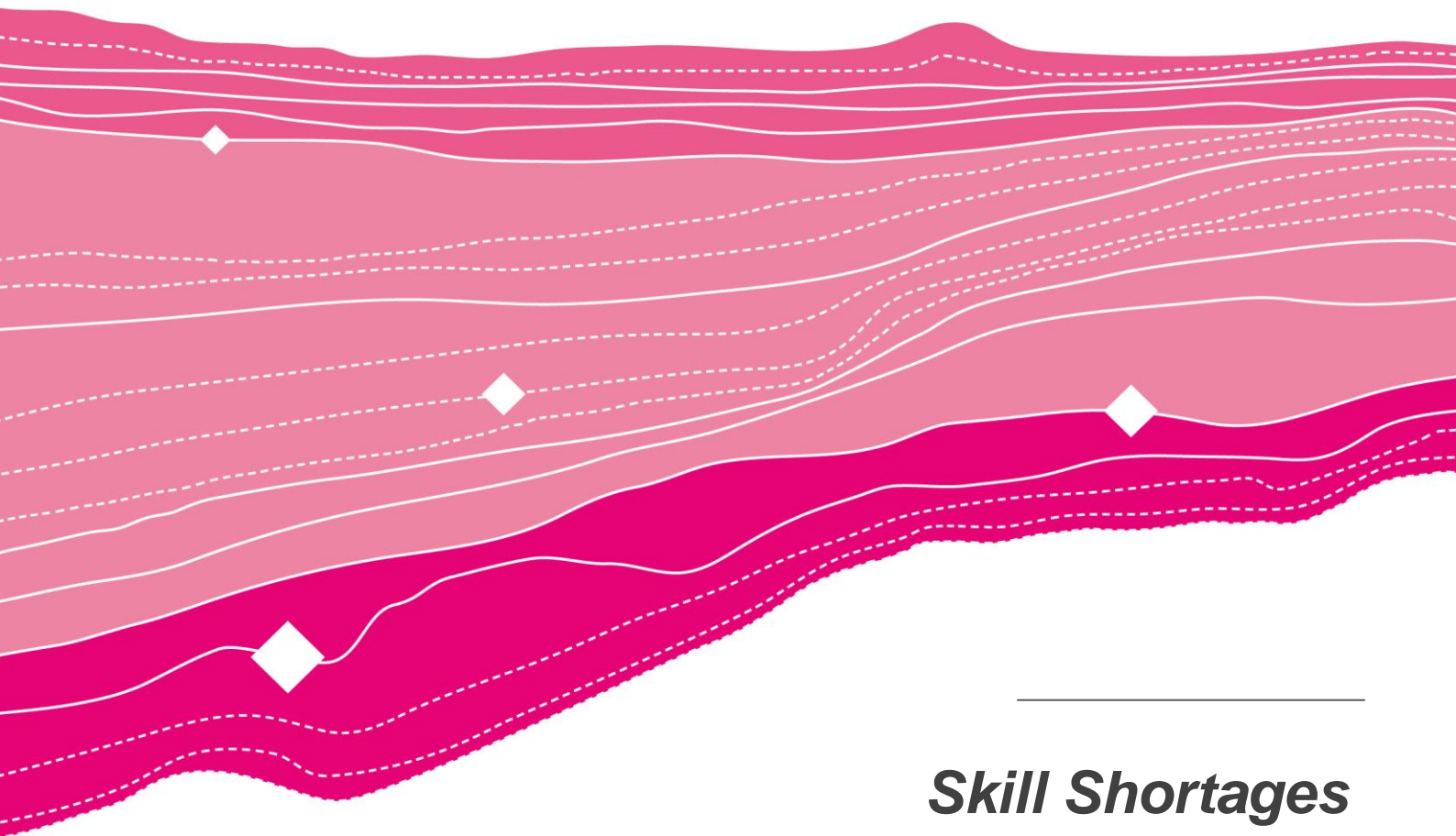




Australian Government



Skill Shortages
Australian Capital Territory

June 2010

Prepared by Labour Market Research and Analysis Branch
Department of Education, Employment and Workplace Relations
Further information www.deewr.gov.au/skillshortages
Contact AustralianJobs@deewr.gov.au

© Commonwealth of Australia 2010

This work is copyright. Apart from any use as permitted under the COPYRIGHT ACT 1968, no part may be reproduced by any process without prior written permission from the Commonwealth. Requests and inquiries concerning reproduction and rights should be addressed to the Commonwealth Copyright Administration, Attorney General's Department, Robert Garran Offices, National Circuit, Barton ACT 2600 or posted at <http://www.ag.gov.au/cca>

CONTENTS

PREFACE	5
EXECUTIVE SUMMARY	7
LABOUR MARKET OVERVIEW	9
Employment growth and vacancy trends	9
Results from Survey of Employers who have Recently Advertised.....	11
Skill shortages in brief	13
SKILL SHORTAGES IN DETAIL	15
Engineering professions and associates.....	15
School teachers.....	17
Health diagnostic and therapy professions	19
Nurses	21
Social professions	22
Automotive trades	24
Engineering trades	26
Construction trades	28

PREFACE

This is the first in a series of six-monthly skill shortage reports prepared to provide information about the Australian Capital Territory (ACT) labour market and to report on the results of the Department's ongoing skill shortage research. This publication is based on research undertaken in the 2009-10 research program.

The research is based on a Survey of Employers who have Recently Advertised (SERA) and covers a range of skilled occupations, particularly in the trades and professions. Further information about the methodology and lists of skill shortages is published at www.deewr.gov.au/skillshortages.

This report brings together statistics from the Australian Bureau of Statistics Labour Force Survey, information about trends in the level of advertised vacancies prepared by the Department and published in the monthly Vacancy Report www.skillsinfo.gov.au/vacancyreport and results of the skill shortage research.

The Department's skill shortage research has been undertaken continually over the past three decades and listings of historical skill shortages are available, although research into the ACT labour market began in 2005-06. Some occupational labour markets are cyclical, responding relatively quickly to changes in economic conditions, but for some skilled occupations, shortages have been relatively persistent, even in times of economic downturn.

