



Automotive labour market briefing



EXECUTIVE SUMMARY

Vacancy rate drop

In January 2025, the Motor Trades sector had a 2.4% vacancy rate—the tenth highest across all sectors—amounting to approximately 13,000 vacancies.

Office for National Statistics data shows a steady decline since early 2023, with a sharper drop from autumn 2024. For the first time since spring 2022, the sector's vacancy rate fell below the national average.

Strong call for technicians

Vehicle Technicians lead job postings, highlighting the sector's strong demand for technical expertise.

Sales, retail, and other technical roles also feature prominently, while managerial and manufacturing positions account for a smaller share.

Skills demand in technical roles

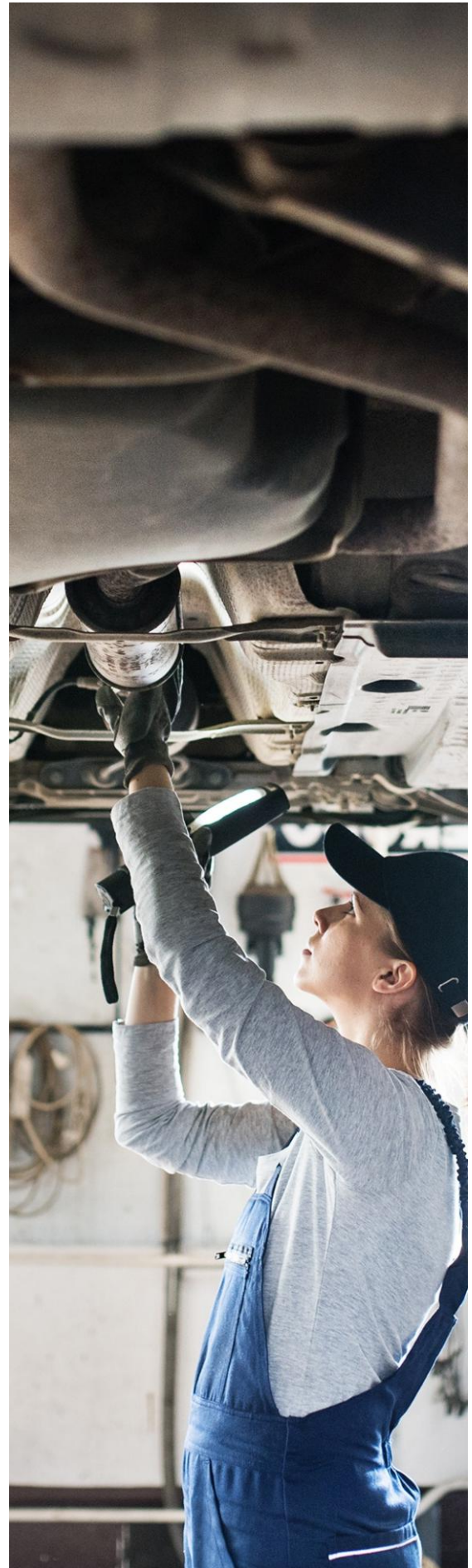
Demand is increasing for diagnostics, problem-solving, analytical skills, and experience with diagnostic tools, as employers seek professionals capable of troubleshooting complex vehicle systems.

This shift reflects the growing reliance of modern vehicles on software, sensors, and electronics.

Rising salaries, ongoing shortages

Vehicle technicians, mechanics, and electricians saw a 2% rise in the past year, while body builders and repairers experienced a 24% increase over two years.

Rising wages in specialised roles, coupled with fewer job postings and lower vacancy rates, highlight ongoing skills shortages.



OVERVIEW

BACKGROUND

Purpose

The IMI covers the whole UK automotive sector, not just one part of it. This sector is a cornerstone of the national economy, employing 866,000 people across automotive retail (618,000), manufacturing (142,000), and other roles (106,000) through more than 100,000 businesses, contributing £37 billion annually.

