



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.

Jobs and Skills Councils (JSCs)

What are JSCs and what will they do?

The Australian Government has committed to delivering a collaborative, tripartite VET sector that brings employers, unions and governments together to find solutions to skills and workforce challenges.

Jobs and Skills Councils (JSCs) are being established to provide industry with a stronger, more strategic voice in ensuring Australia's VET sector delivers stronger outcomes for learners and employers.

As a national network of industry-owned and industry-led organisations, 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.

JSCs will identify skills and workforce needs for their sectors, map career pathways across education sectors, develop contemporary VET training products, support collaboration between industry and training providers to improve training and assessment practice and act as a source of intelligence on issues affecting their industries.

JSCs will work closely with Jobs and Skills Australia (JSA), drawing on JSA's workforce analysis and projections to undertake planning for their industry sectors, creating a uniform understanding of the skills landscape and how skill gaps can be addressed.

Who are the JSCs?

There will be 10 JSCs established through the two-stage grant opportunity process. The successful Stage One JSCs were announced in December 2022 and will become progressively operational by mid-2023 as each of the JSCs move through Stage Two of the Grant Opportunity.

The DEWR Industry Engagement Reforms website will be updated as each JSC becomes operational, including links to each JSC.

Is there an update on the Education (including Foundation Skills) industry sector- the TAE and FSK Training Packages?

Following Skills Ministers' endorsement on 24 February 2023, the work of the Education (including Foundation Skills) JSC will be handled through an interim process while longer term arrangements are considered.

The department has established a small time-limited TAE/FSK Training Package Technical Reference Group (TRG) to assist the department with the TAE and FSK training packages. The department will work with States and Territories and VET industry stakeholders to consider longer-term arrangements for the vocational education sector, both in the context of broader skills reforms and the new industry engagement arrangements.

Technical queries regarding the TAE and FSK Training Packages can be sent to <mailto:TrainingProductQueries@dewr.gov.au> until longer-term arrangements are settled. Please refer to the [DEWR Industry Engagement Reforms homepage](#) for the contact details of those JSCs training providers can contact directly for training product queries.

What are the four functions of the JSCs?

Once fully established, the JSCs will have four core functions as follows:

Workforce Planning

Workforce Planning is the strategic centrepiece for JSCs and informs the other functions. Workforce planning will underpin intelligence-gathering for strategic priorities and will be a critical focus to guide strategic planning. When undertaking workforce planning, JSCs are expected to address workforce challenges through strategies to identify, forecast and respond to skills needs across a range of educational pathways, including VET and higher education.

Training Product Development

Training product development requires JSCs to develop training products in line with standards set by Skills Ministers to improve the quality, speed to market and responsiveness of training products.

JSCs will undertake training product development on the basis of comprehensive workforce analysis, the development of occupation profiles and mapping of career and education pathways.

JSCs will work with RTOs to ensure delivery issues are considered early in training product design. They will collaborate across other JSCs to rationalise units of competency and improve the speed to market.

Implementation, Promotion and Monitoring

JSCs will partner with training providers and organisations to align workforce planning objectives and national training products with career advice and 'on the ground' training delivery.

They will work closely with training providers, employers, unions and regulators to develop training products and resources that improve training and assessment practices.

Industry Stewardship

JSCs will act as a source of intelligence on workforce issues affecting their industries and provide advice on national training system policies. In undertaking their industry stewardship role, JSCs will maintain broad, deep and ongoing industry connections to understand the experiences and needs of employers, training providers and learners.

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 (TPPDEPP) – 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, amongst other considerations, should facilitate pathways between education sectors and promote transferrable skills and labour market mobility.

What is the Training Package Assurance function?

All training product development work will be reviewed to ensure it meets the standards set by Skills Ministers under the TPOF. This will be conducted through an independent Training Package Assurance Function to provide increased transparency, accountability and confidence to VET sector stakeholders that training package products have been independently reviewed.

More information on the training package assurance function can be found [here](#).

Performance and expectations of the JSCs

What is the Integrity Framework?

