

Building Associate	New South Wales (NSW)
ASCO Code: 3121-11	December 2006
Labour market rating	Shortage
Comment: <i>There is a shortage of estimators and forepersons with over three years of experience in medium to large commercial projects.</i>	

Occupational demand

Building activity fell in 2005-06, with a significant drop in the residential sector partly offset by continued growth in non-residential building. Building activity was weak in Sydney but grew moderately in regional NSW. The consensus of employer and industry contacts was that demand for building associates held up well in 2006 due to the solid performance of non-residential construction. This is consistent with the Department of Employment and Workplace Relations (DEWR) Skilled Vacancies Index, which shows a moderate increase in newspaper vacancies for building associates over the last year.

Occupational supply

The level of qualification sought by employers varies with the demands of the particular position being advertised. Most surveyed employers who were seeking estimators were looking for workers with formal studies in the field, while positions for forepersons sometimes required only a trade certificate and relevant supervisory experience. The number of persons completing Certificate IV and diploma level courses in building studies and quantity surveying fell by 30 per cent over the two years to 2005 and is estimated to have remained at a similar level in 2006. Net immigration is not a significant source of supply to this occupation, averaging less than 20 persons a year over the last five years.

Employer and industry comments/current labour market

The DEWR survey of employers who had recently advertised for building associates showed that 60 per cent of vacancies were filled within six weeks of advertising. There were on average 11 applicants per vacancy but an average of just over one applicant per vacancy was considered suitable by the employers. Employers and recruitment agencies reported that a large majority of applicants had no relevant qualifications or had insufficient relevant experience or had poor communications skills. A significant number of applicants were based overseas and were seeking sponsorship in order to migrate to Australia and most of these applicants were rejected by employers. Positions for estimators and forepersons with over three years of experience in medium to large commercial projects proved to be the most difficult to fill. Several employers required experience in their particular sector of the industry (for example demolitions, strip-outs of commercial premises, development of recreational centres) and were unable to find applicants with the required experience. Other unsuccessful advertisers were more general in their requirements, seeking any relevant construction qualification and experience and, in the case of estimators, familiarity with relevant software. Conversely, employers seeking building associates to work in the project home sector generally experienced few problems in filling their vacancies.

Labour market outlook

The Construction Forecasting Council expects building activity to remain fairly flat in 2006-07 but to recover strongly in 2007-08. The most likely outlook is for a modest increase in demand for building associates from the second half of 2007. No significant increase in supply from local training or net immigration is expected over the short term and shortages should persist in 2007.

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.

Building Associate	Queensland
ASCO Code: 3121-11	December 2006
Labour market rating	Shortage
Comment: <i>Building associates with both work experience and a qualification are in particular shortage.</i>	

Occupational demand

Building Associates can be employed by government or in the private sector building industry. Queensland is currently experiencing high levels of building activity around the State, supported by the housing needs of a growing population and recent strong growth in the non-residential building sector. The continuing strength of building in Queensland and a solid immediate outlook for the industry are indicated by Australian Bureau of Statistics data on building activity and approvals, the Westpac Building Research Index and the near-record volume of approved work waiting to be done. Demand for building associates is directly linked to the level of building activity in the State, since their services in estimation, site supervision and contract management are essential to the industry.

Occupational supply

People working as building associates come from a range of backgrounds and many do not hold formal qualifications. A Diploma of Building is offered at over six TAFE colleges across Queensland, but many students undertaking studies do so while already working within the building industry, effectively in the role of a building associate. Most established workers have experience in the industry and often hold a trade level qualification. Supply has also been supported through overseas migration, with a net gain to Queensland from permanent and long term temporary migration of 31 persons seen in 2005-06 in the building and cartographic associate professionals group.

Employer and industry comments/current labour market

Employer and industry contacts in this year's survey reported that vacancies for building associates were filled by people who have relevant skills or skills which are transferable to the occupation. While there is a formal qualification, employers are often happy to take employees with a good work ethic and a suitable employment background who can be trained into the role. Despite this, less than ten per cent of the surveyed vacancies were filled within four weeks of advertising. Employers offered career development and on-the-job training, along with substantial salaries, to attract experienced persons. Some employers said that qualified quantity surveyors have taken roles as building estimators, given that the pay levels on offer can be quite high. Employers more commonly reported that they had taken on trade-qualified persons with some estimating skills and/or experience as a builder to meet their needs. Employer preference for local knowledge of the building industry and regulations can make the option of looking overseas for possible candidates less attractive to employers. With no apprenticeship available, some employers reported recruiting cadet estimators, although it takes at least six months for them to do basic work competently.

Labour market outlook

Indications from industry and employer contacts are that high levels of building activity will continue in Queensland into next year. With levels of residential construction holding up well in Queensland, supported by population growth, and continuing strength in the non-residential building sector, demand for building associates will remain high and could grow further. Employers have responded by developing more skilled building associates on the job, given the shortage of experienced workers, but their supply is likely to remain limited for at least a few more years. The present shortages are therefore expected to continue in Queensland through 2007.

