



36%
of vacancies filled



4.5 applicants
(on average, per vacancy)



2.0 qualified applicants
(on average, per vacancy)



0.6 suitable applicants
(on average, per vacancy)



62% of qualified applicants
were unsuitable

Key research findings¹

- The labour market for construction trades in Victoria has been in shortage for the last four years and especially over the last two years.
 - The proportion of vacancies filled in 2018 was 36 per cent following 35 per cent in 2017. These are the lowest rates for 10 years.
 - The decline in the rate of filled vacancies is proportionately matched by a decline in the number of suitable applicants per vacancy. There was an average of less than one suitable applicants per vacancy over each of the last four years.
 - There were almost twice as many average suitable applicants per vacancy in regional areas as in metropolitan Melbourne. (0.9 and 0.5 respectively) but this did not result in an appreciably different fill rate.
- Almost all vacancies received qualified applicants but 62 per cent of these applicants were considered unsuitable. The most common reason was lack of experience.

Supply and demand²

- The number of people completing construction trade education increased by 5.8 per cent over the year to March 2018 but was 13.1 per cent lower than the average number of completions since 2013.

- The number of construction trade vacancies fell by 7.2 per cent over the month to November 2018 and by 4.2 per cent over the year but was 93.9 per cent higher over a five-year period.
- The number of employed construction trades workers has increased by 9.9 per cent in the year to August 2018 and by an annual rate of 3.1 per cent over 5 years.
- Building approvals are a leading indicator of construction activity. The number of dwelling units (including high-rise apartments) approved but not commenced in the September 2018 quarter was 9.1 per cent lower than the June 2018 quarter and 4.6 per cent lower than the September 2017 quarter. Despite these recent falls, the September 2018 result is 67.1 per cent higher than the September 2013 result.
 - Carpenters and bricklayers are generally employed in the traditional housing sector rather than high-rise construction. This sector saw September 2018 housing approvals 17.1 per cent higher than the June quarter, 6.3 per cent higher over the year and 86.5 per cent higher than September 2013.
- Non-residential building construction is also a major industry for construction trades. The average value of non-residential building approvals over the four quarters to September 2018 was 22.6 per cent higher than the five-year average.

¹ The methodology for this research is outlined at [Skill Shortage Research Methodology | Department of Jobs and Small Business](#). Visit the [skill shortages website](#) for more detailed information on each occupation in this cluster.

² Supply and demand sources – ABS Labour Force Survey, August 2018, ANZCO 2 digit Construction Trades Workers; ABS 8752.0 Building Activity, September 2018, Table 80, Number of dwelling units approved but not yet commenced; ABS 8731.0 Building Approvals, November 2018, Table 80 Value of Building Approved, Chain Volume Measures; Department of Home Affairs, Department of Jobs and Small Business, Internet Vacancy Index, November 2018, 12 month moving average; NCVET, Apprentices and Trainees, March 2018, estimates, limited to Cert.III.

Figure 1: Proportion of vacancies filled (%), average number of applicants and suitable applicants per vacancy (no.), Construction, Victoria, time series 2009-2018