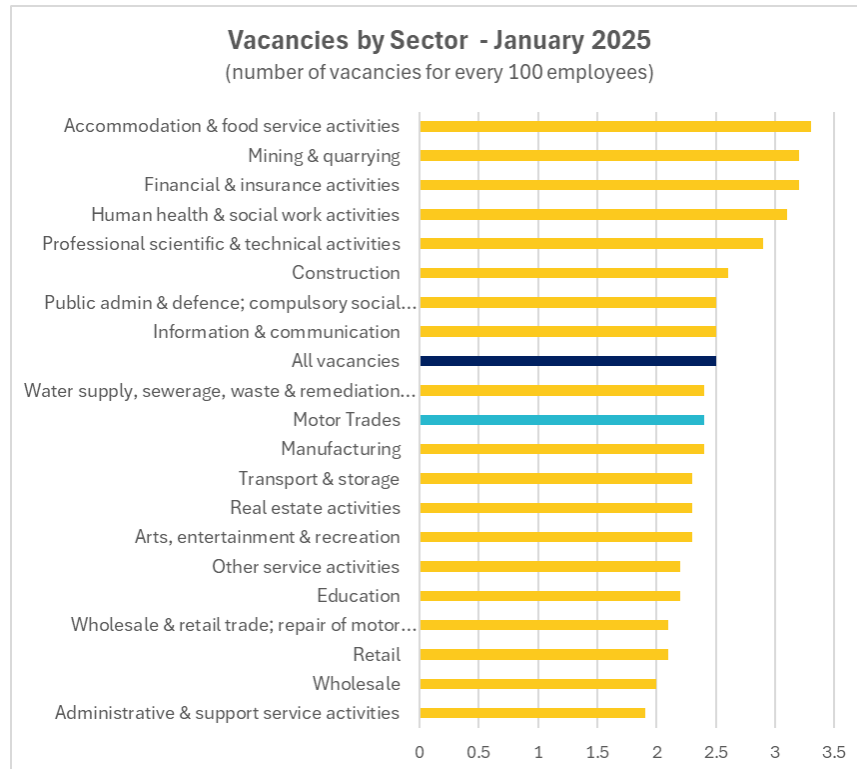
With the labour market constantly evolving, ongoing investment in skills, hiring, and workforce development is vital for competitiveness. That's why we produce this quarterly report—to track changes and help the industry make informed decisions.

The automotive industry contributes £37 billion to the UK economy through more than 100,000 businesses and organisations



ANALYSIS

VACANCY RATES

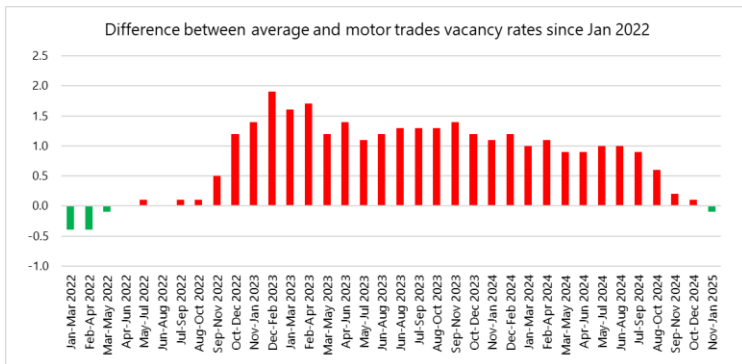
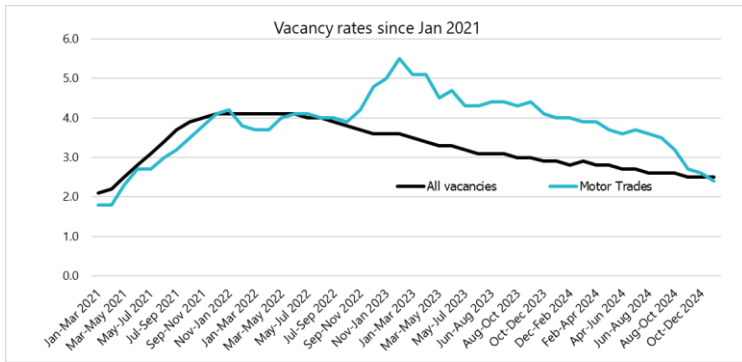


In January 2025, the Motor Trades sector recorded a 2.4% vacancy rate—the tenth highest across all sectors—equating to around 13,000 vacancies.

Office for National Statistics (ONS) data shows a steady decline since early 2023, with a sharper drop from autumn 2024. Notably, January’s rate fell below the national average for the first time since spring 2022.

Historically, vacancy rates were higher, peaking at around 5% by mid-2022 due to post-pandemic hiring challenges. While this increase was significant, it was less severe than in Hospitality, where vacancies were more volatile. Instead, the trend closely followed that of Health and Social Work, which also saw a gradual rise.

Since mid-2022, Motor Trades vacancies have trended downward in line with the national pattern, reaching around 3% by late 2024. Despite this progress, the sector consistently ranked among those with the highest vacancies, only recently dropping out of the top two.



This trend suggests the Motor Trades sector may be stabilising its labour market. Falling vacancy rates could mean recruitment challenges are easing as employers adapt and the supply of skilled workers improves.