Skill shortages can coexist with relatively high levels of unemployment and sometimes shortages are restricted to experienced workers or those who have specialist skills. Shortages can result from a number of factors including low levels of training, high levels of wastage, changes in technology increasing demand for new skills within an occupation and locational mismatch, where workers who have the skills are not in close proximity to the employers seeking those skills.

Technical notes

Occupations in DEEWR skill shortage research are defined according to the Australian and New Zealand Standard Classification of Occupations (ANZSCO). The occupation clusters presented in this publication are not necessarily aligned with ANZSCO groups.

DEEWR assigns skill shortage ratings to occupations based on the results of SERA, as well as consideration of a range of labour market indicators. Ratings are for the ACT but some occupations are assessed at the national level and for these occupations separate ratings are not available for the states and territories.

Occupations are assigned the following ratings:

- *Shortage*: Skill shortages exist when employers are unable to fill or have considerable difficulty filling vacancies for an occupation, or significant specialised skill needs within that occupation, at current levels of remuneration and conditions of employment, and in a reasonably accessible location.
- *Recruitment Difficulty*: Recruitment difficulties occur when some employers have difficulty filling vacancies for an occupation. There may be an adequate overall supply

of skilled workers but some employers are unable to attract and recruit sufficient, suitable workers for reasons which include: specific experience or specialist skill requirements of the vacancy; differences in hours of work required by the employer and those sought by applicants; or particular location or transport issues.

- *No Shortage*: Research has not identified widespread significant difficulty filling vacancies. This does not mean individual employers in some locations or those seeking specialised skills will readily fill their vacancies.

Estimates of employment are based on the Australian Bureau of Statistics' Labour Force Survey and are four quarter averages. Industry and occupation employment estimates are available on a quarterly basis. The latest available quarter for the analysis in this publication is May 2010.

EXECUTIVE SUMMARY

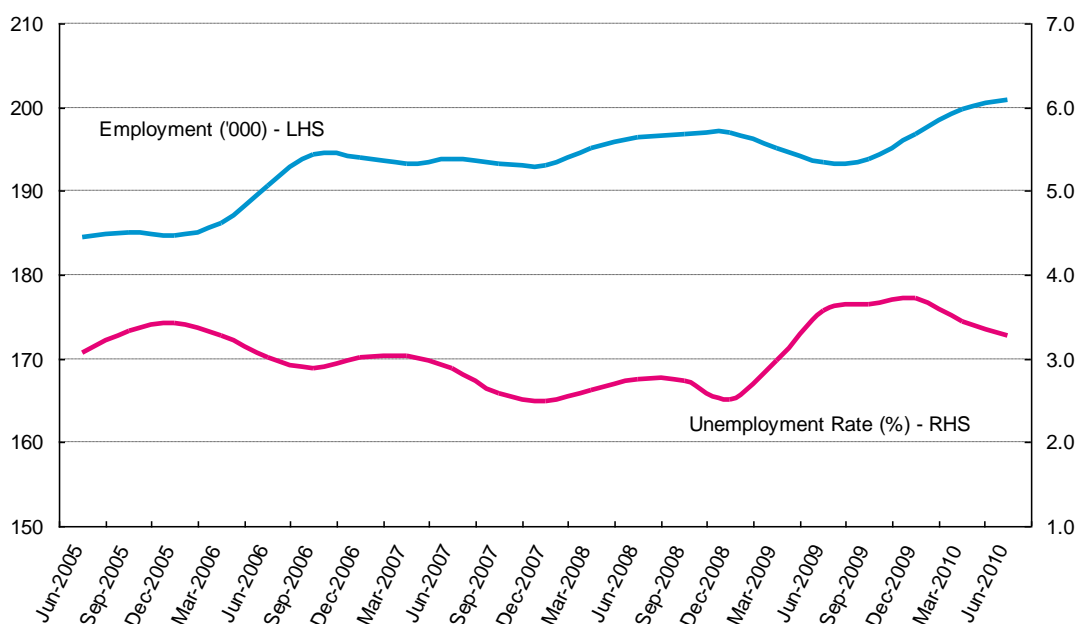
- *The ACT labour market performed strongly over the year to June 2010.*
- *Employment growth was stronger than the national average over the year to June 2010 and the unemployment rate is lower than the national figure.*
- *Demand for skilled workers is strong, and the level of vacancies advertised is at a relatively high level historically, albeit below the peak recorded prior to the global recession in 2007-08.*
- *Although the ACT's employment is concentrated in a relatively small number of industries (for example manufacturing and mining have a relatively small employment base in the ACT), skill shortages are apparent across a broad range of occupational groups and across the trades and professions.*
- *Employers recruiting skilled workers generally experience difficulty attracting the skilled workers they need and in 2009-10 less than half the surveyed vacancies were filled, indicating a tight labour market.*

LABOUR MARKET OVERVIEW

Employment growth and vacancy trends

- The ACT has the second smallest state or territory workforce in Australia with employment of 200 900 at June 2010.
- The labour market has performed strongly over the past year. After a slight decline in employment in the six months from December 2008 to June 2009, employment rose by 3.9 per cent (7500) over the year to June 2010, compared with national growth of 2.8 per cent.
- Unemployment rose between December 2008 and December 2009 from 2.5 per cent to 3.7 per cent but fell back to 3.3 per cent in June 2010 indicating a tightening in the labour market. The ACT unemployment rate is lower than the national rate of 5.2 per cent (June 2010).

