



Skills and Workforce
Ministerial Council



National Skills Plan

Building a skilled Australia
through Vocational Education
and Training

We acknowledge the Traditional Owners and Custodians of Country throughout Australia and acknowledge their continuing connection to land, water, and community. We pay our respects to the people, the cultures and the elders past and present. We acknowledge First Nations custodianship of 65,000 years of knowledge, skills and learning systems.

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Section 1

Skills and Workforce Ministerial Council Foreword

Skills and Workforce Ministers are pleased to release Australia's first *National Skills Plan*, developed under the 5-year National Skills Agreement, which progresses joint stewardship of the national vocational education and training (VET) system.

This *National Skills Plan* sets out the vision of Skills Ministers for VET across the country and how we will work together to achieve the shared goals of the National Skills Agreement. National Cabinet's endorsement of the National Skills Agreement in 2023 represented a step change in how we work together to achieve reforms and deliver policies and funding for VET that will benefit all Australians.

The National Skills Agreement recognises the critical role of the VET system in providing pathways to secure, well-paid work and building the skills Australia needs. VET is key to addressing many critical workforce shortages and ensuring all Australians benefit from our national prosperity. National

cooperation, through a new stewardship approach and shared priorities, is critical to address challenges in a lasting way. Intentional, informed leadership and national planning, guided by industry knowledge, evidence and true collaboration, will ensure our VET sector is greater than the sum of its parts. By working together over the next 5 years, state, territory and Commonwealth governments – with our First Nations partners and other partners across the sector – will deliver industry relevant skills. The national priorities agreed in the National Skills Agreement will provide a focus for these efforts and for early shared action to deliver people the skills to achieve national ambitions across a future made in Australia, the net zero transformation, construction, housing, digital and technology.

VET has long been a vital pathway for Australians to gain the skills they need to participate in the workforce and our society more broadly. Over 4 million Australians participate in VET each year. This is around a quarter of the working age population. Two million students participate in full programs and the balance in short courses. The reforms set out in this Plan recognise the critical importance of ensuring the VET system meets students' needs and will support more students, particularly students facing disadvantage and adults needing help to build their foundation skills, to access and benefit from VET. We are also delivering more opportunities for Australians to re-skill and upgrade their skills to respond to our changing economy and labour market.

Australia's VET sector, including the quality of teaching, is fundamentally strong and respected by employers and throughout the community. With the reforms in this plan, the VET sector will be well placed to deliver a skilled workforce to meet the needs of a more advanced, digital focused and decarbonised economy. To deliver a stronger VET sector we must also promote the value of VET and increase participation in the sector.

TAFEs are valued and trusted public institutions at the heart of our VET sector. Our nationally networked TAFE Centres of Excellence will be centres of innovation, that are responsive to industry and help deliver a skilled workforce that meets the needs of critical and emerging industries. They will engage industry and academic experts in the design and delivery of education and training and bridge the gap between VET and higher education. The National TAFE Network and TAFE Centres of Excellence will also increase the focus on teaching and learning practice by sharing innovation and best practice across the nation which will support the broader uplift of TAFEs.

Complementing TAFE is a vibrant and diverse sector of independent private and community providers, including Aboriginal Community-Controlled Organisations and those that operate in regional and remote communities.

Skills Ministers are strongly committed to Closing the Gap and improving VET outcomes for Aboriginal and Torres Strait Islander people. This commitment is reflected in the Closing the Gap national priority and the policy initiatives contained in the National Skills Agreement which seek to embed the priority reforms of the National Agreement on Closing the Gap. Strengthening the Aboriginal Community-Controlled VET sector will be critical to achieving the objectives of both the National Agreement on Closing the Gap and the National Skills Agreement.

This *National Skills Plan* is not a set-and-forget plan, recognising change takes time and priorities shift. As efforts under the National Skills Agreement mature and evolve, we will continue to engage with industries and stakeholders. National bodies like Jobs and Skills Australia (JSA) and Jobs and Skills Councils (JSCs), TAFEs, private and not for profit providers of nationally accredited training, students, First Nations peoples, industries, employers, unions and community representatives must all play their part to shape and advance the skills sector. The next 5 years will see positive change in the way all governments collaborate and work together, including tripartite engagement and collaboration with key stakeholders from across the community.

This *National Skills Plan* sets the course for the first stage of the National Skills Agreement and builds on what is working well and responds to new needs. Nine individual jurisdictional action plans will be published later this year, outlining each government's strategy for achieving the vision in this *National Skills Plan*.

*Skills and Workforce Ministerial Council,
September 2024*

A new national approach to delivering Australia's skills needs through the National Skills Agreement

MEETING THE NEEDS OF INDIVIDUALS, INDUSTRY AND THE COMMUNITY

VET System Architecture

National Priorities 2024-2028

Industry & Workforce Evidence

Cross-cutting National Priorities: Gender Equality and Closing the Gap

Gender Equality – the VET sector is inclusive, safe and supportive for women and supports flexible education and training delivery.
Closing the Gap – embed the four Priority reforms in VET system stewardship, achieve Closing the Gap targets and provide culturally safe training.

Cross-cutting Policy Initiatives: Improving Completions and Foundations Skills

Improved completions – especially for priority groups - Improve student outcomes and completion of studies with a focus on priority groups and strengthen relationships between employers and apprentices and trainees.
Foundation Skills – support for Australian adults facing foundation skills challenges to access the quality training they need, with a 'no wrong door' experience for learners.

TAFE at the heart of a diverse, vibrant high-quality skills and training sector will target action to deliver national priorities and embed best practice teaching and learning, including:

- Nationally networked TAFE Centres of Excellence (NSA initiative) in national priority areas, that are innovative, responsive to industry and help deliver a skilled workforce that meets the needs of learners.
- National TAFE Network (NSA initiative) to develop and support the TAFE workforce and education practice; develop shared curriculum and course materials; pilot new or innovative approaches to teaching and learning; and facilitate engagement with stakeholders. The National TAFE Network is a key mechanism for both TAFE Centres of Excellence and delivering a strengthened VET workforce.

