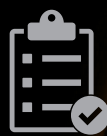


# MTA QUEENSLAND COVID-19 AUTOMOTIVE INDUSTRY SURVEY & REPORT

MAY 2020



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Group Chief Executive
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## EXECUTIVE SUMMARY

OVER THE COURSE of May 2020, the Motor Trades Association of Queensland (MTA Queensland) conducted an Industry Survey as part of our role as an automotive 'Industry Skills Advisor' for the Queensland Department of Employment, Small Business and Training.

**"MANY RESPONDENTS SAID THEY DID NOT THINK MTA QUEENSLAND COULD BE DOING ANY MORE AT THIS TIME AND THERE WERE MANY GRATEFUL BUSINESS OWNERS WHO THANKED MTA QUEENSLAND FOR THE "COVID-19 DAILY BRIEFING" INITIATIVE."**

It was equally as important, as the peak industry body for the automotive sector in Queensland, for us to have an understanding of the impact of COVID-19 on our businesses and respond accordingly.

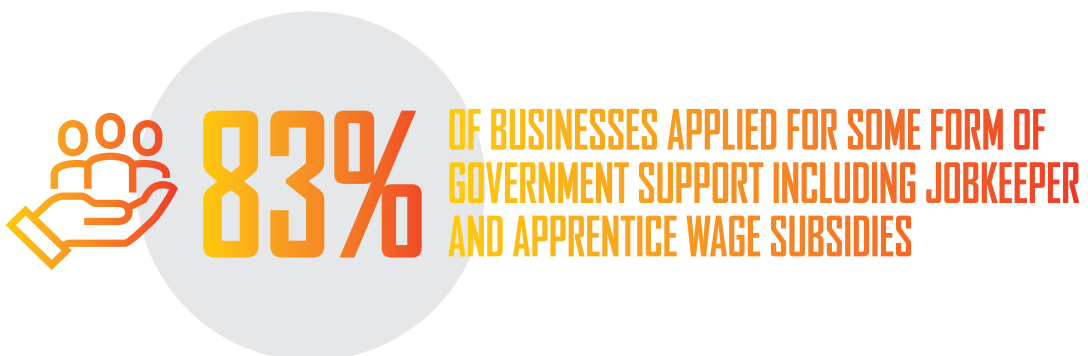
The survey drilled into topics pertaining to COVID-19 and how the pandemic impacted businesses in the automotive value chain in Queensland encompassing new and used car dealers, motorcycles, engine re-conditioners, mechanical repairers, parts recyclers, paint and panel repairers, farms and industrial machinery, rental vehicles, service stations, and tyres, brakes and suspension businesses.

The survey was sent to MTA Queensland Group employers within the automotive sector and was completed by 136 respondents. 12 questions made up the survey.

The vast majority of respondents, almost 50 per cent, were from businesses that undertake mechanical service work on vehicles. The other main respondents came from automotive businesses working with tyres (22 per cent), electrical (18 per cent), sales (18 per cent), parts (18 per cent) and body repair (16 per cent).

Of the respondent businesses, over half employ an apprentice or apprentices (54 per cent).

From the businesses employing an apprentice/s, most of their training was connected to an Automotive Certificate II or Light Vehicle Mechanical Technology, representing 77 per cent of respondents. The next biggest group was training in body repair.



Many businesses (76 per cent) had not employed new staff in the preceding two to three months, with 73 per cent not likely to employ new staff in the upcoming three months.

Most businesses (53 per cent) had to stand down, terminate or reduce the hours of staff as a result of the downturn caused by the COVID-19.

An enormous 83 per cent of businesses applied for some form of government support including JobKeeper and Apprentice Wage Subsidies.

**"I FEEL VERY SUPPORTED AND REPRESENTED BY MTAQ THROUGH THIS PANDEMIC AND AM VERY HAPPY NOW MORE THAN EVER TO BE A PART OF MTAQ."**

Fortunately, most businesses (89 per cent) did not foresee a need to terminate any staff in the upcoming three months.

Despite the immediate impact the pandemic had on the existing workforce, many businesses (78 per cent) stated that COVID-19 did not affect the continuation of trade training.

