



AUSTRALIAN  
AUTOMOTIVE  
DEALER  
ASSOCIATION

# SUBMISSION TO JOBS AND SKILLS AUSTRALIA CORE SKILLS OCCUPATION LIST CONSULTATION

MAY 2024



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# FOREWORD

The Australian Automotive Dealer Association (AADA) welcomes the opportunity to make a submission in response to the release of the Draft Core Skills Occupation List (CSOL).

The AADA is the peak automotive industry body representing Australia's franchised car and truck Dealers. There are 3,179 new vehicle dealerships in Australia employing more than 61,000 people directly, including around 5,500 apprentices, and generating \$73.9 billion in turnover and sales with a total economic contribution of over \$18 billion.

Franchised new car Dealers complete 48 million vehicle repair or service jobs every year. Many more such jobs are completed by independent repairers. The scale of the critical task of repairing and maintaining Australia's passenger car and truck fleet should not be underestimated. Currently there is a demonstrated shortage of skilled staff available to automotive employers. It is crucial that Dealers have an adequate supply of workers to meet this task and it is critical skilled migrants form part of the solution in the short to medium term.

This AADA submission recommends inclusion of automotive occupations in the Core Skills Occupation List (CSOL) to assist industry to fill the gaps in available skilled staff needed to work in the automotive industry. Our submission is focussed on the Draft CSOL Consultation list published on April 20, 2024.

AADA submits that skilled migration is required to meet the skills needs of the automotive industry in the occupations of:

- Motor Mechanic (General)
- Vehicle Body Builder
- Panel Beater
- Vehicle Painter
- Vehicle Trimmer

These important occupations are listed for consultation. There is a genuine skills shortage in these occupations and Dealers find it difficult to fill vacancies, particularly in rural and regional areas of Australia. Motor Mechanics are important people in Dealer businesses and the community relies upon the ready availability of vehicle servicing provided by Dealers.

There are claims that electrification of our vehicle fleet will reduce the need for maintenance and repair work. While there may be some truth in this, it is a much longer-term phenomenon which will occur over decades as Australia's more than 20 million registered, mainly internal combustion engine, vehicles are gradually replaced by new emerging technologies.

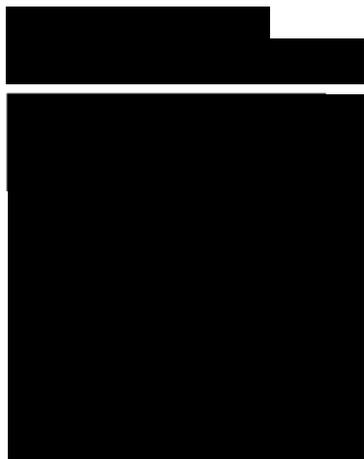
## Section 1

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Without a talent pool of available automotive trade workers to fill positions, consumers will find that servicing and repairs of their vehicles are delayed. Where Dealers are understaffed, and suitably skilled people cannot be hired, productivity in Dealer workshops will be diminished. Skill shortages in the automotive industry threaten to undermine the safety of Australia's vehicle fleet as service, repair and maintenance procedures are delayed. The lack of workers in the industry also contributes towards higher costs for motorists as a smaller group of workers result in spiralling wage costs which are in turn passed onto customers.

Temporary skilled migrants only fill jobs which are vacant and do so according to a rigorous process, including a detailed skills assessment. Employers are often significant contributors to the hiring cost and a skilled migrant adds a person to the pool of available people, therefore improving efficiency and productivity in the whole industry.

Access to skilled migration is an option that should be available to employers in the automotive industry due to important role these trades play in servicing the safe transport needs of the Australian public.

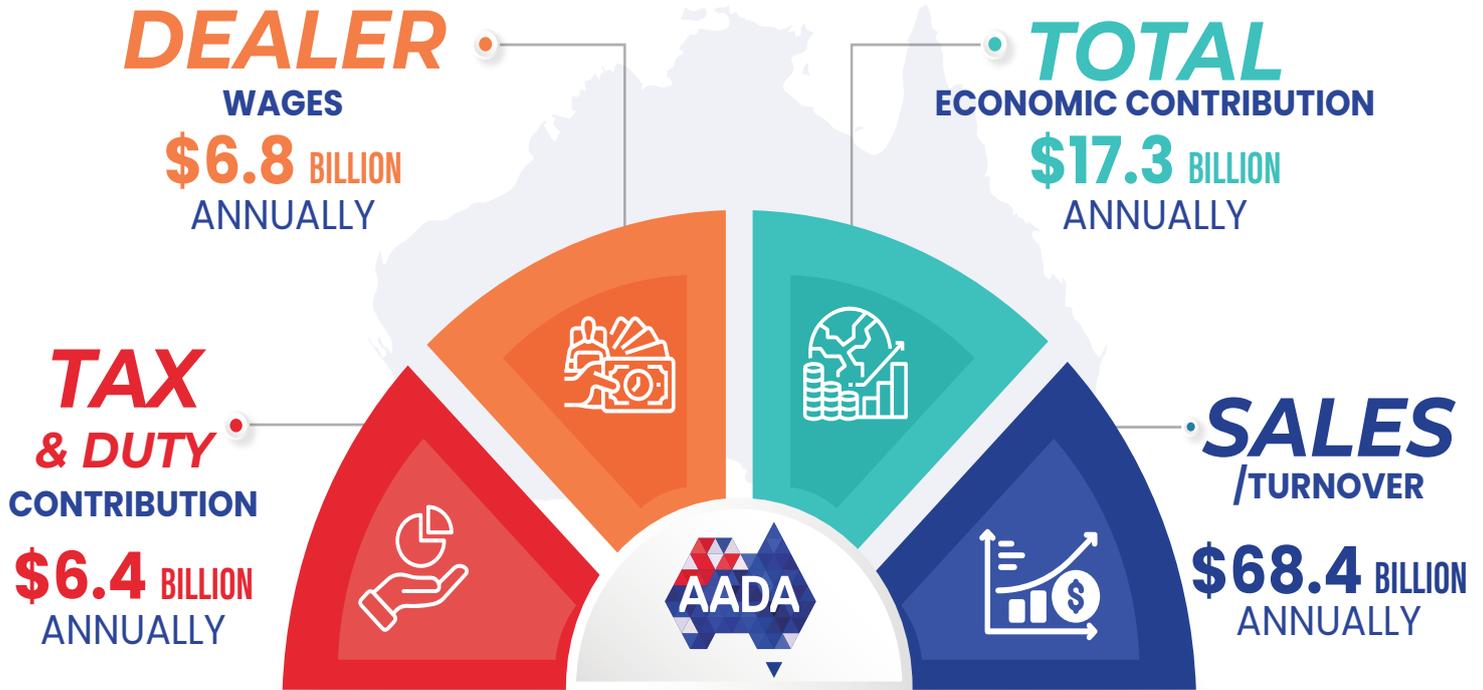




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# DEALERNOMICS

CONTRIBUTION OF  
NEW CAR DEALERS TO  
AUSTRALIAN ECONOMY



DEALER EMPLOYEES

**51,714**



APPRENTICES

**5,115**



TRAINING  
INVESTMENT

**\$30 MILLION**  
ANNUALLY



WORKSHOP JOBS  
COMPLETED

**OVER  
44 MILLION**  
ANNUALLY



CUSTOMER FINANCE  
CONTRACTS  
FACILITATED

**441,129**  
ANNUALLY



NUMBER OF  
DEALERSHIPS

**3,176**  
TOTAL



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## AADA KEY RECOMMENDATIONS

1

The occupations of:

- Motor Mechanic (General)
- Vehicle Body Builder
- Panel Beater
- Vehicle Painter
- Vehicle Trimmer

are recognised as a genuine skills shortage and included on the CSOL list of occupations as eligible for skilled migration.

2

The retail automotive industry should be supported to train and engage employees including via temporary skilled migration.

3

The link to the National Vehicle Emission Standard (NVES) and National Electric Vehicle Strategy (NEVS) should be made. A shortage of skilled automotive staff could hold back Government strategies which aim to enhance a transition to lower emission vehicles and net zero objectives.

4

Consultations with the automotive industry should continue through peak organisations including AADA so that Government policy decisions on skilled migration match the needs and expectations of the automotive industry.

# VEHICLE SALES AND VEHICLE POPULATION GROWTH

New vehicle sales increased by 12.5% in 2023 to over 1.2 million. Sales of used vehicles were over 2 million in 2023, of which, 39% were sold by Licensed Motor Car Traders.

The Australian vehicle population has exceeded 21.2 million and increased by 400,000 from 2022 to 2023. The number of cars per 1000 of population increased to 738 per 1000 up from 733 in 2022. As the population of vehicles grows, so does the need to service, repair, and maintain, therefore demand for skilled trades people remains strong and is likely to grow.

Forecasts of new vehicle sales are positive and likely to continue to contribute to the industry need for in-demand auto trade skills.

# TRUCK SALES

Sales of heavy vehicles in Australia have increased to meet growing demand for the movement of goods. The Truck Industry Council's (TIC) official tally for the year for 2023 was 47,757 units sold eclipsing the previous record of 44,379 set in 2022. Almost all new trucks sold are powered by internal combustion engines (ICE).

Diesel Mechanics are included in the Draft CSOL Confident on the list, while Motor Mechanics are on the consultation list. There is significant demand for both trades. Both are important and hard to source therefore both occupations should be included as eligible occupations for migration to Australia.

# NEW CAR SALES AND END OF LIFE SCRAPPAGE RATES

Sales of new vehicles for the month of April 2024 were a record breaking 97,202 units and an increase of 18.3 % over the same month in 2023. Increased sales of EVs, PHEVs, and Hybrids are expected to exceed 20% of total new car sales this year. However, there is a continuing long tail of ICE vehicles in-service on the road and available as new products offered in the new car market. The skills of auto trade workers, although likely to adapt to new technologies, will be required to continue servicing and repairing ICE vehicles for many years to come.

Sales of new vehicles at 1.2 million per annum are adding over 400,000 vehicles per annum to the vehicle population.

Electric Vehicle projections by the CSIRO has found that a “the change in the fleet share is not as rapid because it takes time for the stock of vehicles to change given sales only represent slightly lower than 5% of the vehicle stock. At natural road vehicle retirement rates, it should take more than twenty years at a 100% electric vehicle sales rate for electric vehicles to replace all internal combustion vehicles”.

# TRANSITION TO ELECTRIC VEHICLES

A transition from Internal Combustion Engine (ICE) power to Electric Vehicles (EVs) has commenced, however EV's still only make up around 10% of new car sales and we are still seeing 90% of passenger vehicles being sold with some kind of ICE engine. Projections show that we are a long way from 100% uptake of EVs and the process of all registered vehicles being replaced by EVs will take decades. There will be continuing demand for servicing and repairs to all types of vehicles; EVs, PHEVs, Hybrids, ICE, and the total population of vehicles is growing.

Electric vehicles do require maintenance and will inevitably appear for scheduled servicing and repairs at Dealer workshops. EVs are more likely to be serviced at Dealerships rather than independent repair shops. New car EV warranties on traction battery systems extend to 8 years or 160,000 kilometres. Most new EV owners are likely to prefer the comfort of having the authorised Dealer provide servicing to protect their asset during the warranty period.

The arrival of EVs on the market does not diminish Dealer demand for skilled workers. The work skills and training of a motor mechanic will likely alter and adapt to include the necessary skills to service, repair, and maintain EVs.

General vehicle maintenance and repair will not be undertaken by Automotive Electricians (321111) or Electricians (341111) or computer techs. Auto Electricians will continue to be specialists in automotive electrical systems. Motor Mechanics are in demand for general servicing and repair work across EV, PHEV, Hybrid, and ICE powered vehicles. It is incorrect to surmise that Auto Electricians or Electricians will take over all EV service and repair work from Motor Mechanics as without the necessary education and training, they will lack the specific competencies required to do so.

The best people to work on vehicle servicing, maintenance, and repair are Motor Mechanics with a range of experiences, diagnostic skills, and knowledge of vehicle systems.

The National Centre for Vocational Employment Research (NCVER) recently published a short report called; Driving to a greener economy, which says "the transition to EV skill sets is not without its hurdles. The automotive industry's struggle to fill occupations, meet skills shortages and its perception issues continue to impact the growth of EV skill sets. However, continued collaborative efforts between governments, industry, training organisations and businesses could overcome these challenges and position Australia as a global leader in sustainable innovation".

Such collaboration should add the inclusion of all in-demand skilled automotive occupations on the list for temporary skilled migration.

## Section 6

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New technologies which demand new skills can result in older age trade qualified people retiring from the industry. The age profile of automotive trades people has a significant number of people at the older end of the working life scale.

Automotive & Mining Jobs and Skills Council (AUSMASA) confirms that “the automotive industry is also faced with an ageing workforce, with many workers approaching retirement age... However, although the automotive industry is faring better than the mining industry regarding attracting younger workers to help maintain and grow the workforce, it has not prevented 36% of surveyed industry participants from identifying the need to attract more young people into the industry as a major challenge”.

Dealers will be attempting to recruit more staff to fill more vacancies from the current pool of qualified trade workers which is in a severe shortage.

# SURVEY EVIDENCE OF SKILLS SHORTAGES

Surveys of automotive employers consistently show that there is a persistent and genuine shortage of skilled workers. Industry survey results are also used to inform monitoring of advertising and fill rate of vacancies for skilled auto workers and are reported as in shortage.

AADA skills surveys indicate severe skills shortages at Dealerships. AADA surveyed Dealers in late 2021 (Attachment A), (100 employer responses representing 400 Dealer locations) and found that almost all Dealers surveyed (97%) were suffering from a shortage of technicians. 55% of Dealers surveyed employ technicians from overseas and rely on skilled migrants being able to enter the country. All agreed that COVID-19 restrictions had an impact on the availability of skilled immigrant workers.

Only a third (34%) of the Dealers looking to hire new technicians were able to fill the positions within three months. For a quarter of the Dealers (23%) it usually takes more than half a year to fill a vacant position, with another quarter stating that on average positions were filled within 3 to 6 months.

With a lack of technicians in workshops, a significant number of Dealers postpone bookings potentially resulting in customers not having their cars safely maintained and serviced. Some Dealers are also forced to reduce the number of bookings they can take and be selective about the type of work they can accept.

A similar AADA survey of Dealers in 2022 (Attachment B) (89 employer respondents representing 285 Dealerships) found that 70% had used employer sponsored skilled migration to fill vacancies for motor mechanics. The Dealers surveyed also believed that that demand for skills would likely increase over the next 5 years. These AADA surveys were contributed to the SPL results.

# MTAA SURVEY EVIDENCE AND REPORT

A recent Motor Trades Association of Australia (MTAA) survey of Retail Automotive Industry employers reported that fill rates for motor mechanics were calculated at 38%, meaning that this occupation is in acute shortage and employers face a difficult task to recruit motor mechanics.

The MTAA survey and report: Skills Shortages in the Australian Automotive Industry found that, “there were acute skills shortages in the automotive industry in 2023. Amongst the 519 businesses responding to the survey, 2,026 vacancies were advertised of which just 784 were filled, meaning the average industry fill rate was just 39%. Most automotive occupations were in shortage, with fill rates particularly low for technician and trade workers”. It went on to state that shortages were prevalent across all states and territories and in general were worse in regional locations compared to metropolitan regions”.

The report also found that “in line with the reported vacancy fill rates, most businesses (93%) reported that there were not enough workers for the work available in the automotive industry. When asked about the reasons they were unable to fill vacancies, the most common reason identified was a lack of applicants (selected by 37% of respondents)”

Regional automotive employers were even less successful in finding new staff and face issues of increasingly difficult to source accommodation choices for staff. At times prospective employees cannot find a house to live in. Regional businesses are disadvantaged in their search for staff and services for regional communities can be reduced because employers cannot fill vacancies.

The MTAA report says that “skills shortages tended to be more acute in regional locations. Across the automotive industry the average fill rate was 33% in regional areas compared to 41% in metropolitan locations. This trend was consistent across most occupations with 16 out of the 20 occupations that recorded at least ten vacancies in the survey seeing lower fill rates in regional Australia”.

Automotive skills shortages have constantly been highlighted by various MTAA reports, such as the Directions in Australia’s automotive industry Report, 2021 and the more recent submission to the Jobs & Skills Summit.

In 2021 MTAA modelled and estimated that by 2023 there would be a deficit of 38,700 skilled workers in the Australian Automotive industry including almost 24,000 motor mechanic vacancies.

# DEMAND FOR SKILLED AUTOMOTIVE OCCUPATIONS

Describing the situation of workforce shortages in the automotive Industry, Jobs and Skills Council, AUSMASA said that “Of the top 20 operational occupations in the automotive industry, that represent approximately 92% of all the operational workforce, 12 are listed as experiencing skill shortages on the Skills Priority List published by the National Skills Commission. Tellingly, six out of the top 10 occupations are facing a skills shortage. The largest single impact is felt by the ongoing shortage of motor vehicle mechanics, which is the number one operational role in the industry, representing almost one-third of the operational workforce”.

AUSMASA went onto say that “In total, the occupations impacted by skills shortage represent a significant proportion of the overall operational automotive workforce, underscoring the difficulty faced by the industry in attracting sufficient human capital to meet current and future operational requirements.”

AUSMASA have expressed support for ongoing migration of skilled automotive workers, saying that skilled migration is vital to filling the gap.

## APPRENTICE COMPLETIONS

50% of automotive apprentices who commence do not complete their training. Apprentice training is a necessity, essential, and should be supported, however apprentice training is not keeping pace with demand for trade qualified workers. A study of apprentice satisfaction and retention in the auto industry is included at Attachment C.

## CONCLUSION

Surveys of automotive Dealers have found that skills shortages are a persistent and acute problem. The pool of available skilled people is too small. Recruitment is often achieved by “poaching” from another automotive Dealer.

An industry survey of automotive employers found that the average fill rate for vacancies following advertising was a low 38%, meaning that almost of two thirds of advertised positions were unfilled. The Skills Shortage Quarterly results for the September Quarter 2023 showed automotive and engineering trades at the lowest fill rate of all the categories at 31%.

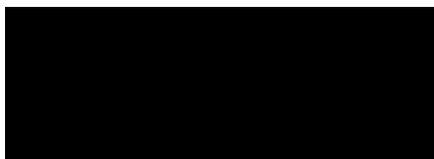
The need for skilled migration is found in the statements of organisations and Government Reports addressing migration, skills, and workforce planning. AADA, Dealers, trade associations, and training organisations have identified that skilled migration is necessary to meet employment needs in the automotive industry.

Growth in vehicle sales and population will further increase demand for vehicle servicing, maintenance, and repair. The transition to EVs will not reduce demand for vehicle servicing in the short or medium term and in fact may lead to greater shortages as technicians nearing retirement age who are unwilling to re-train leave the industry early and are not replaced.

The automotive occupations identified in the Draft CSOL consultation list should be supported for future skilled migration and added to the Draft CSOL Confident list.

Jobs and Skills Australia should consult directly with AADA the peak association representing Dealers in the automotive industry.

The AADA would welcome the opportunity to participate in further consultations or discussions related to the CSOL, skills shortages, and skilled migration in the automotive industry. If you have any questions related to this submission, please do not hesitate to contact me.





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**ATTACHMENT A**



# SKILLS SHORTAGE SURVEY 2021

A member survey recently conducted by the Australian Automotive Dealer Association revealed that almost every new car Dealer is suffering from a shortage of skilled technicians in their workshops. The survey, which received almost 100 responses from members representing some 400 dealerships, shows that Dealers are having serious difficulties finding suitably skilled or qualified technicians to fill vacant positions. For many Dealers the hiring process takes months, while some are unable to fill vacant positions at all.

## SEVERE SKILL SHORTAGE

Almost every Dealer surveyed (97%) is suffering from a shortage of technicians.