Grow and support a quality VET workforce to ensure the long-term sustainability of the sector

- VET Workforce Blueprint (NSA initiative) that provides a roadmap for national, local, training provider and industry action to support and grow a sustainable VET workforce.

Quality and Integrity

- Suite of reforms to strengthen the quality and improve the integrity and regulation of the sector, including improved RTO Standards, stronger Fit and Proper Person Requirements and working with ASQA to build their capability and capacity.

Enhanced VET Data and Evidence (NSA initiative)

- Enhance access to accurate and timely VET data and information, including to measure progress and support evidence-based reform. Implementing VET Data streamlining, including new National VET Data System and VET information Standard and strengthening VET sector cyber security.

Supporting the Net Zero transformation

- Build a skilled and experienced VET workforce and increase uptake of clean energy skills to support the Net Zero transformation.

Sustaining Essential Care Services

- Grow the VET pipeline, attract and retain diverse cohorts.
- Provide high quality and responsive training with pathways for career progression and mobility.

Developing Australia's Sovereign Capability and Food Security

- Provide high quality training supporting modern infrastructure, food security, new industries and advanced manufacturing.
- Establish a sustainable defence industry workforce and increase attractiveness of STEM and trade apprenticeships to diverse cohorts.

Ensuring Australia's Digital and Technology Capability

- Ensure that all Australians have the digital capability needed to fully participate in the modern economy.
- Ensure that digital and technology VET meets the needs of students and industry, and support the VET workforce to deliver high quality digital and technology training.

Delivering Housing Supply

- Increase the number of construction workers and attract more diverse cohorts, improve housing quality and affordability and meet the targets of the National Housing Accord.

Delivering reforms to improve the regulation of VET qualifications and quality

- Improve the VET qualifications system so that it is high-performing, easy to navigate and delivers an adaptable, resilient skilled workforce.
- Support excellence in training delivery and assessment, accessibility for priority cohorts and quality training outcomes.

See early actions for National Priorities pages 18-35

Jobs and Skills Councils

- Strategic industry leadership on skills and workforce challenges including:
 - National Workforce Plans to help develop sector workforces.
 - Tripartite engagement with Governments, employers and unions including states and territories and the VET sector.
 - Develop training products to meet current and emerging skills needs.

Jobs and Skills Australia

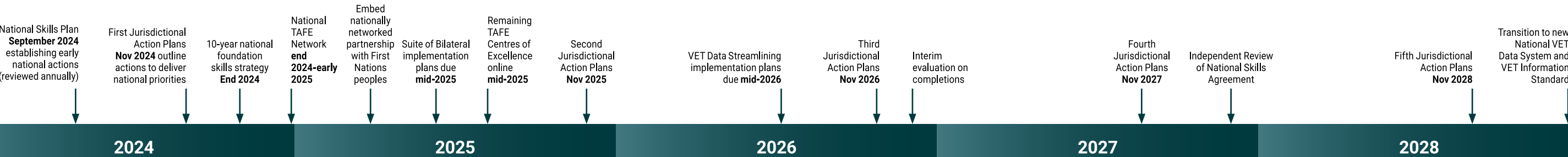
- Advice to governments and other key stakeholders on current, emerging and future skills and workforce needs. JSA's high quality data and rigorous analysis are providing a better understanding of skills and labour shortages across the economy and in different parts of Australia.

National Centre for Vocational Education Research

- Enabling an understanding of the VET sector by collecting, managing, analysing and communicating research on the VET sector.
- Stewardship of national VET data collections for the Australian VET sector.

STEWARDSHIP (Skills & Workforce Ministerial Council, Stakeholders, First Nations Partners)

Key National Skills Agreement Milestones



Section 2

Context: Australia's skills and training landscape

A strong VET system is an essential national asset for our economy and communities

Australia's vocational education and training (VET) system has an important role to play in meeting the needs of industry, individuals and the community. The National Skills Agreement is a commitment to high-quality, responsive and accessible VET to boost productivity and support Australians to achieve the skills they need.

As the economy transitions to new industries and ways of working, the skills and capabilities of all Australians are a linchpin for productivity and for Australia's ability to keep pace with the rest of the world.



The VET sector has an important part to play in meeting the Commonwealth's ambitions for a Future Made in Australia. Supporting the development of a dynamic workforce with advanced and evolving skills is central to our net zero ambitions, delivering an expanded industrial base, increased manufacturing capability and economic security for Australia in the years ahead.

To achieve these overarching ambitions, governments are delivering reforms that will:

- meet the demand for skills in critical industries
- increase the number of students completing VET qualifications, including by lifting access and support for students experiencing disadvantage
- allow Australians to build new skills – upskilling and reskilling – over their working lives
- support adults with low foundation skills to access the training they need to participate in employment, further education and training and the community
- Improve the capacity and capability of the VET workforce to deliver this education and training
- invest in infrastructure and technology to teach the skills needed in today's and future workplaces
- be future focused with a robust evidence base to understand Australia's skills and workforce needs
- embed genuine tripartite engagement between employers, unions and governments
- support genuine partnership with First Nations peoples on national policy and programs in VET.



TAFE at the centre of a diverse, vibrant high-quality skills and training sector that meets industry, student and community needs

All Australian governments have agreed to support a high-performing and world-class VET sector with TAFE at the heart, in which TAFE:

- provides access to education and training to Australians from all walks of life
- is governments' trusted training partner
- drives quality improvements across the VET sector
- innovates in teaching and learning practice
- is a centre of innovation that is responsive to industries and delivers a skilled workforce
- supports students to succeed
- supports Australians to train, upskill and retrain
- is an esteemed community asset.

Complementing TAFE is a vibrant and diverse sector of independent private and community providers. This includes those that operate in regional and remote communities and First Nations owned and community controlled training organisations that deliver culturally embedded and contextualised training with wraparound supports to meet the needs and aspirations of Aboriginal and Torres Strait Islander communities and students. Delivery partnerships between the First Nations sector and TAFE and private providers also ensure learners are supported and can thrive in diverse educational settings.

