



**2024-2025**

# **Pre-Budget Submission**

Submission to Treasury  
25 January 2024





## Contents page

<b>Executive Summary</b> .....	<b>2</b>
<b>Recommendations</b> .....	<b>3</b>
Attracting more workers into the industry .....	3
Apprentice funding.....	3
Simplify the immigration process .....	3
Upskilling of industry.....	3
A need for more professionals in the industry .....	3
<b>Attracting more workers to the industry</b> .....	<b>4</b>
Recommendations.....	5
<b>Apprentice funding</b> .....	<b>6</b>
Recommendations.....	6
<b>Simplify the immigration process</b> .....	<b>7</b>
Recommendations.....	8
<b>Upskilling of industry</b> .....	<b>8</b>
Recommendations.....	9
<b>A need for more professionals in the industry</b> .....	<b>9</b>
Recommendations.....	10
<b>ABOUT THE HOUSING INDUSTRY ASSOCIATION</b> .....	<b>11</b>
<b>HIA Trades Report</b> .....	<b>12</b>



## Executive Summary

**Australia's residential building industry needs a consistent and reliable climate in which to do business. It will not be possible to deliver the much-needed supply of new homes to Australians unless we develop a strong and stable workforce through skill development, workforce mobility and suitable immigration settings.**

Australia is facing a significant skills shortage across nearly all sectors of the economy. The residential building industry is not unique in this regard, but it is widely recognised that the capacity to supply adequate housing is a significant limitation to Australia's ability to address skills needs economy wide.

By addressing Australia's longstanding structural shortage of skilled trades, ensuring an adequate number of new entrants and business conditions which favour the retention of qualified trades and building businesses, Australia will improve its capacity to deliver homes. This has a positive impact on affordability subsequently making our cities and regional areas more attractive to workers.

HIA does recognise that there have been significant commitments to national workforce development through the creation of Jobs and Skills Australia, support in establishing the industry skills councils, funding fee-free vocational education, and the range of measures that are outlined in the National Skills Agreement.

While improving the efficacy of the training system to ensure that it meets the needs of industry and participants should be the priority in addressing the shortfall in skilled trades, this Budget offers an opportunity to deliver a suite of reforms to build, retain and grow a prosperous residential building industry, to address current housing shortages and to establish a long-term sustainable industry that is a workforce that new entrants desire to be part of.

Notwithstanding that it is anticipated that a decline in the number of homes under construction in 2024 will alleviate the acute shortage of skilled workers experienced in recent years, the need for more skilled tradespeople will persist. Government support for apprenticeships is crucial to attract and train these apprentices, and concurrent support for employers is essential to encourage their engagement with apprentices.

Skill shortages are faced across all facets of the residential building industry. This includes onsite trades, carpenters, electricians, plumbers, tilers, bricklayers, etc. as well as apprentices, labourers, construction and project managers, safety specialists and supervisors. Other key parties to building projects including designers, architects, town planners, building certifier/surveyors, engineers and other key design and approval bodies are also in short supply. The shortage of skills extends into manufacturing and supply of building products like glass, plasterboard, brick making and delivery drivers.

An ageing workforce and increased complexities and conditions of running and operating a profitable business, are also motivating more people to exit the industry year on year.

To achieve a level of new housing supply that puts sustained downward pressure on housing costs we must boost the capacity of the construction labour force. The supply of skilled labour needs to improve, and the continued success of Australia's construction sector hinges on sustained government support particularly when it is anticipated that these shortages will only be exacerbated with the expected increased building activity driven by the Federal Government's commitment to build 1.2 million homes over the next five years.



The residential building industry has been facing worker shortages for many decades and there is a need for a long-term strategy. Short term band aid solutions will not address the systemic shortages the sector continues to face.

Each quarter HIA Economics produces the HIA Trades Report which provides an update on the changes in the price and availability of building trades. The latest report (September 2023 Quarter) is attached.

## Recommendations

### Attracting more workers into the industry

1. The Federal Government partner with industry to deliver a large scale 12-month promotion campaign on the benefits of taking up a role in the residential building industry highlighting the job and career opportunities.
2. This program should be supplemented, with funding an international campaign to attract skilled building industry immigrants to migrate to Australia.
3. Undertake a targeted program for mature aged persons looking to take on a trade that describes career opportunities and wage and other incentives that help bridge any wage shortfall.

### Apprentice funding

4. Increase, and make a long-term commitment to apprentice and employer subsidies to encourage more employers to take on apprentices and to support apprentices through their apprenticeships.
5. Maintain the apprentice employer wage subsidy model, that being the continuous payment system rather than a commencement and completion model and index to CPI the financial contribution each year.
6. Provide apprentices with a \$1,000 tool bonus program starter kit and a \$500 supplement per year of the apprenticeship.

### Simplify the immigration process

7. Develop a streamlined and simplified visa program for in-demand trades and support this with an education and awareness program to assist participants to navigate the process.
8. Provide funding to industry associations to support new skilled immigrants navigate jurisdictional licensing and other regulatory requirements to enter the industry. Often these requirements are a significant barrier and limit the type of work that can be undertaken.
9. Commit funding to develop a construction trade contractor visa.

