Other services

…covers automotive, machinery and equipment repair and maintenance, other repair and maintenance including clothing, furniture and bicycles etc. Personal care services such as hairdressing and beauty services, funeral, crematorium and cemetery services, other personal services including laundry and film processing services, religious services, civic, professional and interest group services and private households employing staff.

This suite of Industry Snapshots complements *Future Focus*, the 2013 National Workforce Development Strategy. These snapshots provide additional information and analysis on each industry to assist stakeholders in planning for the future of their industry or sector. It should be noted that the longer term data contained in this publication is based on AWPA's four scenarios for Australia to 2025 and is not intended to be compared to other data sources or projections.

Key points

- The other services sector employs approximately 454,700 people, accounting for around four per cent of the total Australian workforce.
- 65 per cent of the industry workforce is employed in small enterprises (i.e. those that employ less than 20 workers), while 24 per cent are employed in medium-sized enterprises (i.e. those that employ between 20 and 199 workers).
- 41 per cent of workers in other services are female, compared to 46 per cent for all industries.
- 29 per cent of other services workers are employed part-time and 38 per cent work in regional and remote areas, compared to the all-industry averages of 30 per cent and 37 per cent, respectively.[1]
- More than 44 per cent of workers in the sector have completed a Certificate III or IV—twice the all-industry average of 20 per cent.
- A detailed employment profile for other services (including information on its workforce, industry and occupational characteristics) can be found at www.skillsinfo.gov.au.

Industry outlook

Other services comprise a range of very different occupational clusters, from hairdressing to religious services; and from automotive repair to film processing. In this respect, the sector can perhaps be more accurately described as a collection of diverse small industries, which—for classification purposes—have been grouped together under the 'other services' tag.

In terms of industry value added, the other services industry contributed 1.8 per cent ($25.1b) to the Australian economy in 2011–12.[2]

[1] Regional and remote areas are defined as those outside state capital cities.
[2] 'Industry value added' is the measure of the contribution by industry to gross domestic product (GDP) at basic prices. ABS (2012) *Australian System of National Accounts*, cat. no. 5204.0, Table 11.

Short-term growth

Employment in other services has decreased by approximately 3.3 per cent over the past five years, with most of this decline attributable to the Personal and Other Services subsector, which lost 17,200 workers (7.3 per cent) during this period. Employment in the Private Household-related subsector has seen substantial growth over the past five years, albeit from a relatively low base of a few thousand workers.

Table 1 Current and past employment in other services

Industry	Current employment		Past growth: five years	
	'000	% of total	'000	%
Other services	**454.7**	**3.9**	**-15.6**	**-3.3**
Repair and Maintenance	232.1	2.1	0.4	0.2
Personal and Other Services	219.9	2.0	-17.2	-7.3
Private Households Employing Staff and Undifferentiated Goods and Service-Producing Activities of Households for Own Use	4.1	0.0	2.0	91.4
All industries	**11,588.7**	**100.0**	**798.1**	**7.4**

Note: Data for industry subsectors may not sum to the industry total because data for each subsector have been separately seasonally adjusted and trended and at the higher levels include 'not further defined' categories.
Source: ABS Labour Force Survey, Feb 2013, Cat. no. 6291.0.55.003 (DEEWR trend).

Long-term growth

Australia needs to position itself in a world where work is changing rapidly. Technological innovation, globalisation, the Asian century and new patterns of work are impacting on the demand for skills and the speed of change is making it hard to predict and plan for the future.

To deal with this uncertainty, AWPA has adopted a scenario planning approach to help us overcome these limitations in making projections about the future. Scenarios are alternative visions of potential futures, and provide a means to make decisions that take account of uncertainty.

AWPA developed four possible, plausible scenarios for Australia to 2025.

- In the **Long Boom** scenario, the high demand for resources traded with China and other countries continues. Industries challenged by the high terms of trade undertake structural adjustment. This results in a scenario of sustained prosperity and a restructured economy.
- In **Smart Recovery**, the challenges facing Europe and the United States affect financial markets. This means low growth for Australia to 2014–15. Growth then improves and Australia benefits from industry and government strategies to implement a knowledge economy.
- In **Terms of Trade Shock**, resource prices fall mainly due to increased supply from other countries, the Australian dollar falls and we move to a broader-based economy.
- **Ring of Fire** is a risky world with multiple economic and environmental shocks resulting in ongoing lower growth.

