



Construction Industry Snapshot

Western Australia

July 2015

Contribution to
Gross State Product

10.6%

Percentage of State
Workforce

10.7%

Percentage of Total Apprentices
in the Workforce

45%

(including Electricians)


Apprentice Commencements
in last 12 months

 **20%**

Construction Industry Workforce

148,160

(Annualised)

 **13.5%**

(in last quarter)

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This report is published on a bi-monthly basis.

Although this report is dated July 2015, it should be noted that data is taken from various sources that are, in some cases, related to previous monthly/quarterly results if they are the most recent.

ABS Data relates to the most recent quarters/months of 2013-15. In this version of the 'Snapshot' care must be taken when interpreting any comparison of data from different quarters or months.

Unless otherwise stated, all apprenticeship and overall training data was current from the TRS datacube as at end of April 2015.

All interpretations and conclusions drawn from this data are those of the Construction Training Council.

**This version includes recent updates.*



1. Executive Summary

This report provides up-to-date data on economic, employment and training issues affecting the Construction Industry in Western Australia.

The Construction Industry employs 10.75% (Annualised) of the overall State workforce.

There were 158,160 people working in the Construction Industry as at May 2015, with an annualised average of 148,160 in the previous twelve month period. The Industry workforce increased by 18,990 people in the last quarter.

On a year-to-year comparison up to the end of April 2015, there was a 19.9% increase in Construction apprentice commencements (excluding Electrical) and an increase in Electrical apprentice commencements of 17.7%¹.

There are currently 4,316 Building Trades apprentices 'in training' which is the highest number since 2010. Together with Electrical apprentices, there are 8,449 apprentices in training which is the highest ever recorded.

As at April 2015, the Industry, including electricians, employed just over 45% of all Western Australia's apprentices².

Western Australia's estimated resident population grew by 1.6% for the year to December 2015. This figure compares favourably with Victoria (1.8%) and both Queensland (1.4%) and New South Wales (1.4%). The Western Australian seasonally adjusted unemployment rate was 5.1% during May 2015, down from a rate of 5.6% in April 2015. This continues to compare most favourably to the National rate of 6.0%. The seasonally adjusted participation rate in Western Australia was 68.3% in May 2015, down from a rate of 68.4% in April 2015.

It is estimated that approximately 20,000 Construction Industry employees are working on Resource Industry infrastructure construction projects. This is a significant reduction from the 29,000 estimated to be employed in that sector in 2013.

The value of Residential and Non-Residential Construction Work, excluding Heavy Engineering, in the year to March 2015 increased by 2.7% compared to March 2014³. The Engineering Construction sector, excluding Heavy Engineering, decreased by 21.1%* in Western Australia between March 2014 and March 2015.

The Housing sector has in recent months grown to unprecedented levels with continual growth and annual dwelling unit approvals to May 2015 at 31,914 (23,500 houses), compared to a previous peak of 30,354 (23,691 houses) at May 2014⁴.

Seasonally adjusted, building approvals for all dwelling units increased by 0.16% between April 2015 and May 2015. There was an increase of 16.3% over the three months to May 2015.

Trend building approvals in Western Australia increased by 0.4% between April 2015 and May 2015 and rose by 4.5% over the year.

Seasonally adjusted, dwelling commencements decreased by 4.76% in the quarter to March 2015; and on an annualised basis compared to March 2014 commencements increased by 14.47%.

**Note: This figure is derived from ABS data that is currently not available for publication. Please see note 8 on page 6 for explanation.*

