Automobile Training Board

Manpower Update Report
Automobile Industry
2026



ACKNOWLEDGEMENT

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Introduction

Background

The Automobile Training Board (AUTB) of the Vocational Training Council (VTC) is responsible for determining manpower demand of the industry, assessing whether the manpower supply matches manpower demand, and recommending to the VTC the development of Vocational and Professional Education and Training (VPET) facilities to meet the assessed training needs.

To reflect the dynamics of the evolving manpower landscape, the AUTB conducts a full manpower survey every four years, complemented by two interim manpower updates. Following the release of the full manpower survey in 2023 and the subsequent manpower update in 2025, the AUTB conducted its latest manpower update in 2026.

This 2026 Manpower Update Report comprises:

(a) Focus Group Meeting: This forum convened industry experts to discuss the latest developments in the industry, assess the current manpower situation, identify training needs, address recruitment challenges, and propose actionable measures to overcome obstacles facing the industry; and

(b) Desk Research: An analysis of job advertisements related to the automobile industry was conducted to provide quantitative insights into hiring trends and skills requirements.

Objectives

The objectives of the manpower update are:

(i) to examine the latest trends and developments in the industry;

(ii) to explore the job market situation and training needs;

(iii) to identify the recruitment challenges; and

(iv) to recommend measures to address the training needs and to ease the problem of manpower shortage.

Methodology

Overview

With reference to the 2023 full manpower survey of the automobile industry, this update report aims to provide qualitative descriptions of the recent development of the industry through a focus group meeting, supplemented by referring to quantitative data of online recruitment advertisements obtained from desk research.

Focus Group Meeting

Focus group members are representatives from different industry sectors, including passenger and commercial vehicles dealers, bus companies, garages, vehicle component dealers, an artificial intelligence (AI) company and education institutes. All members are experienced and knowledgeable practitioners of the automobile industry.

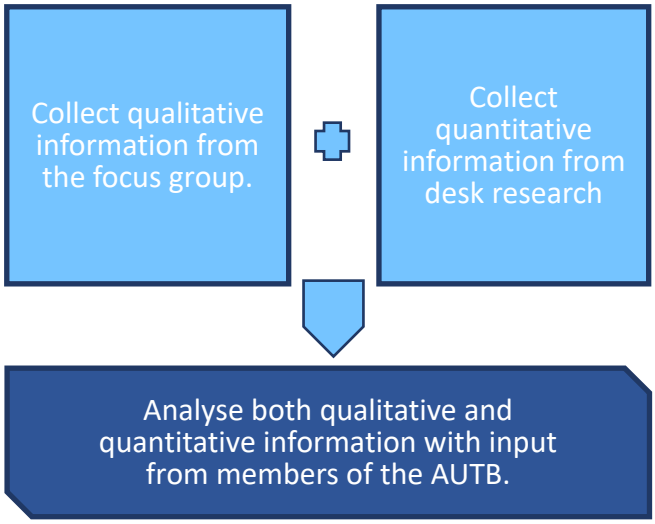
A focus group meeting was conducted on 7 July 2026. A moderator led members to in-depth discussion on topics selected by the Working Party on Manpower Survey of the AUTB. The discussions at the meetings were recorded and transcribed to facilitate analysis.

Desk Research

Recruitment records covering the period between **June 2025 to May 2026** were collected through an employment information system specially developed to capture the relevant data from major online recruitment portals. Some **1,486** recruitment records relevant to the automobile industry were collected during the research period and served as indicative information of the job market trend. The list of related companies under the Hong Kong Standard Industrial Classification (HKSIC) was mapped to remove duplicated records.

Data Analysis

The analysis consists of the following three steps:



Limitations

As this is not a full manpower survey, the findings and recommendations of the focus group meeting are more qualitative in nature, and the report focuses mainly on manpower trends. The information on job advertisements was collected from major recruitment websites and the Labour Department. Other channels, such as head-hunting for managerial positions, were not covered. Since the data collected is a snapshot of a particular period without reference to any historical data, this can serve as reference information supplementary to the findings of focus group meeting.

Findings

Factors Affecting the Development of the Industry

EV Adoption and Market Dynamics

The transition to electric mobility has accelerated markedly. As of May 2026, approximately one in five vehicles[1] on Hong Kong roads was an EV, and new private-car registrations were approaching 90% electric[2]. While sales volumes benefit from competitive pricing—particularly for Chinese Mainland brands—the after-sales ecosystem is struggling to keep pace. Although sales are robust because of high cost-performance ratios, the after-sales and maintenance businesses face acute challenges. The shift to EVs has reduced routine maintenance demand compared with internal-combustion-engine (ICE) vehicles, fundamentally altering the traditional revenue model of dealerships and garages.

