

# VACC Submission: Skilled Migration Occupation Lists Review March 2020

12 February 2020



## About VACC

The Victorian Automobile Chamber of Commerce (VACC) is Victoria's peak automotive industry association, representing the interests of more than 5,500 members in over 20 retail automotive sectors that employ over 50,000 Victorians.

VACC members range from new and used vehicle dealers (passenger, truck, commercial, motorcycles, recreational and farm machinery), repairers (mechanical, electrical, body and repair specialists, i.e. radiators and engines), vehicle servicing (service stations, vehicle washing, rental, windscreens), parts and component wholesale/retail and distribution and aftermarket manufacture (i.e. specialist vehicle, parts or component modification and/or manufacture), and automotive dismantlers and recyclers.

VACC is also an active member of the Motor Trades Association of Australia (MTAA) and contributes significantly to the national policy debate through Australia's peak national automotive association.

## Contact

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## VACC Response to Flagged Changes – March 2020 Traffic Light Bulletin

The Victorian Automobile Chamber of Commerce (VACC) would like to make representations in relation to the following occupations that are flagged for a change to their traffic light status in March 2020:

	ANZSCO Code	Occupation Name	Current Status on SMOLs	Recommended Status for Traffic Light Bulletin
2	324212	Vehicle Trimmer	STSOL	OFF (RED)
12	321111	Automotive Electrician	MLTSSL	STSOL (ORANGE)
13	321213	Motorcycle Mechanic	MLTSSL	STSOL (ORANGE)

VACC strongly advises against the proposed traffic light changes to the above occupations and provides the following evidence in support of its claims.

### Vehicle Trimmers (ANZSCO 324212)

Vehicle trimmers are a highly specialised occupation that install, repair, replace or modify the seats, upholstery, roof and door linings, interior trim and floor coverings of vehicles including cars, trucks, vintage vehicles, buses, caravans, trains, aircraft and marine craft.

Business intelligence received by VACC indicates that the demand for vehicle trimmers has escalated since the loss of passenger car manufacturing in Australia. The classic car and prestige car markets in particular, are heavily reliant on an on-going supply of vehicle trimmers for detailed restoration work on upholstery and roof linings, for which skilled labour from Germany and Europe are widely utilised and sought after.

Local training participation rates for vehicle trimmers show a declining rate of apprentice commencements over the past three years, which, coinciding with the loss of car manufacturing makes the reliance on skilled migration over the short to medium term even more crucial.

VACC therefore advises that at the minimum, vehicle trimmers should remain on the Short-Term Skilled Occupation List (STSOL), and not be flagged for removal from the STSOL. Based on current reports, it is also highly likely that the status of vehicle trimmers may need to be re-classified to that of a medium to long term skills need in the economy in future reviews.

### Automotive Electrician (ANZSCO 321111)

VACC strongly opposes the Department's proposed change to ORANGE status for automotive electricians. This proposal lacks both credibility and an understanding of the endemic and long-term skill shortages involving automotive electricians within the automotive industry.

VACC analysis shows that the demand for automotive electricians is expected to greatly outstrip the supply over the next decade. VACC modelling forecasts the following shortages by jurisdiction for automotive electricians between 2020-2030:

**Projected Skill Shortages – Automotive Electricians, 2020-2030**

STATE/TERRITORY	Estimated SUPPLY GAP (No. of positions)
New South Wales & ACT	634
Victoria	390
Queensland	450
South Australia	180
Western Australia	155
Tasmania	56
Northern Territory	49
<b>TOTAL AUSTRALIA</b>	<b>1,914</b>

Source: VACC

A projected shortage of over 1,900 positions is attributable to many factors including:

- A forecast cumulative doubling of the public uptake of hybrid and electric vehicles by 2030. With electric vehicles anticipated to become mainstream over the medium to long-term, automotive electricians will be in high demand as they are uniquely qualified to diagnose and repair electric vehicle faults, including the management of safety risks associated with high voltages
- Based on current projected domestic training rates for automotive electricians, the domestic supply of automotive electricians will be insufficient to keep up with the uptake in demand for electric vehicles over the next decade
- Automotive electrical training involves a long lead time to complete training – at least three years or more for over 68% of apprentices
- According to the National Centre for Vocational Education Research (NCVER), automotive electricians are classified as a high use occupation, where there is a high match of over 70% between the training and expected skills and employment outcomes
- The skills identified are categorised by businesses as being high risk, particularly with the decline of the automotive manufacturing sector and the projected rise in the number of electric vehicles on-road. VACC members anticipate acute shortages of qualified labour, with future disruptions to workflows and increased costs for consumers being passed on by businesses.

VACC therefore contends that the evidence points to a strong case for the retention of automotive electricians on the Medium Long-Term Strategic Skills List (MLTSSL), and any change to this status by the Department is ill-advised.

**Motorcycle Mechanic (ANZSCO 321213)**

VACC also opposes the Department’s proposed change to ORANGE status for motorcycle mechanics. Motorcycle mechanics work on a broad range of vehicles, including all-terrain vehicles, motor scooters and motorcycles – both petrol and electric, as well as outdoor power equipment.

With rising fuel prices and growing environmental consciousness, small vehicles and motorcycles are becoming increasingly popular as primary modes of transportation and recreational riding, with

sales forecast to rise significantly over the next decade. Rural businesses and communities are also heavily reliant on motorcycle mechanics for the maintenance and repair of all-terrain vehicles, generators and other agricultural equipment.

VACC analysis shows an aggregate shortfall of almost 500 positions for motorcycle mechanics by 2030, thereby reinforcing the need to maintain their current status on the MLTSSL. Motorcycle mechanic training is also subject to a long lead time for completion – three or more years for over 68% of apprentices. The NCVET also classifies motorcycle mechanics as a high use occupation where there is a high match of over 70% between the training and expected skills and employment outcomes.

Because of their importance to regional communities, as well as motorcycles and scooters being a growing form of transportation in metropolitan areas, business have identified the skills of motorcycle mechanics as being of high risk over the medium-long term. VACC therefore advises against any change to the status of motorcycle mechanics and that they should continue to reside on the MLTSSL.