### Upskilling of industry

10. Fund the development of a small business compliance, cash flow management and risk mitigation program.
11. Provide industry with a \$1,000 per year upskilling program over a three year period to enable industry practitioners to undertake short courses related to WHS, office skills, mentoring of young workers, sustainability and new 'green skills' fields, or other professional skills related to their work.
12. Fund the development of an industry education program on changes to the National Construction Code (NCC), Australian Standards and the further energy and sustainability reforms being progressed.



### **A need for more professionals in the industry**

13. Fund a program to support a range of traineeships and cadetships in professional construction careers in high demand.
14. Provide a wage subsidy to those seeking a career change into the residential building industry to bridge any wage shortfall for mature aged employees.



## Attracting more workers to the industry

### **Government has a role to play in promoting the residential building industry as a career path of choice.**

The residential building industry has faced significant challenges over the past few years. Unprecedented levels of building activity, COVID-19 lockdowns and restrictions on building work, along with significant material price increases and labour shortages have resulted in challenging economic conditions. This has led to higher-than-normal rates of insolvencies across the economy, including in the construction industry.

The industry now faces an uncertain pipeline of work.

Further, decade low building approvals combined with a significant undersupply of housing will only serve to negatively affect housing affordability.

These conditions have fostered a negative sentiment towards the residential building industry acting as a significant barrier to attracting new entrants and retaining the existing workforce.

Retention of the current workforce has not been helped by the ever-increasing regulatory requirements being placed on businesses in the residential building industry.

These circumstances sit as a backdrop to the Federal Government's housing supply commitment and an immediate boost to worker numbers across all facets of the industry is critical to meeting this target. It demands that the Federal Government play a key role in promoting the benefits of a career in the residential building industry.

This includes promoting the sector to school leavers, skilled and unskilled immigrants and attracting workers in other fields or those looking at a career change.

A collaborative approach by Federal Government and industry is needed to deliver a targeted and well-designed funded promotion campaign to encourage entry into the industry.

### **Recommendations**

1. The Federal Government partner with industry to deliver a large scale 12-month promotion campaign on the benefits of taking up a role in the residential building industry highlighting the job and career opportunities.
2. This program should be supplemented, with funding an international campaign to attract skilled building industry immigrants to migrate to Australia.
3. Undertake a targeted program for mature aged persons looking to take on a trade that describes career opportunities and wage and other incentives that help bridge any wage shortfall.



## Apprentice funding

### **Subsidising apprentice wages is critical to both attracting and retaining apprentices for the entire duration of an apprenticeship.**

The Government should commit to an extension of the financial supports provided to both apprentices and employers via the Australian Apprenticeships Incentive System (AAIS).

The AAIS provides a combination of a financial incentive for employers to create employment opportunities for apprentices and support during the early years of training, while also providing financial support for apprentices to progress towards successful completion of their training.

The Priority Wage Subsidy, which assists by offsetting the cost of apprentice wages for up to three years, has proven vital in sustaining employers who have engaged apprentices. However, the program is scheduled to conclude on 30 June 2024. Programs of this type have demonstrated the efficacy of wage subsidies in lifting apprentice numbers.

In fact, bolstering programs of this nature through increased funding and a long-term commitment by government would provide much needed certainty in respect of a stable pipeline of skilled workers.

The government should also consider re-instating financial supports for employers taking on adult apprentices. The structure of apprentice wages sees adult apprentice (those aged over 21) paid a higher rate of pay regardless of their progression through an apprenticeship. In the absence of support for those employing adult apprentices it has become common for employers to overlook workers eligible for the adult apprentice wage in favour of younger workers.

It is inequitable that workers as young as 21 who are seeking to pursue training as an adult apprentice are disadvantaged in the jobs market on the basis of their age.

Equally valuable would be a 'tools rewards' program that helps apprentices get their necessary initial tools of trade, and then as an incentive for year on year completion milestone tool vouchers to gradually build up their tool kits, to enable them to be self-sufficient. This would assist with retention and dropout rates as a milestone/reward to work towards. This would also generate economic stimulus for tool providers.

### **Recommendations**

4. Increase, and make a long-term commitment to apprentice and employer subsidies to encourage more employers to take on apprentices and to support apprentices through their apprenticeships.
5. Maintain the apprentice employer wage subsidy model, that being the continuous payment system rather than a commencement and completion model and index to CPI the financial contribution each year.
6. Provide apprentices with a \$1,000 tool bonus program starter kit and a \$500 supplement per year of the apprenticeship.



## Simplify the immigration process

**Australia needs to maintain strong levels of immigration to underpin the nation's economic growth, this includes a focus on skilled migration to assist in addressing the current shortages in the industry.**

While providing training opportunities that enable local workers to pursue a career in the industry should always be the priority, increasing the capacity of the workforce to a level that is capable of building 1.2 million homes over the next five years will require access to skilled labour from overseas.

Strong immigration has been a cornerstone of economic growth for Australia over a number of decades. It has also counteracted the ageing of Australia's population. The ratio of the working age population to those over 65 has declined substantially over the last four decades – skilled migrants of working age (and their families) are essential to mitigating the rate of decline in this ratio and to ensuring Australia's future economic prosperity.

