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The Chair
Education and Employment Legislation Committee
PO Box 6100
Parliament House ACT 2600

Via email: eec.sen@aph.gov.au.

Dear Chair

RE: Jobs and Skills Australia Bill 2022 [Provisions] and the Jobs and Skills Australia (National Skills Commissioner Repeal) Bill 2022 [Provisions]

The Australian Chamber of Commerce and Industry (ACCI) appreciates this opportunity to provide comment to the Education and Employment Legislation Committee on the the *Jobs and Skills Australia Bill 2022* and the *Jobs and Skills Australia (National Skills Commissioner Repeal) Bill 2022*.

From the outset we think it is important to note that it is our understanding that the *Jobs and Skills Australia Bill 2022* is a Bill to create an interim agency. In this context, it is somewhat disappointing that these non-controversial bills have been delayed and sent to a Committee Inquiry. We understand that to create the interim agency the legislation around the National Skills Commissioner needs to be repealed, and that a second piece of legislation at a future time will be introduced that will create the permanent agency once the Jobs & Skills Summit and further consultation has taken place. ACCI looks forward to taking part in both the Summit and this consultation.

ACCI fully supports this legislation and encourages Parliament to pass it as soon as possible so as to not impede the agenda of providing a more holistic approach to workforce planning and valuable collaboration between governments and industry.

ACCI and our members have long called for dedicated labour market analysis to understand the current and future skill needs of the economy and subsequent policies to deliver those skills. We acknowledge the good work that began under the National Skills Commission, however there were some shortcomings within that structure that this new agency, particularly in its final form, will hopefully give us an opportunity to address.

ACCI has already engaged in discussions with stakeholders and Government on the potential role Jobs & Skills Australia can play, and sees no barrier presented by the implementation of an interim JSA to the proposed final form of Jobs & Skills Australia.

To provide some guidance to the Committee as that potential role, but without limiting the prospect of future consultations, we see that the objectives for the permanent Jobs and Skills Australia (JSA) could include:

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- To develop and update a national workforce development strategy on a regular basis to identify workforce skill needs based on the provision of an ongoing, robust, evidence-based and independent picture of:
 - Current and future skills needs for Australia at a regional and national level.
 - Investment in and outcomes from tertiary education
- Provide advice to Australian Governments on options to strengthen the VET system, including funding, to make it easier for students, training providers and employers to understand and access VET and to ensure that workforce skill needs are met.
- Increase transparency around the VET system.
- Approve and endorse VET Training packages.

In addition, there should be the creation of a national apprenticeship advisory board sitting under JSA. There is a real imperative for the voices of industry to be front and centre in this policy area. The proposed board would provide valuable guidance for both the short- and longer-term structures of apprenticeships. The scope of the advice could also embrace apprentice pathway courses, including VET delivered at schools and pre-apprenticeships, which work best when tailored on an industry-by-industry approach. The Board would also be well positioned to examine any issues in the apprenticeship system that are creating barriers for take-up by either the employer or the job seeker. Should state and territory governments agree, the board could eventually oversee a national approach to apprenticeship qualifications and consider new industry requests for qualifications to be recognised for delivery as apprenticeships and traineeships.

Further, a biennial National Workforce Development Strategy needs to part of the JSA to examine in depth Australia's current, emerging and future workforce skills needs. And it should also consider the supply side of the system and make recommendation about the performance and adequacy of the supply side to meet the demand. With the proposed approach to strategic workforce planning through Industry Skills Clusters, there is an opportunity to formalise the link between the Clusters and the JSA with collective effort to produce a biennial National Workforce Development Strategy.

It is vital that under the JSA that there is a consolidation of labour market analysis and forecasting to ensure decisions regarding skills and training needs, skilled migration occupation lists and employment policy and programmes are well informed by data and evidence from state/territory and national levels and, most importantly, industry.

These Bills are a pathway to putting in place an effective, independent (in its final form) body. ACCI recommends that the Committee support these Bills.

Yours faithfully,

JENNY LAMBERT

Director, Economics, Employment & Skills