

10 February 2023

Jobs and Skills Australia Discussion Paper  
Department of Employment and Workplace Relations  
Via email: [jsaengagement@dewr.gov.au](mailto:jsaengagement@dewr.gov.au)

**Re: Jobs and Skills Australia**

Thank you for the opportunity to provide a submission to the Australian Government's consultation on the proposed structure and functions of Jobs and Skills Australia.

**About the Tech Council of Australia**

The Tech Council of Australia (TCA) is Australia's peak industry body for the tech sector. The tech sector is a key pillar of the Australian economy, contributing \$167 billion per annum to GDP and employing over 860,000 people. The sector includes activity in direct tech industries such as Computer System Design, and tech workers in indirect industries like Finance, Professional Services, Retail or Agriculture. Together, the tech sector is equivalent to Australia's third largest industry, after mining and banking, and Australia's seventh largest employing sector.

Our Digital Employment Forum (DEF), convened jointly with the Digital Skills Organisation, brings together TCA members along with major employers in five other sectors of the economy and with universities. For tech employers from all sectors, skills shortages are a significant constraint on their business growth and technology development. Together with the Australian Government, we have a goal of growing tech employment to 1.2 million tech jobs in Australia by 2030 – and ensuring a strong understanding of workforce supply and demand will be critical in supporting Australia to reach this goal.

**Job and Skills Australia**

Jobs and Skills Australia (JSA), as an independent statutory body governed by a commissioner model, and drawing on a range of evidence and intelligence, will play a vital role in supporting Australia to understand and address whole-of-economy skills and workforce challenges.

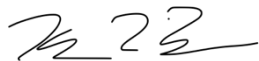
The JSA discussion paper reflects a range of feedback obtained during the initial consultations in 2022, particularly expanding the scope of JSA and strengthening the range of inputs, engagement and consultation – including the establishment of a tripartite advisory body, and outlining a strong focus on leveraging stakeholder expertise.

While these changes will improve the ability of JSA to perform its key functions and provide advice to government, there are further opportunities for JSA to drive innovation in skills and workforce analysis, and to maximise the public benefit from Government's significant investment.

This submission makes a number of recommendations relating to ensuing transparency in the operation and advice of the tripartite advisory body, the potential for JSA to trial new approaches beyond ANZSCO, and to leverage the newly established Jobs and Skills Councils and key industry partnerships in setting national priorities.

We appreciate the opportunity to contribute to the structure and functions of Jobs and Skills Australia, and would welcome further engagement on these issues should you require any further information.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Tom McMahon', written in a cursive style.

**Tom McMahon**  
Deputy CEO, Tech Council of Australia

## Executive Summary

### **Summary of Recommendations**

1. **Strengthen Jobs and Skills Australia's ability to provide authoritative advice, by:**
  - a. Ensuring transparency of the advice provided by the tripartite advisory body through transparent selection processes and the publishing of minutes and subsequent advice to the Jobs and Skills Australia Commissioner.
2. **Enhance Jobs and Skills Australia's ability to deliver its functions, by:**
  - a. Leveraging the detailed policy work currently being undertaken through the Employment White Paper to inform and drive priorities of Jobs and Skills Australia;
  - b. Ensuring that collaborative relationships between JSA and the Jobs and Skills Councils is two-way and informs national priorities (in addition to top-down informing sectoral priorities);
  - c. Establishing key relationships with industry stakeholders to improve access to data and insights, which are more responsive than national government data sets
  - d. Utilising JSA's 12-month workplan to signal to tripartite partners, experts and other interested parties of upcoming major studies and opportunities to be involved, to inform project-specific engagement plans;
  - e. Consider testing new approaches to workforce and skills analysis – for example working with industry to develop a responsive concordance between industry-recognised roles and ANZSCO.
3. **Strengthen JSA's engagement and ways of working, by:**
  - a. Leveraging industry partnerships, including those through Jobs and Skills Councils and industry bodies to connect with a broader range skills and industry stakeholders;
  - b. Providing access to a combination of insights and reports, and interactive data tables and data visualisation to best inform stakeholders.

### **Key Issues**

- The proposed structure, functions and ways of working reflect feedback provided by stakeholders during consultation in 2022. Overall the paper outlines a good model that will support Jobs and Skills Australia (JSA) to succeed in delivering advice on workforce and skills priorities to Government, however could be strengthened in some key areas – particularly to support employers and individuals to benefit from JSA.
- The proposed tripartite advisory body will provide a broad range of perspectives to JSA, and while not a decision-making body, it will have significant influence in shaping priorities for JSA. It will be important that the advice from this body is

provided in a transparent manner, to underpin broad support for JSA, and the subsequent decisions from governments and stakeholders drawing on JSA advice.

