

Motor Vehicle Dismantling and Used Parts Wholesaling in Australia

Key Statistics 2014-15 (IBISWorld 2015)

Revenue: **\$961.2 million**

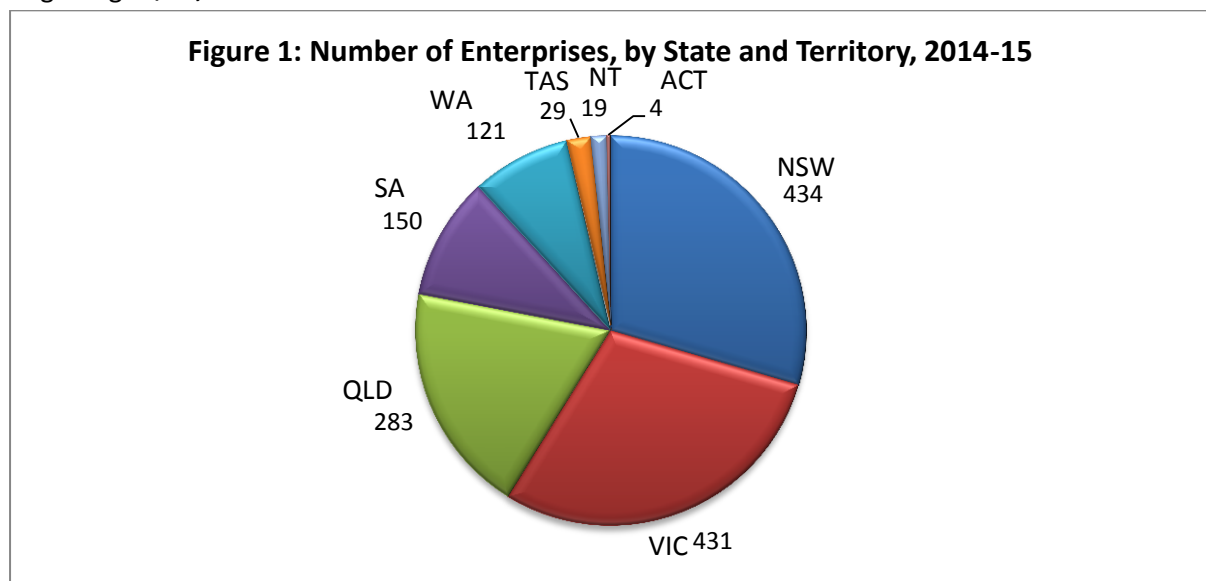
Establishments: **1,472**

Businesses: **926**

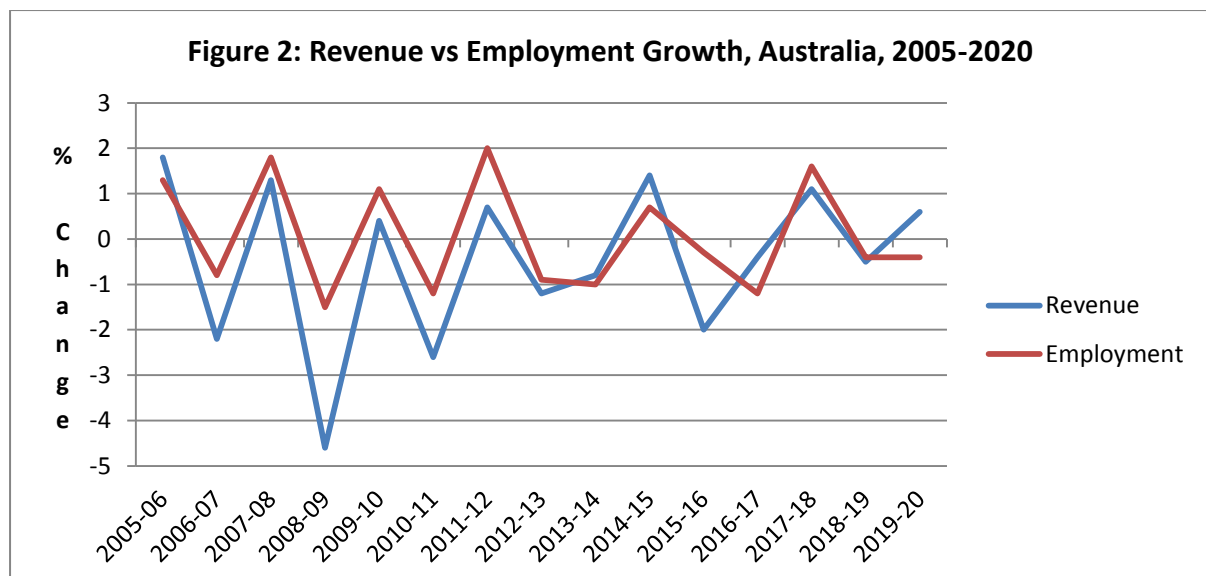
Employment: **3,574**

Avg. Employees per Establishment: **2.4**

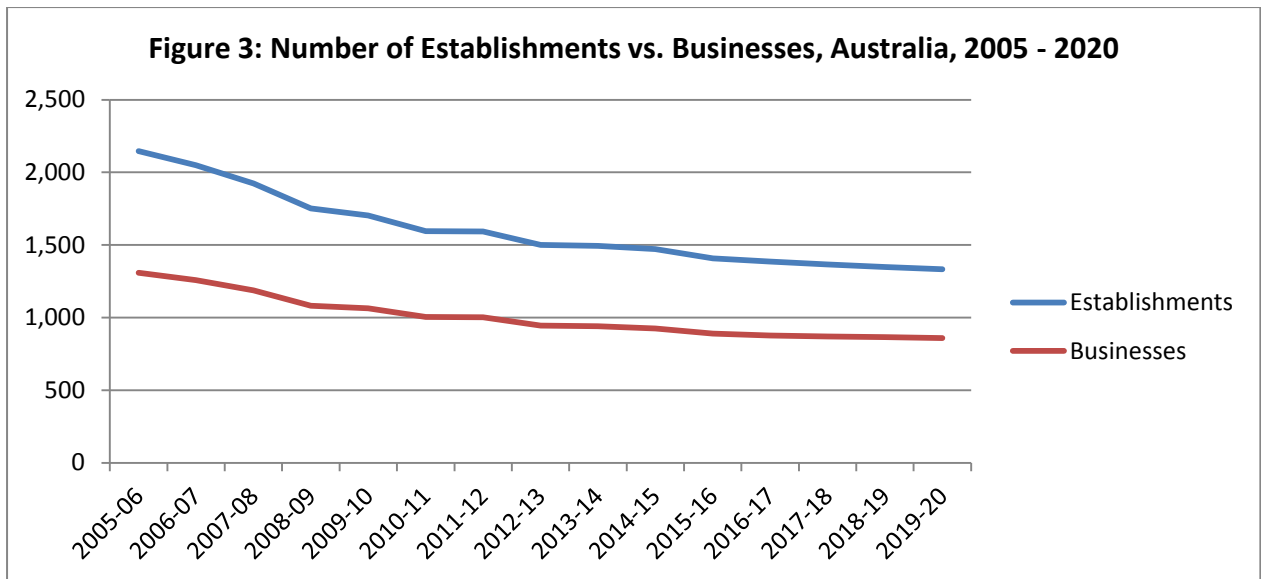
Avg. Wage: **\$41,857.90**



Source: IBISWorld, F3505 Motor Dismantling and Used Parts Wholesaling in Australia, Whytcross, D., Sept. 2014.



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Summary

As shown in Figure 2, revenue and employment growth are heavily influenced by significant changes in the market. The dismantling and used parts wholesaling industry gets revenue through providing used parts to smash repairers and also through the sale of scrap metal.

In recent years, Australian consumers have shown a tendency to purchase new cars, which means that the average age of cars on the road is getting younger. This is not good news for the dismantling and used parts wholesale industry as they rely on used cars to provide replacement parts and repairs. Also, newer cars are likely to come with crash-avoidance technology which lessens the need for smash repairs and replacement parts. However, counter balancing the loss of this revenue is the high demand for scrap metal which is acquired as purchasers of new cars look to get rid of their old cars.

It is forecast that revenue and employment will decline over the next few years, but there does remain a niche market for the dismantling and used parts wholesale industry. As new cars and new technologies flood the market, used parts for older cars will become more difficult to acquire, providing limited opportunities for those still working in the industry.