



Automotive Labour Market Briefing



Summary

The Motor Trades sector now has the highest vacancy rates in the UK, struggling to attract talent despite increasing salaries.

In July 2024, the Motor Trades sector continued to face major recruitment challenges, consistently holding the highest vacancy rate among all UK sectors. Despite a slight decrease in job postings, vacancy rates stay high, highlighting ongoing difficulties in attracting and retaining skilled workers.

Vacancy rates

- The Motor Trades sector has the highest job vacancy rate of any sector at 3.8%, with 21,000 vacancies.
- Previously, Motor Trades shared the top spot with Hospitality, but it overtook them in July 2024.
- Motor Trades has 3.8 vacancies for every 100 employees, significantly higher than the average rate of 2.7 across all sectors.

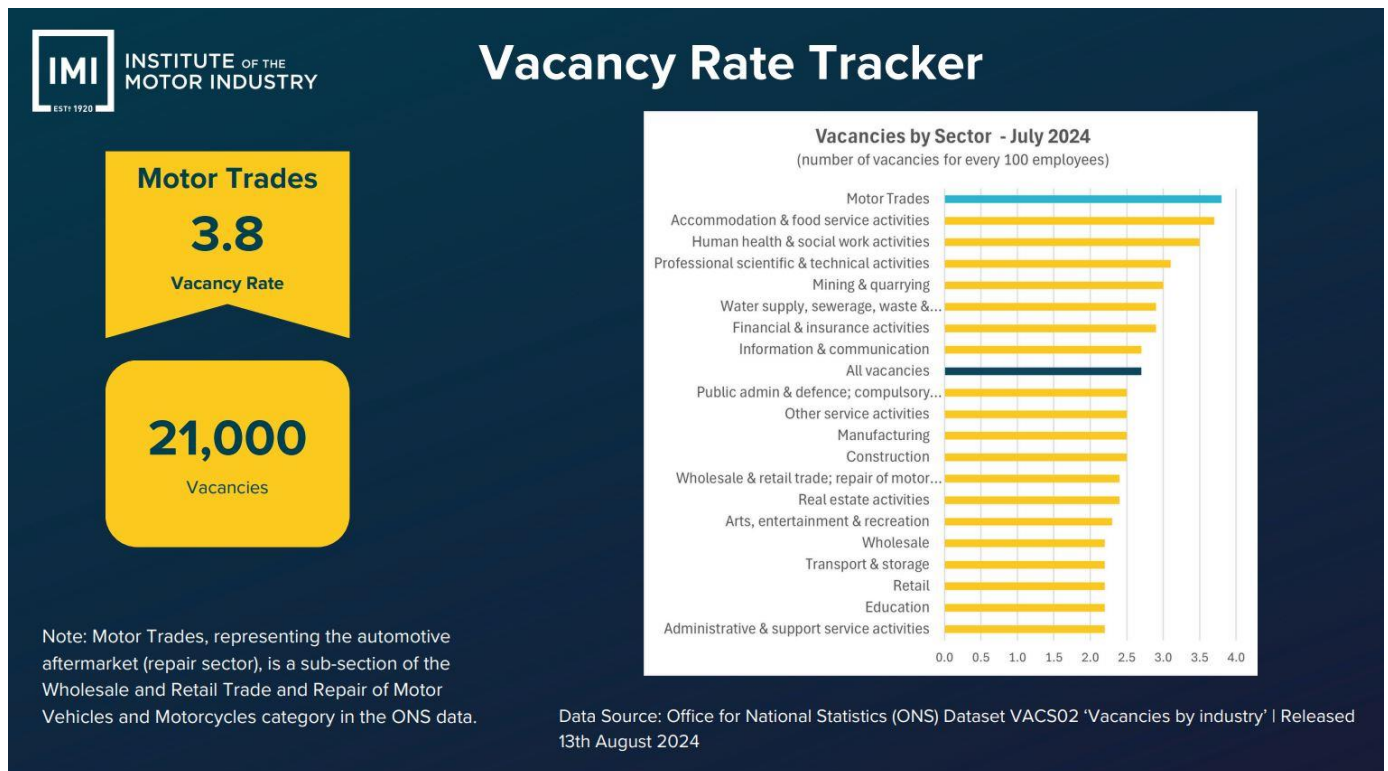
Job postings

- In July 2024, the UK's automotive sector had 34,400 job openings, with 51% of these positions for Vehicle Technicians, Mechanics, and Electricians.
- Overall job postings have decreased by 38% since July 2023, while vacancy rates have declined by 12%.

