



Construction Industry Snapshot

Western Australia

November 2015

Contribution to
Gross State Product

10.4%

Percentage of State
Workforce

11.1%

Percentage of Total Apprentices
in the Workforce

47%

(including Electricians)

Apprentice Commencements
(Construction and Electrical)



3.2%

(Annualised)

Construction Industry Workforce

150,810
(Annualised)



12.1%

(in last quarter)

Apprentice Commencements
Quarter Change



1.4%

(2014 Quarter to 2015 Quarter Change)

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This report is published every two months.

Although this report is dated November 2015, it should be noted that some data is taken from 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 is current from the TRS Datacubes as at end of August 2015.

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



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 approximately 11.1% (annualised) of the overall State workforce.

There were 162,920 people working in the Construction Industry as at August 2015, with an annualised average of 150,810 in the previous twelve month period. The Industry workforce increased by 7,698 people in the last quarter.

Compared to 2014, at the end of August 2015 (annualised), there was a 4.0% decrease in Construction apprentice commencements (excluding Electrical trade apprentices) and a decrease in Electrical apprentice commencements of 1.8%¹ (overall decrease of 3.2%).

There are currently 4,424 Building Trades apprentices 'in training' which is the highest number since 2008. Together with Electrical trade apprentices, there are 8,489 apprentices in training which is the highest ever recorded.

As at August 2015, the Industry employed just over 47% of all Western Australia's apprentices² (Building trades and Electricians combined).

Western Australia's estimated resident population grew by 1.4% for the year to March 2015. This is comparable to Victoria (1.7%), Queensland (1.3%) and New South Wales (1.4%). The October 2015 seasonally adjusted unemployment rate for Western Australia increased to 6.4%. This is just above the National rate of 5.9%. The seasonally adjusted participation rate in Western Australia increased to 69.2% in October 2015, from a rate of 68.3% in September 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 June 2015 increased by 2.6% compared to June 2014³. The Engineering Construction sector, excluding Heavy Engineering, decreased by 25.6%* in Western Australia, between June 2014 and June 2015.

The Housing sector has in recent months pulled back, with annual total dwelling unit approvals to September 2015 dropping to 30,586 (21,987 houses), compared to a previous peak of 31,738 (24,243 houses) in September 2014⁴.

Seasonally adjusted, building approvals for total dwelling units decreased by 8.9% between August 2015 and September 2015. Building approvals dropped by 4.4% over the three months to September 2015.

Trend building approvals in Western Australia decreased by 3.2% between August 2015 and September 2015 and fell by 4.2% over the year (annualised average).

Seasonally adjusted, dwelling commencements decreased by 10.5% in the quarter to June 2015; and on an annualised basis compared to June 2014 commencements increased by 6.5%.

*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

WORKFORCE IN CONSTRUCTION

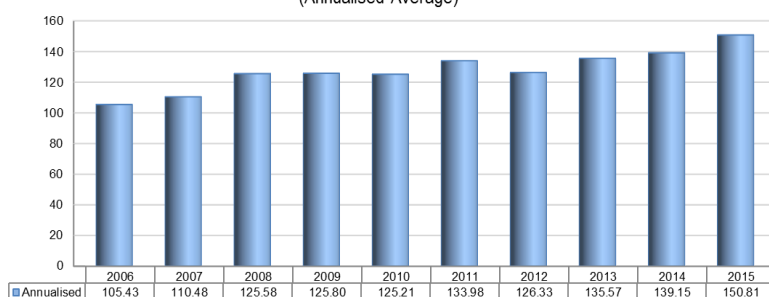
+8.38%

(Annualised)
(12 months compared to previous 12 months)

139,150
Year to August 2014

150,810
Year to August 2015

Employed in WA Construction Industry (000's)
(Annualised Average)



Annualised⁵

3 Months⁶

% Change over Period

+8.38%

+4.96%

The industry currently employs 11.1% (annualised) of the State workforce as at August 2015.

