

Fitter	New South Wales (NSW)
ASCO Code: 4112-11	August 2007
Labour market rating	Shortage
Comment: Shortages were evident in Sydney and regional NSW.	

Occupational demand

Demand indicators for fitters were variable in 2006-07. The AIG-PricewaterhouseCoopers *Survey of Australian Manufacturing* shows an increase in manufacturing activity in NSW during 2006-07, while coal production grew by eight per cent over the year. Construction activity was less strong, with the Construction Forecasting Council (CFC) estimating that non-residential construction in NSW grew by only three per cent in 2006-07 (in nominal dollars). The Labour Force Survey does not indicate any significant change in employment for fitters and machinists in 2006-07, although apprenticeship approvals fell, which is often an indicator of easing demand.

Occupational supply

The supply of fitters and machinists from net immigration over the last two years has increased by about 75 per cent from an average of about 80 a year in the previous four years. Supply from apprenticeship completions in the mechanical engineering trades as a whole has been fairly steady in the last four years, averaging just over 400 a year. However, this is only half the level of the late 1990s. The training rate (apprenticeship completions as a percentage of the employed workforce) for the mechanical engineering trades is 1.8 per cent a year, which is well below the average of 2.7 per cent for all trades. Although no recent data on wastage from this occupation are available, the consensus of employers contacted for this report was that their staff turnover was low to moderate.

Employer and industry comments/current labour market

A DEEWR survey of employers who recently advertised for fitters showed that 63 per cent of vacancies were filled within four weeks of advertising, which was below the figure of 79 per cent in 2006. Employers in Sydney generally had more success in filling vacancies than their regional counterparts. About half of the Sydney employers surveyed filled their vacancies with few problems and several had to turn away a number of highly suitable applicants. The remainder of those surveyed, however, were either unable to fill their vacancies or had considerable difficulty in doing so. The consensus of employers was that most applicants were either unqualified, did not have specific experience in the employer's industry, or proved to have inadequate skills when trialled. Hard-to-fill vacancies were scattered over a number of industries including food manufacturing, industrial equipment manufacturing, plant and machinery hire and various specialisations including maintenance work, fitting and machining and diesel fitting and machining.

The recruitment experience of regional employers also varied significantly, although employers in the manufacturing and mining industry in the Hunter Valley generally had more success in filling vacancies than those in inland towns. A number of mining employers in Central Western and Western NSW reported that they were unable to compete with the high remuneration being offered by mines elsewhere in NSW and interstate and that positions sometimes took six months or more to fill. A number of expanding mines reported that while they were able to fill some positions, the majority remained unfilled and they often had to compromise on the quality of recruits.

Labour market outlook

Non-residential construction is expected to increase strongly in 2007-08 and the outlook for mining remain favourable. The *Survey of Manufacturing* also points to a moderate increase in manufacturing production over the next year. Demand for this trade is therefore likely to strengthen over the short-term. Although supply from apprenticeship completions is projected to increase in 2007-08, it is unlikely that this will be sufficient to meet the shortfall of experienced tradespersons.

Fitter	Victoria
ASCO Code: 4112-11	September 2007
Labour market rating	Recruitment difficulty
Comment: <i>Unfilled vacancies generally attracted suitable applicants but employers were often unable to meet pay and conditions expectations of candidates.</i>	

Occupational demand

Demand for fitters in Victoria is largely determined by the level of activity in the manufacturing industry, as most fitters are employed in this sector, and by overall economic activity. The Survey of Australian Manufacturing June 2007 showed that growth in manufacturing activity strengthened moderately in the June quarter 2007, largely reflecting a broadening in demand. However, the appreciating dollar is continuing to dampen export prospects.

Manufacturing employment in Victoria for the August quarter rose by 4.8 per cent compared with the same period in 2006. Victoria's economy had relatively strong growth of 2.9 per cent over the year to December 2006. DEEWR Skilled Vacancies Index data show newspaper vacancy levels for fitters have been steadily declining since 2003.