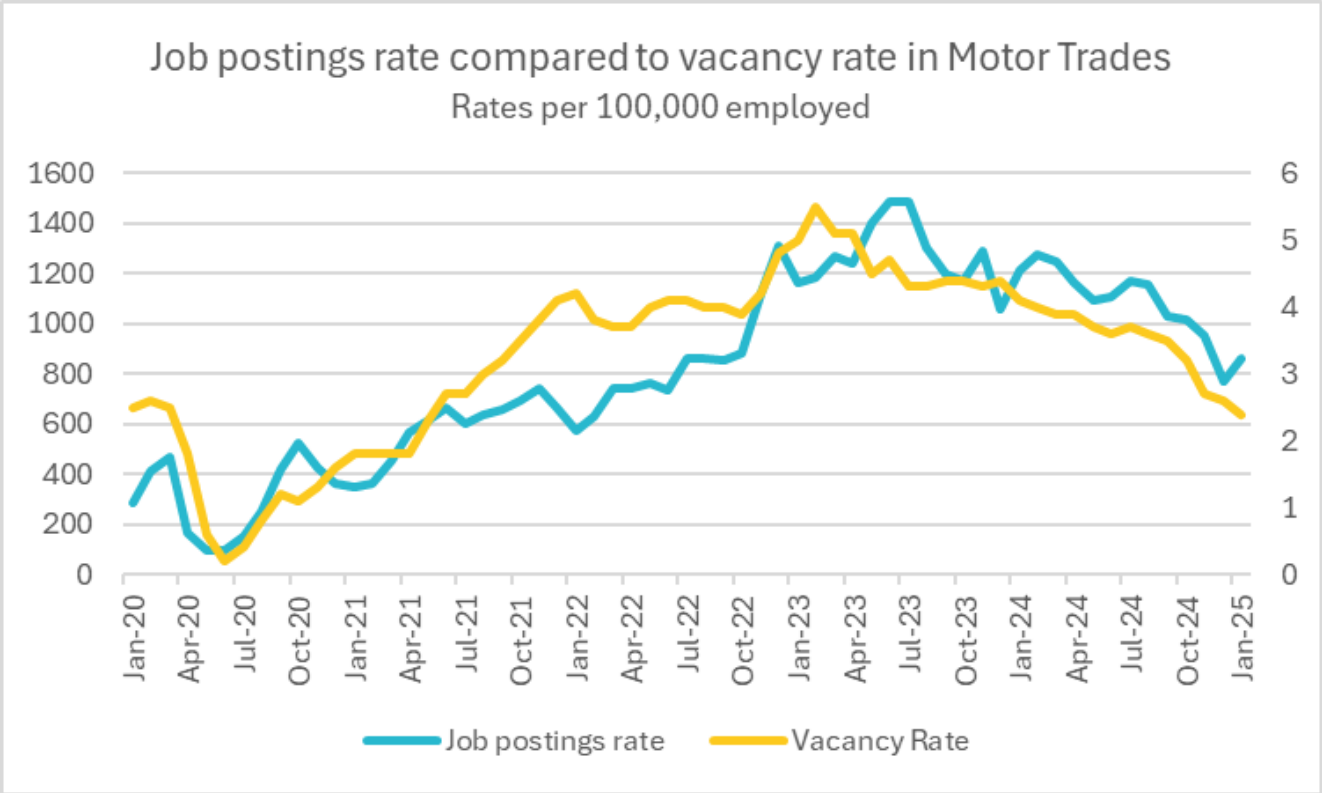
However, persistently high vacancies highlight ongoing structural issues, such as demand for specialised skills and regional imbalances.

Continued monitoring will be key to understanding whether this signals lasting recovery or if further challenges lie ahead.