Advertised salaries

- Advertised salaries have continued to rise, particularly for specialised roles like Vehicle Paint Technicians, whose pay has increased by 14% over the past two years.
- Salaries for Vehicle Technicians, Mechanics, and Electricians have risen by 9%, positioning them £6,800 above the government median.
- Vehicle Body Builders and Repairers experienced the largest salary increase at 19% over the past two years.

Vacancy rates

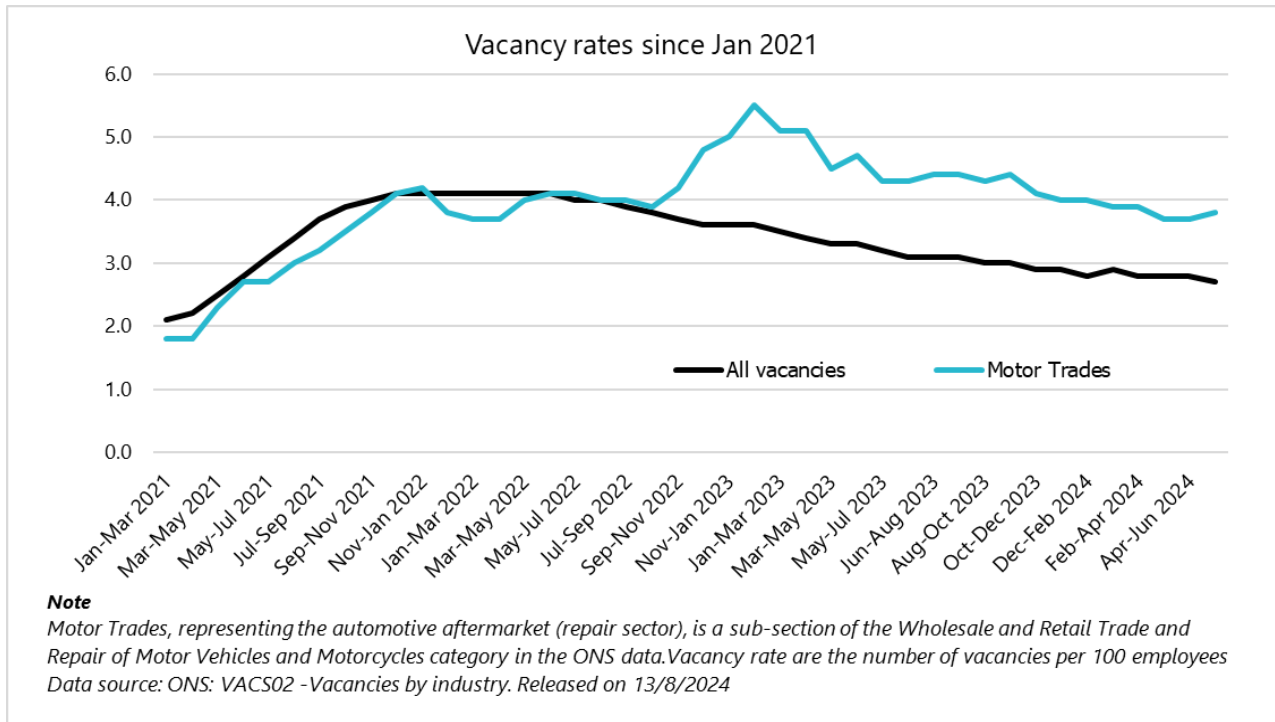


In July 2024, the Motor Trades sector reported the highest vacancy rate of any sector at 3.8%, equating to 21,000 vacancies.