ABS 6291.0.55.003

TRADESPEOPLE IN CONSTRUCTION (Excluding Electricians)

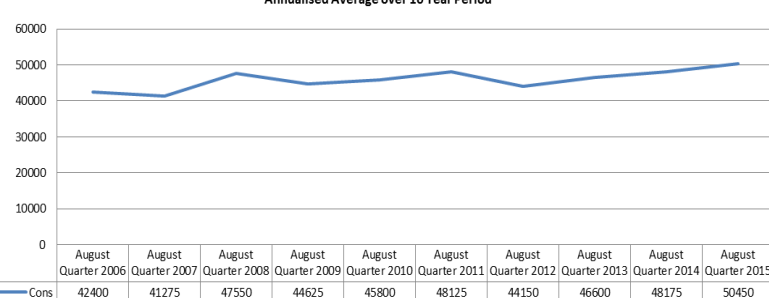
+4.72%

(Annualised)
(12 months compared to previous 12 months)

48,175
Year to August 2014

50,450
Year to August 2015

Tradespeople in Construction WorkForce (Exc. Electricians)
Annualised Average over 10 Year Period



Annualised

3 Months

% Change over Period

+4.72

+1.49%

These figures reflect the highest number of tradespeople in the industry in over 10 years.

Note: Tradespeople in Construction now includes the trade of Concreter.

ABS 6291.0.55.003 - E08

TRADESPEOPLE IN CONSTRUCTION (Including Electricians)

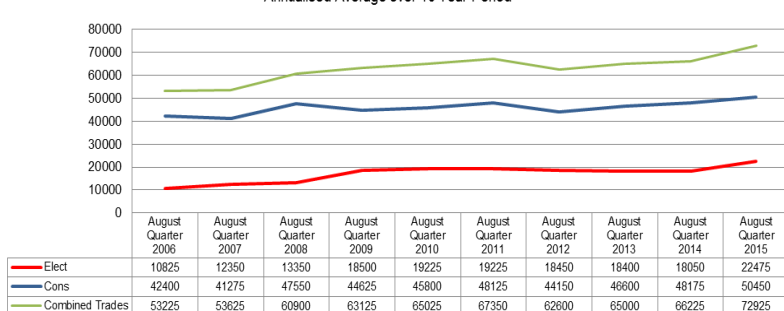
+10.12%

(Annualised)
(12 months compared to previous 12 months)

66,225
Year to August 2014

72,925
Year to August 2015

Tradespeople in Construction in Workforce
Annualised Average over 10 Year Period



Annualised

3 Months

% Change over Period

+10.12%

-2.20%

Electricians account for almost 31% of all tradespeople in Construction with a proportion of these working in the Mining /Resource sector.

