

Building Associate		Victoria
ASCO Code: 3121-11	March 2007	
Labour market rating	Shortage	
Comment:		

Occupational demand

Demand for building associates, which includes building construction supervisors, building estimators and clerks of works, is primarily determined by the level of construction activity. Population growth and rising interest rates impact upon the level of investment being made into construction. Building activity in Victoria has decreased over the last two years. The value of new residential building fell by around seven per cent during this period and the number of housing commencements fell by approximately 13 per cent between 2004 and 2006. However, construction activity may improve in the short to medium term, indicated by a rise in dwelling units approved during the last seven months. The Housing Industry Association has also forecast a three per cent increase in dwelling commencements in 2006-2007. DEWR Skilled Vacancies Index data suggests demand for building associates fell between 2000 and 2004 but have remained relatively stable during 2005 and 2006.

Occupational supply

ABS educational attainment data suggest over 30 per cent of employed building, architectural and surveying associates nationally have Certificate III/IV qualifications, around 18 per cent have a Bachelor degree and 14 per cent hold Diploma or Advanced Diploma qualifications. The Department of Education, Science and Training indicate the number of persons who were enrolled in an architecture and building diploma (AQF) in Australia decreased by over 50 per cent from 2004 to 2005. The supply of building, architectural and surveying associates from net immigration has decreased, down by around 60 per cent from last year. Net immigration to Victoria during 2005-2006 was around 10 building, architectural and surveying associates.

Employer and industry comments/current labour market

The Survey of Employers who Recently Advertised found around 44 per cent of vacancies were filled. The number of suitable applicants per vacancy was 1.2, compared to 2.2 unsuitable applicants per vacancy. Most vacancies surveyed were for building estimators. The most common reasons applicants were deemed unsuitable by employers was a lack of experience and qualifications. Employers were looking for applicants who had both more than eight years experience, either a tertiary degree or trade qualification and the ability to take on a leadership role. There is high demand for suitably qualified and experienced building estimators. Many employers found difficulty filling vacancies, particularly for senior building estimators with more than 10 years experience. Employers stated there are very few skilled tertiary qualified applicants, particularly with the educational background required by employers. Occupational turnover of building associates was described as low to moderate amongst existing employees. Smaller businesses reported finding it particularly difficult to compete with larger organisations who often obtained suitable applicants directly from educational institutions via job placements whilst completing their degree. Further, smaller businesses found it difficult to attract applicants as they could not offer competitive remuneration compared with larger organisations.

Labour market outlook

Strong demand coupled with the decreasing supply of experienced building associates has created a skills shortage in the labour market expected to continue for the next six months.