In the commercial sector, the picture is more measured. The local heavy-vehicle EV market remains narrow, with only a handful of electric trucks in operation overall though franchised bus operators are moving more decisively. The procurement landscape has been transformed by price competition. While Chinese Mainland manufacturers are eager to enter Hong Kong, the local market's small scale means it is often viewed by them

[1] Environmental Protection Department--Promotion of Electric Vehicles: https://www.epd.gov.hk/epd/english/environmentinhk/air/promotion_ev/promotion_ev.html

[2] BitAuto.hk--Hong Kong's EV Market Remains Strong Even After Subsidy Withdrawal: https://www.bitauto.hk/en/news/10011001152.html

as a strategic stepping-stone to prove right-hand-drive viability for export to other regions rather than as a profitable destination in its own right.

Cross-Boundary Competition ("Northbound Travel")

A dominant theme of the servicing sector is the significant outflow of repair and maintenance business to the Mainland[3]. Routine services can be performed inexpensively across the border, leading to quite a number of customers choosing northbound servicing for non-accident work. Bodywork and painting show an even starker gap. If the northbound trend continues, the local repair sector will shrink progressively.

On the other hand, middle-class owners frequently combine leisure travel in the Greater Bay Area with vehicle maintenance, eroding local workshop volumes even for high-end brands. Independent garages have already been severely impacted. Unless localisation efforts and policy measures counter this leakage, the local repair ecosystem—particularly for independent garages—will contract further.

AI and Digital Transformation

AI applications in diagnostics, predictive maintenance, and sales tools are viewed positively for improving efficiency and safety. The industry sees potential in AI for fault detection and data-driven servicing, though smaller workshops lag due to limited access to manufacturer data and parts. Integration remains uneven, with larger fleets better positioned to adopt these tools.

The bottleneck is not a shortage of AI talent per se, but a shortage of practitioners who possess deep industry know-how and understand how to apply AI to automotive processes. There should be a caution against fully automated decision-making, advocating a “human-in-the-loop” approach for safety and data-security reasons. Data protection has been repeatedly flagged as a major concern with careless handling of connected-vehicle data by insufficiently trained staff could create cybersecurity vulnerabilities.

EV Battery Challenges and End-of-Life Management

As the EV fleet ages, battery-related issues are emerging as a major strategic concern. Workshops currently rely on specialised third-party recyclers to handle damaged vehicles, and the dealer must pay for the

[3] SCMP-- Hong Kong garages feeling squeeze but EVs offer chance for upgrade: https://www.scmp.com/news/hong-kong/hong-kong-economy/article/3309875/hong-kong-garages-feeling-squeeze-evs-offer-chance-upgrade-experts

service. Looking ahead, the industry anticipates a wave of battery replacements that will test the industry's readiness, because traditional vehicle scrapping methods are unsuitable for battery packs. While modular replacement is practised, cell-level repair is virtually non-existent in Hong Kong at present.

For commercial-vehicle batteries, their weight is heavy and require purpose-built workshop infrastructure, special tools, and compliance with fire-safety and manufacturer-specific rules. The prospective introduction of a producer-responsibility scheme for batteries was described as a potentially major cost shock, because the logistics and disposal fees for such large battery packs are not yet factored into local business models.

Local Assembly and Supply Chain Localisation

Government interest in local EV assembly and supply-chain development was welcomed as a strategic opportunity to create high-value jobs. However, practical progress is viewed as limited. Passenger-vehicle assembly is rather labour-intensive and requires large, flexible workforces that Hong Kong cannot easily mobilise. Mainland plants operate with seasonal intensity, drawing on a pool of labour that moves between facilities—a pattern incompatible with Hong Kong's labour market. It is suggested that Hong Kong's more realistic role is to serve as a certification and proof-of-concept hub for right-hand-drive vehicles, leveraging the city's reputation for rigorous operating standards to help Mainland manufacturers enter other export markets.

In fact, supply-chain density is the decisive barrier. Using electronics manufacturing as an analogy, Mainland production benefits from an ecosystem where thousands of components are available within hours; relocating assembly to Hong Kong would lengthen lead times and raise logistics costs, undermining competitiveness even if labour costs were lower.