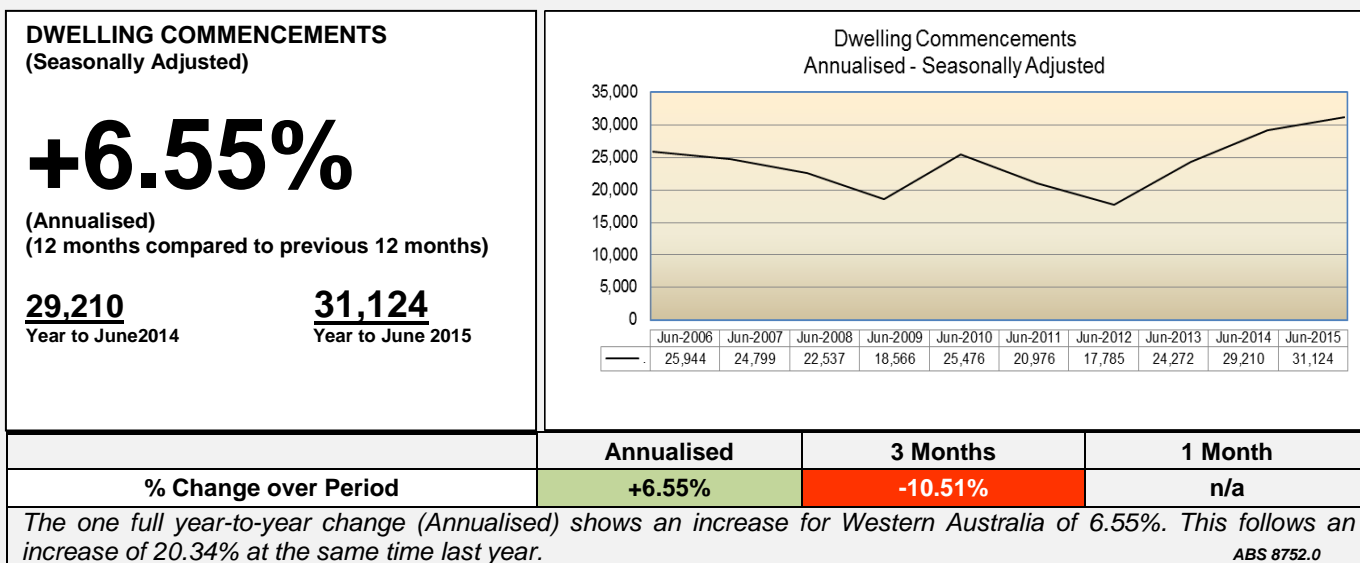
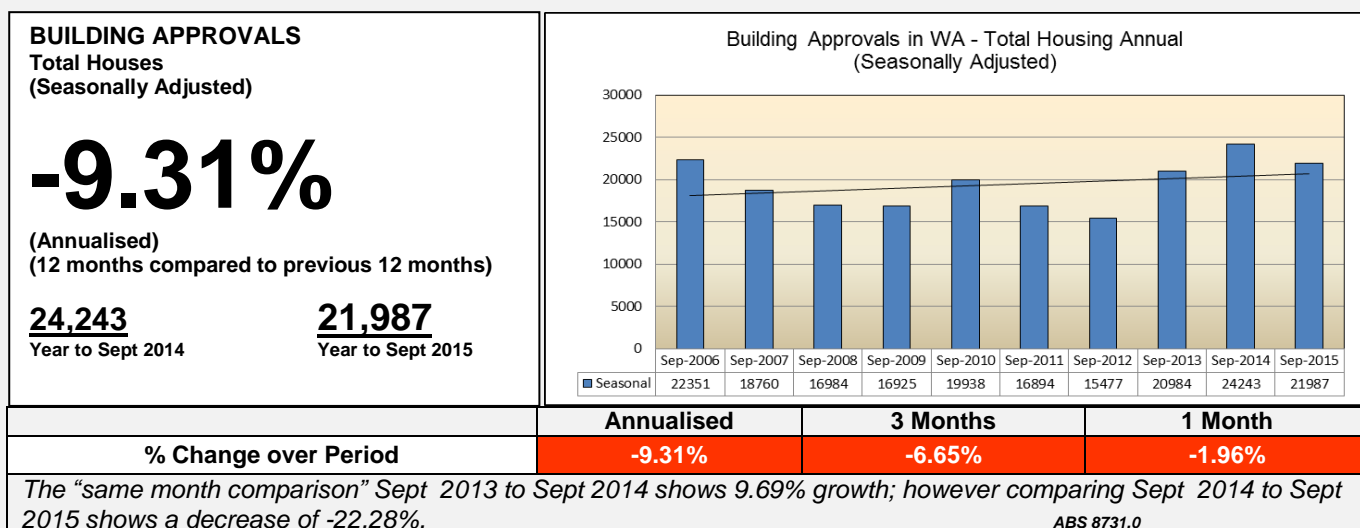