For businesses that intend to remain in the automotive industry, overwhelmingly 85 per cent stated they would not be changing their service offerings. For those (15 per cent) that were looking to change their service offerings some of the areas included:

- › upskilling in engine rebuilds with focus on older V8s
- › procedure training for contactless transactions
- › staff doing RPL Cert III in automotive
- › online quotes
- › training in new markets eg: plastics recycling and finding linking enterprises to forward their product to
- › in-house training
- › staff upskilling and retraining to enable crossover of roles
- › out of hours training facility eg: air conditioning training
- › in-house logistics training
- › continue with manufacturer-provided training
- › specialist training with tractors and hay gear will be essential as there is already a significant shortage of qualified trades staff in this area

97 per cent of respondents said they would not be changing their services away from the automotive sector as a result of COVID-19. Of the 3 per cent of businesses who indicated they would make a change from the sector, they indicated they would undertake new skilling in:

- › new markets like plastics recycling
- › hybrid and electric vehicle training

The final question in the survey asked respondents if there was anything MTA Queensland could do to assist their business.



Some of the responses included:

- › facilitate shared learning eg: learn from other businesses who undertake engine rebuilds and perhaps visit their workshop
- › tax reform and penalty rates for Saturday work
- › support for dealers to be able to undertake three-month renewal registrations for vehicles
- › business / book-keeping courses
- › lobby government to extend JobKeeper
- › communicate funding assistance options
- › lobby government to fund small and medium enterprises in Queensland via QRIDA
- › reduce fees and financial help
- › continue to offer workplace relations advice and industry promotion

**“MTA QUEENSLAND HAS BEEN AMAZING DURING THIS PANDEMIC WITH ALL THE UPDATES.”**

- › provide hand sanitiser to members instead of diaries
- › more one-on-one contact with small operators
- › assist employers where employees try to sue for unfair dismissal
- › link to counsellors who can help with stress management
- › lobby to stop insurance assessors bullying panel shops to drive costs down
- › lobby government to get the economy moving
- › advocate for grants for automotive service providers, as is happening in Victoria
- › recovery training and lobby for ongoing apprentice wage subsidy beyond September

- › advice on what types of materials/products to use to perform cleaning that won't damage customer vehicles and how to safely receive and return vehicle keys

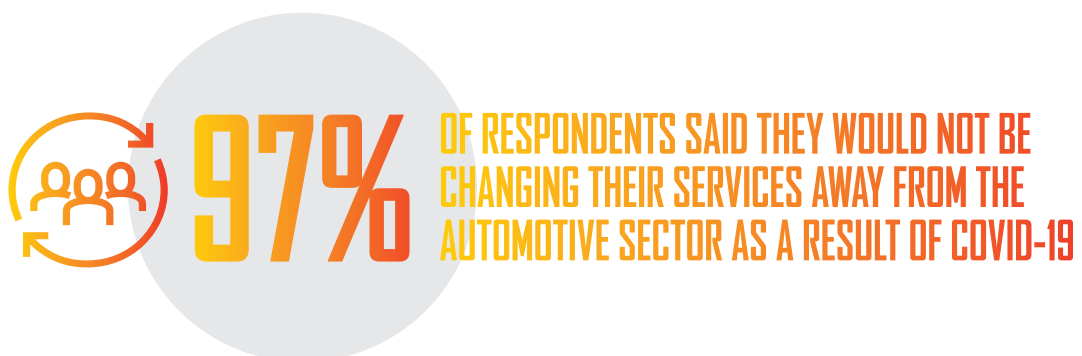
MTA Queensland will take appropriate and relevant action initiatives to ensure we deliver on the suggestions above.

Many respondents said they did not think MTA Queensland could be doing any more at this time and there were many grateful business owners who thanked MTA Queensland for the “COVID-19 Daily Briefing” initiative. Here are two quotes:

“I feel very supported and represented by MTAQ through this pandemic and am very happy now more than ever to be a part of MTAQ. We appreciate everything you are doing and the information you are supplying to us as well as the daily updates. Our current ‘priority’ is educating our customers to comply with our desire to comply with COVID-19 restrictions, through verbal communication as well as setting up our office differently (to enforce compliance) and signage provided by MTAQ.....We feel supported very much by MTAQ in this endeavour...”

“MTA Queensland has been amazing during this pandemic with all the updates.”