Regulatory, Infrastructure and ESG Factors

Regulatory and infrastructure hurdles do exist. For charging infrastructure, building a fast-charging station in Hong Kong is economically challenging because land costs dominate the business case, with payback periods potentially stretching to 30 years. Multiple government departments such as Buildings, Lands, Highways, Electrical and Mechanical Services—are involved in approvals, and the lack of a single coordinating body means projects can stall for 18 months or more. Grid capacity is a physical constraint and some workshop locations experience frequent breaker trips when high-power chargers are installed, disrupting operations.

Land-use policy is another structural risk. Most heavy-vehicle workshops and repair depots are located on brownfield sites in the

New Territories. With the Northern Metropolis development plan, many of these sites may be resumed, yet alternative locations with appropriate zoning, environmental permits and space for heavy-vehicle maneuvering are scarce. If depots operate on short-term leases, investing millions in charging hardware is commercially risky.

Parts accessibility for independent workshops remains a further regulatory pain point. Manufacturers often refuse to sell proprietary parts to non-authorised repairers, forcing independents to rely on a shrinking pool of aftermarket or grey-market components.

Manpower Demand

Findings of Desk Research

Out of some **1,486 entries** of recruitment advertisement captured through desk research during the desk research period **(June 2025 to May 2026)**, the respective top five principal jobs with the highest number of recruitment advertisements for vehicle servicing and auto/parts retail sectors were identified. Since the use of online recruitment portals is just one of the recruitment channels, the number of recruitment advertisements captured during the desk research period (i.e., June 2025 to May 2026) is presented as supplementary information for reference only.

Vehicle Servicing Sector

	Top five principal jobs with most job advertisements
1	Vehicle Mechanic (Craftsman Level) (37.9%)
2	Vehicle Body Repairer (Craftsman Level) (11.8%)
3	Car Detailing Worker (Craftsman Level) (10.9%)
4	Service Adviser (Craftsman Level) (10.2%)
5	Vehicle Electrician (Craftsman Level) (8%)

Auto / Parts Retail Sector

	Top five principal jobs with most job advertisements
1	Sales Officer/Executive (Operation/Clerical Support Level) (42.9%)
2	Customer Services Supervisor (Supervisory Level) (14.5%)
3	Parts and Warehouse Assistant/Executive (Operation/Clerical Support Level) (11.7%)
4	Marketing Officer (Supervisory Level) (7.2%)
5	Customer Services Manager (Managerial Level) (4.4%)

Trends

Against the backdrop of rapid technological development and the growing adoption of electric vehicles and AI, vehicle servicing workers should be equipped with the new skill sets. Several job postings now seek talent specialised in EV maintenance, electrical vehicle systems and battery handling. For example, roles like Vehicle Mechanic, Vehicle Electrician and Service Adviser now require proficiency in using computerised tools for inspection and diagnostics, as well as in performing repair work supported by digital systems.

Although the total number of job advertisements in the Vehicle Servicing Sector showed a slight decline, the number of vacancies across the four major job categories (Vehicle Mechanic, Vehicle Electrician, Vehicle Painter, and Vehicle Body Repairer) remained broadly comparable to the previous report, with demand for Vehicle Body repairers increasing.

Meanwhile, vacancies in the Auto/Parts Retail Sector appeared to be approaching saturation, particularly in sales and customer service roles. Nevertheless, demand for talent in parts and warehouse functions continued to grow. As EVs and NEVs are upgraded more rapidly than ICE vehicles, the industry is increasingly seeking parts and warehouse talents whose capabilities are more closely aligned with the evolving needs of Hong Kong's automotive servicing market.

Training Needs

Training institutions are actively incorporating more EV and AI content, but gaps remain in hands-on HVB experience, advanced equipment access, and soft skills development. Collaboration with industry is key to producing work-ready graduates and supporting in-service upskilling.

Overall Training Needs Trends

Training programmes must now balance foundational mechanical knowledge with emerging technological competencies. The establishment of advanced EV training facilities—such as a new EV Maintenance Practice Training Workshop in Tuen Mun—is a positive step. However, curriculum overhaul is a gradual process. The entire programmes cannot be flipped immediately, but content on EV systems, software protocols and charging-station communication is progressively integrated.

Beyond component-level repair, practitioners need stronger competence in complete vehicle systems (electronic control architectures, battery management systems and integrated diagnostics).