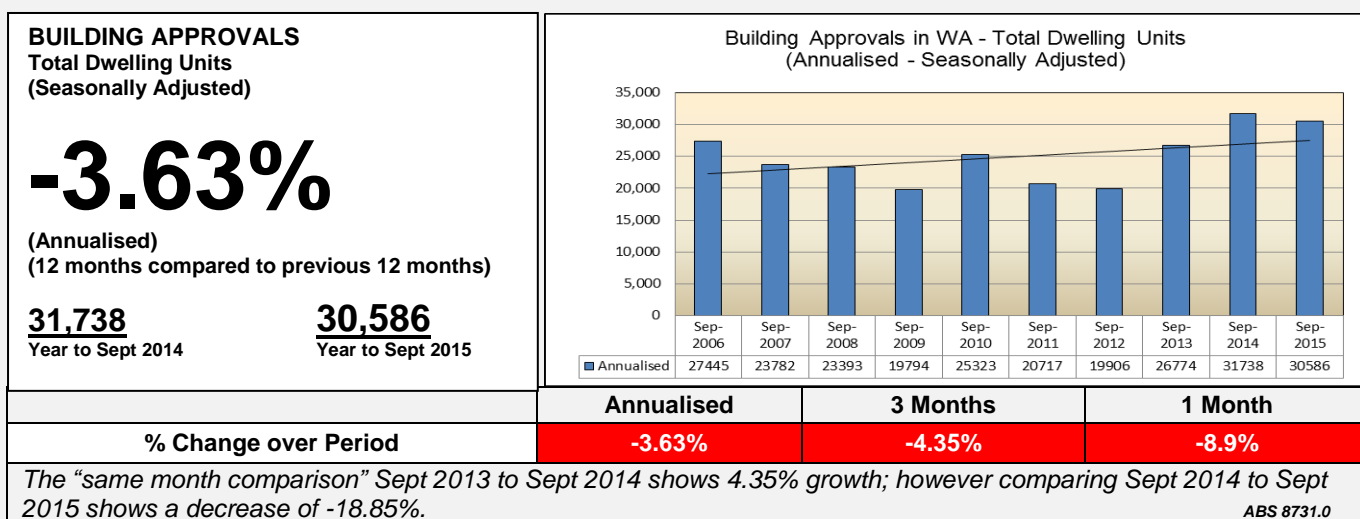
Note: Tradespeople in Construction now includes the trade of Concreter