Building Associate		South Australia (SA)
ASCO Code: 3121-11	October 2006	
Labour market rating	No Shortage	
Comment		

Occupational demand

Two thirds of building associates are employed in the construction industry, with a further ten per cent each working in manufacturing, and property and business services. Demand for building associates is therefore mainly affected by the level of building and construction activity. The value of SA building 'work done' increased 2.8 per cent in the June quarter 2006 to around \$910 million, the highest level on record. However, building approvals – a useful indicator of forward demand and activity levels – declined for six consecutive months up to August 2006, and were 5.1 per cent lower compared to August 2005. Australian Bureau of Statistics labour force data (averaged over four quarters) show that employment of building, architectural and surveying associate professionals fell by over 10 per cent in the year to August 2006.

Occupational supply

Most building associates enter the occupation via informal means, typically combining a trade background with on-the-job experience. Skills may be further enhanced via the completion of selected training modules run by TAFE or relevant industry associations (such as the Housing Industry Association (HIA)). Only around one quarter of persons working as building associates had post-trade level qualifications at the time of the 2001 Census. Statistics from the National Centre for Vocational Education and Research (NCVER) show that the number of persons completing a relevant diploma level qualification (eg Diploma in Building) increased 39 per cent in 2005, from 41 to 57. SA Government data show that there was a 6.4 per cent increase in the number of registered building supervisors over the year to June 2005.

Employer and industry comments/current labour market

A survey of employers who had recently advertised for building associates showed that 80 per cent of vacancies were filled within six weeks. Approximately 20 per cent of applicants were considered suitable, while there was an average of two suitable applicants per vacancy. The majority of vacancies in the survey were classified as residential building supervisors, with a smaller number of positions for construction supervisors in the commercial sector. There was no appreciable difference in recruitment outcomes across the two sectors, although the required level of experience was slightly higher for positions associated with commercial construction projects. None of the surveyed vacancies were for building estimators. Unsuitable applicants were rejected almost entirely due to lack of relevant experience. The small number of unfilled vacancies resulted from either inadequate offers of remuneration (ie below the market rate) or because the company had advertised with a view to testing the market, rather than a serious attempt at filling a bona fide position. A number of contacts said that there was no shortage of building and construction supervisors, while another indicated that they received unsolicited resumes and job applications from building supervisors on a regular basis. Turnover levels were described as low by most employers, while there was evidence that some firms had reduced the number of building and construction supervisors they employed because of a decline in activity levels, relative to a year ago. Overall, the high vacancy filled rate combined with the available anecdotal evidence supports a current rating of 'no shortage'.

Labour market outlook

Occupational supply has increased steadily, with the number of registered building supervisors rising 36 per cent between 2000 and 2005. At the same time, forecasts from the HIA show that combined SA investment in new housing and non-residential construction will decline by around 2 per cent in 2006-07. A shortage of building associates is therefore not likely to emerge over the short-term.

Building Associate		Western Australia (WA)
ASCO Code: 3121-11	November 2006	
Labour market rating:	Shortage	
Comment: <i>The most difficult positions to fill are those in the Mandurah region.</i>		

Occupational demand

Demand for building associates has continued to increase due to the buoyant WA economy. Australian Bureau of Statistics data show that there was an increase of 22.7 per cent in the value of all building construction work done in WA in the 12 months to June 2006, compared with the same period to June 2005. Of this, there was a 26.7 per cent increase in residential building work and an increase in non-residential building work of 16.5 per cent. The value of all building construction work remaining to be done at September 2006 was 0.2 per cent lower than the previous quarter; however, the value of approvals for residential building work was 10.1 per cent higher.

This occupation is too small for quarterly Australian Bureau of Statistics' Labour Force Survey figures to be reliable, however the number of building associates recorded in WA increased by 20.2 per cent to 2269 over the five years to the 2001 Census. Given the strong demand from the building industry since then, the number is likely to have increased significantly. The Department of Employment and Workplace Relations' Skilled Vacancy Count shows that newspaper vacancies for building associates from January to November 2006 increased significantly, by 70.2 per cent, over the number for the same period last year.

Occupational supply

Building associates generally work as estimators or building site supervisors. They generally complete a Certificate IV in building or Diploma in building. Supply from such courses has declined in recent years from a peak of 43 in 2001 to 24 in 2005. Many employers are prepared to recruit people who have no formal qualifications but have gained a number of years' relevant experience. Typically, former tradespersons are ideal once they have undergone a short period of training. It is not possible to obtain separate migration statistics for building associates, but the numbers are likely to be low.

Employer and industry comments/current labour market

Seventy per cent of the surveyed vacancies were filled, whilst the number of suitable applicants per vacancy was 1.6. Less than a quarter (22 per cent) of the applicants were considered suitable. The main reasons applicants were unsuitable was they were had little or no experience, were not familiar with Australian building codes, or wanted higher wages than employers are prepared to pay. Employers indicated that they received a number of applications from people with a totally unrelated employment background wishing to enter the area. Responses to employer advertising was thought to be at least as difficult as it was 12 months ago. The shortage of suitable applicants was considered to be worse in the Mandurah area, which is experiencing very high building activity levels. Fifty per cent of the vacancies surveyed were for new positions, reflecting new business growth. Turnover is fairly high in the industry, with poaching common, due to the shortage of experienced estimators and site supervisors.

