



**MASTER BUILDERS
AUSTRALIA**

THE FUTURE OF THE WORKFORCE: SKILLED MIGRANTS IN BUILDING AND CONSTRUCTION

JULY 2024

CONTENTS

| | |
|--|-----------|
| Executive summary | 4 |
| Summary of recommendations | 6 |
| The need for migrant workers | 7 |
| The migrant workforce and pathways to Australia | 13 |
| Australia's way forward – a construction visa | 34 |
| What needs to change | 42 |

MASTER BUILDERS AUSTRALIA

Master Builders Australia (Master Builders) is the nation's peak building and construction industry association. It was federated in 1890. Master Builders' members are the Master Builders' state and territory associations.

Over 130 years, the Master Builders network has grown to more than 32,000 businesses nationwide, including the top 100 construction companies. Master Builders is the only industry association that represents all three sectors: residential, commercial and civil construction.

The building and construction industry needs more workers. The workforce must be supported and cultivated so it can grow in line with demand and become more productive.

Skilled migrants represent a vital part of that growth.

Master Builders Australia advocates for visa and skills recognition processes to be simpler, more cost effective and quicker so more suitably skilled migrants can join the building and construction industry.

This will boost the workforce and help Australia meet its ambitious building and transformation goals.

THE BUILDING AND CONSTRUCTION INDUSTRY



1.37 million workers
(May 2024)



About 450,000 businesses,
of which 98.7 per cent
are small in size
(31 March 2024)



One in 11 Australians are
employed in building
and construction
(February 2024)



Construction businesses
paid \$77.2 billion in wages
during 2021-22



Fourth largest industry
employer in Australia
(February 2024)



More than 319,200
independent contractors
(August 2022)



13.6 per cent of
those working in the
industry are women
(May 2024)



Activity across civil,
commercial and residential
construction was almost
\$250 billion
(2022-23)



116,560 apprentices
in training
(end of December 2023)



55 per cent of businesses
turn over less than
\$200,000 per year
(30 June 2023)

EXECUTIVE SUMMARY

The Australian building and construction industry is facing significant pressure from a number of directions. Government building targets, community infrastructure needs, cost inflation, industrial relations, increased and complex regulatory requirements, high demand for housing, a cost-of-living crisis, increased insolvencies and pressure on small businesses have created a productivity maelstrom.

All of this with an overlay of chronic and critical workforce shortages.

Skilled migrants represent an important part of the building and construction industry and its ability to remain robust and resilient with around a quarter of all industry participants born overseas.

However, the federal Government's policy framework and immigration mechanisms are not kind to migrants who are skilled in building and construction trades.

Visas are difficult to secure, costly and come with long processing times. The skills recognition process is cumbersome, costly, slow and in some cases completely unnecessary. The Government wants migrants in Australia to experience positive outcomes and add value to the economy, but they cannot do this if the mechanisms in place to bring them, and keep them here, are working against them.

Master Builders urges the Federal Government to:

- › Develop and implement a construction industry-specific visa pathway that makes it quick, easy and cost-effective for migrants with the trade skills Australia needs to get here and get out on the tools, working in a role for which they are appropriately qualified.
- › Ensure all trade and trade-related occupations are included in the Core Skills pathway of the Skills in Demand visa.
- › Improve the process and reduce the need for skills assessments for migrants coming from countries with comparable qualification and training frameworks.
- › Ensure the skills recognition process that remains is quick, simple and cost effective.
- › Streamline national licensing frameworks insofar as possible to enable workforce movement and allow for nationally accredited gap training for all licensed trades.

Currently, Australia's migration system is broken and that means the building and construction industry simply cannot increase its workforce capabilities to the extent required to meet demand.

Something needs to change.



SUMMARY OF RECOMMENDATIONS

- › The Australian immigration system must better prioritise the skilled workers who are needed to support the economy and meet construction and infrastructure goals.
- › Appropriately skilled migrants must be better targeted and the process through which people can apply for particular visa streams should be made clearer.
- › Government must invest in creating a simpler visa system with lower costs, quicker processing times, better employment outcomes, and clearer pathways to permanency.
- › Master Builders urges Government to remove or reduce the Skilling Australians Fund levy, especially in regional areas and for small businesses.
- › Migrants skilled in building and construction must be included in the scope of the Core Skills Occupation List.
- › Government must prioritise the processing of construction occupation visas, especially if any of those are included in the future Skills in Demand visa Core Skills stream.
- › All levels of government should invest in pilot programs that make it easier for skilled migrants to come to Australia and also for businesses to employ them.
- › All levels of government must ensure that migration pilots can be successful.
- › The Job Ready Program is better utilised by Government to support international students in trades to become skilled and able to join the building and construction workforce.
- › Government must develop a Construction Skills Pathway visa, similar to those in Canada, New Zealand and the UK that will ensure skilled migrants can apply for cost effective, fast visas that will provide options for permanency and embrace mutual recognition of comparable, or better, trade qualifications from other jurisdictions.
- › Existing employer sponsored visa pathways must become more affordable and have faster processing times.
- › Comparable, or better international qualifications must be identified and exempt from hefty skills assessment processes. Mutual Recognition Agreements (MRA) could be used to exempt migrants with comparable qualifications from needing a detailed skills assessment.
- › BuildSkills Australia should work with industry and government to develop a pilot for a gap training course for carpenters and bricklayers who have qualifications from comparable jurisdictions and are seeking to work in Australia.
- › English language standards for skills assessments should be reduced to 4.5 or 5.0 for migrant workers in non-licensed trades.
- › Migrants with qualifications and work experience from a comparable jurisdiction should be exempt from skills assessment requirements and processes via MRAs.
- › Government and industry should provide simpler and more accessible coaching for migrants on how to find a job in the industry – the higher education space is an example of success in providing support to international students.
- › All levels of government must work together to streamline occupational licensing requirements and ensure internationally comparable qualifications or requirements are quickly recognised without the need for long skills recognition processes.
- › Government should ensure pathways to permanent residency are clear and enticing for skilled migrants already in the country who have building and construction qualifications and experience. Fast-track these people to permanent residency if they are working in building and construction.
- › Government should expand eligibility for the graduate visa and graduate visa extension to all Australian Qualifications Framework Certificate III and above qualifications.
- › Provide free or low-cost skills assessments to people in country on humanitarian or partner visas and who have building and construction qualifications and experience.

THE NEED FOR MIGRANT WORKERS

THE WORKFORCE IN 2024

The Australian building and construction industry needs more workers.

With an ageing workforce and increasing demand for housing and infrastructure, Master Builders anticipates that at least half a million people must enter the industry over the years to 2029. No fewer than two thirds of those new entrants will need to be skilled tradespeople. This is simply to maintain business as usual.

To achieve the Housing Accord goal of 1.2 million new homes by 2029, and net zero transformation by 2050, the number needed is even higher.

BuildSkills Australia noted in March 2024 that the building and construction industry needed 90,000 new trades workers between then and the end of June 2024.¹ The industry fell well short. According to the Australian Bureau of Statistics (ABS), the number of people employed in building and construction increased by 49,927 between February 2024 and May 2024.²



1.2 million new homes must be built between now and June 2029



Half a million workers needed by 2029 just for business as usual³



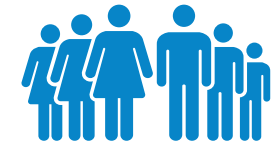
90,000 new workers needed to build 60,000 new homes nation-wide in September quarter 2024⁴



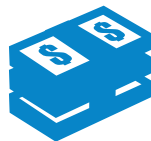
60,000 new homes needed every quarter until 2029



21,415 apprentices completed their training (year to December 2023)



A \$10,000 bill and a wait of up to 18 months for migrant skills recognition⁵



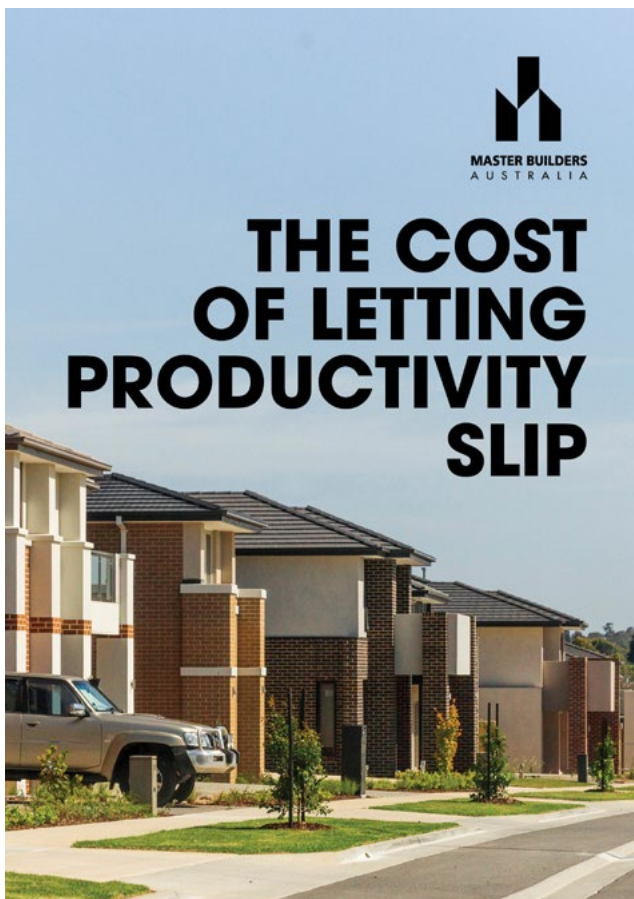
House building costs have increased by 40 per cent since COVID-19⁶



24% of building and construction workforce were born overseas, 2.8% arrived in the last five years⁷



3.1 per cent of tradespeople are women (May 2024)



In May 2024, Master Builders released [The Cost of Letting Productivity Slip](#).⁸ The paper analysed the impact of four economic scenarios on the performance of the Australian building and construction industry and the wider economy over the five-year period from 2023-24 to 2027-28. One of these scenarios was prolonged labour shortages.

The research measured the impact on:

- > the number of homes built
- > the total volume of construction industry output
- > the total size of Australia's economy or GDP and the final price of building and construction output
- > building and construction industry employment outcomes.

The analysis showed that a continuing labour shortage would result in:

- > 73,000 fewer people in the building and construction industry by the end of the shortage's fifth year
- > the loss of 13,175 new home building starts
- > a decrease in building and construction output totalling \$7.72 billion
- > a \$57 billion reduction in GDP
- > average building and construction output being more than 3 per cent more costly.

In a survey of members of the Master Builders network in April 2024, 85 per cent of respondents said it is a struggle to find suitably qualified workers and 66 per cent said that sourcing workers was the biggest issue facing the industry.

Of the reasons given for this 68 per cent said the cost of employing people is getting too expensive and 53 per cent said they are not appropriately skilled.

72 per cent said the workers simply are not there.

There are not enough workers to meet demand.

WHAT MASTER BUILDERS MEMBERS SAY:

Lucy Anderson from ACT Formwork said:

“finding and retaining competent workers is one of the biggest issues which has always faced our business. Because of this, our competent workers are overworked to help keep up with programs, and we are unable to expand due to not having the workforce to be able to adequately resource projects.”

Anthony Friend from Pacific Formwork in the ACT said:

“finding suitable qualified workers limits the volume of work we are able to take on, often passing up on opportunities to undertake additional projects.”

Ron Keogh from EMCO Building in WA said:

“we are struggling to find key workers across many fields from trades (including labourers, ceiling and walls, window installers, concreters, steel fixers, mechanical installers) to white collar staff such as HSE advisors, Site Managers, Project Managers and Contracts Administrators. The shortage of available resources has caused us to be short staffed in some key areas.”