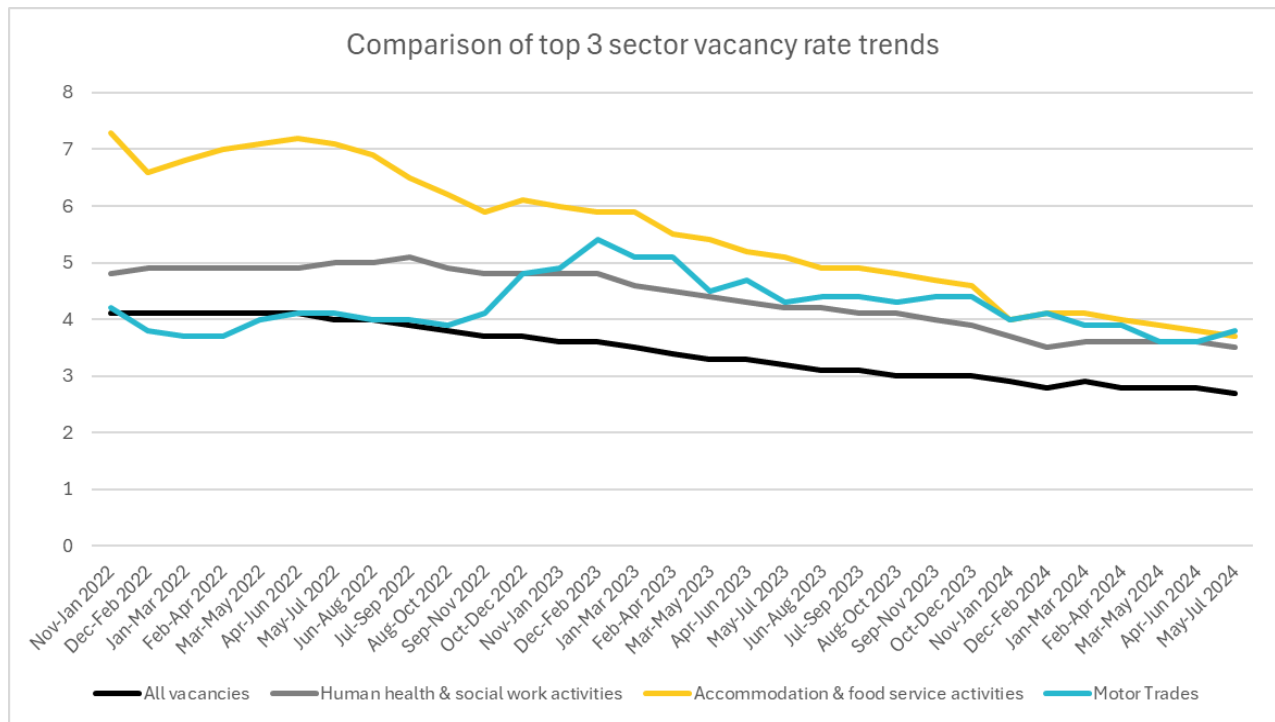
Throughout most of 2024, the Motor Trades sector shared the top spot with Accommodation and Food Service activities (Hospitality). However, while the Hospitality sector has reduced its vacancy rate, the Motor Trades sector has increased, now holding the unenviable top position.

