



Construction Industry Snapshot

Western Australia

March 2016

Construction Contribution to
Gross State Product

9.7%

Percentage of State
Workforce

11.1%

Percentage of Construction
Apprentices in the Workforce

48.3%

(including Electricians)

Apprentice Commencements
(Construction)



12.9%

(Annualised)

Construction Industry Workforce

151,270
(Annualised)



11.2%

(in last quarter)

Apprentice Commencements
(Electrical)



3.0%

(Annualised)

Contents

1. Executive Summary	3
2. The Workforce	4
3. Building Approvals & Commencements in WA	5
4. Construction Work Done	6
5. Apprentice Commencements	7
6. Apprentices in Training	8
7. Apprentice Training Rates	8
8. Employment of Females	9
9. Traineeships in the Industry	9

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This report is published every two months.

Although this report is dated March 2016, 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 2014-15. 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 December 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.

Compared to 2014, at the end of December 2015 (annualised), there was a 12.9% decrease in Construction apprentice commencements and also a decrease of 3.0%¹ in Electrical apprentice commencements (combined decrease of 9.3%).

There are currently 4,330 Building Trades apprentices 'in training' which is the highest number since 2007. Together with Electrical trade apprentices, there are 8,273 apprentices in training which is the highest ever recorded.

As at December 2015, the Industry employed just over 48% of all Western Australia's apprentices² (Building trades and Electricians combined).

Western Australia's estimated resident population grew by 1.3% for the year to June 2015. This is comparable to Victoria (1.7%), Queensland (1.2%) and New South Wales (1.4%). The January 2016 seasonally adjusted unemployment rate for Western Australia decreased to 5.9%. This is just below the National rate of 6.0%. The seasonally adjusted participation rate in Western Australia decreased to 68.4% in January 2016, from a rate of 68.7% in December 2015.

It is estimated that approximately 17,000 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 December 2015 increased by 3.1% compared to December 2014³. The Engineering Construction sector, excluding Heavy Engineering, decreased by 22.7%*, in Western Australia, between September 2014 and September 2015.

The Housing sector has in recent months pulled back, with annual total dwelling unit approvals to January 2015 dropping to 28,133 (20,346 houses), compared to a previous peak of 32,714 (24,395 houses) in January 2014⁴.

Seasonally adjusted, building approvals for total dwelling units increased by 7.2% between December 2015 and January 2016, building approvals in the November 2015 to January 2016 quarter dropped by 13.8% against the previous quarter.

Trend building approvals in Western Australia decreased by 1.8% between December 2015 and January 2016 and fell by 13.9% over the year (annualised average).

Seasonally adjusted, dwelling commencements increased by 1.69% in the quarter to September 2015; and on an annualised basis compared to September 2014, commencements decreased by 3.48%.

