



# 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.*

## Key points

- ▶ The 'other services' industry employs approximately 464,100 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)
- ▶ Part-time and full-time work tends to be split along gender lines, with the majority of males working within the industry work full-time and female workers taking up a higher proportion of part-time work
- ▶ Trades are the largest employing occupations within the sector, and more than 36 per cent of workers have completed a Certificate III or IV – twice the all-industry average of 18 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](http://www.skillsinfo.gov.au)

## Industry outlook

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

Overall, in terms of industry added value the other services industry contributed 2 per cent (\$21.6b) to the Australian economy in 2009-10.<sup>1</sup>

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<sup>1</sup> 'Industry value added' is the measure of the contribution by industry to gross domestic product (GDP) at basic prices. ABS (2010) *Australian System of National Accounts* (Cat. no. 5204.0).

## Short-term growth

Employment growth in the sector has been strong over the past five years but is predicted to slow in the five years to 2014-15.

**Table 1 Current and past employment in other services**

Industry	Current employment		Past growth: five years	
	'000	% of total	'000	%
Other services	464.1	4.2	56.3	13.8
<b>All employed</b>	<b>11,044.6</b>	<b>100.0</b>	<b>1,060.1</b>	<b>10.6</b>

Population: Employed people.

Source: DEEWR analysis of ABS trend data, May 2010 (Cat no: 6291.0.55.003).

## Long-term growth

Skills Australia used scenario planning and economic modelling, undertaken by Access Economics, to calculate the skills demand for the economy into the future. The three scenarios are:

- ▶ Open Doors – assumes an industry and occupation structure that is driven by greater global openness, high economic growth and high productivity
- ▶ Low Trust Globalisation – assumes global competition but with more moderate participation rates, productivity growth and rates of growth of net migration, and accordingly, medium economic growth
- ▶ Flags – assumes a more protectionist economy, with a greater move to domestic self-sufficiency, a lower rate of net migration and productivity growth, and accordingly, assumes a low rate of economic growth.

As Table 2 shows, the industry is forecast to grow strongly in the Open Doors and Low-Trust worlds between 2010 and 2025, driven by job growth in the two main industry subsectors (repair and maintenance, and personal and other services).<sup>2</sup> Employment in private households is expected to be minimal under the Open Doors scenario, and to decline under the other two scenarios.

<sup>2</sup> A description of the scenarios and the Access Economics modeling of employment in each, with state and territory break-downs, is available at the Skills Australia web-site [www.skillsaustralia.gov.au](http://www.skillsaustralia.gov.au)

**Table 2 Average annual industry employment growth in three scenarios, 2010-15 and 2010-25 (%pa)**

Industry	Open doors		Low-trust globalisation		Flags	
	2015	2025	2015	2025	2015	2025
<b>Other services</b>	<b>2.4</b>	<b>1.6</b>	<b>1.8</b>	<b>1.0</b>	<b>0.7</b>	<b>0.0</b>
Repair and maintenance	2.2	1.5	1.6	0.8	0.7	0.0
Personal and other services	2.6	1.8	2.0	1.2	0.8	0.0
Private households employing staff and undifferentiated goods - and service-producing activities of households for own use	0.4	0.4	-0.9	-0.9	-2.7	-2.6
<b>All industries</b>	<b>2.6</b>	<b>2.1</b>	<b>1.9</b>	<b>1.5</b>	<b>1.3</b>	<b>0.9</b>

Source: Access Economics (2009) *Economic modelling of skills demand*, Table D1; conversion to ANZSIC by CEET (2010).

## Occupation outlook

### Key occupations

The top ten occupations in other services account for nearly half (46.1 per cent) of total employment in the industry. Hairdressers form the largest occupation within the personal and other services subdivision (comprising 12.1 per cent of industry employment), while motor mechanics form the largest group within the repair and maintenance subsector (at 11 per cent of the total workforce).

**Table 3 Top ten occupations in other services**

Occupation	People employed	Industry employment
ANZSCO	'000	% of total
3911 Hairdressers	56.4	12.1
3212 Motor mechanics	51.2	11.0
4511 Beauty therapists	21.9	4.7
3232 Metal fitters and machinists	16.0	3.4
3241 Panelbeaters	15.7	3.4
2722 Ministers of religion	14.2	3.0
8115 Laundry workers	10.5	2.2
4521 Fitness instructors	9.7	2.1
3423 Electronics trades workers	9.7	2.1
3421 Airconditioning and refrigeration mechanics	9.5	2.0
<b>Total</b>	<b>465.9</b>	<b>46.1</b>

Source: ABS (2010) *Labour Force Australia*, detailed quarterly report, 2009 average of four quarters (Cat. no. 6291.0.55.003).

