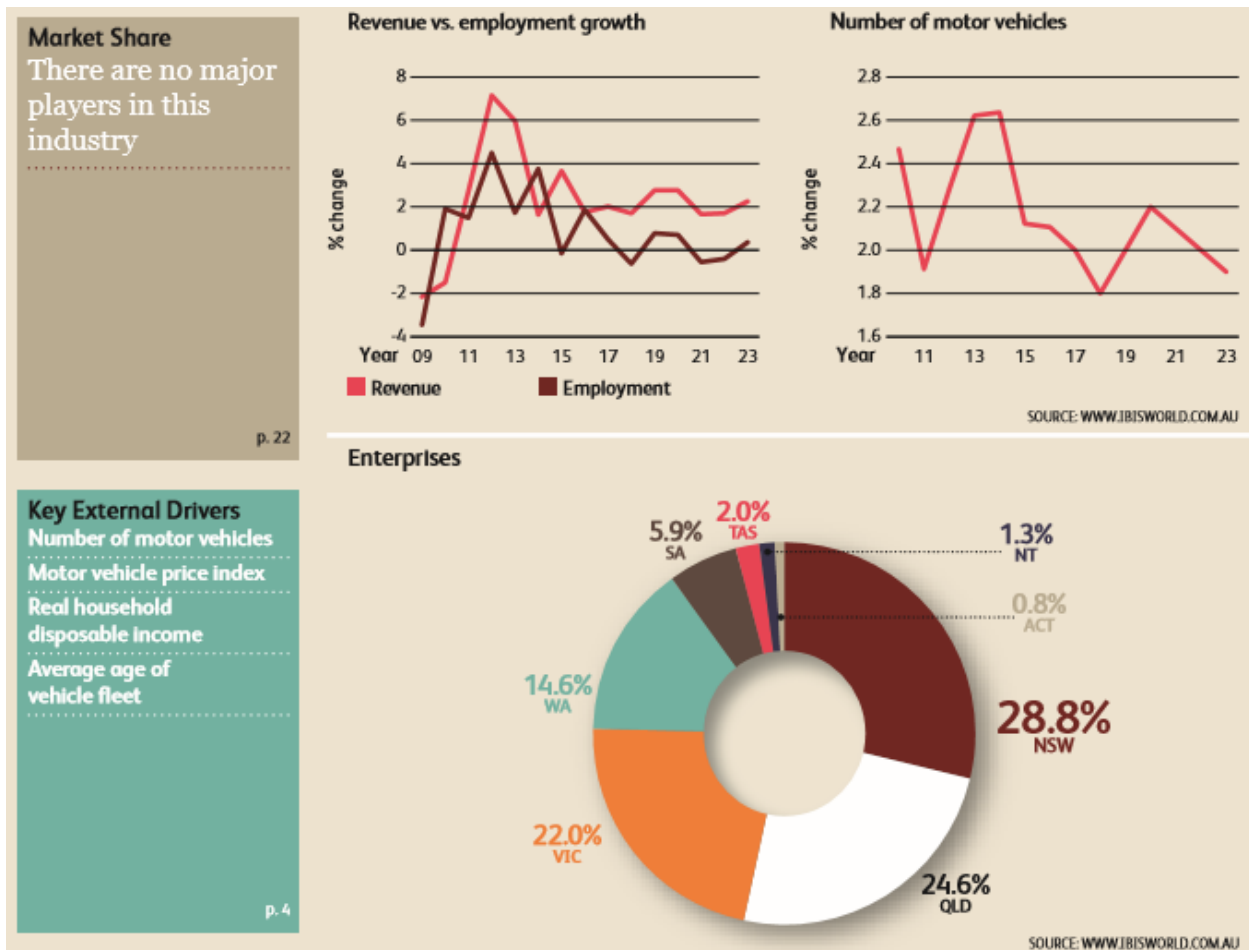# 2016-17 Industry snapshot: Motor vehicle electrical services in Australia

Industry definition

Automotive electrical service providers chiefly perform automotive electrical repairs and install automotive electrical products. They are not involved in general non-electrical motor vehicle repairs or body repairs (Source: Johnson, S. IBISworld. Sep 2016).

Revenue: $2.0bn	Annual growth 2012-17: 3.0%	Predicted annual growth 2017-22: 2.1%
Profit: $207.2m	Wages: $621m	Businesses: 3,172

(Source: Johnson, S. IBISworld. Sep 2016)

(Source: Johnson, S. IBISworld. Sep 2016)

Industry summary

- Increased demand for automotive electrical services is a result of the growing fleet of Australian registered motor vehicles and higher consumer disposable incomes that have made motor electrical services more affordable. Consequently, the automotive electrical industry is growing.

- New electrical and electronic technology in also increasing the demand for auto-electricians who are certified to service and maintain specific components and systems.
- However, manufacturer aligned dealer networks who have access to specific equipment and knowledge have a competitive advantage over independent auto-electricians. Dealer offered services, such as capped price servicing are limiting consumers' choice (or perceptions of choice) of service/repair providers and the growth and future growth of auto electricians.
- Industry revenue grew at an annualised 3.0% over the five years through 2016-17, to reach $2.0 billion.
- Industry revenue is anticipated to continue growing over the next five years as the Australian dollar is forecast to appreciate and new vehicles become more affordable.
- Despite the competition from dealer network servicing, steady growth in the number of motor vehicles is forecast to drive industry revenue growth at an annualised 2.1% over the five years through 2021-22, to reach $2.2 billion

Source: Johnson, S (Sep 2016). IBISWorld industry report S9411: Motor vehicle electrical services in Australia.