

Painting Trades Worker		South Australia
ASCO Code: 3322-11	July 2009	
Labour market rating:	No shortage	
Comment:		

Occupational demand

According to the 2006 ABS Census, there were around 2700 employed Painting Trades Workers in South Australia (SA) and 92 per cent were employed in the construction industry. Consequently, demand for the occupation is substantially influenced by the level of building and construction activity. Apart from a modest downturn in late 2006 and early 2007, South Australian building activity has been expanding strongly since 2001. The total value of building work done (in trend terms) increased for eight consecutive quarters to the March quarter 2009 (the latest available). DEEWR's count of skilled vacancies shows that the number of newspaper advertisements for Painting Trades Workers remained steady over the three financial years to 2007-08, but was followed by a sharp increase in 2008-09. ABS Labour Force Survey data (averaged over four quarters) recorded a similar trend with an increase in employment in the year to May 2009.

Occupational supply

There has been a steady increase in the number of persons commencing a contract of training in painting and decorating up to 2005, when there were 79 commencements. Although the number of commencements fell to 70 in 2006, this was followed by 143 in 2007 and 99 in 2008. Similarly, there has been a steady increase in training completions with 35 completions in 2006, 48 in 2007 and 53 in 2008, this represented the highest number in at least 13 years. The number of training completions is considerably lower than the number of commencements due to a drop-out rate of over 50 per cent. Assuming no change in the training drop-out rate, the recent upward trend in new trainees is expected to continue over the next few years with an average of around 60 completions per annum through to 2011. Census data show that around 47 per cent of the workforce lack trade-level qualifications, indicating a substantial supply from informal sources. Occupational supply from net migration increased in 2007-08 to over one per cent of the workforce, thus providing a further significant additional supply to the occupation.

Employer and industry comments/current labour market

According to the 2006 Census, around sixty per cent of Painting Trades Workers are self-employed and it is common practice in the construction industry to hire them on a sub-contract basis. A survey of employers who had recently advertised for Painting Trades Workers revealed that 100 per cent of vacancies were filled within four weeks, compared to a vacancy filled rate of 70 per cent in 2008. There were more applicants per vacancy this year (7.8 compared to 4.9 in 2008) while the ratio of suitable applicants per vacancy increased to 2.7 compared to 2.1 previously. The main reasons for rejecting unsuitable applicants were lack of experience, qualifications (including licences) or poor work standards. Most employers advised that labour turnover for this occupation is very high. A majority of firms reported having sufficient work to keep them busy for several months. Currently, there does not appear to be a shortage of Painting Trades Workers in SA.

Labour market outlook

With regards to labour demand, the value of total building approvals remains below the level reached a year earlier. Furthermore, overall economic activity across the state has been impacted by the global economic downturn and consequently construction activity will likely continue to be more subdued in 2009 than in previous years. Training completions are projected to remain at above average historical levels over the next two years. Therefore shortages of Painting Trades Workers are unlikely to emerge over the next 12 months.