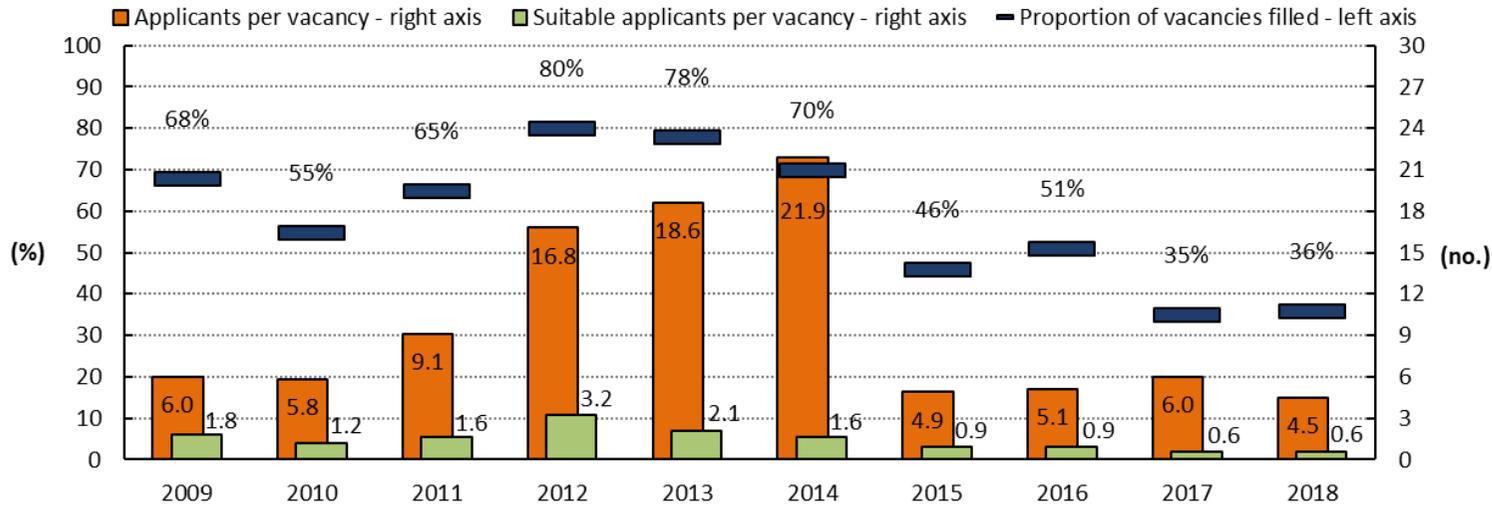
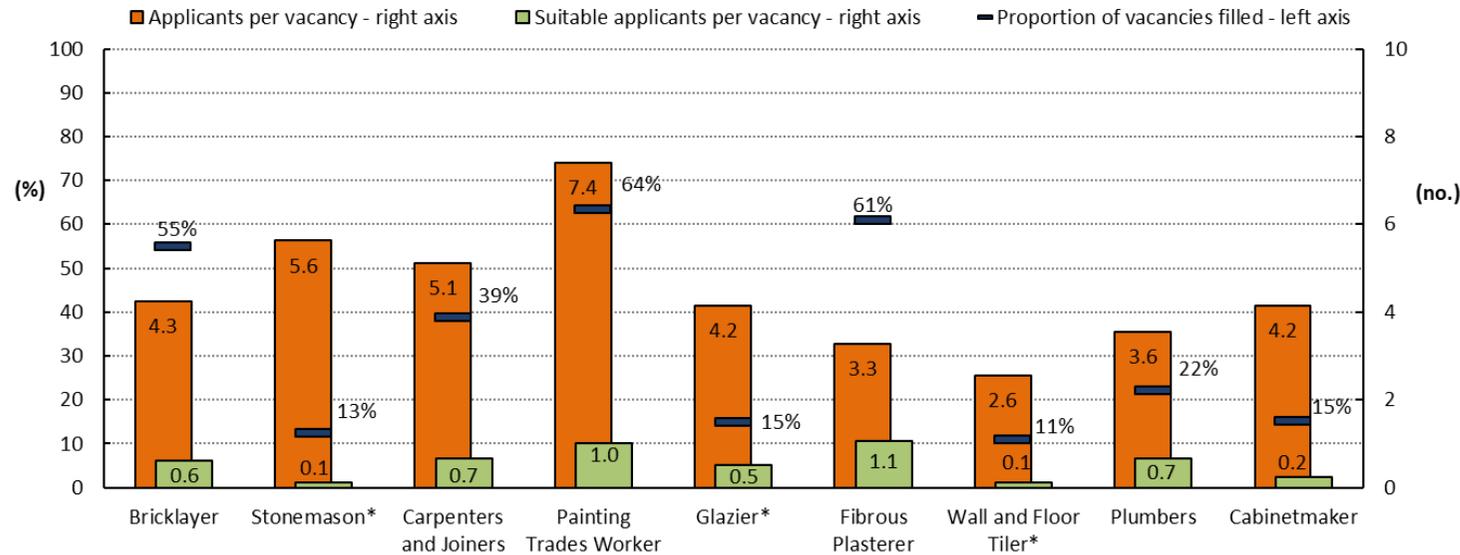


Figure 2: Proportion of vacancies filled (%), average number of applicants and suitable applicants per vacancy (no.), Construction Trades, Victoria, 2018



* Occupations assessed at the National level and rating is not available for Victoria.