Skilled migration pathways are a significant component of Australia's overall migration intake and have an important bearing on the rate of population growth. From an economy wide perspective, it is important that migration levels are stable and that any changes are foreseeable to ensure the appropriate level of investment in infrastructure can be made to support the growing population.

HIA's interest in skilled migration is threefold.

Firstly, skilled migrants make an important contribution to the Australian economy and a well-designed skilled migration program is essential to ensuring Australia's ongoing prosperity.

Secondly, skilled migrants make up a significant share of Australia's migration intake which affects population growth, demand for housing and demand for new residential building.

Finally, skilled migration should play a greater role in alleviating labour shortages within the residential building industry particularly where acute demand emerges such as is presently the case.

The residential building industry requires migration pathways that will enable the long-term structural shortage of workers to be addressed through permanent migration, and pathways that enable industry to recruit skilled workers for short periods to alleviate acute cyclical shortages.

While permanent and short-term visas are part of Australia's skilled migration program and the building trades that have been in the most acute shortages are included on lists of eligible occupations, there has been very little take up within the construction industry, particularly the residential building industry.

Several aspects of these visas render them impractical for use by residential building businesses. To that end the Government should commit funding to develop a construction trade contractor visa.

While most construction trade occupations have been identified as being in shortage and are eligible for temporary skill shortage visas, there are very few workers with construction trades using skill shortage visas to come to Australia. Furthermore, only a proportion of these workers are working in the residential building industry.



This situation is not due to a lack of demand for skilled workers from businesses in the residential building industry, nor a lack of eligible skilled trades workers willing to come to Australia to work. Businesses are actively seeking opportunities to address labour shortages through skilled migration, and international recruiters report that appropriately qualified workers are ready and willing to relocate to Australia.

It is conventional practice within the residential building industry that builders engage skilled trades workers on a project-by-project basis as contractors rather than as employees. However, the skilled migration system is largely dependent on a business sponsoring a skilled migrant, which provides a guarantee of employment. The requirement to engage overseas workers as employees represents a significant challenge to longstanding industry convention.

Skilled migration could play a greater role in addressing the shortage of skilled construction trades workers in the residential building industry if the system aligned with industry practices. Creation of a visa pathway that enabled suitably qualified trade workers to operate as independent contractors would address this issue. Furthermore, this could provide the opportunity for these trade workers to establish a viable business and pursue a pathway to permanent residency through meeting the requirements of the Business Owner visa.

It is vital that the right settings are in place to support a timely recovery in the migration intake for skilled and business visa categories.

## **Recommendations**

7. Develop a streamlined and simplified visa program for in-demand trades and support this with an education and awareness program to assist participants to navigate the process.
8. Provide funding to industry associations to support new skilled immigrants navigate jurisdictional licensing and other regulatory requirements to enter the industry. Often these requirements are a significant barrier and limit the type of work that can be undertaken.
9. Commit funding to develop a construction trade contractor visa.

## **Upskilling of industry**

**The role of Government in upskilling the industry should not be underestimated. Financial challenges, demonstrated by higher-than-normal rates of insolvency mean that business acumen and regulatory conservatism is more important than ever.**

### **Small business support**

The regulatory environment that applies to the residential building industry is extremely complex.

With several federal agencies involved in setting regulations which have an impact on small businesses, it is considered appropriate that those agencies support the development and delivery of education and information on those rules and requirements.

It is important that the Federal Government takes a proactive role in supporting businesses, particularly small businesses, to understand the plethora of regulations and administrative processes involved in day-to-day business compliance. To this end, HIA considers there should be dedicated funding to support education in business compliance by the relevant Commonwealth agencies.



## Major changes to building code rules

A substantive update to the NCC is set to be implemented in most states this year. This includes the introduction of new requirements to make housing more accessible, changes to requirements to manage and prevent condensation, and requirements to achieve higher levels of energy efficiency.

These changes will have far reaching impacts on home designs and add substantial upfront costs to new homes and major renovations. There is a need to inform customers about the required changes.

To minimise the disruption to industry activity arising from adoption of the updated NCC, it is important that builders, trade contractors, design professionals and building material suppliers are well informed of these changes.

HIA has over the past three years undertaken industry education programs, but more is needed as the complexity for builders on the practical application of these changes requires supporting materials and the development of new resources.

## Recommendations

10. Fund the development of a small business compliance, cash flow management and risk mitigation program.
11. Provide industry with a \$1,000 per year upskilling program over a three year period to enable industry practitioners to undertake short courses related to WHS, office skills, mentoring of young workers, sustainability and new 'green skills' fields, or other professional skills related to their work.
12. Fund the development of an industry education program on changes to the NCC, Australian Standards and the further energy and sustainability reforms being progressed.

## A need for more professionals in the industry

**Support for professional roles in the industry is somewhat of a 'missing middle'.**

**Traineeships and cadetships provide a largely untapped opportunity to fill this gap.**

Whereas apprenticeships, subcontracting and full-time employment are well established and utilised, traineeships and cadetships are less common despite their obvious benefits in a practical industry such as the residential building industry where learning on the job is critically important.

There is an opportunity to provide an enhanced and dedicated funding program to support a range of traineeships and cadetships in professional construction careers in high demand in the residential building industry. This includes town planning (both state and local government and private), building certification/surveying (government and private), construction and project management, engineering and building contracts, construction trainers and consultants.