## Short-term growth

Table 4 shows recent past and forecast growth rates 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 other services.**

The occupations with the highest rates of employment growth over the past five years were airconditioning and refrigeration mechanics (with 40.7 per cent), fitness instructors (34.9 per cent) and laundry workers (30.8 per cent). In the period to 2014-15, the highest employment growth is predicted for fitness instructors (24.7 per cent), beauty therapists (20.1 per cent) and metal fitters and machinists (12.2 per cent).

**Table 4 Current and past employment in key occupations**

Occupation	Current employment (all industries)		Past growth: five years	
	'000	% of total	'000	%
ANZSCO				
2722 Ministers of religion	18.4	0.2	1.3	7.9
3212 Motor mechanics	93.0	0.8	2.8	3.1
3232 Metal fitters and machinists	109.0	1.0	16.6	18.0
3241 Panelbeaters	15.6	0.1	-4.2	-21.2
3421 Airconditioning and refrigeration mechanics	25.6	0.2	7.4	40.7
3423 Electronics trades workers	35.9	0.3	-1.1	-2.9
3911 Hairdressers	53.6	0.5	-2.4	-4.4
4511 Beauty therapists	21.7	0.2	0.5	2.1
4521 Fitness instructors	19.1	0.2	4.9	34.9
8115 Laundry workers	20.6	0.2	4.8	30.8
<b>All employed</b>	<b>11,044.6</b>	<b>100.0</b>	<b>1,060.1</b>	<b>10.6</b>

Population: Employed people.

Source: DEEWR analysis of ABS trend data, May 2010 (Cat no: 6291.0.55.003).

## Long-term growth and job openings

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

In the longer-term, these are occupational groups which have average or above-average expected growth compared to other groups (with some exceptions). Social and welfare professionals are expected to show strong employment growth under the Open Doors scenario, particularly in the short-term (to 2015). This is also true of hairdressers and cleaners and laundry workers, which are forecast to have stronger growth in the shorter-term than in the longer-term (to 2025) under Open Doors.

**Table 5 Average annual occupation growth in three scenarios, 2010-15 and 2010-25 (%pa)**

Industry	Open doors		Low-trust globalisation		Flags	
	2015	2025	2015	2025	2015	2025
ANZSCO						
272 Social and welfare professionals	2.8	2.6	2.3	2.1	1.3	1.1
321 Automotive electricians and mechanics	2.0	1.3	1.4	0.7	0.8	0.1
323 Mechanical engineering trades workers	1.4	1.2	0.7	0.4	1.8	1.6
324 Panelbeaters, and vehicle body builders, trimmers and painters	2.0	1.3	1.4	0.7	0.8	0.1
342 Electronics & telecommunications trades workers	1.7	1.8	1.1	1.1	1.0	1.1
391 Hairdressers	3.1	1.9	2.4	1.3	1.0	0.0
451 Personal service and travel workers	2.9	2.2	2.3	1.6	0.9	0.3
452 Sports and fitness workers	2.7	2.1	2.2	1.5	0.9	0.3
811 Cleaners and laundry workers	3.0	2.6	2.4	2.0	1.6	1.1
<b>All occupations</b>	<b>2.6</b>	<b>2.1</b>	<b>1.9</b>	<b>1.5</b>	<b>1.3</b>	<b>0.9</b>

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

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 cleaners and laundry workers under Open Doors, while mechanical engineering trades workers are predicted to experience above-average job growth under Flags.

Table 7 (over the page) shows the proportion of job openings driven by new growth versus replacement requirements. Under Open Doors, the majority of job openings in trade occupations (such as automotive electricians and mechanics; mechanical engineering trades workers; and hairdressers) are expected to be the result of replacement demand. Conversely, job openings among professionals, clerical workers and labourers are driven primarily by new growth.

With a slower rate of growth forecast under the Flags scenario, however, replacement demand is predicted to outstrip new growth in all key occupations by 2025, except in the case of social and welfare professionals.

