this criterion. In some cases, employers suggested applicants would have required training in order to effectively fill the advertised position, adding that while they may have been happy to provide this development in the past, they were now seeking to recruit applicants who were fully functional in the role. Employers commented that in some cases, applicants were trying to move from one environment to another – such as from residential to commercial – but that employers preferred current experience in the area of the vacancy.

Labour market outlook

Recruitment difficulties are evident when specialised skills and workplace experience are being sought. This is likely to persist in the short to medium term.

Construction project manager	Tasmania
ANZSCO Code: 1331-11	April 2009
Labour market rating	Shortage
Comment	

Occupational demand

ABS Census data indicate the number of construction project managers in Tasmania increased from 128 in 2001 to 287 in 2006, suggesting a significant increase in demand. However, it is likely that there are definitional and classification issues surrounding this occupation. Civil engineers, construction estimators, building associates and various building and engineering technicians are often involved in construction project management to some extent at least, making an accurate estimate of the workforce in this field difficult. What is clear, however, is that total employment in the construction industry grew by 42 per cent between the 2001 Census and the 2006 Census. ABS labour force data also confirm that in February 2009, employment in the construction industry was 64 per cent higher than five years earlier, compared with employment growth for all industries of 14 per cent.

Occupational supply

ABS census data suggest there are a number of pathways into this occupation. The highest percentage of people in the occupation at 40 per cent, had achieved a Certificate III or IV level qualification, and it seems reasonable to assume that many of this group were formerly tradespeople in the construction industry. The next largest group at 17.3 per cent had a bachelor degree or higher, while 14.9 per cent had a diploma or advanced diploma. The ABS occupation classification system suggests a construction project manager is a building professional with a degree level qualification. Based on the above data, it appears as though the term refers to a broader range of managerial activities and encompasses a more diverse range of responsibilities. Many industry sources make a distinction between “office based” and “site based” project managers, with those engaged at construction sites more likely to be ex-tradespeople while those based in offices are more likely to be degree or diploma qualified. However, it is also the case that many of those who are now degree or diploma qualified are also ex-tradespeople.

Employer and industry comments/current labour market

None of the employers surveyed for this report had advertised in the lead up to this report, but some had attempted to recruit project managers in the last 6 months or so. Employers generally indicated they received large numbers of applications but that very few of them were suitable – one employer quoted figures of a single suitable candidate from 60 applications, for example. Applicants were generally considered to be unsuitable because they failed to meet the specific requirements of the employer, typically being for engineering qualifications and/or extensive industry experience. Other feedback suggested that many employers train their own project managers due to the difficulty in recruiting appropriately skilled people at the price they are able to pay, with some employers indicating they paid for their employees to undertake diploma and degree courses via external studies because they were unable to recruit people with the required skills.

A number of employers advised they had received enquiries from project managers in mainland States, but couldn't afford the wages they were asking.

Labour market outlook

The effects of the global recession may ease shortages over the next 12 months or so, although some employers reported that the Federal Government's stimulus package may increase demand across the construction industry.

Construction Project Manager		Northern Territory
ANZSCO Code: 1331-11		March 2009
Labour market rating	Recruitment Difficulty	
Comment: <i>Recruitment difficulties exist for senior roles with specific industry requirements (e.g. utilities experience)</i>		

Occupational demand

Australian Bureau of Statistics (ABS) Census data show there were 161 construction project managers employed in the Northern Territory (NT) in 2006. The value of construction (residential dwellings, commercial and industrial buildings, education and health facilities and infrastructure) work done in the NT increased by an estimated 17.6 per cent in 2008-09 to \$2.3 billion, but is forecast to decline by 33 per cent to \$1.6 billion in 2009-10 (*Source: NT Government 2009-10 Budget Northern Territory Economy Overview*). The NT Government spending on infrastructure programs has grown each year since 2001 and the 2009-10 Budget provides for a record \$1299 million investment, a 47 per cent increase over 2008-09.

Occupational supply

There are no specific degree level courses for construction project managers available in the NT and there is a strong reliance on attracting people from interstate for vacancies. Strong experience with years in the field is generally required for applicants to be considered suitable. Some employers commented a tight labour market remains for this occupation.

Employer and industry comments/current labour market

Half of the employers surveyed filled their advertised construction project manager vacancies. Multiple applicants were received for each vacancy, however, few (22 per cent) were considered suitable and some vacancies, at the senior level where specific industry experience was required, remained vacant for extended periods. Employers commented that most of their applicants tended to come from interstate and a few were from overseas. Some employers filled their vacancies through internal transfers and said demand in some areas had waned as a result of the global financial crisis. A number of employers indicated they were choosing to hold off on proposed recruitment for new positions, adopting a wait and see approach for demand requirements.

Staff turnover with this occupation tended to go with the role because of its project basis. Even people employed in permanent positions often look for new opportunities as current projects draw to a close and would move to follow the work. Wage pressures were not considered an issue. Some employers commented that retired construction project managers are returning to work due to the global financial crisis effects on their superannuation.

Labour market outlook

The global financial crisis has affected demand for construction project managers across Australia in the construction sector, although civil construction remains solid in the NT. Less demand interstate for these roles creates more potential to attract suitable people to the NT. In the current economic climate construction project managers interstate are more open to relocation for work. However, recruitment difficulties for senior roles with specific industry experience are expected to remain over the coming year.