**For information regarding MTA Queensland's COVID-19 Automotive Industry Survey & Report, please contact Marcello Riotto, Industry Capability Manager**  
**Email: [industryengagement@mtaq.com.au](mailto:industryengagement@mtaq.com.au)**  
**Phone: 0438 734 615**





**DR BRETT DALE**  
Group Chief Executive

## A MESSAGE

WHEN THE CORONAVIRUS pandemic struck, an almost immediate hit was felt across the most vulnerable retail and services sectors, with a decrease in consumer confidence and forced closures of some businesses. In Australia, and the world over, we have seen immeasurable damage to peoples health and livelihoods as individuals and business

**"MTAQ'S FIRST RESPONSE WAS TO PROVIDE MEMBERS AND INDUSTRY WITH TAILORED AND RELEVANT INFORMATION, TOOLS, AND RESOURCES TO SUPPORT THEM THROUGH BOTH THE FINANCIAL AND HEALTH IMPLICATIONS THAT THE PANDEMIC GENERATED."**

struggled to keep up and embrace not only a new way of functioning within a society, but how to trade within an altered economy. The automotive industry has not endured the crisis without some damage and certain sectors, such as new car sales, have felt the blow worse than others.

MTAQ's first response was to provide members and industry with tailored and relevant information, tools, and resources to support them through both the financial and health implications that the pandemic generated.

Forty-nine editions of the "COVID-19 Daily Briefing" communicated assistance available from the Australian

### WHAT MTAQ HAS DONE TO SUPPORT BUSINESS

- › Provide members and industry with tailored and relevant information, tools, and resources
- › Publish forty-nine editions of the "COVID-19 Daily Briefing" communicating assistance available
- › Conduct virtual Zoom meetings to explain government economic stimulus and support packages and to provide a platform for questions
- › Establish the MTA Queensland website resource centre which detailed all government, agency and industry advice
- › Employ extensive membership engagement to hear first-hand views and requirements and provide advice when necessary
- › Diligently respond to all queries and provide expert and timely briefings and advices via our workplace relations team
- › Provide strong advocacy to government for recognition and maximum support

government's economic stimulus and support packages, the banks' deferred business and housing loans, and the Queensland Government's measures to assist industry and business.

In addition to COVID-related communications we have run three virtual Zoom meetings to



explain government economic stimulus and support packages and to provide a platform for questions; and the MTA Queensland website resource centre which detailed all government, agency and industry advice.

Underpinning the Daily Briefings was the extensive membership engagement to hear first-hand views and requirements and provide advice when necessary. The primary concern of members related to workplace relations issues. These concerned the livelihoods of staff and their

**“NOW, WE MUST RISE TO THE NEXT CHALLENGE TO BUILD ECONOMIC CONFIDENCE AND MOMENTUM IN A CHANGED WORLD. MTA QUEENSLAND WILL CONTRIBUTE TO TEAM AUSTRALIA’S EFFORTS TO RESTORE NORMALITY, ECONOMIC STABILITY, AND BUSINESS AND CONSUMER CONFIDENCE.”**

retention under the JobKeeper package and changes to the *Fair Work Act* to accommodate workplace flexibility. Our workplace relations team diligently responded to all queries and provided expert and timely briefings and advices.

Although designated an essential industry and able to trade, the cost of COVID-19 to the automotive sector is enormous. This is reflected in the official Australian Bureau of Statistics and bank data released to advise on consumer spending and the viability and finances of industry. State and regional media highlighted the enormous

negative financial effects on automotive businesses and staffing arrangements. Many automotive trade businesses have kept their doors open with skeleton staff to keep the brand alive but with ‘dismal financial returns.’ Media outlets have sought interviews on the impact of the COVID-19 restrictions on the automotive sector particularly in reference to the lowest motor vehicle sales since 2009 – the height of the global financial crisis – and the latest sales results which represented the 24th consecutive month of negative growth for Australia’s new motor vehicle industry.

The last four to five months has been a learning curve demanding that government, business, industry, services, and citizens adapt to change caused by the biological disaster. We as a nation succeeded and the automotive value chain as an essential industry is part of that success. Now, we must rise to the next challenge to build economic confidence and momentum in a changed world. MTA Queensland will contribute to Team Australia’s efforts to restore normality, economic stability, and business and consumer confidence.