The VET system is uniquely able to provide students with a combination of 'on the job' knowledge and classroom-based instruction from teachers and trainers with industry experience. It offers students flexible learning arrangements and is being strengthened to better respond to and support students' individual and changing needs.

Tripartite institutions to guide skills and workforce development

The establishment of the tripartite Jobs and Skills Australia and 10 Jobs and Skills Councils ensures integrated sector-specific and national strategic planning, evidence and analysis of Australia's skills and workforce needs.

JSA has a crucial role advising governments and other key stakeholders on current, emerging and future skills and workforce needs. JSA's high quality data and rigorous analysis are providing a better understanding of skills and labour shortages across the economy and in different parts of Australia.

JSA's work plan is also directed towards Australia's skill priorities and, once the 2024-25 JSA work plan is confirmed, is likely to involve additional projects related to the national priority areas. State and Territory Governments will have the opportunity to contribute to these projects and draw on their findings.

JSCs core functions include strategic workforce analysis and planning, training product development, implementation, promotion and monitoring of training strategies and industry stewardship. They are helping to align efforts across industries, build stakeholder confidence and drive high quality outcomes for the VET sector.

JSCs are delivering industry sector-specific and national analysis and strategic planning, to better meet skills and workforce needs. JSCs and JSA are working together on a consistent approach to skills planning that is informed by detailed analysis and data projections and extensive workforce planning. Industry perspectives and the evidence base provided by JSCs and JSA will form an important part of ongoing monitoring and will support evaluation of this National Skills Plan.

There is a range of activity underway to tackle Australia's productivity and growth challenges

The VET sector is one of many contributors to meeting Australia's economic and labour market needs. In addition to reform of the VET sector, Australian governments are working with stakeholders across the economy and community on complementary reforms to boost productivity and economic growth.

Key initiatives include the White Paper on Jobs and Opportunities, Working for Women: A National Strategy for Gender Equality, the Australian Universities Accord Final Report, and the Migration Strategy. In addition, work is continuing under the Review to Inform a Better and Fairer Education System and the Productivity Commission's review of the National Agreement on Closing the Gap.

The Universities Accord report recommends increasing the tertiary education attainment rate to at least 80 per cent of Australia's working age population by 2050. Skills Ministers will work together to explore a response to this recommendation for the VET system.

The national priorities and policy initiatives contained in the National Skills Agreement will support delivery of the priority reforms in the National Agreement on Closing the Gap, including through the establishment of a Policy Partnership to ensure shared decision-making and partnership. They also contribute to other Closing the Gap outcomes and targets such as economic participation, secure, appropriate and affordable housing and access to information and services to inform decision-making.

The national strategies complement a range of workforce, skills and training strategies and reforms underway across individual states and territories.



Section 3

Delivering on Australia's Skills Needs: the National Skills Agreement

The landmark National Skills Agreement provides the foundations for reform

In response to the challenges and opportunities facing Australia's VET sector, National Cabinet agreed in 2023 to a new National Skills Agreement, replacing the previous intergovernmental funding arrangements with a renewed focus on co-investment, collaboration, planning and evidence-led reform.

The landmark National Skills Agreement commenced on 1 January 2024, setting out a vision to be delivered through a new joint stewardship model.

The National Skills Agreement provides states and territories with access to additional Commonwealth funds of up to \$3.7 billion over 5 years, taking total Commonwealth funding to \$12.6 billion over 5 years. The total combined investment by Commonwealth, state and territory governments will be more than \$30 billion over this period.

Stewardship offers a new model for shared responsibility and collective vision for change

The National Skills Agreement represents a fundamental shift in the way governments work together to address shared challenges and capitalise on shared opportunities through the VET sector.

A stewardship model of governance and planning will guide action under the National Skills Agreement. Stewardship describes the intentional collaboration and engagement between governments – and with and between stakeholders – through a circular learning process for all parties guided by a shared vision for the sector and an agreed set of priorities. It will be evidence-informed and founded on principles of transparency and continuous evaluation, shared learning and adjustment.

The framework for collaborative progress envisaged by the National Skills Agreement is illustrated in [Figure 2 on page 38](#).



The inaugural National Skills Plan marks the stepping off point

Publishing this *National Skills Plan* is a key first step under the National Skills Agreement. It will guide the work of all governments to deliver on the outcomes and shared national priorities set out in the National Skills Agreement.

This *National Skills Plan* is also a call to action by employers, industry and the VET sector. It provides clarity on what Australian governments see as the key national priorities for the skills and training ecosystem and will help stakeholders plan and prioritise their own efforts to ensure the system is driving in the same direction. It also recognises that governments need to be informed, in turn, by the expertise and experience of stakeholders and that the cross-cutting nature of many challenges and priorities requires collaboration between stakeholders and across industries. Facilitating tripartite partnership between unions, employers and governments is a critical step to building investment in skills by all stakeholders.

This *National Skills Plan* is the first phase of the planning process over the life of the National Skills Agreement. The next step in this phase will be the release of jurisdictional action plans by November 2024.

The second phase of planning across 2025-2026 will be focused on further development of this *National Skills Plan* and embedding an outcomes framework to measure progress. This will be informed by the learning and experiences of jurisdictions and key stakeholders and an independent review of the stewardship model in September 2025.

The third phase across 2027-2028 will evaluate progress made. This will include the impact of policy initiatives in addressing national priorities and progress against agreed outcomes. Consideration will be given to new and emerging national priorities, where necessary, informed by feedback from stakeholders.

The work to be undertaken across these phases will be informed by collaboration and engagement with First Nations partners at both the national and state and territory level.



Policy initiatives provide an immediate springboard for addressing gaps and harnessing key learnings

The National Skills Agreement provides funding for policy initiatives which are shown in [Table 1 on page 16](#).

These initiatives are at different stages of maturity, with Commonwealth, state and territory governments working to scope and design key elements before testing them with stakeholders. Implementation plans for the initiatives will roll out between June 2024 and June 2025.