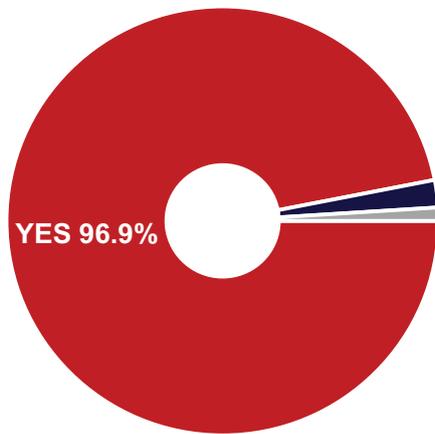


Chart 1: Dealer suffering from a shortage of technicians

One third (37.2%) have a shortage of skilled technicians of more than 25% of the available positions. The majority (51.1%) of respondents have a deficit of 5% to 20%.

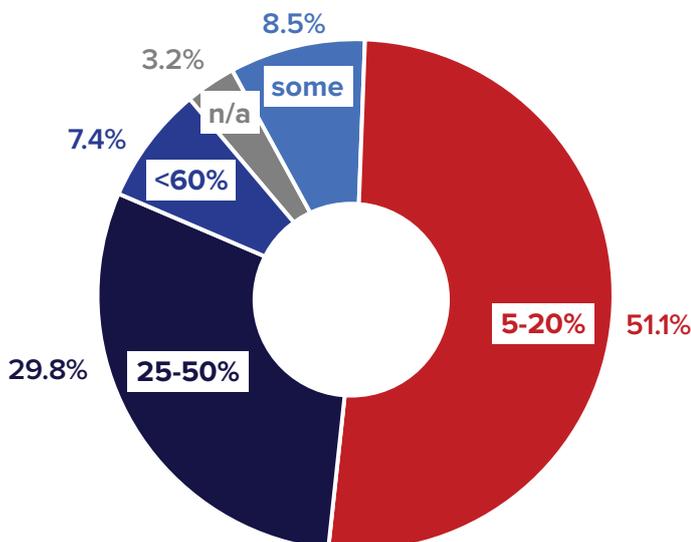


Chart 2: Expected shortage of technicians in %

## LONG RECRUITMENT TIMES

The survey results also highlight a significant challenge for businesses to recruit qualified workers in the current market.

Only a third (34%) of the Dealers looking to hire new technicians are able to fill the positions within three months. For a quarter of the Dealers (23%) it usually takes more than half a year to fill a vacant position, with another quarter stating that on average positions are filled within 3 to 6 months. Alarming, more than 12% are unable to fill vacant positions at all. Reports from Dealers suggest that regional areas are the hardest to find and place employees.

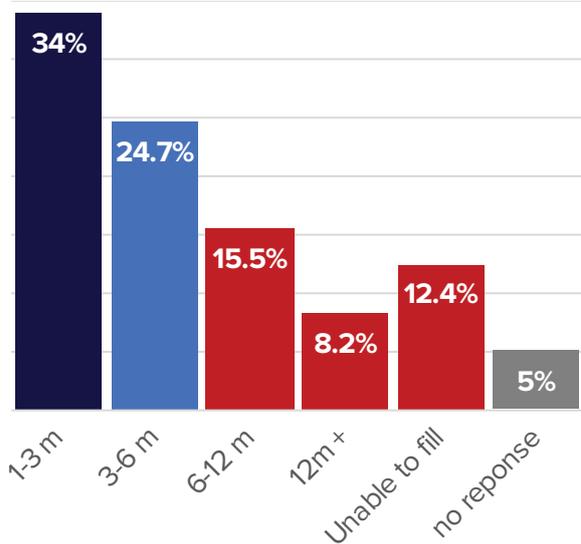


Chart 3: Average time to hire a technician in months

## SKILLED MIGRATION DEMAND

Most Dealers (55%) currently employ technicians from overseas and rely on skilled migrants being able to enter the country. All of them agreed that the recent COVID-19 restrictions had an impact on the availability of skilled immigrant workers.

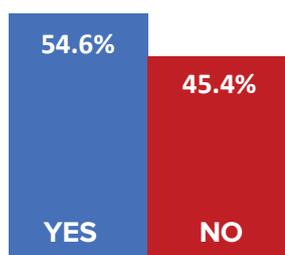


Chart 4: Percentage of Dealers typically employing overseas technicians

Eight in ten Dealers not currently employing workers from overseas said they would consider doing so in future in order to fill positions.

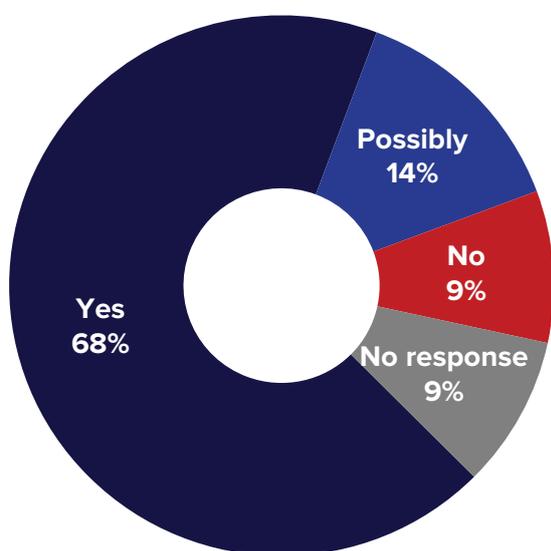


Chart 5: Percentage of Dealers considering employing technicians from overseas.

## DEVELOPMENT AND RETENTION APPROACH

### Apprentices

The majority of Dealers are trying to take on more apprentices and/or to up-skill or cross-skill existing staff to grow their technician base.

Some Dealers however do not have enough senior technicians to take on new apprentices. Dealers also find it increasingly difficult to find suitable candidates and retain them once they have completed their apprenticeship, as other industries (such as mining) are able to offer better salary packages.

### Incentives and Increased Wages

Many businesses are considering increased pay rates or cash incentives to retain skilled staff. This however increases costs and reduces Dealership profit.

Dealerships are also looking at changing their work arrangements. While some are considering switching to a 4-day week or offering additional leave to attract talent, others have to extend shifts and pay existing staff overtime to meet customer demand.

### Employing overseas workers

Dealers are generally open to recruiting skilled technicians from overseas but excessive costs, administrative burdens and international border closures restrict access to the international talent pool.

### Effects on business and consumers

With a lack of technicians in workshops, a significant number of Dealers have to postpone bookings potentially resulting in customers not having their cars safely maintained and serviced.

Some Dealers are also forced to reduce the number of bookings they can take and have to be selective about the type of work they can accept.



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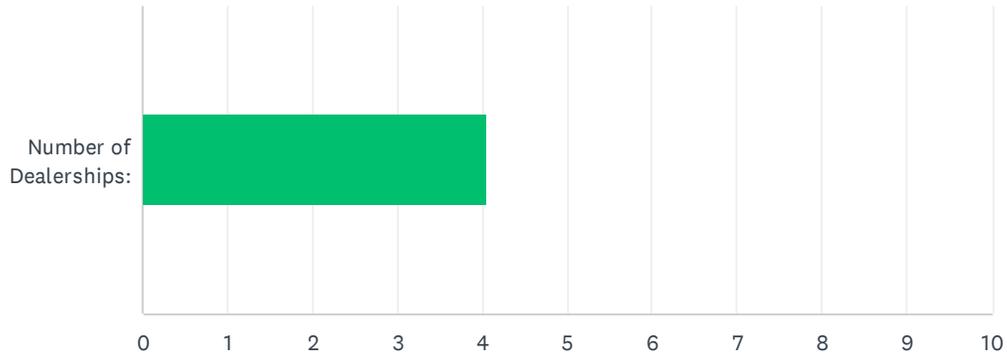


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**ATTACHMENT B**

# Q1 How many Dealerships do you represent?

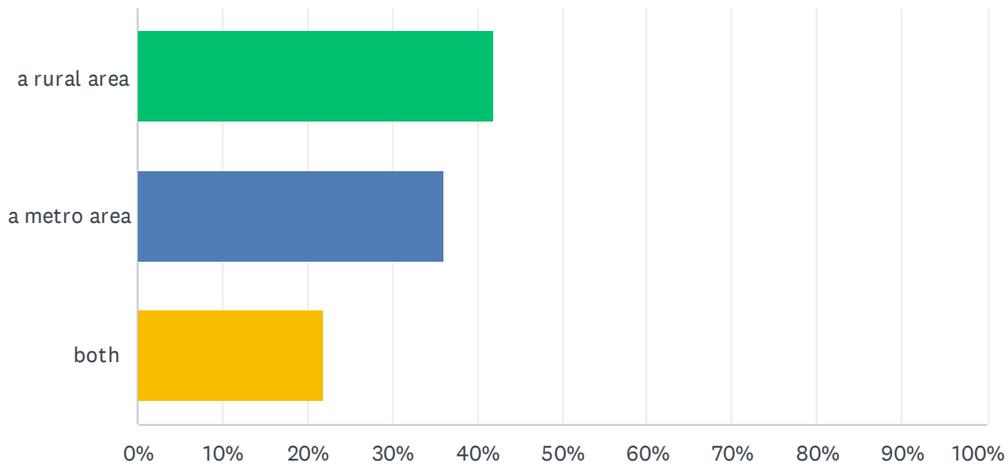
Answered: 50 Skipped: 0



ANSWER CHOICES	AVERAGE NUMBER	TOTAL NUMBER	RESPONSES
Number of Dealerships:	4	203	50
Total Respondents: 50			

## Q2 In which areas are your Dealerships located?

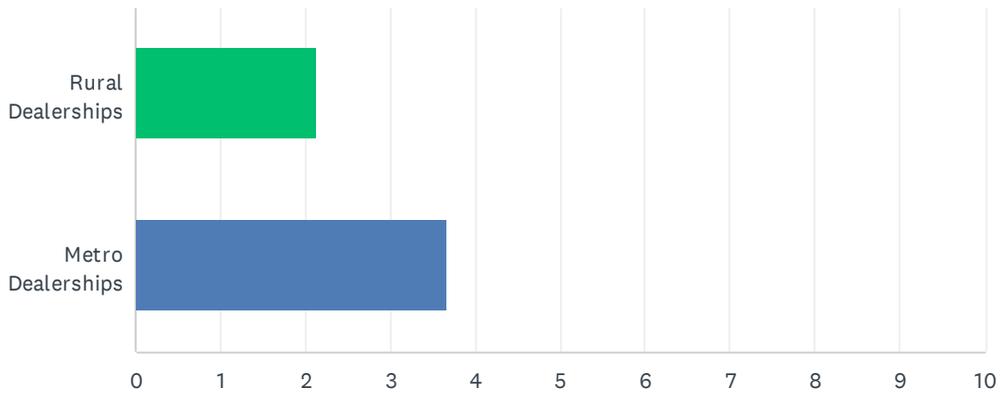
Answered: 50 Skipped: 0



ANSWER CHOICES	RESPONSES	
a rural area	42.00%	21
a metro area	36.00%	18
both	22.00%	11
TOTAL		50

### Q3 If both, how many are in rural and how many metro Dealerships?

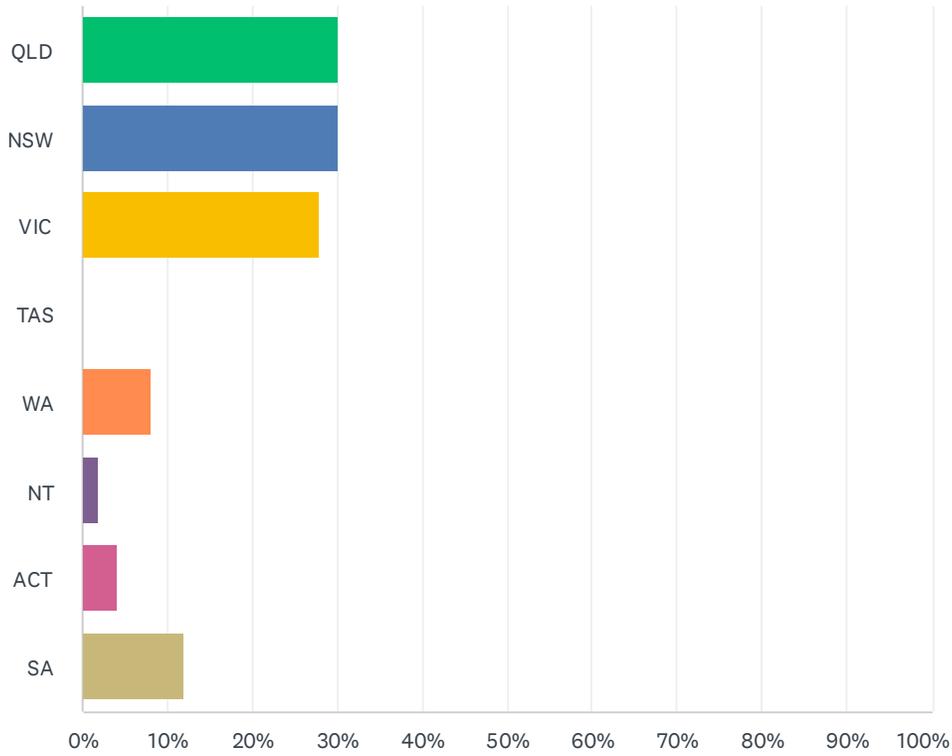
Answered: 28 Skipped: 22



ANSWER CHOICES	AVERAGE NUMBER	TOTAL NUMBER	RESPONSES
Rural Dealerships	2	49	23
Metro Dealerships	4	66	18
Total Respondents: 28			

## Q4 In what state or territory are your Dealerships located?

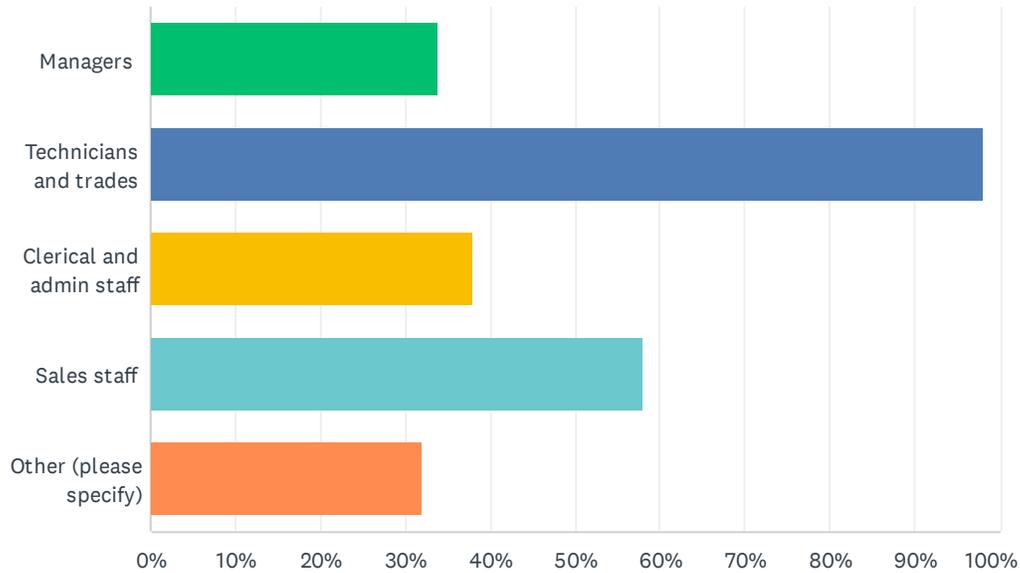
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ANSWER CHOICES	RESPONSES	
QLD	30.00%	15
NSW	30.00%	15
VIC	28.00%	14
TAS	0.00%	0
WA	8.00%	4
NT	2.00%	1
ACT	4.00%	2
SA	12.00%	6
Total Respondents: 50		

### Q5 Please select areas of the business that you are experiencing skills shortages in:

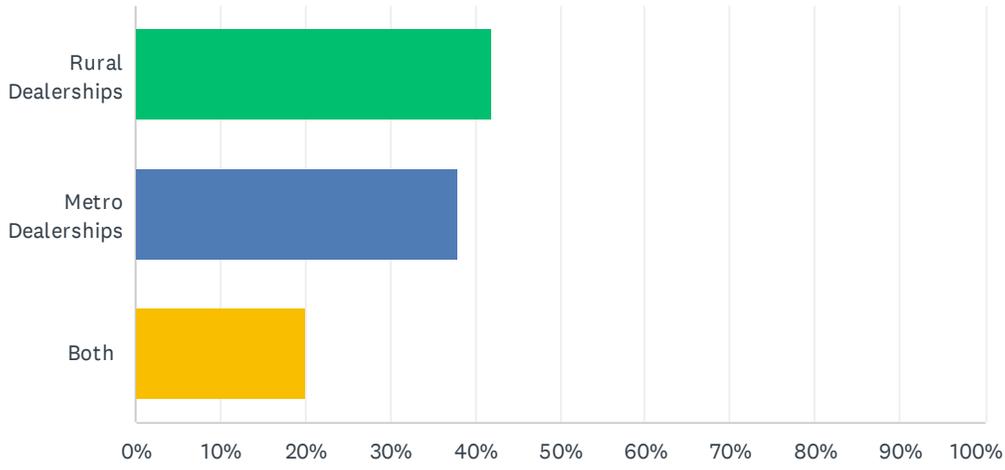
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ANSWER CHOICES	RESPONSES	
Managers	34.00%	17
Technicians and trades	98.00%	49
Clerical and admin staff	38.00%	19
Sales staff	58.00%	29
Other (please specify)	32.00%	16
Total Respondents: 50		

