

Submission Number 8

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Employment in Automotive Component Manufacturing

Current and future employment trends

Employing project managers rather than project engineers. Combining managerial and technical responsibilities into 1 person. This pushes technical ability further down the supply chain and increases supplier accountability. It also attracts engineers who wish to become managers and not stay in engineering.

OEMs are sourcing in low cost countries in Asia. The supply base in Australia is therefore reducing. Job opportunities are therefore reducing. This will only leave opportunities in high tech / innovative use of technology.

CAD requirement is in cycles. Following the OEM cycle plans. CAD people tend to follow the cycles around the world i.e. when a program in Australia finishes Europe or USA will require extra CAD personnel.

Emerging skill shortages

Design and project engineers that are responsible for the implementation of tooling and machinery have no in-depth knowledge of the processes they are dealing with again pushing the technical abilities and accountability down the supply chain.

There are fewer apprentices taken on. Therefore Australia will begin to see a reduction in the availability of such skills as toolmakers therefore creating the need to source tooling and personnel from overseas. This will also encourage the sourcing of components from overseas.

Fewer graduates taken on. As graduates earn less than skilled and semi skilled workers within the same company, there is a reluctance for graduates to stay with the same company for any length of time. This discourages companies from taking on graduates and the subsequent expense of training then in order for another company to benefit. This trend is also due to companies instilling a belief that there is no longer a job for life, employees are now much more comfortable with the idea of investigating other opportunities within the market place.

Labour adjustment (redeployment etc)

Many companies use contractors to fill in during the peaks in the cycle plan rather than smoothing out the cycle. This is demoralising for people who wish to have stable employment and make it easier for companies to relocate work.

Skills development

Most companies concentrate on the skills requires to be competent within their company and not within the industry in general. This is to make employees of limited use to other companies, therefore is companies relocate the work force requires retraining at the taxpayers expense.

Within engineering the skills most favoured and therefore developed are interpersonal and managerial skills. Technical skills are developed in a very narrow field tailored around the companies technical procedures. Real technical ability in the design or manufacture of components is not encouraged or valued.

No mentoring is evident within the industry. This would support the conclusion that older technically competent engineers are not valued; mentoring is more likely to involve shadowing a senior manager for a period of time.

There is no industry recognised standard for engineers other than degree qualified. Even amongst engineers working on safety critical components. The medical, financial and teaching professions around the world have standards and most even require post graduate education, engineers are seen more as a necessary expense than an asset.

An MBA is much more valuable to an engineers career than an MSc or MEng. This, again, will drive down the skill base in Australia and encourage sourcing from overseas.

As more procedures are becoming computer based, a lot more time is spent becoming technically proficient at filling in computer forms and this leaves less time to concentrate on real technical skills