

## Comparing the Australian Automotive industry by states (Source: VACC)

### New South Wales and the Australian Capital Territory

In 2017, NSW has the highest amount of employees within the automotive industry. NSW also lost the highest amount of employees from the automotive sector (9, 519 or 9.1% from 2014/15 to 2016/17). The ACT also registered a decline of 415 employees over the same period.

The only sectors to experience growth in employee numbers were automotive electricians and vehicle painters.

Although having declining numbers of employees, the number of automotive businesses increased in 2016/17 by 240 in NSW and 24 in the ACT. This increase indicates positive to buoyant business conditions.

Constraining growth are skill shortages. 55% of NSW automotive businesses and 50% of ACT automotive businesses are experiencing skills shortages.

(Source: VACC 2017)

### Victoria

Like in NSW, in Victoria there is a reduction in automotive employees but to a lesser extent. Victoria lost 1,170 employees or 1.1% of the automotive work force from 2014/15 to 2016/17. Bucking this trend was the growing number of automotive electricians, motor vehicle and vehicle parts salespersons and vehicle painters.

The fall in employee numbers is partially attributed to a reduced number of apprenticeships and automotive training schemes. 49.8% of Victorian automotive businesses are experiencing skills shortages.

Along with other issues such as decreased consumer spending on vehicle repairs, unpredictable sales, insurance companies allocating repair work and seasonal fluctuations, skills shortages are contributing to variable business conditions for Victorian Automotive businesses.

(Source: VACC 2017)

### Queensland

Unlike NSW, ACT and Victoria, the Queensland automotive industry experienced a growth of 5,053 employees or 6.1% in 2016/17 from 2014/15. There was also an increase of 244 automotive businesses.

The growth areas were motor vehicle, parts, fuel and tyre retailing. This compares to NSW, ACT and Victoria where the growth areas were auto electricians and vehicle painting.

Queensland is also experiencing a decline in apprenticeship numbers which results in 44.7% of businesses experiencing skills shortages.

In summary, the automotive business environment in Queensland is variable but with 32.3% of automotive businesses considering it positive to buoyant.

(Source: VACC 2017)

### **South Australia**

Like NSW, ACT and Victoria, the automotive industry in South Australia is declining. The decline is at a rate of 5.4% with the industry losing 1,669 employees from 2014/15 to 2016/17. There was also a reduction 76 automotive businesses. Further losses will result when automotive manufacturing ceases. However, this reduction may be offset by new work on autonomous and electric vehicles.

Like all the states listed above, South Australia has a skills shortage in the automotive industry, largely impacted by a reduction in apprenticeships and automotive training schemes.

The lack of growth in the South Australian automotive industry reflects many automotive businesses considering business conditions as variable at best.

(Source: VACC 2017)

### **Western Australia**

Western Australia experienced the largest decline in automotive employees in 2016/17 as compared to 2014/15. The reduction totaled 7,706 employee or 16.5% of the workforce. The decline can be attributed to the state's weakening economic conditions and the downturn in the mining and resources industry.

The only automotive sector that grew was the motor vehicle parts and tyre retailing and marine activities. The numbers of sole traders also increased.

Declining apprenticeship and automotive training contributed to 31.7% of businesses experiencing a skill shortage.

Reflecting the lack of growth, 62% of automotive businesses considered business conditions as being variable and to below average. However, 21.2% considered business conditions as being positive.

(Source: VACC 2017)

### **Tasmania**

Like Queensland, Tasmania's automotive industry grew (5% which in an increase of 555 people from 2014/15 to 2016/17). There was an increase in the number of motor mechanics but a decrease in automotive electricians and motor vehicle and parts salespersons.

Like all states, there was a reduction in apprenticeships and automotive training.

Reflecting business growth, 36.1% of automotive businesses considered business conditions positive. However 39.3% of business described business conditions as variable.

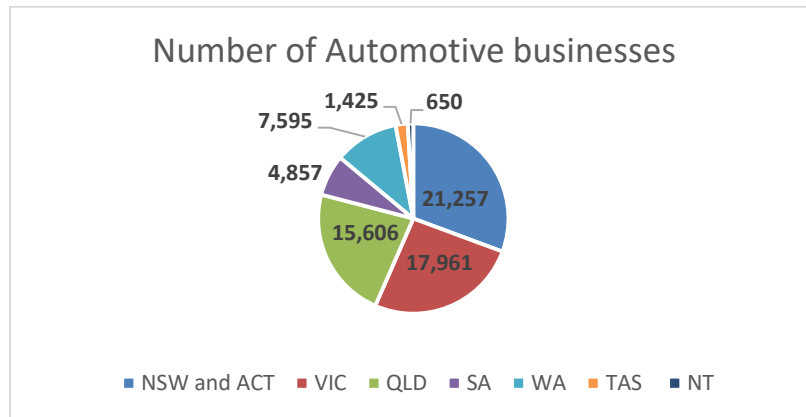
(Source: VACC 2017)