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

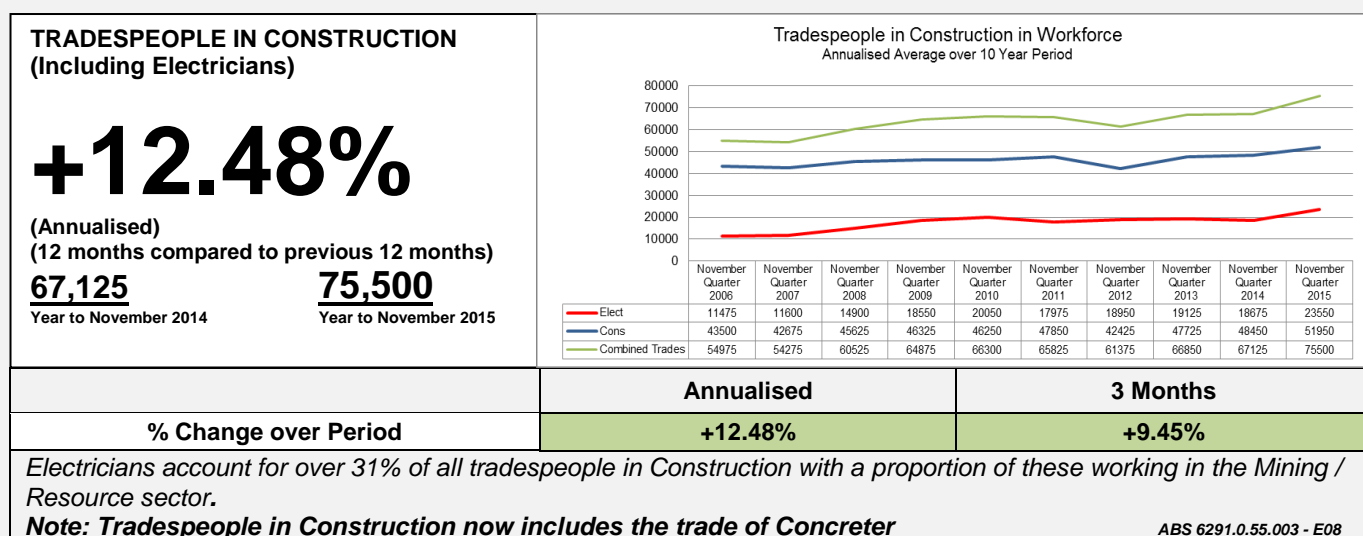
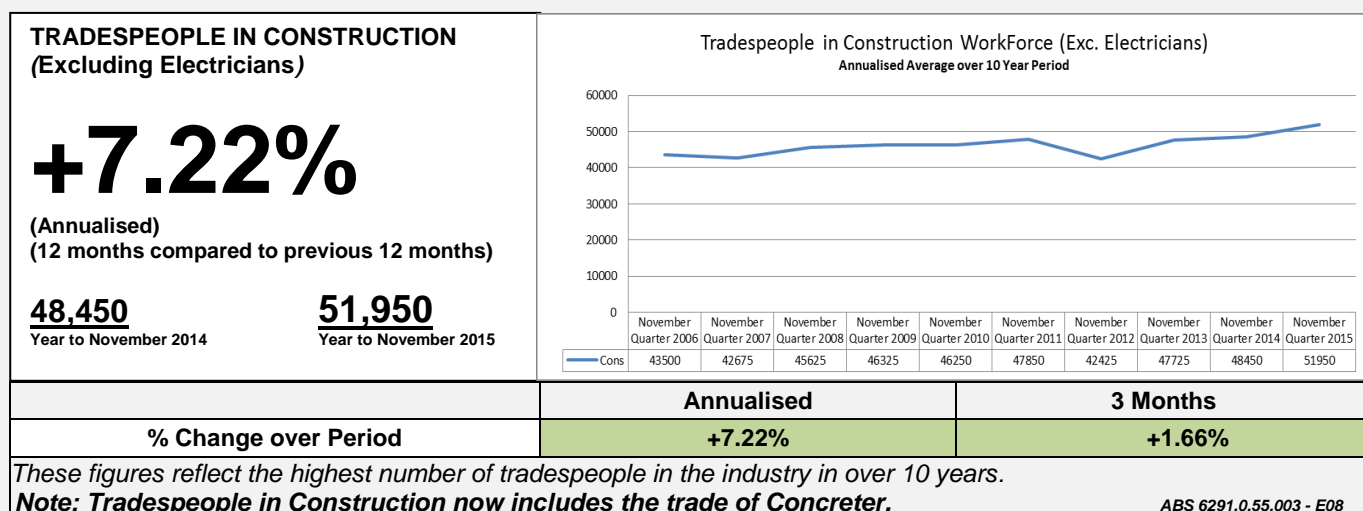
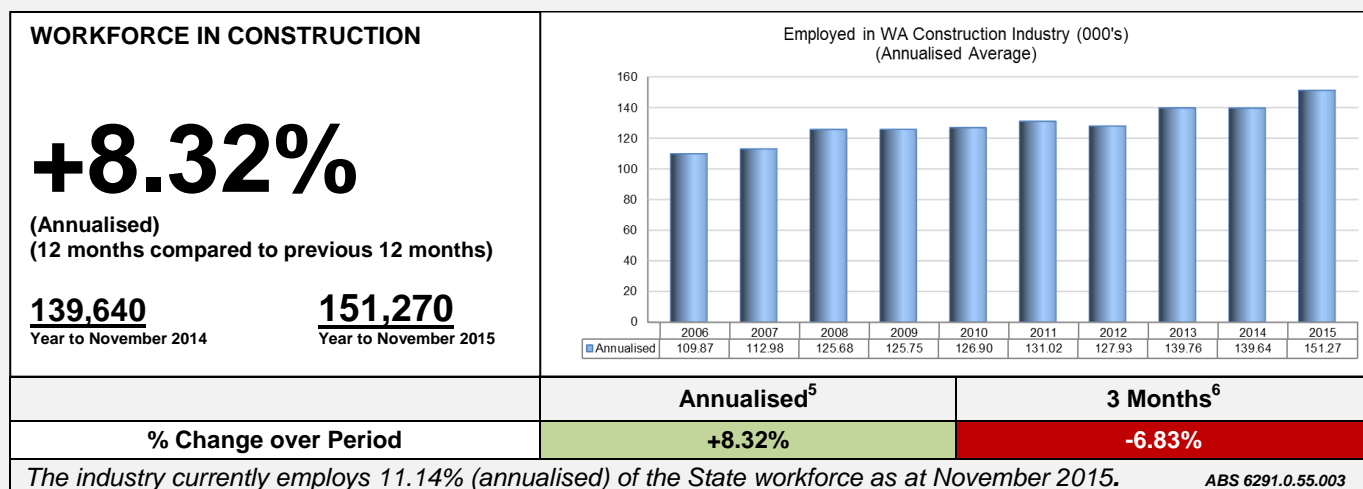
¹ TRS Datacube