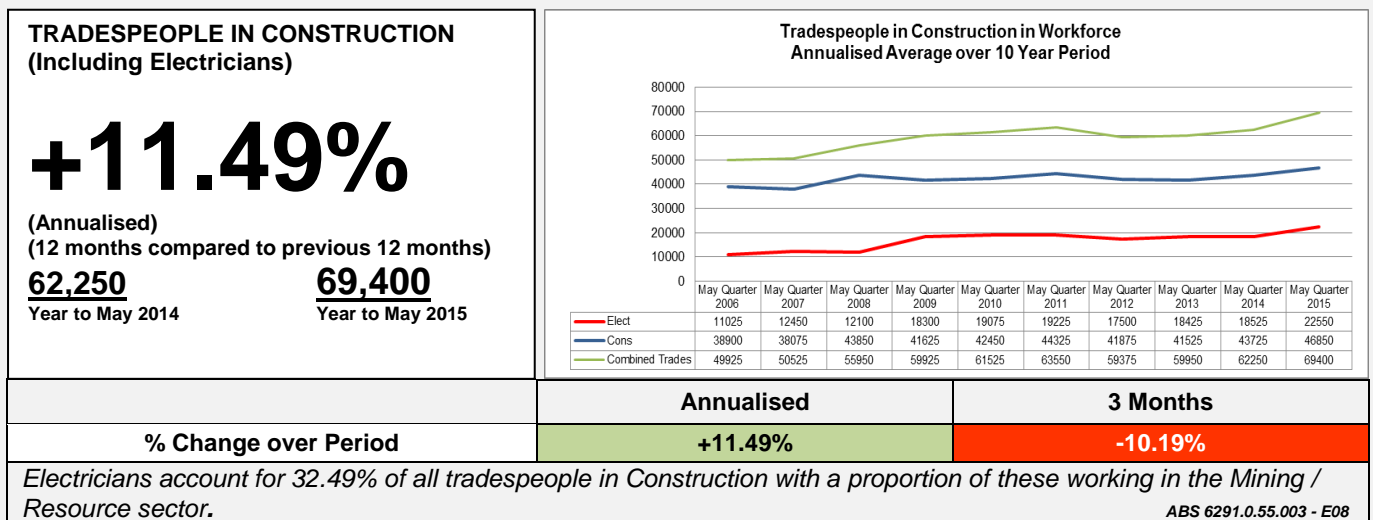
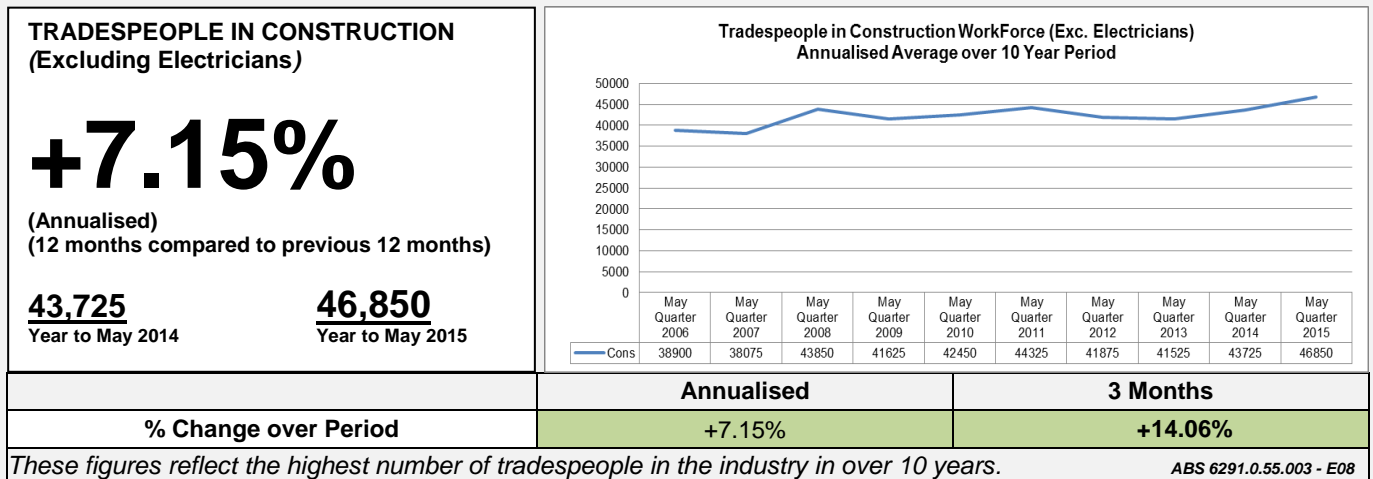
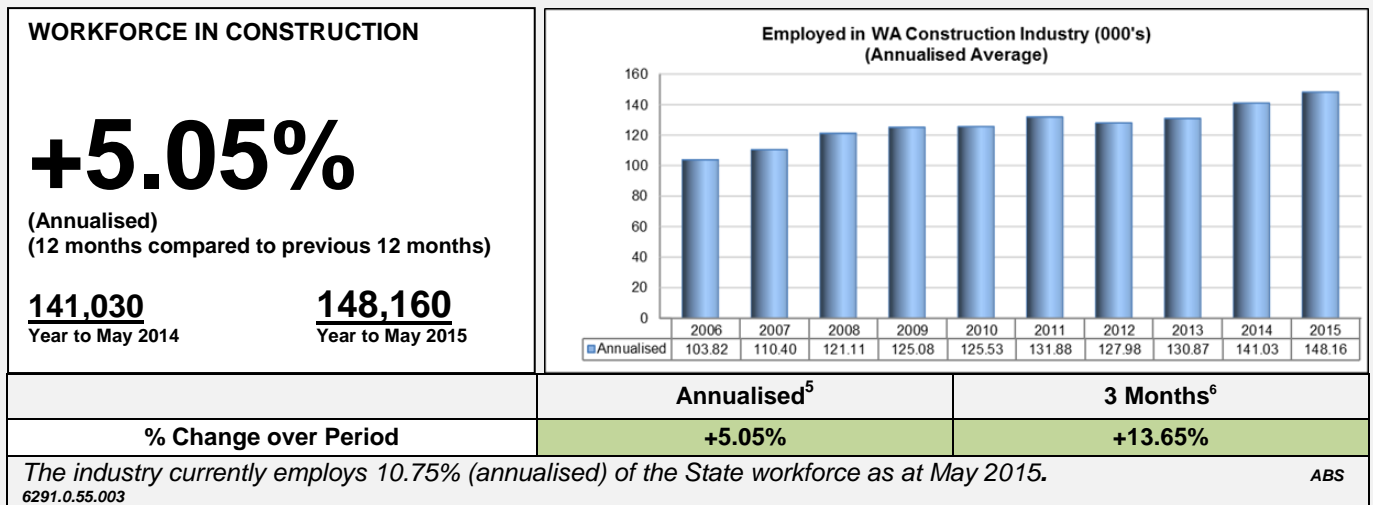
¹ TRS Datacube