## Q6 Are the shortages you are experiencing in:

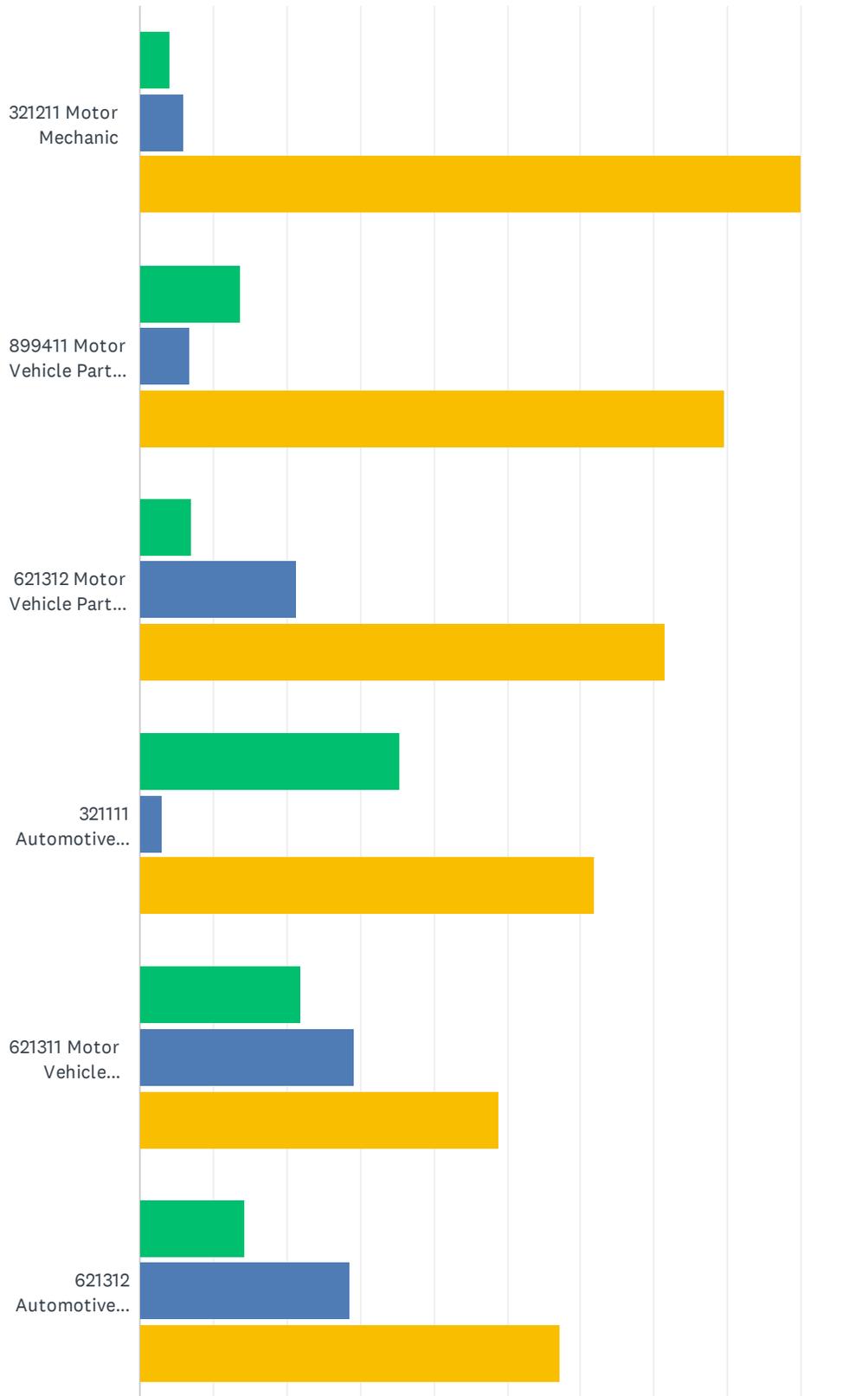
Answered: 50 Skipped: 0

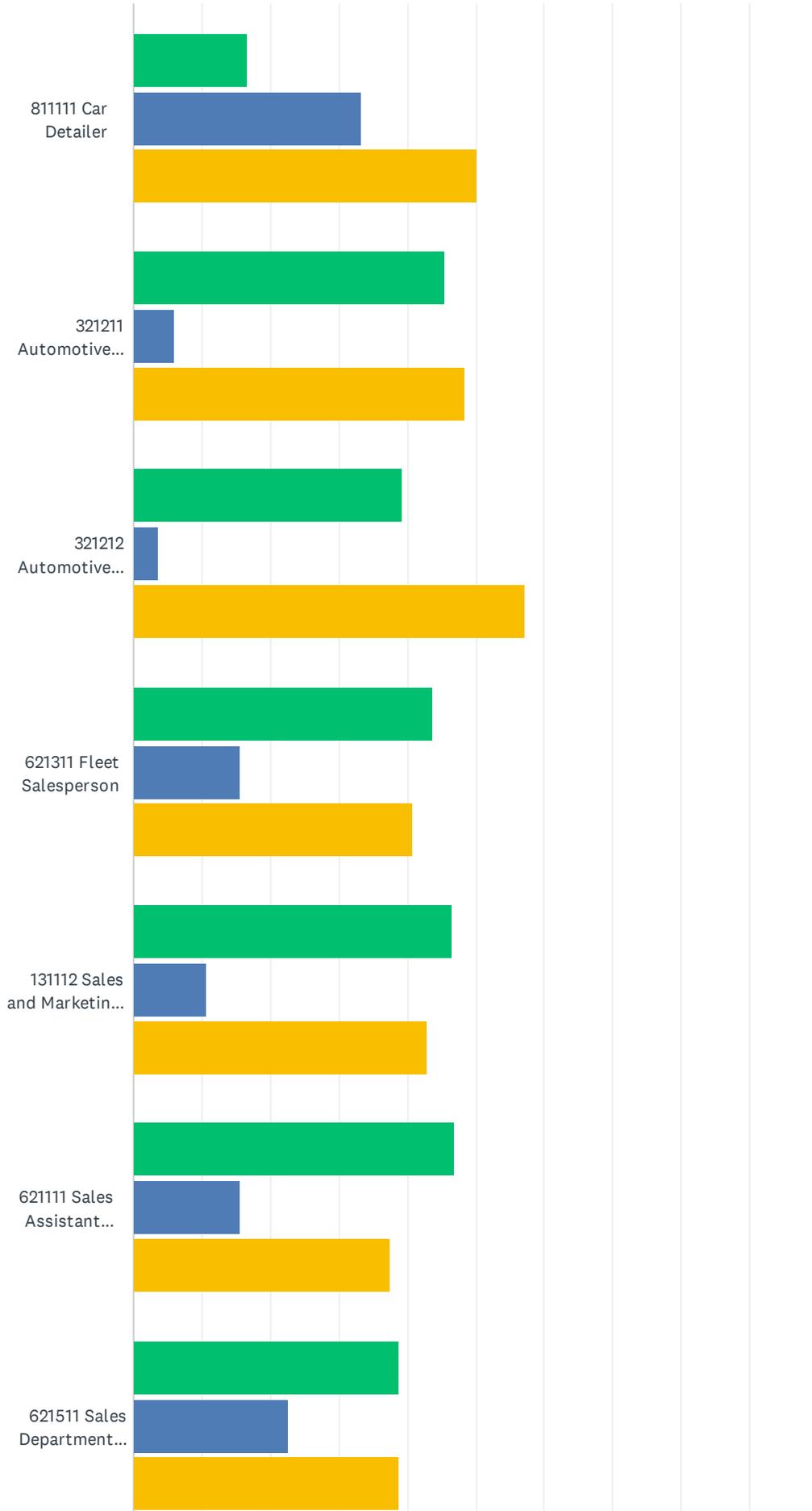


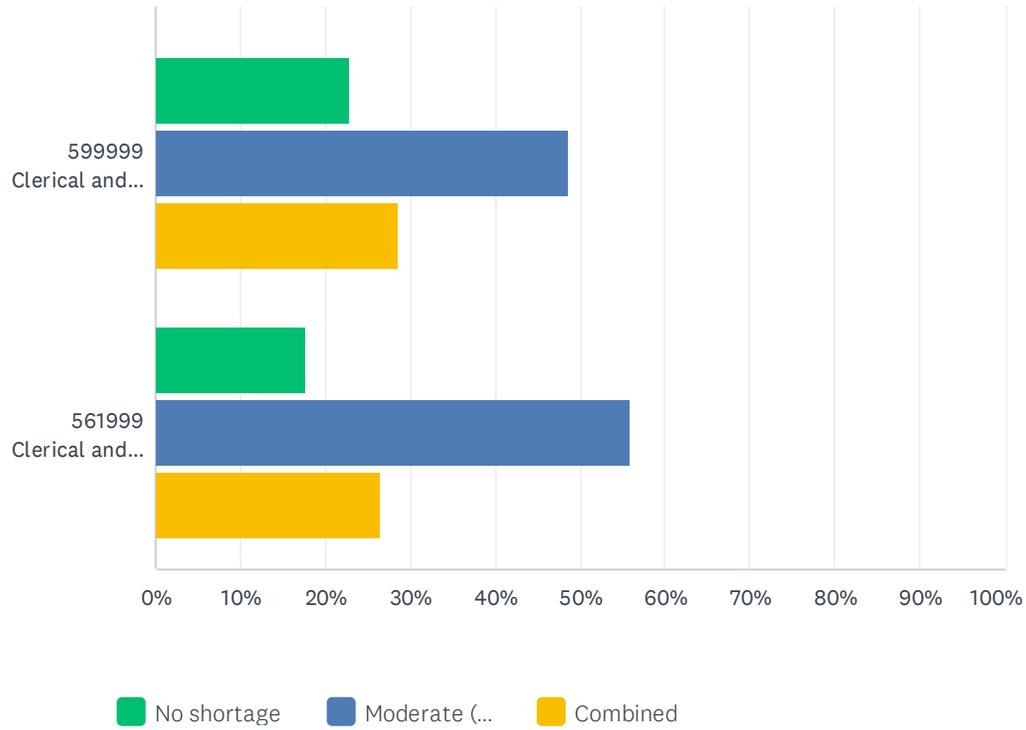
ANSWER CHOICES	RESPONSES	
Rural Dealerships	42.00%	21
Metro Dealerships	38.00%	19
Both	20.00%	10
<b>TOTAL</b>		<b>50</b>

### Q7 Please indicate in which of the following professions those shortages exist, by rating the below professions by severity:

Answered: 50 Skipped: 0



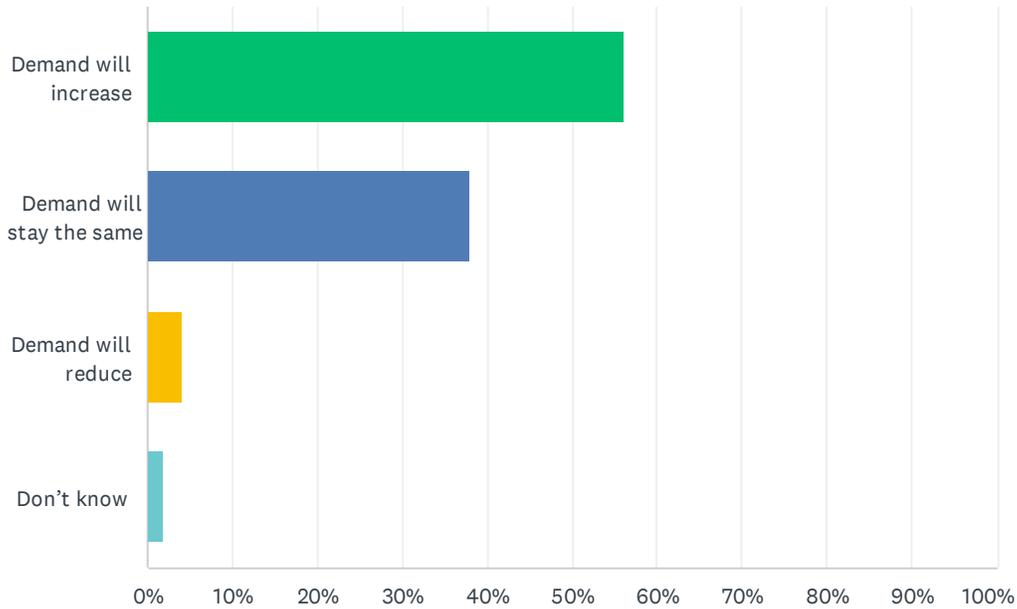




	NO SHORTAGE	MODERATE (VACANT FOR 1 MONTH)	COMBINED	TOTAL
321211 Motor Mechanic	4.00% 2	6.00% 3	90.00% 45	50
899411 Motor Vehicle Parts and Accessories Fitter	13.64% 6	6.82% 3	79.55% 35	44
621312 Motor Vehicle Parts Interpreter	7.14% 3	21.43% 9	71.43% 30	42
321111 Automotive Electrician	35.29% 12	2.94% 1	61.76% 21	34
621311 Motor Vehicle Salesperson	21.95% 9	29.27% 12	48.78% 20	41
621312 Automotive Parts Salesperson	14.29% 5	28.57% 10	57.14% 20	35
811111 Car Detailer	16.67% 6	33.33% 12	50.00% 18	36
321211 Automotive Airconditioning Mechanic	45.45% 15	6.06% 2	48.48% 16	33
321212 Automotive Heavy Mechanic	39.29% 11	3.57% 1	57.14% 16	28
621311 Fleet Salesperson	43.75% 14	15.63% 5	40.63% 13	32
131112 Sales and Marketing Manager	46.43% 13	10.71% 3	42.86% 12	28
621111 Sales Assistant (General)	46.88% 15	15.63% 5	37.50% 12	32
621511 Sales Department Supervisor	38.71% 12	22.58% 7	38.71% 12	31
599999 Clerical and Administrative Workers	22.86% 8	48.57% 17	28.57% 10	35
561999 Clerical and Office Support Workers	17.65% 6	55.88% 19	26.47% 9	34

## Q8 Do you expect demand for the occupations you have listed to change in the next 5 years?

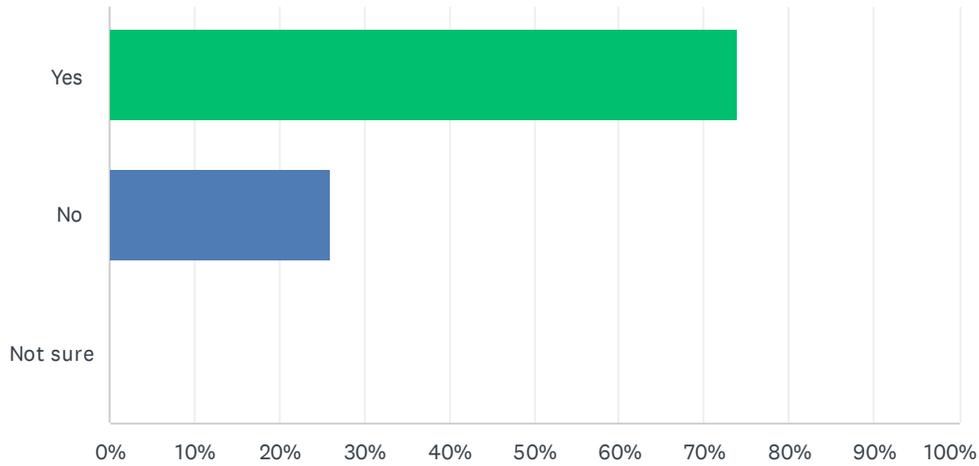
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ANSWER CHOICES	RESPONSES	
Demand will increase	56.00%	28
Demand will stay the same	38.00%	19
Demand will reduce	4.00%	2
Don't know	2.00%	1
<b>TOTAL</b>		<b>50</b>

## Q9 Have you used employer-sponsored visa programs in the last 12 months?

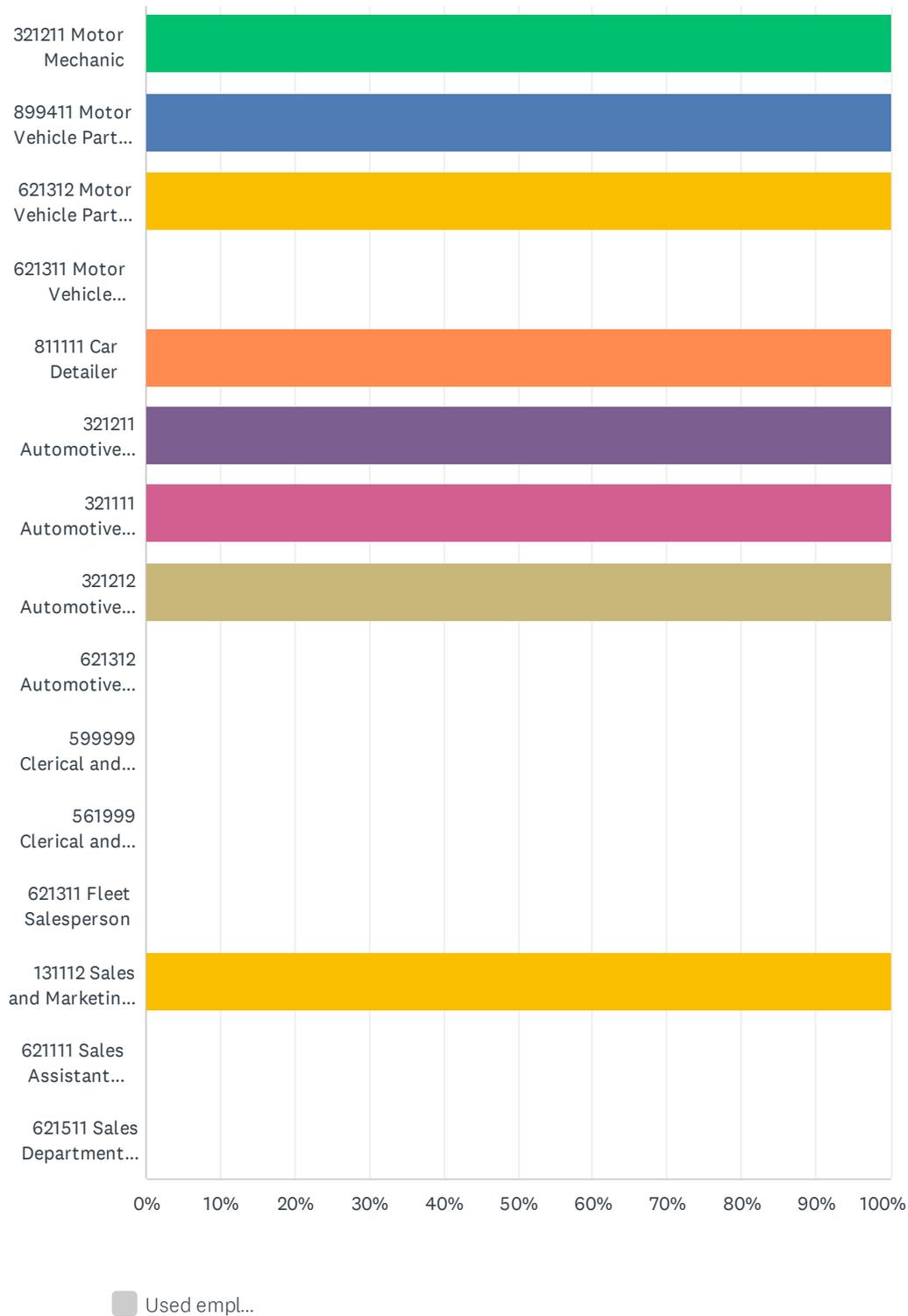
Answered: 50 Skipped: 0



ANSWER CHOICES	RESPONSES	
Yes	74.00%	37
No	26.00%	13
Not sure	0.00%	0
<b>TOTAL</b>		<b>50</b>

### Q10 If you have used employer-sponsored visa programs in the past 12 months, please indicate for which of the following occupations:

Answered: 37 Skipped: 13



	USED EMPLOYER-SPONSORED VISAS	TOTAL
321211 Motor Mechanic	100.00% 37	37
899411 Motor Vehicle Parts and Accessories Fitter	100.00% 3	3
621312 Motor Vehicle Parts Interpreter	100.00% 1	1
621311 Motor Vehicle Salesperson	0.00% 0	0
811111 Car Detailer	100.00% 2	2
321211 Automotive Airconditioning Mechanic	100.00% 1	1
321111 Automotive Electrician	100.00% 3	3
321212 Automotive Heavy Mechanic621312	100.00% 3	3
621312 Automotive Parts Salesperson	0.00% 0	0
599999 Clerical and Administrative Workers	0.00% 0	0
561999 Clerical and Office Support Workers	0.00% 0	0
621311 Fleet Salesperson	0.00% 0	0
131112 Sales and Marketing Manager	100.00% 1	1
621111 Sales Assistant (General)	0.00% 0	0
621511 Sales Department Supervisor	0.00% 0	0

**Q11 Are there any other areas of your business suffering skill shortages which are not listed in the above? If so, please specify:**

Answered: 19 Skipped: 31

**Q12 Do you have any additional comments regarding skills shortages of any of the occupations listed above?**

Answered: 23 Skipped: 27



AUSTRALIAN  
AUTOMOTIVE  
DEALER  
ASSOCIATION

CANBERRA OFFICE



[aada.asn.au](http://aada.asn.au)



AUSTRALIAN  
AUTOMOTIVE  
DEALER  
ASSOCIATION

# ATTACHMENT C

# ADDRESSING AUTOMOTIVE SKILLS SHORTAGES

## SUMMARY REPORT

May 2022



## STRATEGIC OBJECTIVE

AAAA, AADA and MTAQ are working together to address the growing demand for skilled automotive technicians by identifying opportunities to improve the automotive apprenticeship experience that can increase apprentice intake and retention outcomes, and ultimately keep technicians within the industry over the longer term.

## CONTENTS

This summary report provides key insights into four specific cohorts within the apprentice body. Each of them stands out in terms of their unique experiences, expectations, and needs.

### 1<sup>ST</sup> YEARS

Their time in the industry might be short, but they are happy with their **career prospects**, and enjoying their **training**.

With that said, **low pay** rates are already a challenge, as well as **repetitive tasks**.

They do however find the workplace enjoyable, and are looking to remain in the industry as they work towards the ultimate goal of becoming a **master technician**.

### 4<sup>TH</sup> YEARS

4<sup>th</sup> year apprentices are less **satisfied**, with concerns around **career prospects**, **level of training** and **L&D opportunities**.

Despite many considering **leaving the industry**, they have stayed (with the support of family and friends).

It has however shifted their thinking to the **business side of workshop operations**, suggesting a level of interest in opening their own shop once they qualify.