- While the discussion paper sets out a collaborative relationship between JSA and the 10 Jobs and Skills Councils (JSCs) to inform sectoral workforce needs, this relationship should be two-way. Ensuring industry intelligence and advice is available to complement data and research is critical – and should be considered a mandatory input in setting national priorities. This could be achieved through a case-management model, whereby formal relationships are established between JSA officials and JSCs, and supplemented by JSA’s ongoing consultation with key stakeholders outlined in the discussion paper.
- JSA’s broader engagement could be facilitated by working through JSCs and industry bodies to connect with workforce and skills stakeholders, and also through publishing the upcoming work plan to support stakeholder awareness of upcoming projects. This approach would complement the approach set out in the discussion paper – including through the development of specific stakeholder engagement plans for major projects.
- JSA should seek to establish partnerships with key stakeholders that can supplement JSA’s data sources and intelligence. In many cases industry is better placed to provide workforce demand data (including planning and modelling which haven’t yet translated into national government data sets), and insights drawn from their own data collections – which can inform skills demand and supply.
- JSA has a tremendous opportunity to connect between industry and national data sets – in particular ANZSCO and the Australian Skills Classification. The Government has been undertaking a program of updates to ANZSCO, but given that ANZSCO is such a central taxonomy, there will naturally be limits to how responsive it can be. JSA has an opportunity to work with industry to leverage existing data and taxonomies – including those used internationally and with multilateral organisations. JSA also has opportunities to work with industry to develop data sets that provide a trusted concordance between ANZSCO and contemporary industry roles. This would help balance responsiveness to reflect industry realities, and stability within ANZSCO.
- Finally, JSA will not be able to deliver on the level of ambition outlined in the discussion paper without establishing key industry partnerships and direct engagement with the end-users of our skills and education system – individual businesses. JSA should seek to leverage partnerships with industry (who have established networks) to connect with a broader range of stakeholders – both to inform JSA work, and also to build awareness and use of JSA advice and products. These products could be a combination of insights/reports, and interactive data tables and data visualisation tools – whether developed within JSA or where JSA seeks to leverage existing tools from industry partners.
- The Tech Council is excited by the establishment of JSA, and looks forward to working with the Government to support improvements to strategic workforce planning and development.

## JSA Structure and Governance to provide authoritative advice

### Tech jobs goal and workforce profile

The Australian technology sector is a key foundation of our modern economy and society, and a major employing sector. The number of tech jobs in Australia has grown by 66% since 2005, nearly double the rate of the economy average, and in 2020-21, the industry employed 861,000 Australians and contributed \$167 billion in economic output.

Tech jobs exist across the economy, in every state and territory, in every industry – from government, health, finance, retail, mining, professional services, and software and digital companies. They are amongst the most well paid, secure and flexible jobs in the Australian economy, and offer a diverse range of different careers.

The Tech Council and the Australian Government have a shared goal to grow tech employment to 1.2m tech jobs in Australia by 2030, and support more Australians from all backgrounds into them.

The Tech Council has undertaken analysis to forecast the workforce needed to meet this goal.<sup>1</sup> To achieve our shared 1.2 million tech jobs goal, we estimate Australia will need a net 650,000 people to enter tech jobs by 2030 (see **Figure 1**). This figure allows for both the creation of new jobs, and the loss of workers through retirement or transitions to alternate jobs. This will require 186,000 additional workers (40 per cent increase) above business-as-usual trends.

This analysis was only possible by drawing on government and industry data sets, coupled with significant industry intelligence provided by members and partners through ongoing consultation. It provides a clear objective, and has been powerful in aligning effort across industry and government. Jobs and Skills Australia presents the opportunity to drive strategic workforce development across the economy, and help government, industry and individuals to make more informed choices.