² Using comparison to 'All Industries' data TRS Datacube

³ ABS 8755.0 and 8762.0 Construction & Engineering Work Done

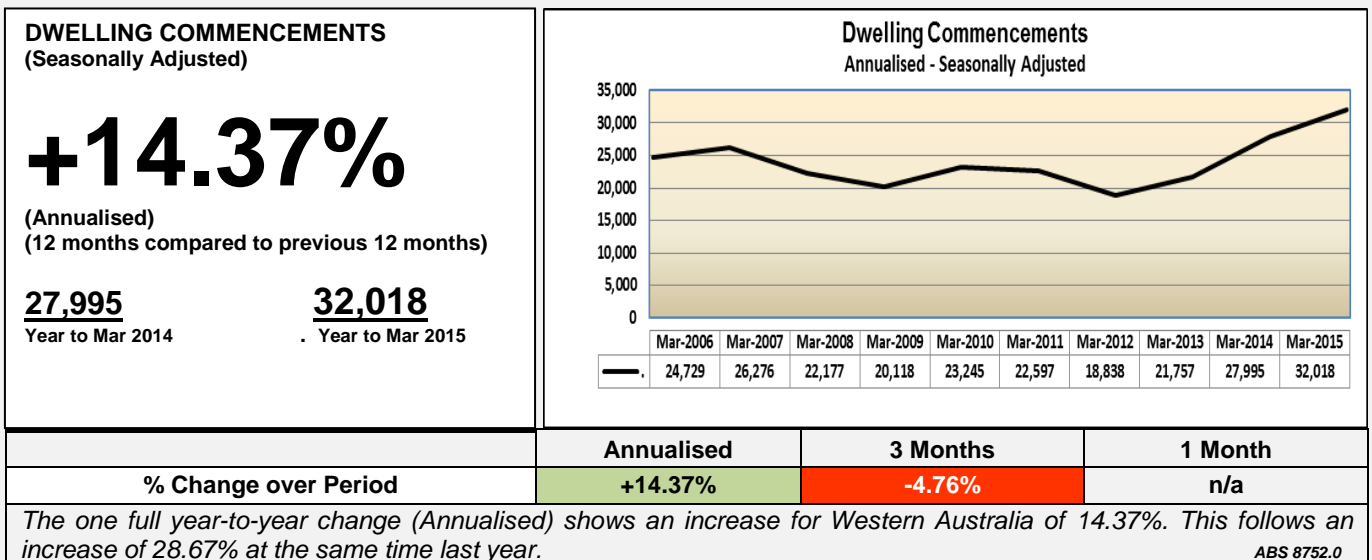
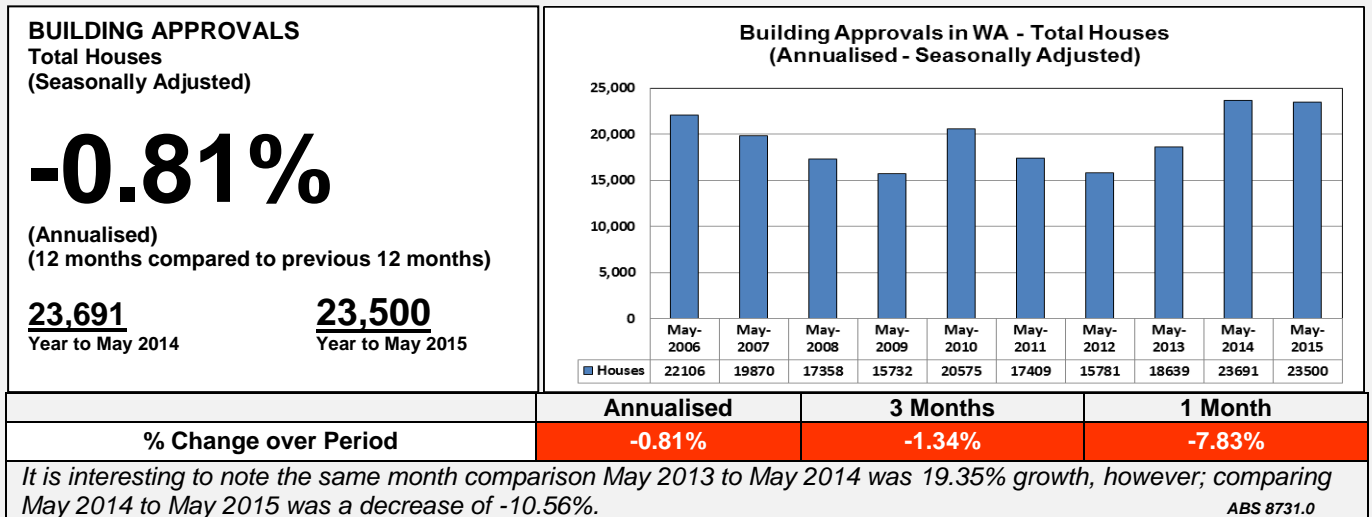
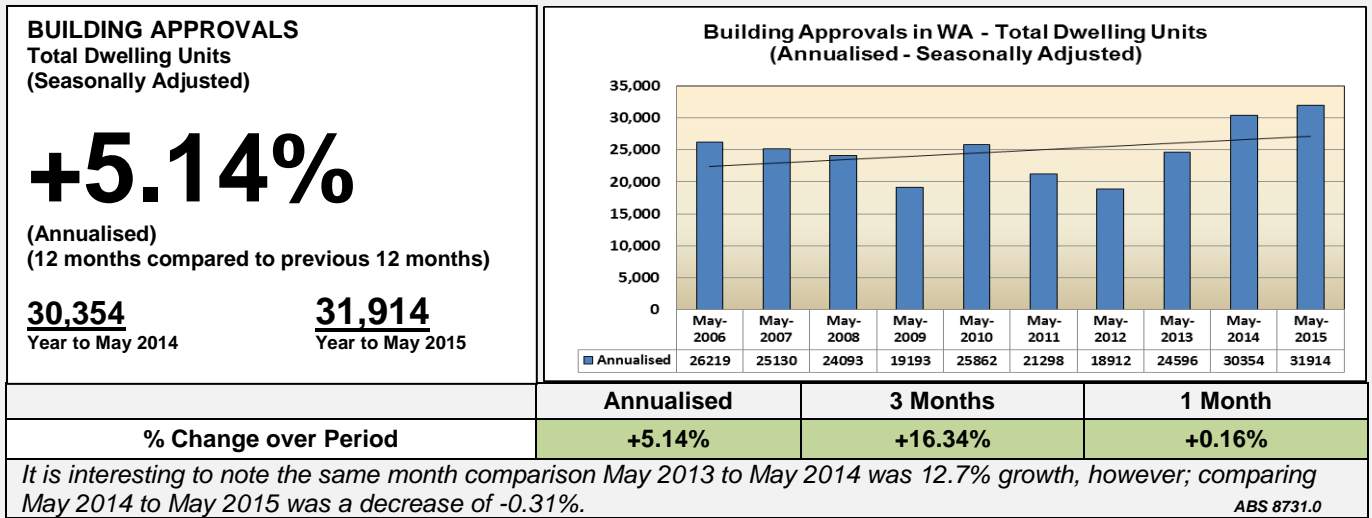
⁴ ABS 8731.05 (Seasonally Adjusted)