A Gabrielli Constructions representative from QLD said:

“we cannot find plant operators or truck drivers. Most of my own plant stands idle. We have had to outsource our own work to get production, but it comes at a higher cost to us. We cannot find carpenters, so we have to pay groups to carry out this work at a higher cost, which impacts our ability to secure contracts. All our trades contractors are suffering the same issues and consequently are charging a premium ... to take on our work. Everything is costing more for less productivity.”

A custom shed, carport and barn builder in SA said:

“finding qualified workers has become a significant challenge, impacting operational efficiency and growth. Many applicants lack the necessary qualifications, requiring additional training that delays projects and increases costs. Furthermore, wage expectations have risen, making it increasingly expensive to compete for skilled labour. ... Above all, the overarching problem is the sheer scarcity of workers. With fierce competition for skilled labour and regional housing challenges deterring new talent, we often face operational strains due to a stretched team, leading to project delays and added pressure on existing staff. This multifaceted issue significantly hinders our ability to efficiently operate and expand.”

Mark Bauer from Manteena in the ACT said:

“as a head contractor, we find it challenging to recruit experienced project management staff who are ‘job ready’ to run projects in their own capacity. We also find it challenging to source subcontractors who have sufficient workforces to resource their projects. Finally, we are aware of the challenges that the professional sector (architects, engineers, etc.) face in recruiting and retaining experienced practitioners. The quality (or lack of) directly influences (negatively) the outcome of the projects that we in turn need to deliver.”

Justin Trewren, a builder in WA said:

“the lack of workers drives up the labour rate for those that are available. This impacts margin on fixed price contracts with clients. It also creates much longer build timeframes as the lead times between trades increase exponentially.”

STRUCTURAL WORKFORCE NEEDS

Building and construction is the largest employer of apprentices in Australia. There were 116,560 apprentices in training in this industry at the end of December 2023 – representing 34 per cent of all apprentices.

The number of apprentices in training in building and construction has decreased. In December 2022 there were 118,615, (-2 per cent). The number of apprentices commencing and completing building and construction apprenticeships also decreased by 22 per cent and 15 per cent respectively.⁹

Building and construction apprentices, December 2023

| | 2019 | 2020 | 2021 | 2022 | 2023 | DIFF. | % |
|-----------------------------|--------|--------|---------|---------|---------|---------|------|
| Commencements | 33,455 | 39,755 | 51,855 | 54,035 | 41,935 | -12,100 | -22% |
| Completions | 18,285 | 16,795 | 20,110 | 25,095 | 21,415 | -3,680 | -15% |
| Cancellations / withdrawals | 25,925 | 21,840 | 29,720 | 33,460 | 33,290 | -170 | -1% |
| In-training | 87,795 | 99,065 | 113,130 | 118,615 | 116,560 | -2,055 | -2% |

Source: National Centre for Vocational Education Research, December 2023

The decline in apprenticeship commencements and completions is not new. Although the COVID-19 pandemic saw a spike, the downward slope of people undertaking building and construction training is regaining its momentum as COVID-19 related incentives are wound back.

There are not enough people seeking to commence, or complete apprenticeships in building and construction trades in Australia for a number of reasons. Many of these are detailed in a paper released in June 2024 by Master Builders entitled [The Future of the Workforce, Apprentices in building and construction](#).¹⁰



Master Builders recognises the inroads currently being made in this space by the Minister for Skills and Training and the Department of Employment and Workplace Relations. However, until the number of people completing building and construction apprenticeships increases significantly, the industry must look to skilled migrants as a valuable and important source of workers to fill short- and medium-term needs.

The industry cannot train its way out of the current skills crisis. It needs more skilled migrants.

DEMAND FOR INFRASTRUCTURE AND DOMESTIC COMPETITION

The community rightly expects their homes to be healthier, more comfortable and more affordable to maintain. They need roads, rail, utilities infrastructure, schools, hospitals, aged care facilities, childcare centres, community and recreational spaces, and shops.

In the next decade, more Australians will demand access to home ownership and infrastructure to support a growing population.

In its 2023 *Infrastructure Market Capacity* report, Infrastructure Australia found that the major public infrastructure pipeline stands at \$230 billion over five years – an increase of four per cent on the previous year. The report also found that the pipeline was smoothing because governments had taken action to actively manage demand. Despite this, several market capacity constraints are inhibiting the ability of the sector to deliver projects on time and on budget including:

- > Skills shortages
- > Non-labour supply challenges
- > Stagnating productivity.¹¹

According to that same report, demand still significantly outweighs supply, and productivity growth remains stagnant compared to other industries.

Demand for building and construction activity is projected to be strong over the forecast horizon to 2028–29, but supply is not able to keep up. Declining productivity is a key barrier. There have been attempts to release supply pressures through incentives and reforms targeted at delivering more housing which will only be effective if productivity issues are addressed concurrently.

Building and construction is in a delicate economic position. There are many reasons for this, including the National Housing Accord – to which Master Builders is a signatory – that involves an ambitious target of delivering 1.2 million new homes over the five years to 30 June 2029. Meeting and sustaining this volume of output would represent success in the struggle to match supply with demand.

However, Australia has never delivered 1.2 million new homes in a five-year period.

The closest was during 2014–18, when a total of 1.1 million new dwellings were commenced. Over the five years from 2024–25 to 2028–29, Master Builders forecasts that fewer than 1.1 million new home starts will take place.

Australia is likely to fall short of the Housing Accord target by more than 100,000 homes.

If the building and construction sector is to prosper and the ambition to deliver more housing is to be met, addressing productivity constraints needs to be a priority for all levels of government and industry.

This is especially the case because building and construction is not the only sector desperate for workers. Shortages are being felt across a number of industries, including but not limited to agriculture, manufacturing, transport and logistics, health and aged care and education. The amount of work required from these sectors concurrently, is placing huge pressure on the economy.



THE MIGRANT WORKFORCE AND PATHWAYS TO AUSTRALIA

THE MIGRANT WORKFORCE

Migrant workers coming to the Australian building and construction industry are highly skilled, educated and remunerated. They have positive outcomes and successful careers. That is, if they can get here and have their skills recognised. These are high hurdles to clear and the latter is a contributing factor to why skilled migrants work in roles below their skill level and experience poorer outcomes.

More migrant workers in the building and construction industry can have positive outcomes in Australia if the systems in place to support them are reformed.

ABS data shows that of all permanent full-time workers in building and construction who were not born in Australia, more than half (52.1 per cent) are earning more than \$78,000 a year. Significantly more – 67.1 per cent – earn more than \$65,000. This is compared with their Australian-born counterparts, of which 46.3 per cent are earning more than \$78,000 per year, and 60 per cent earn more than \$65,000.

In fact, when tracked against their Australian-born counterparts, migrants working full-time in building and construction earn comparable salaries.

Migrant earnings¹²

| | NEGATIVE OR NIL INCOME | \$1-\$20,799 | \$20,800-\$51,999 | \$52,000-\$64,999 | \$65,000-\$77,999 | \$78,000-\$90,999 | \$100,000-\$181,999 | \$182,000+ |
|---------------------|------------------------|--------------|-------------------|-------------------|-------------------|-------------------|---------------------|------------|
| Non-Australian born | 0.30% | 0.60% | 15.60% | 15.80% | 15.00% | 14.00% | 31.60% | 6.50% |
| Australian born | 0.30% | 0.80% | 21.90% | 15.80% | 14.10% | 13.40% | 28.10% | 4.80% |

Of the permanent migrant workers in building and construction, most are highly qualified: 30 per cent have a Certificate III or IV, 28 per cent have a Bachelor degree or equivalent and eight per cent have a postgraduate qualification.¹³

A large cohort of migrant workers in building and construction have vocational level qualifications. At a time when Government is prioritising workers with white collar skills – for example through the new Specialist Skills pathway of the impending Skills in Demand visa – it is important not to forget the incredibly valuable vocational skills that migrants bring to the Australian workforce.

CASE STUDY: CAMILA BERNAL – CAULKER



Camila is from Colombia. She studied graphic design for five years and when she graduated she bought a ticket to Australia to learn English for a year. She fell in love with the country and seven years later, she is still here.

Back then, as an international student, Camila started working in hospitality for a few hours a day while studying full-time. Her priority was study, but she also had bills to pay. Her friend was working as a caulker and asked if she wanted to learn. Camila said yes and now she says she loves the construction industry and her job as a caulker – which she has been doing for six years.

Camila says:

“being a female in a male-dominated industry is challenging, but for me, it was even more challenging that I was a foreigner and my first language is Spanish and I was just learning English. You can imagine how challenging it was for me to embrace this job in a country that was not mine, speaking in a language I barely knew and being completely on my own as my entire family and friends were in Colombia. It was scary and completely out of my comfort zone but I wouldn’t change a bit of my journey because all of those experiences made me the woman I am today.”

Camila has worked for a few different companies in the last six years, but she recently started her own business. She says it is:

“a whole new world that I am about to explore and honestly I cannot be more excited about this new chapter of my life.”

Camila’s advice for people considering becoming tradespeople in Australia, particularly female migrant workers is this:

“be committed to the job, take pride in it, and definitely love what you do. Without these three things, I wouldn’t be where I am today. Being a tradie is not easy. It can be physically and mentally exhausting but if you stay focused it will be a very rewarding job. And most important, never stop learning, for me every day at work is another day to learn something new, every project is different and it comes with different challenges, be open to learning and improve your skills every day, no matter how much experience you have doing a trade, you will never stop growing.”

BARRIERS TO DOMESTIC GROWTH

The domestic building and construction workforce faces a number of barriers to growth, beyond simply encouraging more apprentices to complete their training. These can be broadly categorised into training perceptions, regulatory and policy challenges, economic factors, demographic challenges and culture.

On top of that, the average cost of building a home has increased by 40 per cent since 2019. This has happened as productivity in the industry fell by 18 per cent over the last decade. With cost of living and doing business pressures being felt across the country, this environment is not sustainable for consumers or the building and construction industry.

These pressures constrain industry capability to deliver in line with demand. They are colliding and creating huge barriers to industry and economic growth.

TRAINING AND THE PERCEPTION OF VET

The vocational education and training (VET) sector often struggles to keep pace with industry needs. Issues arise regarding the quality and relevance of training programs, as well as their accessibility. This is compounded by the community's perception that VET is a sub-par choice to higher education. A VET qualification is the highest level of education attained for around half of the 1.32 million people in the building and construction industry.

VET pathways are undervalued. Government is promoting university more than ever and aiming to double the number of students commencing higher education degrees.¹⁴ This comes at the cost of students undertaking VET qualifications.

The domestic workforce cannot grow until the perception of VET is changed.

REGULATORY AND POLICY CHALLENGES

Compliance with complex and ever-changing building codes and standards can be challenging, particularly for small businesses. Increased, unnecessary, confusing or complex regulation hinders the capacity of the industry to be productive.

Furthermore, the Federal Government has legislated a set of complex industrial relations reforms: the *Secure Jobs Better Pay Bill* and the two *Closing Loopholes Bills*. These changes impact the industry either directly or indirectly, and the effect on productivity and capacity to grow will be felt heavily.

Regulation must be less complex and easy to comply with. The industrial relations environment must support businesses and their employees, rather than hinder them.

ECONOMIC FACTORS

Building and construction is highly sensitive to economic cycles. Economic downturns can lead to reduced investment in new projects, while supply side pressures can emerge at times of elevated activity. Compared with before the COVID-19 pandemic, the average cost of all building and construction output has increased by 30 per cent – a period which saw house building output costs specifically climb by 41.2 per cent. Although demand for housing and infrastructure is higher than ever, the cost involved precludes many from entering the market.