Governments will work together on broad objectives and through complementary action

The National Skills Agreement outlines roles and responsibilities for governments to deliver on shared objectives and outcomes. In addition to delivering on this National Skills Plan, governments will work to:

- maintain a system of national regulation of VET that prioritises quality and best practice
- build connections and alignment across VET, the education sector including universities and schools, and other relevant systems
- share an agreed set of data on the training system and the labour market, with the National Centre for Vocational Education Research (NCVER) as the custodian of national VET data collections and JSA holding a range of high-quality data and analysis on labour market and skills needs across the economy.

Governments are already working together on a range of complementary actions to ensure the VET sector continues to provide the strong foundations necessary to support and unlock opportunities for learners and employers, including:

- **Fee Free TAFE:** the Commonwealth has partnered with states and territories to deliver over \$1.5 billion in funding for 500,000 Fee-Free TAFE VET places across Australia, from 2023 to 2026. Fee-Free TAFE supports training places in areas of high demand and skills need and supports students by removing financial barriers to study.
- **Qualification reform:** JSCs are road-testing an approach to VET qualifications reform developed by the tripartite Qualifications Reform Design Group. This approach is intended to support more responsive and flexible training, and to deliver better outcomes for learners.
- **Quality reforms:** a suite of reforms to strengthen the quality and improve the integrity and regulation of the sector are currently underway, including:
 - amendments to the *National Vocational Education and Training Regulator Act 2011* enacted in March 2024 to support the national VET regulator to take swift action to address integrity risks
 - revising the Standards for RTOs to support high-quality training delivery in the VET sector
 - stronger Fit and Proper Person Requirements to support the Australian Skills Quality Authority (ASQA) to respond to and remove non-genuine operators
 - working with ASQA to build its capability and capacity.
- **Apprenticeships:** the Strategic Review of the Australian Apprenticeship Incentive System is investigating the support available to help more people start and complete apprenticeships and traineeships.
- **Support services for apprentices and trainees:** A new delivery model will provide better wraparound support for apprentices and trainees from commencement to completion. This includes strengthened support for First Nations apprentices, women in male-dominated trade apprenticeships, apprentices with disability and apprentices in remote Australia.
- **Australian Skills Guarantee:** the Skills Guarantee has introduced national targets for apprentices, trainees and paid cadets working on Australian Government funded major projects. It also introduces national targets to increase the proportion of women working on major projects and drive long term sustainable change to reduce gender segregation in the apprenticeship system.
- **Skills for Education and Employment (SEE) program:** from 1 July 2024, the redesigned SEE program is helping participants build their reading, writing, maths and basic computer skills across metropolitan, regional and remote areas. All Australians over the age of 15 who have left school are eligible for support, including:
 - provision of accredited and non-accredited training to better support learner needs
 - more support for learners to remain in training and achieve outcomes
 - new project funding to deliver more place-based training in the workplace for workers facing insecure work challenges because of low foundation skills.

Additionally, the redesigned SEE program includes a specific stream of delivery for First Nations learners, communities and people intended to fund place-based whole of community projects designed to meet the community's English language, literacy, numeracy and digital skills training needs.
- **Investment in trusted VET data and digital infrastructure,** including updating the Unique Student Identifier Registry and VET data collection pathways, will allow for more precise data on vocational education registrations, training outcomes and transitions. This will create a stronger foundation of evidence to guide future policy development and government investment in the VET sector.

Table 1 – Delivering on Australia's Skills Needs: Policy Initiatives

Policy Initiative	What are we trying to achieve?	What will be delivered?
Closing the Gap	<p>Improve outcomes for First Nations VET students</p> <p>Deliver Closing the Gap commitments for skills in full and genuine partnership with First Nations organisations</p>	<p>Partnership arrangements established between First Nations peoples and governments in each jurisdiction for engagement on and delivery of initiatives.</p> <p>New funding to deliver Closing the Gap initiatives including:</p> <ul style="list-style-type: none"> expanding investment in the capability, sustainability, and growth of the Aboriginal Community-Controlled and First Nations owned training sector growing the First Nations VET workforce boosting cultural competency of mainstream RTOs boosting data and evaluation capability in the First Nations VET sector. <p>Partnership with First Nations organisations to develop a Sector Strengthening Plan for the Aboriginal Community-Controlled and First Nations Owned RTO sector.</p> <p>Ensuring overall NSA funding maximises the experiences and outcomes of First Nations learners and communities.</p>
Ensuring Access to Foundation Skills Training	<p>Support for Australian adults facing foundation skills challenges to access the quality training they need to participate in further education and training, employment, and the broader community</p>	<p>A 'no wrong door' experience for learners in relation to foundation skills assessment and referral.</p> <p>No or low-fee access to training through VET and Adult and Community Education (ACE), with additional funding for the ACE sector to support disadvantaged Australians learn in a more informal local community environment.</p> <p>A 10-year national foundation skills strategy to strengthen the quality and sustainability of the sector and funding for agreed actions arising from the strategy.</p>
Improved Completions – especially for priority groups	<p>Improve student outcomes, including completion of studies, with a focus on priority groups – First Nations students and women – and strengthen relationships between employers and apprentices and trainees</p>	<p>Trial, evaluate and scale new initiatives to support students, enhance the 'student voice' and build shared knowledge nationally, providing a robust evidence base on effective, efficient, and scalable solutions to improve completions.</p> <p>Refresh the National Code of Good Practice for Australian Apprenticeships to promote best practice and develop new supporting resources for employers.</p>

Policy Initiative	What are we trying to achieve?	What will be delivered?
Measures to Strengthen the VET Workforce	Grow and support a quality VET workforce to ensure the long-term sustainability of the sector	Implement a VET Workforce Blueprint that provides a roadmap for national, local, training provider and industry action to support and grow a sustainable VET workforce.
Enhanced VET Data and Evidence	Enhance access to accurate and timely VET data and information, including to measure progress and support evidence-based reform	Implement the VET Data Streamlining Program, including development of a new National VET Data System; transition to a new VET Information Standard; develop strategies and guidance to strengthen VET sector cyber security capability; and develop a medium to long-term VET Data Reform Blueprint and Investment Roadmap.
TAFE Centres of Excellence	Through partnerships between TAFEs, industry, universities and governments, Centres of Excellence will be established to help deliver the skills needed for high-potential and strategically important industries	Establish nationally networked TAFE Centres of Excellence, aligned with national priorities, that provide national leadership, innovative education and research, and address high priority skill needs.
Establishing a National TAFE Network	Foster collaboration between TAFE teachers and administrators to improve teaching and learning practice, and enhance the status of TAFE	Establish a National TAFE Network to develop and support the TAFE workforce and education practice, including developing shared curriculum and course materials; piloting new or innovative approaches to teaching and learning, and facilitating engagement with stakeholders.