Unemployment rate and employment, June 2005 to June 2010

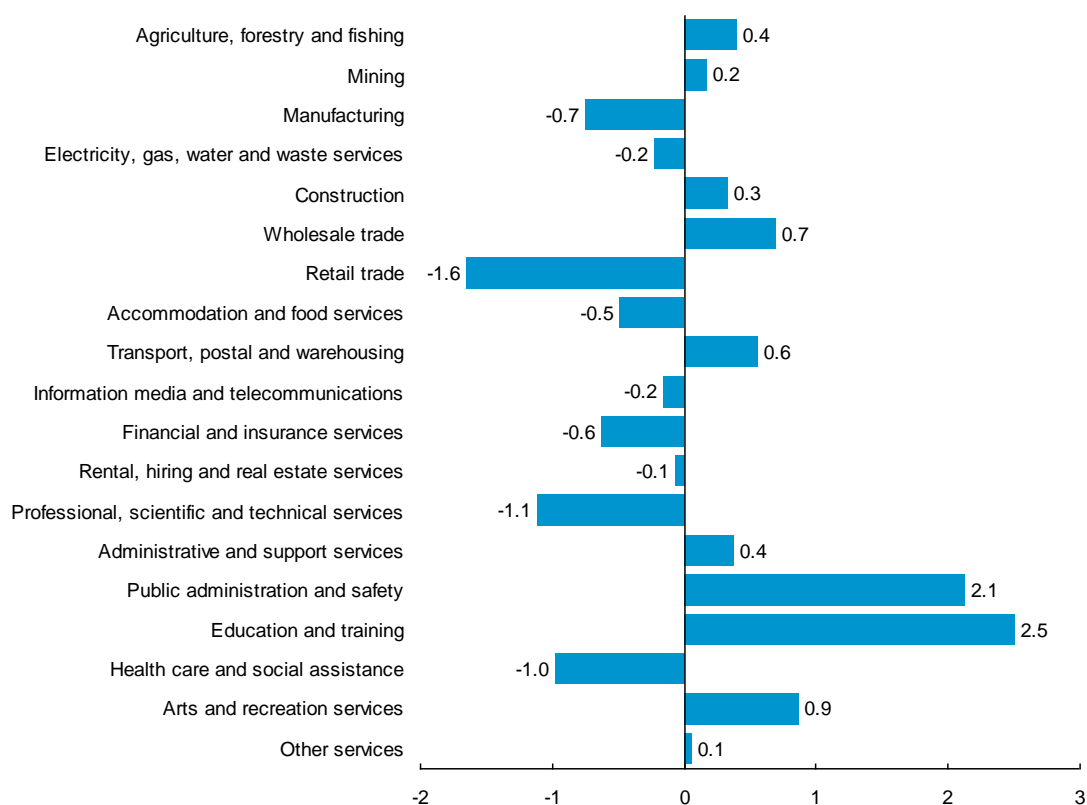


Source: ABS Labour Force Survey, trend data.

Employment by industry

- Public Administration and Safety is the largest employing industry with 30 per cent of the Territory's employment, followed by Professional, Scientific and Technical Services (11 per cent) and Education and Training (10 per cent).
- Ten industries increased their employment over the year to May 2010 with the largest rises being in Education and Training (2500) and Public Administration and Safety (2100).
- Employment fell in nine industries, with Retail Trade (1600) and Professional, Scientific and Technical Services (1100) having the largest decreases.

Industry employment growth, year to May 2010 ('000)



Source: ABS Labour Force Survey

Employment by occupation

Employment by occupation, May 2009 and May 2010 ('000)

	Employment		Annual change	
	May-09	May-10	'000	%
Managers	30.7	28.4	-2.2	-7.3
Professionals	59.4	66.3	6.9	11.5
Technicians and trades workers	21.5	20.8	-0.7	-3.2
Community and personal service workers	17.7	18.4	0.7	4.1
Clerical and administrative workers	40.5	36.9	-3.7	-9.0
Sales workers	12.8	14.8	2.0	15.7
Machinery operators and drivers	4.0	4.4	0.3	8.1
Labourers	10.3	10.0	-0.3	-2.9
All occupations	197.0	200.1	3.1	1.5

Source: ABS Labour Force Survey

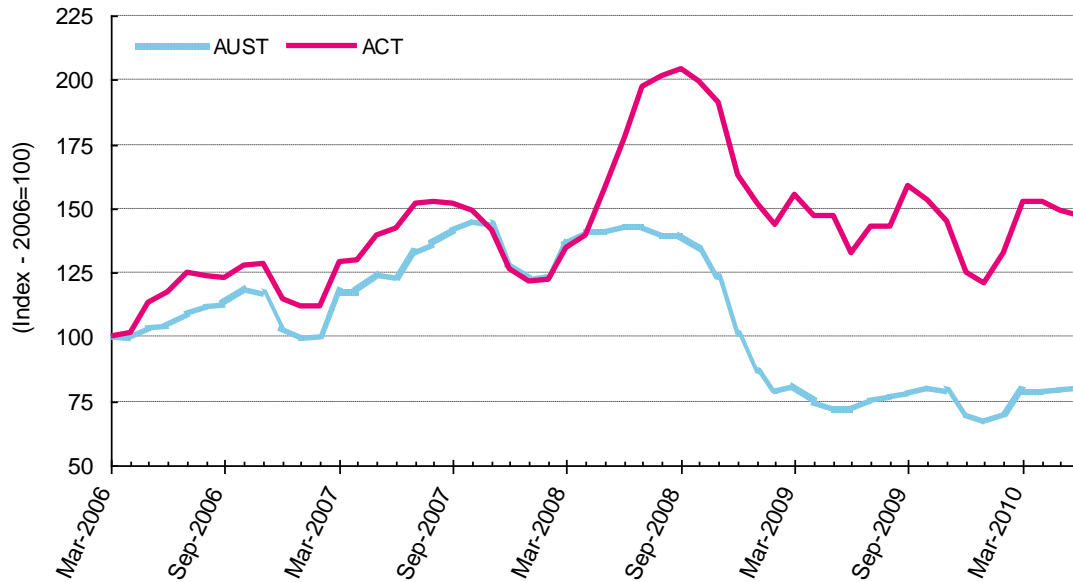
Vacancy trends

The DEEWR Internet Vacancy Index (IVI) for the ACT stood at 147.0 in the June quarter 2010 (March 2006 = 100), an 11 per cent increase compared with the June quarter 2009.

- On an occupational basis vacancy growth was strongest for machinery operators and drivers (30 per cent), clerical and administrative workers (25 per cent), and technicians and trades workers (22 per cent).
 - Within these groups, the strongest growth was for mobile plant operators (up by 62 per cent), construction trades (123 per cent), and clerical and office support workers and couriers (116 per cent).

- Vacancy growth over this period was weakest for transport and design professionals and architects (down by 37.3 per cent) and engineering professionals (31.8 per cent).