Importantly, as we have done for the past 90 years, our priority remains service excellence to our members and strong advocacy to government for recognition and maximum support so that the automotive value chain may prosper, employ and serve to advantage the economy and the nation.

**Dr Brett Dale**  
Group Chief Executive

# APPENDIX

## COVID-19 Automotive Industry Survey Data

### Q1 Your Details

Answered: 135 Skipped: 0

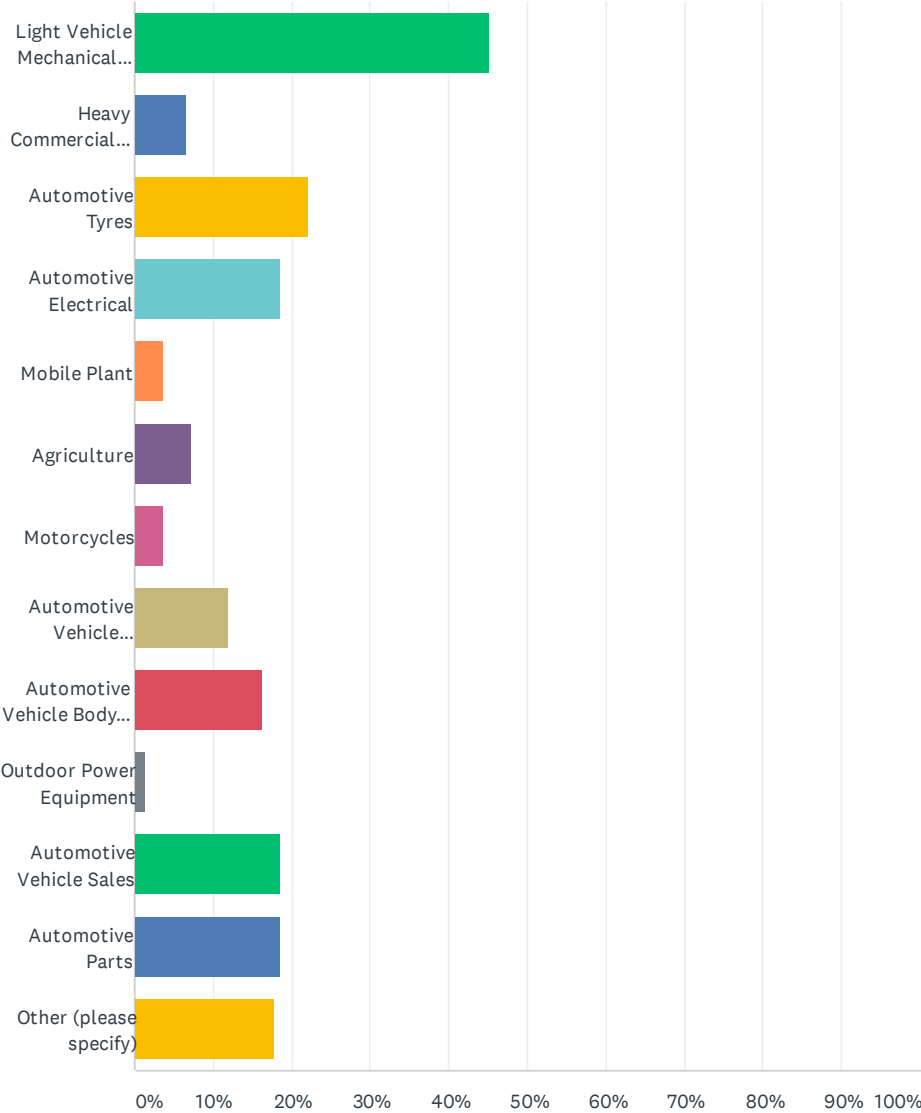
ANSWER CHOICES	RESPONSES	
Your Name	100.00%	135
Business Name	100.00%	135
Address	0.00%	0
Address 2	0.00%	0
City/Town	0.00%	0
State/Province	0.00%	0
ZIP/Postal Code	0.00%	0
Country	0.00%	0
Email Address	100.00%	135
Phone Number	0.00%	0