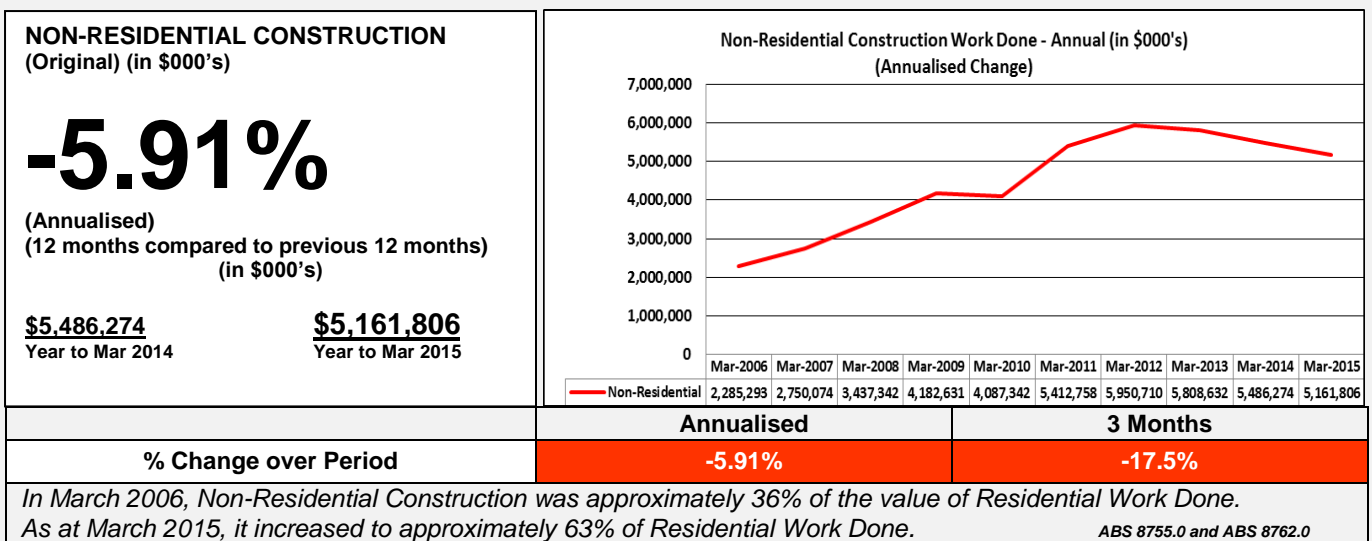
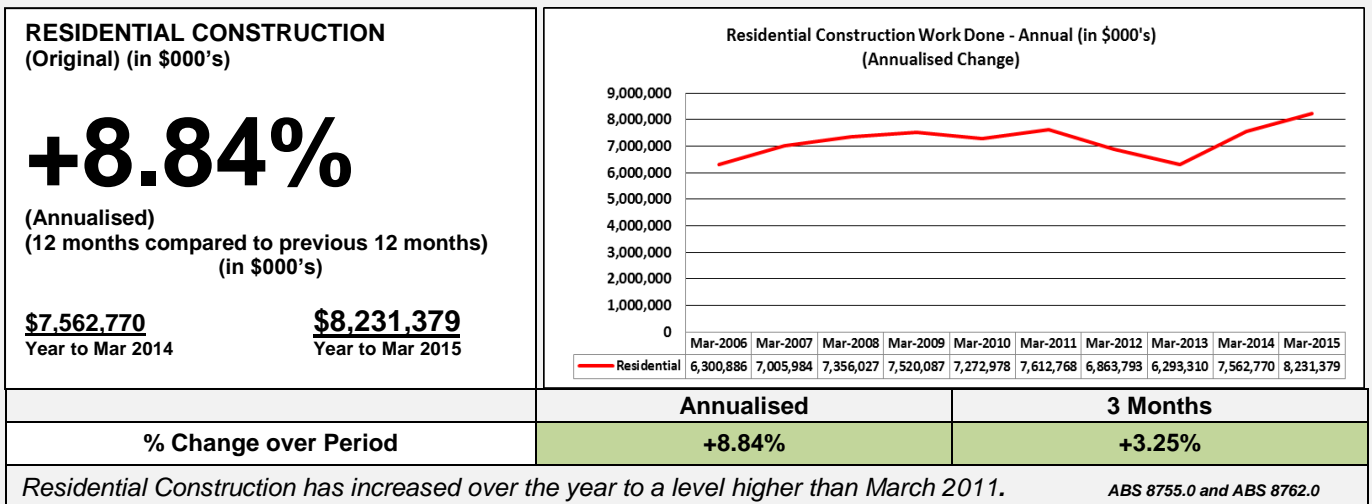
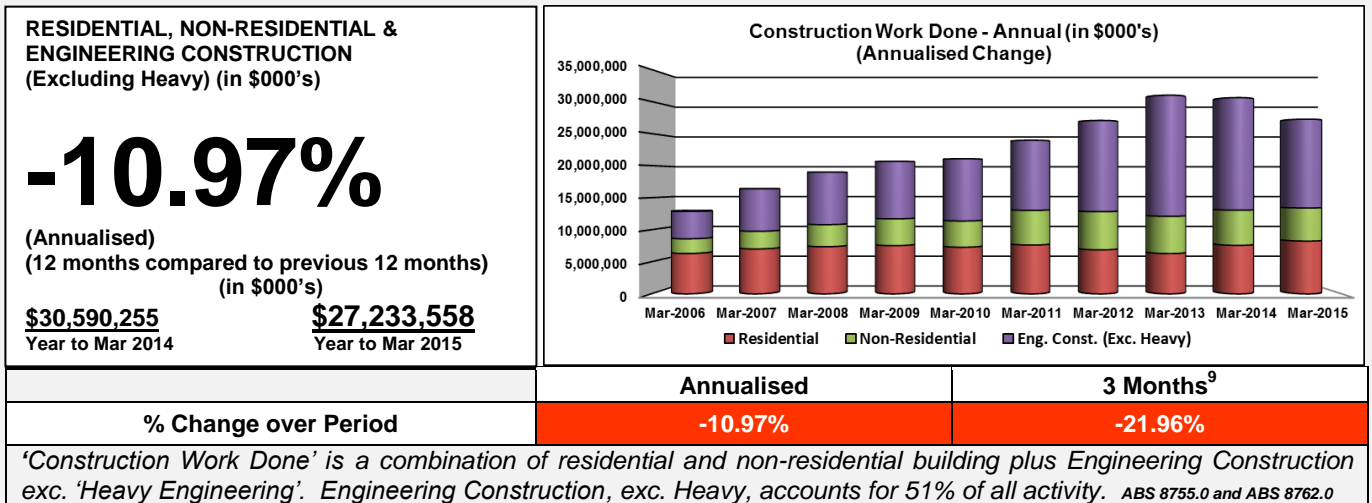
2. The Workforce



