



Automotive Labour Market Briefing



Summary

The Motor Trades sector has consistently held the highest vacancy rates in the UK for the past two months, sharing this position with the Hospitality sector.

This trend highlights significant recruitment challenges in the automotive sector, exacerbated by a slow recovery post-pandemic and a noticeable decline in job postings. The persistent high vacancy rates, coupled with decreasing job advertisements, underscore the sector's struggle to attract and retain talent, despite competitive salary increases.

Vacancy rates

- The Motor Trades sector reached the highest vacancy rate of 4.0 per 100 employees in April 2024, which is 43% above the national average.
- The sector recorded approximately 22,000 job openings, holding this high vacancy rate since February 2024.

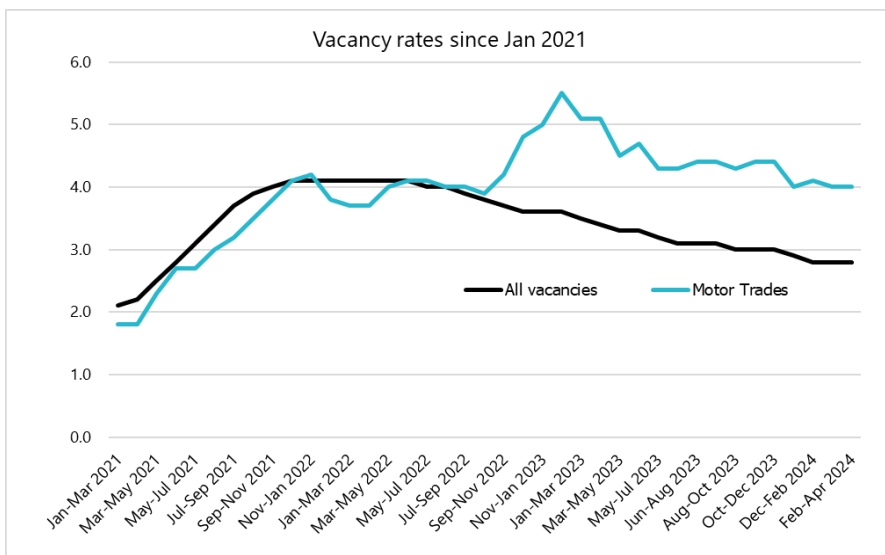
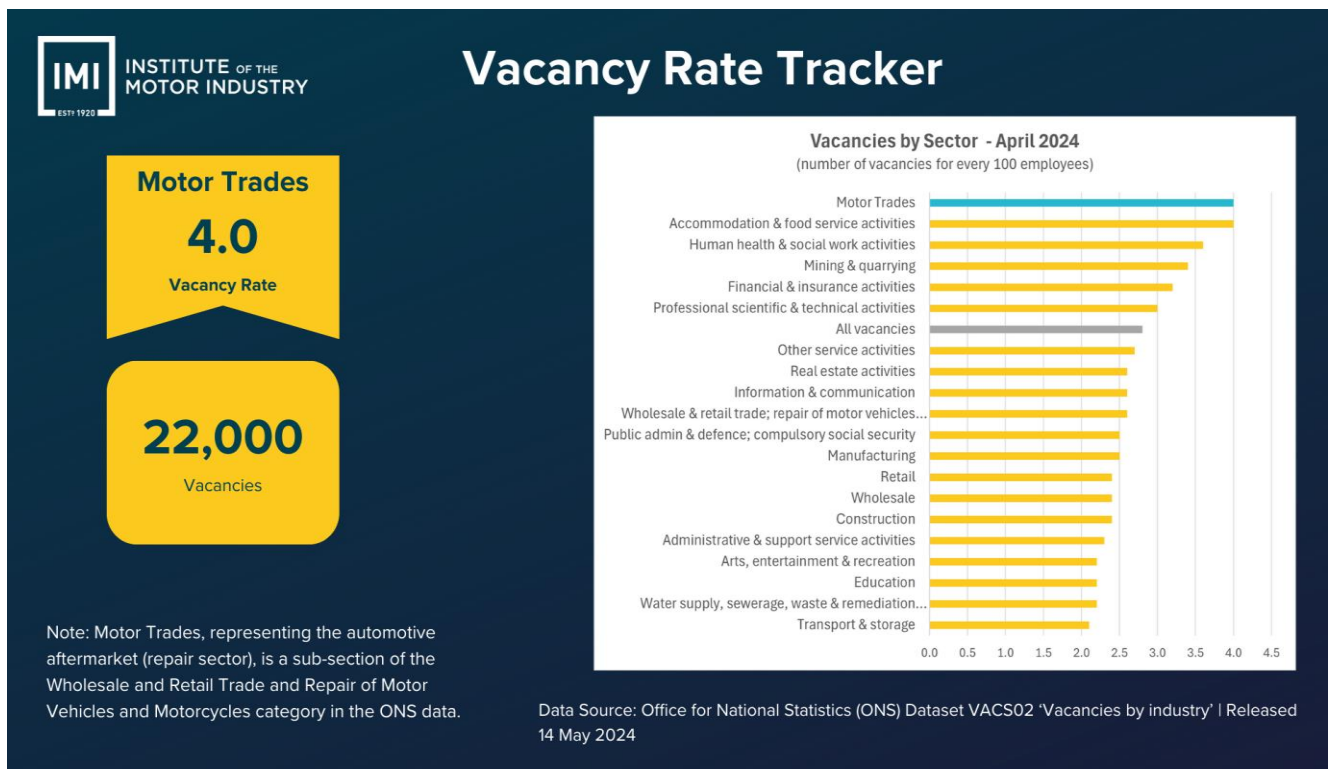
Job postings