The domestic market cannot keep pace without skilled migrants.

SOCIETAL AND DEMOGRAPHIC FACTORS

An ageing workforce means that substantial numbers of people retire from the industry each week. This reduces the size of the workforce and means that valuable knowledge and skills drain away. The industry must attract enough new entrants to the industry to fully offset the workers exiting due to retirement and other factors.

Young people need to be better incentivised to join the building and construction industry to alter the demographic make up and counteract the ageing workforce.

CULTURE

The building and construction industry remains male-dominated, and there are barriers to entry and retention for women that continue to exclude them from the sector. These have been made clear by the recent exposé on the construction division of the CFMEU.¹⁵ Given building and construction has historically only attracted half of the potential workforce – men – the industry has limited its capacity to meet shortfalls.

In 2024, women made up 13.6 per cent of the building and construction workforce, but only about three per cent of them were on the tools.¹⁶ Female participation is still not high enough and more needs to be done by employers, industry groups, educational institutions, and all levels of government. Cultural change is needed, industry structures must adapt – such as implementing more flexible patterns of work – and more funding is required to support evidence-based programs on how to attract and retain women.



Master Builders released a paper in May 2024 entitled *Breaking Ground: Women in Building and Construction* that details the value women bring and mechanisms through which the industry can attract more women to its workforce.

The industry needs to inject more diversity into the workforce in an effort to change the historically male-dominated culture and attract more people to building and construction.

CASE STUDY: NEWFORM STEEL

A representative from NewForm Steel notes that the process of employing a skilled migrant worker is costly and lengthy. She said:

“we need to obtain an immigration lawyer for paperwork as well as [make] all the lodgements through the Department of Home Affairs. [We] obtain all relevant documents for the employee, [get] certificates and skills assessments done and submitted. [We do] police checks from country of origin, health checks, get Australian standard qualifications certified against qualifications from overseas, [do] English testing including literacy, numeracy and verbal testing, [draft a] proposed employment contract between ourselves and the employee (Visa Holder), [organise] Australian private health insurance and annual membership for the duration of the Temporary Skilled Shortage Visa 482.

“We advertise for the same job/position for a month on seek.com, indeed.com, newspapers etc. and keep a spreadsheet showing all the applicants, interviews [and whether they are] successful or not. This is just to get the initial 482 Visa.

“After this we apply for the permanent residency and we do it all over again, with a lot more documents.”

NewForm Steel continues to recruit migrant workers because they have huge success stories in their business and have sponsored a number of skilled migrants who are now on track to permanent residency.

Juan Garzon (a permanent resident) has left NewForm and is running his own successful business. Elgan Jones (a permanent resident) is a senior manager in the company and helps with on-site training. Aljay Vergara (awaiting permanent residency) is a senior manager in the Fabrication/Stainless Steel area. Keith Miller (awaiting permanent residency) is a senior manager on-site. Marvin Rivera (awaiting permanent residency) is a senior manager in the Fabrication area.

NewForm Steel also employs around eight apprentices, four trainees, and almost 20 domestic workers.

PATHWAYS TO AUSTRALIA

Skilled migrants represent a vital part of the Australian building and construction industry, and their participation eases workforce pressures.

To be clear, the need for skilled migrants in Australia does not diminish the building and construction industry's commitment to increasing the number of commencements and completions of trade apprenticeships by domestic workers. This is a priority. However, building and construction faces systemic, chronic issues attracting and retaining the significant number of skilled workers needed.

As noted by BuildSkills Australia in a recent submission, “migration can help to correct labour imbalances but requires a careful approach. Simply increasing the aggregate number of migrants can exacerbate labour shortages because, while migrants clearly contribute to labour supply, they also add to demand. The demand impacts of migration are particularly relevant to the built environment because every new migrant requires additional accommodation and other services, which implies a corresponding increase in labour to construct and operate the associated built environment assets.

“A key priority for migration policy should therefore be to calibrate the migration intake to ensure its contribution to supply outweighs its contribution to demand. In effect, the proportion of migrants employed in the industry must be higher than the percentage of industry employment in the broader population.

Otherwise, the increased demand from migrants-as-residents will not be met by a corresponding increase in migrants-as-workers”¹⁷

Migrants in building and construction are in many ways set up to fail by Australia's systems. Many end up coming to work in their trade on short-term, ephemeral visas that are simpler to secure and do not require a skills assessment. They do not have easy pathways to permanency or access to government support. This is not a positive outcome for the migrant nor the industry.

Alternatively, they seek to obtain long-term visas that are costly, have long processing times, and require skills assessments. Some of them desire permanency, want to work as sole traders, or need to obtain a licence. In addition to the visa process, skills assessments are rigid, slow and expensive. This process does not set a skilled migrant up to succeed.

According to the Migrant Workers Centre, “despite the pro-migration rhetoric that emerged in the aftermath of the pandemic, migrant workers are generally sceptical about seeing any immediate and positive changes because Australia does not have a culture of treating migrant workers fairly nor a just system of migration. Their skills are hardly recognised, work is devalued, and settlement is challenged.”¹⁸

All levels of government must make it easier to attract and retain highly skilled migrant trade and trade-related workers.

Within the building and construction industry, at the 2021 Census, 24 per cent of workers were born outside Australia, and 8 per cent had migrated within the previous decade.¹⁹

This is compared to the national landscape, where 27 per cent of the Australian workforce was born overseas, and 9 per cent arrived in the 10 years between 2011 and 2021.²⁰

The largest cohort of skilled migrants in Australia's building and construction industry come from North-West Europe (6.5 per cent), followed by Southern and Central Asia (2.82 per cent), Southern and Eastern Europe (2.54 per cent) and North-East Asia (2.5 per cent).²¹

If using BuildSkills Australia's analysis above, skilled migrant intake in building and construction falls well short of where it needs to be in order to be effective.

The Australian migration program has two rationales: mitigating an ageing population and filling skilled labour shortages.²² However, only about one third of new permanent residents are selected based on their skills. Fewer than 10 per cent are primary applicants in the Skilled Independent visa category.²³

Nurses, accountants, IT specialists, engineers, teachers and chefs made up some of the top ten Australian and New Zealand Standard Classification of Occupations (ANZSCO) occupation unit groups in the 2022–23 skills visa stream. Construction trade workers did not feature.²⁴

Analysis of May 2023 Skill Select data maintained by the Department of Home Affairs indicates that the majority of expressions of interest made by migrant tradespeople for Points-Tested, Skilled Australian Sponsored and State or Territory Nominated visas do not proceed to the application stage. For example, of those expressions of interest made by plumbers, electricians, bricklayers and carpenters, the following outcomes are noted:

Accepted Expressions of Interest, May 2023²⁵

| | | SUBMITTED | INVITED | LODGED |
|---|----------------------------|-----------|---------|--------|
| Points-tested stream | 341111 Electrician General | 153 | <20 | <20 |
| | 334111 Plumber General | 40 | NIL | <20 |
| | 331212 Carpenter | 497 | <20 | 133 |
| | 331111 Bricklayer | 67 | <20 | <20 |
| Skilled Australian sponsored | 341111 Electrician General | 313 | <20 | 75 |
| | 334111 Plumber General | 69 | <20 | <20 |
| | 331212 Carpenter | 688 | <20 | 181 |
| | 331111 Bricklayer | 128 | <20 | 36 |
| State or territory nominated - regional | 341111 Electrician General | 245 | <20 | 31 |
| | 334111 Plumber General | 54 | <20 | <20 |
| | 331212 Carpenter | 354 | <20 | 69 |
| | 331111 Bricklayer | 82 | <20 | <20 |

In fact, it was reported recently that just one in five trades people who expressed an interest in coming to Australia were invited to apply for a visa. Between June 2022 and November 2023, 23 per cent of plumbers, 24 per cent of bricklayers, 21 per cent of electricians, and 18 per cent of carpenters and joiners who submitted expressions of interest to apply for a skilled visa through Australia's Skill Select system were then invited to do so.

Across the four key professions, only 600 of the 2,972 people who expressed interest were invited to apply – just 20 per cent.²⁶

Master Builders understands that the reasons for the small number of invitations issued are that the people applying were not appropriately skilled, and because some individuals made multiple applications and were thus double counted in the total number.

Master Builders suggests that the parameters for applying for a visa like this are made clearer to prospective applicants to ensure appropriately skilled people apply in the correct way through the correct mechanisms. This would also ease some of the pressure on the migration system by removing unnecessary applications.

RECOMMENDATION

The Australian immigration system must better prioritise the skilled workers who are needed to support the economy and meet construction and infrastructure goals.

Appropriately skilled migrants must be better targeted and the process through which people can apply for particular visa streams should be made clearer.

INTERNATIONAL COMPETITION

The World Economic Forum noted that building and construction-related trades were among the roles most commonly in shortage across the European Union (EU). The Forum predicted some of the highest net growth in the industry between 2023 and 2027, of between one and two million jobs.²⁷

In the United States, analysis from early 2024 by the Associated Builders and Contractors found that at the end of November 2023, there were about 459,000 job openings in the building and construction industry. The 5.4 per cent job opening rate was the highest since 2000.²⁸

In the United Kingdom (UK) the Trade Skills Index 2023 noted the need for 937,000 new entrants to the building and construction industry by 2033, with 244,000 of them being qualified apprentices.²⁹

In Canada and New Zealand, there are competitive visa options offering pathways to permanency without the red tape that surrounds the Australian system.

Canada, New Zealand and the UK offer interesting case studies.

CANADA

In Canada, migrant workers are estimated to comprise about 18 per cent of the construction workforce, although migrants make up 23 per cent of the overall Canadian labour market.³⁰ The country faces similar issues to those in Australia.

The difference is, however that Canada has several migration programs tailored for building and construction workers; both those currently residing in the country and those abroad looking to emigrate.

Federally, there are programs such as:

- › The Temporary Foreign Worker Program (TFWP) which allows Canadian employers to hire foreign workers to fill temporary labour and skills shortages in various sectors, including construction, when domestic workers are not available. Workers can then seek to transition to permanent residency through pathways like the Canadian Experience Class (CEC) under Express Entry.³¹
- › The Federal Skilled Trades Program (FSTP) is part of the Express Entry system and targets skilled tradespeople. This program facilitates permanent residency for workers who meet specific criteria, such as language proficiency and work experience. Many of the entry requirements for this visa are similar to the Australian Temporary Skills Shortage visa (subclass 482), but skills assessment and recognition processes are easier, and pathways to permanence are simpler to navigate.³²

Provincially, there are also separate programs available to migrant workers. For example:

- › The Nova Scotia Critical Construction Worker Pilot is designed for individuals with a permanent and full-time job offer from a Nova Scotian employer in specific construction occupations. Eligibility includes having relevant work experience, meeting language proficiency requirements, and other criteria.³³

The Ontario Immigrant Nominee Program the *Employer Job Offer: In-Demand Skills* stream includes construction-related occupations such as heavy equipment operators and general construction labourers, aimed at addressing labour shortages in the province. Foreign workers, international students and others with the right skills, experience and education can apply for a nomination. Skills and experience must be needed by the Ontario economy, and the Government of Canada makes the final decision to approve applications for permanent residence.³⁴

Other special programs exist, such as the *Out-of-Status Construction Workers in the Greater Toronto Area* initiative which allows construction workers who have fallen out of status but have been working in the industry to apply for permanent residency. The program, extended to accommodate more applicants, focuses on bringing workers out of the underground economy, ensuring better protection and access to social benefits.

