Construction Industry Outlook

Current insights and 2025-26 forecast

Queensland's construction industry is heading into a period of increased activity, driven by strong population growth, major infrastructure projects, and added momentum from preparations for the Brisbane 2032 Games. The 2025-26 State Budget commits a record $116.8b to infrastructure, including $29.3b for capital works in 2025-26 alone[1]. As the industry accelerates, it will need to find more workers.

2025-26

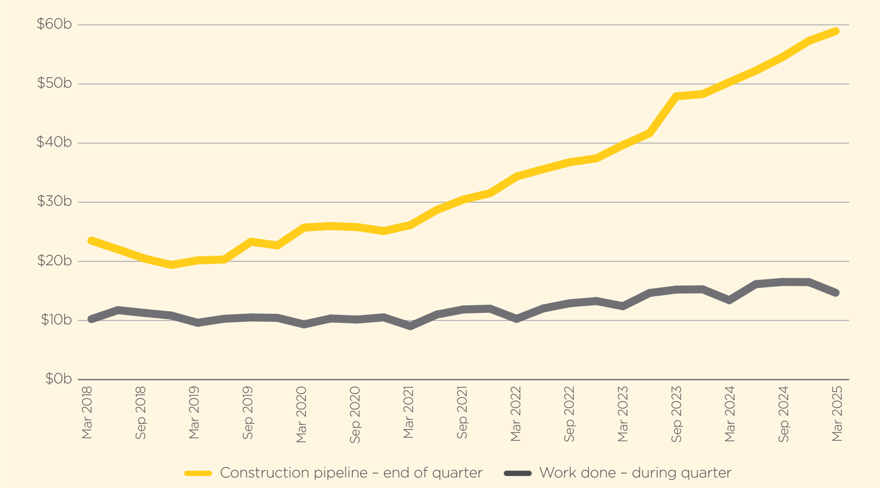
The gap between the state's construction pipeline and work done continues to grow

As of March 2025, Queensland's construction pipeline reached $58.9b; 56% ($33.3b) in building ($17.5b residential and $15.8b non-residential) and 44% ($25.6b) in engineering (**Figure 1**).

The public sector dominates the engineering pipeline with a 68% ($17.5b) share, mainly in bridges, railways and harbours (38%, $6.6b), water & sewerage (25%, $4.4b), electricity & pipelines (19%, $3.3b), and roads & subdivisions (17%, $2.9b).

The remaining 32% ($8.1b) is private sector, largely in heavy industry (49%, $3.9b), and electricity & pipelines (29%, $2.3b).

Figure 1: CONSTRUCTION PIPELINE VERSUS WORK DONE, QLD



Source: ABS

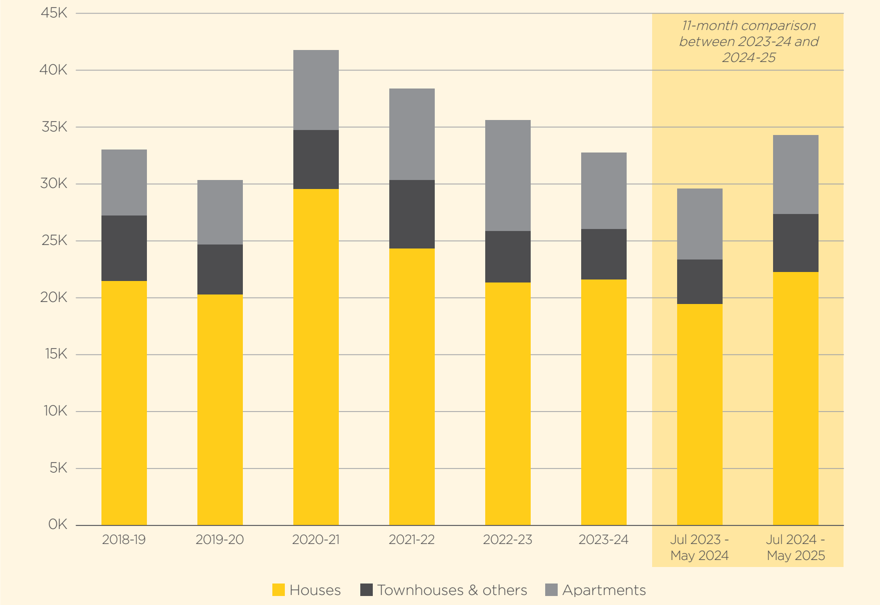
Increase in the number of new residential dwelling approvals but completions yet to follow

The number of new residential dwelling approvals have recovered, up 16% in the first 11 months of 2024-25 vs the same period in 2023-24 (**Figure 2**). This follows the previous three years of annual decline.

However, dwelling completions have yet to pick up to pre-pandemic levels, reflecting ongoing delivery challenges. From 2021-22 to 2023-24, annual completions averaged 33,600, down from 44,000 between 2016-17 and 2018-19. In the first half of 2024-25, completions fell 7% from the same period last year.

