



Automotive Labour Market Briefing



EXECUTIVE SUMMARY

Structural skills shortage

The Motor Trades sector is structurally under-producing the skills it needs. Vacancy rates have eased to 2.7% but remain above the UK average of 2.3%. This leaves around 16,000 open roles across the sector.

Technical roles drive demand

Demand remains concentrated in technical roles. Vehicle technicians account for around 24% of job postings and show little decline. Employers cannot fill these roles.

Selective hiring and ongoing pressure

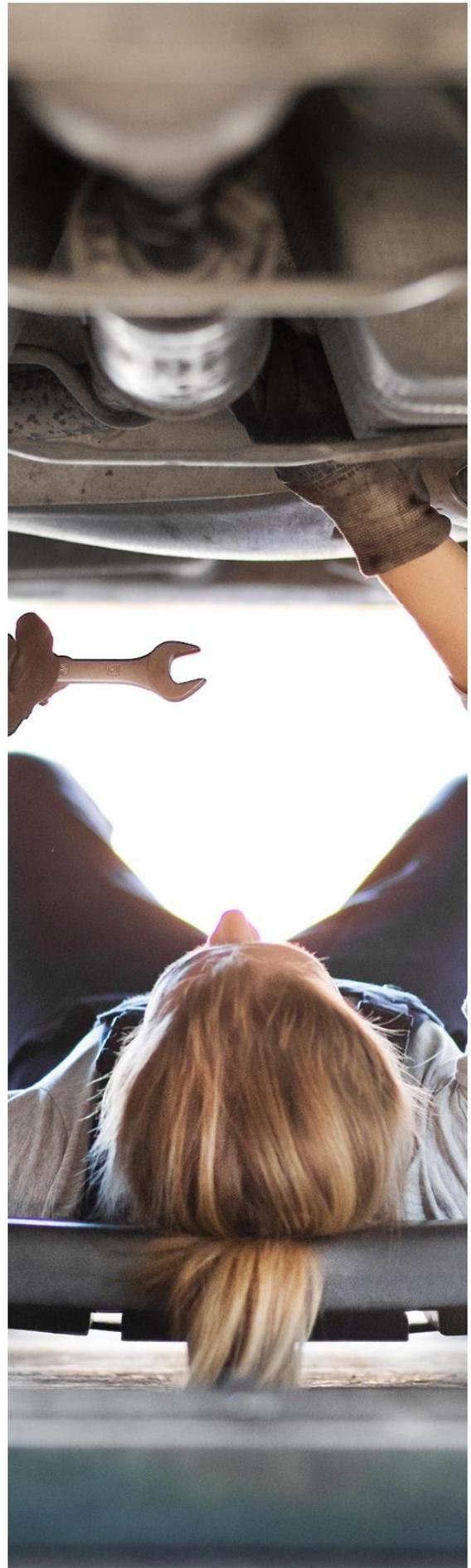
Employers are hiring more selectively, not reducing demand. Vacancies have fallen by around 30% over two years, compared with 21 to 23% across the wider UK economy. Shortages of experienced technicians continue to constrain capacity.

Acute shortages in repair and paint roles

Shortages are most severe in body repair and paint roles. Advertised salaries for vehicle paint technicians have risen by 28% over two years but remain far below benchmark levels. This shows sustained recruitment difficulty.

Impact on costs and capacity

The training pipeline is not keeping pace. Apprenticeship uptake in damage repair pathways continues to fall, while vehicle complexity increases skill requirements. Without action to expand training capacity, shortages will persist and cost pressures will rise.