SKILLS AND IN-DEMAND ROLES

JOB POSTING TRENDS

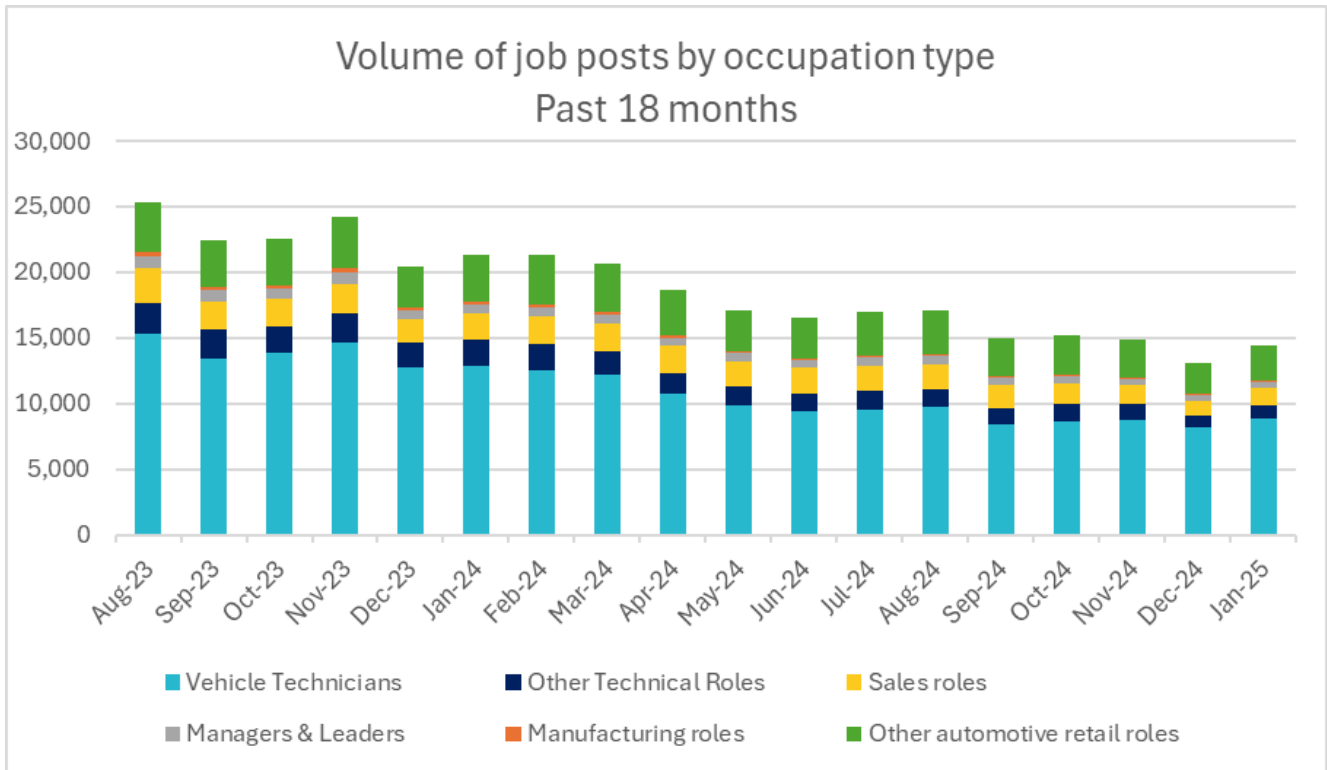


Job postings vs. vacancy rates

The graph shows job postings and vacancy rate trends in the Motor Trades sector from January 2020 to January 2025, measured per 100,000 employed.

Both rates dropped sharply in early 2020 due to COVID-19 but rebounded from mid-2020. By late 2021, job postings overtook the vacancy rate, suggesting a recruitment push driven by increased competition for labour or hiring challenges.

From late 2022, both metrics gradually declined, with job postings consistently higher than the vacancy rate. This gap may indicate difficulties filling roles or employers continuing to advertise despite a cooling labour market. By late 2023, the rates began converging, suggesting a more balanced alignment between advertised roles and actual vacancies.