Economic modelling against each of these four scenarios was undertaken by Deloitte Access Economics (DAE) to determine the skills demand for the economy into the future.[3]

As Table 2 shows, the industry is forecast to grow at a rate below the average for all industries in the years to 2025. Once again, growth is expected to be uneven across the industry subsectors, with employment in Personal and Other Services forecast to be slightly above average to 2025 across all scenarios, while Private Household-related employment is expected to grow exponentially during this time. By contrast, employment in the Repair and Maintenance subsector is projected to decrease in all four future worlds to 2025, with much of this decline in employment expected in the years to 2018.

Table 2 Average annual industry employment growth in four scenarios, 2011–18 and 2011–25 (% per annum)

Industry	Long Boom		Smart Recovery		Terms of Trade Shock		Ring of Fire	
	2018	**2025**	**2018**	**2025**	**2018**	**2025**	**2018**	**2025**
Other services	**1.0**	**1.1**	**1.0**	**0.9**	**1.2**	**1.0**	**-0.1**	**-0.2**
Repair and Maintenance	-0.8	-0.1	-0.8	-0.2	-0.6	-0.2	-1.9	-1.4
Personal and Other Services	2.6	2.0	2.6	1.8	2.8	1.9	1.5	0.7
Private Households Employing Staff and Undifferentiated Goods and Service-Producing Activities of Households for Own Use	9.1	9.6	9.1	9.4	9.3	9.4	7.9	8.1
All industries	**2.1**	**2.0**	**1.5**	**1.5**	**1.7**	**1.6**	**0.8**	**0.7**

Source: Deloitte Access Economics (2012) Economic modelling of skills demand and supply, Scenario output—detailed employment results.

Occupation outlook

Key occupations

The top ten occupations in other services account for just over half (50.1 per cent) of total employment in the industry. Hairdressers form the largest occupation, comprising 14.4 per cent of industry employment, followed by Motor Mechanics (10.6 per cent); Metal Fitters and Machinists (4.8 per cent); and Beauty Therapists (4.5 per cent).

[3] A description of the scenarios and the Deloitte Access Economics modeling of employment in each, with state and territory breakdowns, is available at the AWPA website www.awpa.gov.au.

Table 3 Top ten occupations in other services

Occupation		People employed	Industry employment
		'000	% of total
3911	Hairdressers	65.9	14.4
3212	Motor Mechanics	48.7	10.6
3232	Metal Fitters and Machinists	22.2	4.8
4511	Beauty Therapists	20.8	4.5
2722	Ministers of Religion	13.8	3.0
3241	Panelbeaters	13.6	3.0
3421	Airconditioning and Refrigeration Mechanics	13.4	2.9
4521	Fitness Instructors	12.4	2.7
8115	Laundry Workers	10.2	2.2
5121	Office Managers	8.8	1.9
Total other services		**458.5**	**50.1**

Source: ABS (2013) *Labour Force Australia*, detailed quarterly report, 2012 average of four quarters, cat. no. 6291.0.55.003.

Short-term growth

Table 4 shows current employment and past growth for the occupations that feature prominently within the industry. **Note that the figures refer to the expected number of people in these occupations across all industries, not just in the other services sector**.

The occupations with the highest rates of employment growth over the past five years were Fitness Instructors (with 32.4 per cent); Metal Fitters and Machinists (13.0 per cent); and Beauty Therapists (8.7 per cent). Conversely, employment has declined sharply during this period among Ministers of Religion; Laundry Workers; and Office Managers.