- Job postings in the sector peaked at 54,500 in June 2023 but fell to 34,500 by April 2024, a decline of over a third.
- Since January 2024, job postings decreased by 9%, with the most significant drop in positions for Tyre, Exhaust, and Windscreen Fitters.

Advertised salaries

- Vehicle Paint Technicians have the highest advertised salaries at £40,100, with a 38% increase over the past three years.
- Salaries for Vehicle Technicians, Mechanics, and Electricians have increased by 23% in the past three years, £6,300 above the government median.
- Rising salaries reflect the sector's efforts to attract talent amid persistent high vacancy rates and declining job postings.

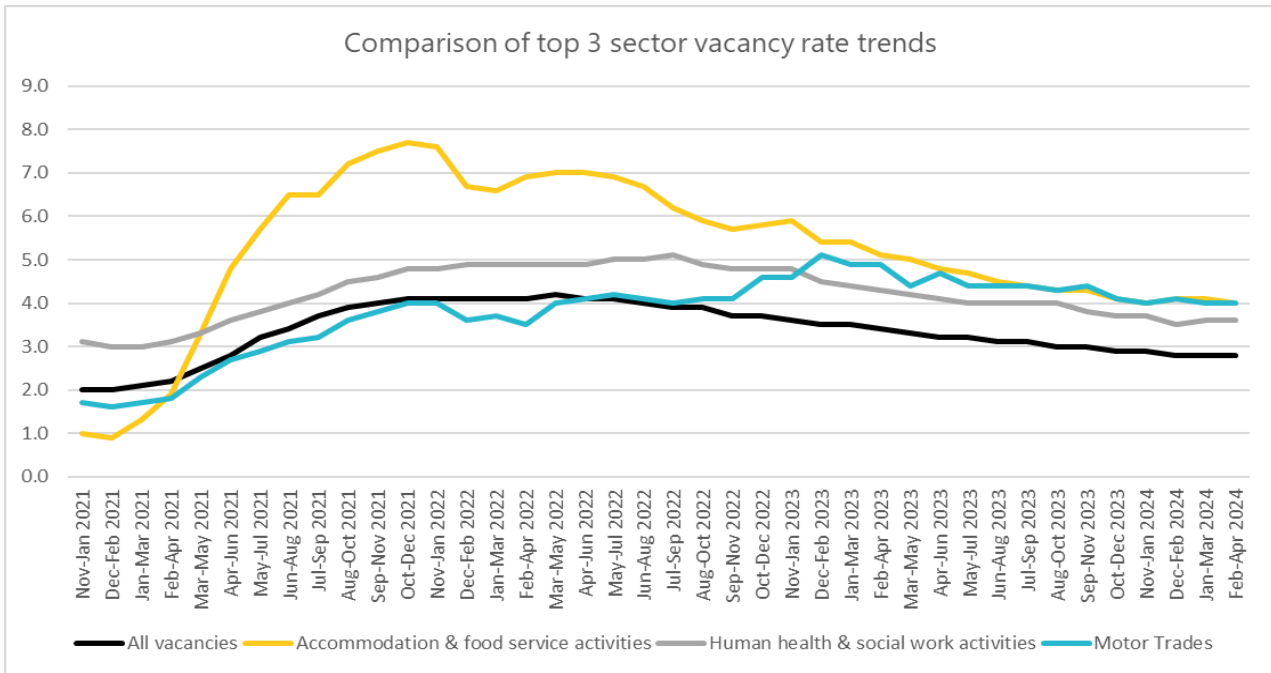
Vacancy rates



The monthly analysis of ONS vacancies data shows that Motor Trades reached the number one slot in February 2024 and has stayed in this position for the past two months.

Sharing the top spot with Accommodation and Food Service activities (Hospitality), Motor Trades, representing businesses in the automotive aftermarket, continues to struggle to recruit