# COVID-19 Automotive Industry Survey Data

## Q2 Which automotive sector do you work in?

Answered: 135 Skipped: 0

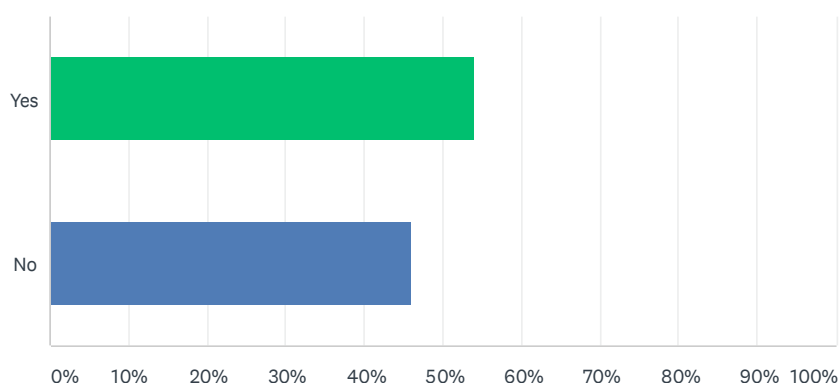


## COVID-19 Automotive Industry Survey Data

ANSWER CHOICES	RESPONSES	
Light Vehicle Mechanical Technology	45.19%	61
Heavy Commercial Vehicle - Road Transport	6.67%	9
Automotive Tyres	22.22%	30
Automotive Electrical	18.52%	25
Mobile Plant	3.70%	5
Agriculture	7.41%	10
Motorcycles	3.70%	5
Automotive Vehicle Refinishing	11.85%	16
Automotive Vehicle Body Repair	16.30%	22
Outdoor Power Equipment	1.48%	2
Automotive Vehicle Sales	18.52%	25
Automotive Parts	18.52%	25
Other (please specify)	17.78%	24
Total Respondents: 135		

