

Automotive Industry Report

February 2008

“The key to success is not information, its people”.



QUEENSLAND
AUTOMOTIVE SKILLS ALLIANCE
'FOCUSED ON THE FUTURE'

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EXECUTIVE SUMMARY

Since the completion and submission of the “Automotive Industry Skills Plan 2007-2010” and the “Automotive Industry Report (September 2007)” the Queensland Automotive Skills Alliance (QASA) Pty Ltd has continued to engage with the automotive industry and its various stakeholders. Though both formal and informal mechanisms of validation it is our opinion that there has been little or no change to the information already provided to the Department of Education, Training and the Arts (DETA) in both the Skills Plan and previous Industry Report (September 2007).

In response to the nominated reporting criteria provided by DETA further information has been added and/or interrogated further to support, and clarify the statements or opinions formed in the previous Industry Report (September 2007).

As suggested at our Annual Review this Industry Report provides a report card approach to all of the “Contracted Deliverables” expected of the QASA throughout the Contract period up until 30 June 2009. In addition, the QASA has outlined its intended “Strategic Initiatives & Projects” including their objectives, timelines and progress to date. These initiatives which combine leadership and facilitation by the QASA, and industry contribution and commitment aimed at arresting the growth of the skills shortage crisis and future-proofing of such for tomorrow. Employers in the automotive industry in Queensland acknowledge the impact of the skills shortage within their industry and are generally committed to embracing any initiative that will minimise this negative effect on the sustainability or growth of their businesses.

The identified training demand areas in this report are complimentary to those competencies and qualifications highlighted as a priority in the Automotive Industry Skills Plan 2007 – 2010 and the Automotive Industry Report (September 2007).

The identified 18.9% growth of vehicle registrations in Queensland over the past four (4) years clearly overshadows the comparative growth in the number of apprentices in training in the relevant occupations for the same period. This rapid growth of vehicle registrations supported by the all-time record sales of heavy civil and construction equipment will continue to demand a greater take-up, and training of apprentices by employers. In addition, the implementation of improved recruitment and retention strategies by employers will aid in minimising the training effort required to sustain operations.

Demand for existing workers’ skills training is projected to increase with the rapid increase of new vehicle and equipment technologies in such areas as electronically controlled systems, engine management systems, alternate fuels and emissions control systems. The continued increase in the number of hybrid vehicles manufactured and the variety of models produced by the major passenger vehicle manufacturers suggests that the required fundamental skills and knowledge of an automotive technician in particular, will need to change over the next three to five years.

Despite the impact of the future ageing population on the trades in our workforce, moderate scenarios suggest that there will be no overall imbalance between supply and demand over the coming decades, because of the slowing in employment growth caused by the ageing of the population which will consequently dampen the demand for tradespersons. This conclusion presupposes that the trades continue to retain their attractiveness and that we do not see a significant decline in the commencement rates among young men or significant increases in attrition. This fact alone is another reason to see an increase the offerings of pre-vocational/apprenticeship training programs. Once again the necessity for the automotive industry to attract the right new entrants and the retention of their existing skilled employees will become its number one priority effective immediately and for the next decade or two.

MAJOR CHANGE DRIVERS IMPACTING ON INDUSTRY SKILLS DEMAND CURRENTLY

Following a review of the information provided in the Automotive Industry Report (September 2007) there is no change to the previously identified change drivers. However, a review of the recently published “2007 Motor Vehicle Census” and the “Australian Bureau of Statistics 2006 Census data” further confirms the reality of the change driver’s ever increasing influence on the skills shortage dilemma.

The national trend of employment growth in the automotive industry is forecast to continue at a rate exceeding the average employment growth rate. The retail, service and repair sector will generate the highest employment growth, due mainly to the steady growth in demand for motor vehicles, articulated trucks, heavy equipment and motorcycles. The vehicle services sub-sector will see an additional 32,000 jobs by 2012-13. Vehicle servicing has exhibited continuing skill shortages for several years. There is obvious potential for these shortages to be exacerbated, given the forecast employment growth rates. The table below outlines the estimated employment levels for 2004-05 based on ABS surveys and the forecast for 2012-13.