the right talent. In April 2024, the sector recorded a rate of 4.0 vacancies for every 100 employees, compared to an average of 2.8 across all sectors, which is 43% above the average for all sectors.

This rate of 4.0 represents about 22,000 job openings across the sector.



Summary of vacancy rate trends in the UK Motor Trades sector

Examining vacancy rate trends in the UK, particularly in the Motor Trades sector, reveals intriguing patterns among sectors with the highest vacancy rates. Following the Covid pandemic, all sectors experienced a spike in vacancies, but the pace of recovery varied significantly.

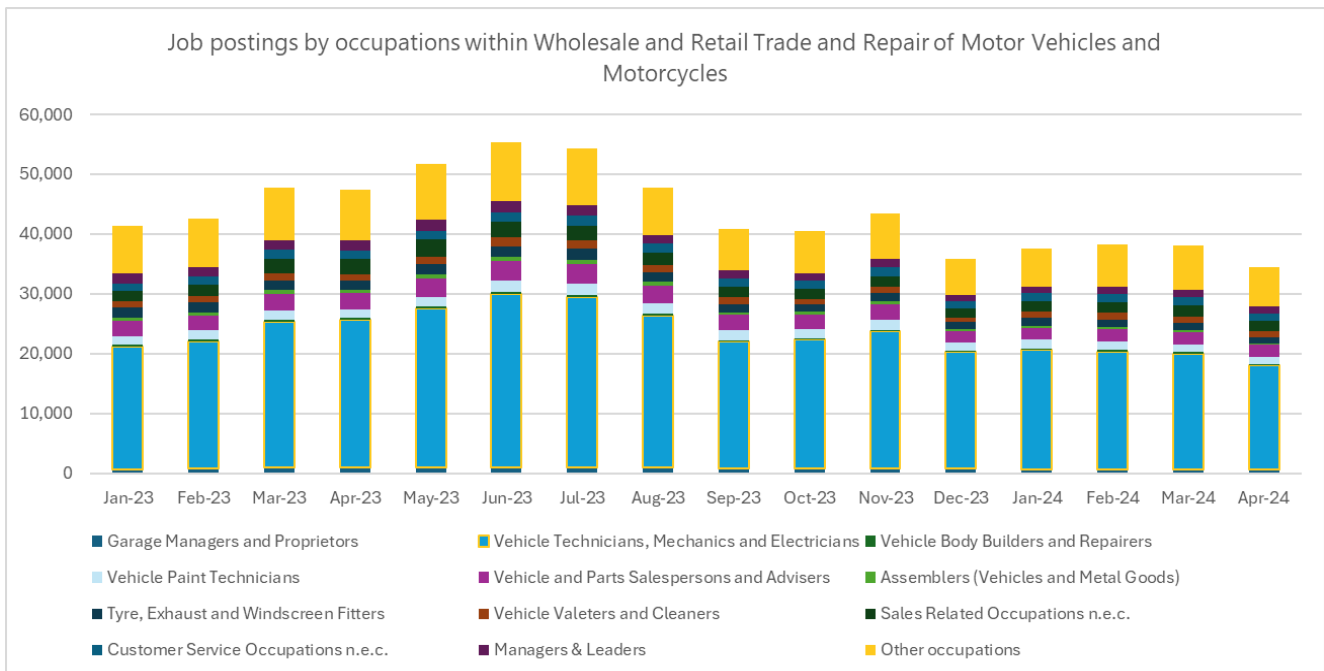
The Hospitality sector saw a substantial increase in vacancies immediately after the pandemic, with rates declining after more than a year. The Motor Trades sector initially mirrored overall market trends, with a surge in vacancies like other industries. However, in early 2023, Motor Trades experienced a significant second surge, surpassing the Human Health and Social Work Activities sector and nearing Hospitality's levels.