Internet Vacancy Index, ACT and Australia, March 2006 to June 2010



Source: DEEWR Internet Vacancy Index

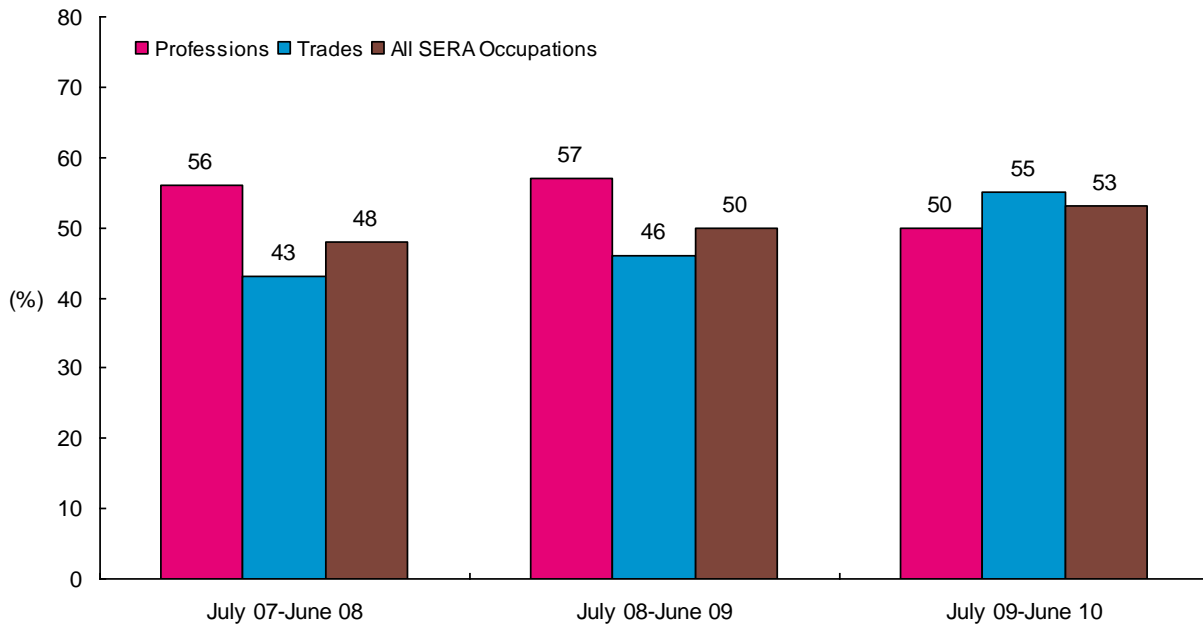
Results from Survey of Employers who have Recently Advertised

Overall, the proportion of vacancies filled and the number of suitable applicants per vacancy rose only slightly in the ACT during the global recession, suggesting the ACT labour market was not as significantly impacted by the downturn as other labour markets.

Comparing survey results for the financial year 2009-10 with the previous year shows the proportion of vacancies filled and the number of suitable applicants per vacancy both rose. There is some evidence, however to suggest demand for skilled workers increased in the first half of 2010 and DEEWR research indicates that in line with relatively strong employment growth, falling unemployment and the recovery in vacancy levels, shortages are becoming more widespread.

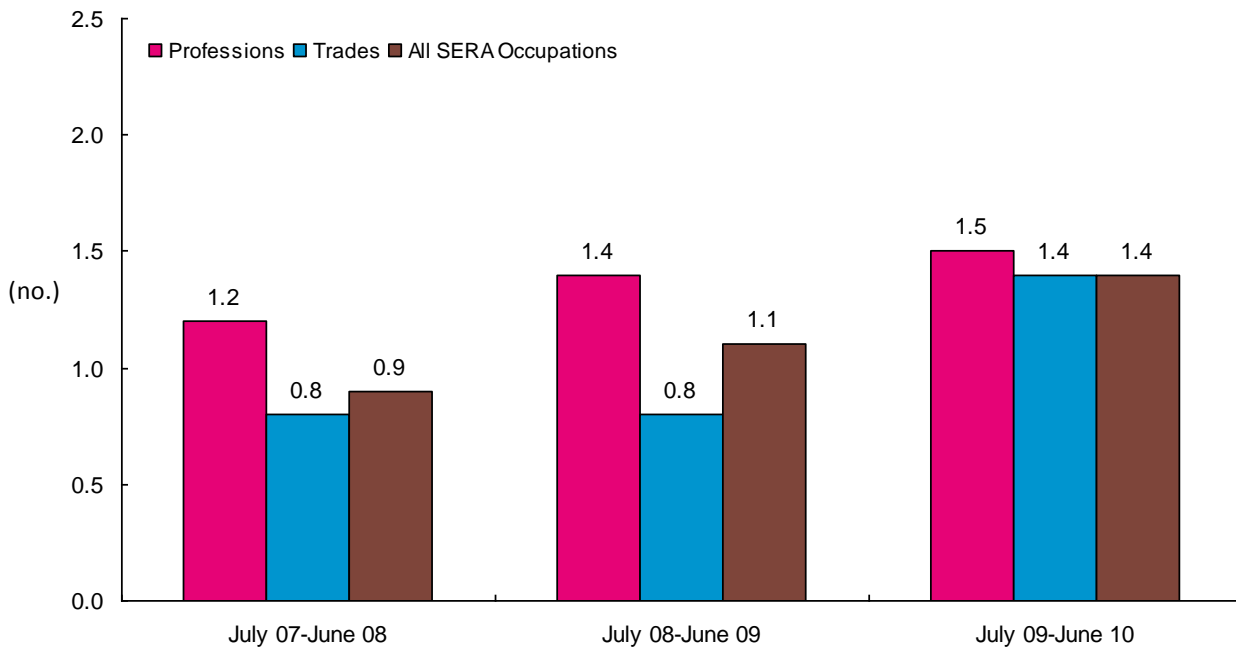
In 2010, employers in the ACT attracted a relatively small number of suitable applicants per skilled vacancy and filled a relatively low proportion of their vacancies within four to six weeks compared with employers in the states and the Northern Territory.