This should also be coupled with support to those seeking a career change with subsidies to bridge any wage shortfall for mature aged employees.



## **Recommendations**

13. Fund a program to support a range of traineeships and cadetships in professional construction careers in high demand.
14. Provide a wage subsidy to those seeking a career change into the residential building industry to bridge any wage shortfall for mature aged employees.



## ABOUT THE HOUSING INDUSTRY ASSOCIATION

The Housing Industry Association (HIA) is Australia's only national industry association representing the interests of the residential building industry.

As the voice of the residential building industry, HIA represents a membership of 60,000 across Australia. Our members are involved in delivering on average more than 170,000 new homes each year through the construction of new housing estates, detached homes, low & medium-density housing developments, apartment buildings and completing renovations on Australia's 10 million existing homes.

HIA members comprise a diverse mix of companies, including large builders delivering thousands of new homes a year through to small and medium home builders delivering one or more custom built homes a year, building product manufacturers and suppliers, and businesses providing professional and allied services.

The residential building industry is one of Australia's most dynamic, innovative and efficient service industries and is a key driver of the Australian economy. The residential building industry has a wide reach into the manufacturing, supply and retail sectors.

Contributing over \$100 billion per annum and accounting for 5.8 per cent of Gross Domestic Product, the residential building industry employs over one million people, representing tens of thousands of small businesses and over 200,000 sub-contractors reliant on the industry for their livelihood.

The association operates offices in 22 centres around the nation providing a wide range of advocacy, business support services and products for members, including legal, technical, planning, workplace health and safety and business compliance advice, along with training services, contracts and stationary, industry awards for excellence, and member only discounts on goods and services.



# HIA Trades Report



TRADE  
AVAILABILITY  
INDEX

TRADE  
AVAILABILITY  
BY REGION

TRADE  
PRICE INDEX

PRICE  
MOVEMENT  
IN TRADES

A quarterly update on the change in the price and availability of building trades

September 2023 Quarter

# SKILLED TRADES STILL DIFFICULT TO FIND

The HIA Trades Report provides a quarterly review of the availability of trades and the demand pressures on those trades. Specifically, the report considers the supply conditions with respect to individual skilled trade categories across Australia and within particular states, as well as the corresponding price changes.

## Copyright

© Copyright 2023. HIA Limited is the sole and exclusive owner of all rights, title and interest (including intellectual property rights) subsisting in this publication, including any data, analytics, statistics and other information contained in this publication.

This publication is strictly private, confidential and personal to its recipients.

This publication may not be copied or transmitted in whole or in part in any form, including by photocopying, facsimile, scanning or by manual or electronic means. Multiple copies can be supplied by arrangement/for an additional charge. Unauthorised copying is a breach of HIA's copyright and may make you liable to pay damages.

Permission is not given for any commercial use or sale of this material.

## Disclaimer

The data and information (including commentary) provided in this publication is of a general nature only.

While HIA uses commercially reasonable efforts to ensure that:

(a) any data and information is current at the time of publishing; and

(b) all opinions, conclusions or recommendations are reasonably held or made as at the time of their compilation,

HIA does not warrant the accuracy, reliability or completeness of the publication in whole or in part.

It is your responsibility to assess and verify the accuracy, completeness and reliability of the information in this publication, and to seek professional advice in relation to that information.

To the full extent permitted by law HIA excludes all loss or damage howsoever arising (including through negligence) in connection with the publication.

Home building across Australia continues to be held back by some of the most acute shortages of skilled tradespeople on record.

The **HIA Trades Availability Index** sat at -0.65 in the September Quarter 2023, reflecting a markedly less acute shortage than the reading of -0.92 recorded just over a year earlier. The return of overseas workers since international borders were re-opened in late 2021 aided in the recent easing of trades shortages. This improvement is evident across the capitals and regions, and across all the different trades assessed in the Report.

The negative index reading nevertheless continues to reflect the difficulty in sourcing skilled trades, especially bricklaying (-1.17), roofing (-0.91), carpentry (-0.88), and ceramic tiling (-0.82).

Trades prices are also still increasing faster than pre-pandemic rates. In the decade-and-a-half before the pandemic, the average annual rate of increase was just 2.0 per cent. Over the 12 months to September 2023, trades prices increased by 4.9 per cent. This is higher than the pre-pandemic average but noticeably cooler than the 10.4 per cent increase seen in the previous year.

The RBA's steep interest rate increases since May 2022 have dramatically suppressed the amount of new home building work that is entering the pipeline. This resulted in Australia commencing just 25,390 new houses in the June Quarter 2023, which is one of the weakest quarters of the last decade.

The fall in the volume of new home starts will ease some pressures on Australian home builders. It is their ability to complete these projects that has been hamstrung by the shortage of skilled tradespeople. Over 100,000 houses have been under construction across Australia since late 2021, almost double the number that were under construction before the pandemic.

Only in recent months have Australian home builders been completing more houses than they are commencing, but this is because of the decline in the volume of new work entering the pipeline, not the surge in existing projects being completed that the industry would like to see.

Next year, Australia is expected to have its weakest year in over a decade in terms of the volume of new houses commencing construction, and existing projects are expected to finally reach completion in greater numbers. This will help ease further the shortage of skilled tradespeople across the country, as well as pressures on trades prices.

