



Industry Engagement Reforms

Frequently Asked Questions

Why have the industry engagement arrangements changed?

Strengthening the role of industry and empowering them to drive reforms to Australia's vocational education and training (VET) system is key to ensuring employers and individuals can access the right skills at the right time.

Industry needs a strong, strategic voice in VET to drive collaboration across sectors, address strategic workforce challenges and to ensure qualifications are developed and updated faster to meet the evolving needs of industry.

Jobs and Skills Councils (JSCs) will need to build strong partnerships with Registered Training Organisations (RTOs) to ensure delivery issues are considered early in training product design, and to ensure training and assessment practices meet employer needs.

A strengthened industry voice in VET will mean qualifications align with the skills that are in demand now and into the future, leading to increased workforce productivity and more learners in secure jobs. It will ensure VET is seen as an optimal choice for learners, alongside higher education and other tertiary options.

Reinvigorating the VET system at a time of global economic uncertainty, will also support individuals to re-train and re-skill to find and to stay in work, through courses that link with and build on their existing experience and training.

More information on the new Jobs and Skills Councils including the features and functions of [the new industry engagement arrangements](#) and the roles and responsibilities of stakeholders is available.

Why is workforce planning the centrepiece?

Workforce planning is the strategic centrepiece for JSCs and establishes essential context for each of the other functions. Workforce planning will underpin JSC intelligence-gathering to inform strategic priorities and will be a critical focus for JSCs to guide strategic planning.

The key objective of workforce planning is to understand current, emerging and future workforce challenges and opportunities, including skills gaps and shortages, for all sectors within an JSC's remit (including small and niche industries), and to develop appropriate strategies and provide advice to address diagnosed challenges. Understanding workforce challenges and opportunities requires JSCs

to ascertain how adequately the supply of skilled labour is meeting the demand for skilled labour, for a given workforce.

The department has developed a *Workforce Planning Guidance* document to support a consistent approach to workforce planning for JSCs. This includes a Workforce Planning Framework, providing a conceptual approach to support the diagnosis of workforce challenges and opportunities, and the development of associated strategies, as well as a standardised workforce planning process. JSCs are encouraged to use the document to support their workforce planning efforts.

Can the JSCs do training product development work in year one?

Following the comprehensive transition and wind down of the previous arrangements in 2022, the national training system is largely up to date. While it is not expected that there will be significant training product development work undertaken by JSCs in 2023, the department understands there may be specific circumstances where training product development work needs to progress more quickly.

While the department's expectation is that JSCs will prioritise workforce planning and development of an Annual Activity Schedule as the basis for identifying and prioritising training product development and/or necessary updates, operational JSCs can progress training product development work in Year One where they identify a need. This work can be done prior to the JSC completing and submitting an initial workforce plan.

Standards set by Skills Ministers and Training Product Assurance

What are the standards set by Skills Ministers for training product development?

Skills Ministers have responsibility for the [Training Package Organising Framework \(TPOF\)](#), which specifies all the design, development and process requirements related to training products. The Framework is comprised of the following policies:

- Standards for Training Packages ('the Standards') – the overarching design and development requirements of training products
- Training Package Products Policy (TPPP) – the design rules that must be adhered to when developing or modifying a training product
- Training Package Products Development and Endorsement Process Policy (TPPEPP) – the process for developing and seeking the endorsement of training products.

The updated TPOF is designed around a continuous improvement model driven by consultation with stakeholders. The Ministerial Statement within the TPOF sets out Skills Ministers' policy vision for user-centric and well-designed training products that, among other considerations, should facilitate pathways between education sectors and promote transferrable skills and labour market mobility.

Performance and expectations of the JSCs

What is Cross-Council collaboration?

There are expectations that JSCs will work collaboratively as a national network and will ensure consideration of whole of economy workforce needs.

To support a consistent and joined-up approach to addressing workforce challenges, including skills gaps and shortages, JSCs will need to work together to align workforce planning processes and, where relevant, collaborate on research, analysis, and the development of strategies.

Collaboration mechanisms will be built into the system, for example, in the form of Cross-Council CEO network meetings and events/forums. JSCs are also encouraged to independently engage with each other particularly when it comes to discussing issues that cross sectors, for example, where clean energy workforce planning includes manufacturers, mechanics, turner and fitters, and electricians.

JSCs will work collaboratively to improve the speed of developing and updating training products and implement innovative solutions to meet evolving learner and industry needs.

What does Cross-Council collaboration mean for training product development?

The updated training product development process requires JSCs to collaborate with each other on workforce planning and any cross-sector training product development activities. This will be supplemented by formal cross-council meetings that will assist JSCs to perform their functions and help develop a shared understanding of the training product development system.

Additionally, the independent assurance body will assess training products and the process followed to develop them to ensure consistent compliance against the requirements of the [Training Package Organising Framework](#) across the JSC network. Any updates to the structure of training products will occur with extensive consultation with all VET stakeholders and the JSC network to ensure changes are understood and applied consistently.