Proportion of Vacancies Filled for Professions, Technicians and Trades, and All SERA Occupations, 2007 to 2010 (%)



Source: DEEWR Survey of Employers who have Recently Advertised

Number of Suitable Applicants per Vacancy for Professions, Technicians and Trades, and All SERA Occupations, 2007 to 2010



Source: DEEWR Survey of Employers who have Recently Advertised

Skill shortages in brief

With the strengthening in employment growth and in vacancy levels over the past year, shortages have re-emerged in a range of professional, technical and trade occupations. However, skill shortages are not as prevalent as they were prior to the global recession.

DEEWR skill shortage research shows shortages have re-emerged after a fall in the number of occupations identified as being in shortage over 2008-09, shortages are apparent in occupations in the following groups.

- health professions
- nurses
- engineers
- construction trades
- automotive trades and
- food trades.

Detailed listings of skill shortages for the ACT are available at www.deewr.gov.au/skillshortages

SKILL SHORTAGES IN DETAIL

Engineering Professions and Associates

First quarter 2010

Occupations in cluster	Rating
1332-11 Engineering Manager	Shortage (assessed at the national level)
2332-11 Civil Engineer	Shortage
2332-14 Structural Engineer	Shortage
2332-15 Transport Engineer	Shortage
2333-11 Electrical Engineer	Shortage
2334-11 Electronics Engineer	No Shortage (assessed at the national level)
2335-12 Mechanical Engineer	Shortage
2335-13 Production or Plant Engineer	No Shortage (assessed at the national level)
3122-11,12 Civil Engineering Draftsperson/ Civil Engineering Technician	Shortage

Shortages of engineers have been evident continually over the past four years, although the specialisations in shortage have varied over that time.

Employment of engineering associates and professionals decreased during the global recession but since then there have been signs of strengthening demand. Research undertaken in 2010 showed that employers experienced significant difficulty recruiting and that shortages were widespread across the specialist engineering areas.

The engineering labour market is relatively small in the ACT, with Australian Bureau of Statistics Labour Force Survey data indicating employment numbered around 2100 engineers and 700 engineering associates in May 2010.

Survey results

- The proportion of vacancies filled has been low for these occupations continuously over the past three years and despite the economic downturn, research in early 2009 showed less than half the surveyed vacancies for engineers were filled.
- In 2010 the proportion of vacancies filled fell slightly for engineers indicating further tightening in this already undersupplied labour market.
- Survey results from early 2010 show that a relatively low proportion of vacancies for engineers and engineering associates were filled. Employers recruiting engineers and engineering associates experienced similar difficulty recruiting with each group filling fewer than one in three of their vacancies. Almost 30 per cent of surveyed engineering positions and 20 per cent of engineering associate positions were filled.
- Across the occupational group, in 2010, the proportion of vacancies filled varied from 20 per cent for civil engineering draftspersons/technicians to 50 per cent for engineering managers.
- The tightness of this labour market is further evident in the very low number of suitable applicants per vacancy. There were fewer suitable applicants per vacancy for

engineering associates (0.2) than for engineers (1.1) although few employers in either group had the opportunity to choose from multiple suitable applicants.

- Suitable applicant numbers have been consistently low over the past few years, hovering at one or lower.
- Across the occupational group, in 2010, the only occupation for which there was more than one suitable applicant per vacancy was mechanical engineer (2.9).

Why applicants were unsuitable

- Although overall applicant numbers were relatively high (around nine per vacancy on average), the vast majority of applicants were considered by employers to be unsuitable, leaving just 0.9 suitable applicants per vacancy.
- A number of surveyed positions were for specialist or senior roles. These employers considered most applicants to be unsuitable because they lacked the required level of experience or specialist skills.
- The ACT engineering associates and professionals labour market is relatively small and many of the suitable candidates were from outside the ACT.
- Some employers indicated that although some applicants were suitable and were offered positions, they were unwilling to relocate and positions remained unfilled.

Demand and supply trends

- Demand for engineering professionals and associates increased slightly in early 2010 from the previous year. Employment of engineers increased by 18 per cent over the year to May 2010 and for engineering associates there was growth of 6 per cent.
- ABS preliminary trend estimates for construction work done in the June quarter 2010 show increases for five quarters, with engineering work done increasing by more than 20 per cent in the June quarter, suggesting strengthening demand.
- Employers generally noted that it was easier to recruit for entry level roles than for senior professional positions.
- Training is not available in the ACT for the full range of engineering specialisations so supply is to some extent dependent on applicants being willing to relocate and on local students who have studied interstate returning to the ACT after they complete their studies.
- The DEEWR Internet Vacancy Index (IVI) shows there was a marked decrease in the level of advertised vacancies for engineering professionals over the year to June 2010.

School Teachers

April 2010

Occupations in cluster	Rating
2411-11 Early Childhood (Pre-primary School)	No Shortage - although some employers in the long day care sector have difficulty recruiting
2412-13 Primary School Teacher	No Shortage
2414-11 Secondary School Teacher	Recruitment Difficulties are evident for teachers of mathematics, science and languages other than English
2415-11 Special Needs Teacher	No Shortage

Employers of teachers in the ACT have experienced few difficulties recruiting over the past five years. The ACT Department of Education and Training is the largest employer of teachers and it has indicated it has a focus on recruitment for mathematics, science, English, Studies of Society and the Environment (SOSE), technology, Languages Other Than English (LOTE), Vocational Education and Training, special education, early childhood (Primary to Year 2), librarianship and counselling services.

There are, though, some recruitment difficulties for secondary school teachers in subject areas such as mathematics, LOTE and science. The majority of employers of early childhood teachers who are based in the long day care sector mentioned that there is a lack of degree-qualified applicants due to greater career opportunities in the school system. Recruitment for casual and short term positions across the teaching specialisations was also reportedly difficult.