Occupational supply

ABS education and work figures suggest around two thirds of employed metal fitters and machinists nationally hold Certificate III/IV qualifications. Almost 650 persons completed a Certificate III in Engineering (Mechanical Trade, Production Systems and other related streams) in 2005-06 a significant increase compared with 465 persons in 2004-05. Supply to the trades of metal fitter and machinist from net migration increased slightly, up by about 7 per cent between 2005-06 and 2006-07. Net immigration to Victoria during 2006-07 contributed around 140 metal fitters and machinists.

Employer and industry comments/current labour market

The Survey of Employers who Recently Advertised (SERA) found that slightly less than two thirds of vacancies were filled. There were around nine applicants per vacancy with an average of 2.7 suitable applicants per vacancy. The reasons some applicants were considered by employers to be unsuitable included lack of experience, qualifications, and work place fit. Employers were looking for either several years of broad experience or specific CNC experience. Employers required applicants to hold trade qualifications for their advertised positions.

Although employers for some positions attracted suitable applicants their positions were not filled due to the candidates and employers being unable to agree on salary and conditions or employers considering the applicant would not fit into the work team. Given the relatively high suitable applicant to vacancy ratio and the reasons vacancies remained unfilled being differences in expectations between employer and candidate rather than a lack of suitable applicants it is considered there are recruitment difficulties rather than shortages of fitters in Victoria.

Some employers suggested applicants have high salary expectations because it is believed there is a shortage of skilled fitters so some applicants believed employers should be willing to pay higher salaries to attract highly experienced and skilled candidates.

Employers noted that vacancies advertised online attracted many applications from overseas and that these applicants often lacked relevant qualifications and were unaware the positions required trade certificates.

Labour market outlook

The relatively balanced labour market for fitters in Victoria is expected to continue over the next six months, with recruitment difficulty persisting for employers who are unable to reach applicant salary expectations.

Fitter	Queensland
ASCO Code: 4112-11	September 2007
Labour market rating	Shortage
Comment: <i>Fitters with hydraulic and pneumatic experience were especially difficult to recruit.</i>	

Occupational demand

Fitters are engineering tradespeople who assemble, install, maintain and repair sub-assemblies, machinery and equipment for a number of industries, including manufacturing, aeronautical, maritime, mining, food processing and medical services. According to the Australian Industry Group-PricewaterhouseCoopers *Survey of Australian Manufacturing*, manufacturing production in Queensland expanded in all four quarters over the year to June 2007, reflecting an overall increase in orders and stronger exports. There has also been a strong commitment by the Queensland Government to major public infrastructure developments which, along with ongoing demand from mining activity, has led to strong and steady demand for qualified fitters.

Occupational supply

From 2007, the State Government fully implemented the competency-based training system to allow earlier completion for a selection of apprentices. Consequently, the expected timeframe for gaining qualifications as a fitter in Queensland has been reduced from 48 to 42 months. Data from the Queensland Department of Education, Training and the Arts show that prior to 2004, the annual average intake of fitter apprentices was approximately 400. Commencements increased to 600 in 2004 and to 670 in 2005, but moderated to 430 in 2006. Notwithstanding an average wastage rate of approximately one in three apprentices, the increases in commencements are expected to boost supply to this trade in 2007 and 2008. International migration may be a significant source of supply, with data from the Department of Immigration and Citizenship indicating that Queensland had a net gain of 274 self-identified metal fitters and machinists to the workforce during 2006-07.

Employer and industry comments/current labour market

Just over 50 per cent of the advertised vacancies for fitters included in this year's survey were filled within four weeks of initial advertising, which is considerably lower than the 70 per cent fill rate recorded in last year's survey. Of the applicants, 44 per cent were regarded as unsuitable by employers because they did not have adequate qualifications or experience. This includes employers seeking fitters with experience in specialist areas such as hydraulics or pneumatics, and employers requiring fitters to have mining industry experience. Several employers reported that in cases where they could not place a qualified and experienced fitter they were accepting tradespersons with transferable skills. Respondents in South East Queensland and in the mineral resources sector reported minimal difficulties recruiting trade qualified fitters. However, the majority of vacancies in this year's survey came from manufacturing firms servicing the mining industry in regional locations. A significant number of North Queensland manufacturers reported that fitters are often attracted to the lucrative remuneration offered in the mineral resources sector and general fabrication workshops are unable to compete financially.