Automotive Industry Employment Forecasts 2004-05 to 2012-13

Location	Employment Level 2004-05	Employment Level Forecast 2012-13
New South Wales	122,300	134,000
Victoria	124,300	137,400
Queensland	87,970	107,480
South Australia	41,530	42,710
Western Australia	43,660	52,910
Tasmania	6,913	7,687
Northern Territory	3,306	3,868
Australian Capital Territory	3,576	4,098
Australia	433,555	490,153

Source: Monash Centre of Policy Studies, September 2005

The impending forecast employment growth in Queensland particularly is underpinned by a record growth in vehicle registrations. In the past four (4) years from 2003 to 2007 the combined category registrations in Queensland increased by 18.9%. This change was the most significant in Australia with the other highly populated States of Victoria and New South Wales only averaging a 10% growth.

Other compelling data extracted from the 2007 Motor Vehicle Census which further confirms the exponential growth of vehicles includes:

- Queensland has had the largest increase (15.9%) in registered passenger vehicles from 2003
- Rigid trucks accounted for 2.7% of all vehicles registered in Australia in 2007. The number of registrations for the heaviest rigid trucks (those with a gross vehicle mass (GVM) greater than 20 tonnes) has increased by 26.2% since 2003
- Articulated trucks accounted for 0.5% of all vehicles on register in 2007. Articulated trucks with a gross combination mass (GCM) greater than 60 tonnes increased by 54% since 2003
- Victoria had the largest share (10,269) of articulated trucks with a GCM greater than 60 tonnes followed by Queensland with 9,868. Queensland accounted for 60.6% of Australia’s articulated truck fleet with a GCM of greater than 100 tonnes
- Australian motorcycle registrations increased 35.7% in 2007 compared with 2003. All states and territories recorded increases in registrations. Queensland recorded the largest increase (49.9%) in registrations.

The number of motor vehicles registered in Queensland per 1000 population has increased proportionally across all categories with the most significant being passenger vehicles from 506 in 2003 to 534 in 2007. The other categories which experienced unrivalled growth in comparison to other States and Territories included light commercial vehicles from 116 to 132 and motorcycles from 22 to 30 per 1000 population.

The continued and ever increasing impact of technology entrenched in the design and manufacture of vehicles, which is being driven by the competitive global market, environmental regulation and customer expectations will have a natural flow-on effect to all parts of the retail, repair and service sectors. The specialised nature of fault diagnosis as it relates to the brand of individual bicycles, motorcycles, boats, all types of vehicles and equipment will continue to be a major change driver. In past decades, the accumulative value of an individual's general trade experience would have been sufficient to serve the industry broadly. Today however this general experience, generic knowledge and skills are ever reducing in value to most employers. There seems to be a tendency for individuals to pursue employment and training through one particular vehicle make thereby limiting their employment options for the future. The lack of availability of diagnostic information and programs to non-franchised dealers is also a limiting factor for tradespeople outside of the dealer network to increase their skills and knowledge on a wide variety of vehicles and equipment.

There are three major trends to consider for "alternative autos" in 2008. The first is fuel prices. In 2007, interest and sales of hybrid vehicles rose and fell in rough correlation with fuel prices. In the month of May during the biggest jump at the pumps, hybrid sales increased comparatively. High fuel prices, combined with energetic hybrid marketing efforts from Toyota, produced almost 50,000 sales for May in the U.S. alone. That pattern of high fuel prices and high hybrid sales repeated itself, albeit more modestly, in November. This pattern will certainly begin to translate in the majority of western countries including Australia.

The next major factor is General Motors (GM). GM's plans to introduce a new hybrid every quarter are underway. GM finally has hybrid vehicles to offer, and in a range of sizes from medium to extra large.

And the final trend is diesel. A handful of "clean diesel" vehicles from Mercedes, Jeep and Volkswagen will pass stringent emissions standards so they can be sold through the U.S. It will be up these companies to convince fuel- and eco-conscious buyers that diesels offer the best combination of performance, efficiency, and overall value. This effort will undoubtedly begin sometime in 2008, but it remains to be seen how aggressive these campaigns will be, and how quickly other automakers, most notably Honda with its Accord Diesel, will join the fray. Clean diesel probably won't displace hybrids as the leading green car option. However, the new diesel offerings will provide another solution for consumers seeking highly efficient vehicles. The coexistence of hybrids and diesels in the 2008 marketplace may also teach consumers about another trend; in the future, gains in fuel efficiency will not come from a single technology, but rather from a variety of propulsion systems, each with its own particular advantages.