Survey results

- Employers in the school sector who advertised for early childhood teachers were generally successful recruiting suitable candidates to fill their positions. Employers within the childcare sector experienced some difficulty, however, attracting candidates who held degree qualifications and these employers sometimes compromised and hired students who were still undertaking teacher training. The majority of surveyed positions in the early childhood sector were for casual and relief teacher roles.
- All employers who advertised for primary school teachers filled their positions and there were almost three suitable applicants per vacancy.
- The majority of secondary school teacher positions were filled easily but some recruitment difficulties were experienced in the areas of mathematics, science and LOTE (especially in Japanese and Latin).
- Employers contacted for this research suggested there are few teachers in the ACT who are qualified as special needs teachers. However, the special needs teacher workforce is stable and there are low numbers of advertisements for these positions. Most employers suggested they had not needed to advertise recently and that they retained suitable special needs teaching staff.
- Employers experienced difficulty filling temporary and casual teaching positions.

Why applicants were unsuitable

- Many applicants for special needs teacher positions were considered to be unsuitable because they lacked specific qualifications.

- Employers who experienced difficulty filling temporary and casual teaching positions suggested candidates were often unqualified or were unwilling to relocate from their permanent place of residence.

Demand and supply trends

- ABS Labour Force Survey data show that although employment of school teachers in the ACT was relatively stable over the four years to May 2009, there was a marked rise over the year to May 2010.
- The ACT Department of Education and Training census also shows the number of students enrolled across government and non-government schools has remained fairly stable over the past five years, with just a slight increase in the number of primary students enrolled and a rise in the number of special needs students.
- This census indicates that between 2006 and 2010, there was an increase of over 300 students enrolled with special needs requirements in the ACT.
- Employers commented that they ensure appropriate teacher supply through targeting effective work programs with new graduates, creating mentoring programs for young teachers and providing internship pathways through linking with local universities.
- The ACT Department of Education and Training maintains a casual employment register of qualified teachers able to fill short term and day to day vacancies, supplemented by a pool of staff available for long term contract employment (one term up to a full year).
- The DEEWR Internet Vacancy Index (IVI) shows there was a marked increase in the level of advertised vacancies for education professionals over the year to June 2010.

Health Diagnostic and Therapy Professions

April 2010

Occupations in cluster	Rating
2511-11 Dietitian	No Shortage (assessed at the national level)
2512-11 Medical Diagnostic Radiographer	Shortage
2512-12 Medical Radiation Therapist	Shortage (assessed at the national level)
2512-14 Sonographer	Shortage (assessed at the national level)
2515-11,13 Hospital Pharmacist, Retail Pharmacist	No Shortage (assessed at the national level)
2523-12 Dentist	No Shortage
2524-11 Occupational Therapist	Shortage
2525-11 Physiotherapist	Shortage
2526-11 Podiatrist	Shortage (assessed at the national level)
2527-11 Audiologist	Shortage (assessed at the national level)
2527-12 Speech Pathologist	Regional Shortage (assessed at the national level)

Shortages of health diagnostic and therapy professionals have been persistent in the ACT. Results of research in early 2010 show that overall, the labour market has tightened and shortages continue to be evident across a range of these occupations.

Survey results

- The proportion of vacancies filled and the number of suitable applicants per vacancy both fell in early 2010 compared with 2009 suggesting recruitment was more difficult.
- Slightly less than half the surveyed vacancies were filled within six weeks of advertising and, on average, there was just one suitable applicant per vacancy (down from 59 per cent filled and 1.7 suitable applicants per vacancy in 2009).
- The results varied, however, with the proportion of vacancies filled for those occupations assessed in the ACT ranging from 14 per cent for occupational therapists to 80 per cent for dentists.
- The labour markets for physiotherapists and occupational therapists were both significantly tighter in 2010 than they were in 2009, with marked falls in the proportion of vacancies filled.
- The majority of employers of medical diagnostic radiographers, occupational therapists and physiotherapists who had recently advertised reported difficulty filling positions. Most were seeking applicants who held post-graduate qualifications or were highly experienced practitioners, but some compromised and employed graduates.
- Many employers commented that they had been advertising for some months but had failed to attract suitable applicants and vacancies remained unfilled.

Why applicants were unsuitable

- Overwhelmingly, applicants were considered to be unsuitable because they lacked the level of experience required by employers. However, in a small number of occupations, employers compromised and recruited new graduates because they failed to attract applicants with the desired experience.
- Some employers also commented that they received interest in their vacancies from overseas-based applicants but many of these were considered to be unsuitable because they did not hold visas, have the required registration or lacked the level of qualifications and experience to meet employers' needs.

Demand and supply trends

- Over the five years to May 2010 employment of health diagnostic and therapy professionals increased by 15 per cent to slightly more than 2000, suggesting growing demand.
- This is consistent with comments made by employers in private practices who suggested demand for physiotherapy and occupational therapy services has increased.
- The DEEWR Internet Vacancy Index (IVI) also shows there was a marked increase in the level of advertised vacancies for health diagnostic and therapy professionals over the year to June 2010.
- Training is not available in the ACT for the full range of health professions so supply is to some extent dependent on applicants being willing to relocate and on local students who have studied interstate returning to the ACT after they complete their studies.

Nurses

February-May 2010

Occupations in cluster	Rating
2544-12 Registered Nurse	Shortage
4114-11 Enrolled Nurse	Shortage
2541-11 Midwife	Shortage - but employment numbers are very small

Shortages for these occupations have been persistent and, demand for nurses remained strong during the global recession.

Survey results

- A range of nurse specialisations were assessed across the aged and disability care, mental health, intensive care, respite care, hospitals and GP practice sectors. Vacancies were for both replacement and new positions.
- The labour market for nurses in the ACT eased very slightly over the year to mid 2010 and the proportion of vacancies filled remained low, with just half the surveyed vacancies filled within six weeks of advertising.
- There was an average of less than one suitable applicant per vacancy in 2010, reflecting the very tight labour market for nurses in the ACT.
- Some employers advertised multiple times before filling their vacancies.
- Vacancies that required highly specialised skills or experience were the hardest to fill, and some employers indicated they provided training for applicants due to the technical nature of some vacancies.
- Employers reported that it was difficult to attract and retain registered nurses in the ACT. Small clinics and independent employers commented they were often unable to match the wages and conditions offered by hospitals and large health service providers.

Why applicants were unsuitable

- Employers generally considered applicants to be unsuitable because they lacked relevant experience, qualifications and registration or had poor communication skills.
- Some employers commented they only employed registered nurses with experience and the ability to work independently.
- Unsuitable applicants for enrolled nursing positions generally lacked the required experience, had a poor work ethic or did not meet minimum employment conditions, such as shift hours, or they did not hold appropriate work visas.

