



Construction Industry Snapshot

Western Australia

September 2015

Contribution to
Gross State Product

10.7%

Percentage of State
Workforce


11.1%

Percentage of Total Apprentices
in the Workforce

45%


(including Electricians)

Apprentice Commencements
in last 12 months


 **14.2%**

Construction Industry Workforce

150,810
(Annualised)

 **12.1%**
(in last quarter)

Apprentice Commencements
Quarter Change

 **0.8%**

(2014 Quarter to 2015 Quarter Change)

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This report is published on a bi-monthly basis.

Although this report is dated September 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 Datacubes as at end of June 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 11.08% (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 7,700 people in the last quarter.

On a year-to-year comparison up to the end of June 2015, there was a 14.2% increase in Construction apprentice commencements (excluding Electrical) and an increase in Electrical apprentice commencements of 11.1%¹.

There are currently 4,423 Building Trades apprentices 'in training' which is the highest number since 2010. Together with Electrical apprentices, there are 8,512 apprentices in training which is the highest ever recorded.

As at August 2015, the Industry employed just over 45% of all Western Australia's apprentices² (including building trades and Electricians).

Western Australia's estimated resident population grew by 1.4% for the year to March 2015. This figure compares with Victoria (1.7%) and both Queensland (1.3%) and New South Wales (1.4%). The Western Australian seasonally adjusted unemployment rate was 6.1% during August 2015, down from a rate of 6.4% in July 2015. This compares with the National rate of 6.2%. The seasonally adjusted participation rate in Western Australia was 69% in August 2015, up from a rate of 68.9% in July 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 21.1%* in Western Australia between March 2014 and March 2015.

The Housing sector has in recent months pulled back slightly, with annual dwelling unit approvals to July 2015 dropping to 31,242 (22,779 houses), compared to a previous peak of 31,249 (23,961 houses) at July 2014⁴.

Seasonally adjusted, building approvals for all dwelling units decreased by 1.1% between June 2015 and July 2015. Building approvals remained flat over the three months to July 2015.

Trend building approvals in Western Australia decreased by 1.9% between June 2015 and July 2015 and rose by 1.5% over the year (annualised average).

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 14.37%.

**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

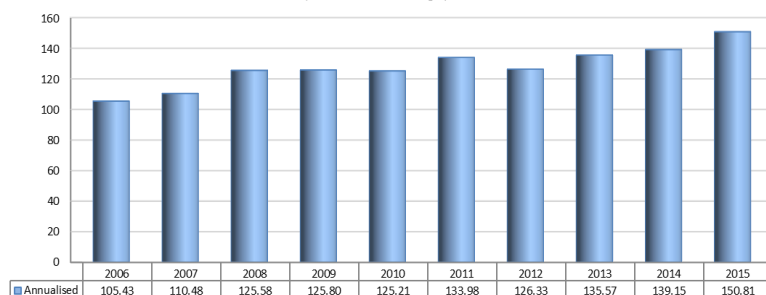
+8.38%

(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)



	Annualised ⁵	3 Months ⁶
% 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)

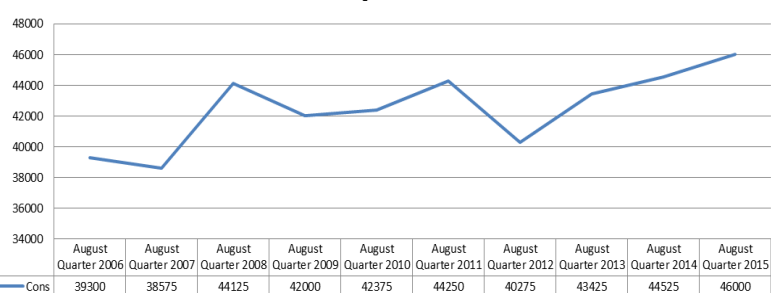
+3.31%

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

44,525
Year to August 2014

46,000
Year to August 2015

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



	Annualised	3 Months
% Change over Period	+3.31%	-0.41%
These figures reflect the highest number of tradespeople in the industry in over 10 years. ABS 6291.0.55.003 - E08		

