

Automotive Trades Victoria April 2019





6.7 applicants (on average, per vacancy)



2.7 qualified applicants (on average, per vacancy)



0.9 suitable applicants (on average, per vacancy)



65% of qualified applicants were unsuitable

Key research findings¹

- Victorian employers have experienced continuous shortages across all automotive trades for the past five years, with the one exception being metropolitan-only shortage for motor mechanics in 2016.
 - All surveyed occupations within the automotive trades reached five-year lows or equal lows in vacancies filled.
- Only 36 per cent of vacancies for automotive trades were filled in 2019, compared to
 42 per cent filled in 2018 (see Figure 1).
 - Employers had the most difficulty recruiting automotive electricians, with only 20 per cent of vacancies filled.
- Almost all employers required applicants to hold a relevant qualification for the advertised role, and of these applicants, 65 per cent were considered unsuitable.
 - The main reason for qualified applicants being considered unsuitable by employers was a lack of relevant experience for the vacancy advertised.
- Employers report that there are increasing incidences of vacancies remaining unfilled despite receiving suitable applicants due to a failure to agree on remuneration.
 - This was particularly significant across roles advertised for vehicle painters, which attracted an average of 1.2 suitable applicants per vacancy but only 46 per cent of vacancies were filled (see Figure 2).

Supply and demand²

- Demand for automotive trades is driven by factors including the number of registered vehicles and incidence of vehicle accidents.
 - Victorian motor vehicle registrations increased by 2.6 per cent in the year to January 2018, slightly above the five-year annual average of 2.3 per cent.
 - Accidents within Victoria decreased by an annual average of 4.6 per cent in the five years to 2018 (most recent data) and decreased by an annual average of 10.8 per cent in the year to 2018.
- The net count of Victorian automotive businesses increased by 1.8 per cent in the year to June 2017.
- Online advertisements for automotive trades have continued to increase over the year to December 2018, led by a strong increase in online advertisements for motor mechanics.
- Supply to automotive trades has decreased since the number of automotive trades apprenticeship completions peaked in 2014 at 1507.
 - The total number of apprenticeship completions in 2018 was 1113 compared to an annual average of 1223 over the last five years.

¹ The methodology for this research is outlined at <u>Skill Shortage Research Methodology | Department of Jobs and Small Business</u>. Visit the <u>skill shortages website</u> for more detailed information on each occupation in this cluster.

² Supply and demand sources – ABS, Cat. No 9309.0, Motor Vehicle Census, Australia, Table 1: January 2018; Department of Jobs and Small Business, Internet Vacancy Index, December 2018; https://www.data.vic.gov.au/data/dataset/crash-stats-data-extract (No. of Crashes by Severity by Year as at 15 February 2019); ABS, Cat. No 8165.0 Counts of Australian Businesses, including Entries and Exits, Jun 2013 to Jun 2017; NCVER, Apprentices and Trainees, June 2018 estimates (Certificate III).

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

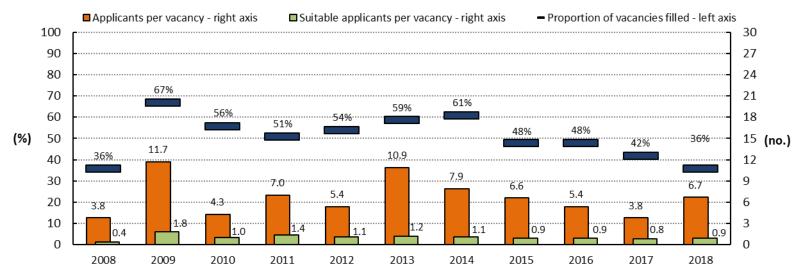
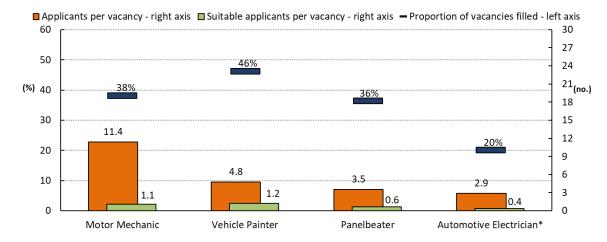


Figure 2: Proportion of vacancies filled (%), average number of applicants and suitable applicants per vacancy (no.), Victoria, Automotive Trades, 2018.



^{*} Occupation assessed at the National level and data is not available for Victoria.