



**Innes Willox**, Chief Executive  
**Ai Group Limited**  
Level 5, 441 St Kilda Road  
Melbourne VIC 3004 Australia  
PO Box 7622  
Melbourne VIC 3004 Australia  
Telephone: 03 9867 0111  
Fax: 03 9867 0199  
[www.aigroup.com.au](http://www.aigroup.com.au)  
ABN 81 632 926 099

9 February 2023

The Hon Brendan O'Connor MP  
Minister for Skills & Training  
PO Box 6022  
House of Representatives  
Parliament House  
Canberra ACT 2600  
Via email: [Brendan.OConnor.MP@aph.gov.au](mailto:Brendan.OConnor.MP@aph.gov.au)

Dear Minister O'Connor,

Thank you for the invitation to provide input into the establishment of Jobs and Skills Australia (JSA). Ai Group is firmly committed to the successful establishment and operations of JSA. This new entity has the potential to drive a strategic and future facing agenda around workforce development and Australia's skilling system. The need to address skilling issues has never been more pressing, but we cannot focus only upon the immediate term. We need evidence-based policies and strategies designed to build a highly skilled inclusive workforce for decades to come.

Ai Group has previously welcomed the broadening of the remit of JSA to be economy-wide, thereby providing advice that includes both the vocational and higher education sector. Ai Group views the inclusion of the higher education system within advice provided by JSA as a positive and necessary step given the JSA's all-encompassing role on Australia's skills and training needs and workforce priorities. However, the JSA must ensure that its advice is data-driven and reflects a balance between the needs of the VET and higher education sectors.

Ai Group has always been of the view that Jobs and Skills Australia is best established as a statutory authority. This would enable appropriate independence from government and the strengthening of the industry voice. This positioning would provide the opportunity for clear and strong leadership from JSA fitting for the challenges ahead. We do, however, note that the government has stated JSA, at least in its early stages, will be a statutory body. Despite the legal nature of the entity, it will be important that JSA reports and communicates more broadly than its commissioning minister. A communications and reporting matrix across federal portfolios and among state and territory jurisdictions will be a central strategy in maximising both impact and engagement.

The preferred tripartite approach to the establishment of Jobs and Skills Australia's Advisory body is strongly supported. This is an opportunity to assemble a high performing, deeply connected body with balanced representation to help drive strong outcomes for Jobs and Skills Australia. While it is proposed that this body be advisory rather than determinative, it needs to be given strong terms of reference and real challenges to contribute to. This opportunity to develop mutual commitment across a breadth of stakeholders to future facing solutions is rare and must be maximised.

The two main functions of JSA, listed as 'providing advice' and 'providing reports' should be strengthened to ensure the body functions with a proactive mindset and does not restrict itself to responsive or contained project-based activity. The stated functions could be more explicit about the influence they have on the skills, education and training in Australia. These functions could also be strengthened to 'provide advice and insight to inform current and emerging priorities, policies, strategies and funding.'

Effective and explicit stakeholder engagement will be critical to the success of JSA. Expectations are high as is the appetite for activity and reform. JSA will have to be adept in meeting these expectations. JSA will have to intersect with all of its partners in both traditional and innovative ways. Strong and formal liaison with Jobs and Skills Councils would further strengthen this. Explicit recognition of and engagement with place-based groups, communities and supply chains to understand skills and training needs would be a highly valuable additional strategy.

Ai Group supports the common themes, as articulated in the discussion paper. We do, however, note important consideration needs to be given to JSA's data gathering functions. These functions will crucially provide the foundations for many funding and policy decisions ahead. We note that JSA is identified as having a '*central role in workforce planning and career advice, while also coordinating skills, employment and migration settings*'. We remain strongly of the view that the role of JSA in relation to migration is to collect and analyse the data. The decisions relating to the actual migration settings must remain the domain of the Minister of Home Affairs. JSA would provide input to that decision-making, but it would not 'coordinate' migration settings. It would be one of a number of agencies and sources of information used by the Department of Home Affairs in determining priorities for skilled migration.

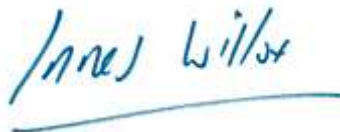
In addition to collecting data to inform migration lists, JSA should also be proactive in collecting data to inform apprenticeship incentives. When gathering data for skills shortage lists and skills needs for apprenticeship incentives, it is essential JSA provides stakeholders the opportunity to give direct input. Ai Group supports the current method of using online job vacancy data and consequent surveys of employers to determine skills shortage lists and then supplementing that by consultations with stakeholders who keep their own data. However, many smaller stakeholders are unaware of the process. A more proactive approach to contact industry associations will help ensure that smaller sectors and 'niche' occupations do not drop off lists because of low numbers.

The JSA can also build upon the work of the NSC by collecting a broader and more comprehensive dataset and providing flexible data downloads that enable users to conduct their own analysis and modelling. This could follow best practice from the ABS, whereby data is released under various specific themes on a regular basis (i.e., ABS Business Conditions and Sentiments). In these releases the ABS provides analysis – ‘insights’ – while making the full data pack available for download. The open availability of data (deidentified and aggregated) will allow stakeholders (researchers/analysts) to delve into the available datasets to resolve unique and targeted questions that are specifically relevant to their needs.

In terms of breadth of data and analysis, it should be a primary focus to recommence the enormously important Employment Projections (particularly a return to forecasting analysis and not the watered-down projection analysis that has been produced in recent releases) completed through the Labour Market Information Portal (LMIP). The highly skilled forecasting ability that resides within the JSA should be fully utilised to draw in the labour market data available throughout the Government’s departments and agencies to develop a comprehensive map of Australia’s current and future skill/employment needs.

We are happy to further discuss matters to do with Jobs and Skills Australia as required. As previously stated, we are committed to its successful establishment and operations.

Yours sincerely

A handwritten signature in blue ink that reads 'James Wilcox'. The signature is written in a cursive style and is underlined with a single blue stroke.