After peaking in 2023, Motor Trades vacancy rates began to decline more slowly than other sectors. From summer 2023, while other sectors saw reductions, Motor Trades rates stayed stable. For the third consecutive month, rates have fallen slightly but stayed at the joint highest level with Hospitality.

The slower decrease in vacancy rates since mid-2023 points to challenges in attracting and retaining talent, possibly due to competition from other sectors or a negative perception of the sector.

This levelling off indicates a recovery hindered by these issues. As automotive technology evolves rapidly, the need for new talent to work alongside the experienced workforce is critical. However, multiple barriers seem to deter individuals from choosing a career in the automotive sector.

Job postings



Trends and challenges in attracting talent

In the UK's automotive sector, including Wholesale, Retail Trade, Repair of Motor Vehicles, Motorcycles, and directly related jobs, we've noticed a significant trend over the last 16 months. Job postings peaked in June 2023 with 54,500 listings. By April 2024, this number fell to 34,500, a significant drop of just over a third.

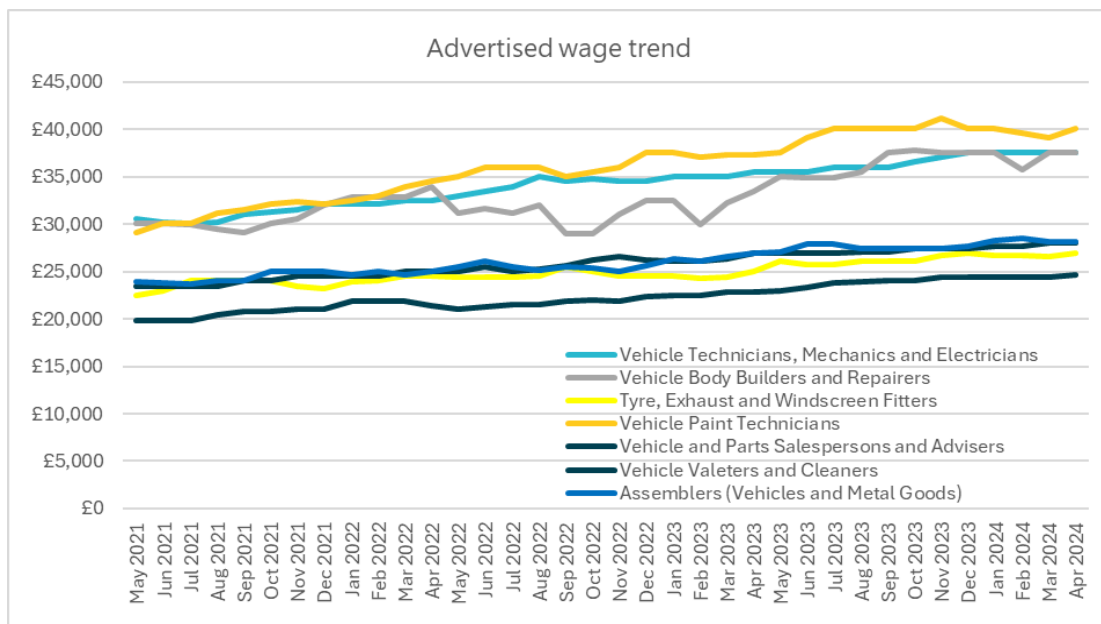
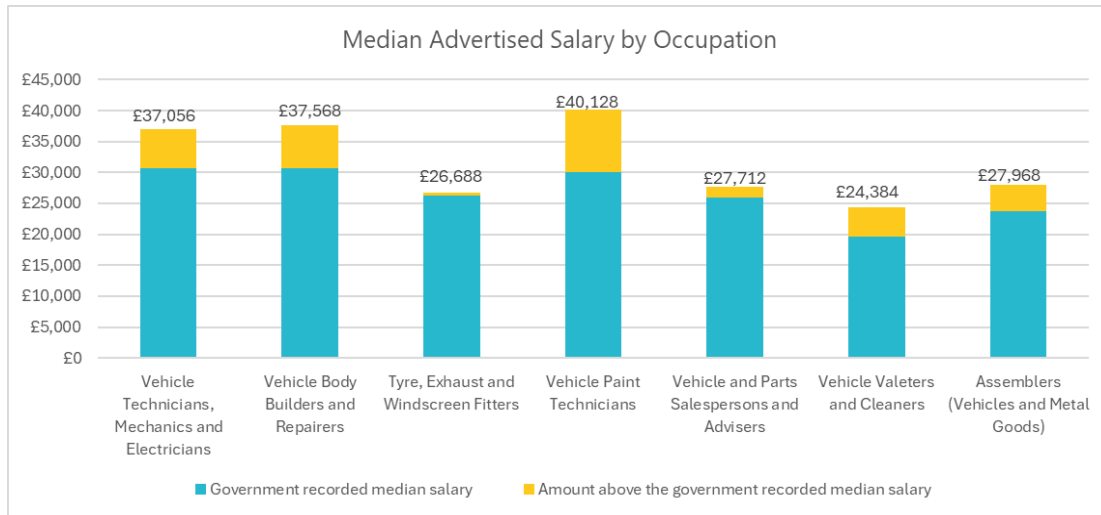
More than half (51%) of all job adverts is for roles like Vehicle Technicians, Mechanics, and Electricians, slightly higher than their actual share in the sector, which is 48%. Besides the general category of 'All Other Occupations,' jobs in sales are the next biggest group.

Since January 2024, job postings have decreased by 9%, with Tyre, Exhaust, and Windscreen Fitters seeing the most significant percentage fall.

The high vacancy rates and declining job postings show that the automotive sector struggles to attract and keep the right talent. To address these challenges, the industry may need to improve its image, make jobs more appealing, invest in workforce development, and re-evaluate recruitment and retention strategies.

Advertised salaries

This analysis focuses on median advertised salaries, excluding benefits or bonuses, particularly for sales roles. Figures represent UK averages and may vary regionally.



Vehicle Paint Technicians have the highest advertised salaries at £40,100, which is £10,100 above the government median, and have seen a 38% increase over the past three years.

The sector shows healthy growth, with salaries for Vehicle Technicians, Mechanics, and Electricians rising by 23% and currently £6,300 above the government median.

Rising salaries highlight the sector's challenges in filling vacancies, as market forces push for higher pay to attract individuals.

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