Demand and supply trends

- ABS Labour Force Survey data for the year to May 2010 suggest slightly more than 3000 nurses were employed in the ACT with employment being fairly stable over the past decade.
- The DEEWR Internet Vacancy Index indicates there was a slight increase (3.9 per cent) in the level of advertised vacancies for nurses over the year to June 2010.

Social Professions

April 2010

Occupations in cluster	Rating
272115 Student Counsellor	No Shortage
272311 Clinical Psychologist	No Shortage
272511 Social Worker	No Shortage
272613 Welfare Worker	No Shortage

Despite some evidence of employers experiencing difficulty recruiting for social professionals in 2008, employers surveyed in 2009 and 2010 generally filled their vacancies with little difficulty. These labour markets are relatively small in the ACT with employment numbering around 2000 in total in May 2000.

Survey results and labour market issues

- Employers who advertised for social professionals in early 2010 filled the majority of their vacancies and reported little problem attracting suitable applicants. Almost three quarters of vacancies were filled, a significant increase compared with two years earlier when slightly more than half the surveyed vacancies were filled.
- There was also a marked rise in the number of suitable applicants per vacancy, from 0.5 in 2008 to 1.5 in 2010, providing further evidence of an easing in the labour market for these skills.
- Employers were generally seeking qualified and experienced applicants. Some employers were seeking applicants with highly specialised experience in particular fields, such as addiction and hospital counseling.
- Employers who advertised for welfare workers in 2010 had the most success, filling 86 per cent of vacancies. This compares with 60 per cent of vacancies filled for clinical psychologists which recorded the lowest proportion of vacancies filled in this cluster.
- Employers contacted for this survey, especially those recruiting welfare and social workers, commented they recorded increased numbers of new graduates applying for positions which had contributed to the increase in the proportion of vacancies filled.
- Employers with unfilled vacancies were seeking senior applicants and applicants with specialised skills.

Why applicants were unsuitable

- The main reason applicants were considered to be unsuitable were lack of qualifications and experience.

Demand and supply trends

- Demand for social professionals is largely dependent on government funding of social welfare and health care programs.
- Recent research suggests an easing in the labour market for social professionals in the ACT with employers receiving a higher number of suitable applicants enabling them to fill advertised vacancies more readily. Most employers were recruiting to replace employees rather than to fill newly created positions.
- DEEWR Skilled Vacancy Index data (does not include all occupations included in this report) indicates a significant decline in newspaper advertising for social professionals in the ACT over the past eighteen months.

- Relevant training courses for all occupations included in this report are available at tertiary institutions in the ACT. These courses range from diploma level to bachelor degree or higher qualification.

Automotive Trades

February-May 2010

Occupations in cluster	Rating
3211-11 Automotive Electrician	Shortage
3212-11 Motor Mechanic	No Shortage
3212-12 Diesel Mechanic	No Shortage
3212-13 Motorcycle Mechanic	Shortage
3241-11 Panelbeater	Shortage
3242-11 Vehicle Body Builder	No Shortage (assessed at the national level)
3242-12 Vehicle Trimmer	Shortage (assessed at the national level)
3243-11 Vehicle Painter	Shortage

Shortages have been apparent in a number of automotive trades in the ACT since the mid 2000s but research undertaken in 2010 shows recruitment was relatively easy compared with the peak demand period in 2007-08 and shortages are restricted to some individual trades.

Survey results

- About half the surveyed vacancies for automotive trades were filled in 2010 significantly higher than the 20 per cent filled in late 2009, suggesting the labour market has eased in 2010. The proportion of vacancies filled in 2010 was similar to the proportion recorded in late 2008.
- Despite the rise in the proportion of vacancies filled and the number of suitable applicants per vacancy, both remain relatively low overall, indicating shortages are apparent. It is noteworthy, however, that the labour market varies markedly across the trades in this group.
- Overall, there was one suitable applicant per vacancy, on average, twice the number recorded in late 2008 and much higher than the 0.4 suitable applicants per vacancy in late 2007, indicating that employers are experiencing less difficulty recruiting than they have in the past.
- Some employers, including those recruiting motor and diesel mechanics, found it relatively easy to recruit the skilled workers they needed. Those recruiting automotive electricians, panelbeaters and vehicle painters experienced greater difficulty.
- The proportion of vacancies filled varied from 80 per cent for diesel mechanics to a low for panelbeaters where no surveyed vacancies were filled within four weeks of advertising.
- The number of suitable applicants per vacancy also varied markedly, from 1.6 per vacancy for motor and diesel mechanics to none for panelbeaters.

Why applicants were unsuitable

- Some employers of these occupations were seeking applicants who were experienced and have specialised rather than general skills. These employers generally regarded applicants who lacked experience or specialist skills to be unsuitable.
- Some employers noted that some applicants required training, however, only a small number of employers were willing to train up applicants whose skills and experience fell short of their needs.

Demand and supply trends

- Employment of automotive tradespersons fell slightly during the global recession but recent figures from the ABS Labour Force Survey indicate that employment has been rising steadily in 2010.
- The DEEWR Internet Vacancy Index shows there was a slight increase (5.6 per cent) in the level of advertised vacancies for automotive trades over the year to June 2010.
- Some employers of general motor mechanics suggested it was easier to recruit qualified staff in 2010 because of business closures which improved availability of qualified staff.
- The ACT automotive trades labour market is relatively small and is very competitive for employers seeking to recruit skilled workers. Moreover, employer comments suggest relatively low remuneration in these trades causes wastages of employees to other occupations, so retention is a key issue.