The [Integrity Framework](#) was endorsed by Skills Ministers on 24 February 2023 to establish clear expectations, guidance and good practice for the conduct and oversight of industry engagement in the VET sector.

JSCs empower industry to provide strategic leadership on skills and workforce challenges and its vital that JSCs both secure and maintain the confidence of all stakeholders to deliver their functions.

There are also a number of key documents that support this Integrity Framework, including the [Code of Conduct](#), the [Program Guidelines](#) and the [Performance Framework](#).

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. 11 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. 67 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.

JSCs Governance arrangements

JSCs have been established with strong governance arrangements that both support and provide a high level of industry engagement for the sectors within their remit.

JSCs are expected to be tripartite. This will be demonstrated by employer organisation and union representation on JSC governance (Board composition, membership structures) and operational arrangements (strategic taskforces, sub-committees and technical committees). Participation by employer organisations and unions is intended to be fair and equitable.

The Commonwealth is responsible for administering the program and Skills Ministers collectively have a critical role as stewards of the VET system. Together, government will work in genuine partnership with JSCs to ensure program outcomes are met.

JSC membership should facilitate the fair and equitable representation of different stakeholder interests.

Good corporate governance underpins the establishment and ongoing support of strategic taskforces, sub-committees and technical committees within an JSC, bringing together industry and training stakeholders to advise the Board and support the organisation to deliver its activities.

Strategic taskforces, sub-committees and technical committees drive the strategic direction and deliver on the broad range of functions of the JSCs, providing strategic advice to the Board to support their decision-making. This includes validating JSC plans, deliverables and reporting.

Sub-committee membership will reflect the scope and purpose of these bodies and a range of stakeholders, including subject matter experts, educational experts (including from RTOs), and state and territory representatives with relevant expertise.

Diverse stakeholder views and representation, including employer and employees, are to be captured at the taskforce and sub-committee levels across respective industry sectors and stakeholders.

What are the governance arrangements for the JSCs?

Each JSC has the flexibility to determine the governance, organisational and sub-committee structures that best meet the needs of their industries and enable them to deliver on their critical functions. However, there is a clear expectation that all stakeholders have the opportunity to be involved in the work of the JSCs, which may include through formal governance arrangements such as the membership structures, the strategic taskforce and technical sub-committee levels or through broader stakeholder engagement mechanisms.

Boards must have a combination of industry-specific expertise with deep connections to industry, and professional board expertise. This will support independent decision making, while still ensuring all industry players have confidence in the JSC itself.

The [department issued a clarification in September 2022 that set out the expectation and provides guidance for governance arrangements at the board, membership and subcommittee levels.](#)

Grant Opportunity Process

Why were there two stages in the grant process?

The grant process is being undertaken in two stages to provide industry leaders with an opportunity to self-organise and establish a specific, industry-based organisation with appropriate responsibilities, sub-structures and industry support.

Stage One of the Grant Opportunity opened on 3 December 2021 and closed on 31 March 2022.

Stage Two of the Grant Opportunity commenced in December 2022 and is a closed non-competitive process where successful Stage One applicants are invited to apply for Stage Two and provide an operational and delivery strategy for how they intend to undertake the full functions of a JSC.

Why are the JSCs being established this way?

There are several benefits to establishing JSCs this way including:

- provides transparency as applicants will be assessed on common criteria and selected on merit.
- provides JSCs with sufficient time to establish and undertake workforce planning prior to taking on other functions.

Why did you change the name of the program?

The name Industry Clusters was only intended as an interim name for the program. The decision to change the name to Jobs and Skills Councils (JSCs) was taken to reflect the broader remit of these organisations to help address skills shortages and broader workforce challenges.

The JSCs will also have a strong connection to Jobs and Skills Australia aligning with the Australian Governments vision for the new industry engagement arrangements.

Why are these JSCs groupings different from what was released in the Grant Opportunity?

As part of the Stage One Grant Opportunity, a nine Cluster model was proposed as a starting point. However, it was recognised, that flexibility would be required for industry to self-organise and identify the grouping best aligned to the skills needs of their sectors. Industries were provided the opportunity to propose alternate arrangements through the grants process and the final composition was determined as part of Stage One.