

2018-19 Industry Snapshot: Motor Vehicle Engine and Parts Repair and Maintenance in Australia (Source: IBISworld)

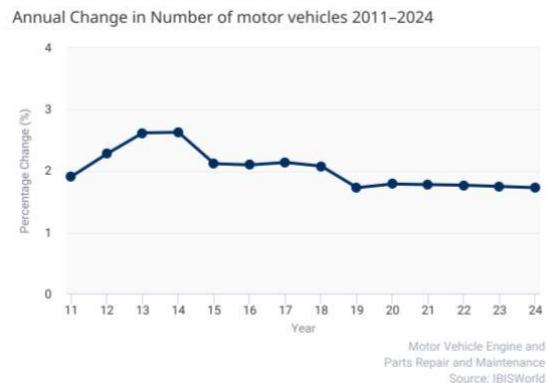
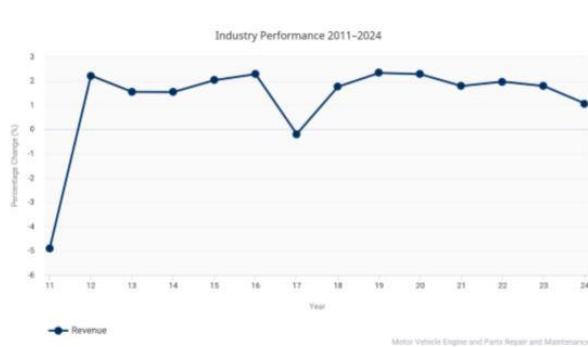


Industry Definition

Industry operators primarily repair motor vehicle engines and parts, and perform regular motor vehicle maintenance and servicing. Smash repairs and electrical repairs are considered separate industries and are not included in this industry summary (Reeves, M. IBISworld, Mar 2019).

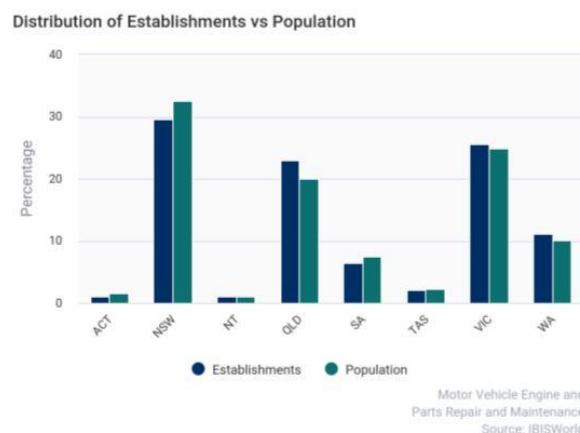
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|-------------------------------|--|---------------------------------------|
| Total Revenue 2019: +\$12.2bn | Annual Growth 2014-19: +1.6% | Annual Growth 2019-24: +1.8% |
| Profit Margin 2019: +8.1% | Wages as a share of Revenue 2019: -21.3% | Number of Businesses 2014-2019: +1.2% |

(Reeves, M. IBISworld, Mar 2019)



2019 INDUSTRY REVENUE
\$12.2bn

(Reeves, M. IBISworld, Mar 2019)



Industry Summary

- Continuing growth in the motor vehicle engine and parts repair and maintenance industry is largely due to consistent growth in the number of motor vehicles and increases in real household disposable income. The average age of the Australia's registered car fleet remains stable at which reduces fluctuation in demand for industry services.
- The growth of the motor vehicle and parts repair and maintenance industry is negatively impacted by the services provided by new car dealers (i.e. capped price servicing). This situation will continue as dealers strive for market share and new technology is introduced.
- Industry revenue grew at an annualised rate of 1.6% over the five years through 2018-19, to reach \$12.2 billion.
- Structural change and business transformation is required and is occurring within the industry as new automotive technology is introduced into vehicles by manufacturers. Many industry members have invested in tooling and equipment and employee training.
- Growing movement in the construction and transport divisions over the period is predicted to support demand for truck and commercial vehicle maintenance.
- Industry revenue is forecast to grow at an annualised rate of 1.8% over the five years through 2023-24, to reach \$13.4 billion.

Source: Reeves, M (March 2019). IBISworld industry report S9419: Motor Vehicle Engine and Parts Repair and Maintenance in Australia.