These U.S. trends are almost certainly going to be replicated in Australia, and as a result the skill and knowledge requirements of the existing workforce and future entrants will need to be aligned carefully. The increase of hybrid vehicles on our roads may require the creation of new competency standards, or a realignment of certain competencies within qualifications traditionally acquired to undertake the repair and service of vehicles and equipment.

CHANGE DRIVERS RELATING TO ATTRACTING AND RETAINING STAFF AND THE IMPACT OF THE AGEING WORKFORCE

Refer to the content of the *Automotive Industry Report (September 2007)*.

Following the review of an occasional paper published by the NCVET in October 2007 titled “*Will we run out of young men? Implications of the ageing of the population for the trades in Australia*”, I wish to highlight the key elements relevant to the future of the automotive trade as validated by industry today.

The outcomes in the report were contingent on the demand projections and assumption that employment demand in the trades is primarily related to total employment. Essentially, they argue that demand in the trades will be related to the overall level of economic activity, which will be constrained by the labour force, and not driven by the population size. This approach is quite different from that employed in some workforce capability models, especially in service industries. For example, planning in health and community services commonly assumes that demand is related to population numbers, not employment numbers. However, the demand for the trades primarily depends on the level of economic activity in industries such as construction and manufacturing, and these industries are clearly driven by levels of economic activity.

In summary:

- The trade skills workforce is going to be directly affected by the ageing of the population because of its reliance on young men as entrants.
- The ageing of the population will make a very significant difference to the size of the trades workforce – a projected workforce of 320 000 people by 2040.
- Despite this impact on the size of the workforce, moderate scenarios suggest that there will be no overall imbalance between supply and demand over coming decades, because the slowing in employment growth caused by the ageing of the population will dampen the demand for tradespersons.
- ***This conclusion presupposes that the trades retain their attractiveness and that we do not see significant declines in commencement rates among young men or significant increases in attrition.***
- ***Unless patterns of commencements and attrition change, the age distribution with the trades will be largely unchanged; demographics do not play a big role,*** with the exception of skilled agricultural and horticultural workers, which will comprise many more older people, and the construction trades where the balance between younger and older workers will shift a little toward the latter.
- While patterns of apprenticeship commencements, cancellations and attrition rates significantly vary across individual trades, the conclusions are not significantly changed by considering individual trades. ***If there are skill shortages, they will be driven by the relative unattractiveness of the occupation, not the demographics.***

Other data analysed that has significance showed that the average male five-year net attrition rate for the automotive trades was between the ages of 20 to 24 some three (3) times greater than any other age range.

This age bracket traditionally would be applicable to those tradespersons who have just completed their apprenticeship, or who have worked a maximum of three (3) years post completion of their trade should they have commenced their apprenticeship after the completion of year twelve (12).

This further amplifies the need for industry to devise and implement strategies aimed at the retention of their existing workforce, specifically for those engaged as apprentices, and for those who have recently completed their training. Information provided and validated by industry locally would suggest that this is a reality today. The Queensland Automotive Skills Alliance has identified a number of attraction and retention strategies aimed at assisting employers (in particular small business employers) address this challenge. *(Please refer to section 10. QASA's Strategic Initiatives and Projects)*

INDUSTRY AND EMPLOYER RESPONSES TO THE IMPACT OF THE IDENTIFIED CHANGE DRIVERS

As per the information provided in the Automotive Industry Report (September 2007)

IMPLICATIONS OF THE INDUSTRY AND EMPLOYER RESPONSES FOR SKILLS DEMAND

As per the information provided in the Automotive Industry Report (September 2007)

IMMEDIATE AND POTENTIAL DEMAND AREAS FOR THE INDUSTRY AND THE NECESSARY ACTIONS REQUIRED BY INDUSTRY AND/OR GOVERNMENT INCLUDING THE LEVEL OF INDUSTRY CONTRIBUTIONS TO TRAINING

As per the information provided in the Automotive Industry Report (September 2007)

The QASA has continued to receive submissions from employers requesting an increase in the delivery of pre-vocational and pre-apprenticeship training programs in automotive. There are also a number of medium and large size employers who are willing to engage in further discussions to partner with training organisations in this mode of training within their workplaces.