Table 4 Current and past employment in key occupations

Occupation		Current employment (all industries)		Past growth: five years	
		'000	% of total	'000	%
3911	Hairdressers	59.3	0.5	-4.9	-7.6
3212	Motor Mechanics	93.7	0.8	-9.2	-8.9
3232	Metal Fitters and Machinists	115.6	1.0	13.3	13.0
4511	Beauty Therapists	22.4	0.2	1.8	8.7
2722	Ministers of Religion	12.8	0.1	-3.7	-22.5
3241	Panelbeaters	13.4	0.1	0.1	0.5
3421	Airconditioning and Refrigeration Mechanics	26.6	0.2	0.9	3.3
4521	Fitness Instructors	26.7	0.2	6.5	32.4
8115	Laundry Workers	13.4	0.1	-3.8	-22.1
5121	Office Managers	126.9	1.1	-16.7	-11.6
All employed		**11,588.7**	**100.0**	**798.1**	**7.4**

Source: ABS Labour Force Survey, Feb 2013, Cat. no. 6291.0.55.003 (DEEWR trend).

Long-term growth and job openings

Table 5 indicates the long-term net job growth per annum expected in these occupation groups, according to Deloitte Access Economics' economic modelling of the scenarios.

In the longer-term, employment growth is predicted to vary considerably depending on occupation, with Panelbeaters; Ministers of Religion; and Motor Mechanics all expected to see a decrease in employment each year to 2025, regardless of which scenario eventuates. In comparison, employment among Laundry Workers; Fitness Instructors; and Beauty Therapists is expected to grow well above the national average across all scenarios.

Table 5 Average annual occupation growth in four scenarios, 2011–18 and 2011–25 (%pa)

Industry		Long Boom		Smart Recovery		Terms of Trade Shock		Ring of Fire	
		2018	2025	2018	2025	2018	2025	2018	2025
3911	Hairdressers	3.4	1.9	3.2	1.7	3.3	1.7	2.2	0.5
3212	Motor Mechanics	-0.3	-0.3	-0.6	-0.6	-0.6	-0.7	-1.4	-1.5
3232	Metal Fitters and Machinists	1.3	1.0	1.0	0.7	0.7	0.5	0.5	0.1
4511	Beauty Therapists	3.6	2.8	3.5	2.6	3.9	2.8	2.6	1.5
2722	Ministers of Religion	-2.8	-0.6	-3.1	-0.9	-2.7	-0.7	-4.2	-2.2
3241	Panelbeaters	-4.2	-2.7	-4.3	-3.0	-4.3	-3.0	-5.3	-4.1
3421	Airconditioning and Refrigeration Mechanics	2.1	1.6	1.2	1.1	0.7	0.7	0.1	0.0
4521	Fitness Instructors	2.7	3.9	2.4	3.6	3.2	3.9	1.8	2.6
8115	Laundry Workers	7.1	4.2	6.7	3.8	7.2	4.0	5.8	2.6
5121	Office Managers	3.4	2.2	2.7	1.8	2.8	1.8	2.1	1.2
All occupations		**2.1**	**2.0**	**1.5**	**1.5**	**1.7**	**1.6**	**0.8**	**0.7**

Source: Deloitte Access Economics (2012) Economic modelling of skills demand and supply, Scenario output—detailed employment results.

As noted, the data in Table 5 concerns employment growth in an industry. The number of total **job openings** which includes both employment growth and **the replacement resulting from individuals leaving the occupation net of those re-entering** can also be estimated. This replacement requirement is particularly significant in industries where there are high numbers of people retiring or leaving the occupation.

Table 6 shows the average annual job openings projected in key occupations to 2025. Annual job openings are expected to be higher than average for Laundry Workers under all scenarios, while Beauty Therapists are forecast to have above average job opening rates in the Smart Recover and Terms of Trade Shock worlds.