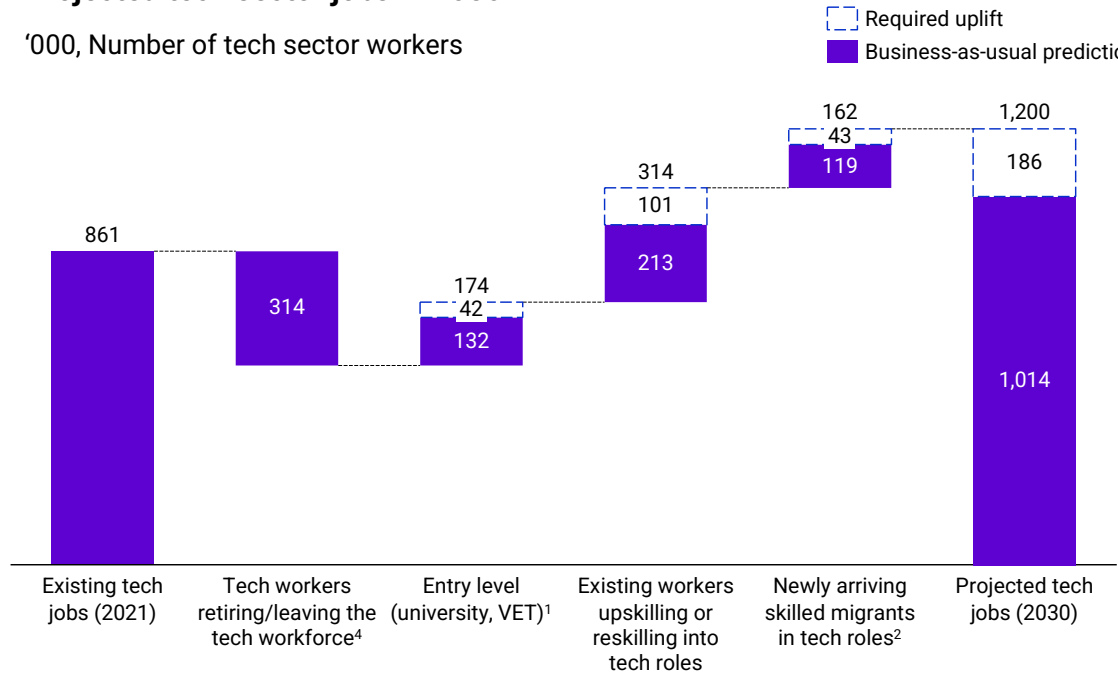
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<sup>1</sup> Tech Council 2021, [Roadmap to Deliver One Million Tech Jobs](#)

**Figure 1: Projected tech sector jobs in 2030**

**Projected tech sector jobs in 2030**

'000, Number of tech sector workers



**Key observations**

- To reach 1.2m jobs by 2030, there will need to be an **additional 186,000 tech workers** above our 2030 business-as-usual prediction
- It is expected that 314,000 tech workers will retire or change jobs over the next 10 years, further increasing demand for workers
- To meet the employment targets, the tech sector will need to employ the following over the next decade:
  - An additional 42,000 graduates will be required, above and beyond the expected 132,000 graduates from VET and tertiary institutions.
  - An additional **101,000 Australians will need to move into tech roles, through reskilling and upskilling**. This could include employing individuals from a broader range of training and educational backgrounds who have core skills needed by the sector (e.g. statistics, engineering, sales) and can be efficiently upskilled to make them ready for tech sector jobs.
  - An additional 43,000 skilled migrants will be required, above the typical intake.

Sources: ABS, DESE, NCVET, Department of Home Affairs, ACS Digital Pulse, Accenture analysis



## **Jobs and Skills Australia**

The Tech Council understands that Jobs and Skills Australia is proposed to be established as a statutory authority, under a commissioner model and supported by a tripartite advisory body to inform and shape strategic priorities. The structure proposed in the discussion paper will help Jobs and Skills Australia to achieve its objectives, however there are opportunities to strengthen elements of the model to improve the effectiveness of JSA.

### ***Recommendation 1 a) Ensure transparency of the advice provided by the tripartite advisory body through the publishing of minutes and subsequent advice to Jobs and Skills Australia.***

The tripartite advisory body will help provide broad perspectives, and complement the range of other inputs to inform the work program of Jobs and Skills Australia. The tripartite nature will help provide balanced views, and the selection of representatives on the council will help ensure a strategic perspective. To underpin continued public and industry confidence in JSA, it will be important that the advisory body is transparent in the selection and expertise of members, and in the advice provided by the body. This could be achieved through publishing selection criteria and decisions around appointment, minutes and advice from the body to the Commissioner.

The Tech Council notes the review of public sector boards announced by Senator the Hon Katy Gallagher, Minister for Finance, and while the process of appointing representatives to the advisory body is still to be determined – including whether appointments are made by the Minister or through some other mechanism – the review is expected to be completed by the middle of the year, and may offer early insights to inform the establishment of the tripartite advisory body.