Canada designs its programs to attract skilled building and construction workers and address growing demand in the industry. These programs have been well-received due to their alignment with Canada's economic needs and the high demand for workers. Between 2016 and 2023, Canada admitted over 42,000 permanent residents intending to work in the construction industry.³⁵

Canada is actively recruiting in the construction industry from abroad including from Australia. For example, in March 2024 the Consulate General held a webinar for young Australians titled *Build up your construction career in Canada*.³⁶

NEW ZEALAND

New Zealand has several migration programs for building and construction trade workers. These include:

- › The Accredited Employer Work Visa which allows New Zealand employers to hire skilled workers from overseas for specific roles, including many in construction. Workers in eligible occupations can transition to permanent residence after two years of work if they meet certain requirements regarding age, health, character, and English language standards.³⁷
- › The Construction and Infrastructure Skill Shortage List identifies specific roles that are in high demand across various regions in New Zealand. Migrants who have skills in these areas and a valid job offer may be eligible for an Accredited Employer Work visa, which can potentially lead to residency.³⁸
- › The Green List applies to highly skilled roles in the construction sector and provides a pathway to residency either directly or after working in New Zealand for a certain period. This list is regularly updated to reflect demand for skills.³⁹
- › The *Work to Residence* pathway is a program through which workers with two years of eligible experience can apply for residency, provided they meet other requirements such as age, health, and language proficiency.⁴⁰

According to Immigration New Zealand, the country faces similar chronic workforce shortages in building and construction to Australia.

According to Immigration New Zealand, the country faces similar chronic workforce shortages in building and construction to Australia.

“Recruitment in the construction market has been an issue for several years. Stats NZ’s Business Operation Survey 2021 reported that around 90 per cent of construction businesses reported experiencing moderate to severe difficulty recruiting tradespeople. This is at odds with the strong demand and growth in the construction sector, with 25 per cent more dwellings (49,773 dwellings) consented in the February 2022 year than the February 2021 year.

“Apprenticeships are currently at a record level. In July 2021, the Building and Construction Industry Training Organisation recorded 20,000 apprentices in training. However, there are significant skill shortages in the market for workers with more experience, such as specialist engineers and project managers”⁴¹

Construction-specific visa pathways and easier skills recognition processes make New Zealand an appetising candidate for skilled construction migrants.

There is no specific cap on the number of skilled construction migrants admitted annually as these pathways are designed to ensure that New Zealand can attract and retain the necessary skilled workers to meet its needs.

UNITED KINGDOM

The UK has a number of migration programs for building and construction workers. The primary route for skilled construction workers to migrate to the UK is through the Skilled Worker visa, which has undergone recent changes to better address labour shortages.

The Skilled Worker Visa allows individuals to go to or stay in the UK to do an eligible job with an approved employer. Construction roles such as bricklayers, roofers, stonemasons, and carpenters are included in this category. The salary threshold for this visa has recently increased from £26,200 to £38,700, making it more challenging for some roles to meet the requirements without being placed on the Immigration Salary List (ISL).⁴²

The ISL was introduced to replace the Shortage Occupation List (SOL) and includes specific occupations facing labour shortages and allows them to benefit from certain immigration concessions. For example, construction occupations such as bricklayers, roofers, and stonemasons are included on the ISL, helping employers to more easily recruit these workers from abroad despite the higher salary thresholds.⁴³

The Construction Industry Training Board (CITB) provides information and resources related to training and employment. Although the CITB primarily focuses on domestic training and apprenticeships, it acknowledges the role of migration in filling skill gaps within the construction sector.⁴⁴

It appears that BuildSkills Australia takes a similar view, noting that “the primary aim of immigration should be to help prevent long-term labour deficiencies within the nation’s most important industries.”⁴⁵

The UK usually only provides employer-sponsored visas for high-wage jobs, which affects some roles within the construction industry. This has been a significant limitation as many construction roles do not meet the skilled work visa criteria.⁴⁶

The construction industry has traditionally relied heavily on migrant labour in the UK, particularly people coming from the EU. Post-Brexit immigration rules led to a notable reduction in the availability of such labour, contributing to skills shortages within the sector. The CITB has reported ongoing challenges in recruiting sufficient skilled workers domestically to meet demand.⁴⁷

The UK government has introduced several measures to address these challenges, including updating the SOL and providing training initiatives through organisations like the CITB. Despite these efforts, employers in the industry have expressed concerns about the practicality and sufficiency of these measures in bridging the skills gap.

ATTRACTING SKILLED TRADESPEOPLE TO AUSTRALIA

It is one thing to prioritise skilled tradespeople, but it is another to make Australia an attractive destination. Migration directly supports businesses in meeting their workforce needs and maximising their outputs and productivity. This is particularly the case in the current environment of low unemployment and high participation where the domestic labour supply is insufficient to meet demand.

Before the COVID-19 pandemic, Australia ranked as a highly desirable country for migrants. The Organisation for Economic Cooperation and Development's (OECD) *Indicators of Talent Attractiveness*⁴⁸ ranks countries based on seven determinants:

- > quality of occupations
- > income and tax
- > future prospects
- > family environment
- > skills environment
- > inclusiveness
- > quality of life.

In 2019, Australia was top of the list for highly qualified workers followed by Sweden, Switzerland, New Zealand and Canada. Australia did not make the top five for attracting entrepreneurs (7th) or university students (6th).⁴⁹

The OECD also identified that a country's policies play an important role in their overall attractiveness and that most countries become more attractive if they adopt more favourable migration policy settings.

Australia does not rank so highly anymore.

It is currently fourth on the list of attractiveness after New Zealand, Sweden and Switzerland if all indicators are set to 'important'.⁵⁰

If the skills environment indicator becomes 'more important' Australia slips to fifth on the list.

As demand for skilled migrants internationally continues to increase, Australia must be a more attractive destination than other comparable or high-ranking countries.

A representative from a building company in Victoria said:

"It's easier and quicker to go to other countries. I have just lost a guy from Chile as he can go to Canada much easier than here. I can't blame him as the hoops we have had to jump through here are painful."

RECOMMENDATION

Government must invest in creating a simpler visa system with lower costs, quicker processing times, better employment outcomes, and clearer pathways to permanency.

Furthermore, employing a skilled migrant is becoming less attractive for Australian businesses as the costs and administration required are exorbitant. Removing or reducing the Skilling Australians Fund (SAF) levy would make a significant difference for many small businesses in building and construction, and allow them an opportunity to recruit from overseas where the domestic workforce cannot fill roles. This would be particularly appropriate in regional areas. Trailing the costs involved in recruiting a skilled migrant would also be helpful.

Master Builders agrees that mobility is important for migrant workers to prevent exploitation, but there must be a concession made for those employers who make a significant financial output up front to sponsor migrant workers.

Employers need a safety net if their employee wants to move on soon after starting with the business. Any policy relating to trailing fees must take this into account and the original employer should not be obliged to continue paying sponsorship costs if the migrant is no longer in their employ.

RECOMMENDATION

Master Builders urges Government to remove or reduce the SAF levy, especially in regional areas and for small businesses.



SKILLS PRIORITY LIST AND THE CORE SKILLS VISA PATHWAY

When the Temporary Skills Shortage visa (subclass 482) is repealed, this will leave few viable pathways through which migrants skilled in a trade can enter Australia. Short-term visas that have strict working conditions (i.e. only part-time hours) are not the answer to critical trade workforce shortages. Permanent visas – such as the Skilled Nominated or Skilled Independent visas (subclasses 190 and 189 respectively) or an employer nominated scheme such as subclass 186 – are expensive and have long processing times and administrative requirements. None of these options offers a viable solution.

In an environment where Australia is not the only country vying for highly skilled trades workers, this is untenable.

The Skills Priority List identifies occupations that are in high demand and facing shortages in the Australian labour market. Building and construction trades have featured on the Skills Priority List for many years, reflecting the consistent demand for skilled labour in the sector.

There are a number of reasons for this, including:

- › That Australia has experienced continuous economic growth, leading to extensive infrastructure projects, housing developments, and commercial construction, all requiring skilled tradespeople.
- › There is an ageing workforce in building and construction, leading to a need for younger, skilled workers to fill the gap.
- › The domestic training system has not produced enough graduates to meet the demand in various trades.

Specific occupations in the building and construction sector that frequently appear on the Skills Priority List and its predecessors include:

- › Carpenters and Joiners
- › Electricians
- › Plumbers
- › Bricklayers and Stonemasons
- › Building Inspectors
- › Construction Managers
- › Painters and Decorators
- › Plasterers
- › Roof Tilers
- › Wall and Floor Tilers

The Skills Priority List is a vital tool for determining proper immigration policy. It is also important for ensuring domestic students – apprentices in particular – have access to incentives and subsidies that support them in their studies. In the end, this is the goal – to have more domestic workers undertaking apprenticeships in building and construction trades. If such trades are removed from the Skills Priority List, this would have a detrimental effect on not just the capacity for skilled migrants to work in Australia, but also on the pipeline of future domestic workers.

The Skills Priority List has also been used to inform the development of the draft Core Skills Occupation List (CSOL), which will be used to determine which occupations are included in the new Core Skills visa pathway within the Skills in Demand visa. This pathway represents one of the only medium-term mechanisms through which the building and construction workforce can release some of its workforce shortage pressures. This is despite many tradespeople earning more than \$135,000 per year.

Master Builders was disappointed that tradespeople were expressly carved out of the Specialist Skills pathway, and fundamentally disagrees with the concept of differentiating highly paid trade workers from their white-collar counterparts.

RECOMMENDATION

Migrants skilled in building and construction must be included in the scope of the CSOL.

Master Builders made a submission to the CSOL consultation which can be found [here](#).⁵¹

Furthermore, construction trade workers applying for visas must be prioritised for processing and fast-tracked insofar as possible. It was announced by then Minister for Skills and Training, the Hon Brendan O'Connor as part of the 2024-25 Federal Budget that Trades Recognition Australia (TRA) would prioritise the skills assessments of construction trades workers from July 2024 in an effort to clear the backlog of up to 2,600⁵² people awaiting assessment, including those in building and construction.

The Minister for Home Affairs should similarly prioritise the processing of construction trade visas. This would be of particular value when it comes to the Western Australian Construction Visa Migration Agreement (WACMA) which is discussed in more detail in the next section.

RECOMMENDATION

Government must prioritise the processing of construction occupation visas, especially if any of those are included in the future Skills in Demand visa Core Skills stream.



CASE STUDY: PACIFIC FORMWORK



Graciete Ferreira
Managing Director
Pacific Formwork

Pacific Formwork is a family-owned business located in the ACT and NSW. The company employs more than 100 people.

Tiago Marques came to Australia from Portugal as a carpenter in late 2004. He was employed by Pacific Formwork on a Temporary Work (Skilled) visa (subclass 457) – the former Temporary Skills Shortage (TSS) visa. Management at Pacific Formwork immediately recognised his potential.

Graciete Ferreira, Managing Director at Pacific Formwork said:

“Tiago came from a part of Portugal that was fairly working class. We did not know what to expect as he was one of the first migrant workers we employed but his former employer in his home country vouched for him and when he started with us it was clear he was not only a good worker, but a smart one too.”

Tiago was young and Pacific Formwork helped him upskill and immersed him in the Australian way of life. He was working closely with other carpenters from day one and they helped him get used to the way of working where safety was the priority over production.

Graciete said:

“we always made sure our migrant workers were paired with a supervisor or mentor who could help them settle in and get used to working in Australia. This really helped us retain and train those staff, but it was also a big help for them in adjusting quickly to their new way of living. They were paired with someone who spoke their native language but they were encouraged to speak English as much as possible. For example, we told them to ‘go for it, watch the news in your home language, but don’t do it until you’ve watched the local news first’. This also helped them get their English language standards up to the required levels.”