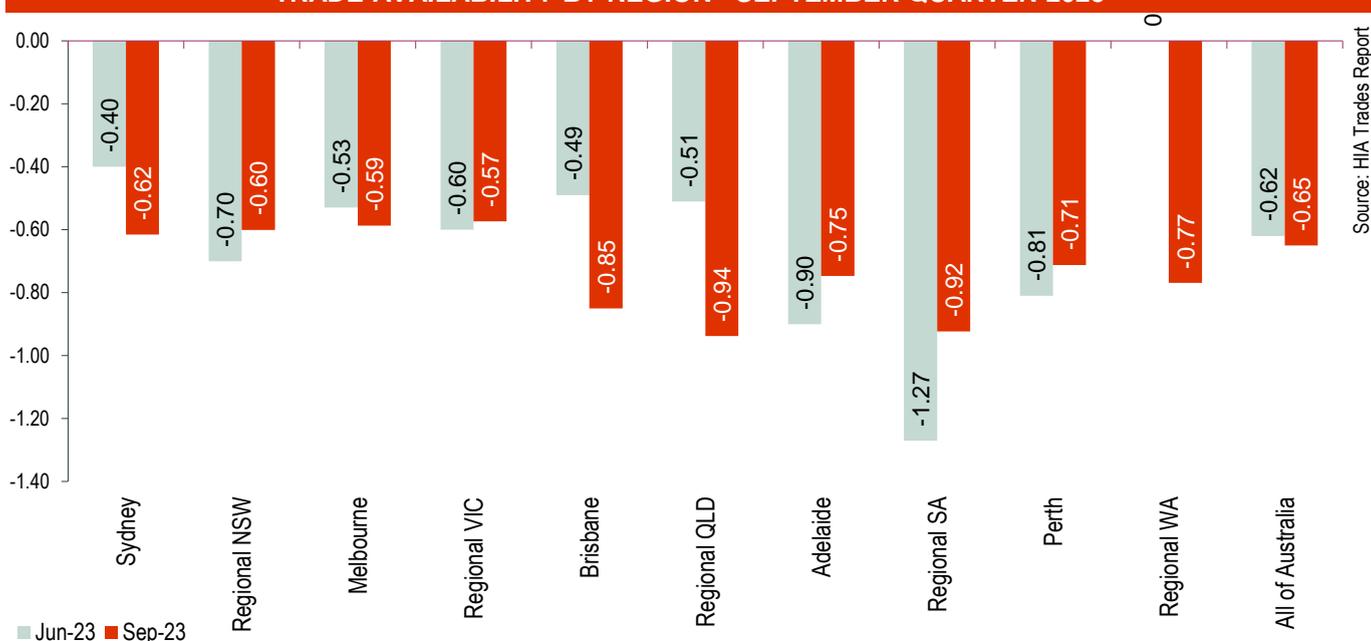
All states and territories experienced a boom in housing demand during the pandemic, but it was the smaller markets where these booms were most impressive. This is why the most acute shortages of skilled tradespeople persist in Queensland (-0.85 in the capital, -0.94 in the regions), South Australia (-0.75, -0.92) and Western Australia (-0.71, -0.77), compared to New South Wales (-0.62, 0.60) and Victoria (-0.59, -0.57).

As new work continues to dry up and existing work is completed, New South Wales and Victoria are likely already seeing their work pipelines shrink and labour shortages consequently addressed faster than the other states.

To ensure that Australia has the skilled tradespeople to build the homes needed in the coming years, the industry needs to have continued access to skilled migrants, as well as train and upskill our existing and future workforce.

