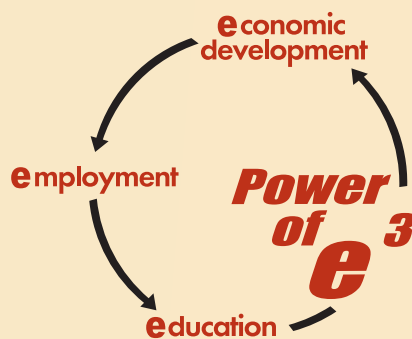


High-Growth INDUSTRY PROFILE

I ndustry Snapshot

Growth Pattern

- Two primary components of the automotive industry are automotive services and manufacturing. (Source: U.S. Bureau of Economic Analysis)
- With respect to 2001 Gross Domestic Product (GDP), the auto repair, services, and parking component of the overall industry was \$111.4 billion in current dollars, while the motor vehicles and equipment component was \$99.5 billion in current dollars. (Source: U.S. Bureau of Economic Analysis)
- Selected occupations, such as automotive technicians and mechanics, automotive body and related repairers, and automotive glass installers and repairers are expected to increase in employment by at least 10% during the 2000 to 2010 time period. (Source: U.S. Bureau of Labor Statistics)
- Employment growth will continue to be concentrated in motor vehicle dealerships and independent service repair shops. (Source: Occupational Outlook Handbook, 2002-03)



Occupational Outlook

The following automotive industry occupations are expected to increase employment by at least 10% (262,000) during the 2000 to 2010 time period: (Source: U.S. Bureau of Economic Analysis)

Automotive-Related Occupations	2000-2010 % Projected Growth	Median Annual Earnings	Postsecondary Education & Training
Automotive service technicians and mechanics	18.0%	\$28,490	Postsecondary vocational certificate
Automotive glass installers and repairers	10.5%	\$25,920	On-the-job training
Automotive body and related repairers	10.2%	\$31,190	On-the-job training
First-line supervisors/managers of mechanics, installers, and	16.0%	\$44,250	Work experience in related occupation

Please note occupations chosen based on >10% projected growth rates

Automotive Dealers and Gasoline Service Stations Retail, Total Employment & Top 15 Occupations, 2001		
Occupation Title	Total Employment	% of Total
Total automotive industry	2,409,240	100.0
Retail salespersons	354,070	14.70
Cashiers	347,720	14.43
Automotive service technicians and mechanics	321,060	13.33
First-line supervisors/managers of retail sales workers	152,100	6.31
Parts salespersons	132,440	5.50
Cleaners of vehicles and equipment	84,170	3.49
General and operations managers	65,030	2.70
Tire repairers and changers	58,380	2.42
First-line supervisors/managers of mechanics, installers, and repairers	56,270	2.34
Service station attendants	55,470	2.30
Bookkeeping, accounting, and auditing clerks	55,070	2.29
Office clerks, general	54,680	2.27
Automotive body and related repairers	50,590	2.10
Truck drivers, light or delivery services	44,300	1.84
Counter and rental clerks	37,030	1.54

T types of Jobs Created

Part-time vs. Full-time: (Source: As of 2002, per Current Population Survey of U.S. Bureau of Labor Statistics)

- Of the 1,219,000 workers employed in motor vehicles and equipment manufacturing , 1,198,000 (98.3 %) work full-time, while 21,000 (1.7 %) work part-time.
- Of the 1,784,000 workers employed in automobile and repair services, 1,569,000 (87.9 %) work full-time, while 215,000 (12.1 %) work part-time.

Skill Sets:

- Most new sales workers receive extensive on-the-job training, beginning with mentoring from sales managers and experienced sales workers. In large dealerships, beginners receive classroom training to learn the models for a sale, methods for approaching prospective customers, negotiation techniques, and ways to close sales.
- For trainee positions, dealerships increasingly prefer to hire automotive service technician graduates of postsecondary automotive training programs. Good reading and basic math skills are required to study technical manuals, keep abreast of new technology, and learn new service and repair techniques as vehicle components and systems become increasingly sophisticated.
- Production workers account for three out of five motor vehicle and equipment manufacturing jobs. They receive most of their training on the job or through apprenticeship programs.

W orkforce Issues

Recruitment and retention of employees, education and training of current and potential employees, and promotion and image in support of recruitment, education, and training were all cited by executives as challenges that affect the ability to develop a world-class automotive workforce.

- Automotive industry leaders identified the following challenges that affect recruitment and retention: the need for a more diverse workforce, the ability to retrain and upgrade the skill sets of the existing workforce, and the desire to improve the quality of work life for all employees.
- Automotive industry leaders shared that increasing skill requirements in the areas of mathematics, science, physics, and keyboarding are creating additional challenges that affect in-house education and training efforts. Increasingly, the industry is finding it necessary to incorporate English as a Second Language and basic remediation into education and training programs.
- Automotive industry leaders indicated that educating parents, teachers, counselors, and students regarding quality career opportunities and career paths within the automotive industry is essential to improving promotion and image efforts. All business segments – manufacturing, wholesale, retail, and the aftermarket – cited a poor industry image as a “stumbling block” that inhibits their ability to bring new workers into the industry.



What is the High-Growth Job Training Initiative?

The High-Growth Job Training Initiative is a strategic effort to improve the public workforce system's responsiveness to the needs of the labor market so that the workforce investment system can become demand-driven.

The Initiative is specifically designed to build collaborations among employers, industry leaders, business associations, educators, trainers, the community and technical college system, and the public workforce system.

The purpose of these partnerships is to support models that operationally demonstrate how a demand-driven workforce system can more efficiently serve the workforce needs of business while also effectively help workers find good jobs at good wages.