Table 6 Average annual job openings per annum, 2011 to 2025, in four scenarios

Occupation		Long Boom		Smart Recovery		Terms of Trade Shock		Ring of Fire	
		('000)	%	('000)	%	('000)	%	('000)	%
3911	Hairdressers	2.4	4.1	2.2	3.9	2.2	3.9	1.9	2.7
3212	Motor Mechanics	3.0	2.6	2.8	2.3	2.8	2.2	2.6	1.4
3232	Metal Fitters and Machinists	4.1	3.1	3.6	2.8	3.4	2.6	3.1	2.2
4511	Beauty Therapists	1.0	4.2	1.0	4.0	1.0	4.1	0.7	2.9
2722	Ministers of Religion	0.7	1.7	0.6	1.3	0.6	1.5	0.4	0.1
3241	Panelbeaters	0.5	0.5	0.5	0.3	0.5	0.2	0.5	-0.8
3421	Airconditioning and Refrigeration Mechanics	0.8	3.1	0.7	2.6	0.5	2.1	0.4	1.5
4521	Fitness Instructors	2.0	4.0	1.9	3.8	2.0	4.0	1.6	2.8
8115	Laundry Workers	1.1	6.7	1.0	6.3	1.1	6.5	0.8	5.1
5121	Office Managers	5.9	3.6	5.0	3.1	5.1	3.2	3.9	2.5
All occupations		**576.4**	**4.4**	**500.9**	**3.9**	**513.3**	**4.0**	**391.4**	**3.1**

Source: Deloitte Access Economics (2012) *Economic modelling of skills demand and supply*, Scenario output—detailed employment results. Net replacement demand by AWPA (2013).

Table 7 shows the proportion of job openings driven by new growth versus replacement requirements.

As Table 7 indicates, the majority of job openings under the Long Boom for Motor Mechanics; Panelbeaters; and Motor Mechanics and Machinists are driven by replacement demand rather than growth. High replacement demand may reflect the age profile of these occupations or other workforce dynamics such as the rate of job turnover. Conversely, the majority of job openings for Fitness Instructors; Beauty Therapists; and Office Managers are driven by growth (that is, new jobs) in all scenarios except Ring of Fire.

Table 7 Total job openings (growth and net replacement) in four scenarios, 2011 to 2025

7.1 Long Boom

Occupation		Total growth (persons)		Net replacement estimates (persons)		Total job openings (persons)	
		('000)	%	('000)	%	('000)	%
3911	Hairdressers	15.3	43.1	20.2	56.9	35.5	100.0
3212	Motor Mechanics	4.6	10.3	39.8	89.7	44.4	100.0
3232	Metal Fitters and Machinists	22.0	36.2	38.8	63.8	60.8	100.0
4511	Beauty Therapists	10.1	64.9	5.5	35.1	15.6	100.0
2722	Ministers of Religion	4.6	47.2	5.2	52.8	9.8	100.0
3241	Panelbeaters	1.4	17.4	6.6	82.6	8.0	100.0
3421	Airconditioning and Refrigeration Mechanics	5.7	49.7	5.7	50.3	11.4	100.0
4521	Fitness Instructors	29.6	97.2	0.9	2.8	30.5	100.0
8115	Laundry Workers	9.6	56.6	7.3	43.4	16.9	100.0
5121	Office Managers	53.5	61.0	34.2	39.0	87.8	100.0
All occupations		**3889.7**	**45.0**	**4755.6**	**55.0**	**8645.3**	**100.0**

7.2 *Smart Recovery*

Occupation		Total growth (persons)		Net replacement estimates (persons)		Total job openings (persons)	
		('000)	%	('000)	%	('000)	%
3911	Hairdressers	13.6	40.5	20.0	59.5	33.6	100.0
3212	Motor Mechanics	2.9	7.0	39.0	93.0	41.9	100.0
3232	Metal Fitters and Machinists	16.6	30.5	37.8	69.5	54.4	100.0
4511	Beauty Therapists	9.1	62.7	5.4	37.3	14.5	100.0
2722	Ministers of Religion	3.9	43.3	5.1	56.7	8.9	100.0
3241	Panelbeaters	1.4	17.6	6.5	82.4	7.9	100.0
3421	Airconditioning and Refrigeration Mechanics	4.5	45.4	5.4	54.6	9.9	100.0
4521	Fitness Instructors	28.1	97.1	0.8	2.9	28.9	100.0
8115	Laundry Workers	8.6	54.5	7.2	45.5	15.7	100.0
5121	Office Managers	42.7	56.5	32.9	43.5	75.6	100.0
All occupations		**2953.2**	**39.3**	**4559.6**	**60.7**	**7512.9**	**100.0**