A research paper instigated by the NCVET confirmed the value of this model of training to increasing supply, retention and completion rates. The demand-side of the argument was that pre-apprenticeships can have an effect on the overall demand for apprentices, and thus eventually the number of tradespersons, by increasing employers' confidence in employing apprentices. This argument often assumes, based on studies of employer attitudes that many applicants for apprenticeships are unsuitable, having not been adequately prepared for the workplace by their schooling. Pre-apprenticeships therefore, by better matching the attributes of potential apprentices to the needs of employers, can increase the number of apprenticeship positions employers are willing to offer.

A series of 19 interviews with state training agencies, peak bodies and training providers across four states revealed a common understanding of the role of pre-apprenticeship courses as being to prepare students for specific apprenticeships. However, there was inconsistency in the terminology, with the term 'pre-vocational' often being used rather than 'pre-apprenticeship'. There was also no consistency in the granting of credit or time off for apprentices who had completed pre-apprenticeships. There was, however, clear evidence of renewed interest in the use of pre-apprenticeships as a strategy for addressing emerging trade skill shortages although a constant tension was apparent between those who saw pre-apprenticeships as a skill-formation strategy and those who regarded them as a type of labour market program aimed at disadvantaged students.

The employers participating in this survey were generally in favour of pre-apprenticeships. Most of the employers surveyed acknowledged the benefit of pre-apprenticeships as weeding out unsuitable candidates for apprenticeships, and a third of the surveyed employers said that pre-apprenticeships improved retention and completion rates in apprenticeship. None saw any disadvantages in pre-vocational/apprenticeship training programs.

A total of 255 questionnaires were returned from apprentices employed by 14 enterprises, which between them employed about 1600 apprentices nationally. The following are the main findings from these data.

- 85% of apprentices said they intended to do further study related to their apprenticeship after finishing and those who had done a pre-apprenticeship were significantly more likely to be planning further study than those who had not, suggesting a stronger attachment to the occupation and greater prospects of retention.
- 98% of apprentices who undertook a pre-apprenticeship agreed or strongly agreed that they had learnt a lot in their course.
- 93% agreed or strongly agreed that they had enjoyed their pre-apprenticeship.

- From matching the survey data with NCVET records on contracts of training, those who had done a pre-apprenticeship were younger than those who had not but were more likely to have completed Year 12.

The analysis of data from the survey and case studies of pre-apprenticeship students dispelled one common notion about pre-apprenticeships - that they provided employability skills. Almost all of these students had worked previously, about a quarter in full-time work and hence they were unlikely to be lacking in basic employability skills. On the other hand, these students were mainly seeking to enter a different industry sector and their pre-apprenticeship course thus needed to focus on more industry-specific employability requirements. About two-thirds of these students were doing the course either to get into an apprenticeship or because they had missed out on an apprenticeship and saw this option as the next best. About three-quarters of these students also believed that their course was assisting them to achieve their career goals. The career objective of 83% of these students was either to find an apprenticeship or to start an apprenticeship they had already organised. This is a high rate of conversion and a finding supportive of the value of pre-vocational/apprenticeships as a pathway into apprenticeships.

In summary, the study provides some evidence that pre-vocational/apprenticeship courses facilitate entry into related apprenticeships. Other studies of completion rates in apprenticeships identify having realistic expectations about workplaces and a commitment to a career path as important contributors to retention and completion. This study found that apprentices who had completed a pre-vocational/apprenticeship program were more likely to be planning further study related to their trade than those who had not undertaken such a course. Comments from training providers and from surveyed apprentices support the view that pre-apprenticeship courses develop learning-to-learn skills, which have been identified as critical in the retention of apprentices.

As identified by QASA in its strategic initiatives and projects matrix and through information received and validated by industry for contribution to decision-making processes associated with the DETA VET Revenue General funding, pre-vocational/apprenticeship training is seen by industry as valuable and as a funding priority.

Following is a summation of the Vocational Training Areas and competencies that industry has confirmed should be considered for delivery via this allocation of VET Revenue General funding.