The discussion paper also outlines the potential for the appointment of project-based deputy commissioners to draw on specific expertise. It is not clear from the paper the relative merits of appointing to formal (if temporary) deputy commissioner roles, versus engaging these senior, pre-eminent experts simply as project leads.

## **JSA functions and ways of working**

### **Expanding Jobs and Skills Australia's functions**

Expanding the functions of Jobs and Skills Australia, particularly to support whole-of-labour market approaches (and not just limited to the skills and training system) is incredibly important to inform national workforce priorities. The list of expanded functions in the discussion paper are ambitious – and there may need to be some advice provided on the relative priority of each of the proposed functions to assist Jobs and Skills Australia deliver on government's expectations. For example, authoritative advice on national and local level labour market trends will help inform

responses to support specific cohorts – and help other major stakeholders, such as employers, to make informed decisions.

### **Ensuring Jobs and Skills Australia’s advice is informed by stakeholder perspectives**

The Tech Council supports the proposed high-level approach of JSA development of an annual workplan, informed by a range of inputs and perspectives, and seeking to balance urgent priorities and future focused research. From a first-principles perspective, when considering urgent workforce pressures or regions in distress – this needs to be placed in the medium-longer term perspective. Workforce development initiatives take time – and it may be too late for JSA to have any meaningful impact on an immediate workforce issue. That is not to say urgent priorities should not be considered – rather there should be a preference for future-focused insights, and supporting stakeholders to make informed decisions.

### ***Recommendation 2 a) Leverage the Employment White Paper to inform and drive the priorities of Jobs and Skills Australia***

The Australian Government’s Employment White Paper, anticipated to be released by the end of September 2023, will provide a roadmap informed by extensive consultation and comprehensive policy development work currently underway. The White Paper has the potential to chart a path to building Australia’s highly skilled workforce, and productivity growth to benefit of all Australians – including women’s economic participation and gender equality.

The Tech Council’s submission to the Employment White Paper consultations set out a number of recommendations focused on addressing structural issues in our education and migration systems – which while focused on technology – offer useful insights relevant to any emerging, highly skill sectors – which will become more prevalent as Australia’s economy continues to transform.

The Australian Government is incorporating a range of inputs into the Employment White Paper process – data and evidence, international comparisons and stakeholder engagement, and it will be critical that JSA’s operations and priorities leverage this work.

### ***Recommendation 2 b) Ensure that collaborative relationships between JSA and the Jobs and Skills Councils is two-way and informs national priorities (in addition to top-down informing sectoral priorities);***

The discussion paper underscores the priority that Government is placing on JSA being able to establish the right relationships to help achieve its objectives, and a range of different engagement mechanisms. The Tech Council is highly supportive of this collaborative approach – however there are some areas which would benefit from further refinement to assist JSA establish productive relationships with a range of stakeholders.

This includes collaborative relationships with Jobs and Skills Councils (JSCs) – and the direct link established by Government in late 2022 between these organisations and JSA. The discussion paper identifies the importance of JSA informing JSCs’ work in identifying sectoral workforce needs – however the relationship between



JSA and JSCs should be two-way; in that sectoral trends inform national priorities, and national priorities then flow through to sectoral responses. The industry intelligence that will become available through JSCs is critical to supplement the available data and research – and should be considered a mandatory input to JSA priority setting, including the development of the forward workplan and specific projects.

This type of relationship will take time to mature – and could be facilitated by a case-manager model within JSA who would be accountable for engagement (and is a single entry point) for JSCs, which would supplement the broad range of engagement approaches proposed in the discussion paper.

***Recommendation 2 c) Establish key relationships with industry stakeholders to improve access to data and insights, which are more responsive than national government data sets***

In addition to strengthened relationships with JSCs, it will be important that JSA establishes relationships with key industry stakeholders to ensure it is able to draw on the best possible data, research and industry intelligence. Industry input will be critical to help understand or provide context beyond the data analysis – and help to build an understanding of what is driving the workforce trends and strengthening insights from the analysis.

There are already indications that JSA is seeking to engage strongly with a broad range of stakeholders – the consultative approach underway on the Australian Skills Classification is a good example of how JSA is looking to draw on industry advice and input to improve their products and advice. While this could be supplemented by more ongoing engagement over time – the officials at JSA are making progress on improving the organisation’s products and advice.

In addition to providing industry intelligence and helping to make sense of the data, industry is closer to the frontline in terms of workforce demand – with workforce planning and scenarios that have not yet appeared in the national government data sets. There are also excellent examples of industry data sets which can inform workforce and skills supply – which can help drive responsiveness in JSA’s analysis – and JSA should look to create collaborative and strategic partnerships where it boosts JSA’s capabilities.