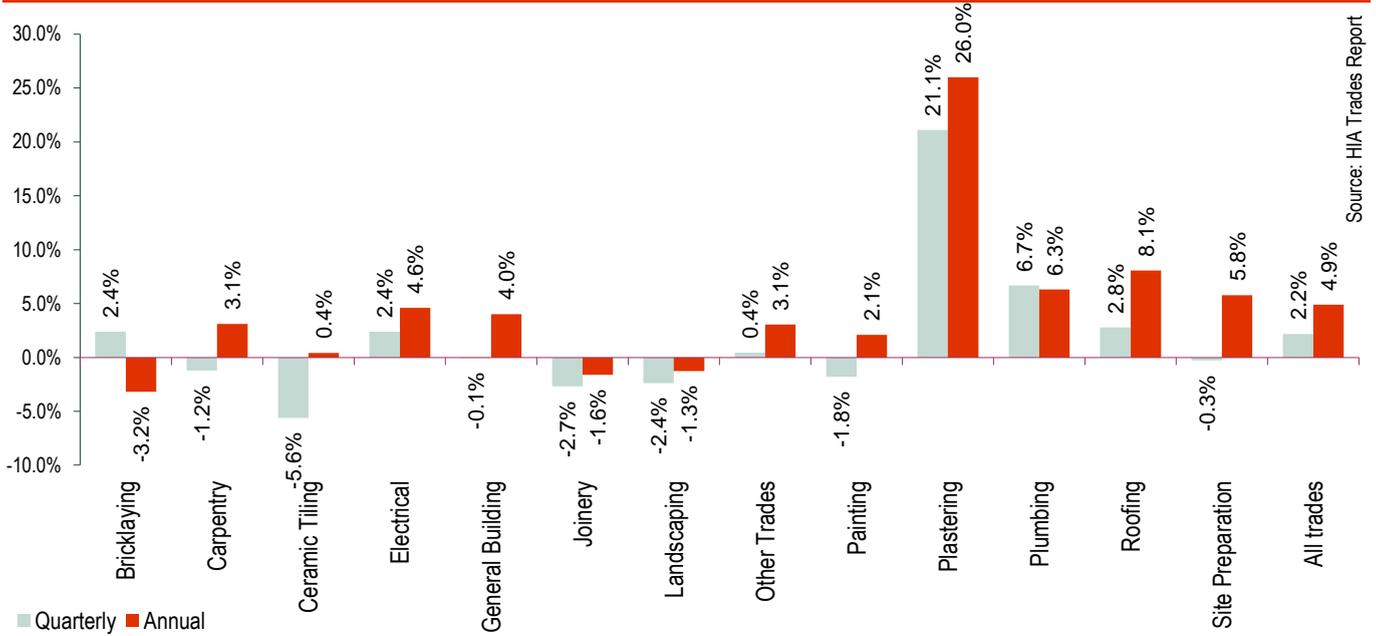
HIA TRADE AVAILABILITY INDEX BY TRADE														
	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Quarterly Movement in Availability
Bricklaying	-0.51	-0.94	-1.13	-1.07	-1.30	-1.51	-1.45	-1.51	-1.49	-1.37	-1.29	-1.12	-1.17	↓
Carpentry	0.27	-0.57	-0.74	-0.86	-0.99	-1.17	-1.21	-1.34	-1.21	-1.06	-1.10	-0.83	-0.88	↓
Ceramic Tiling	-0.37	-0.68	-0.80	-0.72	-0.90	-1.02	-1.01	-1.01	-0.97	-0.99	-0.93	-0.86	-0.82	↑
Electrical	0.27	-0.01	-0.17	-0.11	-0.25	-0.29	-0.40	-0.38	-0.26	-0.25	-0.27	-0.10	-0.26	↓
General Building	0.35	-0.23	-0.47	-0.45	-0.67	-0.82	-0.87	-0.95	-0.79	-0.69	-0.71	-0.54	-0.66	↓
Joinery	0.15	-0.21	-0.38	-0.39	-0.61	-0.75	-0.76	-0.76	-0.79	-0.61	-0.63	-0.47	-0.50	↓
Landscaping	0.29	-0.17	-0.32	-0.19	-0.35	-0.48	-0.55	-0.62	-0.68	-0.60	-0.50	-0.38	-0.55	↓
Other Trades	0.33	-0.43	-0.75	-0.75	-0.86	-1.10	-1.17	-1.25	-1.16	-1.14	-1.05	-0.87	-0.94	↓
Painting	0.19	-0.25	-0.47	-0.38	-0.58	-0.73	-0.76	-0.83	-0.68	-0.64	-0.56	-0.55	-0.53	↑
Plastering	-0.06	-0.32	-0.51	-0.49	-0.65	-0.89	-1.00	-0.91	-0.82	-0.75	-0.84	-0.75	-0.56	↑
Plumbing	0.25	0.00	-0.29	-0.21	-0.42	-0.52	-0.68	-0.56	-0.45	-0.43	-0.40	-0.33	-0.44	↓
Roofing	-0.13	-0.46	-0.79	-0.87	-0.91	-1.03	-1.19	-1.26	-1.19	-1.10	-1.03	-0.81	-0.91	↓
Site Preparation	0.22	-0.16	-0.35	-0.34	-0.43	-0.50	-0.51	-0.55	-0.60	-0.36	-0.46	-0.33	-0.34	↓
All trades	0.12	-0.35	-0.55	-0.53	-0.69	-0.84	-0.90	-0.92	-0.86	-0.77	-0.75	-0.62	-0.65	↓

### TRADE AVAILABILITY BY REGION - SEPTEMBER QUARTER 2023



HIA TRADE AVAILABILITY INDEX BY REGION														
	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Quarterly Movement in Availability
Sydney	0.06	-0.33	-0.25	-0.27	-0.56	-0.67	-0.88	-0.95	-0.85	-0.62	-0.68	-0.40	-0.62	↓
Regional NSW	-0.55	-0.47	-0.55	-0.52	-0.76	-0.87	-0.88	-1.00	-1.02	-0.84	-0.71	-0.70	-0.60	↑
Melbourne	0.28	-0.14	-0.36	-0.38	-0.52	-0.70	-0.78	-0.75	-0.77	-0.71	-0.76	-0.53	-0.59	↓
Regional VIC	0.40	-0.35	-0.63	-0.59	-0.71	-0.93	-1.06	-1.00	-0.65	-0.59	-0.93	-0.60	-0.57	↑
Brisbane	0.50	-0.48	-0.65	-0.72	-1.01	-0.98	-1.04	-0.86	-0.83	-0.96	-0.72	-0.49	-0.85	↓
Regional QLD	-0.33	-0.47	-0.66	-0.94	-0.83	-0.78	-0.92	-0.80	-1.14	-0.96	-0.96	-0.51	-0.94	↓
Adelaide	0.12	-0.43	-0.62	-0.55	-0.58	-1.01	-1.05	-1.11	-0.76	-0.71	-0.69	-0.90	-0.75	↑
Regional SA	-0.25	-0.67	-0.67	-0.55	-0.47	-1.03	-1.42	-0.90	-1.00	-1.00	-1.00	-1.27	-0.92	↑
Perth	0.80	-0.39	-0.67	-0.91	-0.85	-1.04	-0.83	-0.88	-0.84	-0.38	-0.72	-0.81	-0.71	↑
Regional WA	-0.93	-0.93	-0.52	-0.66	-1.11	-1.04	-0.79	-1.13	-0.85	-1.31	-0.87	0.00	-0.77	↓
All of Australia	0.12	-0.35	-0.55	-0.53	-0.69	-0.84	-0.90	-0.92	-0.86	-0.77	-0.75	-0.62	-0.65	↓