- Generic / Business – Supervisory skills, communication skills and customer service, small business management, conflict resolution skills
- Electrical – engine management systems, vehicle safety systems, advanced diagnostics, hybrid vehicles, GPS
- Environmental – regulation, emissions control and systems, air-conditioning
- Mechanical – hydraulics, ABS, safety systems e.g. air bags & traction control, alternate fuels, advanced diagnostics, bicycle mechanic (Cert III)
- Vehicle Body – Cert III competencies in both panel & paint to enable the achievement of a dual trade (2nd qualification) outcome for Tradespersons already working in the industry (possible RPL opportunity also)
- Recognition of Prior Learning – Qualification target areas (light vehicle mechanic, motorcycle mechanic, bicycle mechanic, outdoor power equipment)
- Motorsport – Continued funding for Cert IV & Diploma qualifications currently being offered through the Southern Queensland Institute of TAFE (Warwick)
- Pre-vocational / Pre-apprenticeship (Light Vehicle/Heavy Commercial Vehicle) – significantly increase opportunities throughout the State (must be appropriately marketed to industry, parents and students)

There is recognition that a number of the above competencies may only be at a Certificate III level, however the increased skill diversity of the existing qualified workforce may provide for increased productivity outcomes, job task flexibility and may even aid in the retention of employees seeking a change in their day to day work life. The need for this industry in some sectors to enhance their overall people management practices and general customer service can also be aided through the provision of training programs as outlined above.

The increasing demand for Motorcycle Mechanics and Marine Mechanics in Queensland due to the exponential growth in these sectors evidenced through increased registrations will translate into a requirement for increased User Choice funding. It is both logical and probable that either Certificate II or III qualifications in these occupational callings could be offered through an institutional pathway to aid in addressing what I think will be a severe skills crisis within the next three years. There is also anecdotal evidence to suggest that there are a lot of people already working in these industry sectors without qualifications. Consequently, with a coordinated Recognition of Prior Learning exercise and subsequent skills gap training program the ratio of qualified to unqualified employees may change and improve the capacity of these sectors to train future and possibly additional apprentices.

OPPORTUNITIES FOR IMPROVED SKILLS DEVELOPMENT FOR PRIORITY POPULATION GROUPS

As per the information provided in the Automotive Industry Report (September 2007)

The traditional pool of new entrants available to employers for placement into an apprenticeship pathway has diminished dramatically. This fact in itself is encouraging employers to consider other people groups not specifically targeted before to fill these ever increasing employment and training vacancies. The people groups being targeted include women, indigenous Australians and people with a disability.

The QASA has recently formed a partnership arrangement with HELP Enterprises, an organisation that provides creative opportunities for people with disabilities, including employment and job support, vocational training, skills and personal development.

HELP Enterprises are a registered training organisation, and they do have the capacity to provide pre-vocational and pre-apprenticeship training in automotive. The QASA has recently provided a letter of support for a Skills Centre funding application to the Federal Government. Should their application be successful this Centre will increase their capacity, quality and scope of facilities and equipment to deliver vocational training aligned to current industry practice.

On behalf of the automotive industry in Queensland, the QASA is committed to providing initial and ongoing advice relevant to the establishment of the automotive training facilities within the Skills Centre, and training programs to ensure alignment to contemporary industry standards. In addition, the QASA will assist in identifying local employers who will provide work placement opportunities for the participants, and subsequent employment in traineeships and apprenticeships.

Opportunities to forge similar partnerships with other like organisations located throughout Queensland are being investigated also.

POSSIBLE INTERNATIONAL VET OPPORTUNITIES

Refer to the “Automotive Industry Skills Plan 2007 – 2010”.

An example of industry leadership to bridge the skills gap and shortage internationally:

Toyota recently spent \$5.6 million to set up the Toyota Tech Institute in India, which has a faculty of 21 permanent, on-contract, and part-time employees. Toyota emphasizes that it makes good business sense to operate such a centre. The Indian automotive market is among the fastest-growing in the world at 1.5 million passenger vehicles being sold annually, a figure that is expected to double to 3 million by 2010.

Like most Indian and global auto players, Toyota - which has been selling its cars in India for a decade now - is also expanding its business in Karnataka. Toyota has utilized one-third of its 400-acre Bidadi plot for its plant and other facilities, with a capacity to make 60,000 cars a year for now. The only models Toyota sells in India are the Corolla, Camry, and the popular multipurpose vehicle Innova - a far cry from its competitor Honda, which is doing far better with a wider range that includes the Accord, Civic, City, and CRV. Toyota has plans to launch a new Corolla model this year and, like other players, is also working on a new low-cost car for India, to be launched by 2010. By then, Toyota wants to expand its current 4% market share to 10%. But expansion requires talent, and India is woefully short of such specialized technical talent and education. There are around 4,500 state-run technical institutes littered across India.