7.3 *Terms of Trade Shock*

Occupation		Total growth (persons)		Net replacement estimates (persons)		Total job openings (persons)	
		('000)	%	('000)	%	('000)	%
3911	Hairdressers	13.6	40.4	20.0	59.6	33.6	100.0
3212	Motor Mechanics	2.4	5.8	38.9	94.2	41.3	100.0
3232	Metal Fitters and Machinists	13.4	26.4	37.3	73.6	50.7	100.0
4511	Beauty Therapists	9.7	63.8	5.5	36.2	15.3	100.0
2722	Ministers of Religion	4.2	45.0	5.2	55.0	9.4	100.0
3241	Panelbeaters	1.4	17.6	6.5	82.4	7.9	100.0
3421	Airconditioning and Refrigeration Mechanics	2.6	32.9	5.3	67.1	7.8	100.0
4521	Fitness Instructors	29.7	97.1	0.9	2.9	30.5	100.0
8115	Laundry Workers	9.0	55.1	7.3	44.9	16.2	100.0
5121	Office Managers	43.1	56.6	33.1	43.4	76.2	100.0
All occupations		**3080.4**	**40.0**	**4619.3**	**60.0**	**7699.6**	**100.0**

7.4 Ring of Fire

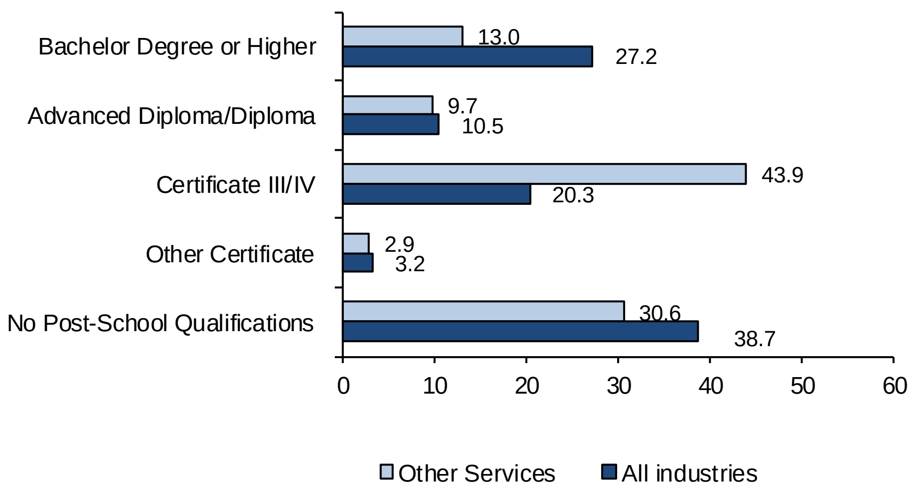
Occupation		Total growth (persons)		Net replacement estimates (persons)		Total job openings (persons)	
		('000)	%	('000)	%	('000)	%
3911	Hairdressers	10.0	35.1	18.5	64.9	28.5	100.0
3212	Motor Mechanics	1.5	3.8	36.9	96.2	38.3	100.0
3232	Metal Fitters and Machinists	9.9	21.4	36.4	78.6	46.4	100.0
4511	Beauty Therapists	4.9	49.2	5.0	50.8	9.9	100.0
2722	Ministers of Religion	1.4	23.5	4.6	76.5	6.1	100.0
3241	Panelbeaters	1.4	18.7	6.1	81.3	7.5	100.0
3421	Airconditioning and Refrigeration Mechanics	1.5	22.8	5.0	77.2	6.5	100.0
4521	Fitness Instructors	22.7	96.6	0.8	3.4	23.5	100.0
8115	Laundry Workers	6.0	47.6	6.6	52.4	12.7	100.0
5121	Office Managers	27.4	46.5	31.5	53.5	58.8	100.0
All occupations		**1532.9**	**26.1**	**4338.5**	**73.9**	**5871.4**	**100.0**

Source: Access Economics (2009) *Economic modelling of skills demand*, Table D4 (ASCO); conversion to ANZSCO and net replacement demand by CEET (2009). Three-digit ANZSCO job titles are used in this analysis.