For Tiago, this meant lots of time spent learning about how to work to Australian standards, understand cultural differences and practising his English. He went to language lessons twice per week – something Pacific Formwork provided for all staff – to practice his reading, writing, speaking and listening.

It was clear that Tiago had the skills and the ability to become an excellent carpenter and manager. He was initially uncertain about staying permanently but he became qualified, got married and decided to stay. Twenty years later, he has two children and has progressed to become Operations Manager at Pacific Formwork, looking after onsite operations of over 12 projects at any time. These projects could range from high end homes to infrastructure, schools, high-rise residential and anything in between.

Tiago is the perfect example of the value the temporary skilled visa pathway represents. His story is one of clear and well-deserved success.

Graciete says the pastoral care and support given up front to the migrant employees at Pacific Formwork was the key.

“It helped them integrate and find their place in the company and in society and meant they were happy to stay here with us. We have employed 66 migrant workers since 2004, and 21 of them still work with us. Some of them went back to their home country or retired but most of them are still in Australia working in building and construction.”

“They are settled here. Their children go to school here, their partners work, they play sport, they go out to dinner, they are part of our society. We are proud to support workers like this – and always help them get their permanent residency if they want it – because their success is our success,” said Graciete.

Pacific Formwork has not employed many skilled migrants in recent years – since the Temporary work (skilled) visa subclass 457 was turned into the TSS.

It has become too expensive, too lengthy and the requirements are too stringent. Graciete said she absolutely would start recruiting again through the temporary visa pathway if it was not so difficult, but English language standards still present a barrier.

“Companies like Pacific Formwork are good citizens in this space. We want to help our migrant workers settle in Australia and we know English is important for that. But English language learned overseas is so different to what someone learns in Australia. The social and cultural nuance is so important and it’s something that simply must be learned with time. Requiring people to have a high level of English language just makes it harder to get the right workers into the skills we need.

“If we could employ them with a lower English language standard and have the onus put on us to bring them up to speed then we would, and we can guarantee better outcomes for those people long-term in Australia.”

PILOT PROGRAMS, AGREEMENTS AND THE JOB READY PROGRAM

PILOT PROGRAMS AND MIGRATION AGREEMENTS

Pilot programs and migration agreements are a valuable way for Australia to attract more skilled migrants to the building and construction industry. They are short- and medium-term solutions to filling workforce gaps and testing the international market.

Australia has a small number of pilot programs that include the building and construction industry. One example is the Pacific Australia Labour Mobility (PALM) Scheme which allows eligible workers from Pacific Island countries and Timor-Leste to work in Australia. Workers can stay and work for up to four years and they receive training and support to ensure they meet Australian standards and can adapt to the local work environment.

Another is the WACMA pilot program initiated by the state government of Western Australia in collaboration with the federal government. The WACMA focuses on critical construction roles where there are acute shortages of skilled workers. This includes trades such as carpenters, electricians, plumbers, bricklayers, and other essential construction-related occupations. The pilot allows approved employers in the construction industry to sponsor overseas workers for temporary and potentially permanent visas. Employers must demonstrate that they have been unable to fill the positions with local workers despite genuine efforts.

The agreement provides certain concessions to make it easier for employers to sponsor overseas workers. These concessions may include:

- › Lower English language proficiency requirements compared to standard skilled migration visas.
- › Flexibility in the recognition of skills and work experience gained overseas.
- › Higher age limits for visa applicants to ensure a broader pool of potential workers.
- › Providing a clearer and more streamlined pathway to permanent residency for workers who meet the required criteria.

Employers can receive up to \$10,000 in milestone payments for sponsoring skilled migrants, while independent skilled migrants can receive payments of up to \$10,000 if they apply for their visa offshore.

Unfortunately, the pilot program does not appear set to continue. Of the 1,100 skilled migrant tradespeople intended to be granted visas through the pilot, only 179 have been successful — and just 114 have actually arrived in Western Australia. Visa applications have been lodged for 772 people but the vast majority remain overseas while they await visas from Home Affairs.

Of the \$11 million earmarked for the program, just \$2.7 million has been paid out to date. The visa backlog has been exacerbated by the Federal Government's decision to decrease the number of spots allocated to Western Australia in the State Nominated Migration Program from 8,140 in 2022–23 to 2,350 in the current financial year.⁵³

This pilot is a prime example of industry and governments developing a well-intentioned and valuable program to help ease workforce shortages and building pressures, but the federal migration system preventing it from working.

While other states and territories are planning to develop pilots of this kind, the Federal Government must get better at clearing the blockages that prevent well-intentioned programs from finding success.

Another example is Designated Area Migration Agreements (DAMAs) which are tailored agreements between the Australian government and regional, state, or territory authorities to address specific labour shortages. They provide access to a broader range of overseas workers than standard migration programs. Each DAMA is specific to a particular region and addresses local labour market needs, including in construction.

Some DAMAs offer concessions on English language requirements, salary thresholds, and age limits. Some regions with DAMAs in place that cover building and construction occupations include:

- > Northern Territory
- > South Australian Regional Workforce
- > Great South Coast (Victoria)
- > Goldfields (Western Australia)
- > Pilbara (Western Australia)
- > South West (Western Australia)
- > Far North Queensland
- > Orana (New South Wales)
- > Tasmania.

DAMAs are a useful tool for ensuring skills needs in regions that have high building and construction workforce demands are met. They also ease pressures on other parts of the workforce by limiting the need for increased domestic movement which could result in shortages forming in other regions.

For example, the mining boom in Western Australia, particularly around 2010, saw an influx of workers to the region. They were not new workers, but redistributed workers from other regions and other sectors including building and construction. This created regional imbalances, with some areas experiencing depopulation and others facing infrastructure and service delivery challenges due to rapid population growth. DAMAs are a way to limit rapid and significant domestic workforce movement of this kind while still ensuring particular regions can build their workforce capacity in line with demand.

Master Builders recognises that the Government is currently consulting on the complexities related to DAMAs through the *Supporting strong and sustainable regions* discussion paper. Capacity issues which prevent DAMAs from being truly effective must be refined through that consultation process.

Pilots can only be successful when all levels of government and industry work together to develop viable solutions. If one of the mechanisms is working against the intention of the pilot, then it cannot succeed.

RECOMMENDATIONS

All levels of government should invest in pilot programs such as these that make it easier for skilled migrants to come to Australia and also for businesses to employ them. These programs are of huge value also to employers when they encourage access to the skilled migrant workforce quickly and in a streamlined, affordable way.

Pilots should streamline the visa process, remove complexities and subsidise costs for the migrant and their Australian employer.

All levels of government must ensure that migration pilots can be successful.

The Department of Foreign Affairs and Trade is also developing two pilot programs they have established under trade agreements with the UK and Indonesia. The first is the Innovation and Early Careers Skills Exchange Pilot (IECSEP) which was established under the Australia-UK Free Trade Agreement and it offers two streams.

- > The Early Careers Stream allows migrants to stay for up to one year if they are tertiary-qualified 21-45 year-olds, who have worked a minimum three months in their current role, and are working in occupations defined at the ANZSCO Skill Levels 1-3 (Skill Level 1 is Bachelor Degree or higher or five years of relevant experience; Skill Level 2 is AQF Associate Degree, Advanced Diploma or Diploma or at least three years' relevant experience; Skill Level 3 is an AQF Certificate IV or a Certificate III with at least two years on the job training.)
- > The Innovation Stream allows migrants to stay up to three years if they are highly skilled and experienced innovators, working in occupations defined at the ANZSCO Skill Level 1.

Applicants can undertake placements, secondments, graduate rotations or intra-company transfers between their UK employer, and any partnering Australian organisation. Alternatively, IECSEP applicants can commence a new role in Australia. UK citizens already working in Australia can also apply to IECSEP.

The second program is the Indonesia-Australia Skills Development Exchange Pilot (SDE Pilot) and was established under the Indonesia-Australia Comprehensive Economic Partnership Agreement. It allows skilled workers to undertake workplace placements in the partner country for up to 12 months.

The SDE Pilot is open to the following sectors:

- > financial and insurance services
- > mining, engineering and related technical services
- > information and telecommunication services
- > tourism and travel related services
- > the creative economy
- > agribusiness and food processing
- > the green economy.

Other sectors may be considered on a case-by-case basis, as agreed by Australia and Indonesia and subject to the views of industry stakeholders.

Indonesians coming to Australia can take placements in occupations defined at the ANZSCO Skill Levels 1-3. Australians going to Indonesia must take placements in occupations that require a diploma 1 degree, or a bachelor's degree with 5 years' experience in the workforce, for placements greater than 6 months in duration.

Indonesian participants do not need to be sponsored by the Australian host organisation and labour market testing is not required. All participants must hold relevant licensing or meet related requirements where required by the role and have adequate language proficiency.

RECOMMENDATION

Master Builders urges the Department of Foreign Affairs and Trade to ensure these pilots include and prioritise skilled trade workers. The SDE Pilot should be adapted to explicitly include construction trade workers from Indonesia

THE JOB READY PROGRAM

The Australian Government's Job Ready Program is designed to assist international student graduates who have completed an eligible qualification in Australia. It allows skilled migrant workers to obtain a provisional skills assessment that confirms their Australian qualification is relevant to their occupation and requires them to undertake at least 1,725 hours of paid employment over at least 12 months in an occupation that matches their qualification.

There are currently around 7,000 international carpentry students in the Job Ready Program – most of them in Australia on a student visa. Most have undertaken a Certificate III in Carpentry and are using the Job Ready Program to obtain on the job experience with an Australian employer. Their progress is assessed by Trades Recognition Australia assessors throughout a 12-month period.

While Master Builders is supportive of programs like this in principle, it is vital for the productivity of the industry that employers are not shouldering the majority of the burden for providing training. Government and industry must work together to ensure programs like the Job Ready Program are fit for purpose and resulting in quality outcomes.

RECOMMENDATION

Master Builders recommends that the Job Ready Program is better utilised by Government to support international students in trades to become skilled and able to join the building and construction workforce.



CASE STUDY:

MASTER BUILDERS NORTHERN TERRITORY

In the Northern Territory, Master Builders NT partnered with the Chamber of Commerce and the Minerals Council to develop a pilot program for migration into the Territory.

The consortium received a \$200,000 Flexible Workforce Solutions Grant from the Northern Territory Government to deliver in-country expos in the Philippines and India. The expos promoted the Territory as a preferred destination to live and work as well as facilitated connections between potential workers and Northern Territory businesses.

The CEO of Master Builders NT said:

“for many employers it can be hard to identify appropriate markets for certain skills. We created the pilot program to engage a third-party provider to undertake recruitment and skills assessments (checking practical skills, not just qualifications).

The third-party worked with employers in the Territory to find suitable workplaces for skilled migrants. The streamlined process was welcomed by employers, especially knowing they were working with a reputable migration agent who is a good player in the market.”

The organisation added that one of the major benefits of the pilot is that a dedicated program helps to match the worker with the environment and the work they will be doing. It assists with culture shock, helps workers settle more quickly and results in more positive outcomes for the migrant and the employer.

For example, the program focussed on workers from countries like the Philippines, because the climate and working conditions in Darwin are somewhat comparable.

The pilot was successful in that there was huge demand for workers.

The CEO said the potential pressure an influx of migrants can put on East coast cities, including their infrastructure and housing market is not the same in the Territory.

“We have the space and the infrastructure to fit migrant workers in without them having a huge impact on resourcing, we just need to ensure the pipeline of work stays consistent.”