At a time when manufacturing and the associated repair and service sector in India is booming, these institutes are considered outdated. There have been suggestions by the Indian Government to privatise them, but at this stage nothing much has happened. The predicted market growth and a generally low threshold level of Indian trade skills in the automotive sector provide a potentially lucrative opportunity for the Australian VET market. This potential could be realised through a partnership arrangements, training of international students in Australia, or delivery of training under commercial arrangements with key manufacturers and their dealer networks. This scenario could equally apply to the Chinese market, which in 2007 became the second largest vehicle market in the world behind the U.S. China's overall vehicle sales, including trucks and buses, rose 25.1 percent to 7.2 million units last year. Passenger car sales alone for the 2007 year rose to 3.8 million.

DETA CONTRACTED DELIVERABLES (PROGRESS TO DATE)

DETA Contracted Deliverables (expected outcomes) Activity & Reporting Schedule		
Key Activity / Criteria	Deliverables (expected outcome)	Action / Status
<i>Establishment and Scope of Skills Alliance</i>	Skills Alliance is established and is representative of key industry sub-sectors as defined in the DETA Contract "Attachment A"	Shareholder Companies forming the Skills Alliance are broadly representative of the majority of the Industry. The formation of three (3) Industry Advisory Committee's with members from all sub-sectors has enhanced equitable representation
	Lists of Skills Alliance members to be provided to Industry Portfolio Manager on election or change of member/s	Information provided as requested. Task completed
	Documented communication strategy included in Industry Skills Plan	Task completed
	Networks established across Queensland and operational through the documented communication strategy	Partially completed. Formal networks in all major regional centres to be formed following the conduct of regional forums / conferences
	Established linkages with TAFE lead institutes defined in the QSP	Meetings conducted with Senior Management of TAFE lead institutes. Senior managers from these respective Institutes (SkillsTech Australia) are members of the IAC's
	Copy of organisation's business plan submitted to the Agency	Task completed. Amendments to the business plan to be forwarded to the DETA when completed.
<i>Provision of strategic industry advice regarding skilling issues</i>	Three (3) year Industry Skills Plan developed through effective and wide-ranging industry consultation and submitted no later than the end of May 2007	Task completed. The ISP was submitted on 30 June 2007 following approval of an extension due to the effort and time necessary to establish the QASA.
	Based on the needs identified in the Industry Skills Plan, provide two reports per year addressing the criteria referred to in the Conditions of Contract.	Task completed. The Industry Report (September 2007) was completed and sent to the DETA as prescribed in the Contract.

Provision of ongoing industry advice and actions	Proactive, ongoing advice relevant to the Industry Skills Plan provided via the identified Agency Industry Portfolio Manager	Regular telephone conversations and meetings have transpired over the past 11 months. Responded to a number of requests for information and industry perspective on certain policy initiatives e.g. Review of Cert I & II qualifications, Increasing of SATs; VRG advice. Ongoing
	Participation in effective networks to ensure industry promotion within regions and the school sector	Member of ATC Advisory Committee, Tranzitions@Work school cluster (Brisbane North), Regional Industry Careers Advisor network, Participation in Career Expo's & School to Industry Tours. Partnership arrangements with Sunshine Coast Schools Industry Links for the purposes of career promotion and pre-vocational training initiatives. Ongoing
	Advice relevant to issues identified from industry forums included in twice-yearly reports	Task completed for September 2007 Industry Report. Information collated from IAC's, industry forums and Industry Skills Survey. Ongoing
	AUR RS&R Training Package advice provided to the Agency in a timely manner and sourced from industry wide consultations	Member of the AUR RS&R Continuous Improvement Committee (under the auspice of ATA). Conduit for industry concerns. Amendments / improvements tabled on behalf of industry. Ongoing
	Participation in the process for the declaration of new apprenticeships and traineeships as required by the Agency	Nil to date. Consultation is in progress to reduce the nominal term for the Bicycle Mechanic apprenticeship from 4 years to 2 / 3 years. Ongoing
	General skills recognition advice provision and referral services to suitable accredited bodies and RTO's on a rotational basis	Numerous referrals to RTO's on rotational basis plus advice regarding Trade Recognition etc to inquiring clients. Skills First (RPL) services to be promoted on the QASA web-site and at Industry Forums. Regularly responding to client calls.
	Level of participation in Skills Formation Strategy	Initial discussions and commitment to SFS Heavy Vehicle Repair
Additional Services that may be required on a fee-for-service basis	Timely response to Agency requests for registration and compliance audit technical. May be either on-site or desktop.	Separate contract negotiated and established with DETA for technical services. QASA yet to establish network of Technical Advisors / Assessors

