

RISING QUALIFICATIONS IN AGEING WORKFORCE

The 2006 Census reveals some interesting changes in both age structure and training levels in the construction industry workforce.

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One of the findings of the investigations into weathertightness of buildings in the early 2000s was that training in the industry should be improved. Coincidentally a year or so before these reports, the Government introduced the Modern Apprenticeship system to encourage trade training among young people. The outcome was a large increase in funding, and people in training, which is still continuing.

Growth in training and workloads

The up-turn in trainees can be seen in the numbers trained by the Building and Construction Industry Training Organisation (BCITO). Other education providers, such as the Manukau Institute of Technology, UNITEC, Infratraining, and the plumbing, joinery and flooring ITOs, have had a similar growth in numbers (see Figure 1).

At the same time the workloads in the industry have increased, as has total industry employment (see Figure 2). The two lines tracked together except over the last 2 years where workloads have levelled out while employment numbers have continued to increase. It is speculated that the recent divergence is a result of newly qualified entrants joining the industry over the last 2 years and the existing workforce cutting back on overtime hours.

So the volume of work placed per worker employed has dropped slightly in 2006 and 2007 as the industry reverts back to more normal operating hours. It is also likely that some new entrants have lower skill levels and are less productive than existing workers. →

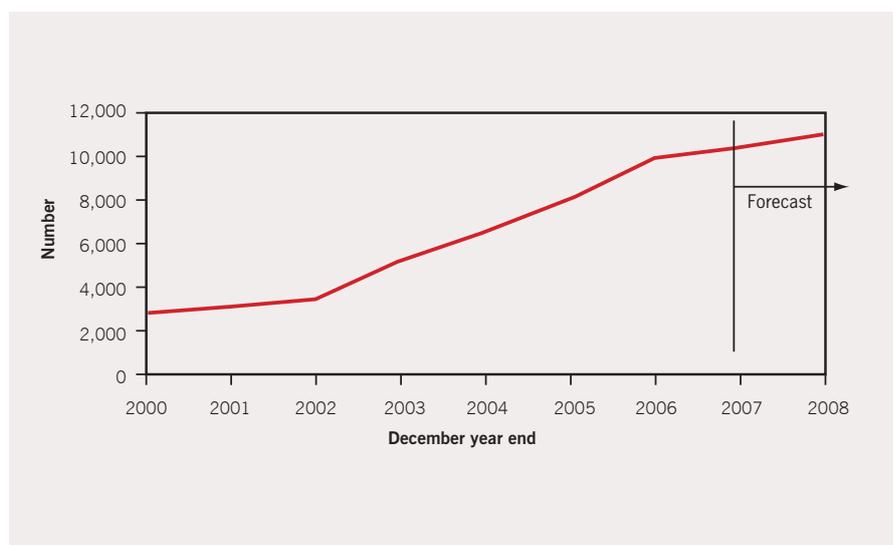


Figure 1: Building and construction industry (BCITO) trainee numbers. (Source: BCITO.)

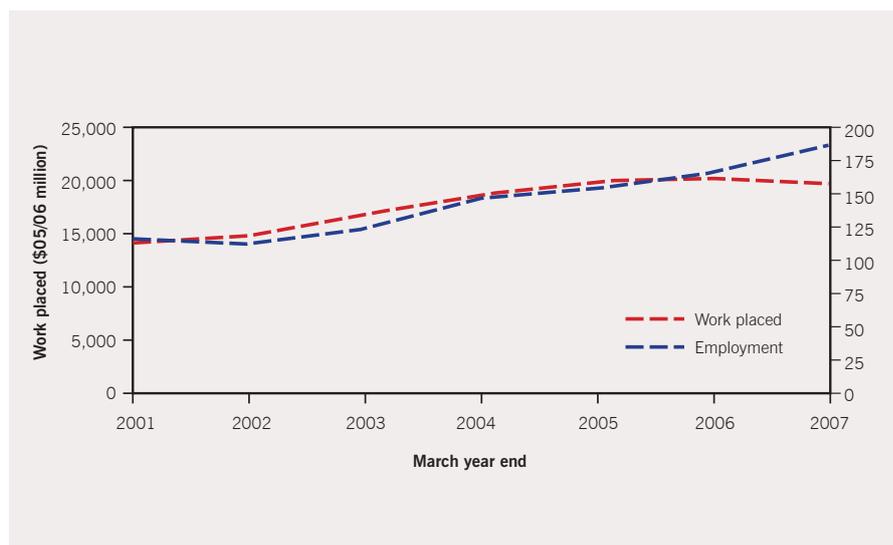


Figure 2: Employment in building and construction. (Source: Statistics NZ.)