Section 4

National Priorities

Eight National Priorities will guide the efforts of all governments and focus the attention of all parts of the skills system

The new stewardship model will support governments to work collaboratively and purposefully towards a suite of agreed national priorities, while preserving flexibility for states and territories to meet local skills needs and support local communities.

Skills Ministers have agreed to eight priorities ([Figure 1](#)). This is the first time all governments have jointly agreed and will work to address challenges and entrenched barriers to the delivery of quality, responsive qualifications and skills in specific industries. Under the National Skills Agreement, all governments are required to show how they are addressing each priority through national collaboration and flexible local policies and program design.

In 2024-2025, more work will be done to understand each of the national priorities, the challenges and opportunities they pose, and how to best address these. Work will also occur to understand

whether collective efforts are making a difference. This National Skills Plan sets out a snapshot of what is known about these industries and cohorts; the enabling features of a strong VET sector; a stated future vision; some of the known drivers of change; and possible actions that governments and others can take to bring about change. This will evolve and be shaped by conversations with stakeholders including industry groups, education and training providers, employers, First Nations partners and informed by the expertise of JSA and JSCs.

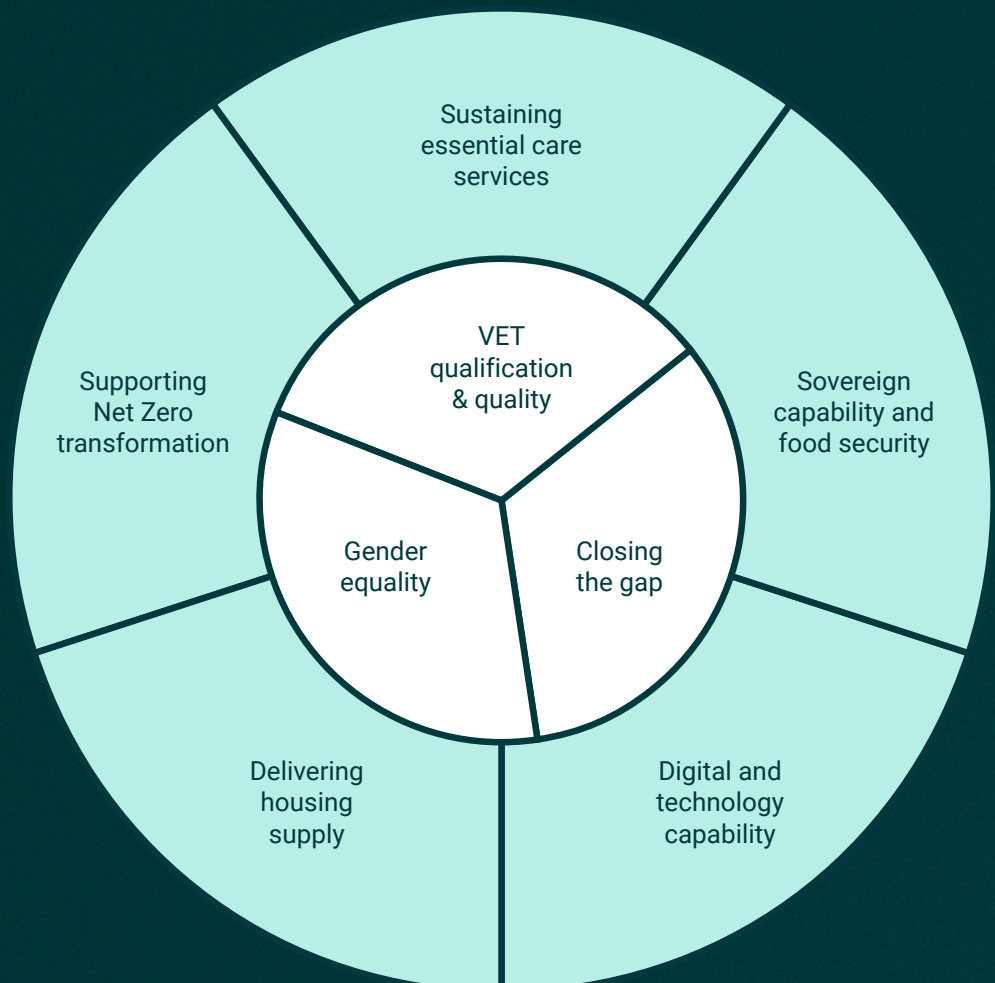
The national priorities will be reviewed annually. The review will be informed by national evidence and advice from individual governments on their skills needs and priorities.

These first eight priorities are set out at [Figure 1](#) and expanded on in detail in the next section.

National priorities are areas that the Commonwealth, state and territory governments have agreed require focused collective effort to address critical skills and workforce shortages. They may relate to workforces, skills/capabilities, priority groups or national system reforms.



Figure 1 – National priorities for skills reform



National Priorities under the National Skills Agreement



Gender Equality

What we know

In 2023, Australia ranked 26th in the world for gender equality.¹ In the VET system, the majority of students in training that leads to high paying occupations are men, while women are the majority in training that leads to low paying occupations.²

This gender segregation in training reflects similar imbalances in the workforce, driving skills shortages in both male and female-dominated occupations and industries.³ Fifty-four per cent of male-dominated occupations, being those where men make up at least 80% of the workforce (electricians, carpenters and construction trades workers), and 40% of female-dominated occupations (early childhood education and care and other healthcare and social assistance occupations) were in shortage in 2023.⁴

Addressing gender inequality in the VET system is critical for women's economic equality, security and safety.