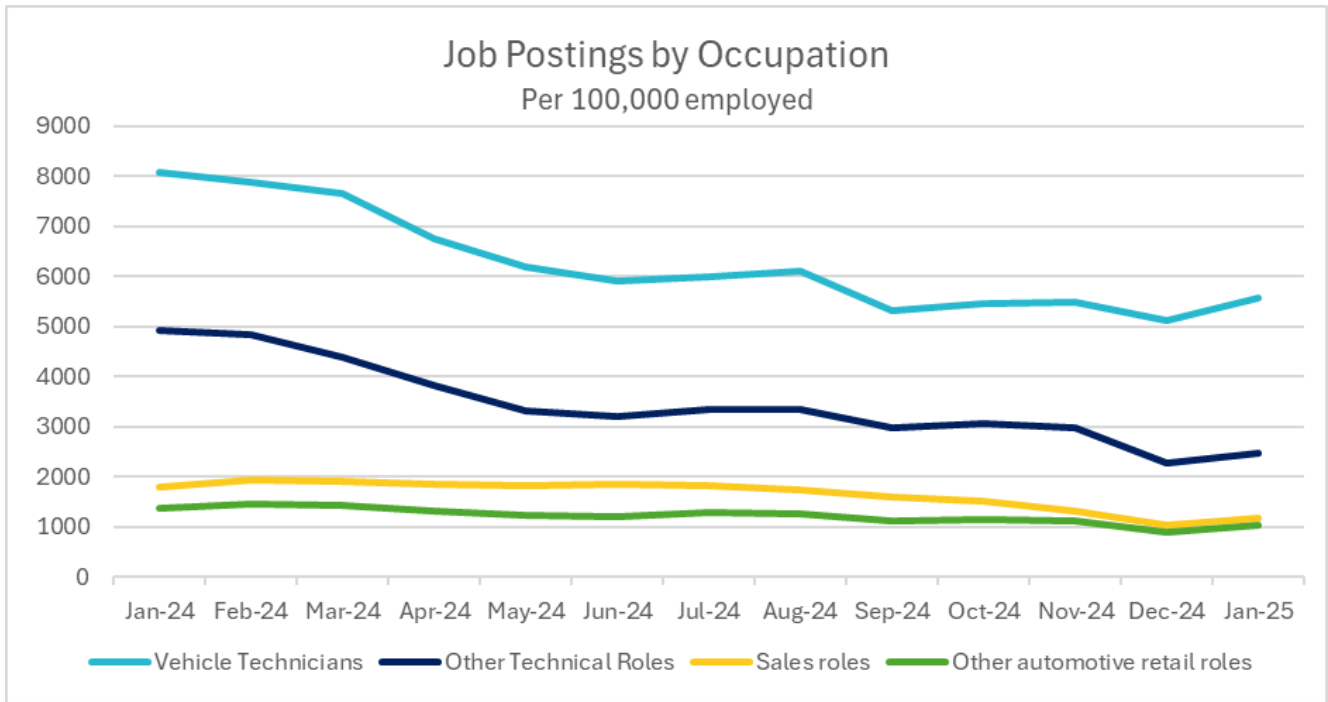


Volume of job postings by occupation type

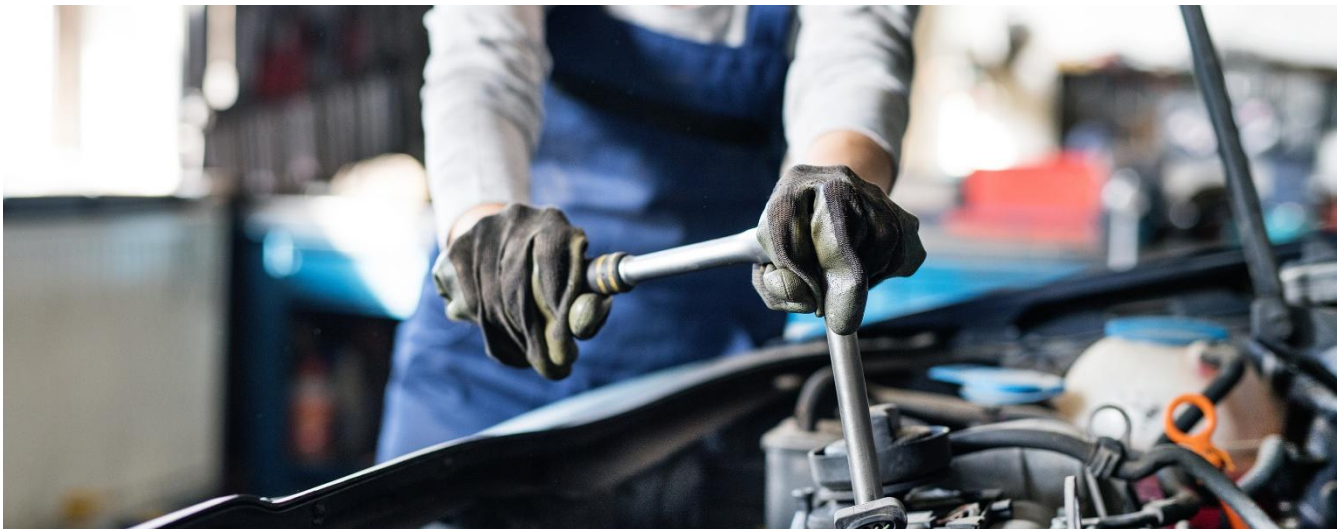
Vehicle Technicians dominate job postings – a clear signal of the sector's strong demand for technical expertise. Other technical, sales, and retail roles contribute prominently, while managerial and manufacturing roles make up a smaller share of total recruitment.

The proportional job postings chart (per 100,000 employed) confirms strong demand for technical roles, particularly Vehicle Technicians when adjusted for workforce size. Other technical positions also have high posting rates, showing continued recruitment efforts. Sales, managerial, and retail roles have lower relative demand despite their overall volume.

Vehicle Technicians dominate job postings – a clear signal of the sector's strong demand for technical expertise

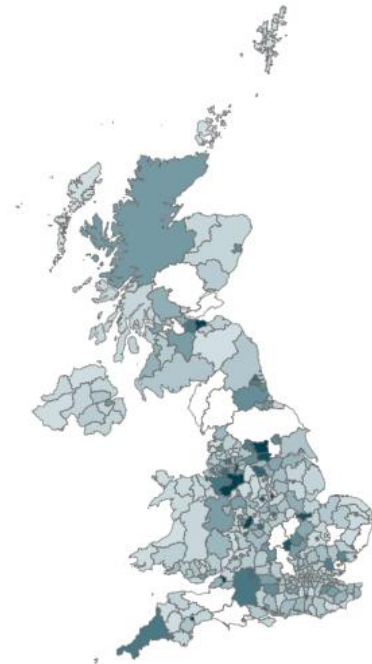


Job postings have declined across all occupations over the past year, reflecting the sector’s overall slowdown. However, stable postings for key roles indicate that demand stays focused on technical positions, where recruitment challenges persist.