² Using comparison to 'All Industries' data TRS Datacube

³ ABS 8755.0 and 8762.0 Construction & Engineering Work Done

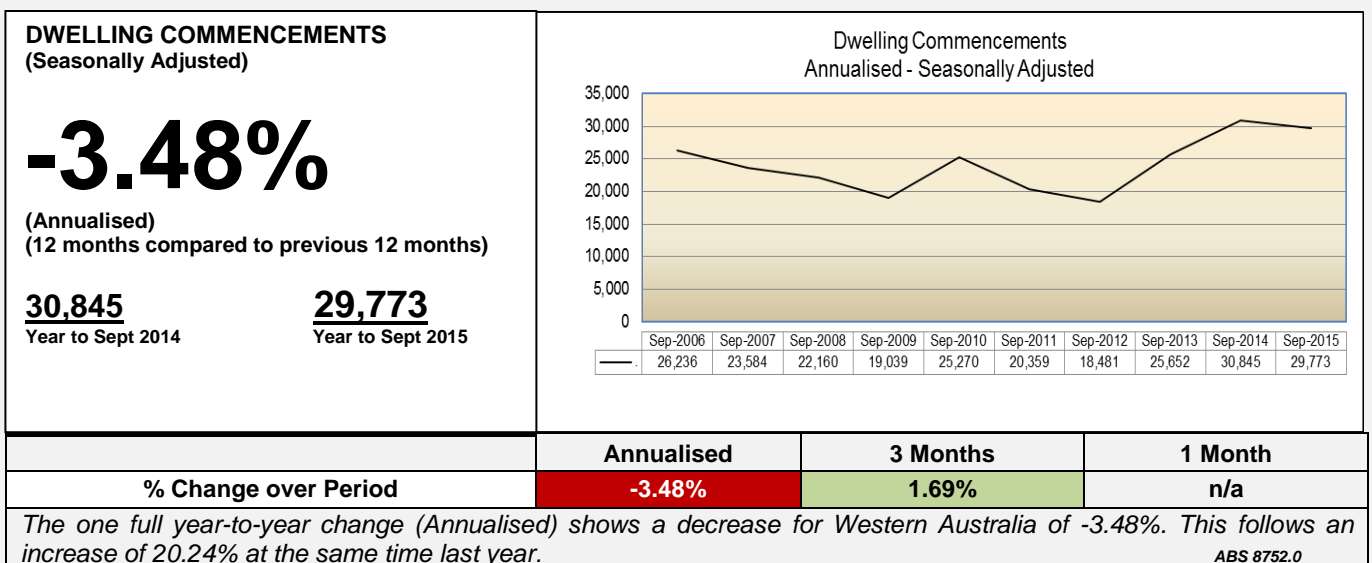
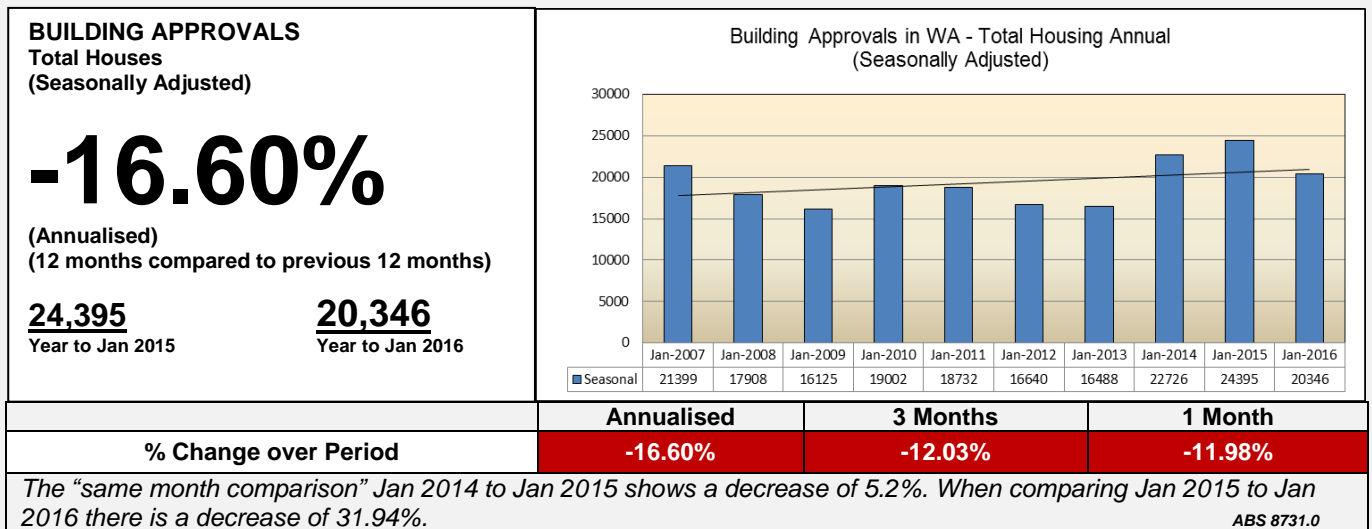
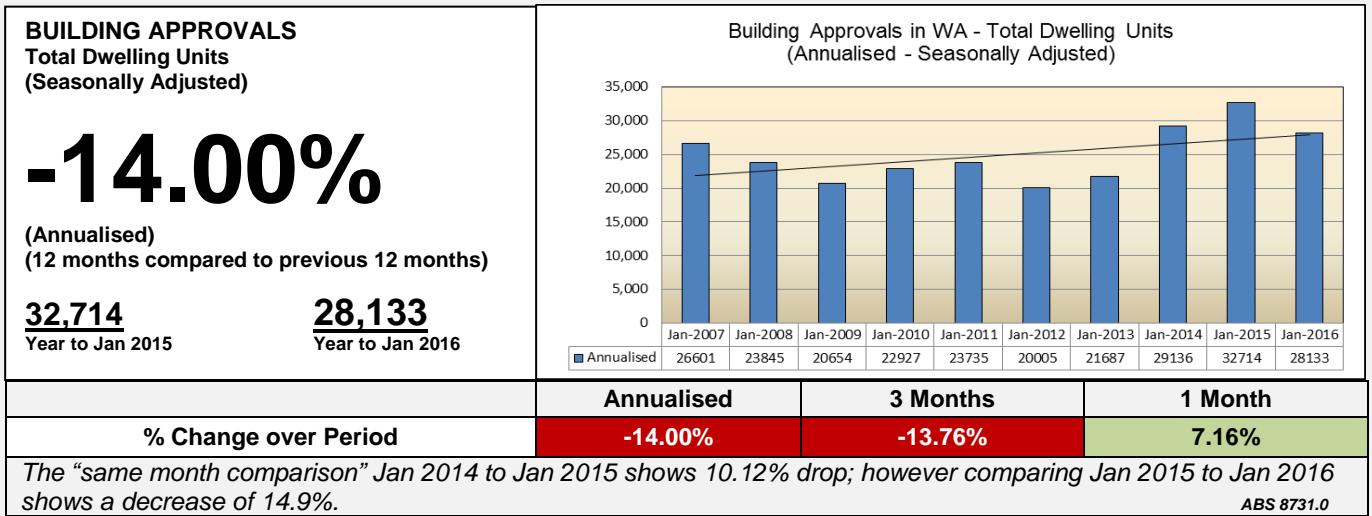
⁴ ABS 8731.05 (Seasonally Adjusted)

