



**Australian
Chamber of Commerce
and Industry**

ABN 85 008 391 795
T: +61 2 6270 8000
info@acci.com.au
www.acci.com.au

11 April 2023

Committee Secretary
Senate Education and Employment Committees
PO Box 6100
Parliament House
Canberra ACT 2600

eec.sen@aph.gov.au

Dear Committee Secretary

RE: Jobs and Skills Australia Amendment Bill 2023 [Provisions]

The Australian Chamber of Commerce and Industry (ACCI) appreciates this opportunity to provide comment on the Jobs and Skills Australia Amendment Bill 2023 [Provisions].

ACCI has shown significant support for the initial establishment of Jobs and Skills Australia (JSA). There has been active engagement with the government and other stakeholders regarding its final establishment and arrangements. ACCI is broadly supportive of the legislation as it addresses many of the outcomes we were seeking, however there remain a few unresolved areas.

ACCI maintains its position, in line with our previously stated joint stance with AI Group and the Australian Councils of Trade Unions, that JSA should be an independent statutory body governed by a multi-disciplinary, independently chaired board. This is in line with previous statements by the Prime Minister and Ministers that had envisioned the organisation as being based on Infrastructure Australia. Instead, the bill will see JSA operate as a statutory body within the Department of Employment and Workplace Relations, led by a Commissioner reporting directly to the Minister. ACCI understands that budget constraints have prevented the establishment of an independent statutory body, but notes there will be a review of JSA undertaken within a two-year period and hopes this will present an opportunity to revisit the independence of the structure.

The bill will see the formation of a Ministerial Advisory Board consisting of a Chair; two members representing the States and Territories; three members representing employee organisations; three members representing employer organisations; and not more than four other members. The function of the Ministerial Advisory Board will be to advise the Minister and the JSA Commissioner in relation to the performance of the functions of the JSA. ACCI is concerned the establishment of a bloc of four board members who will, by virtue of numbers, carry more weight than the rest of the board. ACCI is concerned that the ability of the JSA to adequately represent the concerns of the business community will be diluted by the presence of a significant bloc of four Members outside the employer/employee representative groups.

Canberra
Commerce house
Level 2
24 Brisbane Avenue
Barton ACT 2600
PO Box 6005

Melbourne
Level 2
150 Collins Street
Melbourne VIC 3000

Sydney
Level 7
8 Chifley Square
Sydney NSW 2000



ACCI supports the creation of the Ministerial Advisory Board. In relation to the proposal for three employer organisation representatives ACCI contends that it should be one of the representatives. ACCI is Australia's largest and most representative business association, and the largest representative body of small business. Our members consist of all state and territory chambers of commerce, which between them represent 430 local chambers. ACCI also represents over 70 national industry associations. ACCI speaks for Australian businesses of all shapes and sizes, across all sectors of the economy, and from every corner of our country; we have an unparalleled understanding of the challenges and opportunities facing businesses.

Further, ACCI believes that a representative from the skills training sector with an understanding of training delivery from the provider perspective across a range of contexts is critical in the effective composition of the JSA board. We support the creation of specialist and representative sub-committees to be established for distinct work/priority areas of JSA as required, such as an apprenticeship advisory group.

ACCI strongly supports the inclusion in the bill of the below paragraph to be inserted after 9(1)(c), detailing the key work JSA will lead:

- to identify labour market imbalances and analyse the demand and supply of skills;
- to analyse skills needs and workforce needs, including in regional, rural and remote Australia, and in relation to migration;
- to undertake studies, including on opportunities to improve employment, VET and higher education outcomes for cohorts of individuals that have historically experienced labour market disadvantage and exclusion;
- to contribute to industry consultation forums.

ACCI is pleased with the inclusion of migration, as it is imperative from a business productivity and sustainability perspective that JSA undertake this analysis. This is particularly the case with respect to the skilled intake and the capacity of international students to engage in Australia's labour market more fully during and after their primary study. The explanatory memorandum states that JSA will provide analysis and advice concerning skills needs and priorities, and VET and higher education pathways and outcomes. This is essential work that will hopefully ensure decisions regarding skills and training needs, skilled migration occupation lists, and employment policy and programmes are well informed.

Importantly, with the implementation of the Jobs and Skills Councils (JSCs), the work they will be undertaking directly correlates to the work of JSA. ACCI notes the bill has for longevity sake not directly mentioned the JSCs, rather it is the memorandum which makes mention of JSA consulting with JSCs on a range of topics. The wording covering the connection of JSA and JSCs could be strengthened further. The JSCs will be reviewing the very detailed needs for their industry and should be providing that information to JSA. An additional formalised link between the JSCs and JSA should be



established through the creation of an advisory body of the CEOs, or nominated executive, from each of the JSCs.

The JSA will be undertaking research in a sector that has other existing established entities and the JSCs will become operation at the same time. It is essential that the work JSA undertakes does not crossover or duplicate that of established organisations.

While it is not covered in this legislation, ACCI would ultimately like to see JSA undertake the role that was previously administered by the Australian Industry and Skills Committee (AISC). The Committee was responsible for overseeing the accredited training system, including the formal endorsement of training products, as well as advice on skills and training policy. These functions have gone to the Department of Workplace Relations for an interim period, and they should eventually be incorporated into JSA.

ACCI considers JSA crucial in propelling the entire education and training system, and enhancing workforce planning through collaboration with employers, unions, and the education and training sector. The commencement of the permanent, ongoing structure will help aid the work that has already begun, however the overall success of JSA rests on the involvement of industry voice and input at every level.