TRADESPEOPLE IN CONSTRUCTION (Including Electricians)

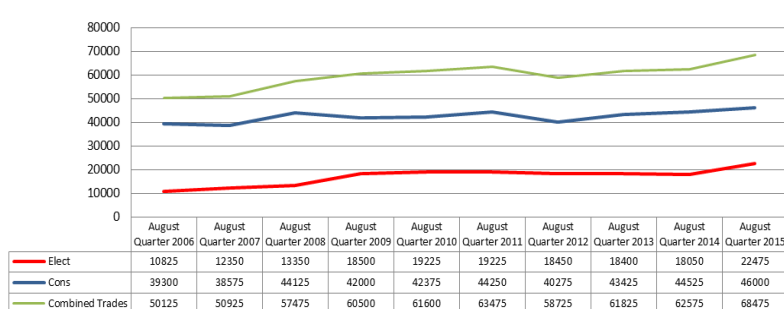
+9.43%

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

62,575
Year to August 2014

68,475
Year to August 2015

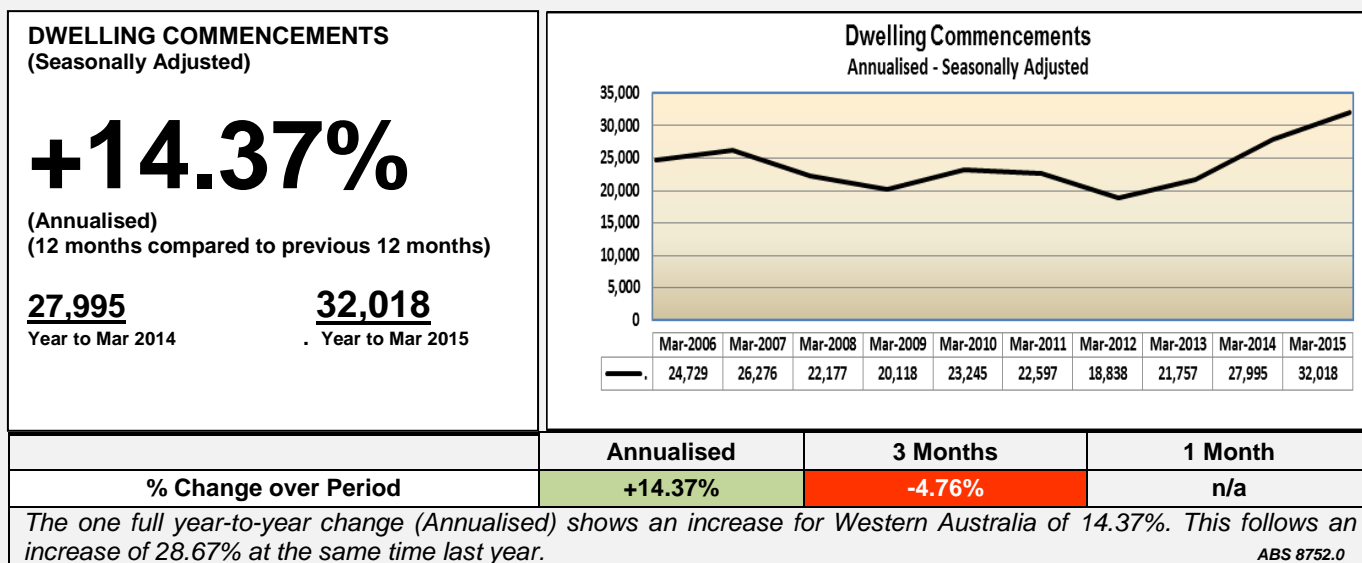
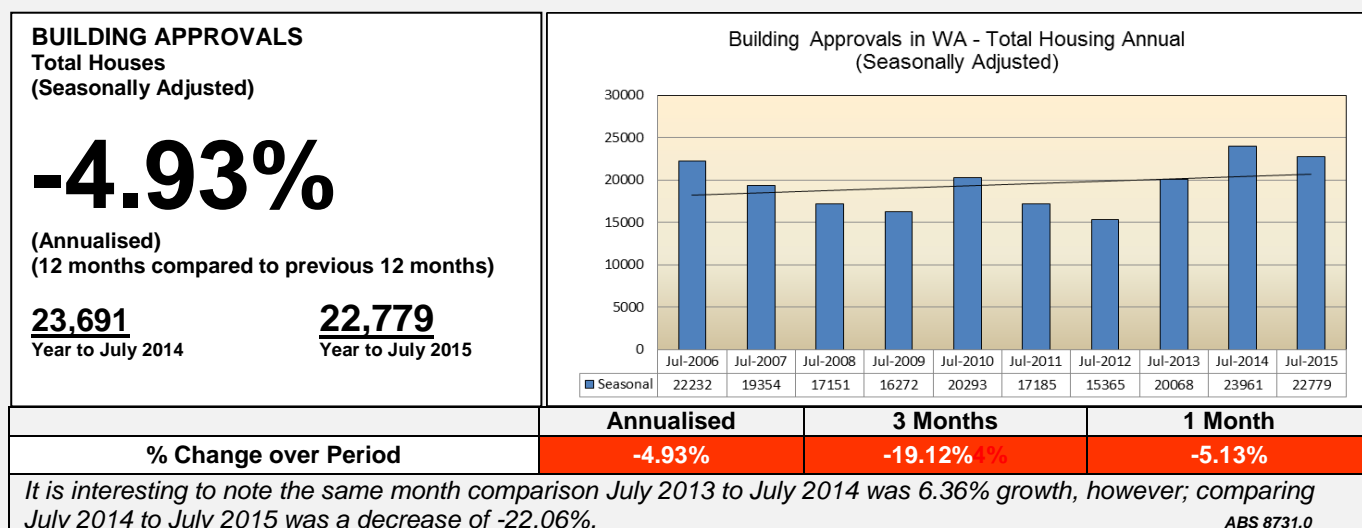
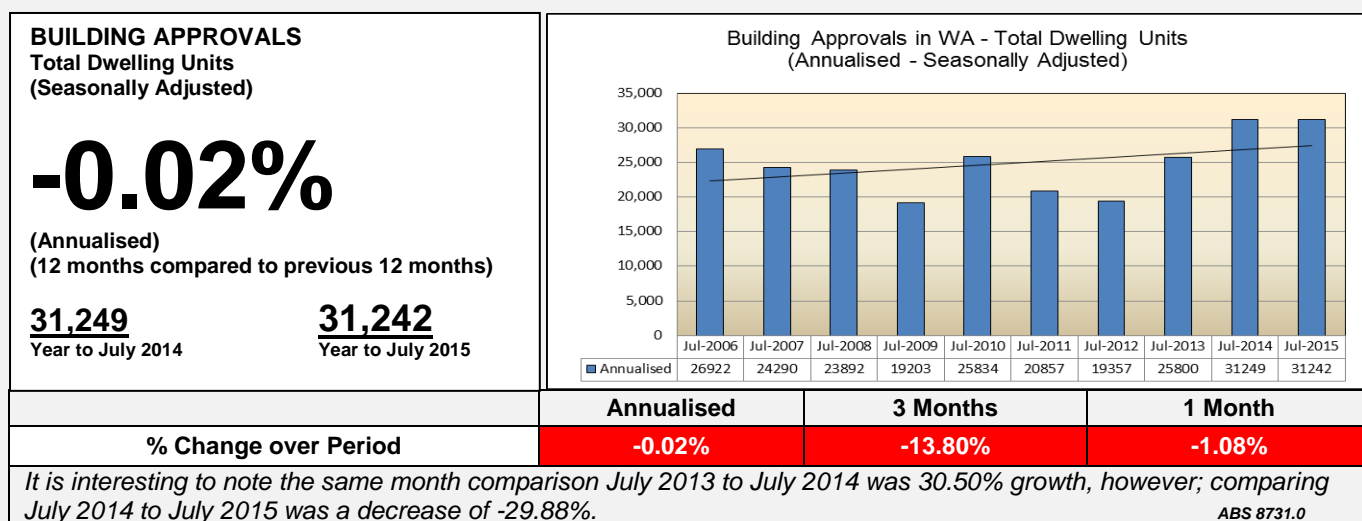
Tradespeople in Construction in Workforce
Annualised Average over 10 Year Period



