



MEDIA RELEASE

2 April 2019

Skilled labour shortage threatens to put the brakes on infrastructure boom

Australia's economic performance post the mining boom has been largely driven by infrastructure spending: engineering construction, roads, rail, the NBN. Governments at all levels: Local, State and Federal, have been rolling out unprecedented levels of infrastructure projects, but a shortage of skilled labour and the looming retirement of 17% of the civil workforce threaten to put the brakes on that economic growth and to delay the completion of critical projects.

Chief Executive Officer of Civil Contractors Federation (CCF) Victoria, John Kilgour, says Governments need to do more about creating career pathways and promoting sustainable employment in civil to start addressing skilled labour shortages.

'As anyone who has built a house will know, it's a complex process, and when someone fails to fulfil their end of the deal, it puts the whole project on hold.

'When you're talking about large infrastructure projects, you can multiply that complexity by 100. Having the appropriate labour skills in place is critical to avoid time and cost blow-outs.'

With the recent Victorian State election, commitments by both sides of politics in the lead up to the forthcoming Federal election in May, and with interest rates at record lows; it's been an ideal time for states to invest in much needed infrastructure. However, the benefits an infrastructure boom can deliver in terms of services, jobs and spending will be lost without adequate planning and a smooth pipeline of works.

The CCF fears the situation is becoming critical. The Australian Bureau of Statistics (ABS) has limited data on the civil construction sector, meaning government is not able to see, understand and address the critical skills shortage within identified civil sectors. Technical & Trade sets such as Bridge, Tunnel & Marine construction, together with Road and Pipe Laying Units are not captured through the Australian and New Zealand Standard Classification of Occupations (ANZSCO) identified codes under civil construction.

'With current trades and workers either Mobile Plant Operators or Civil Engineers based on the ANZSCO codes, there are significant benefits to the broader civil industry having these trades expanded to provide statistical information, identify trends and skills shortages in Building and Construction, as designated role classifications,' said Mr Kilgour.

'There are some terrific projects in the pipeline and we all want to see them built, but the facts are they are put in jeopardy without a proper understanding of the skills required to get the work done.



Insurance | Risk Management | Consulting

OFFICES IN New South Wales, Victoria, Queensland, South Australia, Western Australia, Tasmania, Northern Territory, Australian Capital Territory.

Constructing Australia's Infrastructure



CCF VICTORIAN BRANCH
ABN 97 341 352 156

9 Business Park Drive
Notting Hill, VIC, 3168

P (03) 9588 7600
F (03) 9588 7601
E ccfvic@ccfvic.com.au

www.ccfvic.com.au

'Building public infrastructure and reducing unemployment would seem two pretty desirable outcomes for government. Let's train people up for these jobs that are critical to the state and the overall economy.'

The price of not creating these career pathways and training new workers may extend beyond lost employment opportunities, cost blow-outs or project delays. There are potential knock-on effects in terms of residential construction shortages as the sectors vie for a limited pool of skilled labour.

'Labour shortages in the civil or residential construction industries put upward pressure on costs, whether that's to housing or infrastructure projects, neither of which is a desirable outcome,' said Mr Kilgour.

'What we're calling for right now is a collaborative approach between government, industry associations, and training providers to attract, track and retain people to the construction sector and for that to occur as a matter of urgency.'

'In the medium to long term, we'd like to see the ABS conduct a proper scoping of the civil industry, so that it is appropriately recognised as a trade and that government understands what skills need addressing going forward.'



Insurance | Risk Management | Consulting

OFFICES IN New South Wales, Victoria, Queensland, South Australia, Western Australia, Tasmania, Northern Territory, Australian Capital Territory.

Constructing Australia's Infrastructure