OVERVIEW

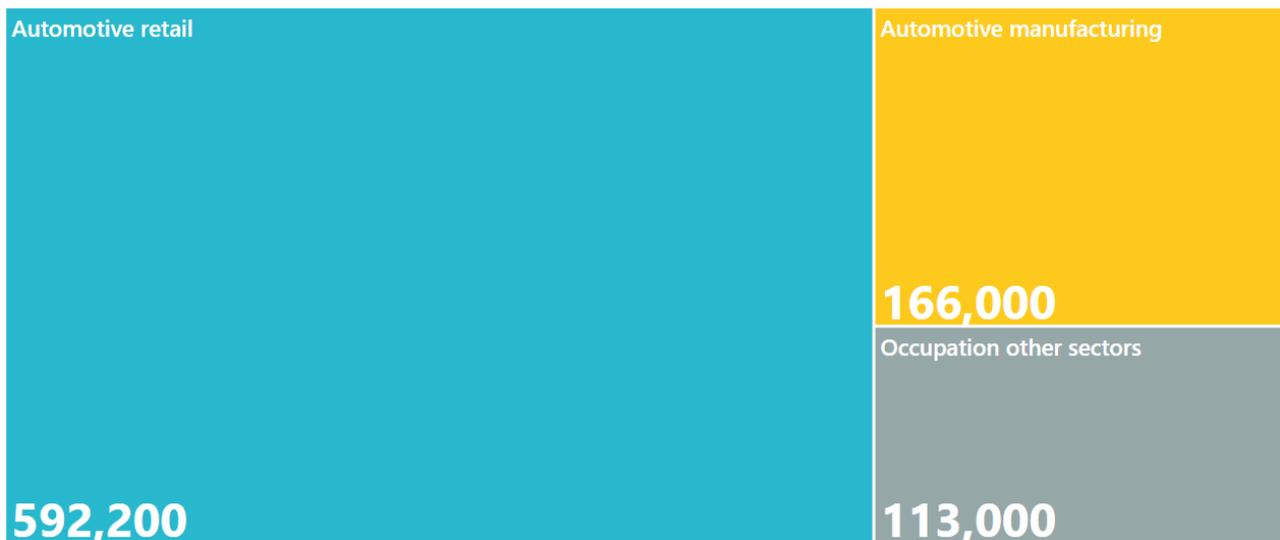
BACKGROUND

Purpose

The IMI represents the UK automotive sector. The sector employs 766,000 people across more than 100,000 businesses and contributes £35 billion each year.

The labour market is changing. Employers must invest in skills, recruitment and workforce development to remain competitive. This report identifies the labour market pressures shaping skills demand.

The UK automotive sector employs 766,000 people and contributes £35 billion each year. Skills investment will shape its future.



ANALYSIS

VACANCY RATES

Vacancies by Sector - January 2026
(number of vacancies for every 100 employees)



Employers are hiring more selectively, not reducing demand. The vacancy rate has eased to 2.7% but remains above the UK average of 2.3%, keeping the sector among the highest for recruitment pressure.¹

Over the past two years, vacancies have fallen from around 18,000 in late 2025 to 16,000 in early 2026. This represents a decline of around 30%, compared with 21 to 23% across the wider UK labour market.

This change reflects a cooling labour market rather than weaker demand. Employers continue to recruit but advertise fewer roles per business.



Structural pressures remain.

Employers report shortages of experienced, workshop-ready technicians, particularly in diagnostic roles.

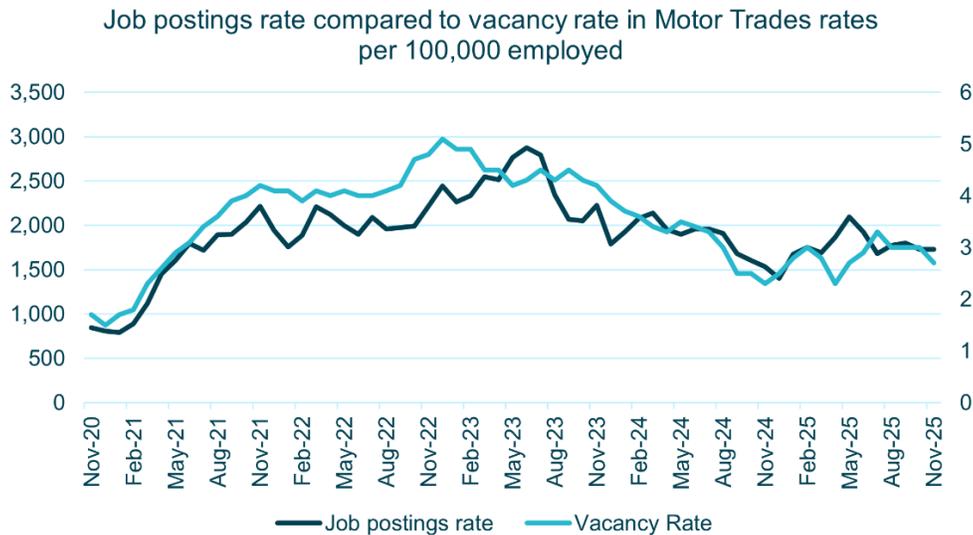
Demand remains strongest in manufacturing, body repair and fitting.

If vacancies continue to fall, the sector will move closer to balance. However, rates above the national average confirm that specialist technical shortages will persist.



