Victorian Employer Skills and Training Survey 2017

Construction Industry

Over 12,100 employers responded to the skills and training component of the *Victorian Employer Satisfaction and Skills Survey* in 2017. Of these, 1,187 were from the Construction industry. Employers report that skills are important to productivity, but many are facing challenges filling jobs and finding the right applicants with the right skills. These challenges are faced both now, and are expected to continue into the future. However, a high proportion of employers that access training to improve the skills of their workforce report a positive impact on productivity and return on investment.

The statistics below reflect the experience of employers in the Construction industry compared to the overall Victorian average.

**Productivity**

**Skills are important to productivity**

Businesses found that a lack of skills had a high to medium impact on workplace productivity.

**High impact**

Construction Industry: 32%

Victoria: 28%

**Medium impact**

Construction Industry: 49%

Victoria: 53%

**Low impact**

Construction Industry: 10%

Victoria: 16%

**Impact of insufficient workforce skills**

A lack of skills can affect operating costs, increase the workload for other staff and result in a loss of business to competitors.

**Increased operating costs**

Construction Industry: 54%

Victoria: 44%

**Increased workload for other staff**

Construction Industry: 52%

Victoria: 61%

**Loss of business to competitors**

Construction Industry: 36%

Victoria: 31%

**Challenges**

**Managing the skills of the workforce**

Employers reported that recruitment was challenging due to candidates not having the required skills or being job ready.

A quarter of employers saw the need to improve the skills of existing staff.

Finding people with the right skills

Construction Industry: 50%

Victoria: 53%

Finding job ready candidates

Construction Industry: 37%

Victoria: 33%

Training staff to keep skills up to date

Construction Industry: 25%

Victoria: 27%

**Recruitment challenges**

Employers faced recruitment challenges because potential candidates did not have the required job specific and technical skills.

Agreed roles were difficult to fill

Construction Industry: 44%

Victoria: 54%

**Lacked technical / job specific skills**

Construction Industry: 56%

Victoria: 50%

**Lacked relevant experience**

Construction Industry: 49%

Victoria: 55%

**Few applicants**

Construction Industry: 44%

Victoria: 46%

**Skills**

**Skills needed now and for the future**

Businesses are concerned they may not have the skills they need for the future

Construction Industry: 17%

Victoria: 24%

Businesses lack the skills they need today

Construction Industry: 10%

Victoria: 9%

Businesses believe they have the skills needed for today and for the next 12 months

Construction Industry: 67%

Victoria: 61%

**Main skills lacking today and in the next 12 months**

Three quarters of employers identified technical and job specific skills are lacking today or will be lacking in the next 12 months.

**Technical / job specific skills**

Construction Industry: 75%

Victoria: 69%

**Problem solving skills**

Construction Industry: 42%

Victoria: 35%

**Management / leadership skills**

Construction Industry: 38%

Victoria: 40%

**Training**

**Employers’ access to training**

Employers supported staff training in 2016

Construction Industry: 60%

Victoria: 63%

Employers mainly used private training providers, TAFEs and industry associations to deliver their training in 2016.

**Private training providers**

Construction Industry: 48%

Victoria: 50%

**TAFE**

Construction Industry: 47%

Victoria: 24%

**Industry associations**

Construction Industry: 36%

Victoria: 48%

**Training contribution and quality**

Employers find that training has a positive contribution to productivity and business success.

Positive Return on Investment

Construction Industry: 68%

Victoria: 75%

Positive impact on productivity

Construction Industry: 67%

Victoria: 72%

Training is a priority for the workplace

Construction Industry: 88%

Victoria: 86%

Quality of provider training was high

Construction Industry: 77%

Victoria: 79%