This broader engagement, and connecting with key industry stakeholders that have specific capabilities, could be facilitated by JSA working through JSCs and industry peak bodies, to leverage their networks and connect with key employers and workforce and skills stakeholders.

***Recommendation 2 d) utilise JSA’s 12-month workplan to signal to tripartite partners, experts and other interested parties of upcoming major studies and opportunities to be involved and inform project-specific engagement plans;***

In addition to leveraging networks to identify key stakeholders that can assist JSA to achieve its goals, publishing a forward-looking workplan will be useful in helping stakeholders ‘self-identify’ for projects which are of interest. This could operate in a

similar manner to annual government procurement plans – as a signal to stakeholders of what is coming. This identification of expertise and interest, coupled with input from industry peaks, JSCs and strategic partners will help to inform the project-specific engagement plans that will be developed by JSA.

***Recommendation 2 e) consider testing new approaches to workforce and skills analysis – for example working with industry to develop a responsive concordance between industry-recognised roles and ANZSCO.***

JSA has an incredible opportunity to drive innovation in how we understand skills and workforce needs, and to provide a bridge between current industry demands/definitions, and national taxonomies such as ANZSCO.

The ABS has been undertaking great work to refresh ANZSCO, and support responsiveness to new and emerging occupations. However, given that ANZSCO is such a central taxonomy – used for a diverse range of purposes, and so interlinked with different systems – there will be limitations to how flexible ANZSCO can be.

JSA has the opportunity to provide greater responsiveness and innovation – while still preserving ANZSCO’s centrality.

This could include working with JSCs and key stakeholders to develop taxonomies that reflect contemporary roles within industry, specific-purpose analysis or products to understand sectoral skills trends, or to provide a trusted concordance between these taxonomies and ANZSCO.

As these more innovative approaches mature – it could then be transitioned into ANZSCO proper. It will take time to develop these approaches – but a focus on innovation and responsiveness should be a key value of JSA.

## **Boosting JSA’s engagement and outreach**

***Recommendation 3 a) Leverage industry partnerships to connect with a broader range of skills and industry stakeholders;***

The clear focus on working collaboratively with a range of stakeholders will be instrumental in supporting JSA to deliver impactful advice and public value. These relationships will deliver benefits beyond informing JSA’s advice and evidence base – they will also provide additional channels to help more Australians benefit from JSA.

Specific outreach could include dedicated information sessions and briefings on JSA products – to support stakeholders to understand the advice or product, and how to use them to deliver the greatest value. This would enable real time feedback on the products and how they’re used, build a broader community of Australians who are familiar with the products of JSA, which in turn will support additional input and intelligence – and advocacy. This targeted face-to-face engagement should be complemented by online user guides and information.

***Recommendation 3 b) provide access to a combination of insights and reports, and interactive data tables and data visualisation to best inform stakeholders***

JSA's authoritative advice could be instrumental in supporting coordinated workforce planning across different sectors of the economy. For example, the work the TCA conducted, in conjunction with Accenture and our partners in the Digital Employment Forum, was focused on tech jobs across the economy (rather than within a vertical industry slice). JSA will be in a position to identify the horizontal relationships for workforce and skills, in particular support additional information on workforce supply (which is difficult to identify from existing national data sets). The relationship between skills, occupations and industries may offer new insights that are not currently readily identifiable from national data collections.

In addition to accessible data tables, interactive data analysis and visualisation tools will be very powerful in generating insights – and accompanying reports that are more comprehensive if stakeholder wish to understand the analysis in more detail.

When considering how to engage and share insights, products and analysis with stakeholders, JSA should also seek to leverage existing tools – for example skills analysis or pathways tools, or products and channels which are already in use by the target audience. This will ensure tools are up to date, and avoid duplication or fragmentation of effort.

## **Conclusion**

The establishment of JSA is an exciting time for Australia, and has the potential to support greater awareness, labour market efficiency and dynamism, and coordinated action to address national skills priorities.

The model proposed in the discussion paper has significantly incorporated feedback from earlier consultations, however the proposed model could be further strengthened - particularly in relation to key partnerships with industry and to trial new and innovative approaches to workforce and skills analysis.

The Tech Council looks forward to supporting the establishment of JSA, and supporting JSA's engagement with our membership of Australia's leading tech companies, and with major tech employers through the Digital Employment Forum.