How are the JSCs different to the previous arrangements?

The current reforms are the latest iteration of industry engagement models in VET that have evolved and developed over many decades since the introduction of competency-based training and the establishment of Industry Training Advisory Bodies (ITABs) in the late 1980s. There were 29 ITABs operating across all jurisdictions funded by respective state governments.

In 2003, Industry Skills Councils (ISCs) were established to replace the ITABs following a decision by Commonwealth and states and territories to create a nationally coordinated training system. Eleven ISCs formed representing all major industry groupings of a modern economy. These ISCs had a broader role than the ITABs in providing strategic advice and intelligence, policy formation, workforce planning and development.

In 2016, these ISCs were disbanded. Sixty-seven Industry Reference Committees (IRCs) and six Skill Service Organisations (SSOs) were established to replace the 11 ISCs. SSOs were independent, professional service organisation funded by the Commonwealth to support IRCs who were conduits through which industry intelligence was gathered to guide the development and review of training packages.

The new industry engagement arrangements build on the previous arrangements with the 10 new JSCs being established to replace the IRCs and SSOs. As a national network of industry-owned and industry-led organisations, the 10 JSCs will provide strategic leadership in addressing skills and workforce challenges, aligning effort across industries to improve system responsiveness, build stakeholder confidence and drive high-quality outcomes for the VET sector, learners and business.

Clear expectations and governance requirements are articulated in the Code of Conduct, to ensure that JSCs bring all parties to the table to find solutions to skills and workforce challenges. JSCs will work across the system and need to draw on and complement the activities of other established JSCs and other stakeholders, including Jobs and Skills Australia and the States and Territories.

JSCs and other VET stakeholders

Could the department provide further clarification on how JSCs will work with Jobs and Skills Australia?

JSCs will work closely with Jobs and Skills Australia (JSA) to align workforce planning for their industry sectors, creating a uniform understanding of the skills landscape and developing appropriate strategies to address workforce challenges and skill gaps. This is an essential first step in determining job roles, skills needs and training pathways. This industry specific intelligence from the JSCs combined with the economy wide data, intelligence, forecasting and modelling from JSA is crucial in making sure industry has the right workers with the right skills that Australia needs.

I'm a small business, how will our workforce and skills needs be addressed?

To deliver on their responsibilities and achieve their objectives, JSCs will need to incorporate voices led by industry including businesses both large and small at the national, urban, regional and rural level. JSCs will build and maintain broad, deep and ongoing industry connections to understand the experiences and needs of small business.

To fulfil their industry stewardship function and carry out effective workforce planning JSCs will be required to demonstrate how they have engaged with and reflected the needs of small business.

JSCs will operate across the VET system to support effective partnerships between business and training providers to harness commitment and support for VET reforms and improved outcomes for learners and employers.

JSCs will also work with and through key business organisations including the Council of Small Business Organisations Australia (COSBOA) to ensure the needs of small business are being addressed.

I'm a Registered Training Organisation (RTO). How can I be involved?

JSCs are expected to actively engage with RTOs to ensure training delivery and assessment meets employer and learner needs, career pathways are mapped and promoted, and the impact of training is monitored.

RTOs may be included in JSCs membership arrangements and at the sub-committee level.

The strategic taskforces, sub-committees and technical committees will be pivotal to bringing a strong, strategic industry voice to the work of the JSCs and will lead work drawing on intelligence and insight across industry to inform and advise on the strategic approach of the JSCs board and ensure delivery of critical functions.

How will the new industry engagement arrangements support the delivery of training and assessment?

A key responsibility of JSCs will be to drive improvements in the development and delivery of training and assessment. To achieve this, JSCs will collaborate with RTOs and across the training sector to connect national training products with delivery of training 'on the ground' and longer-term workforce development.

JSCs will work together with RTOs to develop resources for training providers, trainers, assessors and employers to improve training and assessment practices, including in-workplace assessment. They will work in collaboration with and support RTOs by developing learning materials and other resources to improve the delivery of training to meet workforce and skills needs, particularly within small or 'thin' markets such as regional, rural and remote areas.

How will licensing bodies/regulators be engaged?

Licensing bodies and regulators will be engaged at key points throughout the training product development process.

JSCs must consult with regulators and relevant government authorities (incl. licensing bodies where applicable) in developing an Annual Training Product Development Plan to ensure a shared understanding of the scope of the work and proposed project timeframes.

Regulators are able to provide early advice to JSCs on key stakeholders to be engaged, potential implementation issues and scheduled regulatory changes, which may have an impact on training product development.

Licensing bodies and regulators will also be consulted during the drafting of training products as members of technical committees stood up by JSCs and it is expected that JSCs will genuinely consider the expertise provided.