Additional Services that may be required on a fee-for-service basis	Effective and timely transition of any Agency funded or supported projects as required	Investigation of Gold & Silver card project originally developed by ATA (Qld).
	Any identified Skills Formation Strategies are established and operational	Nil to date. Preliminary involvement in Heavy vehicle Repair SFS and discussions with NRMA Re: CQ Smash Repair SFS
Value Added Services	Monthly Column in Member / Shareholder journals	Limited at this stage. A bi-monthly newsletter will be published in 2008, with articles that can be easily formatted for other communication mediums. These newsletters to be posted on QASA's website and subscribed to by employers and individuals.
	Articles / information in all recognised industry journals / magazines within twelve months	Articles have been posted in the MTA Queensland's Motor Trader magazine, Moving Dirt Journal, IAME's Automotive Engineer and CVIAQ's monthly newsletters.
	Regular press releases sent to all industry magazines / journals	Inaugural media release sent to dozens of motor trades journals and magazines. Further work needs to be undertaken with broader readership
	Industry Forums in Cairns, Townsville, Rockhampton, Toowoomba, Mt Isa, Sunshine Coast, Gold Coast and Brisbane in the first six months	Participated in Townsville Automotive Industry Forum; CVIAQ Industry Information Night; MTA Queensland Repairers Division. Seven (7) Industry Forums planned to occur during the months of June & July 2008 (Metropolitan and Regional Centres).
	School forums in Cairns, Townsville, Rockhampton, Toowoomba, Mt Isa, Sunshine Coast, Gold Coast and Brisbane in the first six months	Committee member on the Advisory Board for the "Automotive Adopt a School Programme" (North Brisbane); Participated in "Skills for the Future" careers program in Townsville
	Other industry and school forums as identified	Attended Victorian Automotive Forum; Ken Mills Toyota Careers Night (Nambour); Facilitated Industry Tour day for School Vocational Coordinators and Career Guidance Counsellors

Value Added Services cont.	QASA to build an operational industry database within two months of operation	Completed. Database established from Shareholder's member details primarily for the purpose of undertaking the "Automotive Industry Skills Survey 2007" as part of the industry engagement process to aid in the drafting of the Automotive Industry Skills Plan 2007-2010. This database will continue to be expanded from the self-subscription of employers to QASA's newsletter (electronic or hard copy)
	Offices used by QASA staff and stakeholders for consultations and administration of QASA regional activities	Not required at this stage.

QASA's STRATEGIC INITIATIVES AND PROJECTS

STRATEGIC INITIATIVES AND PROJECTS (2007-2009)						
Objective	Aims / Outcomes	Strategy	Duration	Performance Indicators	Organisations Responsible	Progress To Date
1. Long term paradigm shift in the external perception of the image of the Automotive Industry	The Automotive Industry is perceived as one that is highly technical, an innovator, developer and a user of information technology tools. As a global industry it is seen as offering significant opportunities for careers and financial rewards	Establish a working group including representatives of QASA to; <ul style="list-style-type: none"> Develop in collaboration with other agencies a marketing campaign targeting (rural & regional) school students, job seekers, career counsellors, parents and community on general image Promote the automotive industry as a career destination, and provide information on pathway to acquisition of trade and post trade qualifications 	18 months (Dec 2008) Ongoing	<ul style="list-style-type: none"> An increase in suitable applicants for jobs especially for apprenticeships Promotional activities undertaken and materials developed including a website which acts as a signpost for students and job seekers who seek a career in the industry. 	QASA including all shareholder Industry Associations in their own right. Government Agencies Australian Apprenticeship Centres Group Training Organisations Registered Training Organisations	Preliminary discussions have been held with 3 rd Year QUT Marketing students Re: Project to develop overall marketing strategy for the automotive careers Establishment of an informative Website
2. Continue to develop a training culture within the industry that will support continual development of skills	Industry will demonstrate a commitment to continuous improvement of their workforce by providing opportunity for personnel training to minimise skill gaps. Enhancement in recognition of the value of training in the overall commercial success of the enterprise and regulatory compliance.	Implement a marketing and information sharing campaign to promote the benefits to employers of investment in training (this will need to complement Government agency strategies). Support employers in broadening their traditional selection pool and advice on ways to attract and retain apprentices and skill tradespersons, such as offering best practice career path strategies. Investigate measures needed for employers to support the cost of employing and training apprentices in the industry. Integrate validated concerns in industry discussions with Government.	24 months (Dec 2008) 18 months 12 months (June 2009)	Articles in industry magazines and journals, use of websites, and presentations to employers NCVER reports to indicate improved recruitment outcomes and completions respectively for apprentices and trainees. Industry surveys indicating a higher level of satisfaction with training effort and outcomes.	QASA including all shareholder Industry Associations in their own right. Government Agencies AAC's GTO's RTO's	Seven (7) Metropolitan and Regional Industry Forums planned for June & July 2008 Project planning underway to develop an "Employer Human Resource Management Kit" incorporating the following elements: <ul style="list-style-type: none"> Recruitment (including attraction strategies) Induction Training & Assessment Retention Career Planning Workforce Planning