SKILLS AND IN-DEMAND ROLES

JOB POSTING TRENDS



Job postings vs. vacancy rates

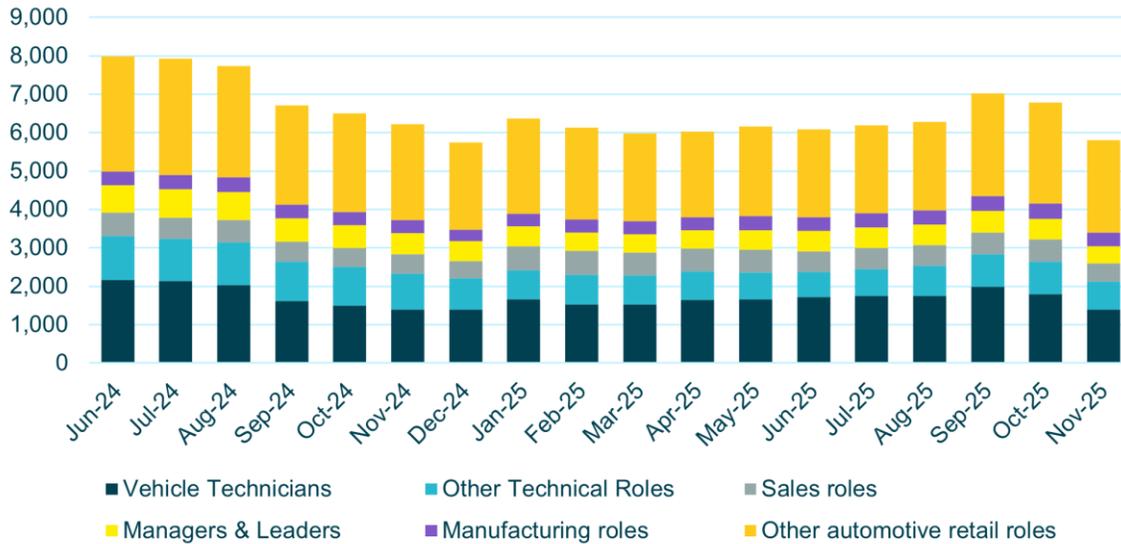
The gap between job postings and vacancy rates has narrowed. Vacancy rates fell below postings in November 2025. This points to a more balanced labour market, but pressure remains in specialist roles.

Job postings and vacancy rates followed a similar path from late 2020 to late 2025. Both rose sharply through 2021 as the sector recovered from the pandemic.¹

Job postings increased from around 6,000 in late 2020 to more than 16,000 by late 2021, while vacancy rates rose from 1.7% to above 4%. Demand strengthened further through 2022 and early 2023, when job postings exceeded 21,000 and vacancy rates remained above 4%.

Both measures then declined from late 2023. During 2025, job postings stabilised between 12,000 and 15,000, while vacancy rates ranged from 2.7% to 3.3% before easing again towards the end of the year.

Volume of job posts by occupation type
past 18 months



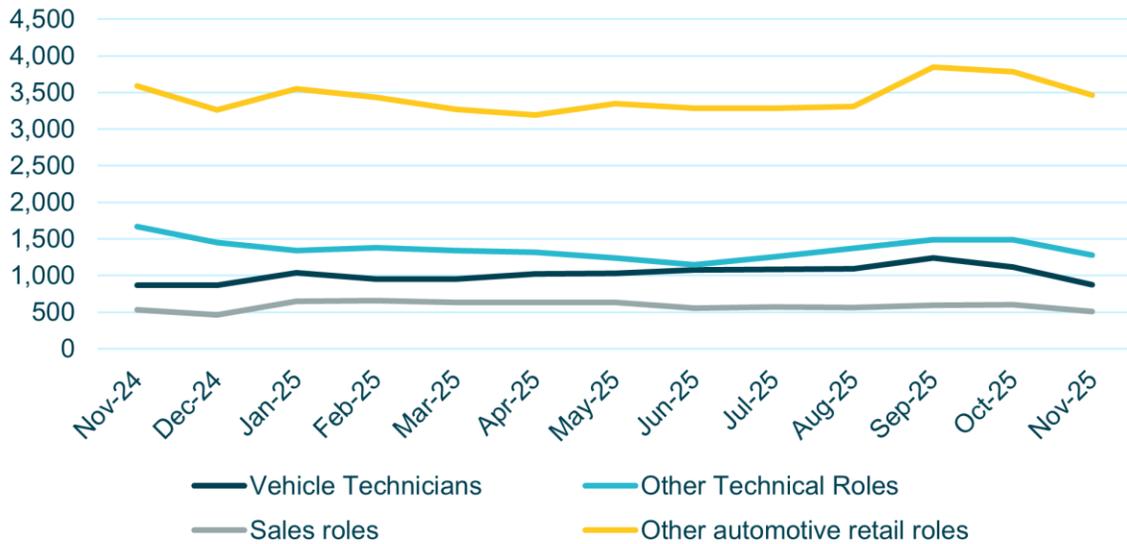
Volume of job postings by occupation type

Demand is shifting towards core technical roles. Vehicle technicians account for around 24% of postings, while other technical roles account for 12%. Manufacturing roles remain stable at around 6%.²

Other automotive retail roles account for 42% of postings but show weaker growth. Hiring has slowed in non-technical roles. Postings for managers have fallen by 17%, while sales roles have declined by 5%. Other technical roles have fallen by 23%.

