

# Labour Market Research – Construction Trades

## Northern Territory

## September 2018

ANZSCO Code	Occupations in cluster	Rating
331111	Bricklayers	Could not rate
331200	Carpenters and Joiners	No shortage
332211	Painting Trades Workers	No shortage
333211	Fibrous Plasterers*	NA
334100	Plumbers	Shortage
341111	Cabinet Makers	Shortage

\* Occupations assessed at the national level, separate rating not available for Northern Territory

### Key issues

- With a number of major construction projects being finalized recently, more qualified and suitable applicants are applying for work in the occupations across the cluster. However, this has not translated into more vacancies filled, as some applicants coming off major projects are expecting similar conditions to their previous employment that aren't offered and prospective employers are requiring more diverse experience from prospective employees.

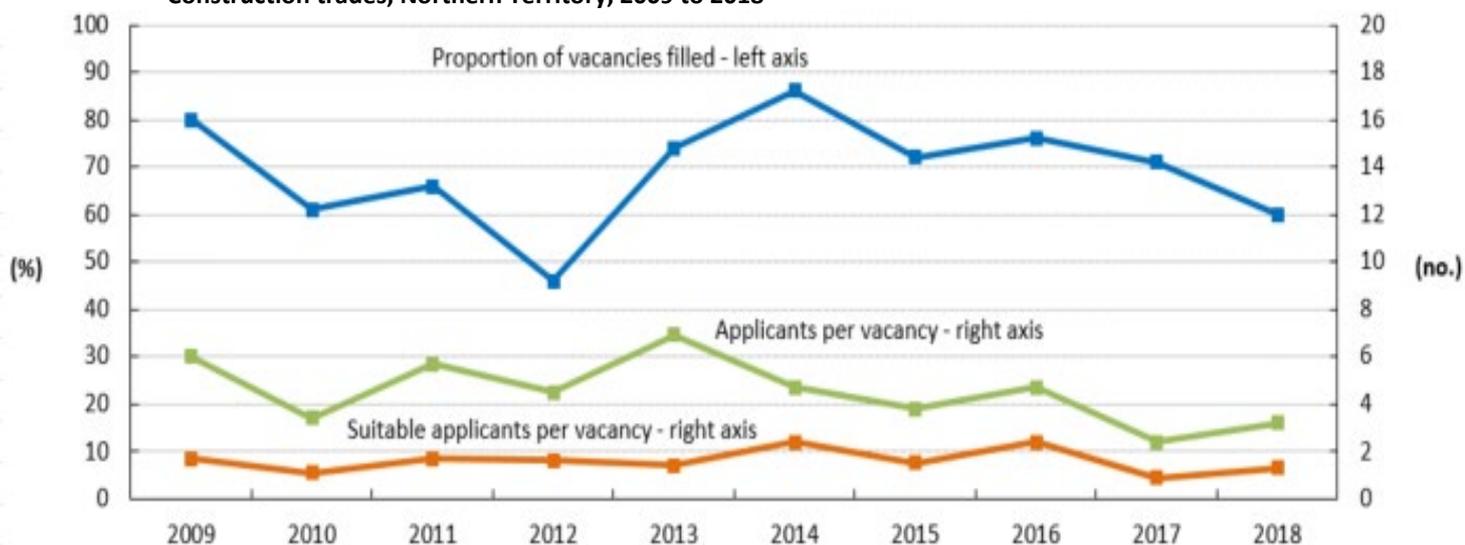
### Survey results

- In 2018, the construction cluster saw an increase in total applicants and suitable applicants from ten year lows in 2017.
  - Employers in the construction cluster received, on average, 3.2 applicants per vacancy. This was up from 2.4 applicants in 2017 but was lower than any of the eight years prior to that. Despite the amount of applicants per vacancy in 2018 being low, it was comparable to applicant levels recorded over the last ten years (3.4 in 2010, 3.8 in 2015).
  - Similarly, the average number of suitable applicants per vacancy increased to 1.3 in 2018 compared to 0.9 the previous year. This is commensurate to suitable applicant numbers over the previous nine years, with the figure ranging between 0.9 (2017) and 2.4 (2014 and 2016) over that time.
- The proportion of vacancies filled has seen a fall in 2018 to 60 per cent. This has followed a similar trend for the last four years, coming down from a high in 2014 of 86 per cent which was the highest proportion in the last ten years.
- 61 per cent of employers had vacancies go unfilled.
  - Of those employers, 13 per cent found all applicants unsuitable.
  - Nineteen per cent of employers who received suitable applicants still had vacancies go unfilled.
- Ten per cent of vacancies that went unfilled attracted no applicants and four per cent of all vacancies attracted no applicants.

## Unsuitable applicants

- Despite an increase in qualified and suitable applicants per vacancy in 2018 compared to the previous year, vacancy fill rates declined in that period.
- Surveyed employers indicated that lack of general experience was a factor, with a number of qualified applicants in the industry coming from employment in major projects in the region and therefore possessing specialised experience suitable only for that project.
  - This issue was also apparent in a number of applicants expecting higher remuneration than was offered, as they had recently come off high remuneration employment in major projects.
  - This issue was also a factor for regional employers, with a number of qualified applicants expecting fly-in/fly-out arrangements, which they had previously enjoyed working on major projects.

**Figure 1: Proportion of vacancies filled (%), average number of applicants and suitable applicants per vacancy (no.), Construction trades, Northern Territory, 2009 to 2018**



Source: Department of Jobs and Small Business, Survey of Employers who have Recently Advertised

## Demand and supply trends

- Overall, the construction sector in the Northern Territory has fallen for five quarters.
- The total value of building work done in the NT fell by 19.5 per cent over the year to September 2018 this was due mainly to a 22 per cent decrease in engineering construction spending, with major projects finishing up in the NT.
- Generally, completions and commencements of qualifications in the construction industry trended slightly down in 2018. This trend was influenced by commencements or completions in specific qualifications experiencing a significant drop.
- Across the four occupations that could be rated, commencement of qualifications in Painting Trades, Carpentry and Joinery and Plumbing was steady compare to the three years prior. Commencements in qualifications for Cabinetmaking has seen a significant drop in 2018 to its lowest level in ten years.
- Completion rates for qualifications in the four industry occupations also remained steady among the occupations in the cluster, except for Carpenters and Joiners. The number of people completing qualifications in Carpentry and Joinery has fallen to its lowest number in ten years. However, the actual figure is not far off previous numbers over the last ten years.