

<b>Mechanical Engineering Associate Professionals</b>	<b>New South Wales (NSW)</b>
<b>ASCO Code:</b> 3125	March 2007
<b>Labour market rating</b>	Shortage
<b>Comment:</b> <i>Shortages are evident for associates with at least two years experience in design drafting, detailing, HVAC drafting, 2D and 3D modelling and machinery design.</i>	

### **Occupational demand**

Census and labour force survey data suggest that employment of mechanical engineering associate professionals in NSW has declined over the last decade. More recently, the Australian Industry Group / Price-Waterhouse Coopers *Survey of Manufacturing* shows that manufacturing production in NSW increased for the third consecutive quarter in March 2007, following three quarters of decline from December 2005. Non-residential construction has also been solid in NSW, with the Construction Forecasting Council (CFC) forecasting its value to increase by 9.3 per cent in 2006-07 (not adjusted for inflation) following growth of 13.4 per cent in 2005-06. The DEEWR Skilled Vacancies Index (SVI) shows that vacancies for the occupation have stabilised at a low level since mid-2006. The consensus of employer and industry contacts surveyed for this report was that demand for the occupation was firm.

### **Occupational supply**

The number of persons completing relevant apprenticeships and diplomas has been fairly stable at 100 to 120 persons a year over the last five years. While this indicates a high training rate of 10 per cent a year (based on an estimated employment of 900), many persons who complete relevant training may move into other drafting occupations. Net overseas immigration to the occupation was 39 persons in 2005-06 which was above the average of 22 persons a year over the previous five years.

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

A DEEWR survey of employers who had recently advertised for mechanical engineering associate professionals showed that 19 per cent of advertised vacancies were filled within six weeks of advertising. Shortages were evident in Sydney and regional NSW, particularly in the Hunter and the Illawarra. Although some advertisements attracted a large number of applicants, there was an average of less than one suitable applicant per vacancy. Employers and recruitment agencies reported that a large majority of applicants either did not have relevant qualifications or had poor communication skills or did not have experience in the employer's area of specialisation. The minority of employers who did attract suitable applicants often found that the remuneration expectation of these applicants was beyond their capacity to pay, which they attributed to the high remuneration on offer in mining and infrastructure projects in Western Australia and Queensland.

Vacancies proved difficult to fill across a number of industry sectors including building services, consulting, light manufacturing and heavy industry. Skills which employers found difficult to source included design drafting, detailing, HVAC drafting, 3D modelling and machinery design. One small employer based in Sydney reported that it had a vacancy for an air conditioning draftsman which had not been filled for eight months. Other employers had been advertising repeatedly for between two and six months without success. Most employers were seeking mechanical associates with at least two years of relevant experience.

### **Labour market outlook**

Demand for mechanical engineering associates is likely to remain firm over the short term. The CFC expects growth in non-residential construction in NSW to remain at nine per cent in 2006-07 and 2007-08. The March quarter *Survey of Manufacturing* found that production was expected to increase in 2007. No significant increase in supply from course completions is expected over the short term. Therefore shortages should continue in 2007.