<p>3. Building on the skills of the existing workforce.</p>	<p>Existing workforce receiving training against identified skills gap</p>	<p>Contribute to improving access to RPL services for existing employees through firstly identifying impediments to access and working together with DETA and RTO's to improve the access and process of assessment.</p> <p>Review, and if necessary, encourage DETA and other Government agencies to fund targeted training to support up-skilling where skill gaps and shortages are identified.</p>	<p>18 months (March 2009)</p>	<p>Impediments identified, employers reporting enhanced access to RPL services.</p> <p>Support the development, and provide industry validation of a RPL assessment instrument for all primary trade qualifications.</p> <p>An increase in accredited training delivered to existing employees.</p>	<p>QASA</p> <p>DETA</p> <p>RTO's</p>	<p>Preliminary discussions and project plan development with DETA regarding Industry RPL Project</p> <p>Skills Gap and up-skilling training needs reported to DETA for 2008/09 VRG funding allocation</p>
<p>4. Expand the provision, variety and uptake of pathways into apprenticeships.</p>	<p>An increase in the number of people entering in training programs of apprenticeships relative to the Automotive Industry</p>	<p>Monitor and expand the take up of school to industry links programs that support pathways to automotive industry qualifications and employment, through working collaboratively with RICA's, LCP's ATC's and other Schools.</p> <p>Promote pre-vocational training to provide a pathway into apprenticeships. Together with industry and the School sector develop and implement a pre-employment course.</p> <p>Implement a project to:</p> <ul style="list-style-type: none"> • Review current non-trades student cohort • Review credit arrangements and pathways from traineeships to apprenticeships • Investigate the possibility of achieving automotive trade's skills through alternate pathways. <p>Increase Job Network providers and employer awareness of the availability of Automotive Training Package as a tool for assessing the skills of job seekers</p> <p>Identify the reasons why employers choose to use or not use GTO's more widely. This information can then be used to expand the recruitment activities of GTO's by Automotive industry employers.</p>	<p>12 months (June 2009)</p>	<p>DETA report increased numbers of students taking up automotive options at School</p> <p>Promotion and take-up of pre-vocational programs</p> <p>Pathways developed, strategies implemented and supported by Industry by their active involvement.</p> <p>Employers report more appropriate referrals from Job network providers.</p> <p>Increased numbers of apprentices employed by GTO's and Labour Hire Companies.</p> <p>Amendment to credit arrangements for pre apprenticeship training validated as appropriate by industry.</p>	<p>DETA</p> <p>RTO's, QASA</p> <p>DETA, QASA</p> <p>Job Network Providers, QASA</p> <p>GTOs & LHCs</p> <p>DETA, QASA</p> <p>QASA</p>	<p>Strategic partnerships have been established with four (4) LCP organisations. Assisted in Automotive Career promotion</p> <p>Further discussions planned with SkillsTech regarding pre-vocational and pre-apprenticeship offerings throughout the Queensland TAFE Institute network</p> <p>Review of credit arrangements for pre-vocational, pre-apprenticeship and traineeships relevant to the automotive sector has commenced</p> <p>Meeting and ongoing liaison with Mission Australia</p>

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