ABS 6291.0.55.003 - E08

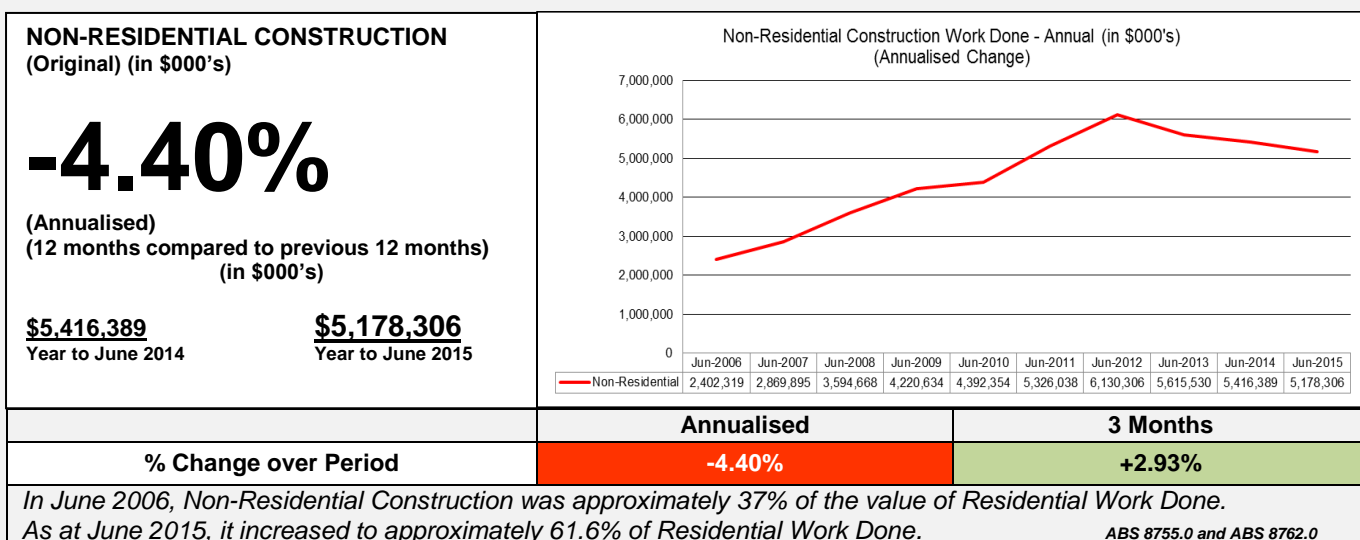
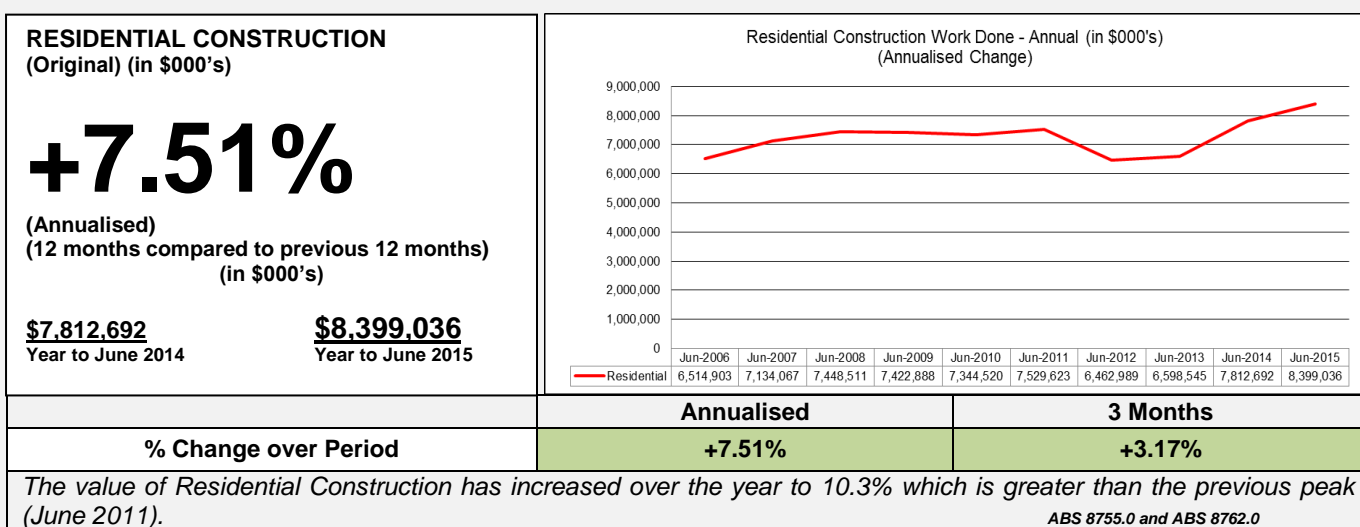
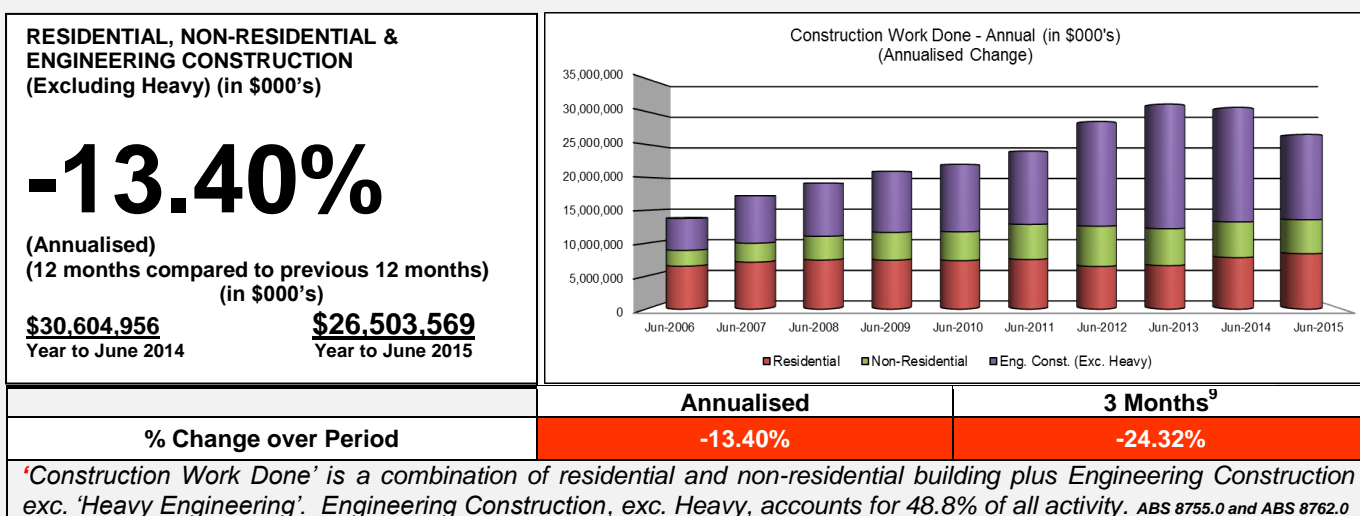
⁵ Full year compared to previous full year

