



# Plumbers

## ANZSCO 3341

# New South Wales

## September 2018

**Current labour market rating:** Shortage

Previous labour market rating (September 2017): Shortage

### Comments

There is a shortage of plumbers in metropolitan and regional NSW. Generally employers were unable to fill vacancies in metropolitan and regional NSW. There has been a shortage of plumbers in NSW since 2013.

### Survey results<sup>1</sup>

- The Department of Jobs and Small Business surveyed employers who had recently advertised for plumbers in vacancies in the following areas: private and public sectors, working on commercial and residential properties, in positions involving roof plumbing, draining, maintenance, installation and construction.

### Employer Requirements

- In general, employers sought the following in applicants:
  - Qualified and licensed plumbers.
  - Specific experience within different plumbing areas, such as construction or maintenance plumbing.
  - Good communication skills and working well within a team.
  - Additional training such as general construction induction card (white card), confined space training or thermostat mixing valve training.

### Vacancies filled

- Across NSW, 31 per cent of vacancies were filled within the survey period compared with 53 per cent in September 2017.
- Employers commented that these positions were being increasingly difficult to fill.
- Employers who were unable to fill their vacancies planned to fill their vacancies through various strategies including re-advertising, sponsoring an applicant from overseas, or compromising and recruiting for general tradesman or an apprentice.
- Many employers suggested that it is difficult to recruit for qualified plumbers regardless of whether they are licensed or not.

### Applicants per vacancy

- Across NSW, there was an average of 2.9 applicants per vacancy of whom an average of 0.3 applicants were considered suitable by employers.
- By comparison, in 2017 there was an average of 2.7 applicants per vacancy of whom an average of 0.8 applicants were considered suitable by employers.

<sup>1</sup> The methodology for this research is outlined at [Skill Shortage Research Methodology | Department of Jobs and Small Business](#).

## Metropolitan and regional results

- In metropolitan regions, there was an average of 2.8 applicants per vacancy and 14 per cent were considered suitable by employers.
  - Employers in metropolitan areas were able to fill 40 per cent of vacancies.
- In regional areas, there was an average of 3.2 applicants per vacancy and 6 per cent were considered suitable by employers.
  - Employers in regional areas were able to fill 17 per cent of vacancies.
- On average, metropolitan vacancies attracted 2.3 applicants with qualifications compared to 3.5 applicants with qualifications per vacancy in regional areas.

## Unsuitable applicants

- The reasons given by employers on why an applicant was considered unsuitable include:
  - Lack of qualifications or licensing.
  - Lack of specific experience, such as, commercial maintenance experience.
  - Not possessing the communication skills sought by employers, such as providing poor quality applications.
  - Lack of employability and reliability such as, being hard to contact.

## Demand and supply trends

- Demand for plumbers has benefited from strong building activity in NSW.
  - The total, inflation adjusted, value of building work done in NSW grew by 6.8 per cent in the year to September 2018, with growth stronger than the Australian average of 4.5 per cent. This was the sixth consecutive year where growth in NSW has been above the national average.<sup>2</sup>
  - The value of residential work increased by 6.1 per cent over the year to September 2018, which followed five years of annual growth in excess of 10 per cent. The growth in the value of work done for the construction of new houses (8.1 per cent) was higher than for new other residential work (6.6 per cent). For the previous five years, the growth in the latter had been higher.<sup>3</sup>
  - The value of non-residential building work increased by 8.3 per cent in the year to September 2018. This followed a fall of 5.7 per cent in the previous year.<sup>4</sup>
- The Australian PCI (state data are not available) had a modest expansion in September 2018 with a 12 month average of 53.7. Within all sub-sectors of the Australian PCI, the 12-month average, had readings above 50 apart from apartments recording a contraction at 46.2. This indicates a slowing down and cooling of apartment building activity. An Australian Performance of Construction Index (PCI) reading above 50 indicates that construction activity is generally expanding and below 50, declining. The distance from 50 indicates the strength of increase or decline.<sup>5</sup>
  - Engineering construction and Commercial construction had the strongest average annual activity growth at 57 and 55.1 respectively, driving industry growth with a strong expansion of major infrastructure projects.<sup>6</sup>

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<sup>2</sup> ABS, *Construction Work Done, Preliminary*, September 2018 (8755.0), chain volume measures, original.

<sup>3</sup> Ibid.

<sup>4</sup> Ibid.

<sup>5</sup> Ai Group, *Performance of Construction Index September 2018*, 5 October 2018, <https://www.aigroup.com.au/policy-and-research/mediacentre/releases/PCI-September-2018/> (accessed 4 December 2018).

<sup>6</sup> Ibid.

- Entry into this trade is commonly through the completion of an apprenticeship, which includes a range of qualifications including Certificate III in Plumbing, Certificate III in Roof Plumbing, Certificate III in Gas Fitting, and Certificate III in Fire Protection.
- The National Centre for Vocational Education Research data shows apprenticeship completions averaged around 835 in the three years to March 2018. This was 5.5 per cent higher than the average for the previous three years.<sup>7</sup>
  - Commencements average around 2200 in the three years to March 2018. This was 41 per cent higher than for the three years to March 2015.<sup>8</sup>
- The number of temporary resident (skilled) visas granted for plumbers averaged around 80 per annum over the five years ending 2017-18.<sup>9</sup>
  - Please note, on 18 April 2017, the Government announced that the Temporary Work (Skilled) visa (subclass 457 visa) was abolished and replaced with the completely new Temporary Skill Shortage visa in March 2018 to address the genuine skill shortages.<sup>10</sup>
- The Department of Jobs and Small Business Internet Vacancy Index indicates online vacancies for plumbers fell by 10 per cent over the year to September 2018.<sup>11</sup>

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<sup>7</sup> NCVER, *Apprentices and Trainees*, March 2018, estimates (limited to certificate III qualifications).

<sup>8</sup> Ibid.

<sup>9</sup> Department of Home Affairs, *Temporary Work (Skilled) visa programme*, <https://data.gov.au/dataset/visa-temporary-work-skilled> (accessed 4 December 2018).

<sup>10</sup> More information can be found here <https://www.homeaffairs.gov.au/trav/work/457-abolition-replacement>.

<sup>11</sup> Department of Jobs and Small Business, *Internet Vacancy Index*, October 2018, 12-month moving average.