

The Australian, Friday 21 August 2020

## Coronavirus: Lack of skilled workers threatens Australia's infrastructure-led recovery



There are worries there won't be the skilled workers to carry out the tens of billions of dollars in planned infrastructure projects. Photographer: Liam Kidston

---

• **EXCLUSIVE**

---

### **PATRICK COMMINS**

ECONOMICS CORRESPONDENT

@ComminsP

A looming skills shortage in the civil construction sector is a “severe risk” to the federal and state governments’ infrastructure-led post-COVID recovery plan, a leading industry body has warned.

Civil Contractors Federation chief executive Chris Melham said there was an urgent need for such skills as bridge, road and tunnel constructors, civil plant operators, pipe layers and line markers to be added to the National Skills Commission’s Skills Needs List.

Mr Melham said this would allow employers, apprentices and education providers to gain access to a range of government incentives to help drive new entrants into industry roles.

“This will ensure employers have enough apprentices coming through to build the roads, the bridges, the pipelines that all the state premiers have been announcing for the past six months,” he told The Australian.

The number of new apprentices starting construction trades has dwindled in recent years. It dropped 12 per cent between 2018 and 2019, and by more than a fifth in the four years to December, according to the National Centre for Vocational Education Research. The civil construction sector employs 1.1 million Australians, and contributes \$134bn, or 8 per cent to national GDP.

The federal government has announced it will plough tens of billions of dollars into infrastructure projects over the coming decade, while state governments have committed to bringing forward “shovel-ready” projects to help create jobs and stimulate activity in economies devastated by the pandemic. “I would say there is a severe risk that over the 10-15-year period you’re going to end up with a severe lack of skilled workers to ... undertake the \$100bn pipeline of (planned infrastructure) work,” Mr Melham said.

Even before the health crisis, experts, including at ratings agency Standard & Poor’s, had raised concerns that capacity constraints could hold back the pipeline of planned projects.

Australian Industry Group head of workforce development Megan Lilly said there was “no doubt” there were skills shortages across the country’s industrial and construction sector.

Ms Lilly agreed with the thrust of the CCF’s arguments, saying “if we are going to have a lot of civil construction as part of our economic recovery, we really need to think deeply about what skills will be required”.

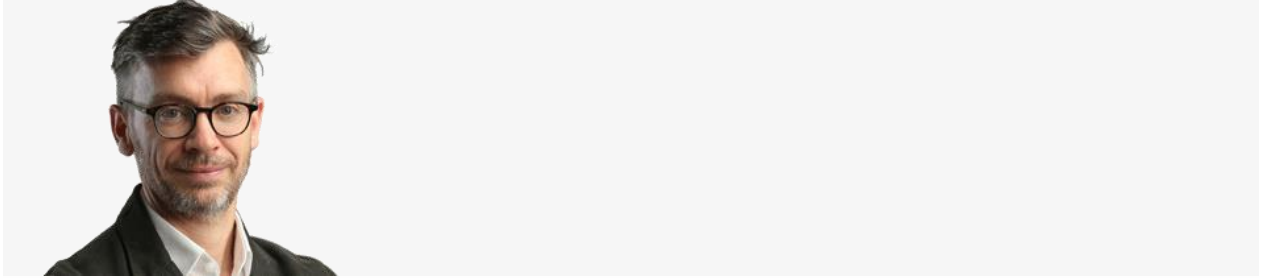
She said skills shortfalls were at their “most intense” when it came to specialist technical trades and paraprofessional roles. “When we come out the other side of the pandemic, I think skills shortages will still be prevalent,” Ms Lilly said.

“We have to get better at developing these skills, particularly these specialisations, and in quite a timely way as they take time to develop. We know it now, so let’s get ahead of it.”

Ms Lilly said she was encouraged by the Morrison government’s focus on skills and training, but she and Mr Melham called for the 50 per cent apprentice wage subsidy program to be extended to include workers newly taken on by employers.

The cost of the individual wage subsidy would be equivalent to, or less than, JobSeeker payments, but with the bonus of putting an unemployed Australian into a job and potentially an enduring career, Ms Lilly said.

## **PATRICK COMMINS**



### **ECONOMICS REPORTER**

Patrick Commins is The Australian's economics correspondent, based in Canberra. Before joining the newspaper he worked for more than a decade at The Australian Financial Review, where he was a columnist and sen... [Read more](#)