

<b>Welders (First class)</b>	<b>New South Wales (NSW)</b>
<b>ASCO Code:</b> 4122-15	August 2007
<b>Labour market rating</b>	No shortage
<b>Comment:</b> <i>No significant shortage was evident in Sydney or regional NSW.</i>	

### **Occupational demand**

Demand indicators for this trade were mixed over the past year. The Construction Forecasting Council (CFC) estimates that non-residential construction in NSW grew by only three per cent in 2006-07 (in nominal dollars) following strong growth in 2005-06. Manufacturing activity improved over the year, with the Australian Industry Group / Pricewaterhouse Coopers *Survey of Australian Manufacturing* indicating an increase in production in each of the four quarters to June 2007. Mining activity was strong, with production increasing by eight per cent in the year to May 2007. Although Labour Force Survey data do not show any significant increase in employment of fabrication engineering tradespersons over the past year, the consensus of employers contacted for this report was that demand for welders was firm in some sectors of construction and for industries servicing the mining sector.

### **Occupational supply**

Supply to the fabrication engineering trades as a whole from apprenticeship completions grew by 23 per cent in 2006-07 and was 10 per cent above the average for the previous ten years. However, the training rate (apprenticeship completions as a percentage of employed fabrication engineering tradesperson) is slightly below the average for all trades (2.4 per cent compared with 2.7 per cent). There are no recent and reliable data on wastage from this trade although historically the wastage rate has been higher than the training rate. Net immigration of engineering fabrication tradespersons as a whole has grown strongly the past two years, averaging 180 a year compared with an average of 50 a year for the previous five years.

### **Employer and industry comments/current labour market**

The DEEWR survey of employers who had recently advertised for first class welders found that almost all positions were filled within four weeks of the surveyed vacancies being advertised. This was a significant improvement on the success rate of 63 per cent in 2006. Employers' advertisements generally attracted a good response with an average of eight applicants and two suitable applicants per advertised vacancy. Although most applicants were not qualified or had inadequate skills in some areas – such as an inability to work from drawings – the majority of employers were still left with a number of suitable applicants to choose from. Employers were able to fill vacancies across most industry sectors and skills specialisations including MIG, TIG, oxy and stick welding, welding in steel and aluminium, and combinations of these skills. Although a small minority of employers were unable to fill their vacancies, their advertisements usually attracted one or more suitable applicants and the positions remained unfilled because they were unable to reach agreement with the applicants on a remuneration or the successful applicant failed to report for work. Surveyed employers were also able to fill vacancies with few problems in several regions, including the Hunter, Riverina and the Central West. A number of regional employers commented that the uncertainty over drought conditions had led them to put their recruitment plans on hold.

### **Labour market outlook**

The CFC expects non-residential construction in NSW to grow by 23 per cent in 2007-08 and the outlook for mining remains positive. Demand for welders, therefore, should strengthen over the short term. As the occupation is currently adequately supplied and apprenticeship completions are projected to increase further in 2007-08, it is unlikely that widespread shortages will develop over the short term. However, as construction activity expands, some recruitment difficulties in this industry may emerge.