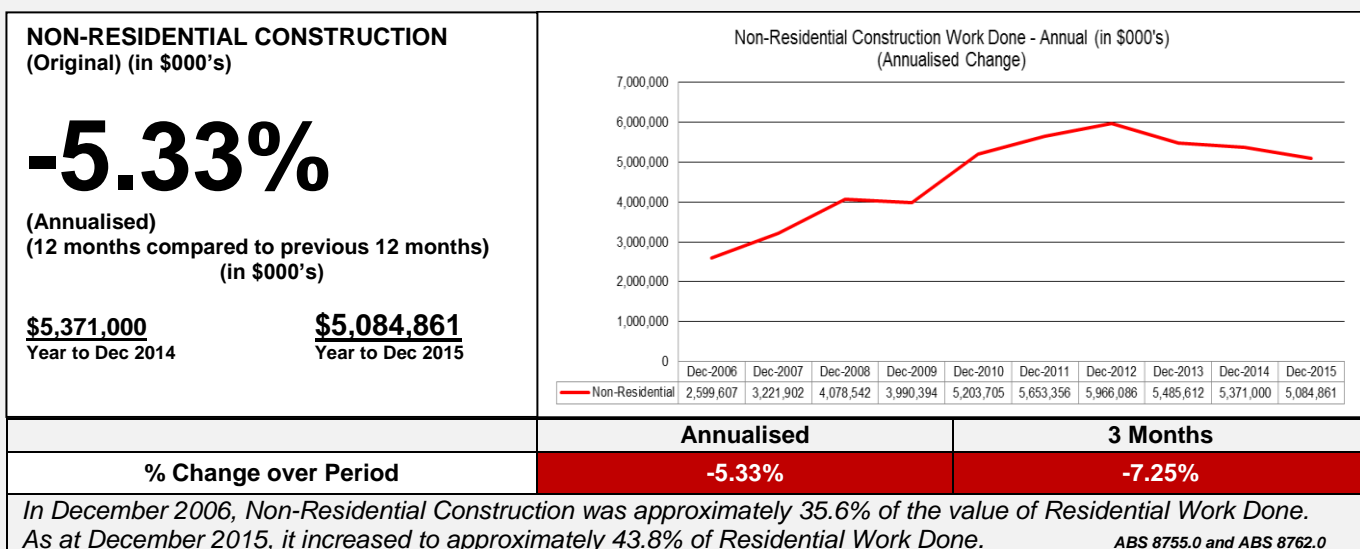
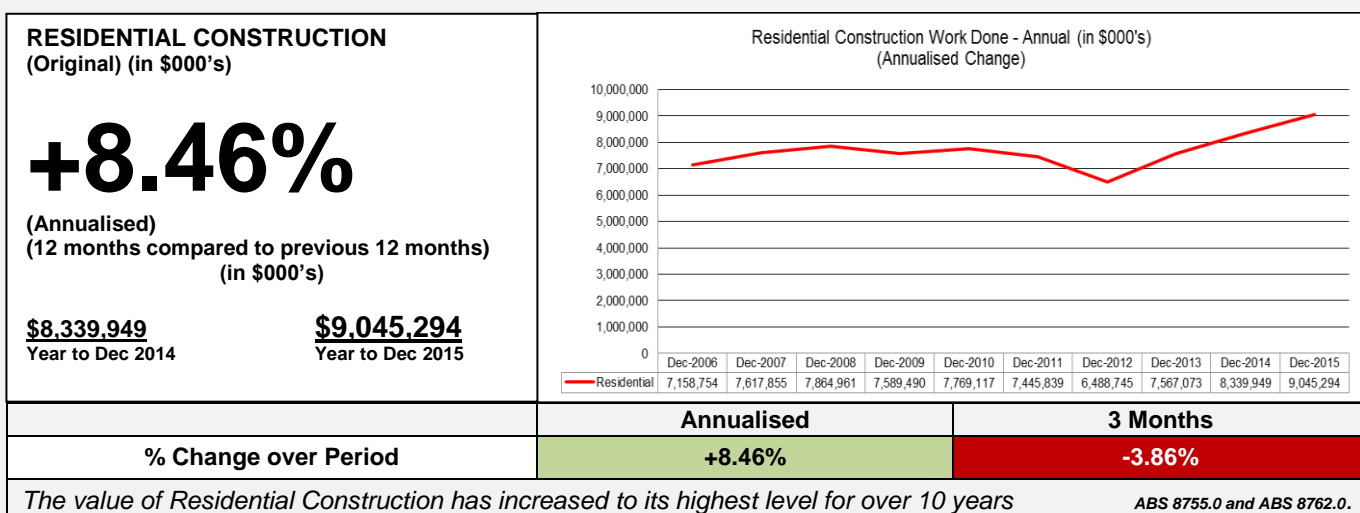
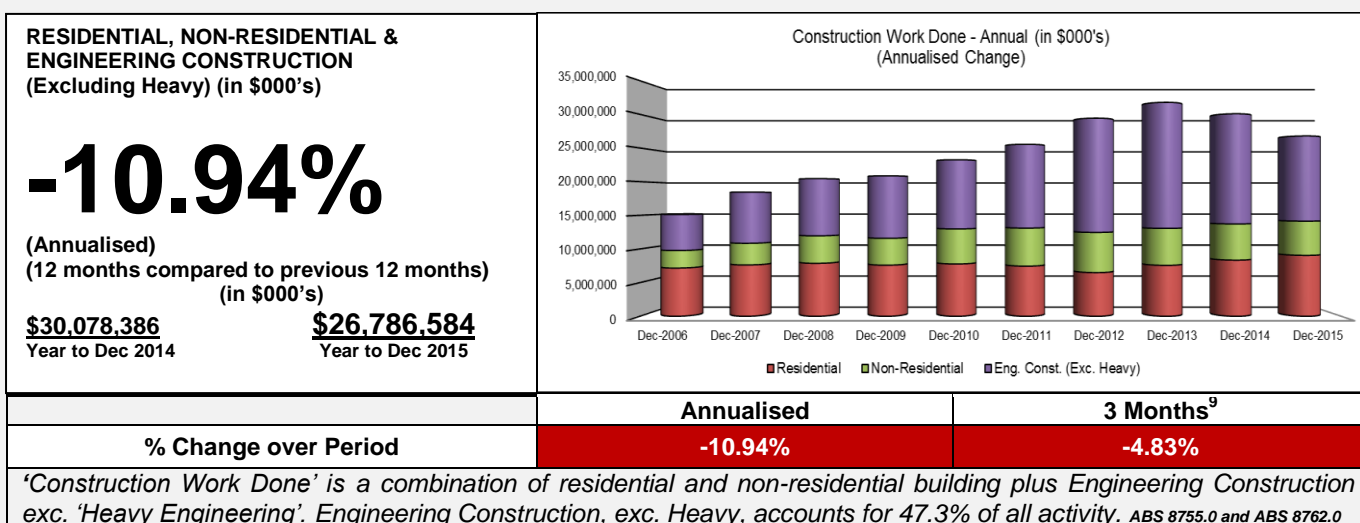
2. The Workforce