Labour market outlook

As global demand for the State's low cost coal and other minerals continues, so will the flow-on effects to the manufacturing sector. At the same time, the more encompassing engineering firms are seeking fitters to cope with increasing orders for structural and fabricated metal products and machinery. Demand for fitters is therefore expected to remain strong over the next few years. While there should be an increase in apprenticeship completions from 2007, the scale of this may not be enough to meet the high levels of demand coming from multiple industries. The present State-wide shortage of fitters in Queensland is therefore expected to continue for the short to medium-term.

Metal Fitter	South Australia
ASCO Code: 4112-11	July 2007
Labour market rating	No Shortage
Comment	

Occupational demand

A significant proportion of metal fitters are employed in the manufacturing industry. Conditions in this industry have declined due to a number of factors, including increased competition from cheaper replacement items manufactured overseas, the loss of existing contracts to off-shore companies, and the persistently high Australian dollar. Employment in manufacturing fell by one per cent in 2006-07. The effect on the automotive component manufacturing sector has been especially noticeable, with significant numbers of retrenchments occurring in the past two years. More recently, higher fuel costs have dampened demand for larger sized passenger vehicles, further impacting on sales and production of locally built cars. In spite of these trends, DEEWR's Skilled Vacancies Index data showed a nine per cent increase in newspaper vacancies for metal fitters in 2006-07. Employment of metal fitters and machinists increased by five per cent in the year to May 2007 (in four quarter average terms). Additionally, the Engineering Employers Association of South Australia's recorded a slight improvement in activity levels among its members in recent months.

Occupational supply

Detailed training statistics for metal fitters are not available. However, the number of persons completing a four-year apprenticeship in the broader category of mechanical engineering peaked in 2002, at 180. Completions subsequently declined to 110 in 2004, the lowest level in seven years. Since then, the number of completions increased to 120 in 2005 and 175 in 2006. Over the past seven years there has been a steady increase in the number of trainee commencements from a low of 178 in 1999 to 378 in 2006, the highest in at least 12 years. As a consequence of this upward trend in training commencements, the number of completions is anticipated to increase over the next few years. Net migration represents an additional source of supply to the workforce that supplements formal training. Though relatively small in size, over the past few years there has been a steady increase in the net migration of metal fitters and machinists to South Australia.

Employer and industry comments/current labour market

A survey of employers who recently advertised for metal fitters showed that approximately 82 per cent of positions were filled within four weeks. This was identical to the filled rate recorded in 2006 which was an improvement on the 76 per cent filled rate in 2005. Each vacancy attracted an average of 5.9 applicants, which was higher than the year before (five). There was a modest reduction in the average number of suitable applicants per vacancy to 1.3 compared to 1.4 last year. Most employers reported no difficulties in finding enough workers with the skills and experience required to fill their vacancies. Reasons for unsuitability of applicants included lacking qualifications or relevant experience. Where recruitment difficulties were encountered, reasons given included the requirement to work rotating shifts and the need for experience in operating specific machinery within a particular industry.

Labour market outlook

Demand for metal fitters is increasing and this appears to be in response to growth in defence-related manufacturing and mining. Demand is likely to increase further in the future due to the anticipated commencement of large projects including the possible expansion of the Olympic Dam mine and the construction of three Air Warfare Destroyers for the Royal Australian Navy. Nonetheless, the labour market for metal fitters is likely to remain in equilibrium due to increased supply of skilled labour through formal training arrangements.

Fitter	Western Australia
ASCO Code: 4112-11	September 2007
Labour market rating	Shortage
Comment	

Occupational demand

Labour Force Survey data suggest that the number of employed fitters has been fairly flat in the 12 months to September 2007 and the Department of Education, Employment and Workplace Relations (DEEWR) Skilled Vacancies Index shows that the number of newspaper vacancies for the trade has been fairly stable over the past two years. There is strong demand for various types of fitters in mining, power plants, civil engineering, transport, factories and in many projects involving large and heavy machinery.