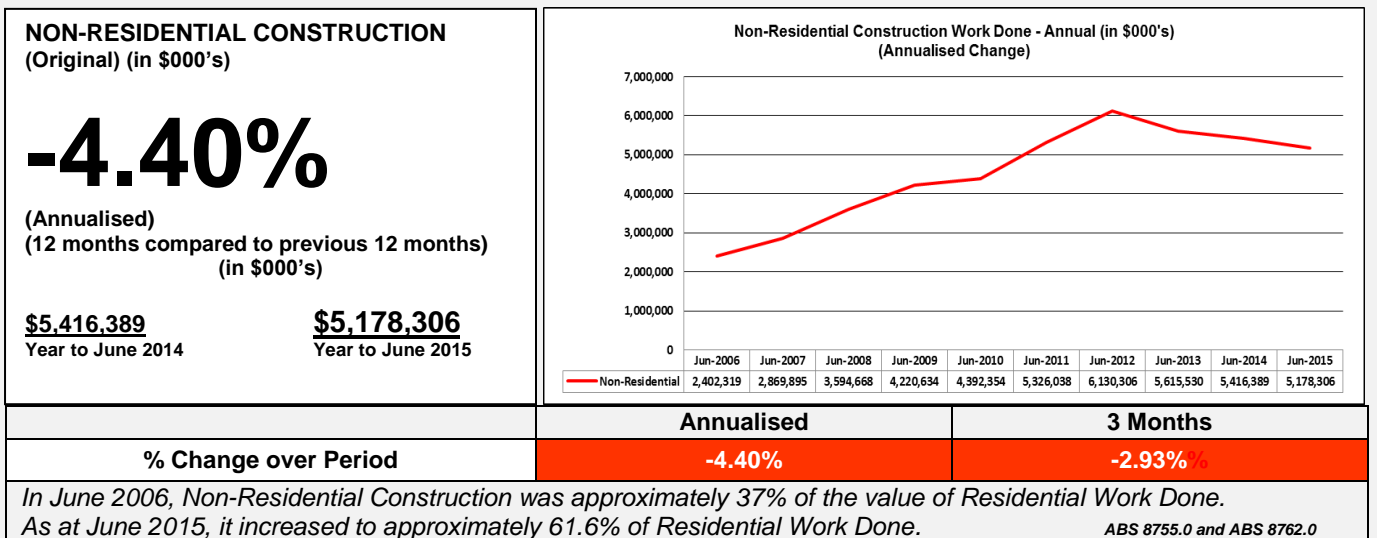
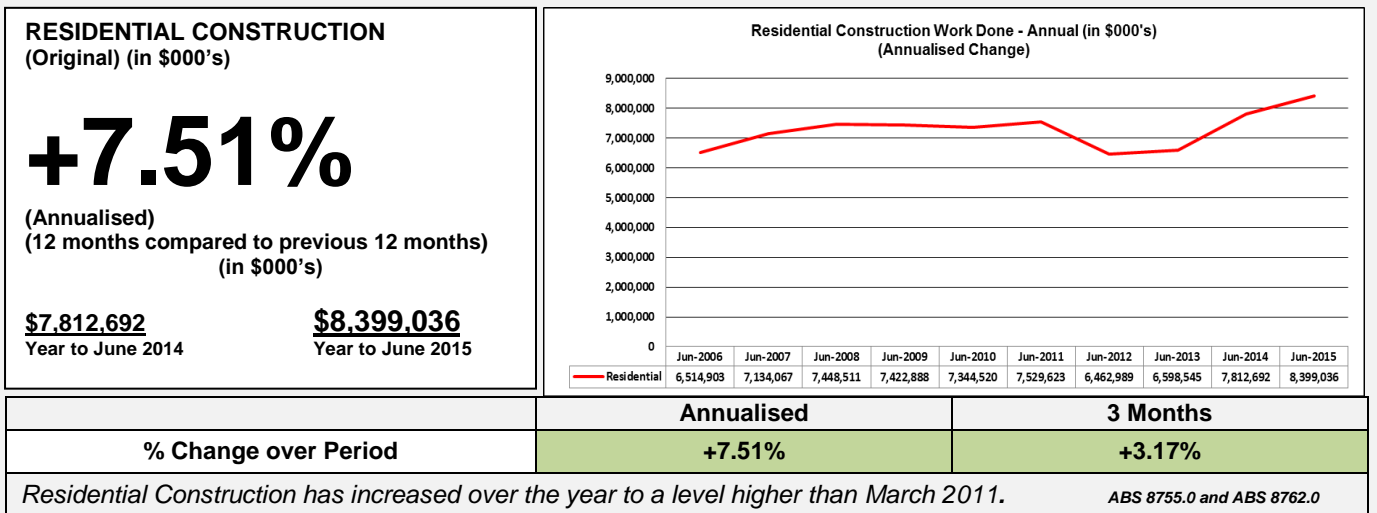
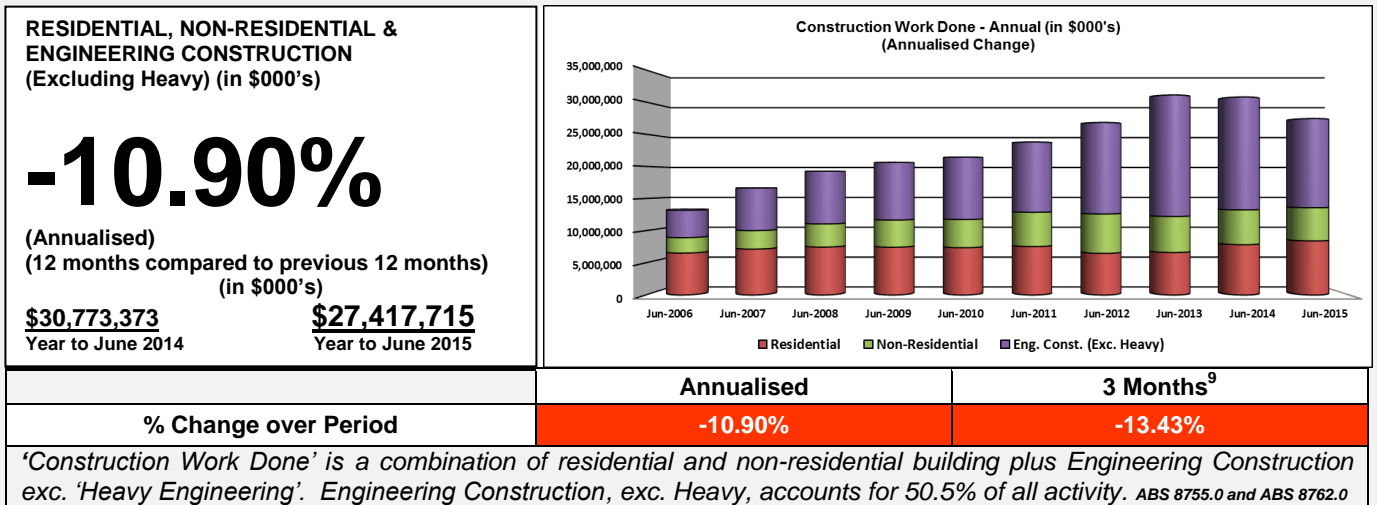
	Annualised	3 Months
% Change over Period	+9.43%	-3.75%
Electricians account for 32.82% of all tradespeople in Construction with a proportion of these working in the Mining / Resource sector. ABS 6291.0.55.003 - E08		