### WOMEN

Whilst we don't have many female apprentices, those we have are highly **satisfied**, and **committed to the profession**.

Despite this, the **lack of diversity remains** challenging, with **their gender making their journey more difficult**.

Positively, this doesn't change their mind – they plan to **stay in the industry long-term**. They will however leave an employer if they don't believe it's the right environment for them.

### CAREER CHANGERS

Career changers are forward thinkers who want to learn about **new technologies** and how they will impact the automotive industry.

They are however less engaged with some aspects of the apprenticeship, ideally wanting the **flexibility** to reduce the **length (and potentially also tailor the content)** of their studies.

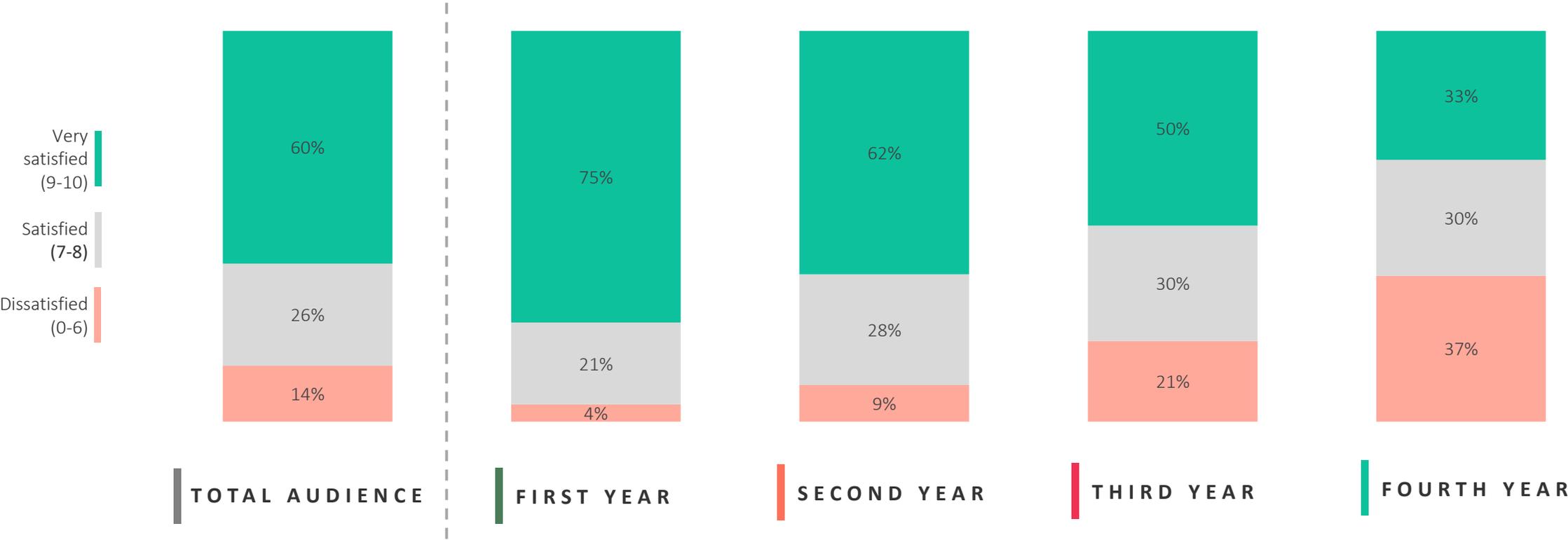
# 1<sup>st</sup> YEAR APPRENTICES



# OVERALL SATISFACTION WITH APPRENTICESHIP

First year apprentices are highly satisfied with their experiences so far

*How satisfied are you overall with your apprenticeship?*

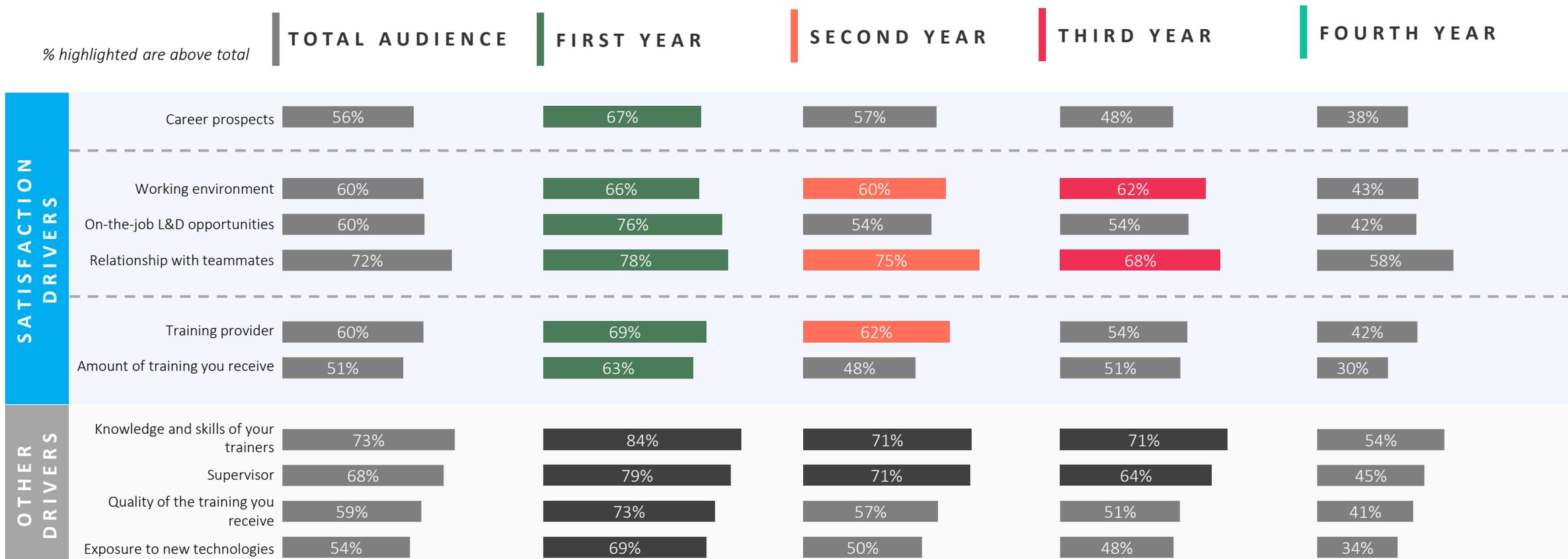


The apprenticeship experience is clearly delivering well in the early stages, but does then decline as they move further along (particularly in the 3<sup>rd</sup> and 4<sup>th</sup> year)

# DRIVERS OF APPRENTICESHIP SATISFACTION

All elements of their apprenticeship are working together to deliver these positive outcomes, with 1<sup>st</sup> years enjoying the workplace, the on-the-job learning, and the more formal training delivery

How satisfied overall are you with...?



Apprentices at this early stage are highly engaged with the industry, particularly enjoying their experiences within the workplace

# IMPROVEMENTS TO APPRENTICESHIP

Despite this, 1<sup>st</sup> year apprentices do see some potential to improve the initial phase of their apprenticeship, particularly when it comes to getting hands on with the work right from the beginning, and having someone specific they can look to for support

*What would you change to improve the first six-months of an apprenticeship?*



35%

## HANDS ON WORK

1. Hands on work – 32%
2. Variety of work – 5%

Apprentices feel they need a better initial understanding of basic theory. This foundation can then be developed through more hands-on, one-on-one training with more experienced mechanics.

*“Giving the apprentice more hands-on experience in the beginning to ensure they have selected the right career”*  
– School Leaver



28%

## LEARNING SUPPORT

1. Having a mentor – 7%
2. One-on-one training – 7%
3. Support for development – 6%

Apprentices feel as though being taken under the wing of an experienced mechanic for one-on-one training would benefit their initial 6-months.

*“Have supervisors come around and see how well you have learned new things each week, ticking off some sort of checklist.”*  
– Career Changer



10%

## HAPPY WITH THE CURRENT SET UP

Despite most apprentices having suggestions to help better their initial experience, 10% express that they wouldn't change anything.

*“I've had great opportunities to experience what the automotive industry has to offer so that you know what you are in for and what to expect for the next part of your career”*  
– Career Starter

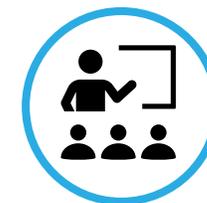


9%

## BETTER PAY

The issue of low pay for apprentices is not a new issue. Most feel that an incentive of a higher hourly rate will help accommodate the costs associated with starting an apprenticeship.

*“Better pay and more support to ensure apprentices stay within the trade”*  
– Career Starter



9%

## TRAINING

1. Pre-training– 3%
2. More TAFE– 2%
3. Universal apprentice schedule/handbook – 2%

Heading into an apprenticeship, newcomers feel they need a secure way to “learn the ropes” before starting the course. This would ideally be delivered through TAFE.

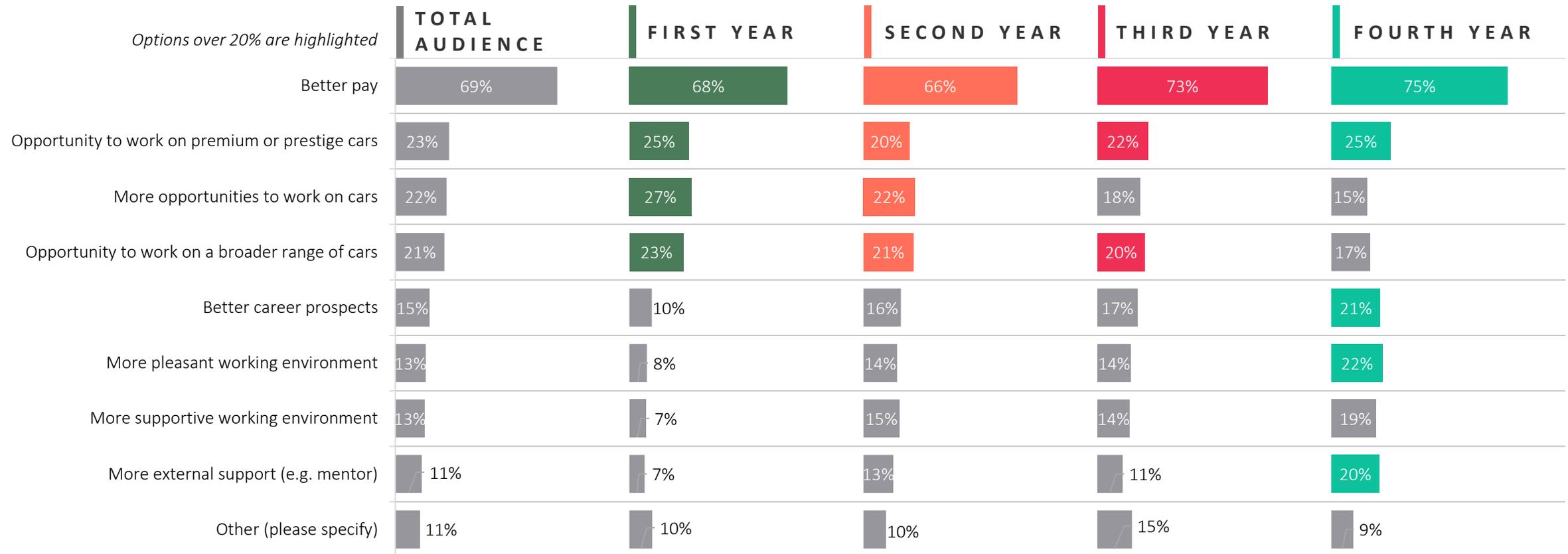
*“We would benefit from a more controlled training and not just throwing the apprentice in the deep end straight away.”*  
– School Leaver

This suggests potential for a more formalised mentorship program, that can give apprentices someone to whom they can talk openly and honestly about their experiences, including any concerns they might have

# DRIVERS OF SATISFACTION

Pay rates are also a concern from the beginning (and throughout the apprenticeship); the desire for more hands on work is also evident in their desire to work on a broader range of cars, including more premium or prestige ones

Which, if any, of the following would increase your satisfaction with your apprenticeship?



Apprentice pay consistently emerges as an issue, suggesting it needs to be addressed at an industry level to raise the bar and remove any disincentive to enter this sector; workshops also need to ensure that apprentices are being exposed to both a range of different tasks and a range of different vehicles in their day-to-day work

## 4<sup>th</sup> YEAR APPRENTICES

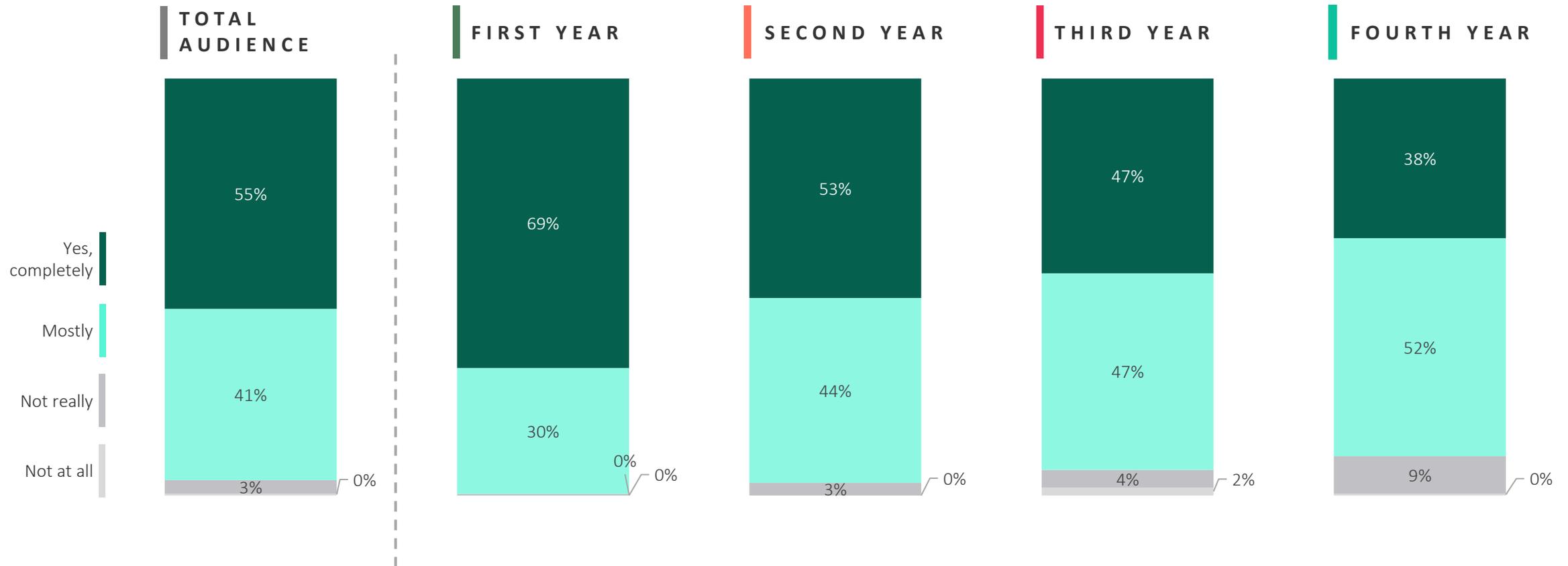


2

# MEETING EXPECTATIONS

Later stage apprentices are clearly somewhat unsure about the direction their work and training experiences have taken, with a level of misalignment to what they expected

*Is the job what you expected?*

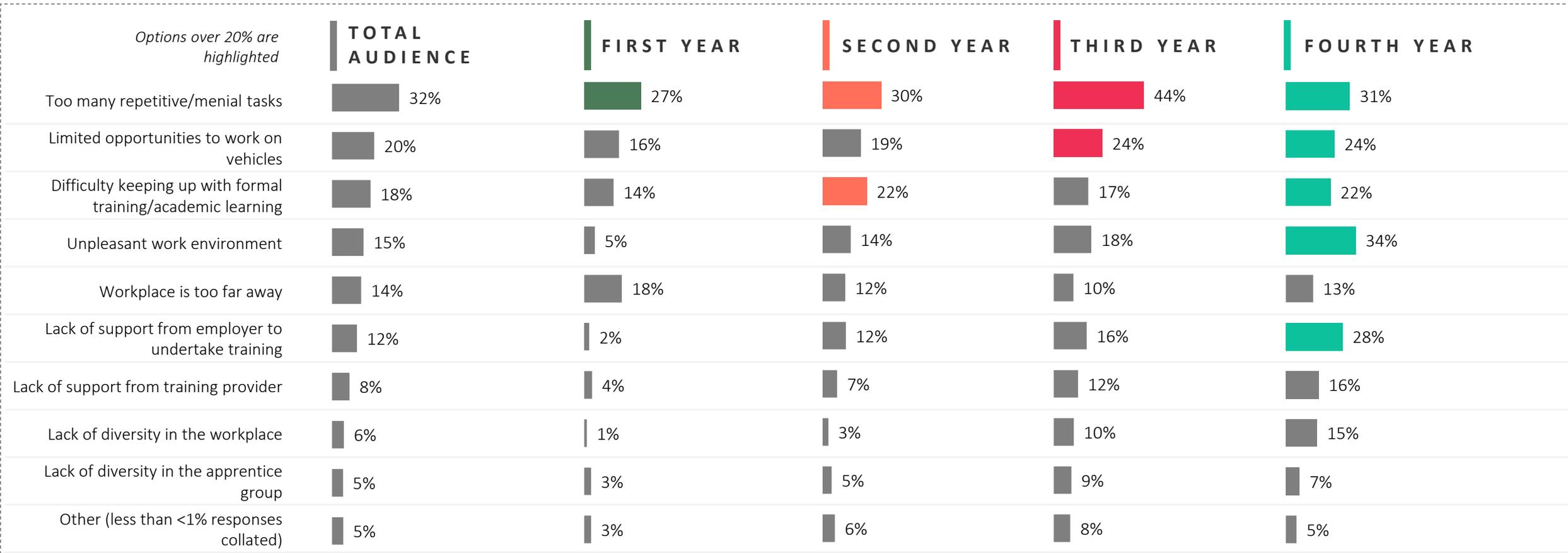


Apprentices could potentially benefit from greater transparency around the journey on which they're embarking, and the key milestones they would be expected to reach at certain stages in the process

# CHALLENGES THROUGHOUT

This is potentially reflected in some of the concerns expressed by this cohort around the level of support they receive from their employer, and the work environment itself

What challenges did you experience during your apprenticeship?