Pilots of this kind are hugely beneficial to the region they serve as well as to the skilled migrants coming to Australia via these mechanisms. They are an excellent way to manage the expectations of the employer and employee and make sure partnerships are a good match. They help achieve positive outcomes and remove a significant amount of the red tape that prevents migrant workers from coming to Australia in the first place.

AUSTRALIA'S WAY FORWARD – A CONSTRUCTION VISA

It is clear that Australia must prioritise migrant workers who are skilled in trades and have comparable qualifications and licensing requirements. It must be easier for them to obtain an appropriate visa and to have their skills recognised.

Currently, the most commonly used visas for construction workers in Australia are:

- > Working Holiday Visa (subclass 417)
- > Skilled Nominated Visa (subclass 190)
- > Skilled Independent Visa (subclass 189)
- > Employer Nomination Scheme (subclass 186)
- > Temporary Skill Shortage Visa (subclass 482)
- > Student visa (subclass 500)

The impending repeal of subclass 482 and its replacement with the Skills in Demand visa – which Government has indicated may not include a pathway for skilled tradespeople⁵⁴ – leaves migrant trade workers considering a career in Australia with ephemeral, restricted visas, or expensive and difficult to obtain permanent visas.

While Master Builders is supportive of employer sponsored visas as a mechanism through which positive outcomes can be achieved for both the employer and the employee, this pathway as it currently stands is expensive – upwards of \$10,000 per employee – and slow to come to fruition.

Australian employers need quality workers now.

A specific and stand-alone construction visa pathway is required in Australia to ensure quality applicants and the prioritisation of trades workers and occupations that are in significant shortage domestically. It is the only way Australia will meet its building and infrastructure targets and boost its workforce.

Australia has not had a visa specifically for the building and construction industry. Although there have been targeted programs and incentives to address labour shortages, these have not gone far enough.⁵⁵

Australia is behind the eight-ball. Comparable and competitive countries have construction-specific visas. The critical workforce shortage faced in the Australian building and construction industry is not new and could have been mitigated to an extent with a visa program of this kind years ago. It is time to catch up.

RECOMMENDATIONS

As a matter of priority, Government must develop a Construction Skills Pathway visa, similar to those in Canada, New Zealand and the UK that will ensure skilled migrants can apply for cost effective, fast visas that will provide options for permanency and embrace mutual recognition of comparable, or better, trade qualifications from other jurisdictions.

The number of construction-specific visas granted should not have an arbitrary cap, rather they should serve – as they do in other jurisdictions – to fill skills gaps as and where they are needed across the building and construction workforce, and economy as a whole.

Existing employer sponsored visa pathways must become more affordable and have faster processing times.

MUTUAL RECOGNITION OF SKILLS

Mutual recognition of qualifications and work experience from jurisdictions with comparable education and training frameworks is a useful way to streamline skills assessment processes and ensure migrants have the skills that Australia needs.

JURISDICTIONS WITH COMPARABLE QUALIFICATIONS

Australian qualifications are no doubt of an excellent quality. They are highly regarded internationally and effective at providing industry-relevant training. However, there are many countries that offer comparable training in building and construction trades. For example, in carpentry, some of the following jurisdictions have similar pedagogical frameworks.

1. United Kingdom

- › NVQ Level 2 or Level 3 in Carpentry and Joinery: The National Vocational Qualification (NVQ) Level 2 and Level 3 are recognised qualifications that provide the skills needed to work as a carpenter or JOINER. These qualifications include practical and theoretical components similar to Australia's Certificate III in Carpentry.

2. Canada

- › Red Seal Program (Carpenter): The Red Seal Program is a nationally recognised certification for tradespeople in Canada. The carpenter designation under this program requires a combination of work experience and completion of a formal apprenticeship, aligning closely with Australia's Certificate III.

3. New Zealand

- › Certificate in Carpentry (Level 4): This qualification is equivalent to the Australian Certificate III in Carpentry. It involves both on-the-job training and theoretical study, preparing individuals for a career in carpentry.

4. Germany

- › Ausbildung (Apprenticeship) in Carpentry (Zimmerer): Germany's vocational training system includes a dual education system where apprentices split their time between classroom instruction and practical work experience. The Zimmerer (carpenter) apprenticeship is similar in structure and content to the Certificate III in Carpentry.

5. United States

- › The National Center for Construction Education and Research (NCCER) offers a standardised apprenticeship program in carpentry, which includes comprehensive training similar to the Australian qualification. Many states also have recognised apprenticeship programs that combine hands-on training with classroom education.

6. Ireland

- › Advanced Certificate Craft - Carpentry and Joinery (Level 6): The Irish system includes an apprenticeship program that results in an Advanced Certificate Craft, similar to the Australian Certificate III. This program includes practical training and theoretical study over several years.

7. Sweden

- › Vocational Education and Training (VET) in Carpentry: Sweden offers VET programs in carpentry that include a combination of school-based education and workplace training, providing skills and knowledge comparable to the Certificate III in Carpentry.

Master Builders notes the existence of some Mutual Recognition Agreements (MRA), including the Trans-Tasman Mutual Recognition Act (TTMRA) between Australia and New Zealand which allows for certain qualifications and registrations to be recognised across both countries. There is potential that MRAs of this kind could be reached with other countries that issue comparable – or better – trade qualifications.

For skilled migrants who hold qualifications from countries such as these, where appropriate comparisons can be drawn to the Australian qualification, detailed and complex skills assessments should not be required.

This will help ease pressure on assessing authorities like Trades Recognition Australia (TRA) which are already dealing with a backlog of applications and difficulties keeping up with processing requirements.

RECOMMENDATION

Comparable, or better international qualifications must be identified and exempt from hefty skills assessment processes. MRAs could be used to exempt migrants with comparable qualifications from needing a detailed skills assessment.

Master Builders notes that skilled migrant electricians have access to an Australian Qualifications Framework (AQF) level gap training course. *10809NAT Course in Electrician – Minimum Australian Context Gap* provides Australian context gap training to holders of an Offshore Technical Skills Record (OTSR) who are seeking to work in Australia. It is required to be completed before an Electrotechnology Electrician qualification can be granted by a Registered Training Organisation (RTO) and occupational licence issued.⁵⁶

Building and construction trades other than electrotechnology would benefit from a similar gap training qualification to ensure skilled migrant tradespeople who have a qualification from a comparable jurisdiction can be quickly and comprehensively upskilled for the Australian workforce.

The existence of gap training may be one of the contributing reasons that of all skilled migrants working in building and construction trades, 35 per cent are Electricians, Electrotechnology and Telecommunications Trades Workers and Electronics and Telecommunications Trades Workers. Plumbing, on the other hand is a highly specialised licensed trade with no gap training and has relatively low numbers of non-Australian born workers in the occupation. Plumbing is differently regulated in different territories, which makes licensing consistency and nationally accredited gap training difficult, whereas electrical trades have a more harmonised towards licensing and registration competencies across the country.

Non-Australian born trades workers in building and construction occupations

| 3-DIGIT LEVEL OCCP OCCUPATION | TOTAL NUMBER OF NON-AUSTRALIAN BORN WORKERS | % OF TOTAL |
|--|---|-------------|
| Construction Trades Workers, nfd | 699 | 1% |
| Bricklayers, and Carpenters and Joiners | 28,043 | 24% |
| Floor Finishers and Painting Trades Workers | 19,345 | 16% |
| Glaziers, Plasterers and Tilers | 20,137 | 17% |
| Subtotal | 68,224 | 57% |
| Plumbers | 9,496 | 8% |
| Subtotal | 9,496 | 8% |
| Electrotechnology and Telecommunications Trades Workers, nfd | 1,024 | 1% |
| Electricians | 22,629 | 19% |
| Electronics and Telecommunications Trades Workers | 17,368 | 15% |
| Subtotal | 41,021 | 35% |
| Total | 118,741 | 100% |

Data source: Census of Population and Housing, 2021, TableBuilder

Gap training does not have to be tied only to licensed trades – it can serve as an effective way to ensure quality and to help skilled migrants assimilate to the Australian working environment.

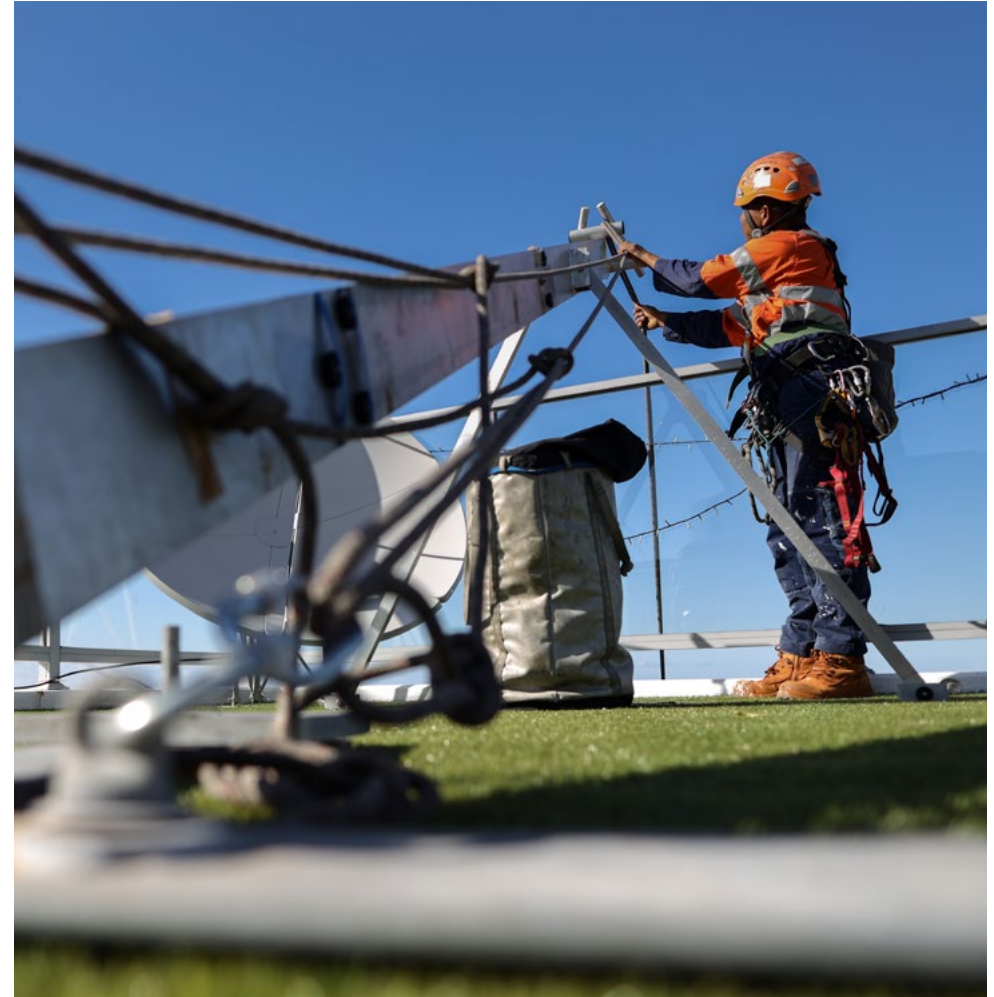
If a skilled migrant tradesperson holds a qualification and work experience from a comparable jurisdiction like those noted above and has undertaken Australian gap training at an AQF level – which teaches them how to work to Australian standards, within the National Construction Code and other national requirements – this should negate the need for any further skills assessment.

Gap training must be cost effective and affordable for migrant workers. It must be a voluntary option that exists as an alternative pathway to a skills assessment. In the case of non-licensed trades, it can provide the pathway to becoming a sole trader, or those seeking permanent residency for example.