⁵ Full year compared to previous full year

⁶ This quarter compares to previous quarter

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

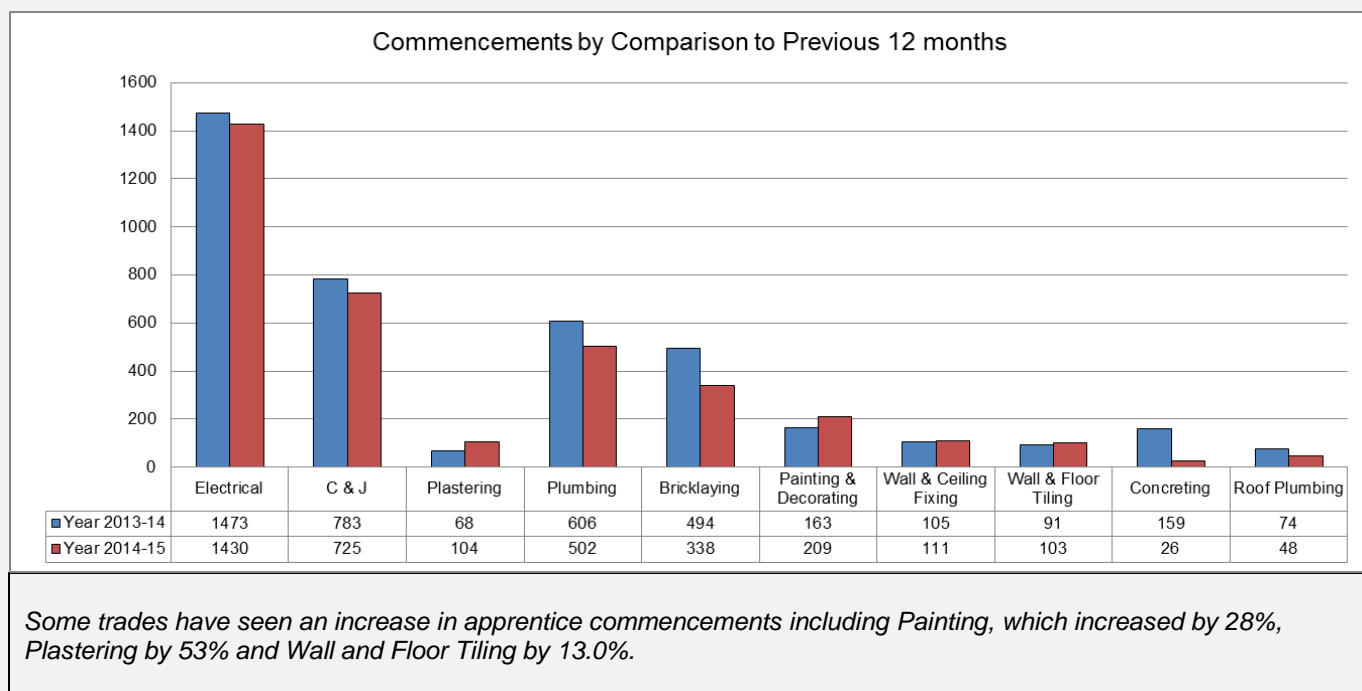
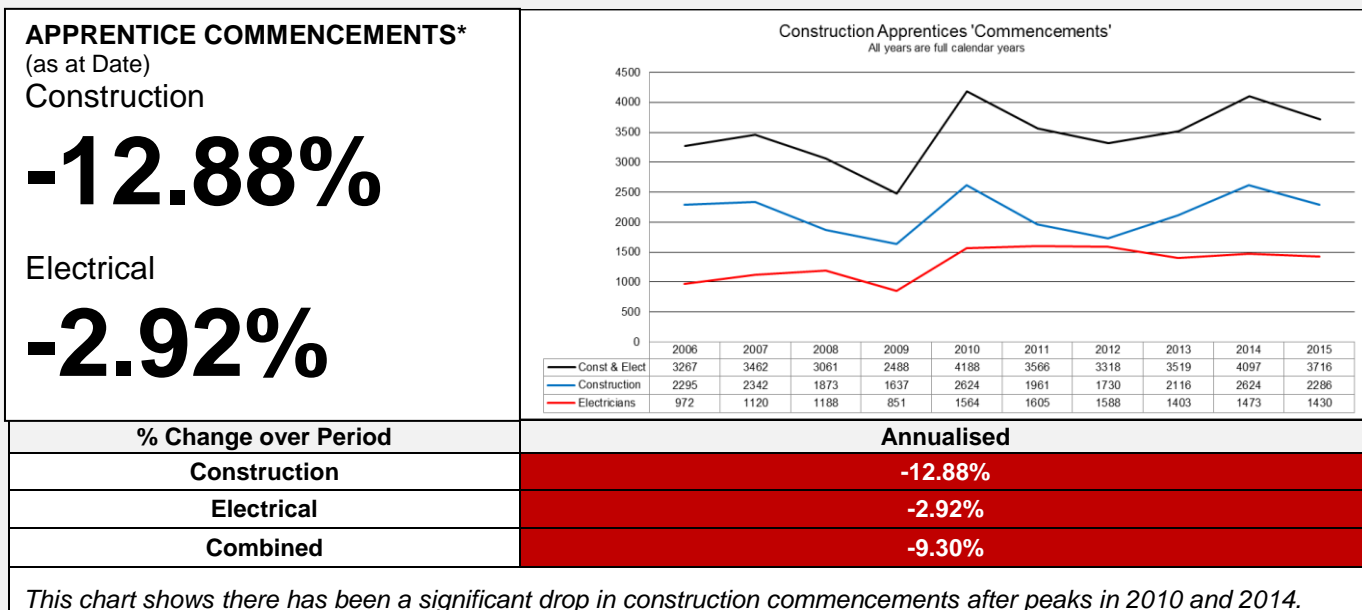
4. Construction Work Done⁸

⁸ Due to ABS release dates and 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

This chart shows a decline in commencements mainly occurring over the last six months.



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

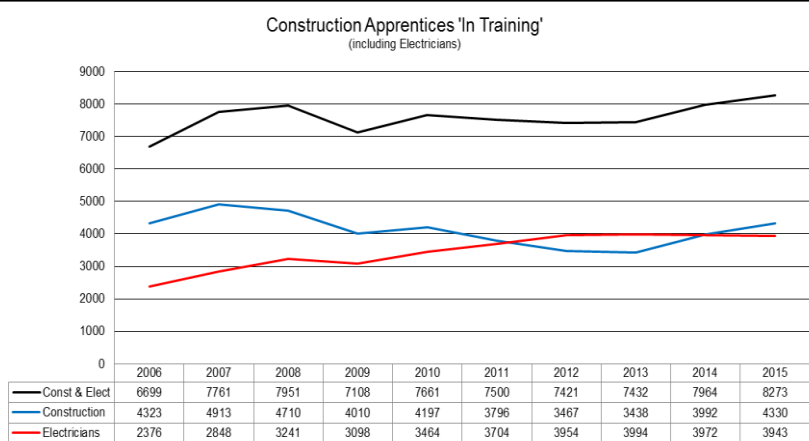
6. Apprentices in Training ¹¹

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

+8.47%

Electrical

+3.9%



% Change over Period	2013-2014	Year on Year (2014-15)
Construction	+16.1%	+8.47%
Electrical	-0.55%	-0.73%
Combined	+7.1%	+3.9%

There are currently 4,330 Building and Construction trade apprentices and 3,943 electricians in training, highest combined number since 2014. The high In-Training numbers are a result of high commencements in the previous three years. There is concern the current drop in 'commencements' will have a negative impact on the 'In Training' figures.