Engineering Trades

First quarter 2010

Occupations in cluster	Rating
3222-11 Sheetmetal Trade Worker	No Shortage (assessed at the national level)
3223-11 Metal Fabricator	Shortage
3223-13 Welder	No Shortage
3231-11 Aircraft Maintenance Engineers (Avionics)	Shortage (assessed at the national level)
3231-12 Aircraft Maintenance Engineers (Mechanical)	Shortage (assessed at the national level)
3232-11 Fitter (General)	No Shortage
3232-12 Fitter and Turner	No Shortage
3232-13 Fitter and Welder	No Shortage
3232-14 Metal Machinist	Shortage (assessed at the national level)
3233-13 Locksmith	Shortage (assessed at the national level)

Employment in engineering trades in the ACT is small, around 700 in May 2010. Shortages have been patchy over the past four years although shortages of sheetmetal trades workers, metal fabricators and welders persisted over 2006 to 2008. Research undertaken in early 2010 shows that employers did not experience significant difficulty recruiting, although shortages of metal fabricators were identified. Aircraft maintenance engineering occupations are very small in employment size in the ACT and although shortages were identified at the national level, employment is too small in the ACT to assess these labour markets.

Survey results:

- Overall, 2010 research shows that almost three quarters of surveyed engineering trades vacancies were filled. This is a significant rise compared with 30 per cent filled in late 2008 and 54 per cent in late 2007 suggesting recruitment was relatively easy.
- There were 2.5 suitable applicants per vacancy in early 2010 compared with 1.1 in late 2008 and 1.0 in late 2007, confirming an easing in the labour market.
- The proportion of vacancies filled varied across these trades. All surveyed vacancies for fitters were filled but only half those for metal fabricators were filled.
- Similarly, there was some variation in the number of suitable applicants per vacancy from a high of 4.9, on average, for fitters to 0.5 for metal fabricators.

Why applicants were unsuitable

- Employers recruiting metal fabricators were seeking employees who hold formal qualifications and have significant experience. These employers commented that employees were considered to be unsuitable due to poor communication skills and work attitude.
- Some employers sought to recruit employees from interstate but they were largely unsuccessful as many candidates were unwilling to relocate to the ACT.
- Employers recruiting fitters suggested the difficulty attracting suitable applicants related in part to applicants being attracted to higher paying jobs in the mining industry.

Demand and supply trends

- The small size of this labour market in the ACT makes it difficult to assess trends in the level of employment. Employer comments, though, indicate demand for engineering trades has remained relatively stable with some indication of a slight increase in early 2010.
- There was, however, a marked increase in the level of advertised vacancies over the year to June 2010 suggesting demand has recovered slightly from the downturn in 2009.

Construction Trades

July 2009

Occupations in cluster	Rating
3311-11 Bricklayer	No shortage
3311-12 Stonemason	Shortage (assessed at the national level)
3312-12 Carpenter	No shortage
3312-13 Joiner	Shortage
3322-11 Painting Trades Worker	Shortage
3331-11 Glazier	Shortage
3332-11 Fibrous Plasterer	No shortage
3334-11 Wall and Floor Tiler	Shortage
3341-11 Plumber (General)	Shortage
3341-13 Drainer	No shortage
3341-14 Gasfitter	Shortage
3941-11 Cabinetmaker	Shortage

Shortages in construction trades were widespread in mid 2009. The ongoing high levels of construction in both new homes and commercial properties within the ACT ensured that the majority of occupations within this industry were not significantly affected by the global recession. The ACT differed in this respect from other states where the construction industry was more severely affected by the downturn.

Survey results

- Employers surveyed in the ACT for construction trades vacancies in mid 2009 filled 56 per cent of their vacancies and attracted an average of 1.8 suitable applicants per vacancy.
- This compares with results from late 2007 and late 2008, which showed that slightly less than half the surveyed vacancies were filled (49 per cent and 47 per cent respectively).
- The number of suitable applicants per vacancy in 2009 was more than double the number recorded in 2007 and 2008 when employers received, on average 0.8 and 0.7 respectively.
- These figures indicate an easing in the labour market. Nonetheless, both the proportion of vacancies filled and the number of suitable applicants per vacancy were fairly low, and shortages are apparent for most occupations.
- Most employers experienced difficulty filling vacancies. Many surveyed employers who did not fill their positions did not attract any suitable candidates and some did not receive any response to their advertising.
- Many employers advertised numerous times with little or no response.
- Recruitment experiences varied, though, across the individual trades. Employers recruiting bricklayers and carpenters attracted the largest number of suitable applicants per vacancy (7.9 and 3.1 respectively) and they had no difficulty filling their positions. Employers recruiting joiners and fibrous plasterers received, on average, less than one suitable applicant per vacancy.
- The proportion of vacancies filled also varied, from in excess of 90 per cent for carpenters to 36 per cent for joiners.
- The labour market was considerably tighter in 2009 in the ACT than the national average. For Australia as a whole in the second half of 2009, employers filled around

three quarters of vacancies and attracted an average of nearly three suitable applicants per vacancy.

Why applicants were unsuitable

- In the construction industry, employer comments suggest it is common for candidates to be trialed for a short period of time to determine whether they have skills required for positions. Many surveyed for this report found candidates to be unsuitable after a trial because they were either unreliable or unproductive workers.
- Some employers, such as those of fibrous plasterers, were most concerned with experience and competency rather than qualifications and considered candidates to be unsuitable if they lacked adequate work experience.
- Employers across the trades usually sought to employ workers who had a minimum of two to three years of post-qualification experience.
- Generally, applicants were considered to be unsuitable for positions in the painting trades and for glazier positions because they lacked qualifications. In these trades, qualifications were considered by employers to be more important than experience, although some employers of glaziers were willing to compromise and hire skilled glass workers when they were unable to recruit trade qualified workers.

Demand and supply trends

- ABS building approvals data show the number of residential dwelling units approved in the ACT increased every month from December 2008 to May 2009 in trend terms.
- The majority of employers contacted across all trades commented that they had experienced an increase in workload in the period just prior to recruitment, due mainly to strong conditions in the residential construction sector.
- Employer comments suggest that demand was strong throughout 2009-10 as a result of the Affordable Housing Action Plan, the release of 3000 housing blocks in this period, and the extension of the First Home Owners Grant scheme.
- There was a marked increase in the level of advertised vacancies recorded through the DEEWR Internet Vacancy Index, indicating a strengthening labour market.

Labour market issues

- Due to the tight ACT labour market, employers are generally willing to recruit workers from interstate. Employers note, however, that suitable candidates are often unwilling to relocate to take up positions.