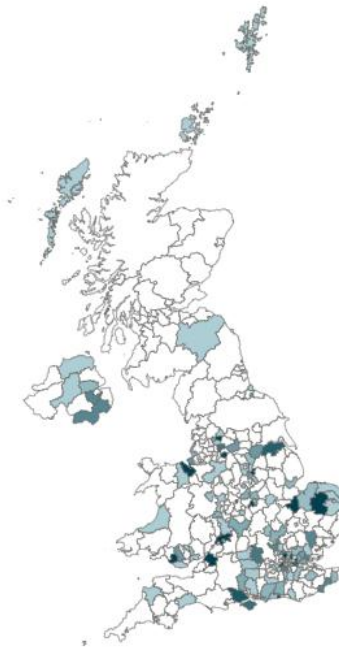


GEOGRAPHICAL ANALYSIS

Volume of job posts within automotive retail
6 months (August- Jan 2025)



Areas with an increase in job posts within automotive retail
August to January 2025



Areas with a decrease in job posts within automotive retail
August to January 2025



Average monthly posts per 1000 employed
Average posts between August to January 2025



Automotive retail

The heat maps display job postings across UK local authority areas over the past six months, both in total and per 1,000 people employed.

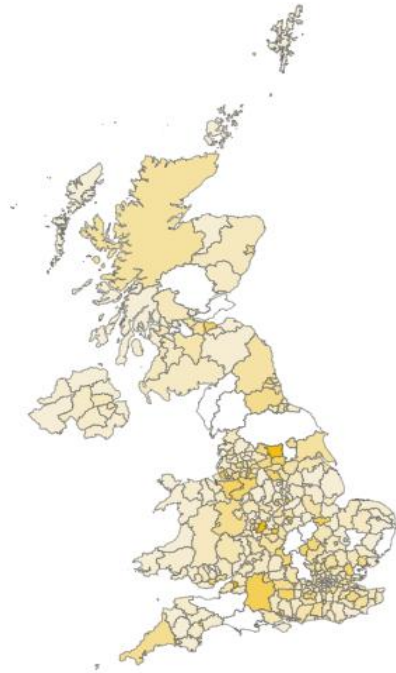
Job postings have risen across the UK in the past month, particularly in England and Northern Ireland. Glasgow, Leeds, and Birmingham show high posting volumes and elevated rates.

While Bristol records the most job postings overall, its impact is smaller when adjusted for local automotive employment.

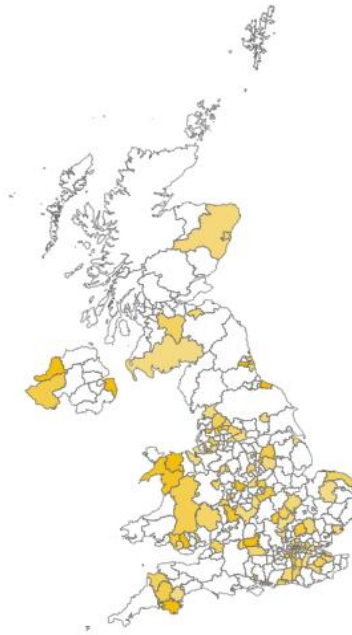
Notable increases include South Gloucestershire, Breckland, and Greater London in England, as well as Lisburn and Castlereagh and Newry, Mourne and Down in Northern Ireland, though some have low overall volumes.

North Warwickshire and Bradford have seen declines despite being among the largest areas by volume.

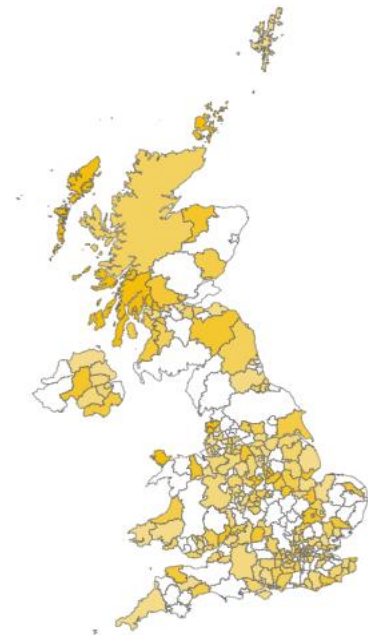
Volume of job posts for technical roles
6 months (Aug - Jan 2025)