⁶ This quarter compares to previous quarter

3. Building Approvals & Commencements in WA⁷


⁷ ABS 8731.0 & 8752.0

4. Construction Work Done⁸

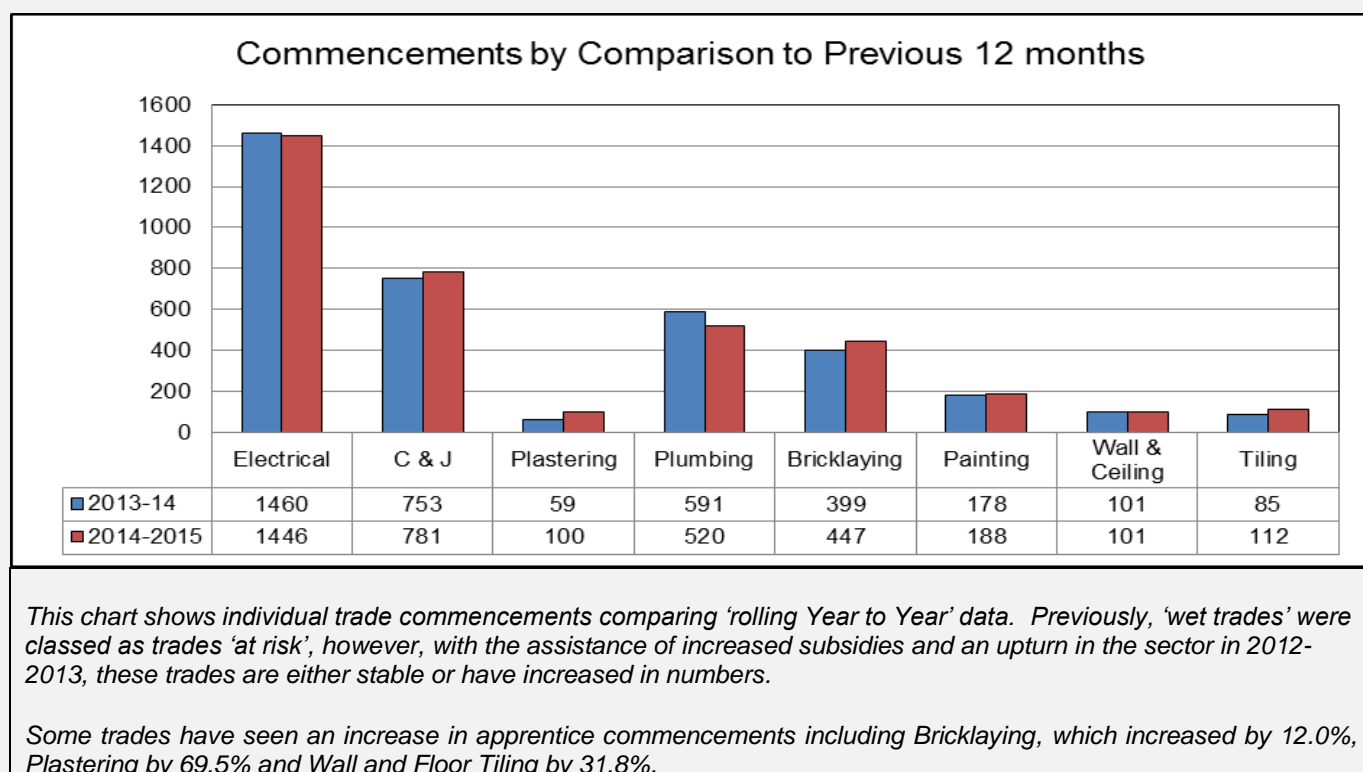
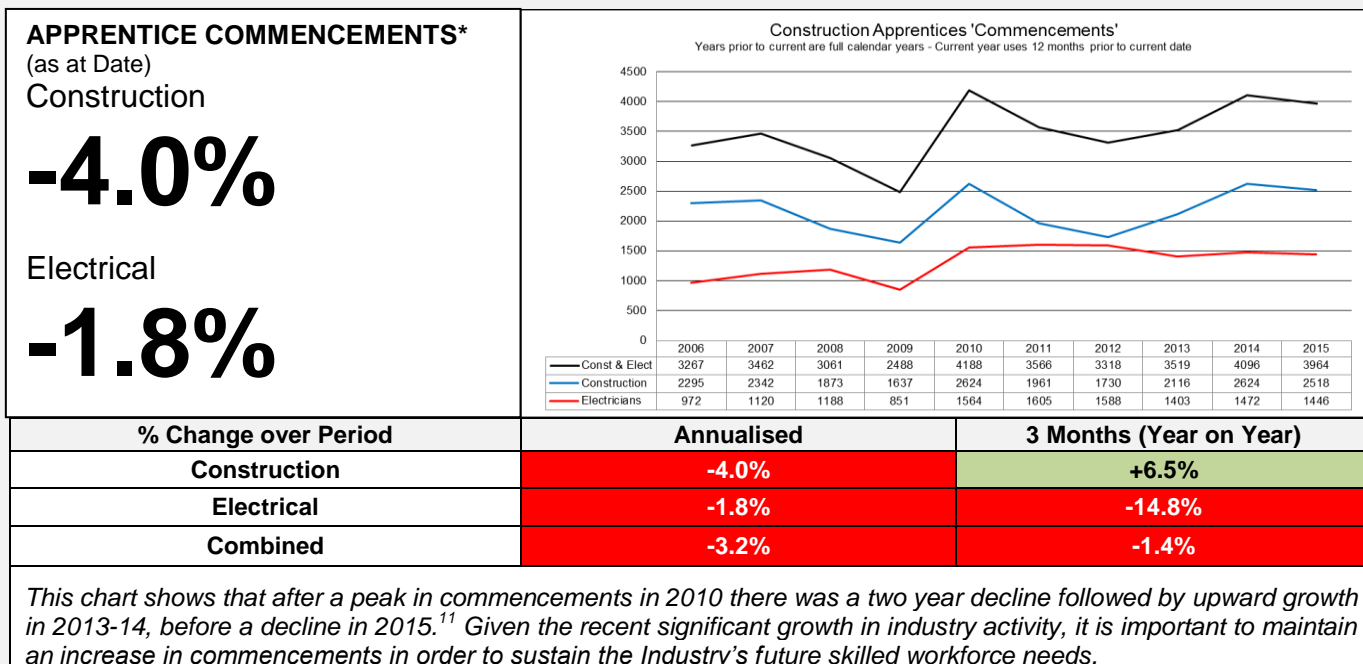