Ambitions for the VET sector

- The VET sector is inclusive, safe and supportive for women, free from gender-based discrimination, harassment and violence, including for women who face additional barriers due to disability, cultural background and socioeconomic status.
- Gender segregation in VET is reduced, particularly for education and training in gendered occupations.
- The VET sector supports flexible education and training delivery that allows students to balance personal responsibilities with their learning goals.

Drivers of change

- The student experience differs for men and women. Female students are more likely to cease training for personal reasons, whereas males are more likely to cease for a change in job circumstances.⁵ Student satisfaction with support services varies, at 60% for males and at 55% for females.⁶
- Women spend roughly eight more hours per week on unpaid care and housework compared to men.⁷
- Elimination of gender-based violence and ensuring women's safety in all environments – including work, study and home.

Key focus areas

- Providing innovative training opportunities to improve the flexibility of VET delivery.
- Offering additional support for women undertaking VET and employers of women apprentices and trainees, particularly in male-dominated sectors.
- Leveraging employer incentives to promote gender-sensitive, safe and inclusive placement and work environments.
- Delivering wraparound support for women undertaking VET (including apprentices) from enrolment through to completion and employment.

Early national actions

- Building Women's Careers Program to drive structural and cultural change in work and training environments.
- Australian Skills Guarantee aims to drive long-term sustainable change to tackle gender imbalances in the construction and ICT sectors, and increase gender diversity in the apprenticeship system.



Gender segregation in VET is reduced, particularly for education and training in gendered occupations.



Closing the Gap

What we know

While First Nations peoples' participation in VET is relatively high, their completion and employment outcomes remain lower than other Australians. The Closing the Gap targets related to the VET sector (Targets 5-7 below) are not on track to be met by 2031.⁸ VET is a contributor to educational attainment and economic participation and will help to close the skills and employment gaps for First Nations peoples. A significant proportion of First Nations people also have unpaid caring responsibilities, including kinship and cultural care, impacting on their ability to participate in education and training.

The Closing the Gap targets related to the VET sector (Targets 5-7 below) are not on track to be met.

- Target 5: By 2031, increase the proportion of Aboriginal and Torres Strait Islander people (age 20-24) attaining year 12 or equivalent qualification to 96%.
- Target 6: By 2031, increase the proportion of Aboriginal and Torres Strait Islander people aged 25-34 years who have completed a tertiary qualification (Certificate III and above) to 70%.
- Target 7: By 2031, increase the proportion of Aboriginal and Torres Strait Islander youth (15-24 years) who are in employment, education or training to 67%.

Ambitions for the VET sector

- Governments to focus efforts to embed the four Priority Reforms within, and achieve Closing the Gap targets relating to, the VET sector and VET system stewardship.
- First Nations people inform how the VET system works for them, including through genuine partnership arrangements.
- Training is culturally safe and appropriate for First Nations students.
- Cultural expertise of First Nations people, communities and organisations is recognised, valued, and informs VET delivery to First Nations students.

Drivers of change

- Since 2016, rates of completion of qualifications at Certificate III level or above among First Nations people have increased. However, completion rates are comparatively higher in major cities, and lower in regional areas. Completion rates decline as remoteness and location disadvantage increase.⁹
- As the education level of First Nations people increases the employment gap between First Nations peoples and other Australians closes, with First Nations peoples being 21% less likely to be employed compared to non-Indigenous Australians with year 10-12 attainment, narrowing this employment gap to 10% with a Certificate III or IV.¹⁰

Key focus areas

- Establishing partnerships with First Nations organisations, including place-based partnerships between TAFEs and Aboriginal Community-Controlled and First Nations Owned training organisations.
- Through partnerships across the TAFE network, supporting capability development of the First Nations VET workforce and enabling communities of practice for First Nations educators and trainers.
- Ensuring a culturally responsive training environment by supporting educators, trainers and support staff to undertake ongoing cultural awareness and safety training.
- Delivering wraparound support for First Nations students from enrolment through to completion and employment.

Early national actions

- Establish an interim First Nations Partnership Committee to design a nationally networked VET policy partnership and support active engagement with First Nations people, organisations and communities in national skills matters which directly impact First Nations people.
- Through partnerships with First Nations organisations, scope the development of a Sector Strengthening Plan for the Aboriginal Community-Controlled and First Nations Owned sector for Skills Ministers' consideration.



First Nations people inform how the VET system works for them, including through genuine partnership arrangements.



Supporting the Net Zero Transformation

What we know

To meet the target of net zero by 2050, the critical clean energy workforce must grow by around 240,000 workers by 2030, according to JSA.¹¹ In VET, this increase largely relates to trade and technician occupations such as electrical, construction and engineering required to transition to renewable energy sources,¹² and support for affected communities, regions, and displaced workers.

Ambitions for the VET sector

- Reduce gender segregation in clean energy VET subjects and programs.
- Increase uptake of training in clean energy skills and qualifications to support the Net Zero transformation, particularly in regional and remote areas to allow those areas to maximise the benefits harnessed from the transition.
- Build a skilled and experienced VET workforce to ensure the VET sector has the capacity and capability to address emerging skills needs.