**Table 6 Average annual job openings, pa 2010 to 2025, in three scenarios**

Occupation	Open doors		Low trust globalisation		Flags	
	no.	%	no.	%	no.	%
ANZSCO						
272 Social and welfare professionals	4.8	3.6	3.9	3.1	2.5	2.1
321 Automotive electricians and mechanics	5.7	4.2	4.6	3.6	3.9	3.0
323 Mechanical engineering trades workers	5.6	3.6	4.2	2.8	6.4	4.0
324 Panelbeaters, and vehicle body builders, trimmers and painters	2.0	4.2	1.6	3.6	1.4	3.0
342 Electronics & telecommunications trades workers	4.7	3.9	3.6	3.3	3.5	3.2
391 Hairdressers	2.9	4.3	2.4	3.7	1.6	2.4
451 Personal service and travel workers	3.4	3.2	2.7	2.6	1.3	1.3
452 Sports and fitness workers	3.4	4.0	2.8	3.5	1.7	2.3
811 Cleaners and laundry workers	15.6	4.9	13.0	4.2	9.6	3.3
<b>All occupation average</b>	<b>579.1</b>	<b>4.4</b>	<b>465.9</b>	<b>3.8</b>	<b>373.7</b>	<b>3.2</b>

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.

**Table 7 Total job openings (growth and net replacement) in three scenarios, 2010 to 2025**

### 7.1 Open Doors

Occupation	Total growth (persons)		Net replacement estimates (persons)		Total job openings (persons)	
	('000)	%	('000)	%	('000)	%
ANZSCO						
272 Social and welfare professionals	54.0	70.7	22.4	29.3	76.4	100.0
321 Automotive electricians and mechanics	27.8	30.7	62.9	69.3	90.7	100.0
323 Mechanical engineering trades workers	30.2	33.8	59.2	66.2	89.4	100.0
324 Panelbeaters, and vehicle body builders, trimmers and painters	9.9	31.0	22.2	69.0	32.1	100.0
342 Electronics & telecommunications trades workers	34.2	45.8	40.6	54.2	74.8	100.0
391 Hairdressers	20.7	44.0	26.4	56.0	47.0	100.0
451 Personal service and travel workers	37.4	67.8	17.7	32.2	55.1	100.0
452 Sports and fitness workers	27.9	50.6	27.3	49.4	55.2	100.0
811 Cleaners and laundry workers	133.9	53.5	116.2	46.5	250.1	100.0
<b>All occupations</b>	<b>4,425.7</b>	<b>47.8</b>	<b>4,840.1</b>	<b>52.2</b>	<b>9,265.8</b>	<b>100.0</b>

## 7.2 Low-Trust Globalisation

Occupation	Total growth (persons)		Net replacement estimates (persons)		Total job openings (persons)	
	('000)	%	('000)	%	('000)	%
ANZSCO						
272 Social and welfare professionals	41.4	65.9	21.4	34.1	62.8	100.0
321 Automotive electricians and mechanics	14.2	19.2	59.6	80.8	73.8	100.0
323 Mechanical engineering trades workers	11.6	17.4	55.2	82.6	66.8	100.0
324 Panelbeaters, and vehicle body builders, trimmers and painters	5.1	19.4	21.0	80.6	26.1	100.0
342 Electronics & telecommunications trades workers	20.2	34.9	37.9	65.1	58.1	100.0
391 Hairdressers	13.4	34.9	25.0	65.1	38.4	100.0
451 Personal service and travel workers	26.0	60.7	16.8	39.3	42.9	100.0
452 Sports and fitness workers	19.6	43.0	26.0	57.0	45.6	100.0
811 Cleaners and laundry workers	98.6	47.2	110.1	52.8	208.6	100.0
<b>All occupations</b>	<b>2,892.9</b>	<b>38.8</b>	<b>4,561.3</b>	<b>61.2</b>	<b>7,454.2</b>	<b>100.0</b>