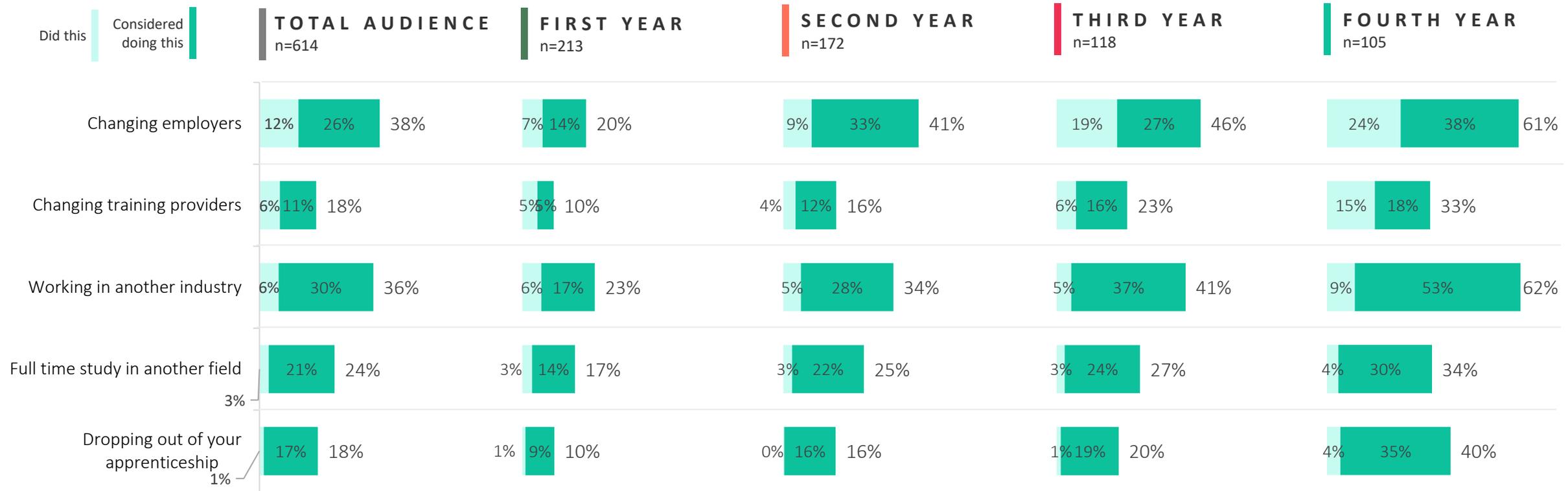


Workshops need to ensure that later stage apprentices are supported to find the right balance between working on vehicles, workplace learning, and their formal studies

# CONSIDERATION FOR A CHANGE IN WORK ENVIRONMENT

It is concerning (but probably not surprising) that many third and fourth year apprentices are therefore considering changing employers, working in another industry, or (less commonly) just dropping out of their apprenticeship entirely

*Which, if any, of the following have you considered doing, or done during your apprenticeship?*

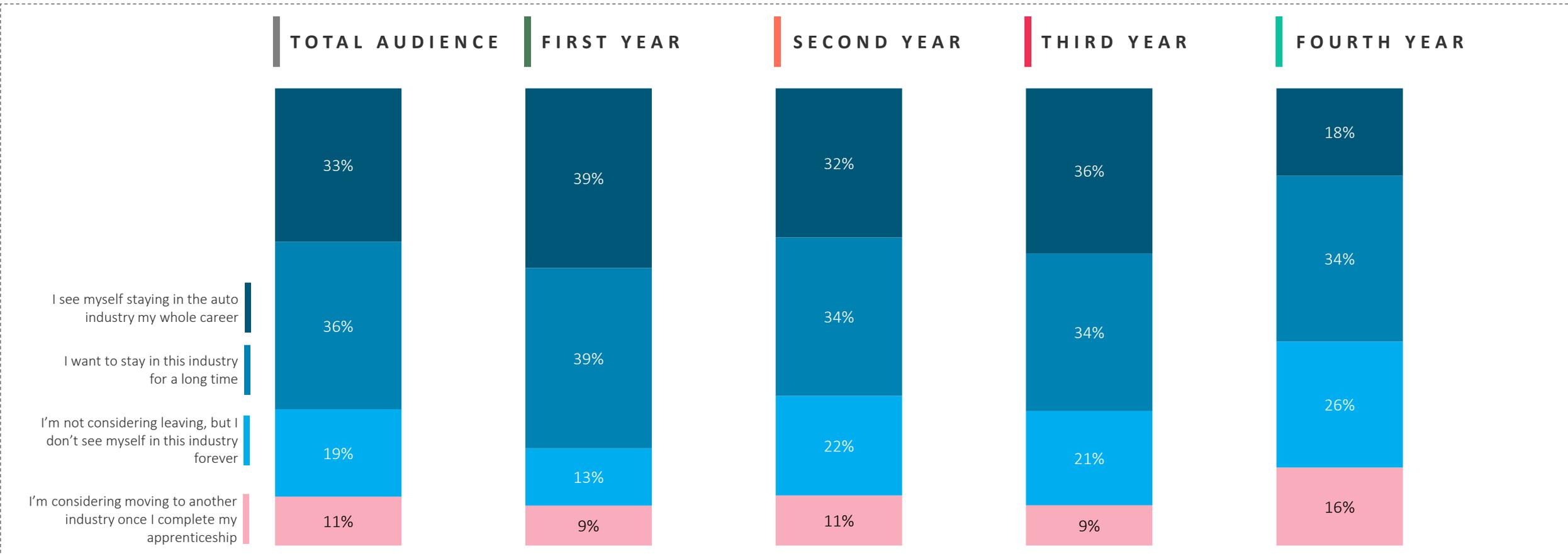


The value of the experience and learning outcomes doesn't appear evident to apprentices moving into the later stages of their training

# FUTURE OUTLOOK

Given these challenges, it is positive to see that most fourth-year apprentices expect to remain in the industry beyond the completion of their qualifications, with more than half still expecting a long-term career in the automotive sector

Thinking about your future, which of the following best describes you?

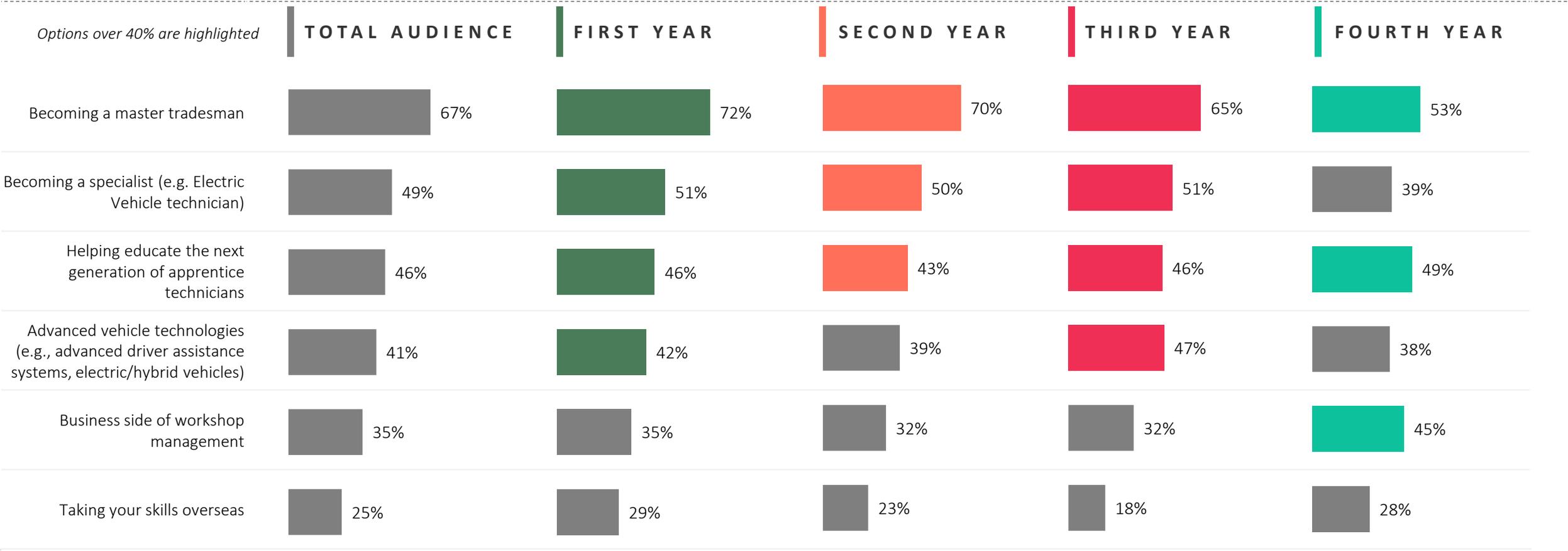


This suggests that despite some negative experiences there is still an opportunity to retain them over the longer term

# APPRENTICE INTERESTS

We can also see that apprentices reaching the later stages of their training become much more interested in the business side of operating a workshop

How interested are you in the following? (Extremely interested)



This suggests many apprentices have a goal of workshop management or ownership (either in the short or longer term), so would benefit from training and ongoing support to build skills that are relevant to this objective

# FEMALE APPRENTICES

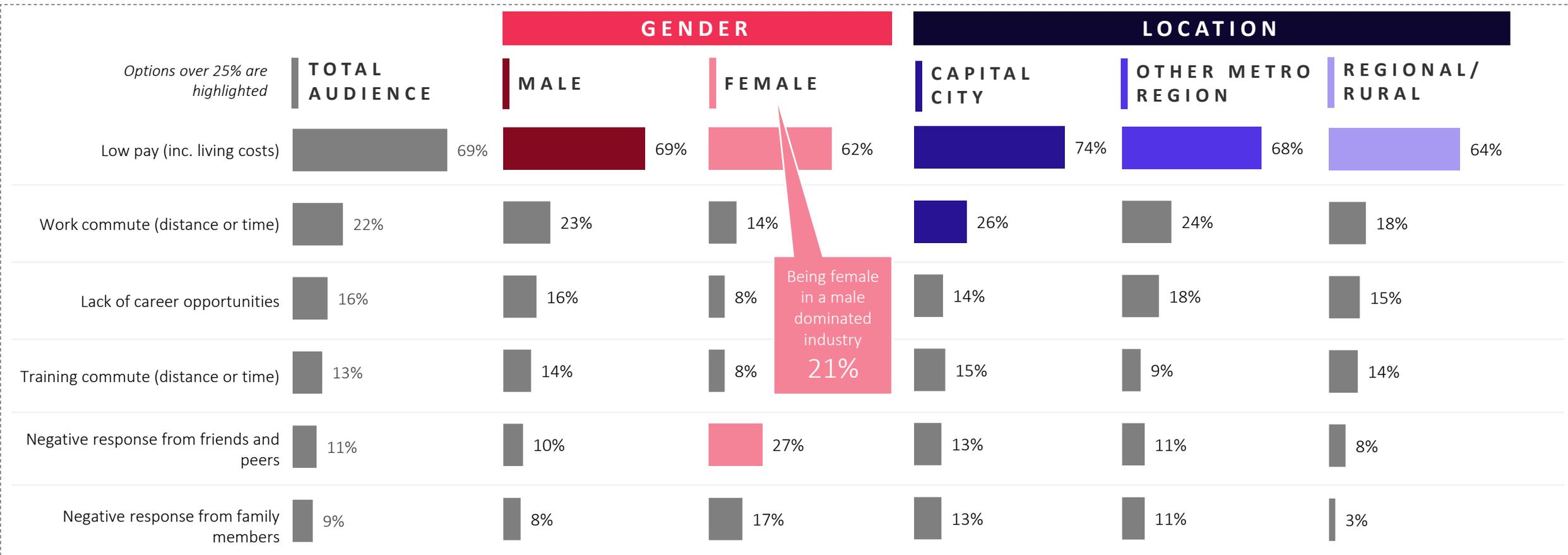


3

# TOP CHALLENGES UPON STARTING APPRENTICESHIP

Entering the automotive sector appears more confronting for women than men, as they face off against traditional stereotypes, both within the workshop, and amongst their family and friends

What challenges did you have to overcome when starting out on this pathway?

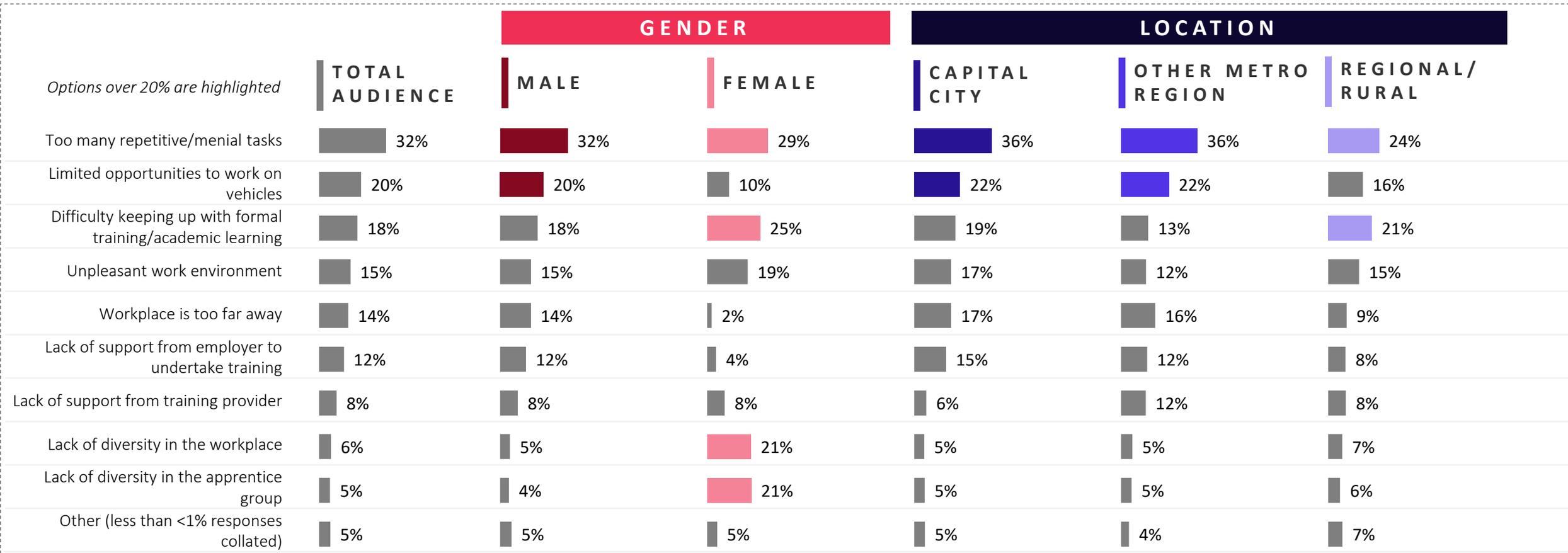


We need to reduce (and ultimately remove) the barriers to entry into the industry that are deterring women beyond this highly engaged cohort

# CHALLENGES THROUGHOUT

Women also experience a broader range of challenges as they move through their apprenticeship, talking to the lack of diversity within their peer group, and the workplace more broadly

What challenges did you experience during your apprenticeship?

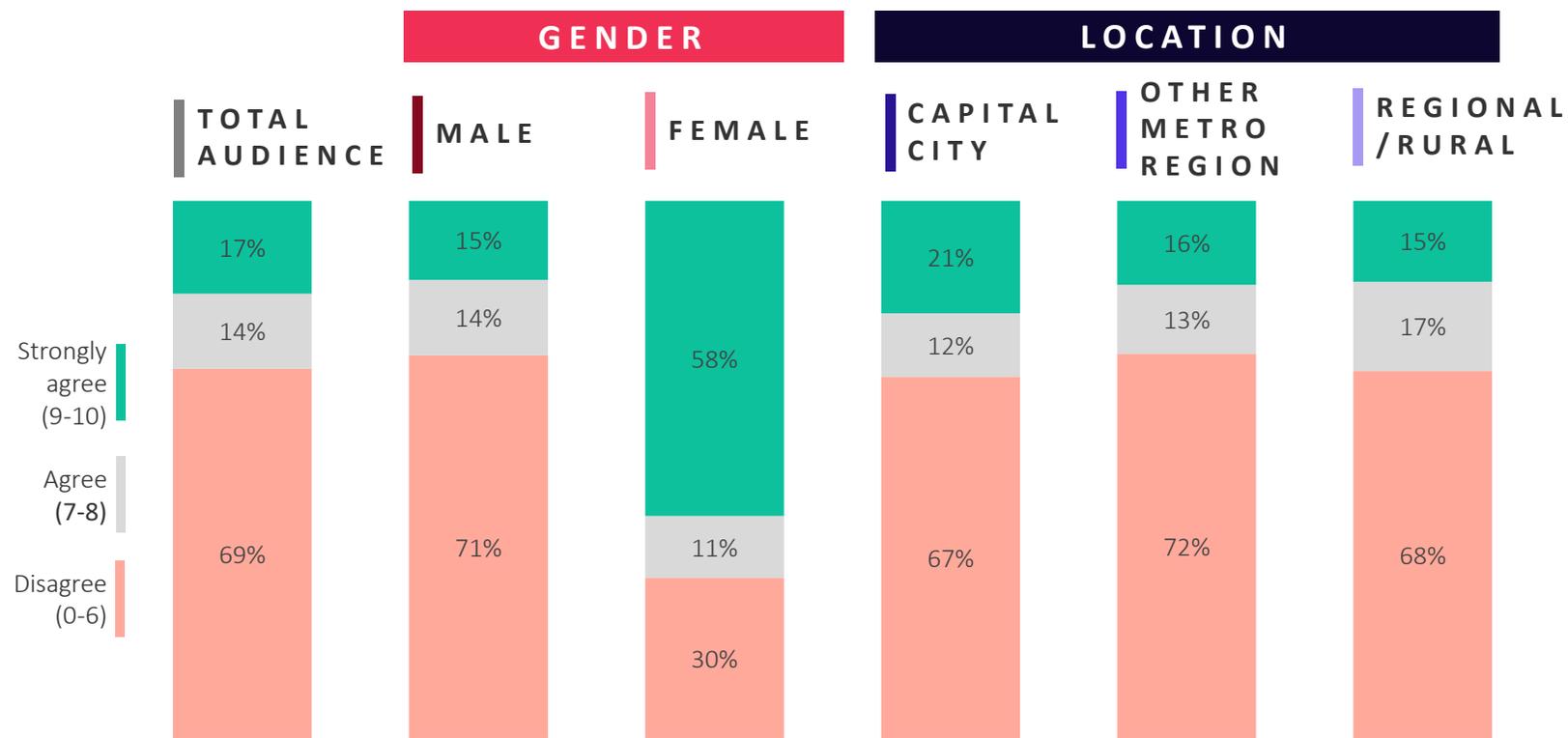


This cannot be fixed in the short term, so the focus should instead be on providing the most comfortable environment possible for women and any other apprentices from non-traditional backgrounds

# APPRENTICE PERCEPTION | GENDER EQUALITY

This means that our female apprentices are those who have overcome a level of adversity to succeed; this is further highlighted by the fact that one in four of them have felt the need to switch employers during the course of their studies

*It is harder for a female apprentice to succeed than a male one*

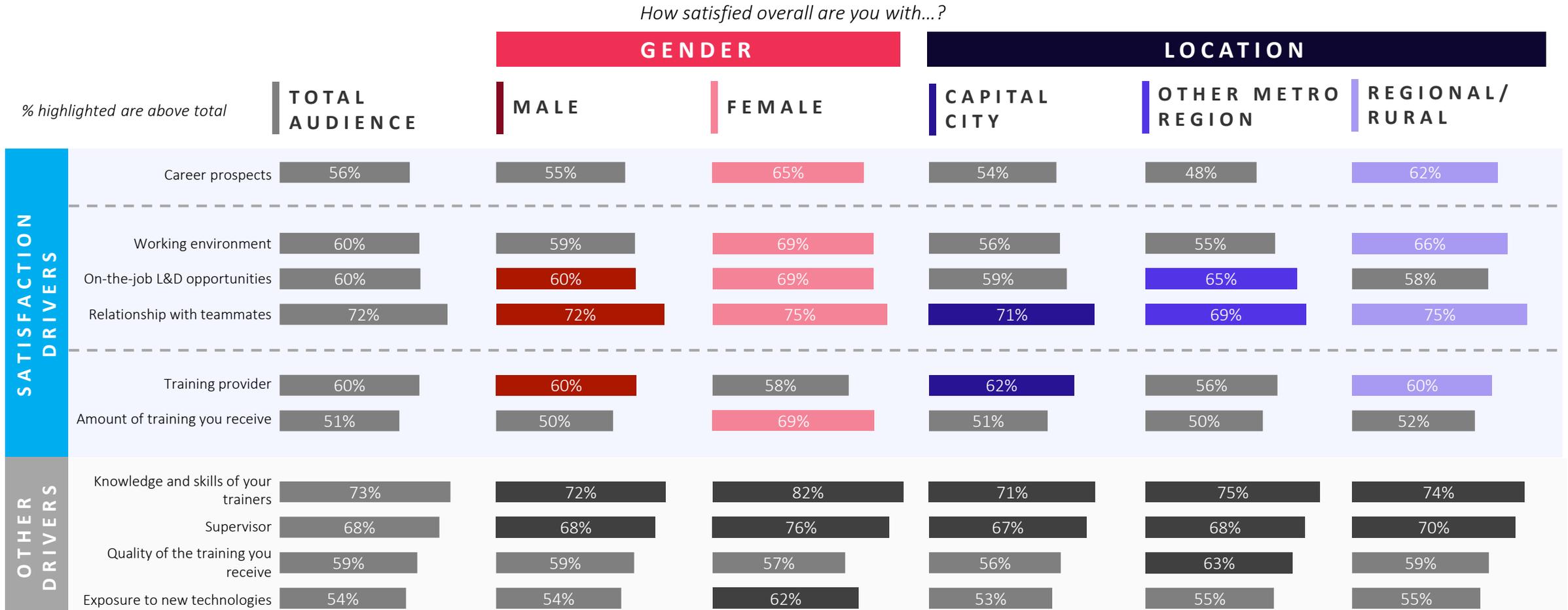


**25%**  
OF FEMALE APPRENTICES HAVE CHANGED EMPLOYERS (VS. 11% OF MALE APPRENTICES)

The experience of being a female apprentice in a male-dominated environment is clearly still not ideal; this also raises questions about how many have dropped out, or never started on the journey?