Vehicle technicians account for 24% of all job postings, showing sustained demand for technical skills.

Job Postings by occupation
per 100,000 employed



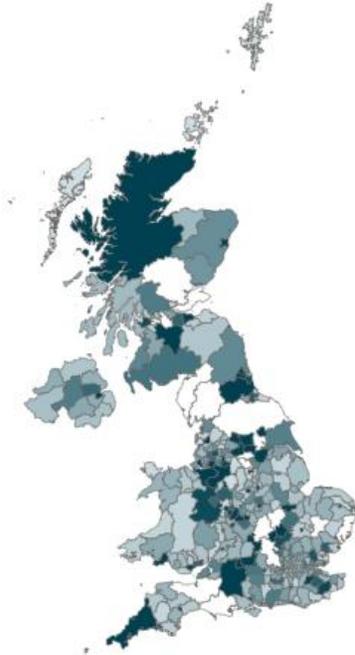
Job postings for vehicle technicians and manufacturing roles remain stable. Employers are protecting demand for specialist skills even as overall hiring slows.

Technical roles also show higher posting rates per 100,000 workers. This confirms stronger hiring pressure in specialist, workshop-based roles.

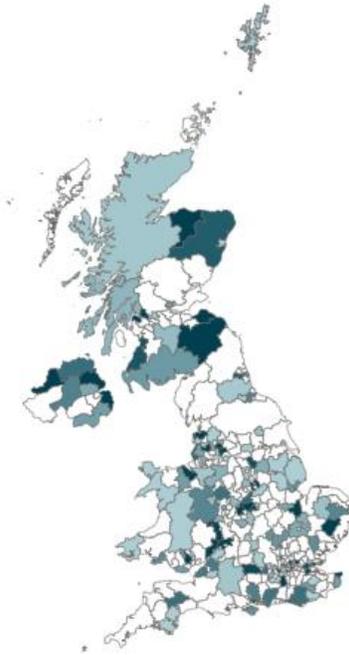


GEOGRAPHICAL ANALYSIS

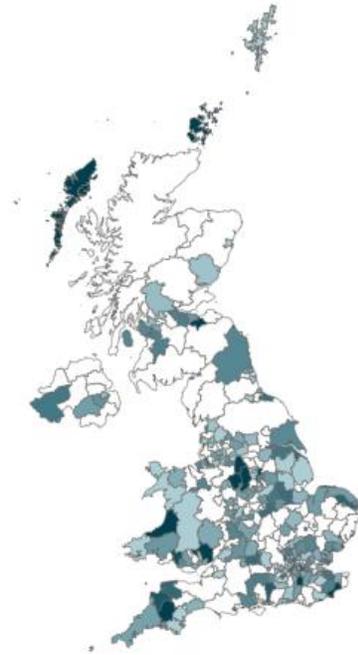
Volume of job posts within automotive retail
6 months (August 2025 - February 2026)



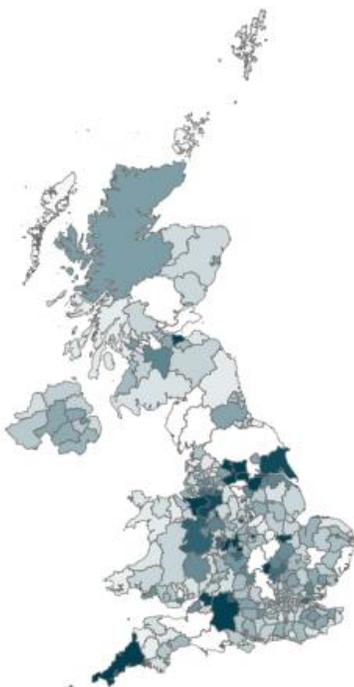
Areas with an increase in job posts within automotive retail
August 2025 - February 2026



Areas with a decrease in job posts within automotive retail
August 2025 - February 2026