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	6.5%	3943	3,704
Carpentry & Joinery	1.6%	1352	1,331
Plastering	37.9%	120	87
Plumbing & Gas	5.1%	1,218	1,159
Bricklaying	79.6%	598	333
Painting & Decorating	-2.6%	331	340
Roof Plumbing	7.1%	105	98
Wall & Floor Tiling (Tilelaying)	19.9%	163	136
Wall & Ceiling Fixing	-20.1%	147	184
Concreting	187.5%	115	40
Building & Construction (exc Electricians)	14.1%	4,330	3,796
Building & Construction (inc. Electricians)	10.3%	8273	7500

Although some trades show a decline in apprentices since 2011, the overall performance shows an increase of between 10.3% including Electricians, and 14.1% for Building and Construction (excluding electricians).

7. Apprentice Training Rates ¹²

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	-33.2%	14.5%	21.8%
Carpentry & Joinery	-13.6%	14.4%	16.6%
Plastering	4.5%	1.8%	1.7%
Plumbing & Gas	-31.9%	11.3%	16.6%
Bricklaying	96.8%	8.2%	4.2%
Painting & Decorating	-8.4%	6.2%	6.8%
Roof Plumbing	114.3%	10.5%	4.9%
Wall & Floor Tiling (Tilelaying)	-32.2%	3.1%	4.5%
Concreting	46.2%	1.9%	1.3%

Increases in Bricklaying correspond to a significant increase in commencements. The decline in Electricians can be directly attributed to a 31% increase in tradespeople since 2011 ABS data (Annualised average)

¹¹ 'In Training' is the total number of apprentices currently in a contract of employment as an apprentice.

¹² '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 93 female **apprentices** in training. Over the last 10 years, the overall proportion of female apprentices in Construction has risen from 1.2% to 2.2%.

There are currently 70 female **trainees** which is an increase from 2.2% to 8.3% of total trainees over the last 10 years, with a 169% 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 179 Aboriginal and Torres Strait Islander (ATSI) **apprentices** in training. Over the last 10 years the overall proportion of ATSI apprentices has risen from 3.0% to 4.1% which is indicative of the increase in the number of ATSI people in the general population.

Currently there are 63 **trainees** in training with an ATSI background, which represents approximately 7.5% 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 December 2015.

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

Traineeship	ASSISTANT BUILDING SURVEYOR (LEVEL 5)	1
	BITUMINOUS SURFACING (LEVEL 3)	0
	BUILDING AND CONSTRUCTION PARA PROFESSIONAL (LEVEL 2)	1
	BUILDING AND CONSTRUCTION TRADE TRAINEE (LEVEL 2)	26
	BUILDING MAINTENANCE (LEVEL 2)	18
	CIVIL CONSTRUCTION (LEVEL 2)	3
	CIVIL CONSTRUCTION (LEVEL 3)	120
	CIVIL CONSTRUCTION DESIGNER (LEVEL 5)	3
	CIVIL CONSTRUCTION MANAGER (LEVEL 5)	0
	CIVIL CONSTRUCTION SUPERVISOR (LEVEL 4)	227
	DOGGING (LEVEL 3)	0
	DRAINAGE (LEVEL 2)	4
	ESTIMATING (HOUSING) (LEVEL 4)	171
	GENERAL CONSTRUCTION (LEVEL 2)	39
	PIPELAYING (LEVEL 3)	45
	PLANT OPERATIONS (LEVEL 3)	53
	RESIDENTIAL DRAFTING (LEVEL 4)	5
	RIGGING (LEVEL 3)	16
	ROAD CONSTRUCTION AND MAINTENANCE (LEVEL 3)	58
	ROAD MARKING (LEVEL 3)	3
	SCAFFOLDING (LEVEL 3)	6
	SITE MANAGEMENT (LEVEL 4)	164
	STEEL FIXING (LEVEL 3)	80
	TRENCHLESS TECHNOLOGY (LEVEL 3)	31
	Building & Construction (TOTAL)	1074

There are currently 1074 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 129% increase since the 2009 figure of **470** trainees 'in training'.

