

Labour Market Research – Automotive Trades

South Australia

December 2018

ANZSCO Code	Occupations in cluster	Rating Shortage
3211-11	Auto Electrician*	Shortage
3212-11	Motor Mechanic (General)	Shortage
3212-12	Diesel Motor Mechanic	Shortage
3241-11	Panelbeater	Shortage
3243-11	Vehicle Painter	Shortage

* Occupations assessed at the national level, separate rating not available for South Australia

Key issues¹

- In 2018, shortages appear to be on par with results in 2017, all five occupations rated in shortage compared with three out of five in 2016.
- Shortages of automotive tradespersons have been persistent in South Australia since at least 2011.² The labour market is at a ten-year low with (18 per cent) of advertised vacancies filled in 2018 compared to 2008 when (35 per cent) of vacancies were filled. Results have halved since 2017 when vacancies filled were at (36 per cent).
- There were shortages of general motor mechanics and diesel mechanics in South Australia with employers filling less than a quarter of surveyed vacancies. In 2018, only 8 per cent of panelbeater vacancies were filled within four weeks of being advertised. This has been the lowest vacancy fill rate since 2014.
- The average number of qualified applicants per vacancy was 1.0 in 2018 compared to 1.8 in 2017. Employers reported a lack of interest in the occupation from younger people due to the nature of the job and relatively low remuneration compared with other occupations.
- Despite an increase in the overall supply of automotive tradespersons from apprenticeship training in the past decade, apprenticeship completions dropped to a level below the long term average. This may lead to subdued supply in the future.

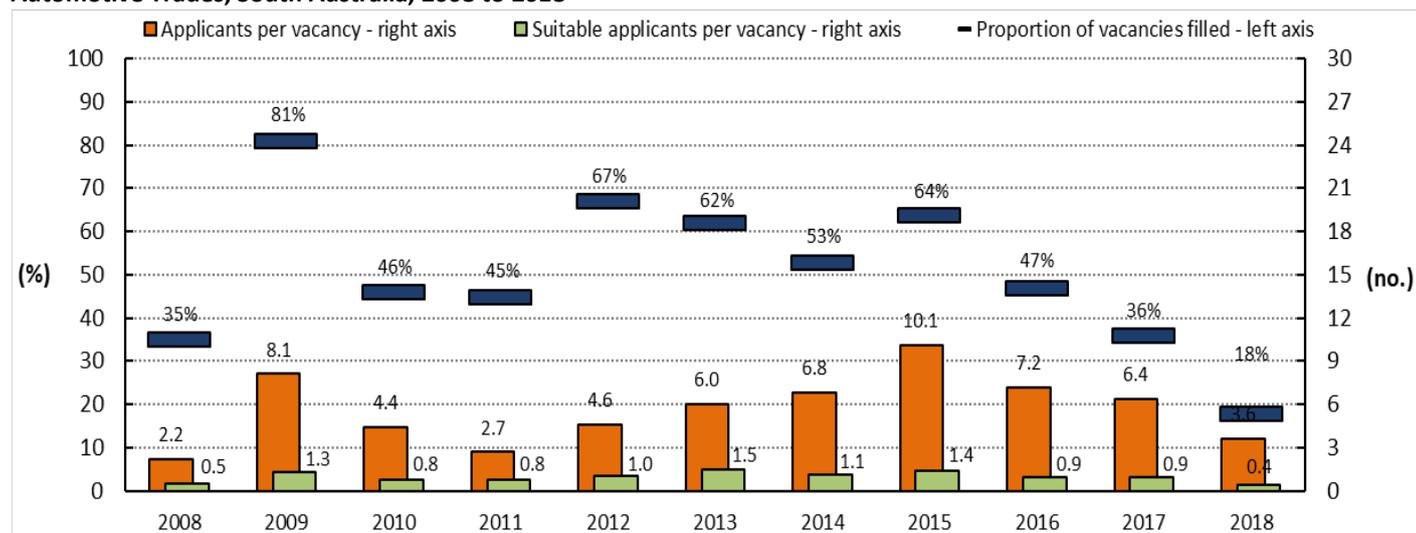
Survey results

- Across the automotive trades in 2018, there was significant decrease in the proportion of vacancies filled compared to the 2017, with:
 - 25 per cent filled for auto electrician (50 per cent in 2017)
 - 8 per cent filled for panel beater (40 per cent in 2017)
 - 22 per cent filled for motor mechanic (including diesel mechanic (24 per cent in 2017)).
- In 2018 the average number of applicants per vacancy has continued to decline, as has the total applicant numbers.
- The average number of suitable applicants per vacancy was at a ten year low, with the average number of suitable applicants also at a low at 0.4 applicants per vacancy.

¹ Department of Jobs and Small Business, Survey of Employers who have Recently Advertised, 2018

² Department of Jobs and Small Business, Survey of Employers who have Recently Advertised, 2018

Figure 1: Proportion of vacancies filled (%), average number of applicants and suitable applicants per vacancy (no.), Automotive Trades, South Australia, 2008 to 2018



Source: Department of Jobs and Small Business, Survey of Employers who have Recently Advertised

Unsuitable applicants

- Employers reported receiving lower number of applicants per vacancy (3.6) than in 2017 where the number of applicants per vacancy was 6.4, and around 60 per cent of qualified applicants were determined unsuitable.
- Employers of Motor Mechanics surveyed identified the most common reason applicants were unsuitable was a lack of relevant trade qualifications (approximately 64 per cent of unsuitable applicants).
- Employers also considered applicants unsuitable because they lacked experience in the occupation or had no relevant work experience.
- Most employers reported they considered either recruiting or were currently employing apprentices but they still need qualified and skilled staff to be able to continue the operation of their businesses.

Demand and supply trends

- Demand for automotive trades workers has increased over the last year. Around 47.5 per cent of automotive trades workers in South Australia were employed in the automotive repair and maintenance industry.³ Employment in this industry averaged 9.4 in August 2017 and was at a five year high and has decreased to an average of 7.1 in 2018.⁴
- The number of businesses in the automotive repair and maintenance industry group decreased marginally from 2527 at the end of the 2015-16 Financial Year to 2516 at the end of 2016-17.⁵
- Demand for automotive trades workers can be affected by the size of the SA motor vehicle fleet. The ABS Motor Vehicle Census indicated an 8.5 per cent increase in the number of registered motor vehicles (of all types) over the five years to January 2018.⁶
- Advertised vacancies for the automotive trades have increased consistently from December 2014 (average 79) to December 2018 (average 172).⁷

³ ABS, Census of Population and Housing, 2016

⁴ ABS, Labour Force Survey, August 2018, Department of Jobs and Small Business trend

⁵ ABS, Counts of Australian Businesses, including Entries and Exits, Jun 2013 to Jun 2017, ABS Cat. No. 8165.0

⁶ ABS, Motor Vehicle Census, Australia, 31 January 2016, ABS Cat. No. 9309.0

⁷ Department of Jobs and Small Business Internet Vacancy Index (IVI) South Australia, November 2017

- Around 74.4 per cent of motor mechanics held a certificate III or higher qualification,⁸ indicating formal training is a significant source of supply to the occupation.
- Following an increase in training completions for certificate III courses relevant to automotive trade workers in 2013-14 of (501), training completions decreased in 2016-17 (429) and a further decreased in 2017-18 (364).The average is now at a ten-year low.⁹
 - Training commencements have increased which are above the five-year average of (663) with an average of (810).This is approximately 21 per cent above the 2016-2017 result of (667).

⁸ ABS, Census of Population and Housing, 2016

⁹ NCVET, VOCSTATS