Average monthly posts per 1000 employed
August 2025 - February 2026



Automotive retail

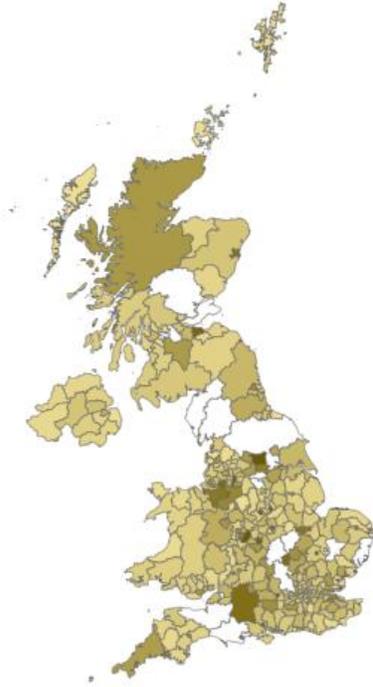
Demand remains concentrated in large urban labour markets. Glasgow, Birmingham and Leeds record the highest posting volumes.²

Glasgow records the highest number of postings overall. Its position weakens when adjusted for local employment.

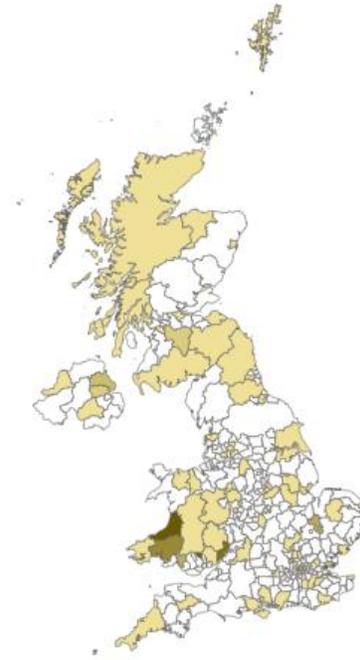
At the same time, some previously strong areas have softened. Coventry, the City of Edinburgh and West Lothian have all recorded lower posting volumes despite remaining large markets.

Demand remains concentrated geographically, but local labour market conditions are shifting.

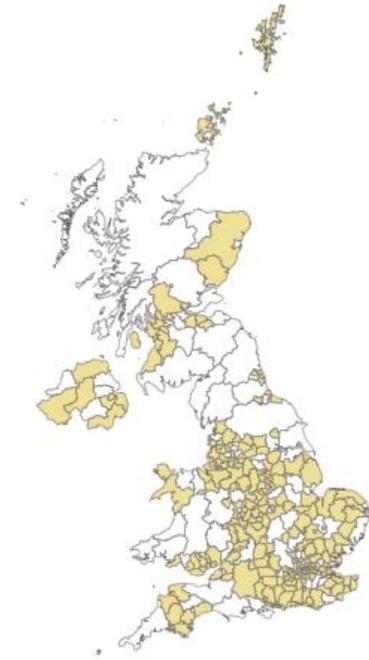
Volume of job posts for technical roles
6 months (August 2025 - February 2026)



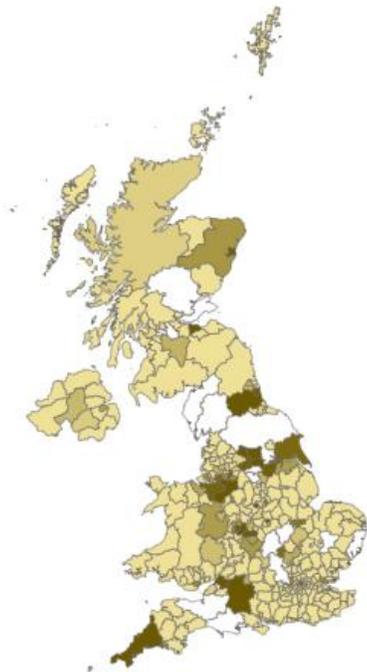
Areas with an increase in job posts for
technical roles
August 2025 - February 2026



Areas with a decrease in job posts for
technical roles
August 2025 - February 2026



Average monthly posts per 1000
employed
Average Posts, August 2025 - February 2026