# DRIVERS OF APPRENTICESHIP SATISFACTION

Despite this, female apprentices appear to be obtaining better outcomes in most areas than their male counterparts

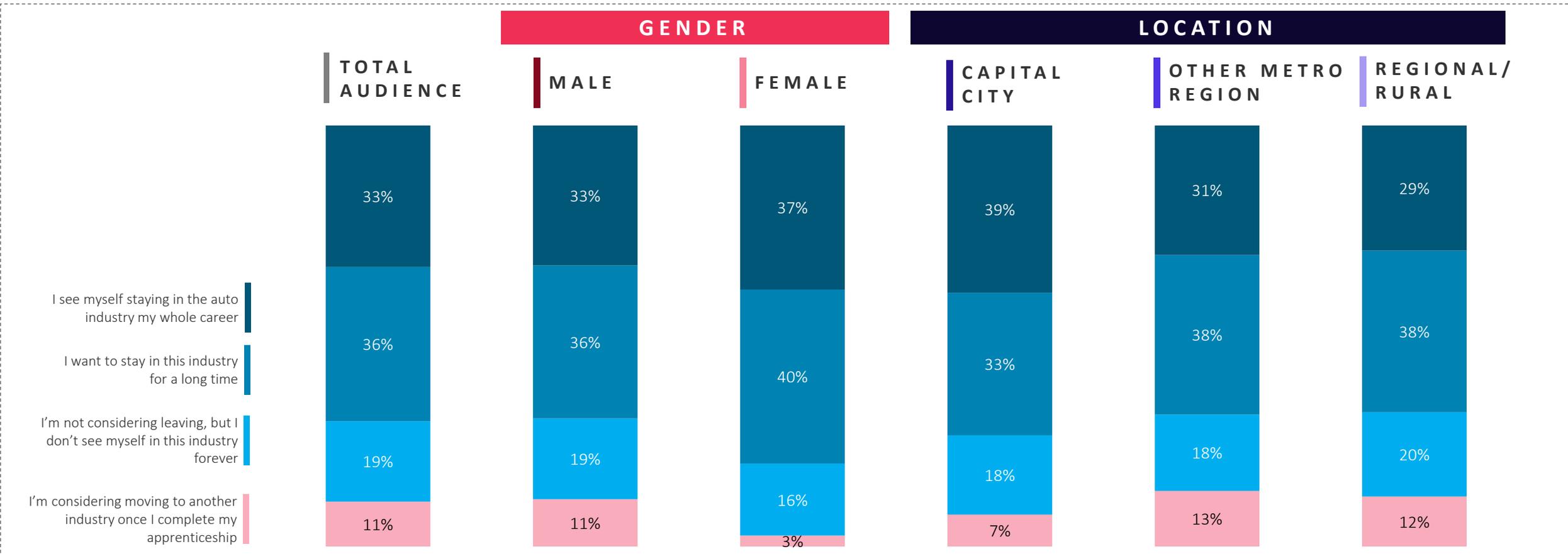


The gender difference suggests that while the absolute number of female apprentices remains limited, there is a cohort that are being actively engaged and well supported through their apprenticeship – the question is how we can both share their stories more broadly, and ensure other female apprentices receive similar treatment

# FUTURE OUTLOOK

Our female apprentices also remain more committed to their career path, almost universally expecting to remain in the sector beyond the completion of their qualifications

Thinking about your future, which of the following best describes you?



Given the level of commitment shown by these women, the industry needs to ensure that it facilitates their progression as best possible to visibly create positive outcomes that can help smooth the way for future candidates

# CAREER CHANGERS

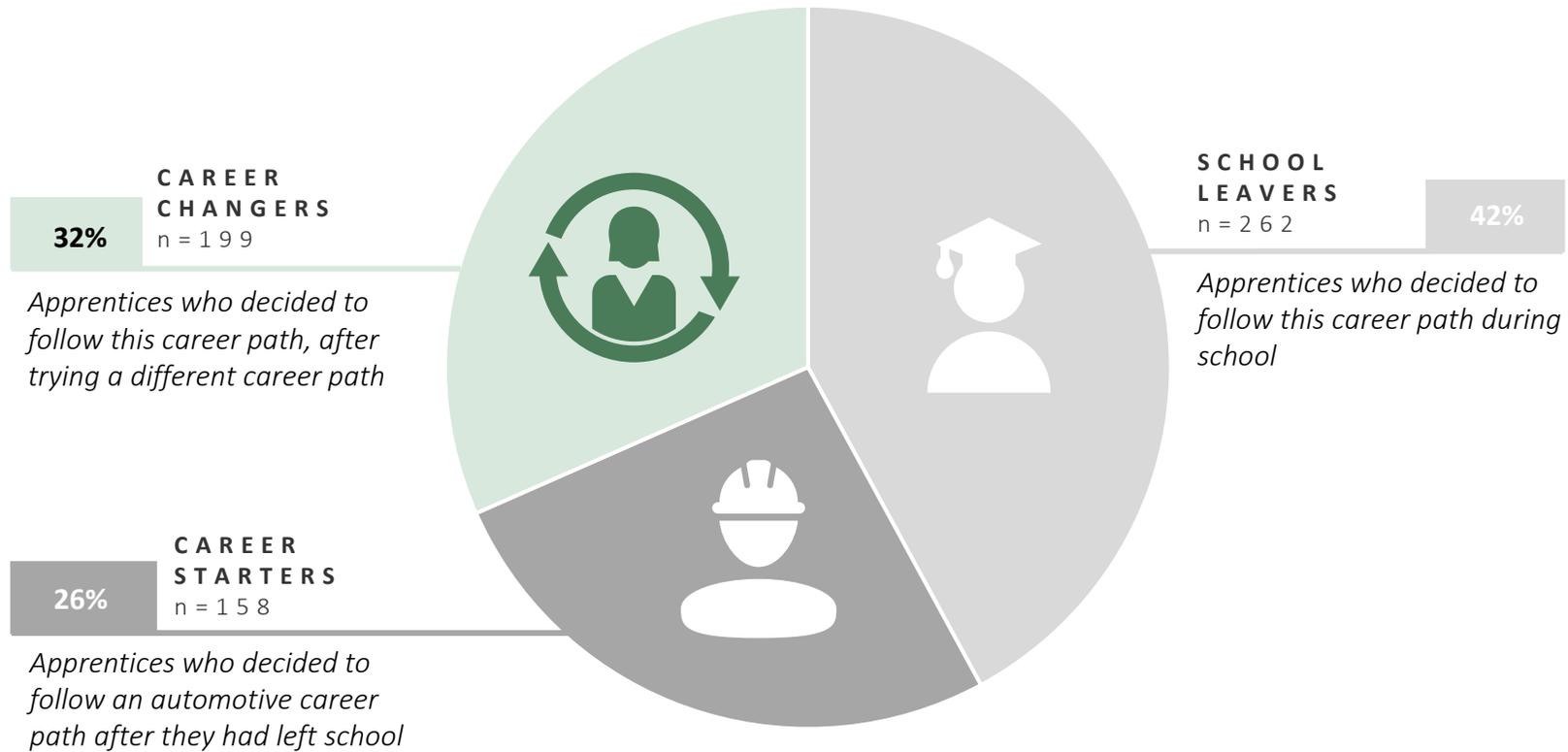


4

# DECISION POINT

Within our sample, we can identify apprentices who made the decision to enter this career path after trying a different vocation first

*When did you decide to have this career path?*

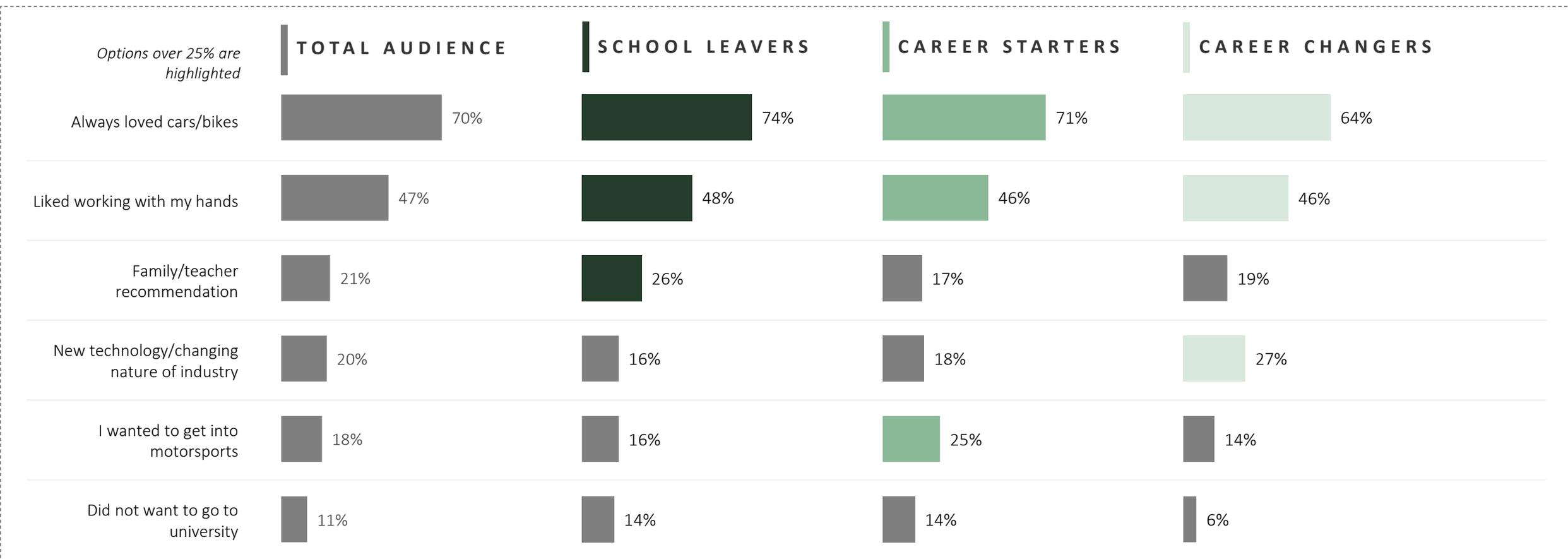


This subgroup has different influences, needs, and expectations as they move into an automotive apprenticeship

# ATTRACTION TO THE AUTOMOTIVE INDUSTRY

Career Changers were attracted to a career in the automotive sector as it aligned with their love of vehicles and enjoyment of working with their hands, while also offering the opportunity to be exposed to new innovations and cutting-edge technologies

What attracted you to this pathway?



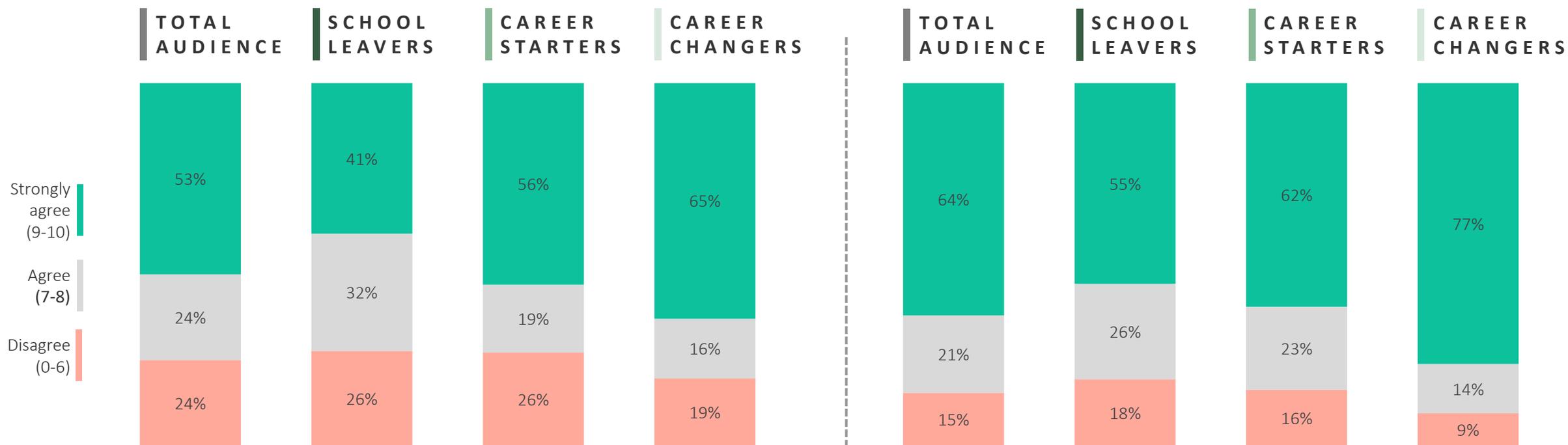
While there are some common elements with other groups (i.e. loving working on cars / working with their hands), the focus on technology means this will need to be included in their training for them to remain engaged

# APPRENTICE PERCEPTIONS | NEW TECHNOLOGIES

Career changes therefore expect the industry to adapt and innovate in response to upcoming technological changes

*I would like more exposure to new technologies during my apprenticeship*

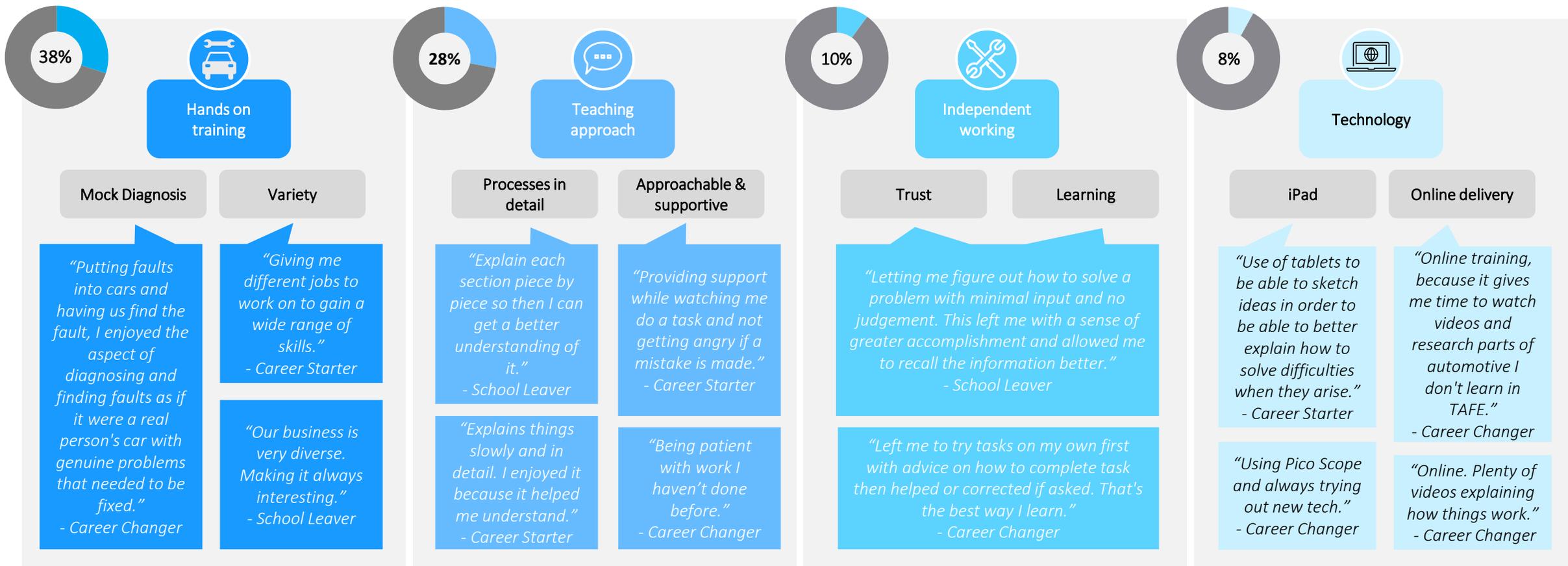
*I think it is important for us to adapt to technological changes*



The significant level of technological innovation within the industry suggests that this desire can be met through education on existing work (as against suggesting the industry itself needs to change in terms of its usage of new technologies)

# INNOVATIVE TRAINING APPROACHES EXPERIENCED

Looking at their current experiences (as well as those of the broader apprentice cohort), there are some really compelling examples of how training delivery can incorporate new technologies, while also providing a safe environment in which to learn

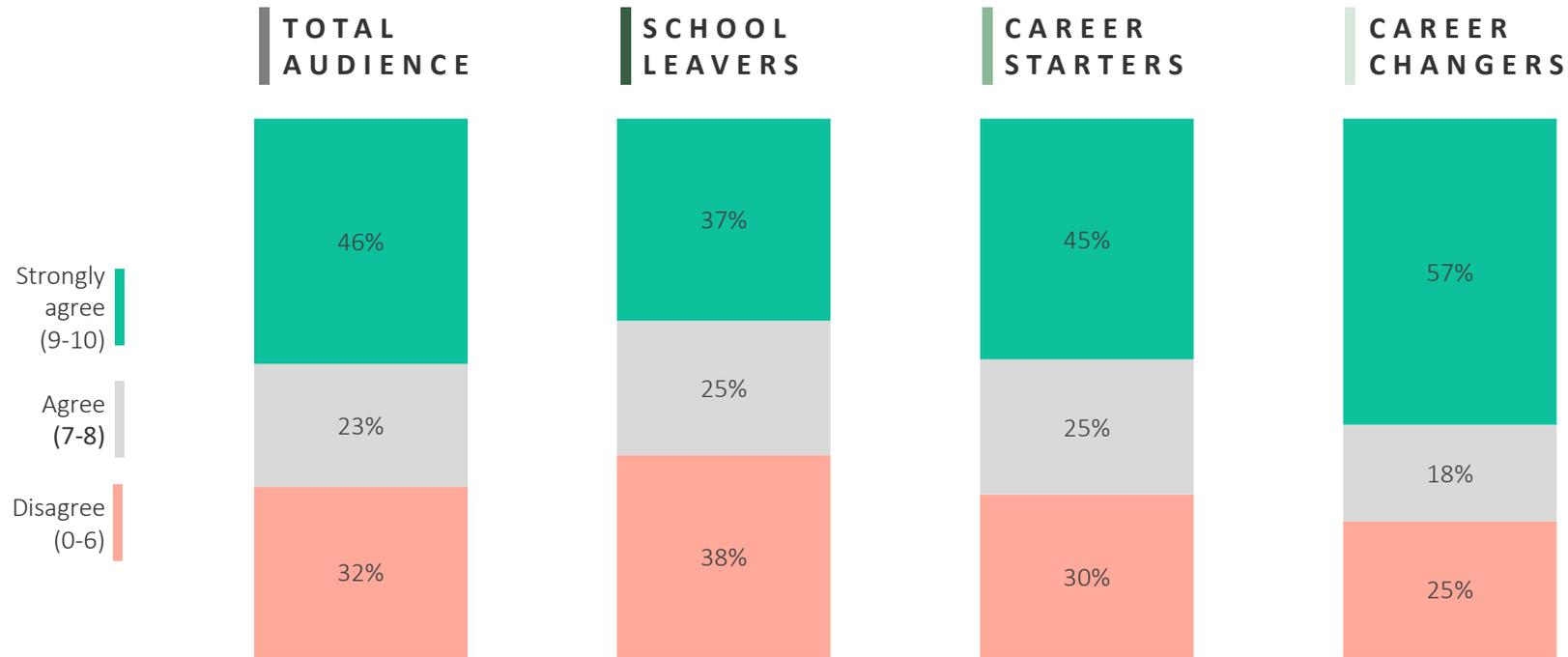


Some of these ideas (e.g. mock diagnosis) can help with ideas around new or different training modules, with the feedback also reminding us that apprentices will have different needs – some will prefer a great level of direction, while others will prefer a more self-guided (potentially online) approach to learning