### Q3 Do you currently employ an apprentice/s?

Answered: 135 Skipped: 0

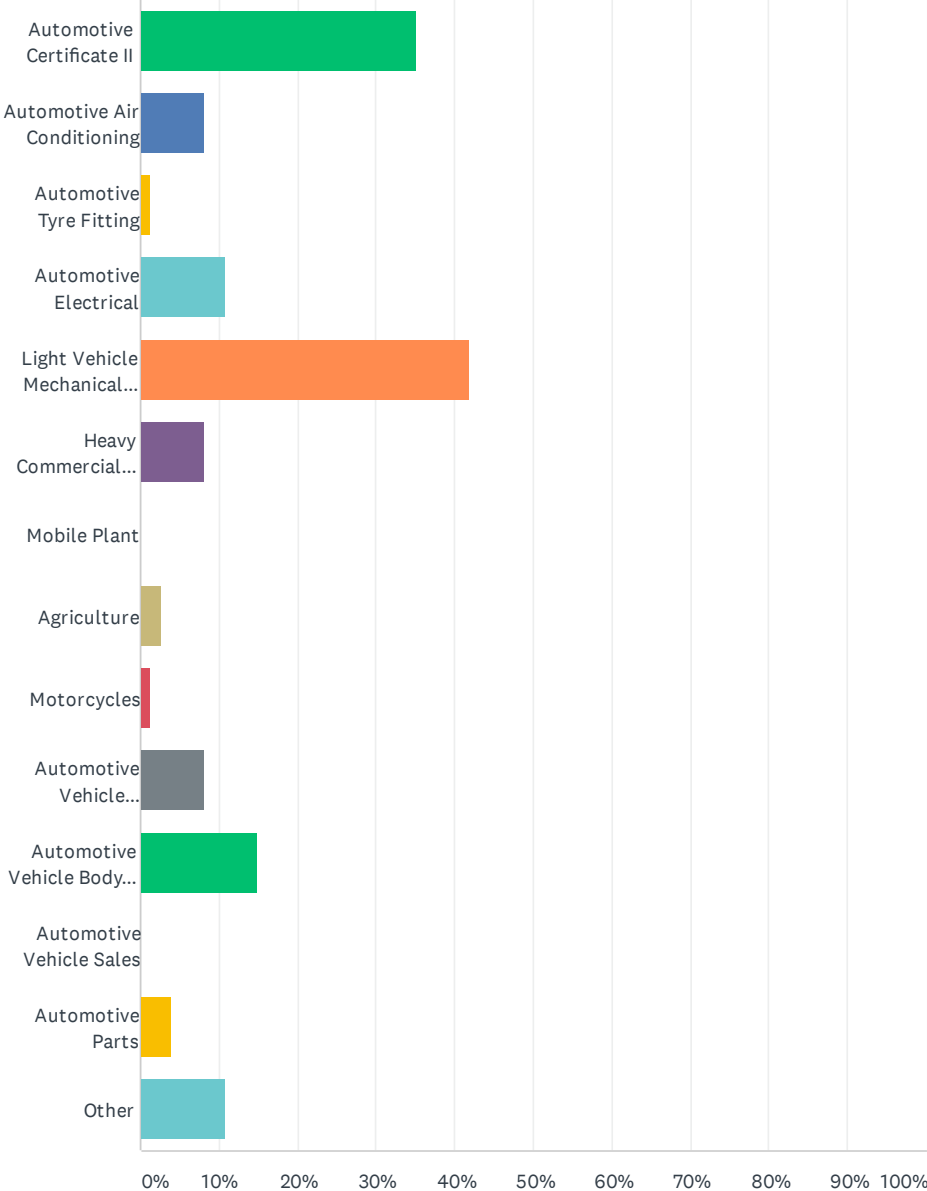


ANSWER CHOICES	RESPONSES	
Yes	54.07%	73
No	45.93%	62
TOTAL		135

# COVID-19 Automotive Industry Survey Data

Q4 If yes, which of the following training does your apprentice participate in? You may select more than one.

Answered: 74 Skipped: 61

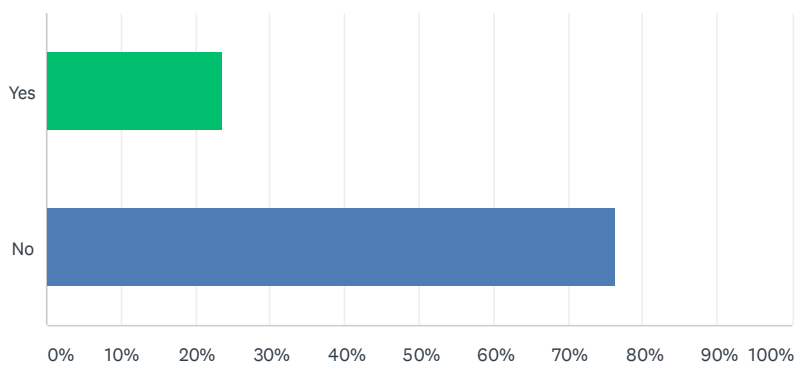


# COVID-19 Automotive Industry Survey Data

ANSWER CHOICES	RESPONSES
Automotive Certificate II	35.14%
Automotive Air Conditioning	8.11%
Automotive Tyre Fitting	1.35%
Automotive Electrical	10.81%
Light Vehicle Mechanical Technology	41.89%
Heavy Commercial Vehicle - Road Transport	8.11%
Mobile Plant	0.00%
Agriculture	2.70%
Motorcycles	1.35%
Automotive Vehicle Refinishing	8.11%
Automotive Vehicle Body Repair	14.86%
Automotive Vehicle Sales	0.00%
Automotive Parts	4.05%
Other	10.81%
Total Respondents: 74	