Drivers of change

- Many Australians working in the transitioning carbon-based energy sector have skills transferrable to the clean energy sector but may require some additional training, particularly mature-age workers with relevant, but outdated qualifications.
- Skills required for the Net Zero transformation are multidisciplinary, encompassing digital skills as well as areas such as chemistry (for clean hydrogen) and environmental sciences (for biodiversity mitigation).
- Many of the roles required for the Net Zero transformation will be in regional and remote Australia and will require dedicated support to ensure an appropriately skilled workforce is available in those areas.
- The value of energy skills and the pathways to acquiring energy skills have the potential to be promoted to all Australians, particularly women, who are underrepresented, and First Nations peoples, whose participation in the carbon lifecycle workforce, which manages carbon capture, the circular economy, forestry and living biomass, is critical, including through Caring for Country programs.¹³
- Key themes for the VET system identified by JSA to support the growth of a clean energy workforce include designing clearer training pathways, providing employer incentives, growing and supporting the VET workforce, greater integration between VET and higher education, and increasing participation by students (particularly among priority cohorts).¹⁴

Key focus areas

- Supporting timely apprenticeship commencements for clean energy occupations, including by offering financial supports for apprentices and their employers.
- Improving responsiveness of VET delivery through collaboration with industry to identify key skills required for emerging clean energy technology.
- Supporting the re-skilling of displaced workers and workers at risk of displacement, such as workers currently employed in high-emissions industries.
- Increasing diversity, particularly women and First Nations students undertaking Net Zero programs, especially electrical apprenticeships, accompanied by appropriate foundation skills and wraparound supports.
- Attracting more industry-experienced, culturally and gender responsive teachers and trainers.
- Ensuring the availability and accessibility of training for clean energy occupations in regional areas.

Early national actions

- Powering Skills Organisation JSC delivers its Workforce Plan.
- Eligibility criteria for the New Energy Apprenticeships Program expanded from 1 June 2024.
- A \$50 million capital and equipment investment fund to upgrade clean energy training infrastructure will be established, commencing 2025, with a focus on at-capacity facilities and regional, rural and remote communities experiencing workforce transitions.
- A \$30 million investment over two years to turbocharge the clean energy teacher, trainer and assessor workforce, focussing on opportunities to rapidly upskill teachers, trainers and assessors and enable flexible pathways between industry and RTOs.
- Support will be provided for small and medium businesses to access apprentices through Group Training Organisations (GTOs) from 2025.
- The Canberra Institute of Technology EV Centre of Excellence, announced May 2024, will develop training for mechanics, technicians and developers of light and heavy vehicles and mobile plant tech.
- The Clean Energy Skills National Centre of Excellence in Western Australia, announced in June 2024, will provide innovative training in clean energy technologies, including solar, wind, hydrogen, batteries and grid integration.



Build a skilled and experienced VET workforce to ensure the VET sector has the capacity and capability to address emerging skills needs.



Sustaining Essential Care Services

What we know

Care and support services (health and aged care, disability support, veterans care, early childhood education and care) make a significant contribution to workforce participation, gender equality, socioeconomic equality and inclusive economic growth. Employment in the sector is projected to grow strongly in the future. Projections by Victoria University for JSA indicate that employment in the sector will increase by around 145,000 workers over the next decade to 2033, or by around 22% from current levels.¹⁵ The care and support workforce relies heavily on women¹⁶ and migrants¹⁷ and is a significant employer of First Nations people.¹⁸ There are currently acute skills and workforce shortages that are expected to grow.¹⁹ The sector faces issues with attraction, recruitment and retention.^{20, 21}

Ambitions for the VET sector

- Grow the VET pipeline of skilled workers to keep pace with demand for care and support services.
- Attract and retain more diverse cohorts to care and support related programs, including First Nations people, men, people of diverse ages, people with disability and people from culturally and linguistically diverse backgrounds
- Ensure education and training provided is high quality, responsive to current and emerging skills needs, widely available including in areas with thin markets, supports entry into the sector, and provides clear pathways for career progression and improved upskilling, re-skilling, and mobility.

Drivers of change

- Although the VET pipeline has been strong, with growing enrolments and completions since 2018-19, it has been unable to match the rate of growth in demand for workers.²² For occupations such as childcare and aged care, attraction and retention are ongoing challenges due to low wages, job insecurity, lack of career pathways,²³ placement pressures, concerns about worker safety and poor community perceptions of work in the sector.
- Raising perceptions of work in the care and support sector, including to boost men's participation in order to reduce its significant gender imbalance.
- Workforce skills needs are evolving, due to the ageing population, increasing complexity in health conditions, an increased focus on professionalisation of the workforce, changing models of service delivery and changes in technology.
- Care and support for First Nations peoples is most effective when it is culturally safe, skilled and local. There is a need to increase the availability of culturally safe, trauma-informed care.
- The education and training system needs to provide a culturally safe and responsive education for First Nations care and support students and to equip all students with skills in delivering appropriate care for First Nations peoples.
- Training delivery varies across the care and support sector, with apprenticeships and traineeships used heavily in early childhood education and care settings (around half of all students), and minimally elsewhere, with aged care and disability support often using the Certificate III Individual Support as an entry-level qualification.²⁴

Key focus areas

- Developing the Aboriginal Community-Controlled care and support workforce and ensuring the provision of culturally safe and responsive training.
- Skilling workers in delivering culturally safe and trauma-informed care to First Nations peoples.
- Developing and delivering training that supports entry into the sector and clear career pathways and opportunities for ongoing professional development.
- Strengthening, diversifying, and promoting training pathways from school through to VET and from VET to university, including working with industry to enable more on-the-job training.
- Increasing training access and availability in regional and remote areas and thin markets.
- Trialling new delivery and assessment approaches to lift training outcomes and ensure graduates are job-ready with a foundation for further learning.

Early national actions

- HumanAbility JSC delivers its Workforce Plan.
- In partnership with HumanAbility, JSA to finalise Early Childhood Education and Care Capacity Study, to support current and future workforce planning, in mid-2024.
- From 1 July 2025, eligible VET students studying Nursing will be able to claim a Commonwealth Prac Payment of \$319.50 per week of mandatory placements.
- The Queensland TAFE Centre of Excellence – Health Care and Support, announced July 2024, will provide innovative training for the aged care, disability support, and mental health care sectors, and will explore new pathways in nursing and health leadership.
- The Early Childhood Education and Care Centre of Excellence in South Australia, announced July 2024, will develop training for essential services in early childhood education and care, through sharing of high-quality training products and industry demonstration.



Ensure education and training provided is high quality, responsive to current and emerging skills needs, widely available including in areas with thin markets, supports entry into the sector, and provides clear pathways for career progression and improved upskilling, re-skilling, and mobility.



