

Toolmaker	Australia
ASCO Code: 4113-11	September 2007
Labour market rating	Shortage
Comment	

Occupational demand

Australian Bureau of Statistics (ABS) Labour Force Survey data suggest this is a declining labour market with employment averaging slightly less than 7000 in the year to August 2007. This is supported by Census data, which show employment decreased by 13 per cent between 2001 and 2006.

Labour Force Survey data also show employment of toolmakers is overwhelmingly in manufacturing (which accounts for around 90 per cent of toolmaker employment). Production figures supplied by Australian Industry Group and Pricewaterhouse Coopers' Survey of Australian Manufacturing show that after a slump in production in 2005-06, the manufacturing industry has picked up and remained steady throughout the last year, with production rates expected to remain steady in the year to come. However, the toolmaking trade has experienced strong competition from overseas manufacturing firms in recent years and due to the relatively cheap costs of overseas production, has experienced difficulty competing. This has seen a trend toward specialised, custom manufacturing among tooling shops, and as a result increased the need for highly skilled and experienced toolmakers.

Occupational supply

Exact apprenticeship completion figures are unavailable for this occupation, although National Centre for Vocational Education Research figures show completions to be less than 10 per year for the five years to 2007, with similar commencement figures over the same period. The contribution of net migration for this occupation is relatively significant with Department of Immigration and Citizenship data showing a net gain from permanent and long-term migration to Australia of people who identify themselves as a toolmakers exceeding 350 in 2006-07, equivalent to approximately 5 per cent of employment. Employers commented that an ageing workforce is a major contributing factor to wastage from this occupation, with many qualified and highly skilled toolmakers reaching retirement age and leaving the trade. This is confirmed by 2006 Census data which show 40 per cent of toolmakers were aged 50 years or older compared with 26 per cent for all occupations.

Employer and industry comments/current labour market

Nationally, around half the surveyed vacancies were filled within four weeks of advertising. No advertised positions were identified in Tasmania, Northern Territory or the Australian Capital Territory, which may be due to the very small size of the occupation in these locations. South Australian employers reported the highest fill rate with nearly three quarters of advertised positions being filled within four weeks of advertising.

Nationally, there were nearly 13 applicants per vacancy. Despite the large applicant numbers, employers considered one applicant per vacancy on average to be suitable for each position. Some employers commented that many applicants for positions were recent migrants who, while possessing some toolmaking skills, lacked the relevant experience required in Australian tool shops and would require additional training to be able to perform the full range of tasks required of the advertised vacancies.

Labour market outlook

There is no evidence to suggest that the labour market rating for toolmaker will change significantly over the next six months.