

Bulletin Tasmanian Automotive Chamber of Commerce



Reference No. CSOL/ir-5-24

Date: 31/05/2024

MTAA's response to Jobs and Skills Australia's (JSA) Draft Core Skills Occupation List (CSOL)

Dear member

You may be aware that the Federal Government is currently consulting on which occupations will be included on the new Core Skills Occupation List (CSOL).

The CSOL is a list containing occupations identified as being in shortage in Australia where migration is seen as an appropriate path to address the shortage. It is one of the criteria to be eligible for the Core Skills Pathway for the new Skills in Demand (SID) visa.

It was recently revealed that seven of the nine automotive ANZIC occupations were included on the 'For Consultation list'. 321212 Diesel Motor Mechanic and 321111 Automotive Electrician are included on the 'Confident On List'.

Consequently, MTAA has provided a comprehensive submission, making the case for the inclusion of the remaining seven automotive occupations.

These occupations include:

- 324111 Panel beater
- 324311 Vehicle Painter
- 321211 Motor Mechanic (General)
- 324211 Vehicle Body Builder
- 324212 Vehicle Trimmer
- 321213 Motorcycle Mechanic
- 321214 Small Engine Mechanic

Our submission included the following components:

1. <u>A comprehensive report prepared by Deloitte Access Economics</u> (DAE) (commissioned by MTAA), which presents quantitative and qualitative evidence for the inclusion of the above listed automotive occupations on the 'CSOL Confident On List'.

Quantitative modelling was undertaken to assess the share of full-time workers earning above the TSMIT threshold across the aforementioned nine automotive occupations. Five individual case studies are also presented to provide further context and supplementary evidence.

- 2. MTAA's <u>submission to JSA's Priority Skills List</u> consultation lodged in March 2023. This research confirmed the low fill rates of automotive occupations, across Australia, resulting in critical automotive related skills shortages.
- 3. <u>Real time wage data provided by SEEK.com.au</u>, which provides up to date industry salary averages according to occupation.

The following key insights can be observed from the analysis:

- The report indicates that post-COVID, the automotive industry continues to perform well.
- The quantitative modelling clearly shows a significant proportion of the nine automotive occupations examined, renumerate above current and future TSMIT thresholds (\$73,150 as of 1 July 2024).
- Due to the competitive skills landscape, employers implement 'employer of choice' policies, providing additional incentives and benefits to staff.
- The data shows a large portion of employees stay within their automotive and trade occupation for most of their career (20 + years).
 Equally, a significant portion exit the industry after the first year, suggesting employees quickly recognise if an automotive trade is not the right fit.

Next steps

MTAA has put forward a compelling case for the inclusion of these automotive occupations and will be meeting with JSA and the Minister's office over the coming weeks to discuss the submission in more detail.

Members will be advised accordingly once the final CSOL is published.

For any further questions, please contact Dr Imogen Garcia Reid <u>igarciareid@vacc.com.au</u>.

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