⁸ Due to ABS release dates and more recent data not being available for publication, Engineering Construction data is included using the previous quarter data and has a relative standard error of 10% to less than 25% and should be used with caution.

⁹ Compared to previous quarter.

5. Apprentice Commencements¹⁰

Although this chart shows a decline in commencements for 2015 it is due to previous years using data for full calendar years while data for 2015 is for the period September 2014 to August 2015.¹¹



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

¹¹ 2005-2014 figures based on full years, January to December. In this instance 2015 figures based on Sept 2014 to Aug 2015 (full year) due to calendar year data not available until March of following year...

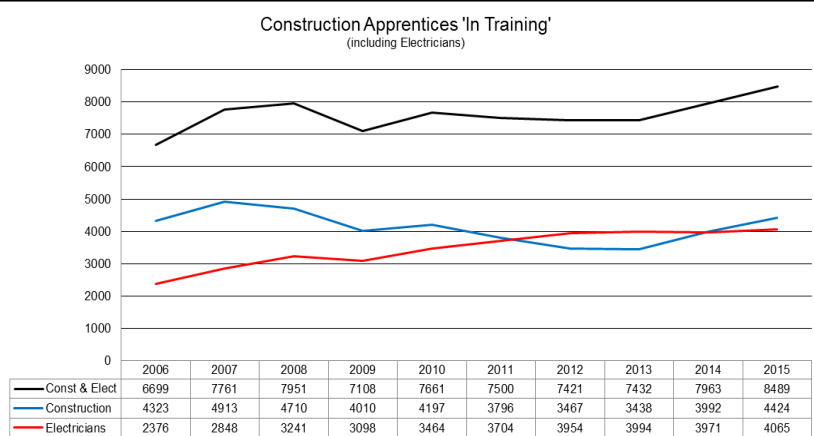
6. Apprentices in Training ¹²

APPRENTICE IN TRAINING
(Year on Year Increase – Point in Time)
Construction

+10.8%

Electrical

+2.4%



% Change over Period	Year on Year (2014-15)	2013-2014
Construction	+10.8%	+16.1%
Electrical	+2.4%	-0.6%
Combined	+6.6%	+7.2%

There are currently 4,424 Building and Construction trade apprentices in training, the highest number since 2008. Combined with electricians, there are 8,489 apprentices in training, again the highest number ever recorded.

There are now more Construction apprentices than Electrical apprentices in the industry.

The following table shows the change in the number of 'In Training' Apprentices between 2011 and 2015.

Change in Apprentice Numbers In Training by Trade (2011 – 2015)			
Trade	% change	2015	2011
Electricians	9.7%	4065	3,704
Carpentry & Joinery	5.0%	1398	1,331
Plastering	34.5%	117	87
Plumbing & Gas	6.8%	1,238	1,159
Bricklaying	86.5%	621	333
Painting & Decorating	-5.9%	320	340
Roof Plumbing	5.1%	103	98
Wall & Floor Tiling (Tilelaying)	25.0%	170	136
Wall & Ceiling Fixing	-22.3%	143	184
Building & Construction (exc Electricians)	16.5%	4,424	3,796
Building & Construction (inc. Electricians)	13.2%	8489	7500

Although some trades show a decline in apprentices since 2011, the overall performance shows an increase of between 13.19% including Electricians, and 16.54% for Building and Construction (excluding electricians).