Occupational supply

State Government training figures show that there has been an increase in completions of apprenticeships in metal and mechanical fitting over the last few years. In 2005, a total of 266 apprenticeships were completed; in 2006 there were 331 completions.

Employer and industry comments/current labour market

Some employers described the current situation as a worker's market with skilled fitters attending only the interviews for the best jobs. A major employer said that internet ads attract many applicants from overseas countries. Many employers also suggested that experience and demonstrated skill in an industry may be more important than trade qualifications. Employers have reported that other tradespersons, such as motor mechanics, can also make a successful crossover to the higher paid work of fitting.

Some contacts suggested it can be difficult to recruit fitters who have police clearances to work on Defence contracts where security clearances are required. Large mining and mining supply companies report they have significant vacancies for heavy duty fitters. These roles involve working on the large mining trucks, loaders and drills.

A number of metropolitan employers believe there is a shortage of skilled workers because so many have been attracted to high income roles in mining. Some suggest many fitters are transient, with workers looking around for the best incomes.

Labour market outlook

The high level of activity in the resources sector is affecting all metal and mechanical tradespersons and is expected to continue for some time.

Fitter	Tasmania
ASCO Code: 4112-11	September 2007
Labour market rating	Shortage
Comment <i>In Tasmania, for training purposes the trade is known as engineering - mechanical trade. It is more commonly known as fitting and turning, or fitting and machining.</i>	

Occupational demand

Between 1996 and 2001, the number of fitters in Tasmania fell by 9.7 per cent, according to Census data. Since 2001 however, Australian Bureau of Statistics labour force data indicates that the number of people in the occupation of fitter and machinist has averaged around 2800 over the last five years, compared to 1,674 at the 2001 Census. This growth is consistent with the general economic upturn the State has experienced over the last six years or so, with total employment in Tasmania increasing by 14.6 per cent between 2002 and 2007. In Tasmania most metal fabrication and engineering trades are employed in the manufacturing industry at about 64 per cent, with construction the next largest at 6.6 per cent. Total employment in this industry has been declining over a long period of time, but industry sources suggest that demand for higher skilled people at the trade and above level remains strong. There is also an increasing trend of tradespeople generally, working for labour hire companies, who are classified as working in the property and business services sector as a result, even though they may be hired out to work in the manufacturing or construction industries.

Occupational supply

The number of fitters and turners in training in Tasmania has increased for each of the last four years, and the current number of 262 is the highest number recorded since the present series began in 1995. Although the number of commencements fell slightly in 2006-07, commencements over the last two years were still at their highest levels since the current series began. In addition to supply through the training system, Census data show that another 90 fitters and turners arrived from interstate, with most from Western Australia.

Employer and industry comments/current labour market

Less than 15 per cent of vacancies that had been recently advertised had been filled by employers. In addition, they received on average, two suitable applicants per vacancy. All of the employers contacted including those who had not recently advertised expressed the view that there are shortages of fitters in Tasmania, as the number of tradespeople being produced by vocational training systems has not kept pace with the demand created by the upturn in the economy. Employers indicated that fitting skills were slightly easier to recruit for than positions where the main emphasis was on machining, but that the degree of cross-skilling between the two activities was high, with specialisations often based in individual employees' preferences and aptitudes.

Labour market outlook

Shortages of fitters are likely to continue for at least the next six to 12 months, as despite a significant increase in the numbers of apprentices being trained, demand is still outstripping supply.

Fitter	Northern Territory
ASCO Code: 4112-11	August 2007
Labour market rating	Shortage
Comment	

Occupational demand

ABS Census data show that there were 686 fitters employed in the Northern Territory (NT) in 2001 and Labour Force Survey data indicate that the number of metal fitters and machinists has been growing since 2003. Over the past couple of years, engineering construction activity (ABS 8762.0) in the NT has been dramatically boosted by major projects. Some of the major projects (such as the Darwin Waterfront) are still to be completed and the potential for new major projects commencing remains high. DEEWR's Skilled Vacancies Index has recorded continued strength in advertised vacancies for fitters, peaking in 2005 and remaining high in 2006 and 2007.