RECOMMENDATION

Master Builders recommends that BuildSkills Australia work with industry and government to develop a pilot for a gap training course for carpenters and bricklayers who have qualifications from comparable jurisdictions and are seeking to work in Australia.

The pilot training program should in the first instance be tied to a particular visa pathway such as the Skilled Nominated visa (subclass 190) or the proposed Core Skills pathway within the Skills in Demand visa. It would allow the worker a valuable alternative to a skills assessment and provide evidence of an understanding of the Australian building and construction working environment



NATIONAL REGISTRATION FRAMEWORK FOR BUILDING PRACTITIONERS

A significant barrier to the mobility of trades in Australia that also has implications for international recognition of construction trade qualifications is the lack of a harmonised approach to registration and licensing of building practitioners. In 2021, a national framework for registration of building practitioners (NRF) was produced by Australian Building Ministers.⁵⁷ The only trades included in the NRF are plumbing and a number of fire occupations.

The framework, whilst designed for domestic purposes, could be developed further and adapted for international mutual recognition purposes. The framework identifies a taxonomy of registration disciplines that could be consistently adopted by states and territories for the trades included in this work and expanded to others. The taxonomy in the NRF for a plumber is in the table below. It prescribes a qualification, experience, relevant National Construction Code accreditation and core competencies, as well as a definition on plumbing work, licensing and systems.

A framework for international mutual recognition purposes should seek to progress work in the areas of greatest skills need identified in the skills priority list.

RECOMMENDATION

Adapt the Building Ministers National Registration framework for Building Practitioners for international mutual recognition purposes. In the first instance develop a taxonomy for the skills priority areas, carpenters and bricklayers.

| DISCIPLINE | LEVEL | QUALIFICATION | EXPERIENCE | NCC ACCREDITATION | PII | CORE COMPETENCIES | DEFINITIONS |
|------------|-------|--|------------|-------------------|-----|--|---|
| Plumber | 2 | Diploma of plumbing and services with units relevant to one or more prescribed systems. | 4 yrs | NCC Vol Three | N/A | A licensed plumber level 2 with NCC Volume Three accreditation only is competent to do: | <p>Plumbing work means the construction, installation, replacement, repair, alteration, routine servicing, maintenance, testing or commissioning of any part of a <i>prescribed plumbing system</i> for a building.</p> <p>Licensed plumber is an individual licenced to do plumbing work.</p> <p>Prescribed plumbing systems—</p> <ul style="list-style-type: none"> a. Cold water services—NCC Part B1 b. Heated water services—NCC Part B2 c. Non-drinking water services—NCC Part B3 d. Fire-fighting water services—NCC Part B4 e. Cross connection control—NCC Part B5 f. Rainwater harvesting and use—NCC B6 g. Sanitary plumbing systems—NCC Part C1 h. Sanitary drainage systems—NCC Part C2 i. Onsite wastewater management—Standards Australia AS/NZS 1546 |
| | | Certificate IV in plumbing and services with units relevant to one or more prescribed systems. | 4 yrs | NCC Vol Three | | > plumbing work | |
| | | Certificate III in plumbing with units relevant to one or more prescribed systems. | 5 yrs | NCC Vol Three | | > declaration of instillation compliance, and > Independent construction or instillation inspection for each endorsed system for a building of any NCC Class or size. | |
| | 3 | Certificate III in plumbing with units relevant to one or more prescribed systems. | 4 yrs | NCC Vol Three | N/A | A licensed plumber level 3 with NCC Volume Three accreditation is competent to do plumbing work under supervision of a licensed plumber level 2. | |

SKILLS ASSESSMENTS

In a recent speech at the *Settlement Services International Refugee and Migrant Jobs and Skills Summit*, Minister for Skills and Training, the Hon. Brendan O'Connor said, "skilled migrants and students not only enhance Australia's workforce and economy they contribute to our rich cultural diversity...We have migrants here on visas who have the skills we desperately need, but can't access because they can't get them recognised."⁵⁸

According to research by Deloitte Access Economics, commissioned by Settlement Services International, 44 per cent of permanent migrants in Australia are working below their skill level. If migrant workers worked in jobs that matched their skill level, at the same rate as Australian-born workers, then 146,700 underutilised migrant workers would move into more productive jobs.⁵⁹

According to that same report, around 25,000 migrant workers in building and construction are underutilised.⁶⁰ This is about 2 per cent of the industry. The average impact of closing the gap in underutilisation on employment in the building and construction industry is around 5,000 full-time equivalent employees and \$1.2 billion of gross value added per year between 2024 and 2034.⁶¹

While the visa system must be adapted to bring the right kind of skills into Australia, it is futile unless those skills can be simply and quickly recognised.

The current skills recognition processing systems are not fit for purpose.

It would appear that Master Plumbers Australia and New Zealand may agree. In their submission to the *Draft Best Practice Principles and Standards for Skilled Migration Assessing Authorities*, they said:

"The overall skilled migration system is not delivering the outcomes that the plumbing industry requires in terms of employers being able to convert employment need into employment outcomes quickly and efficiently and to the required standard. We agree strongly with the final report of the Review of the Migration System (Department of Home Affairs, 2023) that the current approach to skills recognition is "cumbersome and burdensome" and is contributing to the "broken" system."

The Parkinson Migration Review noted that the process of skills recognition for a migrant tradesperson could cost nearly \$10,000 and take up to 18 months.⁶² It is cumbersome, time-consuming, expensive and in many cases, difficult to navigate and contributes to migrants experiencing poor outcomes.

For employers in the building and construction industry, identifying and hiring skilled migrant workers is complex, costly and takes time. Most use a migration agent to assist in the process – another layer of burden. If an employee requires a skills assessment, the process becomes even more cumbersome with additional costs, a longer timeframe and more paperwork. The red tape that comes with a skills assessment can be a deterrent, especially at a time when workforce shortages are stark.

Australian employers need workers now.

For a carpenter who obtained their qualification internationally, the process of having their skills recognised involves several steps. First, they must determine if they are eligible to have their qualification or experience assessed. Part of this is demonstrating English language proficiency, depending on the visa type.

The worker then needs to undertake a skills assessment which typically involves:

- > Using an assessing authority like TRA to conduct a skills assessment.
- > Submitting an application, which includes evidence of qualifications, work experience, and identity. This usually means the applicant needs certified copies of qualifications, references, proof of experience, photos and descriptions of work undertaken and proof of English proficiency.
- > For some applicants there is a requirement to participate in a technical interview conducted by a qualified assessor to verify skills and knowledge. Depending on background, a practical assessment may also be required. These assessments come at a cost and in some cases, the wait time for obtaining an appointment is around 18 months.

If the skilled migrant works in a licensed trade, there are additional requirements at a state and territory level to obtain relevant licensing.

The fee structures for skills assessments are exorbitant and in many cases prohibitive. While a visa itself may cost somewhere between \$1,500 and \$5,000, the cost of a skills assessment may exceed \$10,000.⁶³ These fee structures must be reviewed and costs reduced.

In cases where English language standards are assessed, thoughtful consideration must be given to the level of proficiency required as it relates to a particular profession, as well as the ease with which information on such requirements can be found. Master Builders recognises that English language proficiency is used as a measure of migrant outcomes in Australia. That is, those with a poor grasp on the English language are less likely to have a positive experience living and working in Australia. There are employers in building and construction, however, who are willing to provide English language training to their skilled migrant employees to help them learn and upskill.

Skilled migrants in building and construction trades only need a working level of English proficiency.

RECOMMENDATION

English language standards for skills assessments should be reduced to 4.5 or 5.0 for migrant workers in non-licensed trades.

According to Deloitte Access Economics, there is a \$70 billion shortfall in GDP over 10 years across the entire economy when skilled migrants work below their skill level.⁶⁴ Add to this that working below one's skill level is more likely to lead to negative outcomes and it is clear that skills assessment processes must change.

Master Builders also notes that there are a number of skilled workers already onshore who are on humanitarian or partner visas and are working in roles below their skill level. Providing skills assessment facilities to these skilled migrants should be a matter of priority. Assessments should be low-cost and easy to access.

RECOMMENDATIONS

Master Builders makes the following recommendations:

- › Migrants with qualifications and work experience from a comparable jurisdiction should be exempt from skills assessment requirements and processes via MRAs.
- › Government and industry should provide simpler and more accessible coaching for migrants on how to find a job in the industry – the higher education space is an example of success in providing support to international students.
- › All levels of government must work together to streamline occupational licensing requirements and ensure internationally comparable qualifications or requirements are quickly recognised without the need for long skills recognition processes.
- › Government should ensure pathways to permanent residency are clear and enticing for skilled migrants already in the country who have building and construction qualifications and experience. Fast-track these people to permanent residency if they are working in building and construction.
- › Government should expand eligibility for the graduate visa and graduate visa extension to all Australian Qualifications Framework Certificate III and above qualifications.
- › Provide free or low-cost skills assessments to people in country on humanitarian or partner visas and who have building and construction qualifications and experience.



WHAT NEEDS TO CHANGE

Master Builders recognises that changing the Australian migration framework is high on the Government's agenda.

The Migration Strategy was released on 11 December 2023 and outlines a new vision for Australia's migration system, with a policy roadmap containing eight key actions and over 25 new policy commitments and areas for future reform.⁶⁵

Skilled migration assessing authorities are consulting on their best practice principles.⁶⁶

Government is consulting on regional migration settings through its Supporting strong and sustainable regions discussion paper.

Government is proposing a *Migration Amendment (Strengthening Sponsorship and Nomination Processes) Bill 2024* to amend both income threshold requirements for skilled workers and labour market testing requirements in the Migration Act (1958).⁶⁷

Master Builders welcomes this focus on getting migration settings right to ensure Australia is able to attract talented skilled migrants who can fill skills gaps and ease labour shortages.

That said, tinkering around the edges of a severely broken migration system can only go so far. More substantial reform is required that will:

- > Result in a construction-specific visa pathway that recognises skilled workers from comparable jurisdictions and fast-tracks them to the Australian workforce.
- > Have more mutual recognition agreements in place for migrants with qualifications and experience from comparable (or better) jurisdictions.
- > Ensure skills recognition and assessment is simple, low-cost and not so easily hindered by bureaucratic processing delays.
- > See the development of a gap training course for trades other than electrotechnology, led by BuildSkills Australia in partnership with industry.
- > Ensure all building and construction occupations that are experiencing national workforce shortages are included in the Core Skills pathway of the Skills in Demand visa.

Throughout this paper, Master Builders has made a number of recommendations. They are summarised on page six.

Master Builders looks forward to working with governments of all levels on the important matter of bringing more skilled migrants to the Australian building and construction workforce.