Automotive technical roles

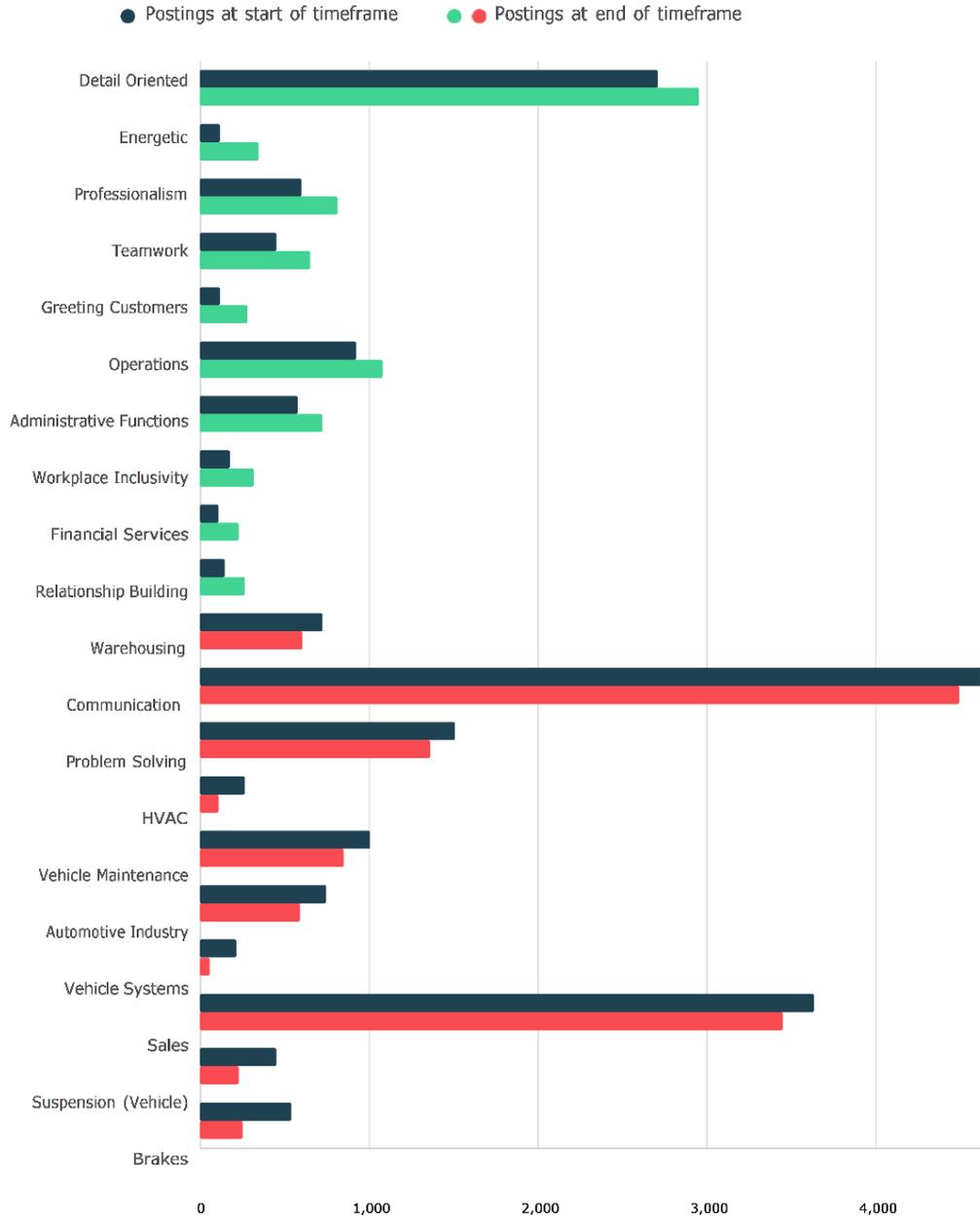
The same pattern appears in technical roles but is more pronounced. Birmingham, Leeds and Glasgow record the highest volumes of technical postings.²

Some areas show rising demand. Gateshead, Wolverhampton, Rotherham, Glasgow City and North Lanarkshire have all seen increases. These trends point to localised skills shortages.

By contrast, Coventry, Sandwell and Solihull have seen falling posting volumes despite remaining large technical labour markets.

Overall, demand is uneven. Skills shortages vary by region and reflect differences in local labour supply.

TRENDING SKILLS IN TECHNICAL ROLES



The fastest-growing skills in technical roles are not only technical. Communication, teamwork and professionalism are among the fastest-growing requirements.³

Many of these skills relate to customer interaction. They include relationship building, communication and service delivery. This reflects the changing nature of automotive roles. Employers increasingly value soft skills alongside technical expertise.

By contrast, fewer core technical skills appear among the fastest-growing categories. This suggests that technical capability is now a baseline requirement.