Non-residential building approvals have slowed, totaling $10.3b in the 11 months of 2024-25, down from $14.7b in the same period in 2023-24. The notable increases (in current $) in 2022-23 and 2023-24 (while partly reflecting cost escalations) were largely driven by significant health building projects.

Figure 2: NUMBER OF NEW RESIDENTIAL DWELLING APPROVALS BY TYPE, QLD



Source: ABS

Diversity and apprenticeship/ traineeship are key to meeting labour demand.

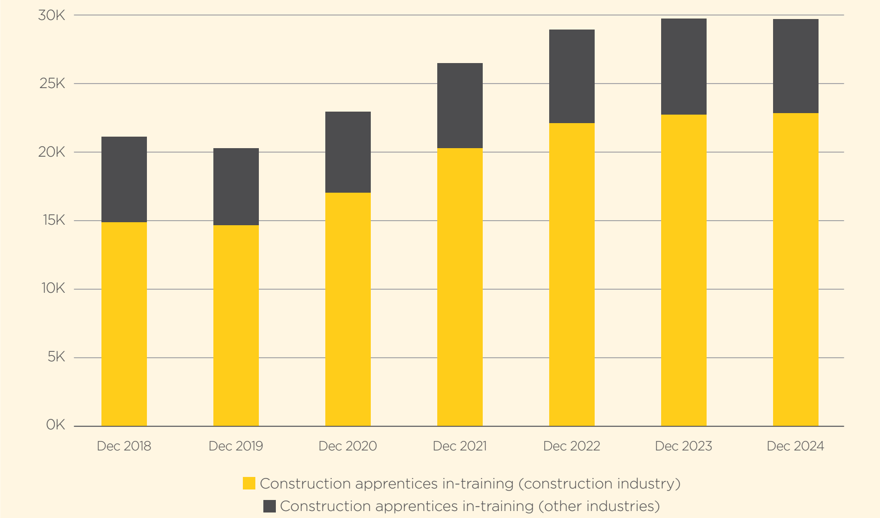
Women make up 13% of Queensland's 284,600 construction industry employment (May 2025)[2]. Their numbers have grown by 24% since May 2022.

Despite this growth, more is needed to meet rising labour demand.

Apprenticeships/traineeships are key entry pathways into the industry.

As of Dec 2024, there are around 29,700 construction apprentices (defined as those pursuing a construction qualification) in-training across the state: a 46% increase from Dec 2019. Of this, around 77% (22,800) are training in the construction industry (**Figure 3**).

Figure 3: NUMBER OF CONSTRUCTION APPRENTICES IN-TRAINING, QLD



Source: NCVER, CSQ

[1] Not all of this $116.8b (over 4 years) is construction spend. Capital program of $29.3b includes $24.25b capital purchases and $5.06b capital grants (front cover).
[2] Annual average of the preceding 4 quarters.

Construction pipeline and labour forecast for 2025-26[3]

Queensland's construction pipeline is forecast to reach $69.8b in 2025-26; $48.7b building[4] and $21.1b engineering (**Figure 4**). Of the $48.7b building pipeline, about 58% ($28.4b) is residential and 42% ($20.3b) non-residential.

Around 146,100 construction workers will be needed on average to deliver this pipeline (**Figure 5**), with a shortfall of about 40,000 construction workers in 2025-26.

Figure 4: CONSTRUCTION PIPELINE FORECAST (2025-26), QLD

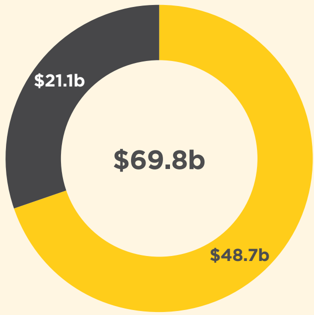
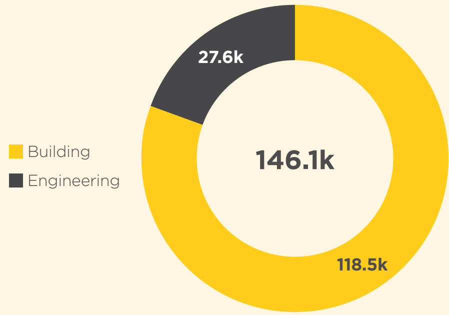


Figure 5: AVERAGE LABOUR REQUIREMENT FOR CONSTRUCTION PIPELINE (2025-26), QLD



Source: CSQ

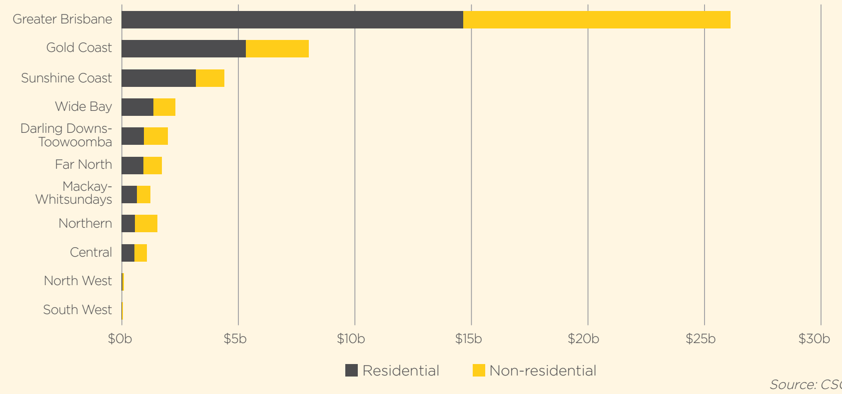
Southeast Queensland dominates the forecast building pipeline

About 79% of the forecast building pipeline (**Figure 6**) is in the state's southeast; Greater Brisbane ($26.2b), Gold Coast ($8.1b) and the Sunshine Coast ($4.4b).