## Q5 Have you employed new staff in the past 2-3 months?

Answered: 135 Skipped: 0

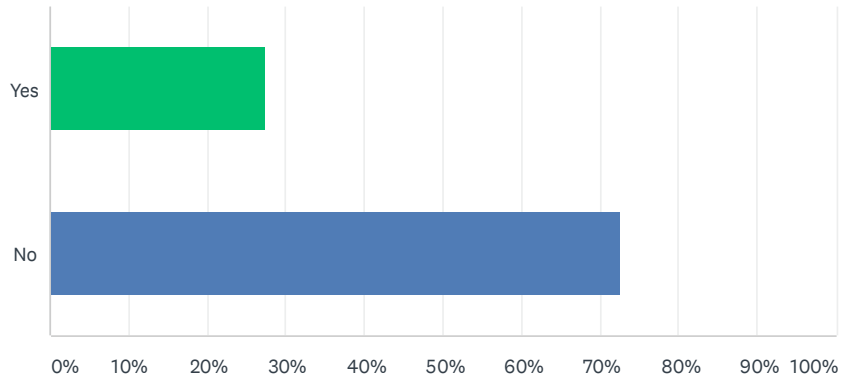


ANSWER CHOICES	RESPONSES	
Yes	23.70%	32
No	76.30%	103
TOTAL		135

# COVID-19 Automotive Industry Survey Data

## Q6 Do you anticipate hiring new staff soon (1-3 months)?

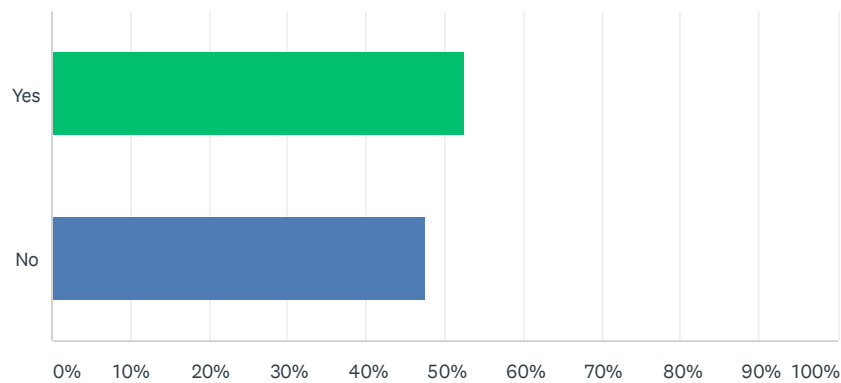
Answered: 135 Skipped: 0



ANSWER CHOICES	RESPONSES	
Yes	27.41%	37
No	72.59%	98
TOTAL		135

## Q7 Have you stood down, terminated or reduced the hours of your staff as a result of COVID-19?

Answered: 135 Skipped: 0

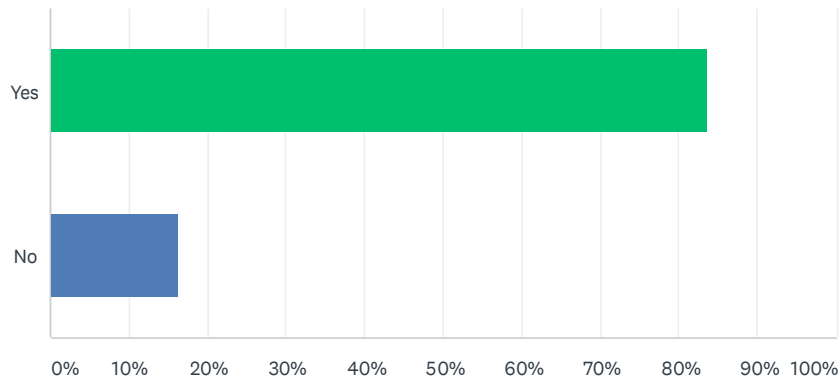


ANSWER CHOICES	RESPONSES
Yes	52.59%
No	47.41%
TOTAL	

## COVID-19 Automotive Industry Survey Data

### Q8 Have you applied for or requested government support? (eg: JobKeeper, Apprentice Wage Subsidy etc)

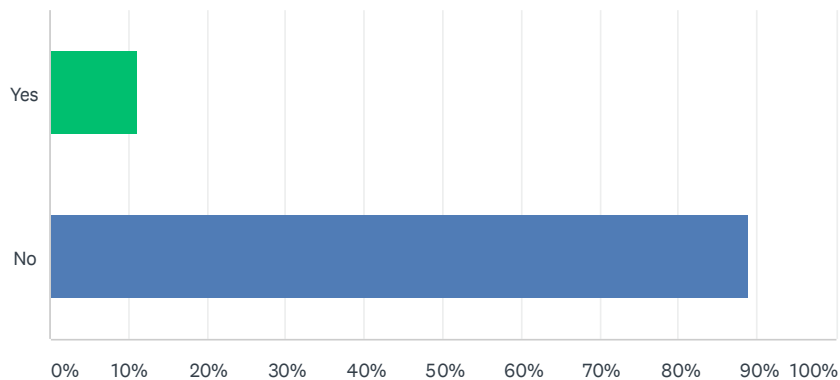
Answered: 135 Skipped: 0



ANSWER CHOICES	RESPONSES	
Yes	83.70%	113
No	16.30%	22
TOTAL		135