Virtually all employers contacted employ at least one trainee and there is no shortage of applicants for trainee positions.

Labour market outlook

Demand for building associates is likely to be maintained for at least the next six months. Although supply from course completions is probably adequate, this will not immediately alleviate the shortage of experienced estimators and site supervisors. Shortages are likely to persist over the short term.

Building Associate	Northern Territory (NT)
ASCO Code: 3121-11	November 2006
Labour market rating	Shortage
Comment: <i>Present for both construction supervisors and building estimators</i>	

Occupational demand

ABS Census data show that there were 187 building associates employed in the Northern Territory (NT) in 2001. Since 2001, ABS Labour Force Survey data indicate that the number of building, architectural and surveying associate professionals declined over 2002 and 2003, before stabilising from 2004 onwards. The value of both residential and non-residential building work done has grown considerably since 2001. The annual average growth rate over the past five years to June 2006 has been 19 per cent and growth has been particularly strong for the past two years. In chain volume measure terms, the value of building work done is at the highest level since the previous construction boom peak in 1998, which suggests increased demand for building associates from the 2001 level.

Occupational supply

Building associates typically tend to come from a construction trade background and may have accumulated relevant experience rather than completed a diploma level course. Charles Darwin University offers Certificate IV in building and construction, however there is also a strong reliance on recruiting people from interstate.

Employer and industry comments/current labour market

There were few employers found who had recently attempted to recruit building associates, however of those who had few were successful with 17 per cent of positions successfully filled. There were numerous applicants per vacancy, but few (10 per cent) were considered by employers to be suitable for the advertised positions. Unsuitable applicants were typically tradespeople looking for promotion who did not have necessary supervision skills or ability to interpret detailed requirements from plans. Employers also required good product knowledge skills. Some employers recruited people into trainee building associate roles as a fall back position when they were unsuccessful in finding an experienced person.

Employers reported advertising widely (including interstate papers) and using agencies in an effort to attract applicants, however most struggled to attract suitable candidates.

Employers commented that building associates tend to be more stable and loyal to their company than construction tradespeople and labourers are. Turnover was therefore less of an issue and recruitment not required as frequently. A number of the vacancies were due to increased demand rather than turnover. Employers consistently commented that demand had been strong for their skills and considered the NT to be in the midst of a construction boom.

Labour market outlook

Although demand had dropped off leading into the Christmas period, employers considered that 2007 would be another very busy year with strong demand for work. A shortage of building associates in the NT is therefore expected to remain.

Building Associate	Australian Capital Territory (ACT)
ASCO Code: 3121-11	October 2006
Labour market rating	Shortage
Comment	

Occupational demand

Australian Bureau of Statistics (ABS) Labour Force Survey data indicates building, architectural and surveying associates work mainly in the construction industry in Australia, with a reasonable portion also working in the property and business services industry. These data indicate a small portion of people in these occupations in Australia are employed in the ACT.

ABS figures on Construction Work Done show the total value of construction work in the ACT in the June quarter 2006 was a record high. This was largely the result of the value of non-residential construction, which has grown significantly since 2001. The value of residential building construction has remained fairly steady over the past three years.

Occupational supply

ABS educational attainment data show about a third of building, architectural and surveying associates around Australia hold Certificate III/IV level qualifications, around 18 per cent have a Bachelor degree and 14 per cent hold Diploma or Advanced Diploma qualifications. Formal training for this occupation in the ACT is available through the Certificate IV in Building Studies, Residential, and Diploma of Building Studies, which are offered by the Canberra Institute of Technology (CIT).

Employer and industry comments/current labour market

A survey of employers who had recently advertised for building associates in the ACT was undertaken for this report. The advertisements surveyed were mainly for project managers, building site supervisors and estimators, in roughly equal numbers.

Approximately half of the vacancies were filled and employers received an average of six applications per vacancy, with around one applicant being considered suitable for each position. Employers commented that unsuitable applicants often did not have the construction industry specific experience they were seeking, with employer requirements ranging from office fitouts being undertaken in occupied offices to estimating for large scale commercial and domestic construction projects. Most employers noted receiving applications from people who had appropriate qualifications but lacked experience and from applicants who possessed experience in appropriate areas, however not in sufficient depth. On the whole, employers were not concerned about formal qualifications, but were more concerned with the level and relevance of applicants' experience.

Employers noted demand for skills in this occupation is currently high. A large number of employers who filled advertised vacancies did so through word of mouth.

Labour market outlook

Housing Industry of Association (HIA) projections show the strong performance of the construction industry in the ACT is likely to continue into 2007. There is no evidence to suggest there will be significant change in the labour market for building associates over the next six months.