## 7.3 Flags

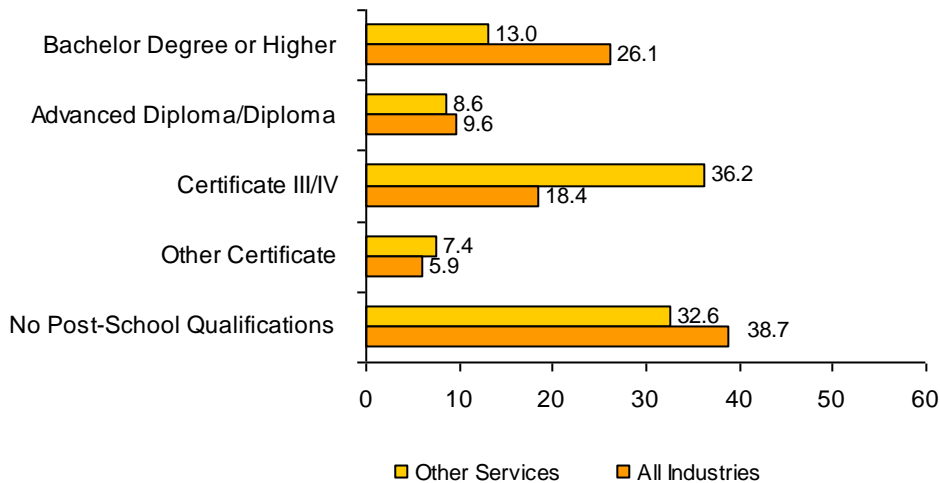
Occupation	Total growth (persons)		Net replacement estimates (persons)		Total job openings (persons)	
	('000)	%	('000)	%	('000)	%
ANZSCO						
272 Social and welfare professionals	20.5	50.9	19.7	49.1	40.2	100.0
321 Automotive electricians and mechanics	6.1	9.7	56.9	90.3	63.0	100.0
323 Mechanical engineering trades workers	41.5	40.5	61.1	59.5	102.6	100.0
324 Panelbeaters, and vehicle body builders, trimmers and painters	2.2	9.7	20.0	90.3	22.2	100.0
342 Electronics & telecommunications trades workers	18.7	33.3	37.3	66.7	56.0	100.0
391 Hairdressers	3.6	13.9	22.4	86.1	26.0	100.0
451 Personal service and travel workers	5.7	27.3	15.0	72.7	20.7	100.0
452 Sports and fitness workers	4.4	15.7	23.4	84.3	27.8	100.0
811 Cleaners and laundry workers	51.2	33.5	101.7	66.5	152.9	100.0
<b>All occupations</b>	<b>1,681.7</b>	<b>28.1</b>	<b>4,297.2</b>	<b>71.9</b>	<b>5,978.9</b>	<b>100.0</b>

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

Nearly twice the proportion of workers in 'other services' (36.2 per cent) have completed a Certificate III or IV level qualification, compared to the average for all industries (18.4 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 workforce.

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



Source: DEEWR (2010) *Australian Jobs 2010*.