### Q9 Do you anticipate having to terminate staff as a result of COVID-19 in the next 1-3 months?

Answered: 135 Skipped: 0

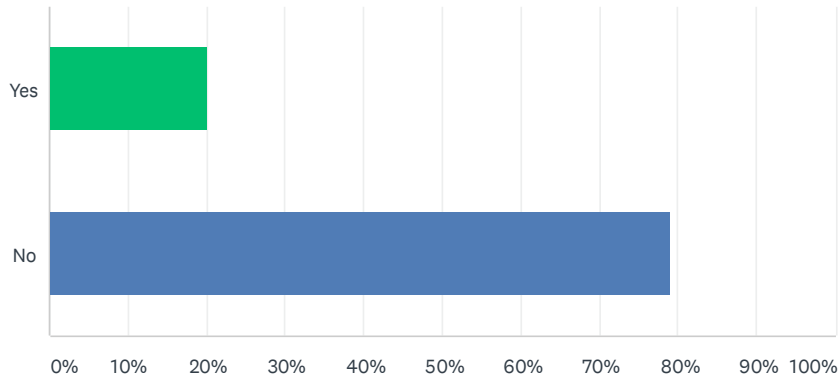


ANSWER CHOICES	RESPONSES	
Yes	11.11%	15
No	88.89%	120
TOTAL		135

## COVID-19 Automotive Industry Survey Data

Q10 Has the COVID-19 pandemic affected you in allowing your staff to continuing with their respective trade training?

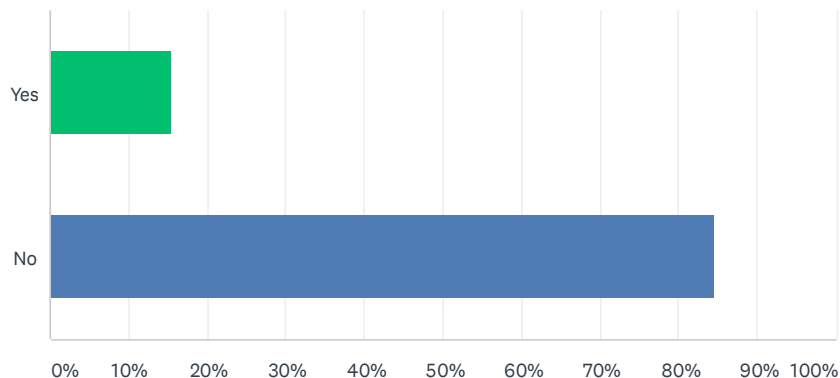
Answered: 129 Skipped: 6



ANSWER CHOICES	RESPONSES	
Yes	20.16%	26
No	79.07%	102
TOTAL		129

Q11 Are you planning to change your services, while remaining in the automotive sector, as a result of COVID-19?

Answered: 135 Skipped: 0

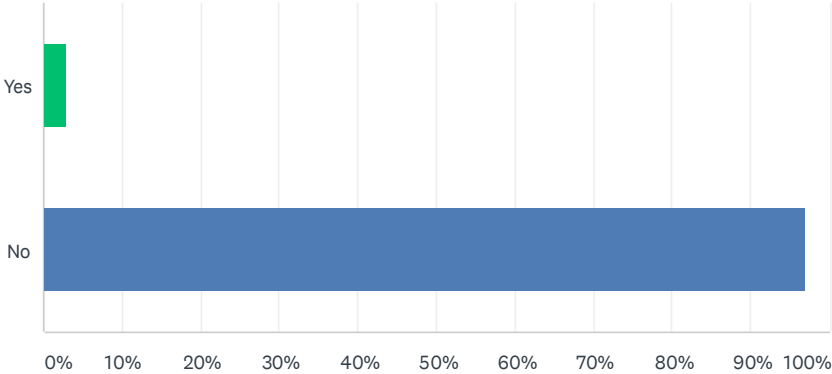


ANSWER CHOICES	RESPONSES	
Yes	15.56%	21
No	84.44%	114
TOTAL		135

# COVID-19 Automotive Industry Survey Data

Q12 Are you planning to change your services away from the automotive sector as a result of COVID-19?

Answered: 135 Skipped: 0



ANSWER CHOICES	RESPONSES	
Yes	2.96%	4
No	97.04%	131
TOTAL		135