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.

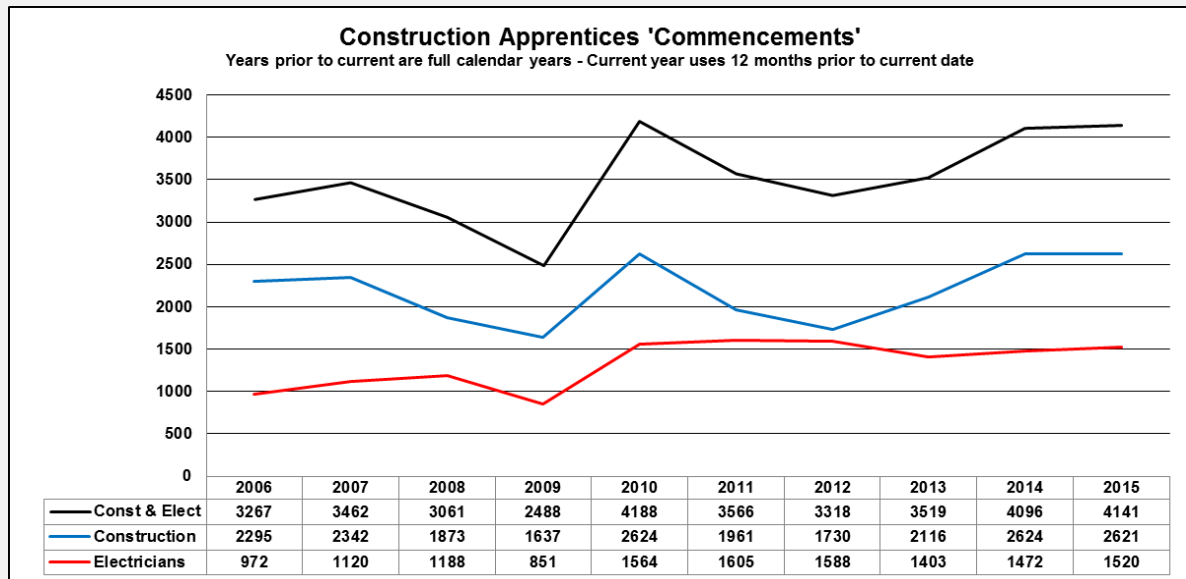
5. Apprentice Commencements¹⁰

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 in 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. However, this will be difficult given the downward trend in both residential and non-residential construction.

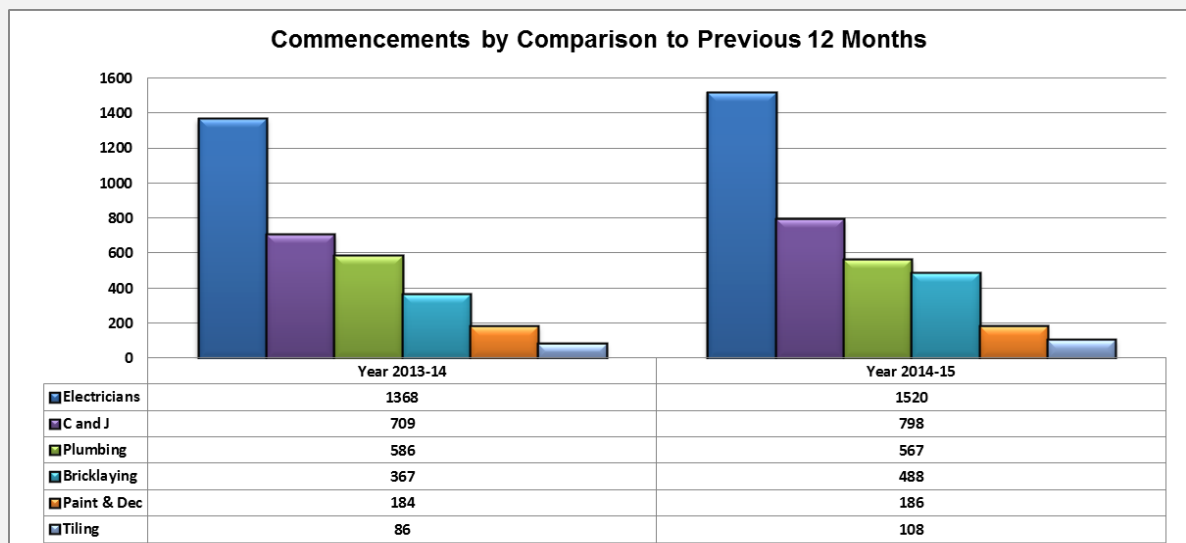
Construction apprentice commencements, (excluding Electrical) during the year July 2014 to June 2015, have improved by 14.2% compared to the same twelve month period July 2013 to June 2014.

