



MASTER BUILDERS
A U S T R A L I A

2024-25 PRE-BUDGET SUBMISSION

**FINDING AUSTRALIA'S MISSING TRADIES:
HOW TO HARNESS THE SKILLED
MIGRANT WORKFORCE**

It is well known that Australia is in the midst of a housing crisis.

From social and community housing, rental property and owner-occupiers, there is a common restraint – supply. In October 2022, all levels of government, investors and the building and construction industry joined forces through the Housing Accord to unlock quality, affordable housing supply and build 1.2 million homes over five years starting 1 July 2024.

As a signatory to the Housing Accord, Master Builders Australia has been working constructively with governments to overcome barriers that will hamstring this enormous task. Progress is being made in some areas like planning reform and improving the investment environment.

As we quickly approach the starting gun, the biggest hurdle, decades in the making, is the workforce capacity to deliver these homes.

The Australian building and construction industry needs more workers. With an ageing workforce and increased demand, Master Builders Australia anticipates that almost half a million new workers must enter the sector in the next five years simply to maintain business as usual. To achieve the Housing Accord goal of 1.2 million new houses by 2029, and net zero by 2050, that number is even higher.

The domestic workforce cannot keep up with demand in the short term. In the year to June 2023, a total of 23,297 new building and construction apprenticeships were completed with a further 41,552 apprentices and trainees commencing. There are currently around 124,440 apprentices in training. Apprentices make up about 10 per cent of the 1.3 million people employed in the building and construction industry.

Skilled migration represents a vital piece of the workforce puzzle.

The building and construction industry has a proud history of a migrant-strong workforce, especially during the 1960s and 70s. Today, workers who were born overseas make up about 24 per cent of the building and construction workforce. However, those who arrived within the last five years only represent 2.8 per cent.¹

Australia is not alone when it comes to skilled workforce shortages in building and construction. The World Economic Forum noted that building and related trades were among the roles most commonly in shortage across the European Union. The Forum predicts some of the highest net growth in the industry between 2023 and 2027 of between 1 and 2 million jobs.²

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 2000.³

In the United Kingdom, the Trade Skills Index 2023 notes the need for 937,000 new entrants to the building and construction industry by 2033, with 244,000 of them being qualified apprentices.⁴

Countries like Canada – which are comparable in lifestyle and facing a similar workforce shortage – are more enticing options because they allow simple work permits in building and construction, as well as a more direct route to permanent residency even without a job offer prior to emigrating.⁵

Back home, visa costs and wait times, skills recognition processes, qualification recognition, the cost of upskilling and the diversity of occupational licensing, among others, are deterrents for skilled migrants considering a trade career in Australia.

When seeking to attract more skilled trades into Australia, it is important to look to migrants who are already in the country and have faced significant barriers to work at a level for which they have existing skills or qualifications.

This is an underutilised cohort of potential workers who could fill workforce gaps in the short term.

There are a number of skilled migrants already in Australia who are working in roles below or unrelated to their qualifications or work experience in their home country. Some are waiting on skills assessments or qualification recognition. The Parkinson Migration Review noted that this process could cost nearly \$10,000 and take up to 18 months⁶. For many, however, it is simply too hard to have their professional capacity recognised to work in a trade in Australia and they are instead in roles that present fewer hurdles to obtain.

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- 1 Grattan Institute (30 January 2024) [How migration could help fix the housing crisis.](#)
 - 2 Ragsdale, J. and Hall, A. (26 September 2023) [The global impact of labor shortages across the construction industry.](#)
 - 3 Sequeira, R. (24 January 2024) [The US needs more homes. But first, it needs the workers to build them.](#)
 - 4 O'Rourke, R. (5 January 2024) [How can we solve the construction industry skills shortage in the UK?](#)
 - 5 Moving2 Canada (4 February 2024) [Construction jobs in Canada.](#)
 - 6 Department of Home Affairs (2023) [Review of the Migration System Final Report.](#)
 - 7 Manfield, E. (24 March 2024) [90,000 extra construction workers needed for goal of 1.2 million new homes, industry says, ABC News.](#)
 - 8 Master Builders Australia (April 2023) [Future-Proofing Construction: A Workforce Blueprint.](#)
 - 9 NCVET (2023) [Apprentices and trainees 2023 June quarter](#), p. 14.
 - 10 Grattan Institute (30 January 2024) [How migration could help fix the housing crisis.](#)
 - 11 Master Builders Australia analysis of Australian Bureau of Statistics (2 February 2024) [Producer Price Indexes.](#)



1.2 million new homes between 1 July 2024–30 June 2029



Half a million workers needed by 2029 just for business as usual⁸



Cost of building a home increased by 40% since COVID-19¹¹



60,000 new homes per quarter until 2029



124,600 apprentices currently in training⁹



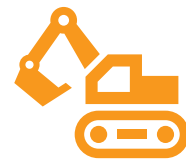
\$10,000 and up to an 18 month wait for migrant skills recognition



90,000 new workers needed to build 60,000 new homes nation-wide in September quarter 2024⁷



24% of building and construction workforce were born overseas, 2.8% arrived in the last five years¹⁰



All trade roles in building and construction are on the National Skills Shortage list

MASTER BUILDERS MAKES THE FOLLOWING RECOMMENDATIONS

Master Builders urges the Federal Government in the upcoming Budget to consider better supporting skilled migrants who are already in Australia to work in the building and construction roles for which they are qualified and have appropriate work experience. The current system is too complex with unnecessary barriers and cost pressures.

Master Builders believes a middle ground can be struck where safety outcomes and building quality are not compromised and better support is provided to this cohort of skilled workers:

- > Provide access to English language education to help migrants upskill, noting that this will also assist them if seeking permanent residency.
- > 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.
- > Allow migrant workers to access financial subsidies to complete trade apprenticeships.
- > Subsidise the cost of upskilling or training to fill any skills or qualification gap that might exist between the migrant's home qualification and the Australian requirements.
- > Work with state and territory governments to streamline occupational licensing requirements and ensure internationally comparable qualifications or requirements are quickly recognised without the need for long skills recognition processes.
- > 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.
- > Expand eligibility for the graduate visa and graduate visa extension to all Australian Qualifications Framework Certificate III and above qualifications.



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