Areas with an increase in job posts for
technical roles
August to January 2025

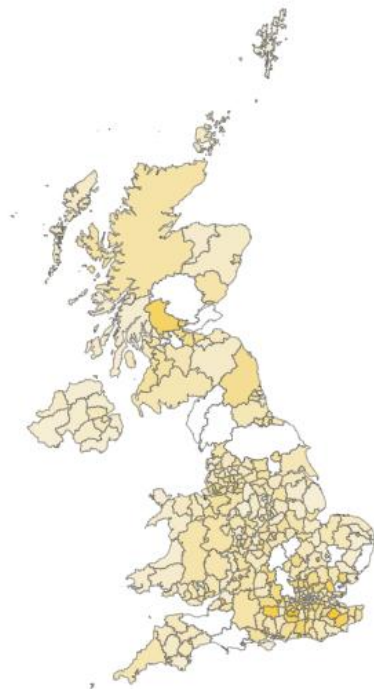


Areas with a decrease in job posts for
technical roles
August to January 2025



Average monthly posts per 1000
employed

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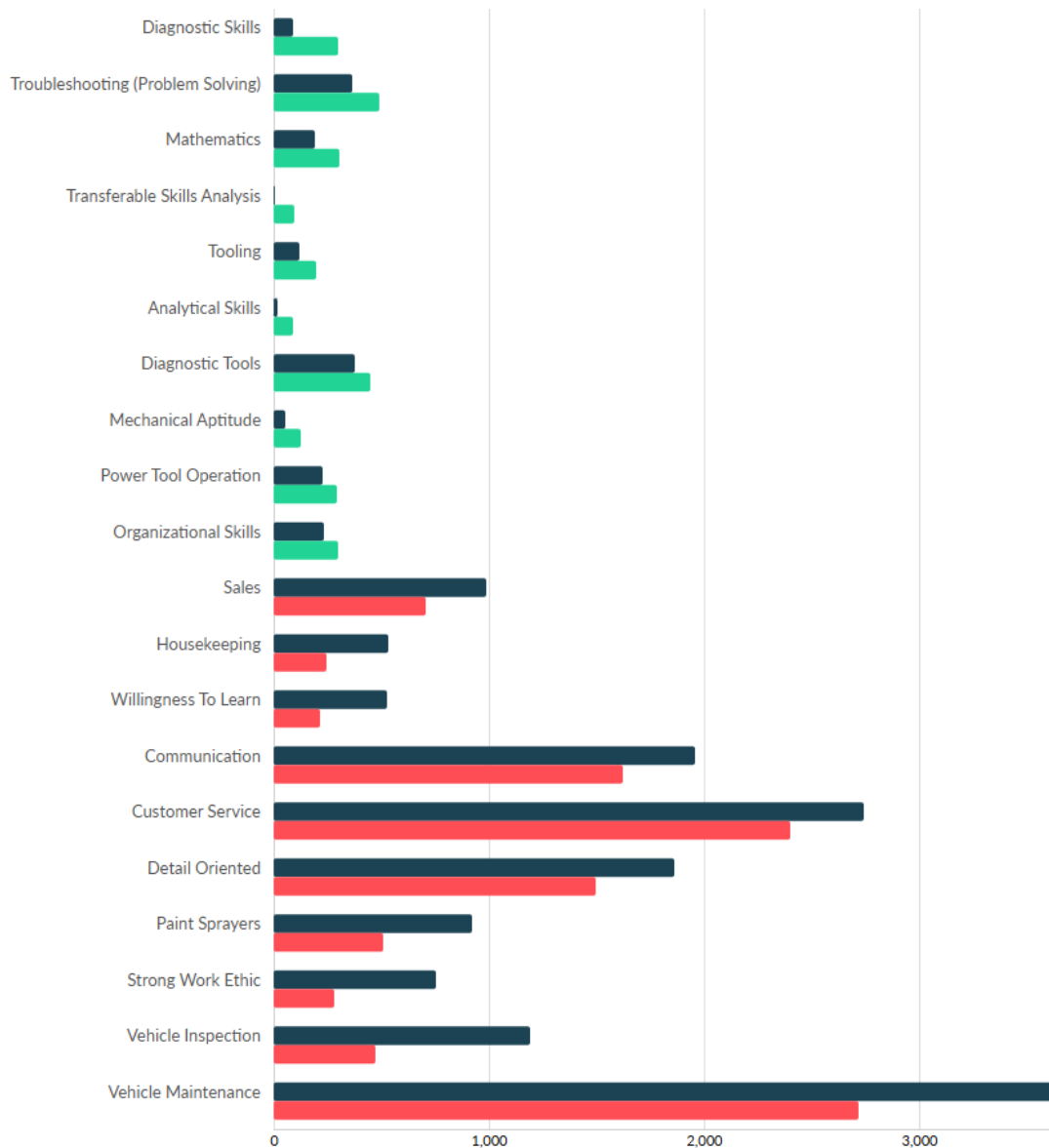
Automotive technical roles

Southampton and Reading stand out for their high volumes of technical job postings and elevated rates per 1,000 employed.

As with overall automotive retail postings, Bristol has the highest total job postings, though its impact diminishes when adjusted for local automotive employment.

Job postings have increased across the UK in the past month, with clusters emerging in Southern Scotland, West Northern Ireland, East Wales, and the South West and East of England.

