<table>
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<tr>
<th>Current labour market rating</th>
<th>Shortage</th>
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<td>Previous labour market rating (June 2015)</td>
<td>Recruitment difficulty for positions in residential construction requiring five to 10 years experience</td>
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**Comments**

A shortage of experienced construction estimators is evident across most sectors of the construction industry. Employers in New South Wales and Victoria, and those seeking estimators with at least five years of experience, have the least success in filling vacancies.

**Employer survey**

*Survey results and trends*

- The labour market for construction estimators has tightened since the occupation was last assessed in 2015, and a national shortage is evident for the second time since 2011.
  - Employers filled 59 per cent of vacancies, compared with 70 per cent in 2015. This is the second lowest proportion of vacancies filled since 2011.
  - The average number of applicants per vacancy has fallen from 27.4 in 2015 to 20.7 in the latest survey.
- There was an average of 2.0 suitable applicants per vacancy in 2017, which was similar to the figure of 1.8 per vacancy in 2015.
  - That said, there were a number of vacancies for qualified cadets in the current survey which attracted relatively large fields of suitable applicants. When these cadet positions are removed, there was an average of 1.2 suitable applicants per vacancy and 54 per cent of vacancies were filled.
- Employers seeking to fill vacancies for senior level positions requiring five years or more experience had the least success. Only 33 per cent of senior vacancies were filled, attracting an average of 0.5 suitable applicants per vacancy.
  - By contrast, all vacancies for qualified cadets were filled. Employers attracted large applicant pools, with an average of 8.3 suitable applicants per vacancy.
- Employers in New South Wales and Victoria had less success in filling vacancies than those in the remainder of Australia.
  - Employers in the two largest states filled 44 per cent of their vacancies, attracting an average of 1.7 suitable applicants per vacancy.
  - Conversely, those in the remainder of Australia filled 82 per cent of their vacancies, with an average of 2.4 suitable applicants per vacancy.

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1 The methodology underpinning this research is outlined at [Skill Shortage Research Methodology | Department of Employment - Document library, Australian Government](http://www.gov.au) and can also be accessed by the QR code.
Unfilled vacancies

- Unfilled vacancies were distributed across the residential, non-residential building, and engineering construction sectors and at various levels of experience, ranging from two to 10 years.
  - Around 12 per cent of employers received no applicants and 36 per cent attracted no suitable applicants.
  - A small number of vacancies remained unfilled because suitable candidates accepted other offers of employment or were unable to reach an agreement on remuneration with the employer.

Employer requirements and unsuitable applicants

- All employers sought applicants with relevant formal qualifications, ranging from trade qualifications in areas such as carpentry to degrees in construction management.
  - The lack of a relevant qualification was the most common reason cited by employers for the unsuitability of applicants (38 per cent of cases).
- Surveyed employers were generally seeking construction estimators with two to 10 years of experience, although 16 per cent sought qualified cadets or estimators with around one year of experience.
  - Lack of general experience as a construction estimator was the third most commonly mentioned reason for applicant unsuitability (16 per cent of cases).
- Employers also generally sought applicants with experience in a specific construction sector (residential, non-residential building or engineering construction), a particular type of construction project (for example, commercial fit-outs) and a specific project size (for example, projects up to $50 million).
- Around two-thirds of employers required construction estimators with local experience.
  - Many employers emphasised the importance of good knowledge of Australian, state and local building regulations, and good relationships with local contractors and other stakeholders.
• Lack of specific experience was the second most commonly mentioned reason for applicant unsuitability (27 per cent of cases). This included lack of experience with local building regulations and lack of experience in a particular industry sector or type of project.

**Demand and supply trends**

**Demand**

• Building activity is the main driver of demand for this occupation, with engineering construction having a smaller influence.²

• There is little recent employment and vacancy data for construction estimator.³ The predominant view of surveyed employers, however, was that demand for the occupation has been supported by recent strong building activity, particularly in the eastern states.
  o The value of building work done grew by 9.1 per cent over the two years to the December quarter 2016 to stand just below the historic high reached in the June quarter.⁴
  o Growth over the past two years has been strongest in New South Wales (22.8 per cent), the Australian Capital Territory (16.8 per cent), Queensland (14.3 per cent) and Victoria (12.3 per cent).
  o In contrast, building activity fell in Western Australia (19.7 per cent), the Northern Territory (18.6 per cent) and South Australia (11.6 per cent).⁵

• Engineering construction activity, however, has softened significantly, largely due to the winding down of the investment phase of a number of major resource projects.
  o The value of engineering construction work done fell by 30.3 per cent over the two years to the December quarter 2016 and by has fallen by 44.1 per cent since its peak in the September quarter 2012.
  o The fall in engineering construction over the past two years was greatest in Western Australia (51.1 per cent), Queensland (44.1 per cent) and the Northern Territory (34.0 per cent).⁶

**Supply**

• Entry to this occupation is usually through the completion of a relevant trade, diploma or degree qualification in conjunction with on-the-job training or experience as a construction estimator.⁷
  o Due to the diversity of relevant formal qualifications, and the importance of appropriate experience as an entry path to the occupation, there is little available data on supply trends from training.

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² In 2011, building construction accounted for 41 per cent of employment for the occupation, construction services 12 per cent and heavy and civil construction 5 per cent. ABS Census of Population and Housing, 2011

³ The 2011 Census shows that Construction Estimator comprised about 8 per cent of employment in ANZSCO Unit Group 3121 Architectural, Building and Surveying Technicians. Data from the ABS Labour Force Survey and vacancy data from the Department of Employment Internet Vacancy Index are only available at the Unit Group level and may not accurately reflect trends for this occupation.

⁴ ABS, 8752.0 Building Activity, Australia, December 2016, Table 1, chain volume measures, trend

⁵ ABS, 8752.0 Building Activity, Australia, December 2016, Table 2, chain volume measures, trend

⁶ ABS, 8762.0 Engineering Construction, Australia, December 2016, Table 2, chain volume measures, trend

⁷ The 2011 Census shows that 26 per cent of employed construction estimators held a bachelor’s degree or higher, 17 per cent held a diploma or advanced diploma, 31 per cent held a certificate III or IV and 24 per cent held no post-school qualification.
A number of surveyed employers indicated that an important source of supply to the occupation is cadetships offered to recent graduates by Tier 1 and Tier 2 construction companies.\(^8\)

- A common view among these employers was that the supply of senior construction estimators has been restricted by the reduction in graduate cadetship programs following the Global Financial Crisis and by the tendency for estimators to move into project management roles early in their career.

In line with the decline in engineering construction activity, the importance of skilled migration has also declined.

- The number of 457 visas granted to construction estimators fell from a peak of 180 in 2012-13 to 60 in 2015-16. The number of visas granted in the six months ending December 2016 was 30.\(^9\)

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\(^8\) Tier ratings determine the type and value of projects a firm is able to take on, and depends on their size, resources and experience. Tier 1 takes on the largest scale projects and Tier 3 takes on the smallest.

\(^9\) Department of Immigration and Border Protection, *Subclass 457 Visas Granted Pivot Table*, primary applicants