

A KICK START FOR APPRENTICES

The challenge for the automotive industry around attracting and retaining talent is a complex issue that has no single, or easy solution, but our members are clear that it is their biggest challenge; and for the AAAA this remains our number one strategic priority

We know from our own research that the automotive service and repair industry is short 40,000 workers, consisting of roughly 27,000 qualified technicians and 13,500 apprentices. This equates to every workshop in the country being short one technician, with one in two workshops short an apprentice.

Breaking this down further, at the time of our research, just under a quarter (22 percent) of workshops lost an apprentice in the last 12 months, with 29 percent currently looking to hire an apprentice.

Clearly, more needs to be done on the apprentice front, so it was great to hear the recent announcement that automotive apprentices are now eligible for funding under the New Energy Apprenticeships Program.

The broadening of the New Energy Apprenticeships Program to include automotive apprentices is a welcome and important addition to support the future of our service and repair industry.

The New Energy Apprenticeships Program will offer payments of up to \$10,000 for automotive apprentices that complete work related to clean energy, which includes the service and repair of electric vehicles.

We believe this program extension will help to increase the number of people taking up new automotive apprenticeships across the country, just as our industry begins a period of unprecedented change as the car parc continues its transition to EV and Hybrid vehicles.

Extending the scope of the New Energy Apprenticeships Program aligns with the requirements of new automotive apprentices, who need to be trained on the latest EVs and Hybrids to be future ready, but also have the skills to maintain the safety and reliability of our current ICE fleet.

More than any other time, a future in the automotive industry is an exciting prospect.

Combined with the additional payment incentives of up to \$10,000 for apprentices, we are optimistic that we will see an uptake in apprentices in our incredibly rewarding, technologically advanced, and diverse industry.

The Program's positive flow on effect is not just limited to apprentices. I can foresee workshops using this apprentice funding incentive as a catalyst to invest in workshop equipment to support the service and repair of EVs, which in turn opens up a new opportunity to attract and recruit apprentices to their business as well as new revenue streams to service and repair these vehicles.

We would like to thank the Honourable Brendan O'Connor MP, the Federal Minister for Skills and Training, for his continued support of automotive apprenticeships and the future of our industry.

Related to this issue is our recent submission to the House of Representatives Standing Committee on Climate Change, Energy, Environment and Water's Inquiry into the Transition to Electric Vehicles.

Our submission highlighted a number of important points on behalf of our industry:

- Our research shows our workshops are ready to be, and in a lot of cases already are, the trusted partner for EV and hybrid owners Australia-wide.
- The automotive aftermarket is a crucial piece of the broader EV puzzle, and the government must ensure they factor in the downstream considerations relating to ongoing service and repair of these vehicles, of which our industry will be a major player.
- With EVs currently making up less than one percent of the total car parc, many workshops will remain focused on ICE servicing and repair, ensuring all customers can access expert servicing and repair for their car, no matter how the vehicle is powered.



- Calls to introduce regulation on something we are already doing safely and successfully is not required and any push from other industries (such as electricians) to be tasked with servicing and repairing cars will be strongly opposed.
- As the industry's peak body, we are embracing the challenges and opportunities presented by the transition to electric vehicles, advocating for policies and practices that support a dynamic, competitive, and sustainable automotive aftermarket.
- Our goal is to ensure that our industry not only adapts to but thrives in this new era, continuing to provide essential services to Australian vehicle owners.

We look forward to working with State and Federal Government moving forward on a range of issues including access to EV training and equipment.

My final note on this topic is in relation to the Federal Government's New Vehicle Efficiency Standard (NVES) Bill which recently passed the Parliament. This legislation will bring clarity to car manufacturers on emission standards, bringing further momentum to the transition to zero and low emission vehicles, and in turn our industry's involvement in the service, repair, and modification of these vehicles.

To stay up to date with our work on all these issues, visit www.aaaa.com.au and please follow our social media channels.



Stuart Charity
Chief Executive Officer