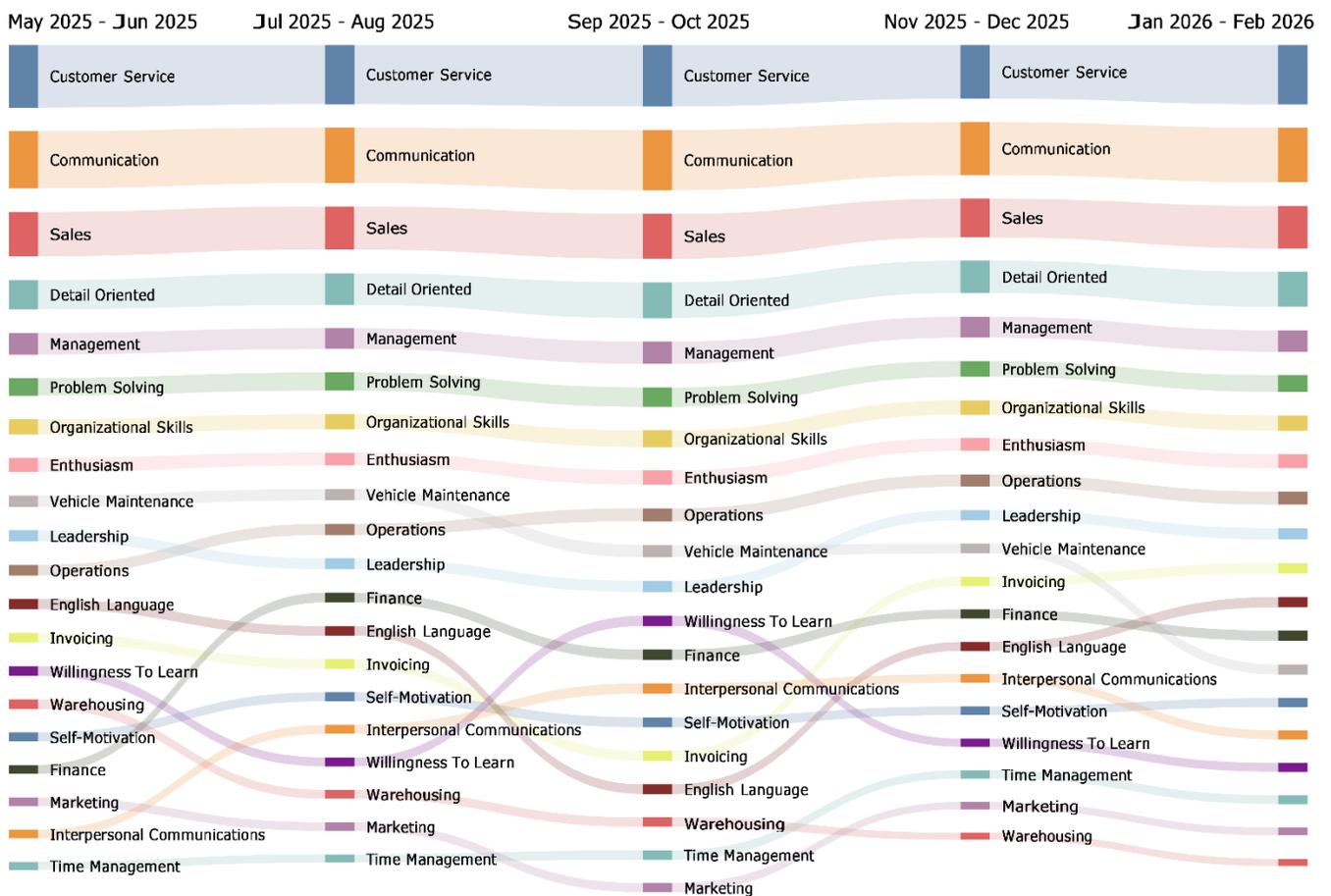
Employers now expect technicians to combine technical expertise with communication, collaboration and operational awareness.

Across all roles, customer service, communication and problem solving remain consistently important.