# APPRENTICE PERCEPTIONS | NEW TECHNOLOGIES

Career Changers are however less engaged with the 'standard' apprenticeship program, with most of them interested in being able to complete their apprenticeship (or the elements of it that they feel are most relevant) in a shorter period of time

*I would like the flexibility to complete my apprenticeship in a shorter period of time*

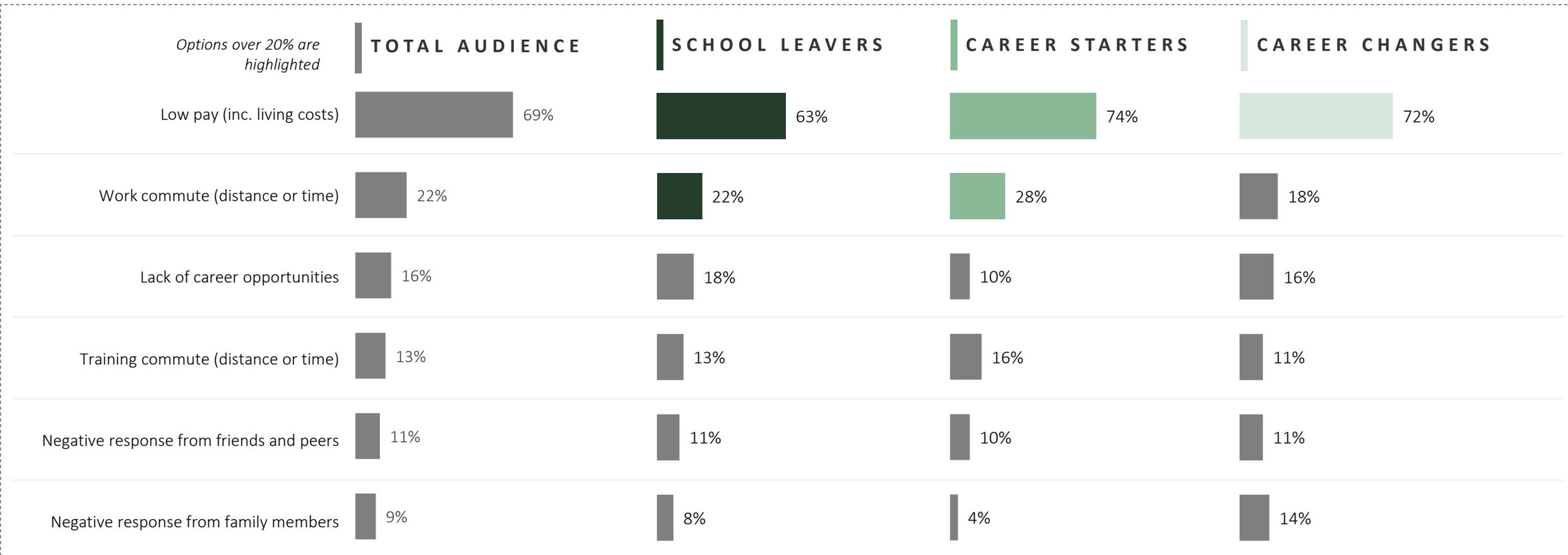


This suggests that there is an opportunity for shorter, modular training modules that can provide a tangible sense of progress

# TOP CHALLENGES UPON STARTING APPRENTICESHIP

Career Changers do also face a significant barrier in terms of the low pay rates (suggesting they would in many cases be taking a step backwards)

*What challenges did you have to overcome when starting out on this pathway?*



The industry does need to improve here, ensuring that pay is not a disincentive to entering or remaining within the industry

# VIGNETTES

5



# 1<sup>st</sup> YEAR APPRENTICES

## KEY TAKEAWAYS

1<sup>st</sup> year apprentices display a high level of **excitement** about their role. Their time in the industry might be short, but so far their **expectations have been met**, they are happy with the **career prospects** ahead of them, and are enjoying their **training**.

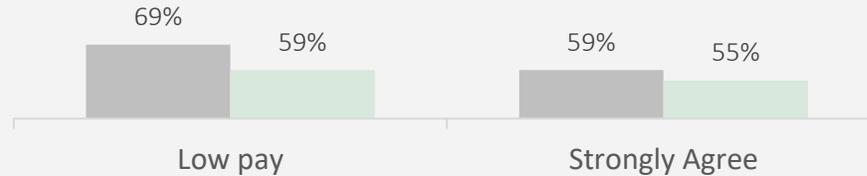
With that said, **low pay** rates are already emerging as a challenge, while **repetitive tasks** is an ongoing problem. However, they find the workplace enjoyable, and feel they are being provided with a **pleasant and supportive environment**. This results in them looking to stay in the industry for a long period of time, with the goal of becoming a **master tradesman**.

The cohort is very excited about the **technological advancements** in the industry, so **opportunities** to be involved with tech will keep satisfaction high!

## ENTERING THE INDUSTRY

### BIGGEST CHALLENGE WHEN STARTING OUT

1<sup>st</sup> Year vs Total Audience



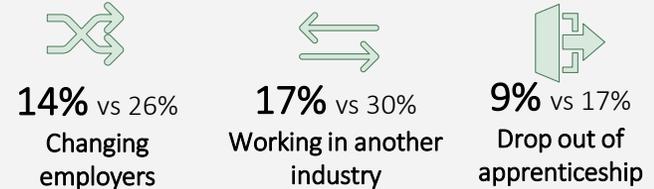
### WOULD LIKE TO BE PAID MORE

1<sup>st</sup> Year vs Total Audience

## CONSIDERING LEAVING

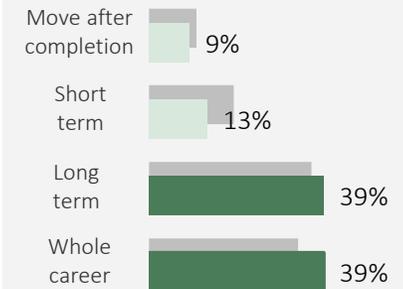
### ACTIONS CONSIDERED....

1<sup>st</sup> Year vs Total Audience



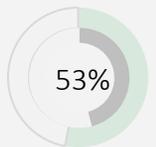
### INTENDED LENGTH IN THE AUTO INDUSTRY

1<sup>st</sup> Year vs Total Audience



### APPRENTICESHIP PERCEPTION

Strongly agree (9-10)

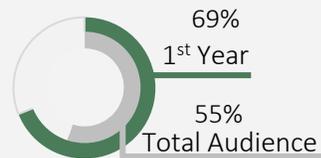


Shorter apprenticeship

## ONGOING EXPERIENCE

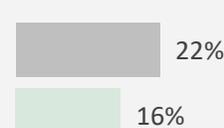
### IS THE JOB WHAT YOU EXPECTED?

Yes, completely

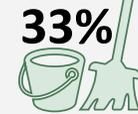


### APPRENTICES FACE HOSTILE WORK ENVIRONMENTS?

Strongly agree



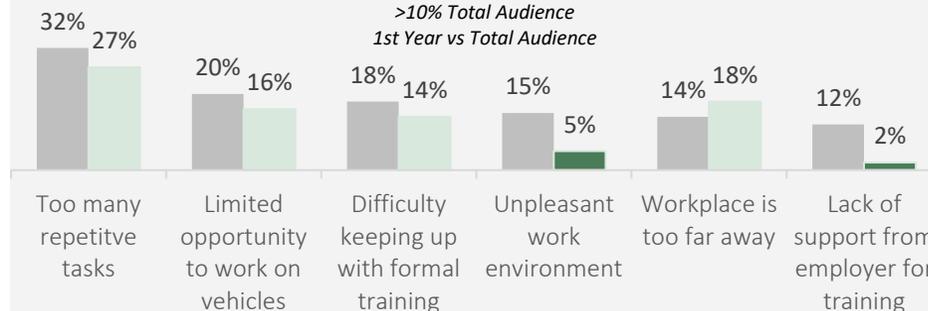
### % OF TIME SPENT CLEANING



vs 24%/17%/13% (2<sup>nd</sup>/3<sup>rd</sup>/4<sup>th</sup>)

### CHALLENGES EXPERIENCED

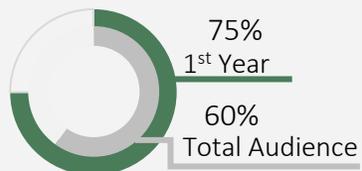
>10% Total Audience  
1<sup>st</sup> Year vs Total Audience



## APPRENTICESHIP SATISFACTION

### OVERALL APPRENTICESHIP SATISFACTION

Very satisfied (9-10)



### MOVERS & SHAKERS

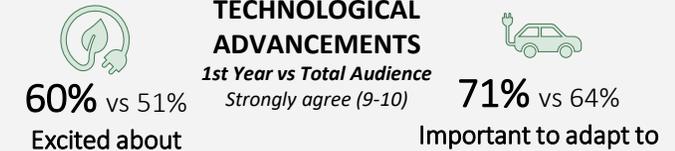
Largest differences satisfaction vs Total Audience



## LOOKING TO THE FUTURE

### TECHNOLOGICAL ADVANCEMENTS

1<sup>st</sup> Year vs Total Audience  
Strongly agree (9-10)



72%

of 1<sup>st</sup> years are extremely interested becoming a master tradesman. (vs. 67% of total audience)

# 4<sup>th</sup> YEAR APPRENTICES



## KEY TAKEAWAYS

4<sup>th</sup> year apprentices are the **least satisfied** with their experience, with concerns around their **career prospects, level of training and L&D opportunities**. On top of this, they feel that they are **underpaid**, and **aren't supported by their employer to undertake training**.

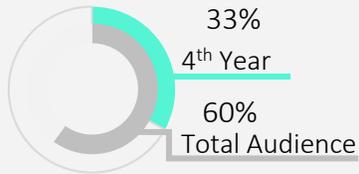
Positively, despite more than half of this cohort having considered **leaving to work in another industry**, and one in three considering **dropping out**, they have decided to stay (typically supported by family and friends).

It has however shifted their thinking, with 4<sup>th</sup> year apprentices more interested in the **business side of workshop operations**, suggesting they're considering the potential to run their own shop, rather than remaining an employee under someone else.

## APPRENTICESHIP SATISFACTION

### OVERALL APPRENTICESHIP SATISFACTION

Very satisfied (9-10)



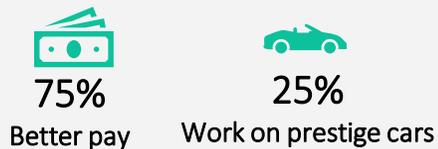
### MOVERS & SHAKERS

Largest differences satisfaction vs Total Audience



### WHAT WOULD INCREASE SATISFACTION?

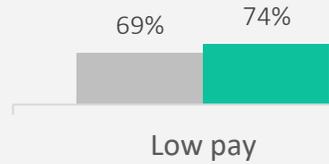
4<sup>th</sup> Year - Top 2



## ENTERING THE INDUSTRY

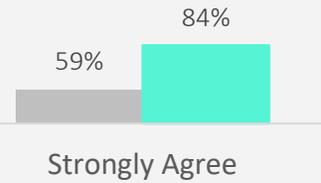
### BIGGEST CHALLENGE WHEN STARTING OUT

4<sup>th</sup> Year vs Total Audience



### WOULD LIKE TO BE PAID MORE

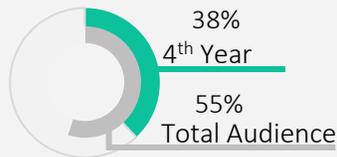
4<sup>th</sup> Year vs Total Audience



## ONGOING EXPERIENCE

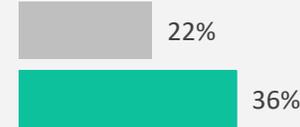
### IS THE JOB WHAT YOU EXPECTED?

Yes, completely

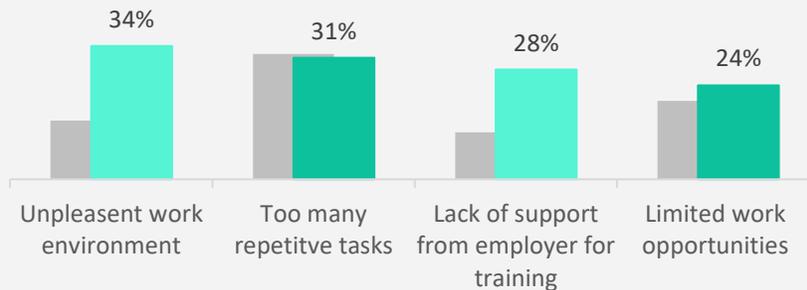


### APPRENTICES FACE HOSTILE WORK ENVIRONMENTS?

Strongly agree



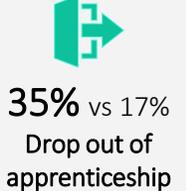
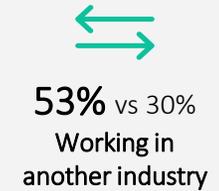
### TOP 4 CHALLENGES DURING APPRENTICESHIP



## CONSIDERING LEAVING

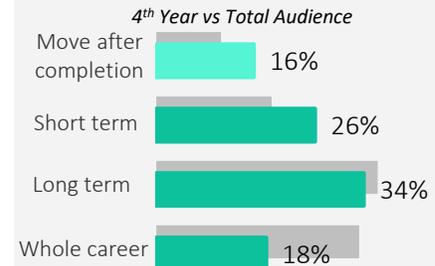
### ACTIONS CONSIDERED....

4<sup>th</sup> Year vs Total Audience – TOP 3



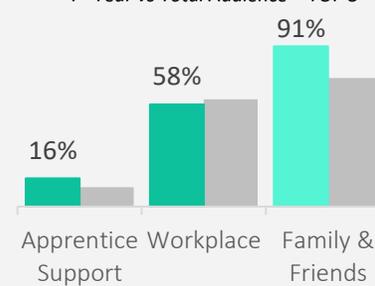
### INTENDED LENGTH IN THE AUTO INDUSTRY

4<sup>th</sup> Year vs Total Audience



### SUPPORT NETWORK

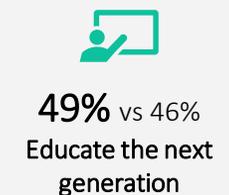
4<sup>th</sup> Year vs Total Audience – TOP 3



## LOOKING TO THE FUTURE

### HOW INTERESTED ARE YOU IN THE FOLLOWING?

4<sup>th</sup> Year vs Total Audience – Extremely interested - TOP 3



88%

of 4<sup>th</sup> years believe they will need future learning after their apprenticeship. (vs. 77% of total audience)



# FEMALE APPRENTICES

## KEY TAKEAWAYS

Whilst the number of females apprentices is small, their **satisfaction with their role**, and **commitment to the profession** is very clear.

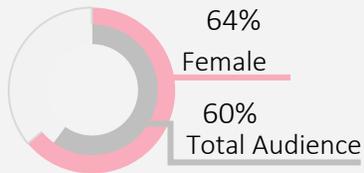
Despite this, they acknowledge that there is ground to make up, finding the **lack of diversity** challenging, and believing that **their gender still makes their apprenticeship journey more difficult**. On top of this, they are also more likely to get a **negative response from friends and family** when entering the industry, highlighting the barriers that still exist for women considering an automotive career.

Positively, this doesn't change their mind – they plan to **stay in the industry long-term**. They will however leave an employer if they don't believe it's the right environment to work and learn in, so take care!

## APPRENTICESHIP SATISFACTION

### OVERALL APPRENTICESHIP SATISFACTION

Very satisfied (9-10)



### MOVERS & SHAKERS

Largest differences satisfaction vs Total Audience

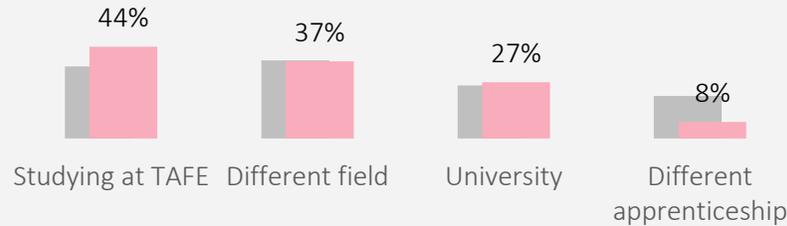


58%

of females strongly believe it is harder for a female apprentice to succeed than a male one. (vs. 17% of total audience)

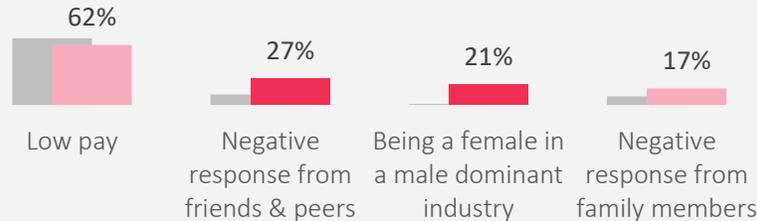
## CHOOSING THE AUTO INDUSTRY

### ALTERNATIVE CAREER OPTIONS



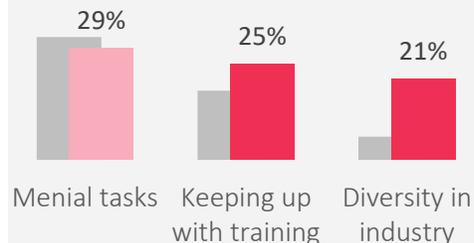
## ENTERING THE INDUSTRY

### TOP 4 MOST COMMON CHALLENGES WHEN STARTING OUT



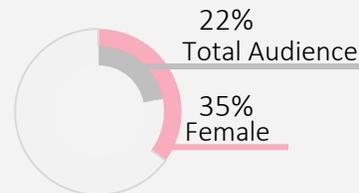
## ONGOING EXPERIENCE

### TOP 3 CHALLENGES DURING APPRENTICESHIP



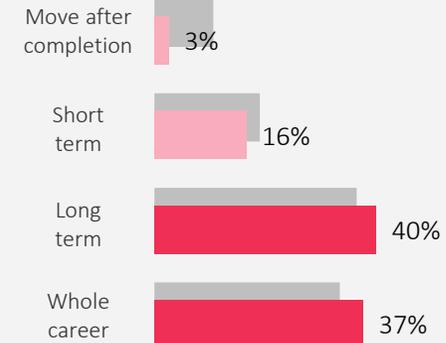
### APPRENTICES FACE HOSTILE WORK ENVIRONMENTS

Strongly agree (9-10)



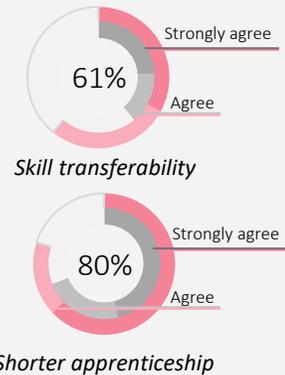
## CONSIDERING LEAVING

### INTENDED LENGTH IN THE AUTO INDUSTRY



### APPRENTICESHIP PERCEPTION

Strongly agree (9-10) & agree (6-8)



### CONSIDERED OR TAKE ACTIONS DURING APPRENTICESHIP

Females vs Total Audience

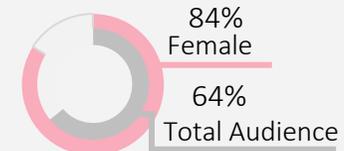


25% vs 12%  
Changed employers



19% vs 11%  
Considered changing trainers

## LOOKING TO THE FUTURE



### IMPORTANCE OF ADOPTING TECHNOLOGICAL CHANGES

Strongly agree (9-10)

# CAREER CHANGER

## KEY TAKEAWAYS

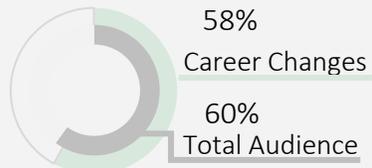
Career changers stand out from the crowd due to their interest in the technological side of the automotive industry. They appear to be forward thinkers with a desire to learn about these **new technologies** and how they will impact the industry.