AI-Related Training Needs

AI-related training should focus on practical application rather than abstract theory. Training should target data interpretation, digital tool operation and an understanding of the limitations of current AI systems. The industry should identify labour-intensive, time-consuming processes that could be automated, and ensure that staff are trained in data-security protocols and "human-in-the-loop" oversight rather than ceding full control to algorithms.

EV Battery, High-Voltage and Special Equipment Training Needs

High-voltage safety remains the most urgent priority. Battery-handling training must cover end-of-life protocols, modular replacement and safe isolation.

In addition, practitioners require training on the correct selection, safe use and maintenance of specialised equipment (insulated tools and PPE, battery lifting platforms, advanced diagnostic scanners, manufacturer-specific software and workshop isolation systems). Many independent workshops still lack ready access to these tools.

Language, Communication, Soft Skills, and Customer Service

English and Putonghua have become critical technical skills. Diagnostic tools, service menus and manufacturer documentation are overwhelmingly in English, while real-time troubleshooting with Chinese Mainland suppliers increasingly occurs via Putonghua-language channels such as WeChat. Beyond technical skills, employers stressed the need for communication, teamwork and customer-facing competencies.

Customer-service elements have become essential that service advisers and front-line staff must translate complex diagnostic findings into clear explanations, manage repair expectations and handle warranty or cross-boundary queries. Desk-research data confirm strong demand for Service Adviser and related roles.

Collaboration and Practical Experience

Industry–education collaboration has repeatedly been endorsed. Internships, joint projects and manufacturer attachments remain vital. Band 2, Band 3 and SEN students often possess strong hands-on aptitude.

While the railway sector operates under separate frameworks, certain transferable competencies (high-voltage battery handling, systems diagnostics and predictive maintenance) are relevant to commercial-vehicle and bus operators. Limited cross-sector awareness can help address common skills gaps.

Recruitment Challenges

Attracting and retaining talent is difficult due to the trade's image, long apprenticeships with slow progression, and competition from other sectors or the Mainland. Young people, especially higher-achieving students, often reject "garage work".

Overall Recruitment Challenges Trends

Recruitment difficulties span all levels, from apprentices to experienced technicians. Retirements consistently outpace new hires, and the existing workforce is shrinking in real terms. Many described the sector as “severely disconnected” by age, with few entrants in their 20s or 30s. Some argued that apprenticeship intakes have been slow down because of uncertain workload, and that even when vacancies exist, the pool of qualified applicants is shallow.

Industry Image and Generational Disconnect

The industry’s image was identified as a root cause of recruitment failure. In Hong Kong, the repair trade is still perceived as a low-status, low-income “garage worker” occupation, whereas in Europe and North America, it is regarded as a skilled, well-compensated profession. Parents actively discourage children from entering the trade.

Working conditions compound the image problem. Commercial vehicle repair often requires lying under vehicles in dirty, cramped environment conditions that young people find unappealing compared with office-based or cleaner technical roles. The working environment of traditional garages is generally unpleasant, although the shift to EVs may eventually reduce exhaust fumes and heat, potentially making the environment more attractive.

Talent Replacement and Integration Issues

Apprenticeship structures are failing to retain youth. Apprentices frequently abandon the trade before completing their programmes because of the remuneration, long training periods and slow salary progression. Some graduates who do complete training find that independent garages prefer experienced hires and are unwilling to invest in onboarding fresh graduates. The rise of northbound servicing further depresses the attractiveness of local repair careers. As local workshop volumes shrink, job security and earning potential diminish, discouraging new entrants and prompting experienced staff to leave the sector altogether.

Challenges in Attracting Tech-Driven Talent

Participants noted that graduates often lack practical exposure to high-voltage battery systems and AI-driven diagnostics. Introducing professional certifications—analogous to cybersecurity credentials—could help elevate the industry's image and provide clear competency benchmarks. Brand-specific EV certifications are already required for staff to touch high-voltage components, but these are not universally available or recognised across the industry.

Many SEN students excel in practical tasks but face systemic barriers. Targeted outreach and adapted training pathways could tap this underutilised talent pool. However, the overall consensus was that until the industry's public image shifts from "traditional manual trade" to "technology-driven profession," attracting digitally native young people will remain difficult.