## PRICE MOVEMENT IN BUILDING TRADES BY INDIVIDUAL TRADE - SEPTEMBER QUARTER 2023

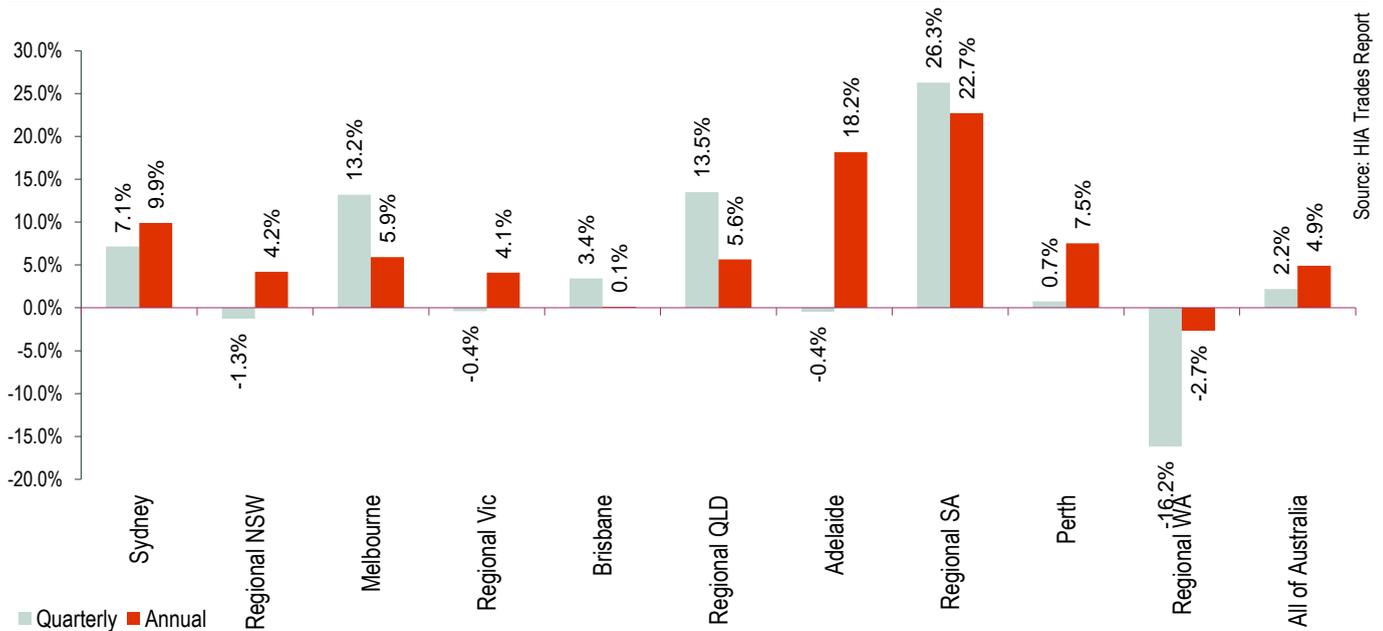


### HIA TRADE PRICE INDEX BY TRADE

	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Change	
														Quarterly	Annual
<b>Bricklaying</b>	148.6	160.2	158.7	167.8	172.8	171.9	180.6	195.4	199.8	199.9	202.9	188.9	193.4	2.4%	-3.2%
<b>Carpentry</b>	146.1	151.6	152.3	159.1	159.5	161.0	168.1	179.0	176.4	179.7	182.5	184.1	181.9	-1.2%	3.1%
<b>Ceramic Tiling</b>	156.7	163.5	159.6	164.7	161.2	168.2	173.6	174.8	180.9	184.7	187.9	192.4	181.6	-5.6%	0.4%
<b>Electrical</b>	207.7	205.8	208.8	210.2	210.5	213.9	217.2	230.2	229.8	226.3	224.9	234.7	240.3	2.4%	4.6%
<b>General Building</b>	152.8	159.2	157.6	169.0	168.7	170.7	168.8	182.8	180.8	183.1	180.4	188.1	188.0	-0.1%	4.0%
<b>Joinery</b>	178.6	181.9	172.0	178.6	177.6	182.3	187.6	196.8	196.6	196.3	199.0	198.7	193.4	-2.7%	-1.6%
<b>Landscaping</b>	143.7	148.3	151.6	162.3	157.2	158.1	160.2	168.3	180.1	171.4	170.9	182.1	177.8	-2.4%	-1.3%
<b>Other Trades</b>	159.6	168.4	165.0	172.6	177.8	172.4	172.5	187.8	187.2	193.0	191.1	192.2	193.0	0.4%	3.1%
<b>Painting</b>	139.6	144.1	140.2	142.0	144.7	150.2	154.8	159.4	160.0	160.0	160.3	166.3	163.3	-1.8%	2.1%
<b>Plastering</b>	144.7	147.4	151.3	151.2	152.2	154.6	161.3	167.3	169.9	167.7	167.8	176.7	214.0	21.1%	26.0%
<b>Plumbing</b>	209.3	207.6	216.5	218.2	214.2	220.0	223.7	237.4	237.2	234.7	237.6	236.4	252.2	6.7%	6.3%
<b>Roofing</b>	184.7	178.7	188.2	189.0	182.0	186.0	187.1	199.0	202.4	210.6	201.3	212.8	218.8	2.8%	8.1%
<b>Site Preparation</b>	204.6	202.9	229.5	216.4	211.6	208.4	202.0	228.2	226.5	229.3	230.2	240.2	239.5	-0.3%	5.8%
<b>All trades</b>	167.2	170.1	172.9	176.0	175.9	178.0	181.7	192.7	194.1	194.8	194.7	199.3	203.6	2.2%	4.9%



## PRICE MOVEMENT IN BUILDING TRADES BY REGION - SEPTEMBER QUARTER 2023



### HIA TRADE PRICE INDEX BY REGION

	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Change	
														Quarterly	Annual
<b>Sydney</b>	172.2	183.9	173.8	166.0	175.7	174.3	185.8	186.2	198.5	198.8	204.8	203.6	218.1	7.1%	9.9%
<b>Regional NSW</b>	174.9	171.4	175.1	171.0	174.1	170.3	178.9	185.4	184.2	197.6	178.9	194.4	191.9	-1.3%	4.2%
<b>Melbourne</b>	166.2	164.5	163.4	172.1	176.1	174.5	179.3	202.1	196.7	179.9	187.2	184.0	208.3	13.2%	5.9%
<b>Regional VIC</b>	180.3	167.3	172.3	170.8	177.5	189.6	174.0	190.1	183.8	182.9	201.0	192.1	191.3	-0.4%	4.1%
<b>Brisbane</b>	187.8	170.4	171.8	187.6	167.5	171.0	190.9	192.1	203.6	209.3	190.6	197.0	203.8	3.4%	0.1%