## Northern Territory

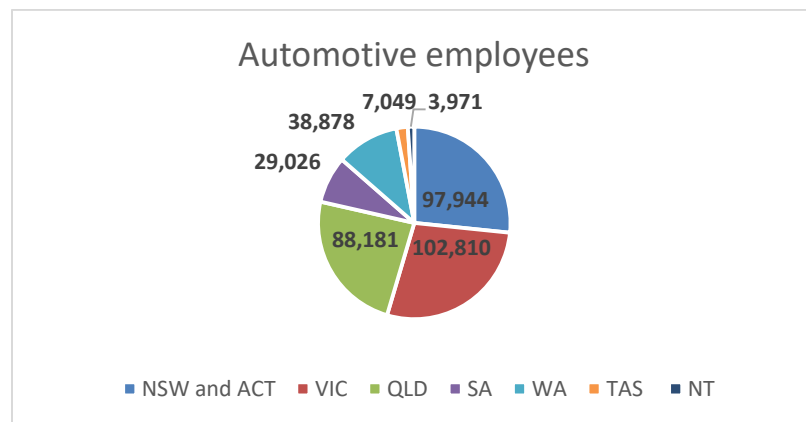
Employment within Northern Territory's automotive industry grew at a rate of 6.6% which equates to 247 employees from 2014/15 to 2016/17. The number of motor mechanics grew, as did auto electricians and vehicle painters

Like all states, there was a reduction in apprenticeships and automotive training which resulted in 43.5% of automotive businesses experiencing skills shortages.

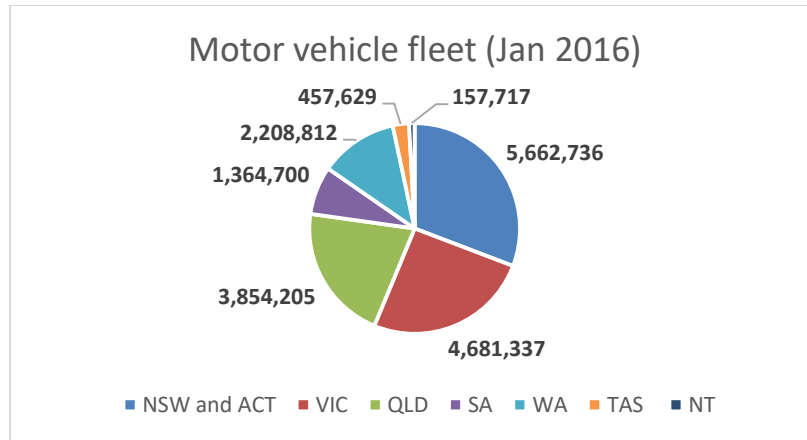
Of all the states, Northern Territory had the highest proportion of business experiencing positive business conditions (59.6%).



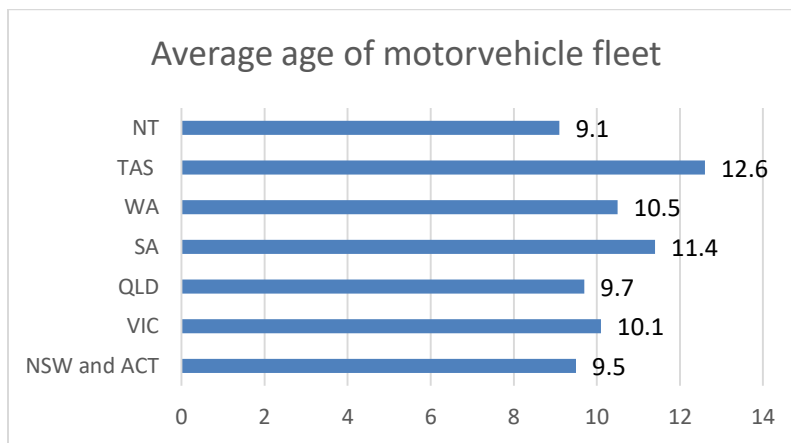
(Source: VACC 2017)



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Source: Victorian Automotive Chamber of Commerce (VACC) (2017). Directions in Australia's automotive industry: An industry report 2017.