H

igh-Growth Job Training Initiative

In our efforts to meet the workforce demands of the 21st century economy, the U.S. Department of Labor's Employment and Training Administration (ETA) is conducting forums with various targeted high-growth industries. The Executive Forums are opportunities for senior executives and human capital experts to communicate the critical workforce issues facing their industry.

ETA conducted an Automotive Industry Executive Forum in partnership with 19 automotive industry CEOs to discuss the critical workforce issues facing the automotive industry on October 30, 2002. Executives from the following automotive companies and organizations attended the Executive Forum:

- American Honda Motor Company, Inc.
- BMW US Holding Corporation
- Brookdale Dodge
- DaimlerChrysler Corporation
- Dreher-Holloway Motors
- Ford Motor Company
- Francis Tuttle Technical Center
- General Motors Corporation
- Holiday Chevrolet-Olds
- Mercedes-Benz USA, LLC
- National Automobile Dealers Association
- Subaru of America, Inc.
- Toyota Motor Sales, U.S.A. Inc.
- Union Park Pontiac-Honda-BMW-GMC Truck-Volvo-Ford-Jaguar, Inc.
- Volkswagen of America, Inc.
- Wisconsin Automobile & Truck Dealers Association

To follow up, the Employment and Training Administration and public workforce system representatives met with 28 Senior Human Resource vice presidents and corporate staff on April 16, 2003, to discuss the critical workforce issues facing their industry. The following are the automotive companies and organizations represented at this Workforce Development Forum:

- American Honda Motor Company, Inc.
- Automotive Service Excellence
- Automotive Youth Educational Systems
- BMW of North America
- DaimlerChrysler Corporation
- General Motors Corporation
- Mercedes-Benz USA, LLC
- Mitsubishi Motor Sales of America, Inc.
- National Automobile Dealers Association
- Nissan North America
- Shell Lubricants-Jiffy Lube International
- Snap-on Incorporated
- SPX Corporation
- Subaru of America, Inc.
- Toyota Motor Sales, U.S.A. Inc.
- Volkswagen of America, Inc.

Next Steps

ETA is addressing the workforce issues of the automotive industry from a national perspective by conducting Executive Forums with different sectors of the automotive industry to gather relevant information from informed groups in a disciplined manner.

These forums will provide ETA and the public workforce system with the opportunity to gain further under-

standing of the overall critical workforce needs of the industry. After meeting with industry leaders, ETA will develop and solidify strategic alliances with business, education, and workforce leaders who are proactively focused on the workforce issues confronting the automotive industry and engage them in developing innovative approaches to addressing their needs.

ETA is partnering with employers and education providers to develop and model skills training solutions nationally that can be replicated and sustained throughout the state and local public workforce system. These approaches will help ensure that workers have the right skills for the right jobs at the right time.

The ETA In Action

Automotive Youth Educational Systems (AYES) Initiative

Challenge

With the increased pace of technological changes in recent years and the lack of awareness about career opportunities in the automotive field, it has become increasingly difficult for the automotive industry to find qualified body and service technicians. The number of new graduates from secondary and associate degree automotive programs does not come close to meeting the demand for the 12,000 to 15,000 additional technicians who are needed nationwide each year.

Addressing the Challenge

The AYES initiative addresses this workforce challenge by supporting the development and growth of select, industry-standard automotive technician training programs at technical high schools, with the support of partnering automotive manufacturers, local dealers, and high schools. AYES encourages students to pursue careers in the exciting and challenging fields of automotive service technology and collision repair/refinish and prepares them for entry-level technician positions or challenging academic options with automotive programs that offer professional certification by the National Institute for Automotive Service Excellence (ASE). AYES emphasizes applied academics and contextual classroom learning and provides participating students with mentored worksite internships.

Sustainable Impact

AYES ensures sustainability through its strong, dynamic partnerships among automotive manufacturers, automotive dealers, and high-performing high schools. A \$600,000 grant from the Employment and Training Administration (ETA) will allow AYES to certify 5,000 additional students through these partnerships, while increasing the number of programs offered nationwide. These federal grant funds are leveraged by at least \$1,050,000 in direct and in-kind support from AYES, participating high schools, automotive manufacturers, and sponsoring state and local dealers' associations. This significant industry support clearly demonstrates the value of the Initiative for the industry and promotes opportunities for the expansion, replication, and long-term impact of AYES.

N ational Programs

A dditional Resources

Online Tools

Career One-Stop
(www.CareerOneStop.org)

The Career One-Stop is a resource for businesses and job seekers. It contains links to America's Job Bank, America's Service Locator, and America's Career InfoNet.

www.doleta.gov
www.onetcenter.org

Other Tools

Toll-Free Help Line
1-877-US2-JOBS (1-877-872-5627)
1-877-889-5627 (TTY)

The Toll-Free Help Line provides up-to-date information about the full range of workforce services for workers and businesses as well as answers to employment and training questions.

C ontact the BRG

For more information on the activities and services of the ETA's Business Relations Group (BRG), please contact:

U.S. Department of Labor
Employment and Training Administration
Business Relations Group
200 Constitution Ave., NW
Room S-4206
Washington, DC 20210
(202) 693-3949
businessrelations@dol.gov

Apprenticeship

There are currently 260 apprenticeship programs throughout the nation focusing on automotive services.

Job Corps

Job Corps provides training in 63 automotive-related programs, including Auto Body/Collision Repair, Automotive Transmission, and Diesel Mechanics. In Program Year 2001, 1,714 Job Corps students graduated from automotive-related programs.