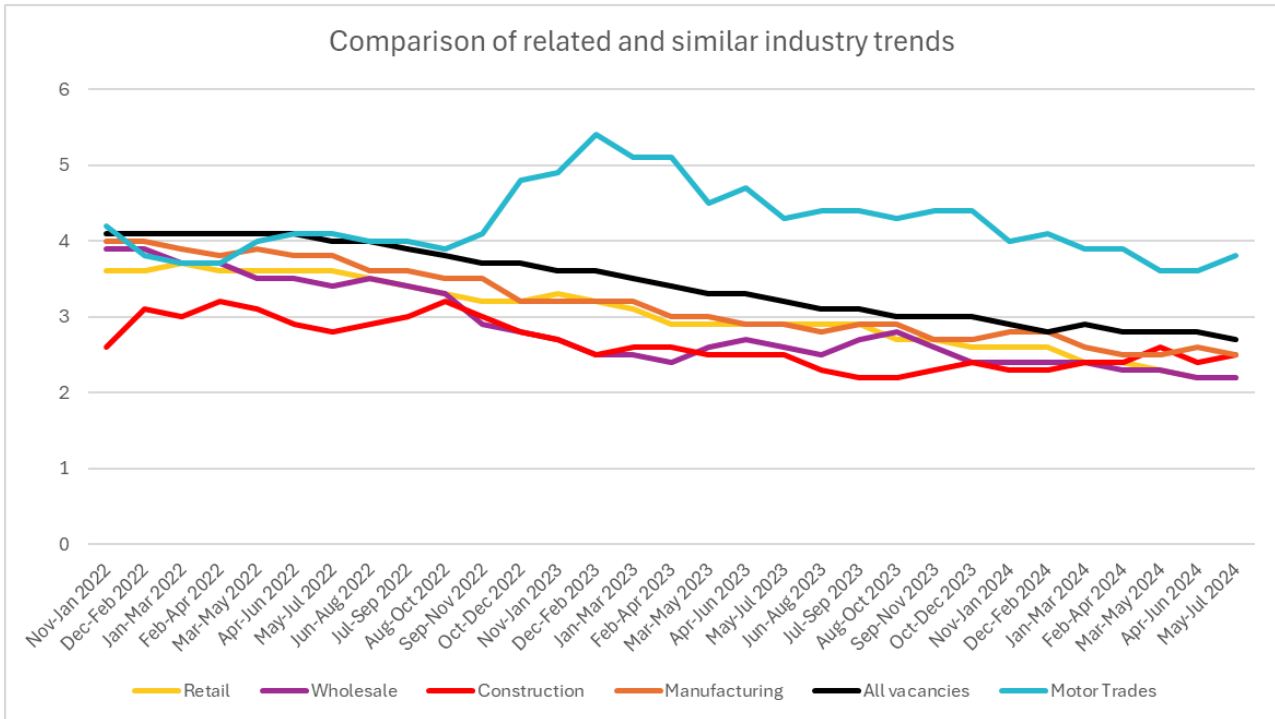
Representing businesses in the automotive aftermarket, the Motor Trades sector continues to struggle with recruiting the right talent. It recorded a rate of 3.8 vacancies for every 100 employees, compared to an average of 2.7 across all sectors—52% above the average.

Summary of vacancy rate trends in the UK Motor Trades sector



The monthly ONS vacancy data indicates that, although vacancy rates in the Motor Trades sector have been declining since their peak in early 2023, they stay significantly higher than the average across all sectors. In the most recent month, the Motor Trades sector had a slight increase of 3%, in contrast to the general downward trend in other sectors.