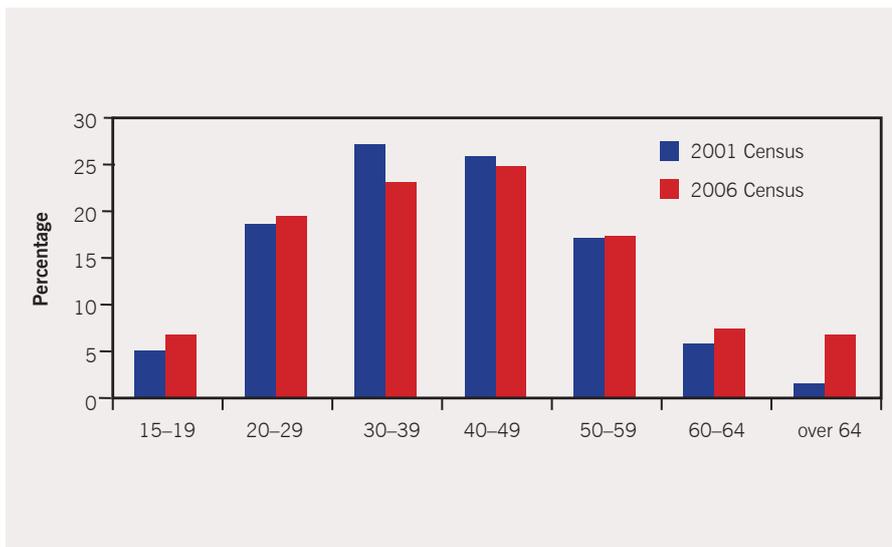


Figure 3: Age structure of construction industry workers.

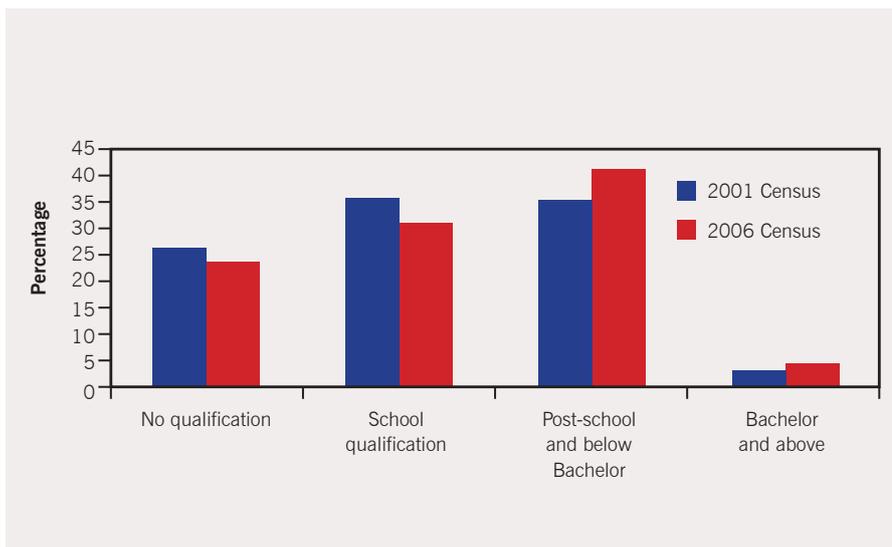


Figure 4: Construction industry qualifications.

Workforce getting older

Between the 2001 and 2006 censuses the overall workforce got older. In 2001 the average age was 39.6 years and in 2006 it was 40.6 years. However, in the construction industry the average age remained almost unchanged (39.3 years in 2001 compared with 39.5 years in 2006). Figure 3 indicates the higher percent in the older age groups is largely offset by more young workers in 2006.

About 10% of the construction workforce is over 60 years old (compared to about 7% in the 2001 Census) (see Figure 3). Hence we would expect retirements to increase over the next 5 years. BRANZ is forecasting that workloads will drop slightly (about 7%) over the next year or so and some of these older workers are likely to retire early or reduce their hours significantly.

Training challenges

The current projections are for workloads to be back to current levels in 2010. New entrants will be required to meet those workloads but there is a need to upskill many of the recent entrants. There has been some progress on this between the last two censuses, with 6% more of the workforce having post-school qualifications in 2006 (see Figure 4).

The training institutions also face the challenge of developing programmes for the upcoming Continuing Professional Development requirements associated with the Licenced Building Practitioners regime, and courses for those wishing to become licenced. So although workloads are expected to drop slightly there will be a strong need for training over the next few years. ■