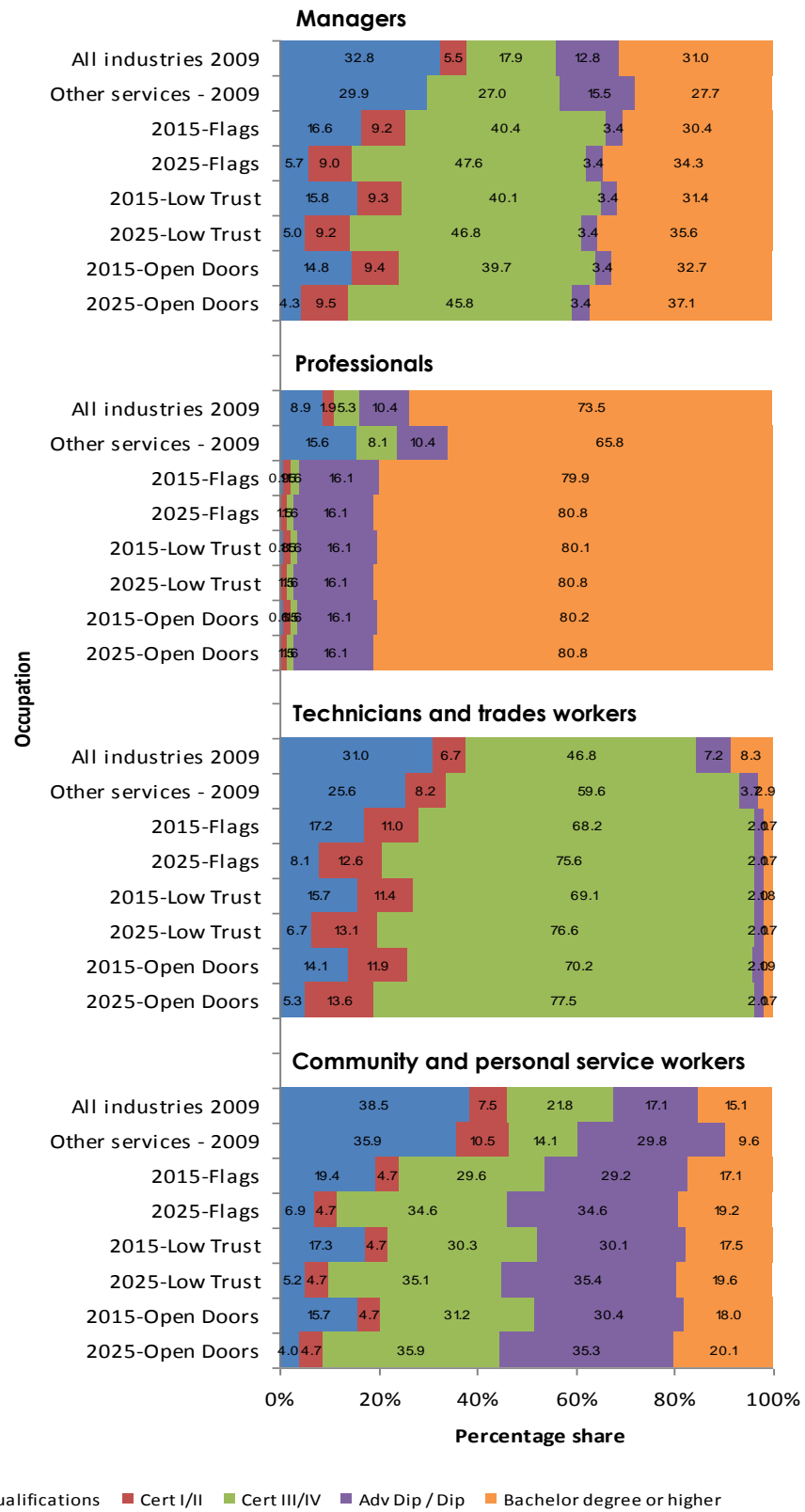
Figure 2 shows how demand for qualifications is expected to change over time. It shows the current education profile for each respective occupation: across all industries and within the other services industry. It also shows projected levels of educational attainment to 2015 and 2025 by each occupation group depending on which of the three scenarios eventuates.