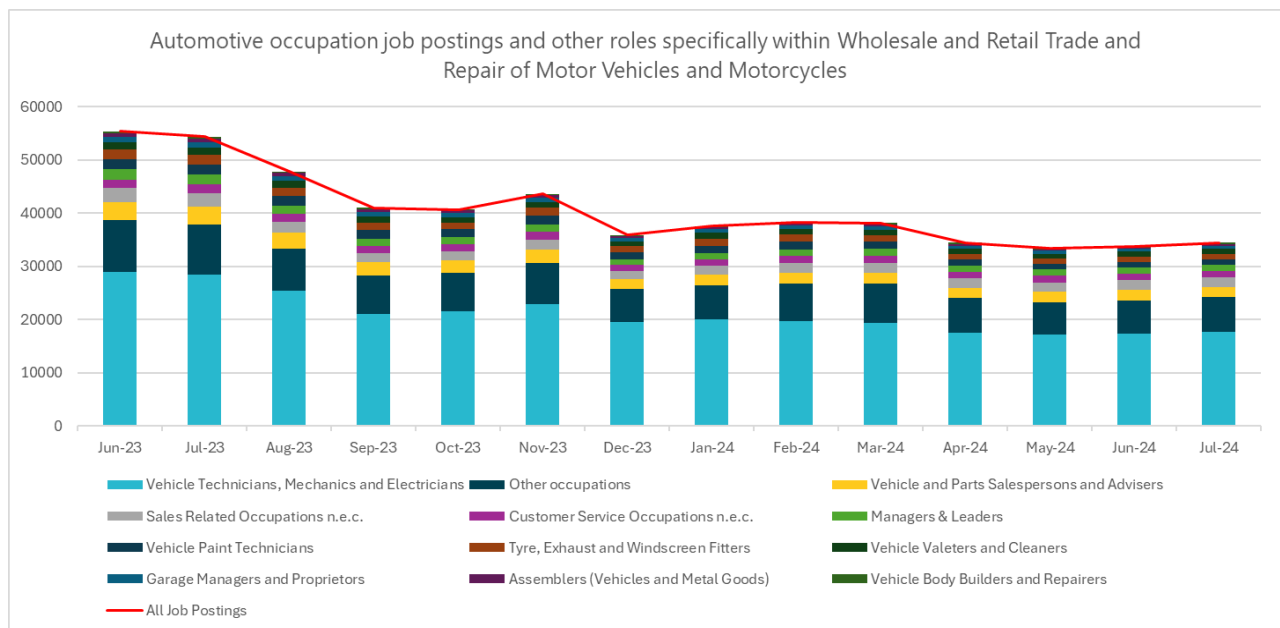


Following the COVID-19 pandemic, vacancy rates spiked across all sectors, but the recovery varied. The Hospitality sector initially had a sharp increase, followed by a decline after a year. The Motor Trades sector initially mirrored these overall trends but had a significant second surge in early 2023, surpassing the Human Health and Social Work sector and approaching Hospitality levels.

After peaking in 2023, vacancy rates in the Motor Trades sector declined more slowly than in other sectors. By the summer of 2023, while others saw declines, the Motor Trades sector stayed stable, and last month, it saw a slight increase, placing it at the top of the rankings.

For Motor trades, this trend is particularly pronounced when compared to industries like construction, manufacturing, and retail, where vacancy rates have stayed significantly lower.

Job postings



Trends and challenges in attracting talent

In the UK's automotive sector, which includes Wholesale, Retail Trade, and Repair of Motor Vehicles and Motorcycles, there were 34,400 job openings in July 2024, with 51% of these positions being Vehicle Technicians, Mechanics, and Electricians.

Since July 2023, job postings have steadily declined, except for a slight increase in June and July 2024. Interestingly, while vacancy rates and job postings follow similar trends, they do not cover the same job categories, and this has led to a divergence. Over the past 12 months, vacancy rates have fallen by 12%, while job postings have dropped by 38%.