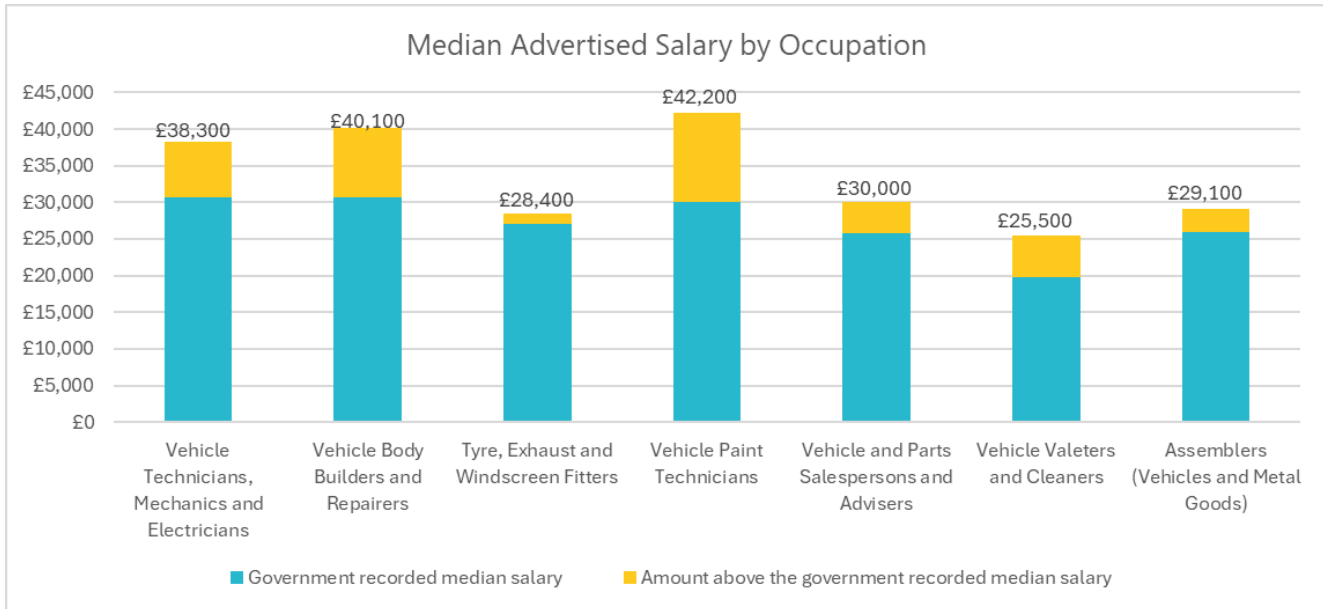
TRENDING SKILLS IN TECHNICAL ROLES



The green bars highlight growing demand for diagnostics, problem-solving, analytical skills, and experience with diagnostic tools. This suggests employers are prioritising professionals who can troubleshoot complex vehicle systems as modern vehicles become more reliant on software, sensors, and electronics.

The rise of EVs and ADAS is likely driving this trend, needing advanced fault detection and system analysis. Conversely, the red bars show declining demand for vehicle inspection and maintenance skills, indicating a reduced focus on traditional mechanical servicing.

MEDIAN ADVERTISED SALARIES OCCUPATIONS



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	£38,300	£732	2%	£3,292	9%
Vehicle Body Builders and Repairers	£40,100	£2,532	7%	£7,652	24%
Tyre, Exhaust and Windscreen Fitters	£28,400	£1,712	6%	£3,888	16%
Vehicle Paint Technicians	£42,200	£2,072	5%	£4,632	12%
Vehicle and Parts Salespersons and Advisers	£30,000	£2,288	8%	£3,952	15%
Vehicle Valeters and Cleaners	£25,500	£1,116	5%	£3,036	14%
Assemblers (Vehicles and Metal Goods)	£29,100	£1,004	4%	£2,796	11%

Vehicle paint technicians earn the highest advertised salaries at £42,200—£12,200 above the government median—after a 12% increase over two years.

Salaries for vehicle technicians, mechanics, and electricians rose by 2% in the past year to £7,600 above the government median, while vehicle body builders and repairers saw a 24% increase over two years, reaching £40,100—£9,500 above the median.

Varying salary growth suggests stronger wage inflation in some roles, likely due to shifting demand, increasing vehicle repair complexity (such as EVs and ADAS), rising costs for specialised skills, and fewer new entrants into these trades.

Skills challenges in the automotive sector

Rising wages in specialised technical roles, coupled with fewer job postings and lower vacancy rates, indicate ongoing skills shortages and potential affordability challenges for independent businesses. Unofficial IMI data suggests dealer groups, facing staff shortages, may be driving wage increases with salaries and benefits that independents struggle to match.

Salaries for vehicle technicians, mechanics, and electricians rose by 2% in the past year to £7,600 above the government median

Employers compete fiercely for talent in roles such as paint technicians, body builders, and repairers. Many businesses struggle to fill these positions despite the reduction in job adverts, which in turn drives wages even higher.

Recent IMI data also supports a growing deficiency in basic diagnostics and electrical skills. This emerging gap directly affects light vehicle technicians and MOT testers, impacting on their overall work-readiness and the sector's operational efficiency.

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