Commencements, including electricians, have increased by 13.1% comparing the year July 2014 to June 2015 to the same twelve month period July 2013 to June 2014. The Electrical apprentice commencement figures have recovered well after a period of decline. Figures indicate a growth of 11.1%. Most trades have seen an increase in apprentice commencements with Bricklaying increasing by 33.0%, Plastering up by 46.0% and Wall and Ceiling Fixing increased by 25.6%.

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 July 2014 to June 2015.*



* NB: 2005-2014 figures based on full years, January to December. In this instance 2015 figures based on July 2014 to June 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.

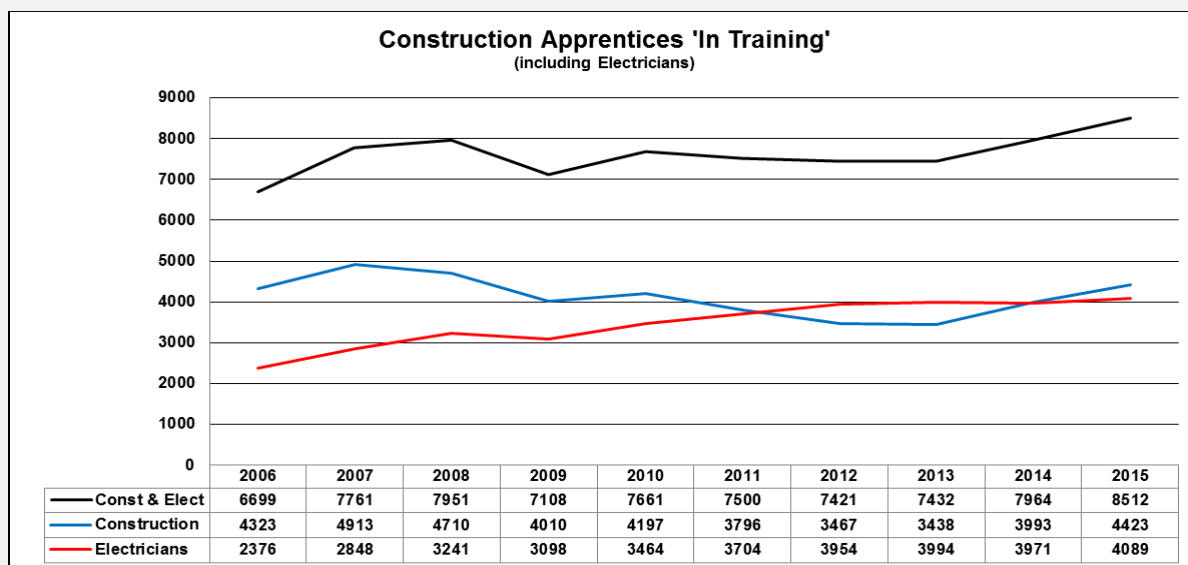
Change in Training Rates			
Trade	% change	2015	2011
Electricians	-10.6%	19.5%	21.8%
Carpentry & Joinery	-21.7%	13%	16.6%
Plastering	-5.9%	1.8%	1.7%
Plumbing & Gas	-2.4%	16.2%	16.6%
Bricklaying	47.6%	6.2%	4.2%
Painting & Decorating	0%	6.8%	6.8%
Roof Plumbing	+122.4%	10.9%	4.9%
Wall & Floor Tiling (Tilelaying)	+51.1%	6.8%	4.5%