Some key occupations in demand for the building pipeline include:

- carpenters and joiners
- building and plumbing labourers
- painting trades workers
- plumbers
- electricians and,
- concreters and plasterers.

Figure 6: BUILDING PIPELINE FORECAST (2025-26) BY REGION, QLD



Source: CSQ

Central Queensland leads engineering

Electricity, transport, mining, and heavy industry (**Figure 7**) will be the key drivers of a $21.1b engineering envelope of work. Collectively, these three account for around 81% (22,000) of the average labour requirement (27,600) for the engineering pipeline (**Figure 8**).

Central Queensland (**Figure 9**) leads the forecast engineering pipeline (driven by electricity, mining and heavy industry projects). This is followed by Greater Brisbane (largely in roads, bridges & runaways and rails & harbours/ports), and Mackay-Whitsundays (also led by electricity, mining and heavy industry).

Key occupations in demand for engineering include:

- structural steel workers
- miscellaneous labourers
- earthmoving and other plant operators
- electricians
- concreters
- civil engineers and,
- construction managers.

Figure 7: ENGINEERING PIPELINE FORECAST BY SUB-SECTOR (2025-26), QLD

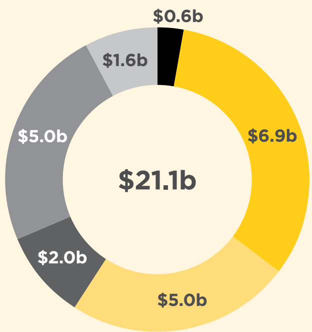


Figure 8: AVERAGE LABOUR REQUIREMENT (2025-26) BY ENGINEERING SUB-SECTOR, QLD

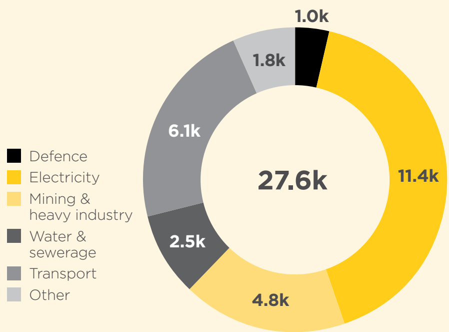
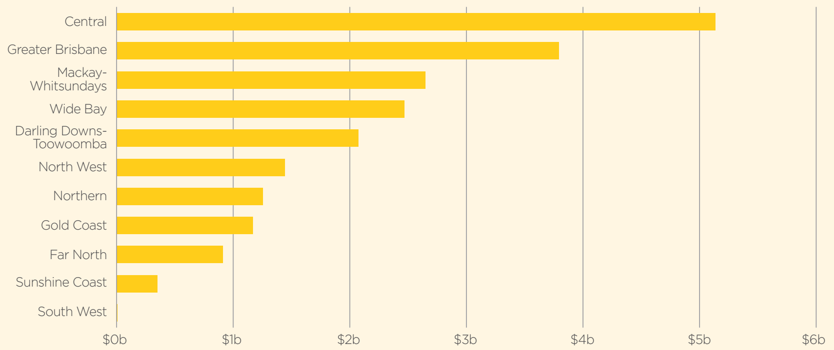


Figure 9: ENGINEERING PIPELINE FORECAST (2025-26) BY REGION, QLD



Source: CSQ

[3] *Horizon 2032: Imagining Queensland's Future Construction Workforce report (2025 edition, released in April 2025) is available at www.csq.org.au. It provides construction pipeline and labour demand forecasts from 2024-25 to 2031-32. This Industry Insights snapshot focuses only on the shorter-term outlook (2025-26), drawn from that report and incorporates some additional regional insights. Note that the forecasts in the 2025 edition are based on information available as of 11 December 2024. The labour forecasts only include workers in construction-relevant occupations; those directly involved in construction work like carpenters and joiners, bricklayers and stonemasons etc, and those who plan, and/or manage construction work like construction managers, civil engineering professionals etc. It doesn't include workers in support roles, like clerical and administrative staff, accountants, solicitors etc, not directly engaged in construction work.*

[4] *Includes $12.9b ($6.1b residential, $6.8b non-residential) from the existing building pipeline ($30.1b as of June 2024). This existing building pipeline ($30.1b) at the time of forecasting was distributed over the first three forecast years (2024-25 to 2026-27, see Horizon 2032 report).*

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2025-26