⁵ This refers to a full year comparison to previous year

⁶ This refers to previous quarter

3. Building Approvals & Commencements in WA⁷⁷ ABS 8731.0 & 8752.0

4. Construction Work Done⁸

⁸ Due to ABS release dates and data not being available for publication, Engineering Construction data is included using the previous quarter data and has a relative standard error of 10% to less than 25% and should be used with caution.

⁹ Compared to previous quarter.

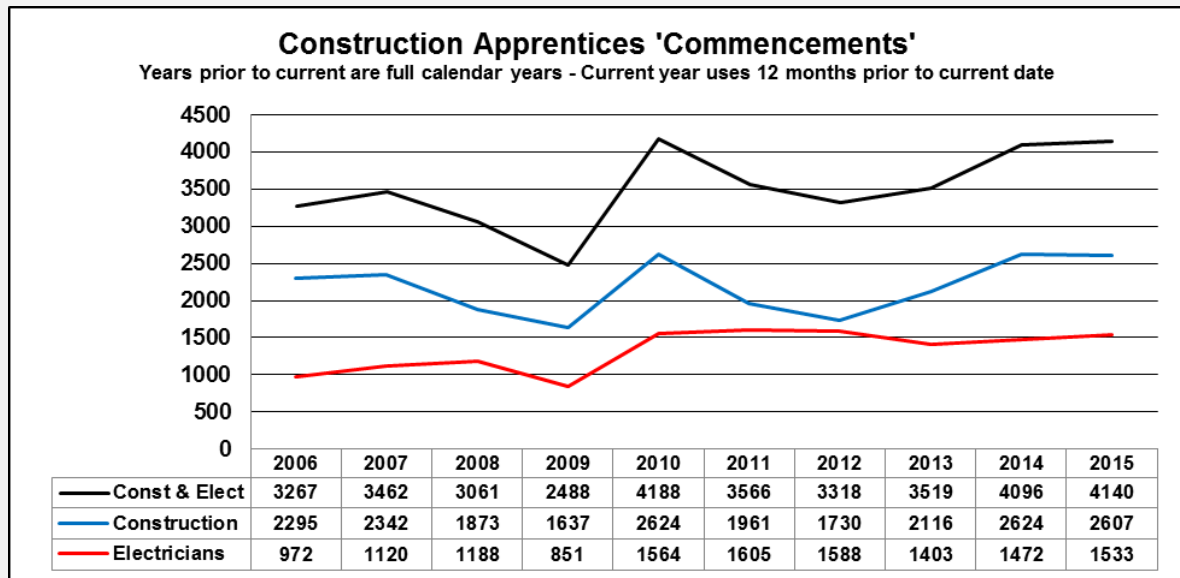
5. Apprentice Commencements¹⁰

Following a peak in 2010 and decline in the following two years, the trend has been an increase in commencements in most individual trades since 2012. The increase of commencements during this period will have a positive impact on the number of apprentices in training over the next 36 months. Given the recent significant growth in industry activity, it is important to maintain this increase in commencements in order to sustain the Industry's future skilled workforce needs.