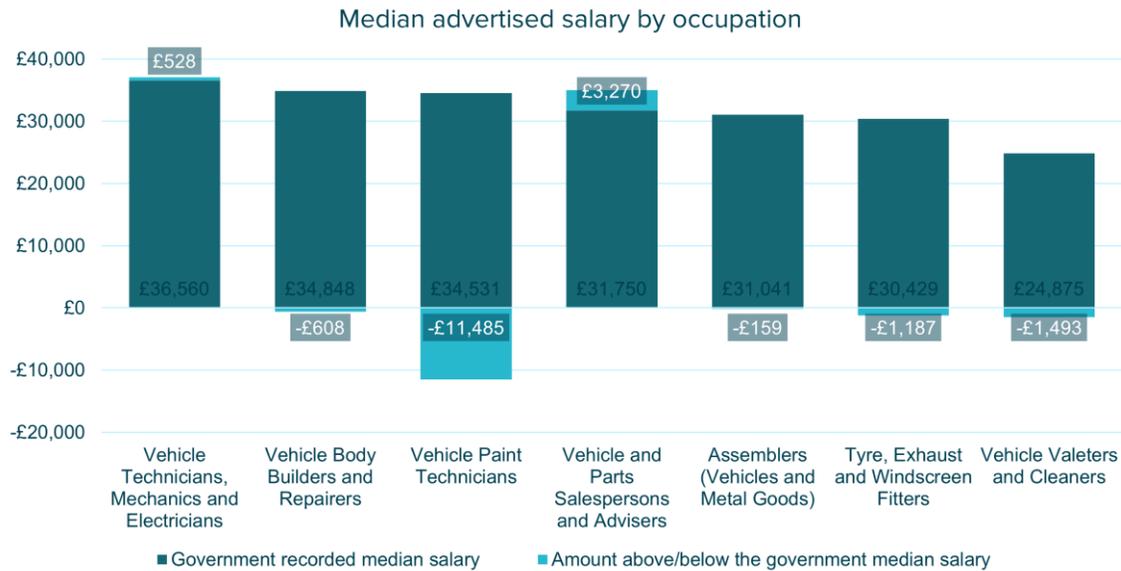
Top 20 automotive skills by quarter

The quarterly skills chart supports this interpretation. Customer service, communication, sales, attention to detail, management and problem solving remain important across all quarters.

Other skills, including vehicle maintenance, operations, invoicing, finance and warehousing, move more through the year as service demand and operational pressures change.



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	£36,032	-£3,072	-8%	-£1,536	-4%
Vehicle Body Builders and Repairers	£35,456	-£2,112	-6%	-£512	-2%
Vehicle Paint Technicians	£46,016	£6,400	16%	£6,912	28%
Vehicle and Parts Salespersons and Advisers	£28,480	-£512	-2%	£768	2%
Assemblers (Vehicles and Metal Goods)	£31,200	£736	2%	£2,720	10%
Tyre, Exhaust and Windscreen Fitters	£31,616	£3,136	11%	£4,928	22%
Vehicle Valeters and Cleaners	£26,368	£1,408	-7%	£1,984	7%

Salary trends confirm ongoing shortages. Vehicle technicians earn the highest advertised salaries and sit £528 above the government median. However, pay has fallen by 4% over two years.^{3,4}

Body repair roles remain below benchmark levels. Vehicle body builders and repairers earn more than £1,000 below the government median. Their salaries have also declined.

Vehicle paint technicians show the strongest pressure. Advertised salaries have risen by 28% but are almost £11,500 below the government median. This highlights a clear mismatch between demand and pay.

Rising salaries in paint roles reflect recruitment difficulty. However, the underlying issue is structural.

Apprenticeship uptake in vehicle damage repair has declined. Paint, panel and assessor pathways have all declined year on year.⁵

At the same time, vehicle complexity has increased skill requirements. More than 70% of repair and salvage employers report skills shortages. Repair costs have increased by around 50% over the past five years.⁶

Training capacity has also fallen. Fewer body shops can support apprentices due to sector consolidation. This limits entry into key roles. This has reduced the supply of new entrants into key repair roles.

Employers are responding by increasing wages rather than expanding training. This does not address the underlying supply constraint.

The sector is not just short of skills. It is structurally under-producing them while demand continues to rise.

Vehicle and parts sales staff are the only group with consistent salary growth, with advertised pay up 2% year on year and more than £3,000 above the government median

Assemblers have seen a 10% increase over two years, while valeters and cleaners have seen a 7% increase but still earn around £2,500 below the government median.

Rising pay across roles suggests broader labour pressure, even where the causes differ.

Impact on the sector

Skills shortages are increasing costs and limiting capacity. Rising technical complexity and constrained labour supply are driving higher repair costs and longer service times.

Without action to expand training capacity, shortages will persist. This will continue to increase costs and reduce service capacity across the sector.

DATA SOURCES

1. Office for National Statistics. *Vacancies and jobs in the UK: February 2026*. Feb. 17, 2026.
2. Lightcast. *Occupations data*. Reported March 13, 2026.
3. Lightcast. *Job postings data*. Reported March 13, 2026.
4. Office for National Statistics. *Employee earnings in the UK: 2025*. Oct. 23, 2025.
5. Institute of the Motor Industry. *Automotive Education Report*, edition 16. March 17, 2026.
6. Thatcham Research. *Thatcham Research reports critical skills shortage in UK vehicle repair sector*. Feb. 11, 2026.

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