Education and training profile

More than twice the proportion of workers in other services (43.9 per cent) have completed a Certificate III or IV level qualification, compared to the average for all industries (20.3 per cent). As trades are the largest employing occupations within the sector, this indicates that vocational education and training is a vital source of skills for the other services workforce.

Figure 1 Education profile of the 'other services' workforce (%)



Note: Excludes 'Level of education not stated' from total.
Source: DEEWR (2012) *Australian Jobs 2012* (ABS 2011 Census data).

Figure 2 illustrates how demand for qualifications is expected to change over time. It shows the current education profile for each respective occupation: across all industries and within the other services industry. It also shows projected levels of educational attainment to 2025 by each occupation group depending on which of the four scenarios eventuates.

> As Figure 2 shows, Managers within the other services industry are predicted to upskill in the years to 2025, with the proportion holding a Bachelor degree or higher qualification expected to increase from 33 per cent to above 40 per cent under the three higher growth scenarios.

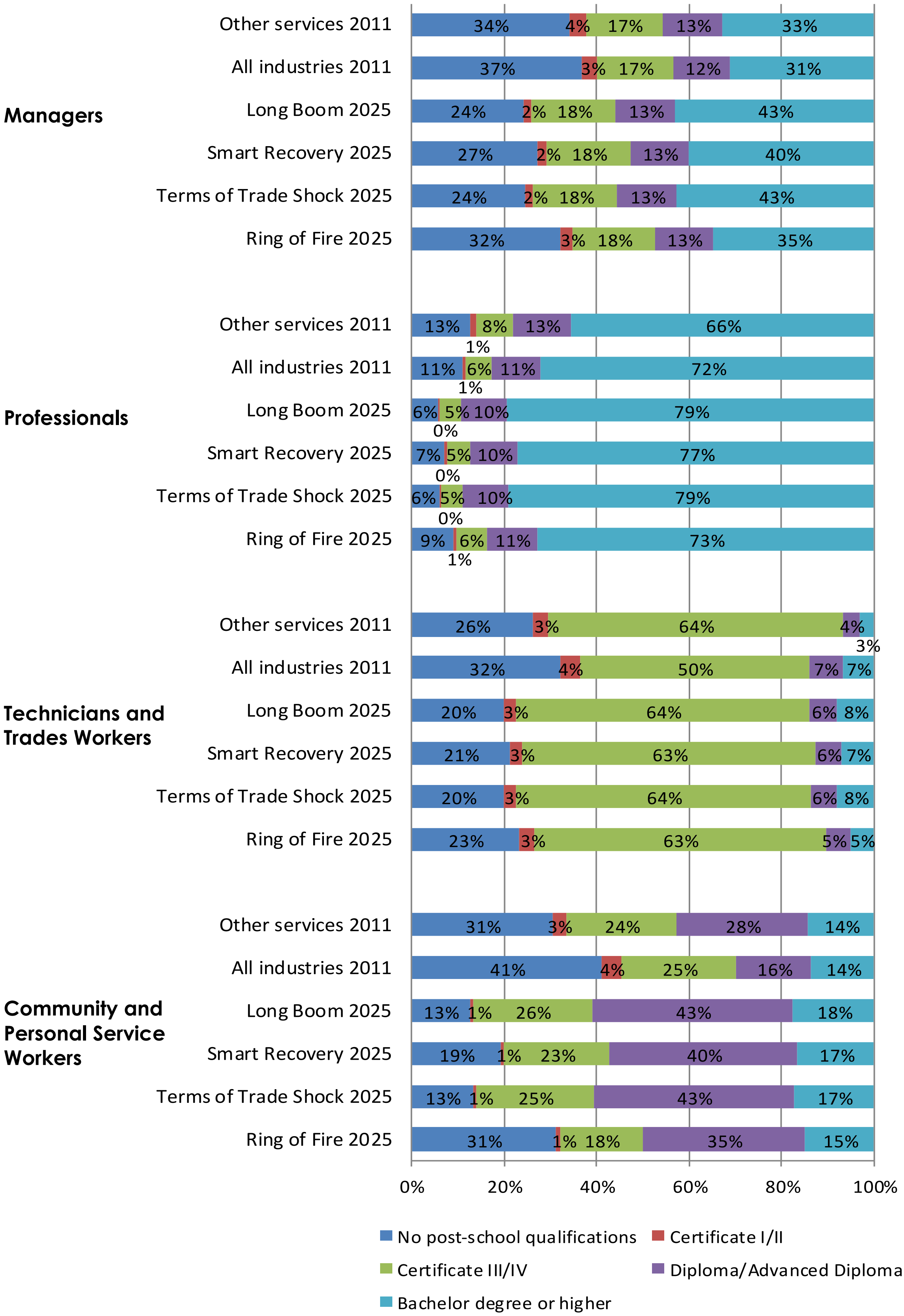
The vast majority of professionals in the other services sector already hold a Bachelor degree or higher qualification, but this is expected to increase further, from 66 per cent in 2011 to above 70 per cent across all four scenarios.