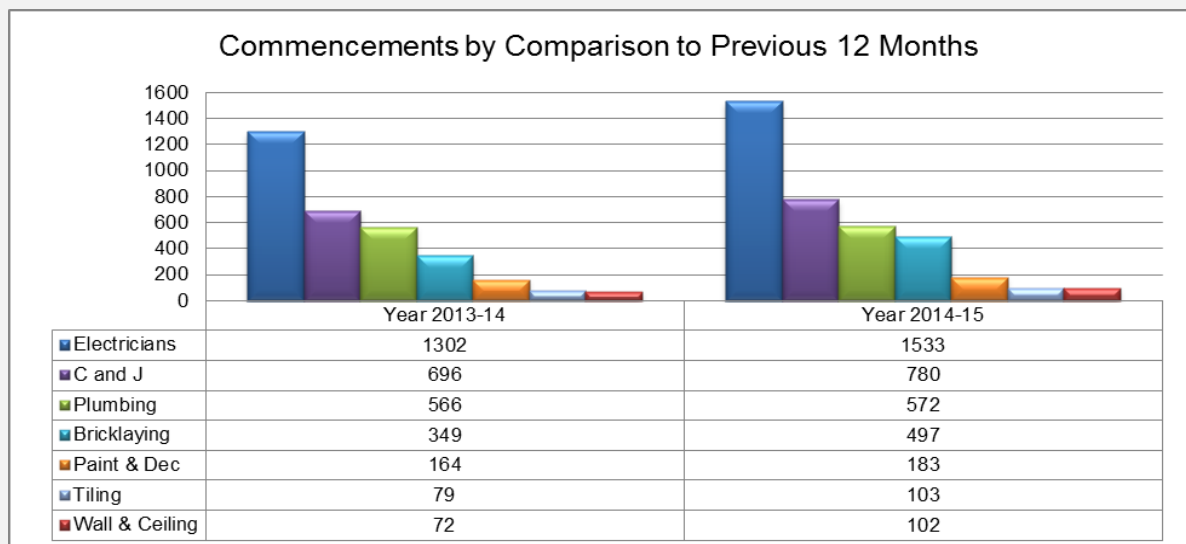
Construction apprentice commencements, (excluding Electrical) during the year May 2014 to April 2015, have improved by 19.92% compared to the same twelve month period May 2013 to April 2014.

Commencements, including electricians, have increased by 19.10% comparing the year May 2014 to April 2015 to the same twelve month period May 2013 to April 2014. The Electrical apprentice commencement figures have recovered well after a period of decline. Figures indicate a growth of 17.74%. All trades have seen an increase in apprentice commencements with Bricklaying increasing by 42.41% and Wall and Ceiling Fixing increasing by 41.67%.

Although this chart shows a levelling out in commencements in Construction it is due to years prior to 2015 using data for full calendar years while data for 2015 is for the period May 2014 to April 2015.*



* NB: 2005-2014 figures based on full years, January to December. In this instance 2015 figures based on May 2014 to April 2015 (full year).



¹⁰ Commencements are training contracts that have occurred in comparative 12 month periods.

6. Apprentice Training Rates ¹¹

Over the last four years there has been a significant decline in 'training rates' for a number of Construction trades but an increase in others.

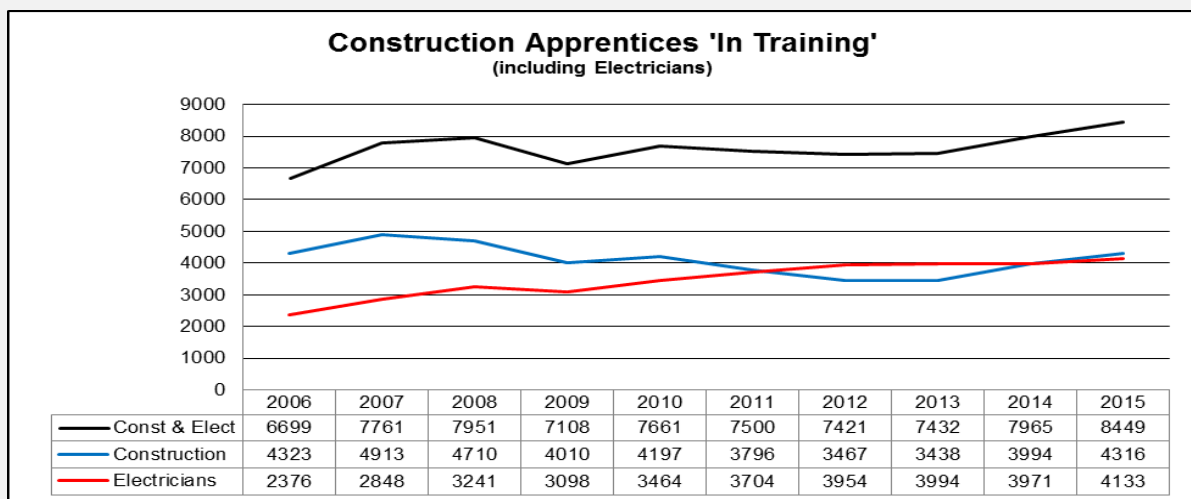
Change in Training Rates			
Trade	% change	2015	2011
Electricians	-21.1%	17.2%	21.8%
Carpentry & Joinery	-39.8%	10.0%	16.6%
Plastering	-11.7%	1.5%	1.7%
Plumbing & Gas	-1.8%	16.3%	16.6%
Bricklaying	+57.1%	6.6%	4.2%
Painting & Decorating	-26.5%	5.0%	6.8%
Roof Plumbing	+55%	7.6%	4.9%
Wall & Floor Tiling (Tilelaying)	+28.9%	5.8%	4.5%

The increase in Bricklaying corresponds to the significant recent increase in commencements. In Wall and Floor Tiling the change can be attributed to a 30% increase in commencements. The change in Electrical can be attributed to a 41% increase in tradespeople since 2011 (ABS data).