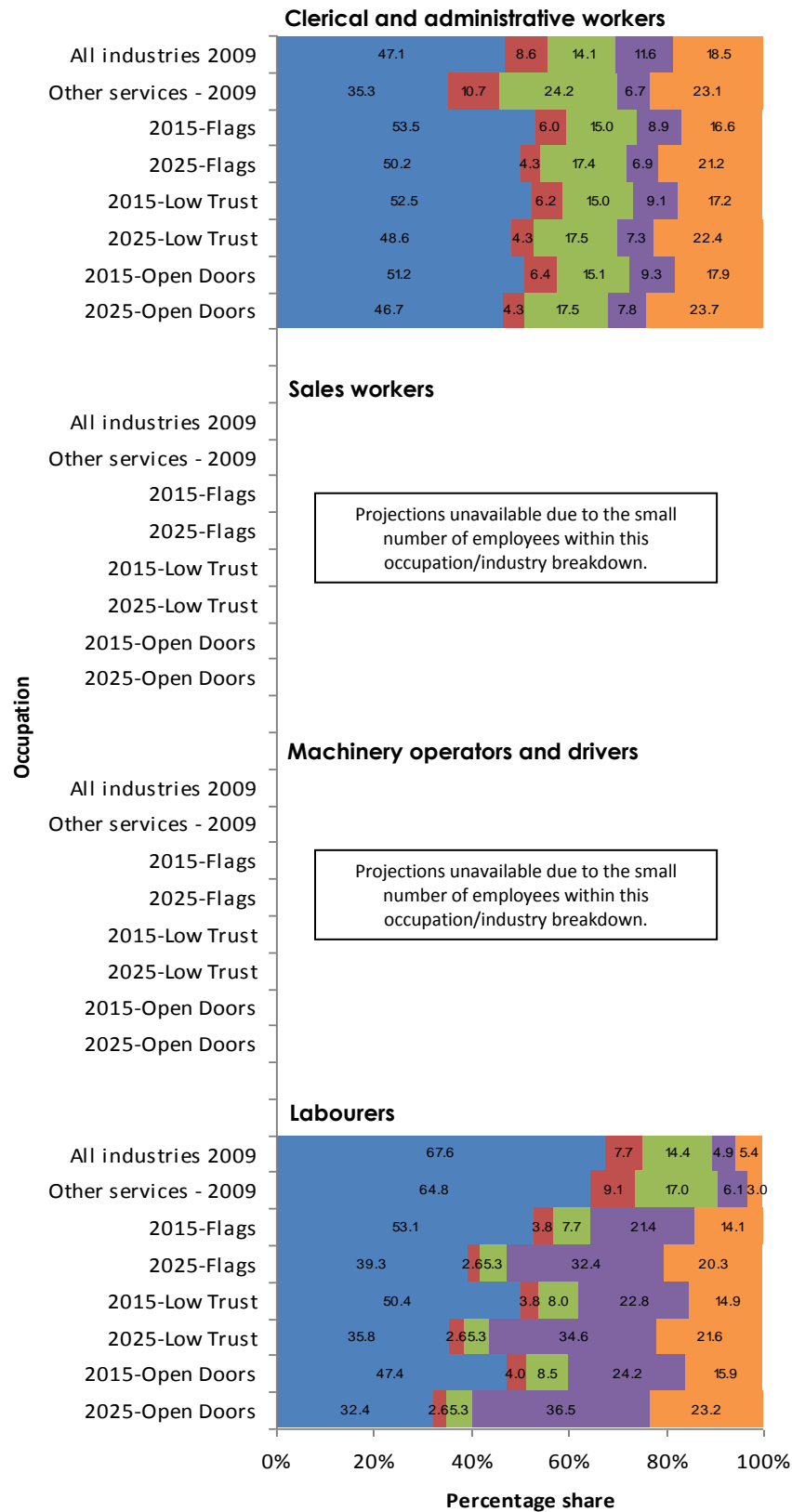
As Figure 2 illustrates, there is strong growth in the proportion of workers with a Certificate III/IV in this industry. Under the Open Doors scenario, the proportion of managers with a Certificate III/IV increases to 45.8 in 2025 from 27 per cent in 2009. The share of technicians and trades workers with a Certificate III/IV also increases to 77.5 per cent in 2025 from 59.6 in 2009.

Community and personal service workers are projected to show extensive skills deepening under all three scenarios, with the proportion of workers with no post school qualifications decreasing to four per cent in 2025 from 35.9 in 2009 under Open Doors. This decrease is largely due to strong growth in the proportion of workers with a Certificate III/IV level qualification or a Bachelor degree or higher. Labourers also show considerable upskilling, with strong growth in the proportion of workers with qualifications at the Diploma/Advanced Diploma level or above.

Conversely, clerical and administrative workers are projected to experience an increase in the proportion of workers with no post school qualifications from 35.3 per cent in 2009 to 46.7 per cent in 2025 under Open Doors. However, this occupational group is expected to increase by about 25 per cent under Open Doors, with a large increase in the proportion of workers with no post school qualifications and a decrease in the share of workers with a Certificate III/IV.

**Figure 2 Level of educational attainment in other industry by occupation, 2009 and projections to 2015 and 2025 (%)**





Source: ABS (2009) *Survey of Education and Work 2009* (Cat. no. 6227.0).

## Specialised occupations

In *Workforce Futures*, Skills Australia has proposed that national skills and workforce planning 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.

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 from *Australian Workforce Futures: A National Workforce Development Strategy* at [http://www.skillsaustralia.gov.au/PDFs\\_RTf/WWF\\_strategy.pdf](http://www.skillsaustralia.gov.au/PDFs_RTf/WWF_strategy.pdf).

## 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.<sup>3</sup> Current workforce development initiatives in other services include the following examples:

- ▶ The **Young Retailer of the Year Award** is in its 37th year and run by the National Retail Association and sponsored by the Industry Skills Council Service Skills Australia. The award and event provides a national platform to be recognised by their peers, the retail industry, and the general community for their innovation, career achievements and outstanding performance in their stores. It also rewards excellence amongst young retailers under the age of 25 and promotes retailing as a career for young people. For further information, see [www.serviceskills.com.au/news/nra-young-retailer-of-the-year](http://www.serviceskills.com.au/news/nra-young-retailer-of-the-year).
- ▶ **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](http://www.serviceskills.com.au/volunteers).



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<sup>3</sup> Skills Australia (2010) *Australian Workforce Futures: A National Workforce Development Strategy*.