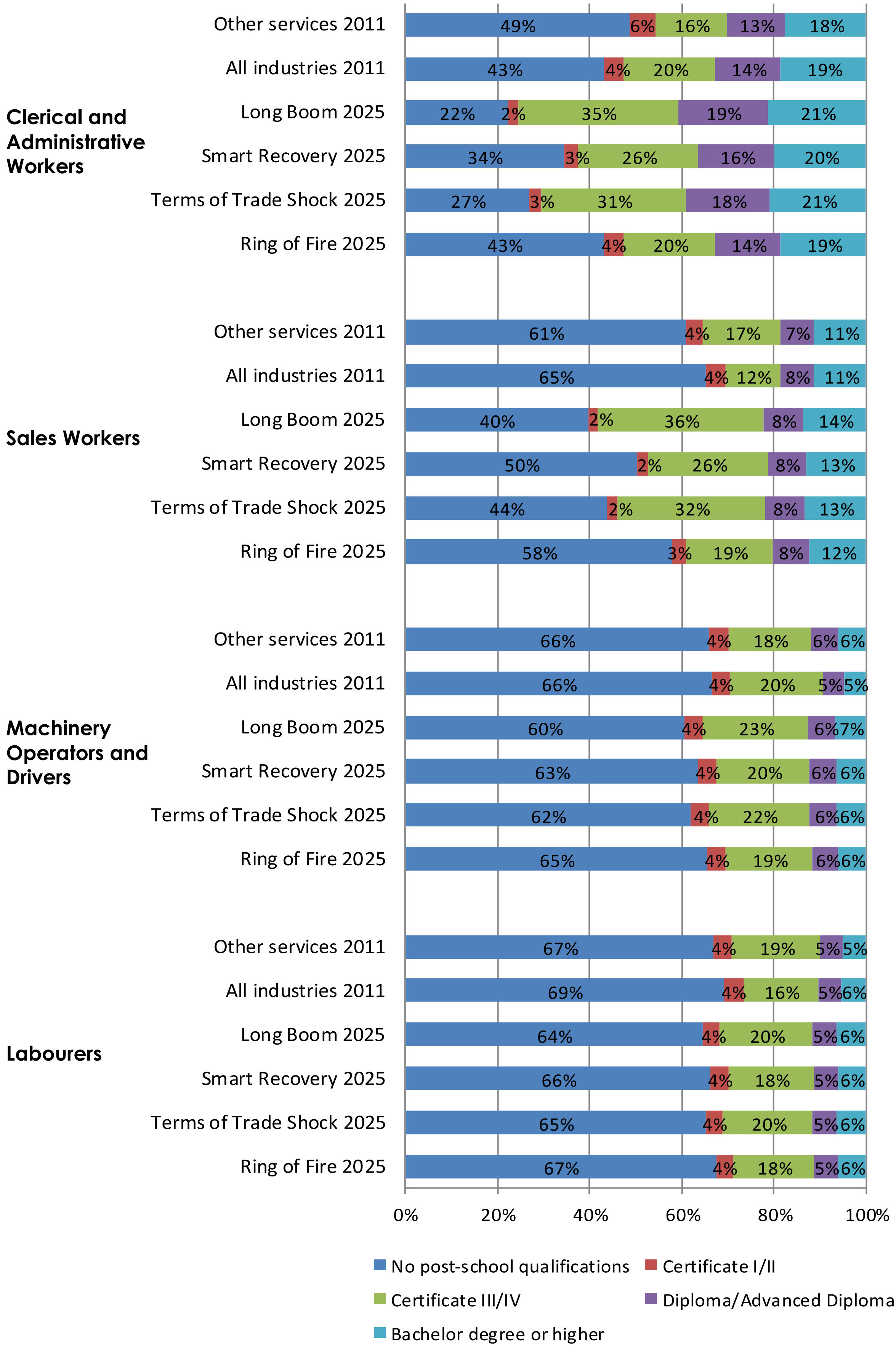
Technicians and Trade Workers in the sector overwhelmingly hold vocational qualifications at the Certificate III/IV level, with only around one quarter of workers not holding post-school qualifications in 2011. By 2025, this proportion is expected to decrease by another 5 or 6 percentage points under the three higher growth scenarios.