Occupational supply

The number of apprentices undertaking mechanical engineering trades has been low and apprenticeship completions in 2004 and 2005 numbered less than 10 per year. The local training rate is low and so there is a high reliance on interstate recruitment, recruiting travellers to the NT and sponsoring overseas tradespeople. However, there was a significant increase in the number of apprenticeship commencements in 2005 and some employers noted that there seemed to have been an improvement in the number and quality of people considering taking up apprenticeships in the mechanical and construction trades.

Employer and industry comments/current labour market

Employers contacted filled 29 per cent of vacancies surveyed, which was a large decline from the previous survey in which 83 per cent of vacancies were filled, but is similar to 2005 where 28 per cent of vacancies were filled.

Employers had great difficulty filling positions with many employers recruiting fitters from interstate and overseas. Due to the shortage of available fitters, some employers provided extensive training to junior fitters so that they could perform more complex work. Mining companies had the least difficulty hiring fitters and contacts believed this was due to the fact that mining companies were able to offer higher salaries than other employers. Non-mining companies in regional and remote communities had the greatest difficulty filling vacancies.

Some employers believed that the shortage of fitters was due to school leavers not being informed about the opportunities in the trade and the limited training options available. The supply of fitters was also adversely affected by wastage with some fitters leaving the trade to work in the mining industry as truck drivers or in other jobs which offered higher salaries. Vacancies advertised by employers were commonly new positions due to increased demand and a number of employers claimed that if additional suitable fitters applied they would have created additional vacancies to accommodate them. Some businesses suggest they have this option available because the amount of engineering work being undertaken in Darwin is constrained by supply of available tradespeople.

Labour market outlook

The strong NT economic conditions and level of engineering work are expected to continue over the coming year. Demand for fitters is expected to continue to surpass available supply leaving the trade in shortage.

Fitter	Australian Capital Territory (ACT)
ASCO Code: 4112-11	July 2007
Labour market rating	No Shortage
Comment:	

Occupational demand

Nationally, manufacturing is the main employer of fitters, however within the ACT this is a small industry. ABS Labour Force Survey data show that the metal trades are small occupations within the ACT with only around 300 metal fitters and machinists employed. The same survey suggests that employment of metal fitters and machinists has fallen over the past five years. DEEWR Skilled Vacancies Index data show the number of advertised vacancies for metal trades fell over the year ending June 2007 by 14 per cent. However, as there are generally few advertised vacancies, reflecting the small employment size, these data should be used cautiously.

Occupational supply

Entry to the trade of metal fitting is usually through an AQF Certificate III in Engineering (Mechanical trade). Over the past six years there has been an average of eight commencements per annum, and an average of five completions per annum for this Certificate. Overseas departures and arrivals information from the Department of Immigration and Citizenship shows the net inflow from overseas of metal fitters and machinists to the ACT is minimal.

Employer and industry comments/current labour market

A survey of employers who had recently advertised for fitters conducted for this report found that about 70 percent of vacancies were filled within four weeks of advertising, unchanged from the vacancy fill rate recorded in the ACT in 2006. The large number of applications and suitable applicants for large public sector positions suggest overall there are adequate numbers of qualified fitters. Most vacancies were filled easily and the small number of positions that were difficult to fill generally required shift work.

There was an average of five applicants per advertised vacancy, but on average less than two were considered by employers to be suitable for their advertised positions. The reasons employers gave for considering candidates to be unsuitable varied, but included lack of experience in the occupation and lack of local qualifications. Most employers who advertised did not want someone skilled only as a metal fitter. They were generally seeking applicants who had a range of other skills that are developed with a few years post apprenticeship experience. Some employers were looking for computer skills as well as the ability to fabricate and repair broken machinery or parts, while others wanted skills in both fitting and machining.

Labour market outlook

There are no indications that the labour market s will change significantly over the next six months.