7. Apprentices In Training ¹²

There are currently 4,316 Building and Construction trade apprentices in training which is the highest number since 2010. Together with electricians, there are 8,449 apprentices in training being the highest number ever recorded.

This chart shows that there are now more combined Construction trade apprentices 'in training' than apprentice electricians.



The chart below shows that there have been significant fluctuations over the last 4 years (2011 – 2015) in many of the apprenticeship 'In Training' figures. The figures confirm that Electricians now have a smaller percentage 'In Training' than that of Building and Construction trades.

Change in Apprentice Numbers In Training by Trade			
Trade	% change	2015	2011
Electrical Mechanics	+11.6%	4133	3,704
Carpentry & Joinery	+3.2%	1374	1,331
Plastering	+17.2%	102	87
Plumbing & Gas	+8.4%	1,256	1,159
Bricklaying	+79.3%	597	333
Painting & Decorating	-8.5%	311	340
Roof Plumbing	+13.3%	111	98
Wall & Floor Tiling (Tilelaying)	+10.3%	150	136
Wall & Ceiling Fixing	-29.3%	130	184
Building & Construction (all)	+13.7%	4316	3,796

¹¹ 'Training Rate' is the number of apprentices 'in training' compared to the number of tradespeople in the specific industry as stated by ABS 6291.0.55.003, ST_E08

¹² 'In Training' is the total number of apprentices currently in a contract of employment as an apprentice.

8. Employment of Females

There are currently 82 female **apprentices** in training. Over the last 10 years, the overall percentage of female apprentices in Construction has risen from 0.86% to 1.90%.

The number of female **trainees** in training is currently 61 and has risen overall from 3.31% to 6.79% of total trainees over the last 10 years, with a 134% increase in the actual numbers over the last year. Although there is no definitive research into the reasons for the increase, one factor has been increased promotion of 'women in trades' subsidies and scholarships by the Construction Training Fund.

9. Employment of Aboriginal and Torres Strait Islanders

There are currently 194 Aboriginal and Torres Strait Islander (ATSI) **apprentices** in training. Over the last 10 years the overall percentage of ATSI apprentices has risen from 2.89% to 4.49% which is indicative of the number of ATSI people in the general population.

Currently there are 81 **trainees** in training with an ATSI background, which represents approximately 9% of all Building and Construction trainees. This increase appears to coincide with a concerted effort to recruit ATSI people by the Civil Construction sector.

10. Traineeships in the Industry

The following chart shows the number of **trainees** 'in training' as at the end of April 2015.

Note: there are also an additional 158 trainees in Civil Construction Supervisor (Level 4) but registered as employed in the Mining and Resource sector.

Traineeship	ASSISTANT BUILDING SURVEYOR (LEVEL 5)	3
	BITUMINOUS SURFACING (LEVEL 3)	1
	BUILDING AND CONSTRUCTION PARA PROFESSIONAL (LEVEL 2)	1
	BUILDING AND CONSTRUCTION TRADE TRAINEE (LEVEL 2)	39
	BUILDING MAINTENANCE (LEVEL 2)	28
	CIVIL CONSTRUCTION (LEVEL 2)	2
	CIVIL CONSTRUCTION (LEVEL 3)	141
	CIVIL CONSTRUCTION DESIGNER (LEVEL 5)	3
	CIVIL CONSTRUCTION MANAGER (LEVEL 5)	0
	CIVIL CONSTRUCTION SUPERVISOR (LEVEL 4)	0
	DOGGING (LEVEL 3)	13
	DRAINAGE (LEVEL 2)	9
	ESTIMATING (HOUSING) (LEVEL 4)	140
	GENERAL CONSTRUCTION (LEVEL 2)	35
	PIPELAYING (LEVEL 3)	59
	PLANT OPERATIONS (LEVEL 3)	66
	RESIDENTIAL DRAFTING (LEVEL 4)	5
	RIGGING (LEVEL 3)	47
	ROAD CONSTRUCTION AND MAINTENANCE (LEVEL 3)	80
	ROAD MARKING (LEVEL 3)	6
	SCAFFOLDING (LEVEL 3)	6
	SITE MANAGEMENT (LEVEL 4)	117
	STEEL FIXING (LEVEL 3)	96
	TRENCHLESS TECHNOLOGY (LEVEL 3)	13
	Building & Construction (TOTAL)	910
Mining & Resources Sector - Civil Construction Supervisor (Level 4) (RII40713)		158

There are currently 910 trainees in training, primarily in the Civil Construction sector.

It is pleasing to see the overall growth in the numbers of traineeships in recent years. There has been a 107% increase since the 2009 figure of **439** trainees 'in training'.