RECOMMENDATIONS

Collaborative measures involving the joint efforts of training institutions, Government, employers, and graduates/employees are essential to address shortages and align with the trend. To attract talent and meet the future development of the industry, the following measures are recommended:

Training Institutions

- Deepen EV and high-voltage curricula: further integrate high-voltage battery safety, battery-technology fundamentals, diagnostics and end-of-life handling into pre-employment and in-service programmes. Ensure that courses keep pace with modular replacement protocols and manufacturer-specific isolation procedures, not only generic theory;
- Embed practical modules on specialised equipment (insulated tools, diagnostic scanners, lifting platforms) and complete vehicle systems (control architectures, communication protocols, integrated diagnostics);
- Embed AI and data competencies: Incorporate practical modules on diagnostic data interpretation, connected-vehicle cybersecurity basics and "human-in-the-loop" AI oversight. Training should emphasise what current digital tools can and cannot do, avoiding hollow marketing concepts;
- Strengthen language and soft-skills training: equip students with technical English (for diagnostic

interfaces and manufacturer documentation) and Putonghua (for supplier communication). Add structured training in workplace communication, customer service and technical report writing;

- Expand advanced facilities and industry attachments: utilise new facilities such as the Tuen Mun new-energy training centre to provide hands-on experience with modern EV architectures. Intensify career talks, workshop visits and image-building initiatives targeting Band 2/3 and SEN students, and their career masters, to counter negative perceptions of the trade; and

- Develop portable professional certifications: work with manufacturers and government bodies to create tiered certification pathways (e.g., for high-voltage safety, battery handling, AI-tool operation) that are recognised across brands and that signal professional status to employers and the public.

Government

- Clarify land and infrastructure policy for automotive workshops: ensure that brownfield sites currently hosting heavy-vehicle repair facilities are not indiscriminately resumed under development plans without providing alternative locations with appropriate zoning, space and environmental permits;

- Streamline charging-infrastructure approvals: establish a single coordinating authority or dedicated project office to cut across Buildings, Lands, Highways and Electrical and Mechanical Services departments, reducing the approval timeline for charging installations;

- Accelerate support for local EV value-chain activities: where full assembly is not feasible, focus policy support on high-value nodes such as battery research and development, right-hand-drive certification, and advanced diagnostics hubs that leverage Hong Kong's international connectivity;

- Strengthen the Voluntary Registration Scheme: consider transitioning the Voluntary Registration Scheme for Vehicle Mechanics and Vehicle Maintenance Workshops toward mandatory or tiered registration that includes EV-specific categories. Link registration to demonstrated competency in high-voltage safety and battery handling to incentivise upskilling and reassure consumers; and

- Address cross-boundary service leakage: review whether targeted local policies—such as consumer-protection disclosures, warranty conditions or local-servicing incentives—can help sustain a viable local repair ecosystem against unsustainable northbound price competition.

Employers

- Invest in mentorship and clear progression pathways: structure dual-stream career ladders that allow technically minded staff to advance from mechanic to foreman and engineer, while also creating supervisory and administrative tracks. Visible progression improves retention and signals professionalism to new entrants;
- Improve compensation and working conditions: offer competitive remuneration that reflects the technical complexity of modern vehicle repair. Invest in workshop climate control, ergonomic equipment and safety gear to reduce the physical deterrents that discourage young people;
- Partner with training institutions on internships and curriculum co-development: provide real vehicles, diagnostic cases and exposure to specialised equipment and customer service roles;
- Adopt and internalise AI tools strategically: rather than treating AI as a replacement for technicians, deploy digital diagnostics and predictive-maintenance platforms as upskilling tools that create value-added roles. Ensure that staff are trained to use these tools securely and effectively; and
- Support professional image-building: Promote the industry as a technology-driven career choice through open days, social-media campaigns and participation in vocational recruitment events. Encourage senior staff to engage with schools as industry ambassadors.

Graduates and Employees

- Actively pursue EV, high-voltage and special equipment certifications: acquire recognised credentials in high-voltage battery safety, EV diagnostics and digital tool operation. Treat continuous certification as a core professional obligation, not an optional item;
- Develop language and adaptability and customer service skills: commit to improving technical English and Putonghua proficiency to interface directly with manufacturer systems and Mainland suppliers. Cultivate communication and teamwork abilities to thrive in interdisciplinary, technology-driven workshops;
- Embrace lifelong learning: attend manufacturer-led upskilling courses, seminars and trade-test preparation programmes. Stay current with evolving battery chemistries, software updates and cybersecurity protocols; and
- Explore diverse career settings: seek experience across independent workshops, authorised dealerships, fleet operators and public-transport

undertakings to build a broad skill base. Understand that long-term career security lies in adaptability and multi-disciplinary competence rather than single-brand specialisation alone.