A pattern towards upskilling can be observes for Community and Personal Service Workers; Clerical and Administrative Workers; and Sales Workers to 2025, with the proportion not holding post-school qualifications expected to more than halve under some scenarios.

In comparison, Machinery Operators and Drivers and Labourers are expected to increase qualification holding by a modest amount in the years to 2025.

Figure 2 Educational attainment in the other services industry by occupation, 2011 and projections to 2025 (%)





Source: ABS (2012) Survey of Education and Work 2012, cat. no. 6227.0; and DAE (2012) Unpublished data.

Specialised occupations

In *Future Focus*, the 2013 National Workforce Development Strategy, AWPA has proposed that national planning for skills and industry workforce development should focus on **specialised occupations**. Specialised occupations are defined as those 'where specialised skills, learned in formal education and training, are needed at entry level and where the impact of market failure is potentially significant for the economy and/or the community.'

Specialised occupations demonstrate these characteristics:

- long lead time—skills are highly specialised and require extended learning and preparation time over several years;
- high use—skills are deployed for the uses intended (i.e. good occupational 'fit');
- high risk—the disruption caused by the skills being in short supply is great, resulting either in bottlenecks in supply chains or imposing significant economic or community costs because an organisation cannot operate; and
- high information—the quality of information about the occupation is adequate to the task of assessing future demand and evaluating the first three criteria.

Monitoring skills supply, especially for specialised occupations, will remain a critical element in meeting our workforce needs.

Specialised occupations associated with the other services industry include:

Telecommunications Engineering Professionals
Telecommunications Technical Specialists
Automotive Electricians
Motor Mechanics
Sheet Metal Trades Workers
Precision Metal Trades Workers
Panelbeaters
Carpenters and Joiners
Air-Conditioning and Refrigeration Mechanics
Electronics Trades Workers
Electrical Distribution Trades Workers

More detailed information about specialised occupations is available in *Future Focus, 2013 National Workforce Development Strategy* at http://www.awpa.gov.au.

Example workforce development initiatives

Investment in workforce development has been shown to maximise people's capabilities, lift productivity and increase workforce participation. Employee satisfaction levels and engagement also increase when enterprises make better use of their employees' skills.[4] Current workforce development initiatives in other services include the following examples:

- **Workforce Development for Volunteers in the Service Industries** is an issues paper developed by Service Skills Australia (SSA) Industry Skills Council. It builds upon the latest research and provides recommendations for next steps on further research, new policy settings and workforce development. The issue of volunteering in the service industries is one of ongoing and growing concern. SSA aims to provide a library of work committed to the topic of volunteering, with a strong focus on workforce development and increasing productivity. For further information, see www.serviceskills.com.au/volunteers.

[4] Skills Australia (2012) *Better use of skills, better outcomes: A research report on skills utilisation in Australia.*