The increase in Bricklaying corresponds to the significant recent increase in commencements. The change in Electrical can be attributed to a 23.5% increase in tradespeople since 2011 (ABS data).

7. Apprentices in Training ¹²

There are currently 4,423 Building and Construction trade apprentices in training which is the highest number since 2010. Together with electricians, there are 8,512 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 number 'In Training' than that of Building and Construction trades.

Change in Apprentice Numbers In Training by Trade			
Trade	% change	2015	2011
Electrical Mechanics	+10.4%	4089	3,704
Carpentry & Joinery	+4.5%	1391	1,331
Plastering	+26.4%	110	87
Plumbing & Gas	+7.7%	1,249	1,159
Bricklaying	+89.8%	634	333
Painting & Decorating	-5.6%	321	340
Roof Plumbing	+11.2%	109	98
Wall & Floor Tiling (Tilelaying)	+20.6%	164	136
Wall & Ceiling Fixing	-25%	138	184
Building & Construction (all)	+16.5%	4,423	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 89 female **apprentices** in training. Over the last 10 years, the overall percentage of female apprentices in Construction has risen from 0.86% to 2.01%.

There are currently 73 female **trainees** which is an increase from 3.31% to 7.28% of total trainees over the last 10 years, with a 180% increase in the actual numbers over the last year. It is believed that one factor has been increased promotion of 'women in trades' subsidies and scholarships. Another factor is the concerted efforts by the Civil Construction sector to employ young women in the Civil sector.

9. Employment of Aboriginal and Torres Strait Islanders

There are currently 197 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 4.45% which is indicative of the number of ATSI people in the general population.

Currently there are 83 **trainees** in training with an ATSI background, which represents approximately 8.3% 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 July 2015.

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

Traineeship	ASSISTANT BUILDING SURVEYOR (LEVEL 5)	4
	BITUMINOUS SURFACING (LEVEL 3)	0
	BUILDING AND CONSTRUCTION PARA PROFESSIONAL (LEVEL 2)	1
	BUILDING AND CONSTRUCTION TRADE TRAINEE (LEVEL 2)	47
	BUILDING MAINTENANCE (LEVEL 2)	20
	CIVIL CONSTRUCTION (LEVEL 2)	4
	CIVIL CONSTRUCTION (LEVEL 3)	152
	CIVIL CONSTRUCTION DESIGNER (LEVEL 5)	3
	CIVIL CONSTRUCTION MANAGER (LEVEL 5)	5
	CIVIL CONSTRUCTION SUPERVISOR (LEVEL 4)	251
	DOGGING (LEVEL 3)	13
	DRAINAGE (LEVEL 2)	9
	ESTIMATING (HOUSING) (LEVEL 4)	182
	GENERAL CONSTRUCTION (LEVEL 2)	29
	PIPELAYING (LEVEL 3)	59
	PLANT OPERATIONS (LEVEL 3)	55
	RESIDENTIAL DRAFTING (LEVEL 4)	6
	RIGGING (LEVEL 3)	47
	ROAD CONSTRUCTION AND MAINTENANCE (LEVEL 3)	91
	ROAD MARKING (LEVEL 3)	2
	SCAFFOLDING (LEVEL 3)	9
	SITE MANAGEMENT (LEVEL 4)	176
	STEEL FIXING (LEVEL 3)	90
	TRENCHLESS TECHNOLOGY (LEVEL 3)	13
	Building & Construction (TOTAL)	1268

There are currently 1268 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 189% increase since the 2009 figure of **439** trainees 'in training'.