This does mean they are less engaged with some aspects of the apprenticeship, leading to a desire for greater **flexibility** over the **length** (and potentially also training content) **of their apprenticeship**,

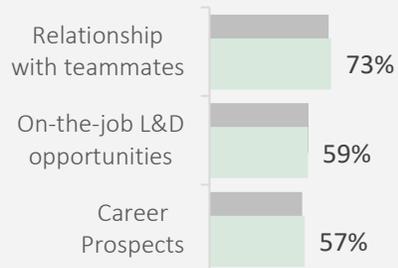
Given they are potentially more likely to be taking a step backwards to move into the sector, they are likely to be more heavily challenged by the **lower pay rates**, and are also more likely to receive a negative response from family members in response to their decision to enter the industry.

## APPRENTICESHIP SATISFACTION

**OVERALL APPRENTICESHIP SATISFACTION**  
Very satisfied (9-10)

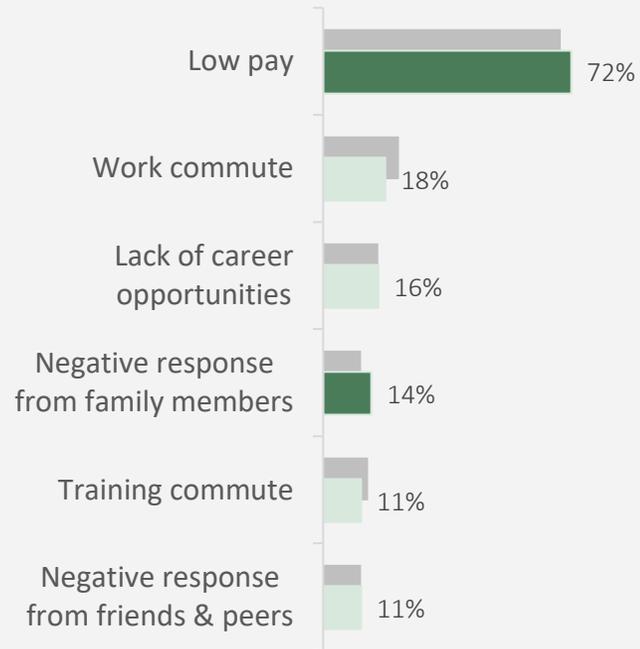


**SATISFACTION DRIVERS**  
Highest satisfaction



## ENTERING THE INDUSTRY

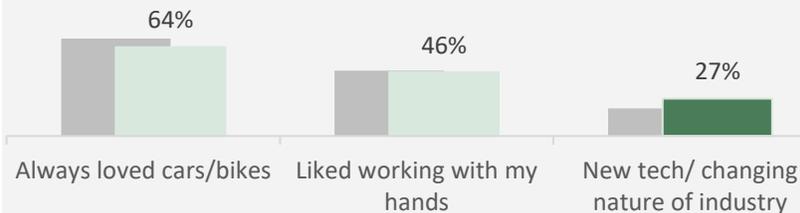
### CHALLENGES WHEN STARTING



## CHOOSING THE AUTO SECTOR

### WHAT ATTRACTED YOU TO THIS PATHWAY

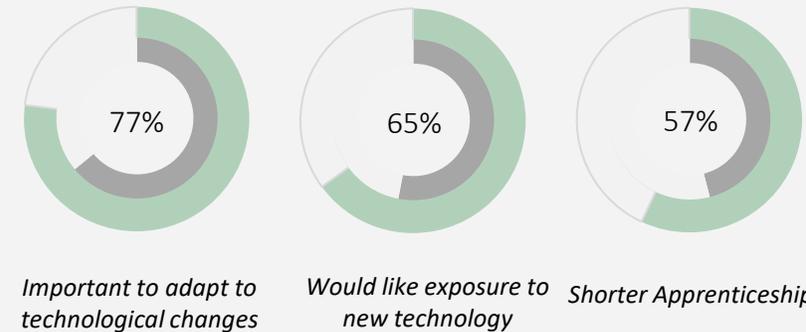
TOP 3



## LOOKING TO THE FUTURE

### APPRENTICESHIP PERCEPTION

Strongly agree (9-10)



### HOW INTERESTED ARE YOU IN THE FOLLOWING?

Career Changer vs Total Audience – Extremely interested– TOP 3



**67%** vs 67%  
Master tradesman

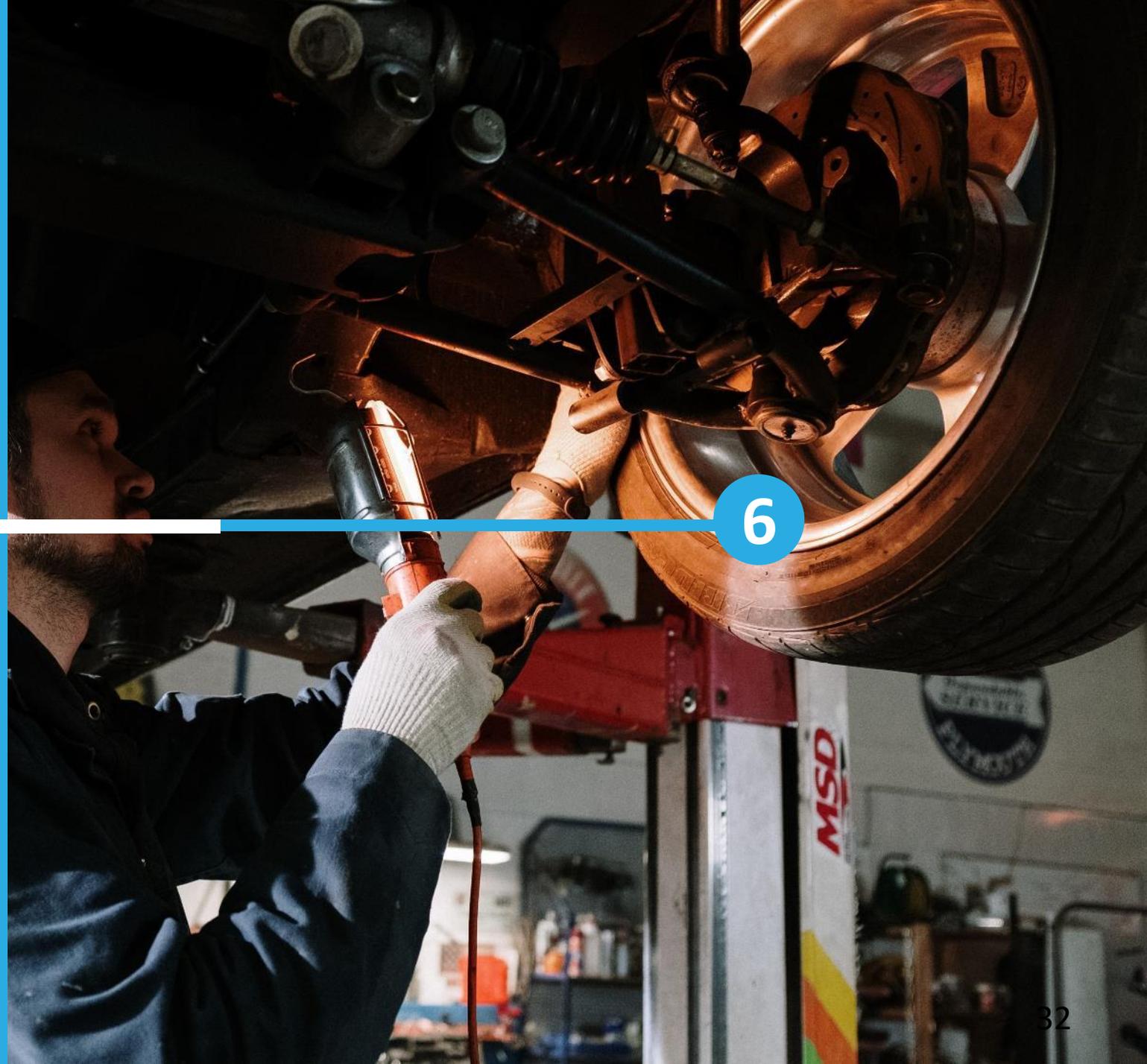


**56%** vs 49%  
Becoming a specialist  
(e.g. Electric Vehicle Technician)



**52%** vs 41%  
Advanced vehicle technology  
(e.g. adv driver assistance systems, electric/hybrid vehicles)

# METHODOLOGY



6

# RESEARCH APPROACH

## METHODOLOGY

- 15-minute online survey, which was distributed by AAAA, AADA and MTAQ (and selected partners), through social media and distribution lists.
- Participants were incentivised for participation with the opportunity to win one of a range of prizes (e.g. tool kits, drive days, etc.)

## TIMING

- The survey was in field between the 28<sup>th</sup> of February and 29<sup>th</sup> of March 2022

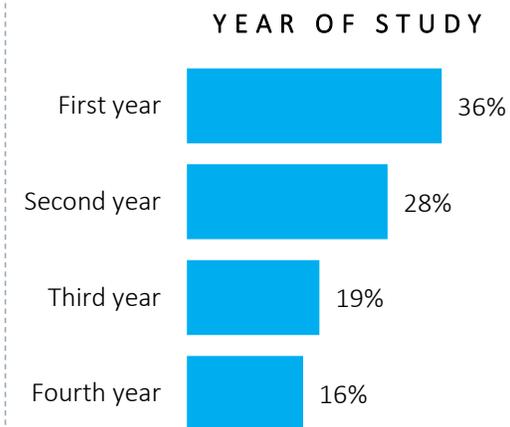
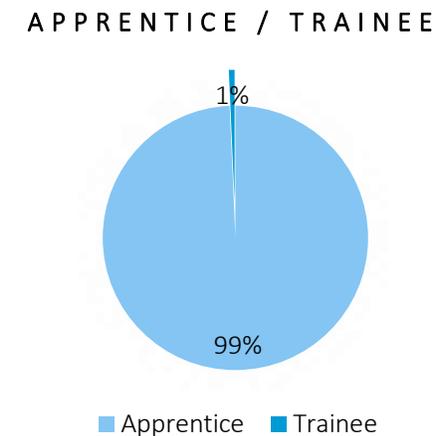
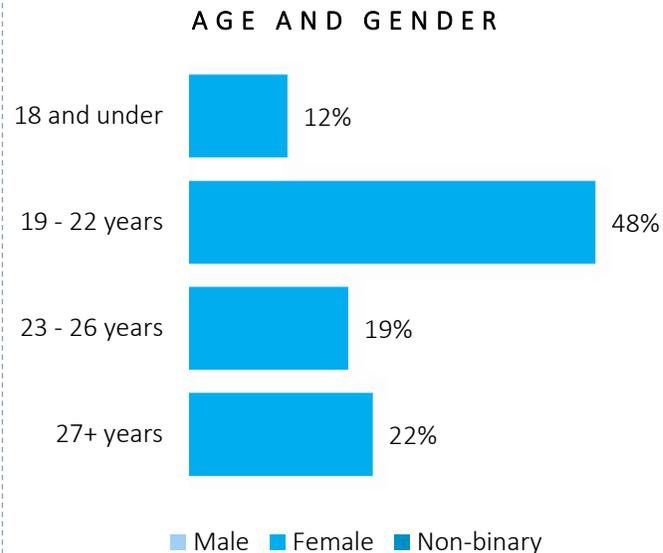
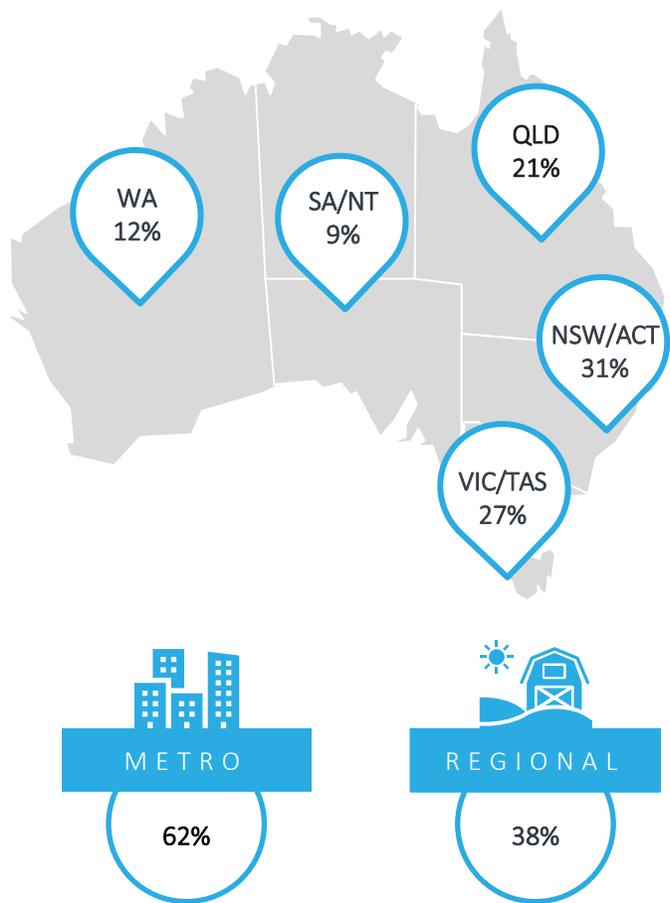
## SAMPLE

- n=619 automotive apprentices
- Note: n=8 incompletes were included in the sample. They had completed all questions except the final open enders used to select the prize winners
- Participants could be at any stage in their apprenticeship, with the sample weighted by State to be representative of the Automotive Training Sector



# RESPONDENT PROFILE | WEIGHTED DATA

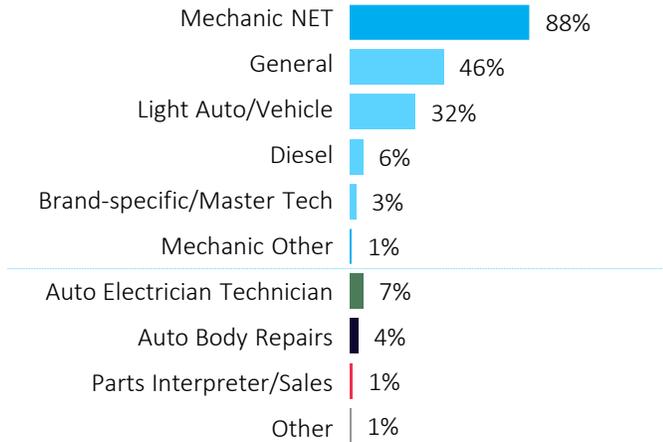
Our weighted sample is well distributed in terms of location and year of study; it also includes enough women to facilitate analysis into their apprenticeship experiences



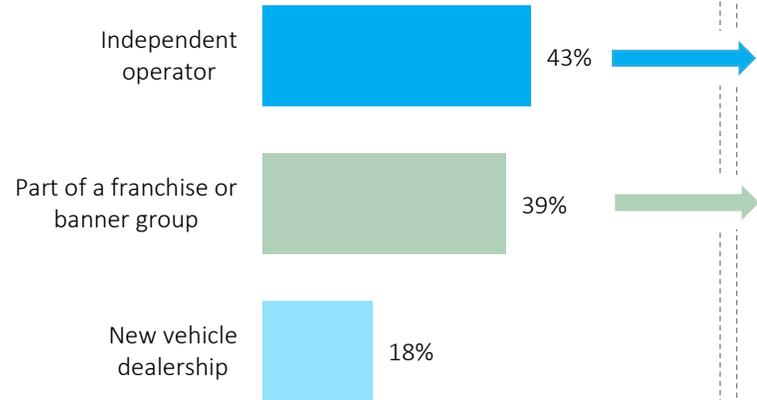
# RESPONDENT PROFILE | WEIGHTED DATA

Our sample also includes a diverse mix in terms of the apprenticeship environment

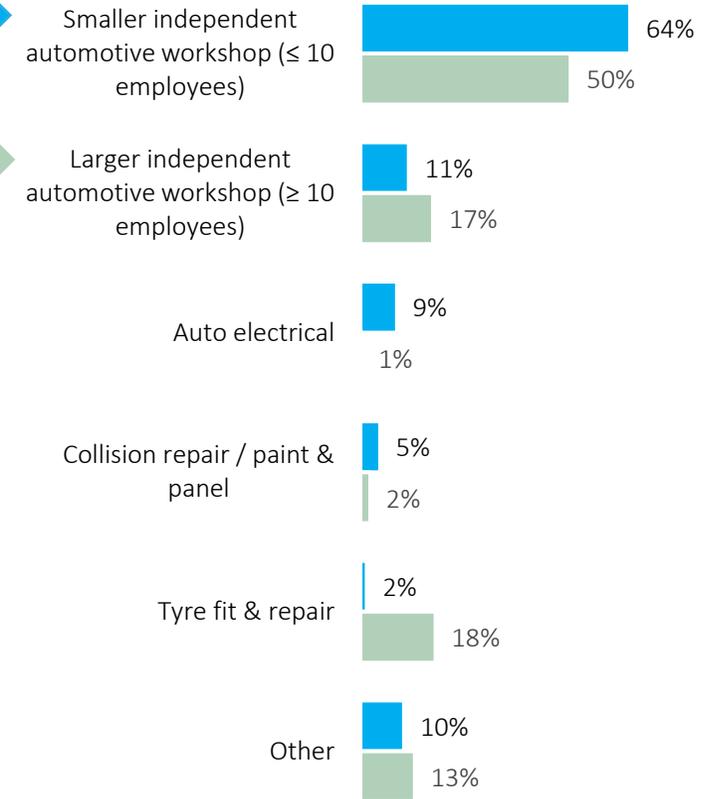
## WHAT ARE YOU TRAINING TO BECOME?



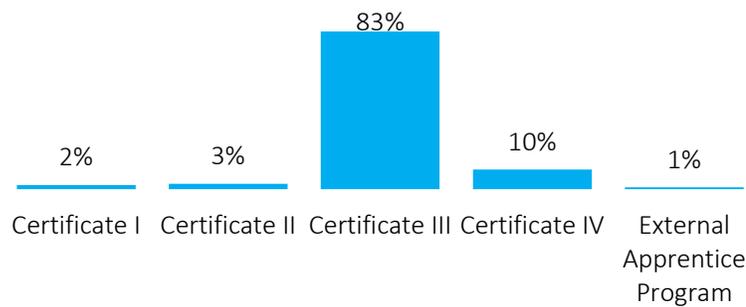
## PLACE OF WORK



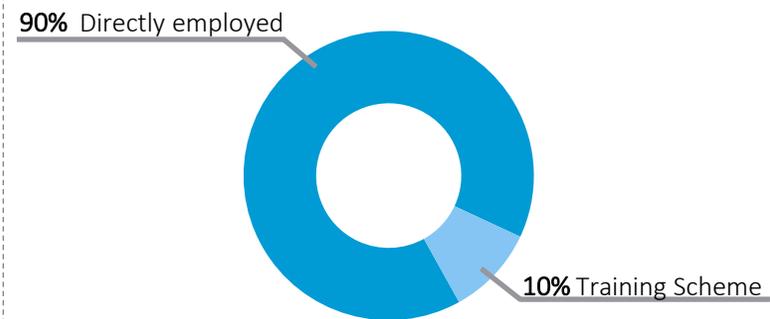
## TYPES OF INDEPENDENT/FRANCHISE WORKSHOPS



## QUALIFICATION ENROLLED IN



## FORM OF EMPLOYMENT



This gives us confidence that we have captured a broad cross-section of the apprentice community



AUSTRALIAN  
AUTOMOTIVE  
DEALER  
ASSOCIATION

CANBERRA OFFICE



[aada.asn.au](http://aada.asn.au)