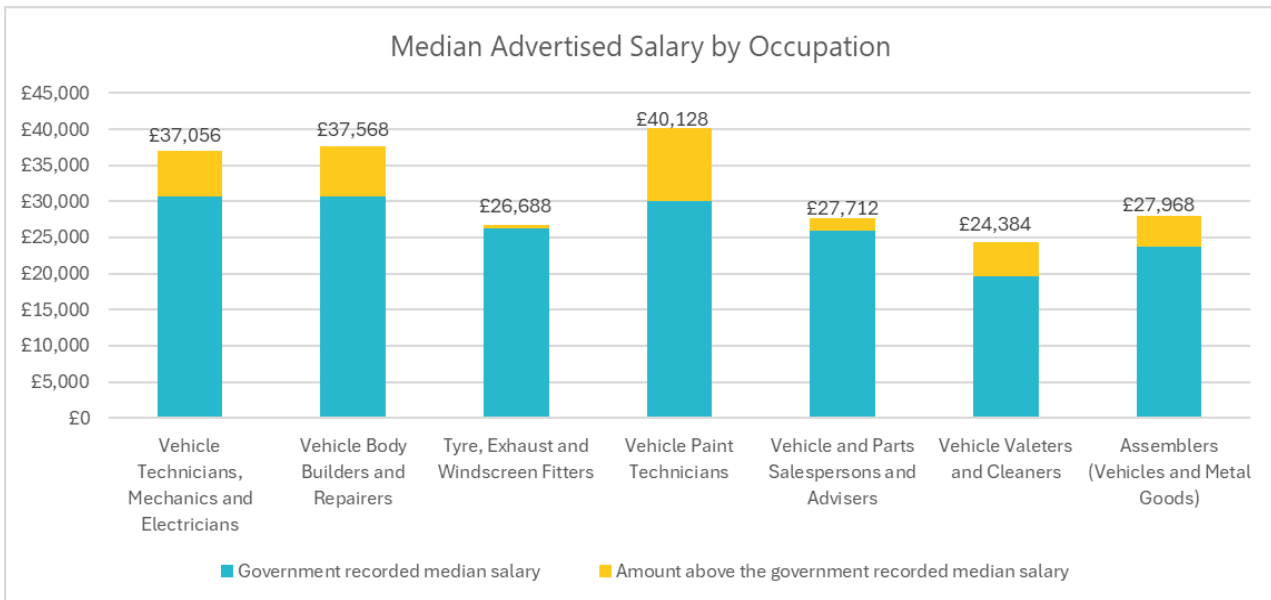
This discrepancy could be due to factors such as:

- **Employer apathy:** After failed hiring attempts, the combination of high vacancy rates and a sharp decrease in job postings suggests that employers may be doubtful about finding suitable candidates or have paused recruitment to reassess their strategies.
- **Recruitment fatigue:** Employers who have invested heavily in recruitment may have faced difficulties in attracting qualified candidates. This challenge might have led them to reduce new job postings as they wait for the labour market to improve.

- **Internal promotions and reallocations:** Companies might focus on filling vacancies internally by promoting existing employees or redistributing tasks among current staff, rather than seeking external hires.
- **Caution due to economic uncertainty:** Companies may be cautious about adding new staff during periods of economic uncertainty or declining demand, even if vacancies exist.
- **Budget constraints:** Financial pressures or cost-cutting measures might lead to a deliberate reduction in recruitment efforts. Companies may attempt to save costs by freezing hiring or reducing the number of new positions.
- **Shift in recruitment strategy:** Companies may be shifting away from traditional job postings to other recruitment methods, like direct recruiting, using staffing agencies, or relying more on employee referrals. This could reduce the visible number of job postings.

Advertised salaries

This analysis focuses on median advertised salaries for sales roles, excluding benefits or bonuses. The figures represent UK averages and may vary by region.



Occupation	Median Advertised Salary	Change in past year	Past Year %Chg	Change in past 2 years	Past 2 year %Chg
Vehicle Technicians, Mechanics and Electricians	£37,600	£2,048	5.7%	£3,072	8.8%
Vehicle Body Builders and Repairers	£37,600	£2,112	6.0%	£5,952	18.8%
Tyre, Exhaust and Windscreen Fitters	£26,900	£1,920	7.4%	£3,456	14.1%
Vehicle Paint Technicians	£40,128	£512	1.3%	£4,608	12.8%
Vehicle and Parts Salespersons and Advisers	£28,000	£1,792	6.6%	£3,584	14.2%
Vehicle Valeters and Cleaners	£25,000	£1,600	6.7%	£3,904	18.1%
Assemblers (Vehicles and Metal Goods)	£29,000	£1,664	6.1%	£3,968	15.8%

Vehicle Paint Technicians have the highest advertised salaries at £40,100, which is £10,100 above the government median, reflecting a 14% increase over the past two years.

The sector is experiencing healthy growth, with salaries for Vehicle Technicians, Mechanics, and Electricians rising by 9%, placing them £6,800 above the government median.

Vehicle Body Builders and Repairers have seen the largest percentage increase, with salaries rising by 19% over the past two years. These rising salaries highlight the sector's challenges in filling vacancies, as market forces drive higher pay to attract talent.

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