ENDNOTES

- 1 BuildSkills Australia (24 March 2024) *90,000 extra tradies needed to deliver Housing Accord* at <https://buildskills.com.au/news/90-000-extra-tradies-needed-to-deliver-housing-accord>.
- 2 Australian Bureau of Statistics Labour Force Detailed Quarterly at <https://www.abs.gov.au/statistics/labour/employment-and-unemployment/labour-force-australia-detailed/latest-release>.
- 3 Master Builders Australia (April 2023) *Future-Proofing Construction: A Workforce Blueprint* at <https://masterbuilders.com.au/wp-content/uploads/2023/05/Master-Builders-Australia-Future-proofing-construction-April-2023-1.pdf>.
- 4 Manfield, E. (24 March 2024) *90,000 extra construction workers needed for goal of 1.2 million new homes, industry says*, ABC News at <https://www.abc.net.au/news/2024-03-24/90-000-extra-construction-workers-needed-to-be-on-track-for-goal/103625934>.
- 5 Department of Home Affairs (2023) *Review of the Migration System Final Report* at <https://www.homeaffairs.gov.au/reports-and-pubs/files/review-migration-system-final-report.pdf>.
- 6 Master Builders Australia analysis of Australian Bureau of Statistics (2 February 2024) *Producer Price Indexes* at [https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/producer-price-indexes-australia/latest-release#:~:text=Key%20statistics,-Final%20demand%20\(excluding&text=Rose%200.9%25%20this%20quarter,.over%20the%20past%20twelve%20months](https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/producer-price-indexes-australia/latest-release#:~:text=Key%20statistics,-Final%20demand%20(excluding&text=Rose%200.9%25%20this%20quarter,.over%20the%20past%20twelve%20months).
- 7 Grattan Institute (30 January 2024) *How migration could help fix the housing crisis* at <https://grattan.edu.au/news/migration-could-help-fix-housing-crisis/#:~:text=Migrants%20are%20less%20likely%20to, and%20construction%20were%20born%20overseas>.
- 8 See <https://masterbuilders.com.au/the-cost-of-letting-productivity-slip-2/>.
- 9 *National Centre for Vocational Education Research*, December 2023 at <https://ncver.edu.au/research-and-statistics/publications/all-publications/apprentices-and-trainees-2023-december-quarter>.
- 10 See <https://masterbuilders.com.au/future-of-the-workforce-apprentices-in-building-and-construction/>.
- 11 See <https://www.infrastructureaustralia.gov.au/publications/2023-infrastructure-market-capacity-report>.
- 12 Master Builders analysis of Australian Bureau of Statistics, 2021 Census, Tablebuilder.
- 13 Ibid.
- 14 For example, see <https://www.afr.com/politics/federal/elizabeth-to-elizabeth-bay-education-minister-wants-more-kids-at-uni-20230716-p5domk>.
- 15 See <https://www.theage.com.au/topic/building-bad-6gug>.
- 16 ABS Labour Force, Australia, Detailed Quarterly (May 2024).
- 17 BuildSkills Australia (May 2024) *Submission to Draft Core Skills Occupation List* at [https://cdn.sanity.io/files/7v56p0it/production/1950bd85de7c9d4c0384aebbb0a0a1e4b98d8c43.pdf?dl=Migration%20\(CSOL\)%20Submission%20-%20BuildSkills%20Australia.pdf](https://cdn.sanity.io/files/7v56p0it/production/1950bd85de7c9d4c0384aebbb0a0a1e4b98d8c43.pdf?dl=Migration%20(CSOL)%20Submission%20-%20BuildSkills%20Australia.pdf).
- 18 Migrant Workers Centre (March 2023) *Australia's migration system and migrant workers' job market experience*, p. 4.
- 19 Data source: Census of Population and Housing, 2021, TableBuilder.
- 20 Ibid.
- 21 Ibid.
- 22 McDonald, P. (2024) *Understanding Australian Migration 2024*, ANU Migration Hub Insights, No. 24/1, p. 2. at www.migration.anu.edu.au/briefings-submissions
- 23 McDonald, P. (2024) *Understanding Australian Migration 2024*, ANU Migration Hub Insights, No. 24/1, p. 6. at www.migration.anu.edu.au/briefings-submissions.
- 24 Department of Home Affairs (2023) *2022–23 Migration Program Report*, p. 38.
- 25 See <https://immi.homeaffairs.gov.au/visas/working-in-australia/skillselect/previous-rounds>.
- 26 Thompson, A. and Chrysanthos, N. (6 June 2024) *Four in five foreign tradies knocked back from even applying for skilled visas* Sydney Morning Herald at <https://www.smh.com.au/politics/federal/four-in-five-foreign-tradies-knocked-back-from-even-applying-for-skilled-visas-20240605-p5jjct.html>.
- 27 Ragsdale, J. and Hall, A. (26 September 2023) *The global impact of labor shortages across the construction industry* at <https://www.wtwco.com/en-au/insights/2023/09/the-global-impact-of-labor-shortages-across-the-construction-industry#:~:text=Additionally%2C%20when%20The%20World%20Economic,the%20sector%2C%20including%20engineering%2C%20project>.
- 28 Sequeira, R. (24 January 2024) *The US needs more homes. But first, it needs the workers to build them* at <https://stateline.org/2024/01/24/the-us-needs-homes-but-first-it-needs-the-workers-to-build-them/>.
- 29 O'Rourke, R. (5 January 2024) *How can we solve the construction industry skills shortage in the UK?* at <https://www.nesfircroft.com/resources/blog/how-can-we-solve-the-construction-industry-skills-shortage-in-the-uk/#:~:text=The%20Current%20State%20of%20the,244%2C000%20should%20be%20qualified%20apprentices>.
- 30 See <https://www.immigration.ca/canadian-construction-industry-needs-hundreds-of-thousands-of-workers-as-economy-rebounds/>.
- 31 See <https://www.canada.ca/en/employment-social-development/services/foreign-workers.html>.
- 32 See <https://www.canada.ca/en/immigration-refugees-citizenship/services/immigrate-canada/express-entry/eligibility/skilled-trades.html>.
- 33 See <https://www.immigration.ca/nova-scotia-launches-critical-construction-worker-pilot/>.
- 34 See <https://www.ontario.ca/page/ontario-immigrant-nominee-program-oinp>.
- 35 Government of Canada, CIMM – *Construction Workers – December 05, 2023* at <https://www.canada.ca/en/immigration-refugees-citizenship/corporate/transparency/committees/cimm-dec-05-2023/construction-workers.html>.
- 36 See <https://canada.webex.com/webappng/sites/canada/meeting/register/877e034f53cb44b8b0a39903010b9865?ticket=4832534b000000730cfd0bdb6c782d352b3455ba22e31d28e271e72f7de440673f8957d488dbbb×tamp=1718083060771&RGID=r94d32283b0ab3f9092da6de7fb05413b>.
- 37 See <https://www.immigration.govt.nz/about-us/media-centre/news-notifications/changes-to-immigration-settings-announced>.
- 38 See <https://wherecani.live/skilled-migration-visa-countries/>.

- 39 See <https://www.immigration.govt.nz/new-zealand-visas/preparing-a-visa-application/working-in-nz/skilled-work/skill-shortage-list-checker>.
- 40 See <https://www.immigration.govt.nz/about-us/media-centre/news-notifications/changes-to-immigration-settings-announced>.
- 41 Minter Ellison Rudd Watts *Construction recruitment in a skills shortage market: New residence visa pathways* at <https://minterellison.co.nz/insights/construction-recruitment-in-a-skills-shortage-market-new-residence-visa-pathways>.
- 42 See <https://commonslibrary.parliament.uk/research-briefings/cbp-9920/>.
- 43 See <https://www.gov.uk/government/publications/rapid-review-of-the-immigration-salary-list/rapid-review-of-the-immigration-salary-list-accessible>.
- 44 See <https://www.citb.co.uk/about-citb/construction-industry-research-reports/search-our-construction-industry-research-reports/migration-and-uk-construction-2021/>.
- 45 BuildSkills Australia (May 2024) *Submission to Draft Core Skills Occupation List* at [https://cdn.sanity.io/files/7v56p0it/production/1950bd85de7c9d4c0384aebbb0a0a1e4b98d8c43.pdf?dl=Migration%20\(CSQL\)%20Submission%20-%20BuildSkills%20Australia.pdf](https://cdn.sanity.io/files/7v56p0it/production/1950bd85de7c9d4c0384aebbb0a0a1e4b98d8c43.pdf?dl=Migration%20(CSQL)%20Submission%20-%20BuildSkills%20Australia.pdf).
- 46 Migration Observatory (29 September 2023) *Work visa and migrant workers in the UK* at <https://migrationobservatory.ox.ac.uk/resources/briefings/work-visas-and-migrant-workers-in-the-uk/>.
- 47 CITB (8 December 2021) *Migration and UK Construction 2021* at <https://www.citb.co.uk/about-citb/construction-industry-research-reports/search-our-construction-industry-research-reports/migration-and-uk-construction-2021/>.
- 48 OECD, 2019, *Migration Policy Debates*, No 19 2019.
- 49 See <https://www.oecd.org/els/mig/migration-policy-debates-19.pdf>.
- 50 See <https://www.oecd.org/migration/talent-attractiveness/>.
- 51 See <https://masterbuilders.com.au/submission-to-draft-core-skills-occupation-list-consultation/>.
- 52 See <https://ministers.dewr.gov.au/oconnor/growing-australias-construction-workforce-build-more-homes>.
- 53 Zimmerman, J. (15 May 2024) *Costly plan to get 1100 workers into WA to help solve housing crisis sees just 114 on the tool*, *The West Australian*, at <https://thewest.com.au/business/construction/costly-plan-to-get-1100-workers-into-wa-to-help-solve-housing-crisis-sees-just-114-on-the-tools-c-14645625#:~:text=PoliticsWA%20News-,Costly%20plan%20to%20get%201100%20workers%20into%20WA%20to%20help,just%20114%20on%20the%20tools&text=An%20%2411%20million%20plan%20to,year%20after%20it%20was%20announced>.
- 54 Thompson, A. (4 June 2024) *Yoga teachers make draft core skills visa list, but not tradies*, *Sydney Morning Herald* at <https://www.smh.com.au/politics/federal/yoga-teachers-make-draft-core-skills-visa-list-but-not-tradies-20240531-p5jido.html> and
- Read, M. (11 December 2023) *No visa fast track for foreign tradies despite housing shortage* *Australian Financial Review* at <https://www.afr.com/politics/no-visa-fast-track-for-foreign-tradies-despite-housing-shortage-20231211-p5eqkd>.
- 55 One recent example is the Western Australian Construction Visa Migration Agreement (WACMA) pilot program.
- 56 See <https://attc.org.au/product/course-in-electrician-minimum-australian-context-gap/#:~:text=The%20Course%20in%20Electrician%20%E2%80%93%20Minimum,be%20granted%20by%20a%20Registered>.
- 57 See <https://www.abcb.gov.au/resource/guidance-materials/national-registration-framework-building-practitioners>.
- 58 O'Connor, B. (2024) *Speech: Settlement Services International Refugee and Migrant Jobs and Skills Summit*, Thursday 20 June 2024.
- 59 Deloitte Access Economics, *Billion Dollar Benefit: The economic impact of unlocking the skills potential of migrants in Australia*, 2024, p. 6.
- 60 Ibid. p. 21.
- 61 Ibid. p. 27.
- 62 Department of Home Affairs (2023) *Review of the Migration System Final Report* at <https://www.homeaffairs.gov.au/reports-and-pubs/files/review-migration-system-final-report.pdf>.
- 63 See, for example, <https://www.tradesrecognitionaustraliagov.au/15-fees-1>.
- 64 Ibid. p 25.
- 65 See <https://immi.homeaffairs.gov.au/what-we-do/migration-strategy>.
- 66 See https://www.homeaffairs.gov.au/reports-and-pubs/PDFs/supporting_strong_and_sustainable_regions.pdf.
- 67 See https://www.aph.gov.au/Parliamentary_Business/Bills_LEGislation/Bills_Search_Results/Result?bld=r7224.



MASTER BUILDERS
A U S T R A L I A

Published by

Master Builders Australia Ltd
PO Box 7170, Yarralumla ACT 2600

02 6202 8888

enquiries@masterbuilders.com.au

www.masterbuilders.com.au

© Master Builders Australia 2024

Content licensed for use under a Creative Commons Licence BY 4.0, except for all photography and quotes in this document, in which the copyright is owned by or has been licensed to Master Builders Australia Ltd and may not be reproduced without permission.