7. Apprentice Training Rates ¹³

Over the last four years there has been a decline in the training rates for a number of Construction trades but an increase in others. The significant increase in the size of the workforce has a direct impact on the training rate as the number of apprentices has to grow at the same rate as the number of tradespeople in the workforce to maintain the training rate.

Change in Training Rates (2011 – 2015)			
Trade	% change	2015	2011
Electricians	-11.2%	19.4%	21.8%
Carpentry & Joinery	-21.5%	13.1%	16.6%
Plastering	10.2%	1.9%	1.7%
Plumbing & Gas	-16.0%	13.9%	16.6%
Bricklaying	44.8%	6.0%	4.2%
Painting & Decorating	-16.2%	5.7%	6.8%
Roof Plumbing	133.6%	11.4%	4.9%
Wall & Floor Tiling (Tilelaying)	56.3%	7.1%	4.5%

Increases in Bricklaying correspond to a significant increase in commencements. The decline in Electricians can be directly attributed to a 23.5% increase in tradespeople since

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

¹³ 'Training Rate' is the number of apprentices 'in training' compared to the number of tradespeople in the same industry as stated by ABS 6291.0.55.003, ST_E08

8. Employment of Females

There are currently 90 female **apprentices** in training. Over the last 10 years, the overall proportion of female apprentices in Construction has risen from 0.9% to 2.0%.

There are currently 78 female **trainees** which is an increase from 3.3% to 8% of total trainees over the last 10 years, with a 200% increase in the actual numbers over the last year. It is believed that one factor is the increased promotion of 'women in trades' subsidies and scholarships. Another factor is the concerted efforts by the Civil Construction sector to employ young women.

Employment of Aboriginal and Torres Strait Islanders

There are currently 184 Aboriginal and Torres Strait Islander (ATSI) **apprentices** in training. Over the last 10 years the overall proportion of ATSI apprentices has risen from 2.9% to 4.2% which is indicative of the increase in the number of ATSI people in the general population.

Currently there are 78 **trainees** in training with an ATSI background, which represents approximately 8% of all Building and Construction trainees. This increase appears to coincide with a concerted effort to recruit ATSI people by the Civil Construction sector.

9. Traineeships in the Industry

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

Note: this chart now includes the Civil Construction Supervisor (Level 4) RII40713 trainees.

Traineeship	ASSISTANT BUILDING SURVEYOR (LEVEL 5)	3
	BITUMINOUS SURFACING (LEVEL 3)	0
	BUILDING AND CONSTRUCTION PARA PROFESSIONAL (LEVEL 2)	1
	BUILDING AND CONSTRUCTION TRADE TRAINEE (LEVEL 2)	42
	BUILDING MAINTENANCE (LEVEL 2)	22
	CIVIL CONSTRUCTION (LEVEL 2)	5
	CIVIL CONSTRUCTION (LEVEL 3)	185
	CIVIL CONSTRUCTION DESIGNER (LEVEL 5)	2
	CIVIL CONSTRUCTION MANAGER (LEVEL 5)	5
	CIVIL CONSTRUCTION SUPERVISOR (LEVEL 4)	250
	DOGGING (LEVEL 3)	6
	DRAINAGE (LEVEL 2)	11
	ESTIMATING (HOUSING) (LEVEL 4)	183
	GENERAL CONSTRUCTION (LEVEL 2)	20
	PIPELAYING (LEVEL 3)	58
	PLANT OPERATIONS (LEVEL 3)	66
	RESIDENTIAL DRAFTING (LEVEL 4)	6
	RIGGING (LEVEL 3)	22
	ROAD CONSTRUCTION AND MAINTENANCE (LEVEL 3)	70
	ROAD MARKING (LEVEL 3)	2
	SCAFFOLDING (LEVEL 3)	9
	SITE MANAGEMENT (LEVEL 4)	177
	STEEL FIXING (LEVEL 3)	82
	TRENCHLESS TECHNOLOGY (LEVEL 3)	15
	Building & Construction (TOTAL)	1242

There are currently 1242 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. Including the Civil Construction Supervisor Level 4 qualification, there has been an overall 182.9% increase since the 2009 figure of **439** trainees 'in training'.