<b>Regional QLD</b>	156.0	169.1	187.0	159.1	172.0	176.7	175.8	177.5	206.7	201.1	216.1	192.4	218.4	13.5%	5.6%
<b>Adelaide</b>	133.7	152.8	167.6	159.1	171.6	183.0	176.9	180.3	173.7	164.0	189.7	206.1	205.2	-0.4%	18.2%
<b>Regional SA</b>	165.7	192.3	171.1	178.3	184.8	172.6	203.8	211.2	180.5	210.9	210.9	175.4	221.5	26.3%	22.7%
<b>Perth</b>	144.8	177.1	170.6	206.7	181.9	163.3	184.6	190.3	196.5	211.7	183.3	209.7	211.3	0.7%	7.5%
<b>Regional WA</b>	212.0	163.9	173.1	192.5	184.3	191.1	190.2	206.6	211.8	232.6	233.1	246.0	206.2	-16.2%	-2.7%
<b>All of Australia</b>	167.2	170.1	172.9	176.0	175.9	178.0	181.7	192.7	194.1	194.8	194.7	199.2	203.6	2.2%	4.9%

## NOTES

The HIA Trades Report is compiled each quarter from a sample of HIA trade subcontractor and builder members. The information is gathered via an on-line survey in which members are asked to provide their average charge out rate minus GST and materials. They are also asked for their perception of the availability of each trade in their particular region using a five-tiered Likert type scale, with answers ranging from critical short supply through to massive oversupply. The HIA Trade Availability Index has a range of +2.00 to -2.00. An index measure of between +0.01 and +1.00 indicates a moderate oversupply of skilled labour; a reading between +1.01 and +2.00 a substantial oversupply. Conversely, an index reading between -0.01 and -1.00 reflects a moderate undersupply of skilled labour while a reading between -1.01 and -2.00 represents a substantial undersupply.

Trade descriptions are grouped as follows:

- Bricklaying – includes rendering trades
- Carpentry – includes first and second fix carpenter, internal framing, roof carpentry and stair building
- General Building – includes bathroom renovations, building maintenance, cabinet making, patios, pergolas and decks, and steel fabricators
- Joinery – includes kitchen manufacturing and installation and cabinet making
- Landscaping – includes paving, and swimming pools
- Other trades – includes all trades not elsewhere classified including concreting, floor sanding, building designers, garage door installers, glazing trades, pest control, scaffolding and security systems.

individual support | local knowledge | national strength



## **ECONOMICS**

If you would like to know more about HIA Economics  
contact us on 02 6245 1393 or visit [hia.com.au/economics](http://hia.com.au/economics)