Developing Australia's Sovereign Capability and Food Security

What we know

Australia's sovereign capability includes the industrial, economic, agricultural, logistical, research and educational capabilities required to deliver against key areas of national interest. This covers sectors such as manufacturing, defence industry, critical minerals extraction and processing, energy, transport and logistics and food production.²⁵ Australia currently has the lowest level of manufacturing self-sufficiency of OECD nations²⁶ and experiences supply chain challenges affecting sovereign resilience and food security.²⁷

Many emerging workforce needs are in transitioning or new industries such as advanced manufacturing, onshore critical minerals processing, clean energy, and sustainable defence industry. There are also critical workforce shortages in transport and logistics that affect all sovereign capability sectors, including the food supply chain workforce.²⁸

Ambitions for the VET sector

- Unlock workforce supply by increasing the attractiveness of STEM-related training to women and First Nations people, including trade apprenticeships.
- Equip the VET sector to provide high quality training on the cutting edge of industrial transformation and innovation, supporting modern infrastructure, new industries, and advanced manufacturing.
- Establish a long-term sustainable defence industry workforce with sustainment capabilities, including transferrable qualifications.

Drivers of change

- Australia's high input costs, in particular high fixed and labour costs, mean attracting private investment in sovereign capability and food security often requires additional government investment.
- Australia's deteriorating strategic circumstances and global geopolitical instability are driving the need to grow sovereign industrial capacity including in the defence industry.
- There is a growing reliance on STEM roles, from trade apprenticeships to warehousing and logistics.
- Many occupations are male dominated, with low levels of participation by women and First Nations people in particular.
- Australia has limited onshore capability in critical minerals processing and refining, which limits the value derived from their extraction.

Key focus areas

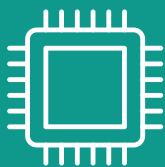
- Increasing availability and accessibility of training in regional and rural areas for critical minerals processing, agriculture, clean energy and logistics.
- Expanding RTO integration with government, industry and unions to attract, skill and employ workers and to strengthen career-long pipelines.
- Collaborating with industry on the development of new and updated courses to support industrial transformation, new industries and advanced manufacturing.
- Providing industry placements to offer hands-on training in real workplace settings, utilising existing infrastructure.
- Increasing the number of women and First Nations trainers to foster a safe, inclusive and culturally appropriate training environment in male-dominated fields important to sovereign capability including STEM and trades.

Early national actions

- Skills Insight, Industry Skills Australia, Manufacturing Industry Skills Alliance, Public Skills Australia, Powering Skills Australia, and Australian Mining and Automotive Skills Alliance JSCs deliver their Workforce Plans.
- The JSA Food Supply Chain Capacity Study will be delivered by September 2024.
- Fee-Free TAFE and VET places will be provided across Australia for training places in areas of priority, including sovereign capability.
- The Building Women's Career program will support women to access training in clean energy and construction and improve workplace cultures.



Equip the VET sector to provide high quality training on the cutting edge of industrial transformation and innovation, supporting modern infrastructure, new industries, and advanced manufacturing.



Ensuring Australia's Digital and Technology Capability

What we know

The importance of digital skills to economic, social and civic life in Australia is continually increasing. Basic digital skills are now critical for obtaining meaningful work and actively participating in the community, with around 87% of jobs in Australia requiring digital skills.²⁹ However, many Australians remain digitally excluded, with First Nations people, those living in regional and remote Australia and those with lower incomes more likely to be digitally excluded, which exacerbates participation challenges.

Digital and technology capability is also important to boost productivity, with digital and technology sector occupations growing at double the rate of all other jobs. Specific digital and technology jobs are expected to grow by 21% over the ten years to 2033.³⁰ Australia has committed to a target of 1.2 million tech-related jobs by 2030, with most jobs outside the direct tech sector.³¹ However, sector skills shortages are exacerbated by gender segregation, with only 17% of cyber security workers being women.³²

Ambitions for the VET sector

- Ensure that all Australians have the digital capability needed to fully participate in the modern economy and society.
- Increase the share of women and First Nations digital and tech students.
- Ensure that digital and tech VET meets the needs of students and industry, keeping pace with technological change, to increase the standing of VET pathways in the industry.
- Support the VET workforce to deliver strong, high-quality digital and technology training.

Drivers of change

- Gender segregation at the occupational level is mirrored in VET. In 2022, only 22% of enrolments into IT programs were women.³³
- First Nations students are underrepresented. In 2022, only 1.0% of First Nations VET students were enrolled in an IT program, compared with 1.8% of non-First Nations students.³⁴
- Rapid development and emergence of technologies, such as Generative AI, has led to industry reports of a mismatch between VET programs and the skills students need in many tech occupations.³⁵
- The tech sector is impacted by unclear and inaccessible pathways into and within the sector.

Key focus areas

- Increasing the availability of accessible VET to First Nations communities, including culturally safe, inclusive, and appropriate supports for First Nations students.
- Promoting digital and tech VET pathways for women, including through ensuring the safety and inclusivity of training environments.
- Engaging in closer collaboration with industry to ensure VET tech graduate suitability and to meet the needs of employers and students, ensuring the right mix of technical and transferrable skills.
- Supporting the development of job-ready VET tech graduates, including by boosting the uptake of digital and tech apprenticeships and traineeships.
- Developing new and innovative programs of study in collaboration with higher education.

Early national actions

- Future Skills Organisation JSC delivers its Workforce Plan.
- Expanding access to foundation digital skills training through the SEE program to include those in the workforce.
- Future Skills Organisation progressing a series of activities aimed at increasing the uptake of 'earn while you learn' pathways into entry-level tech roles.
- The JSA National Study of Adult Literacy, Numeracy and Digital Skills will gather insights into skill levels, especially of priority groups, and establish a national definition of digital literacy.
- By the end of 2024, Federal, State and Territory Skills Ministers will agree a 10-year foundation skills strategy to identify critical actions to strengthen the foundation skills sector (including digital skills) and investigate activities to better reach cohorts with diverse and complex needs.
- The Australian Skills Guarantee will introduce new national targets for apprentices, trainees and paid cadets working on Australian Government funded major ICT projects, including targets to increase the proportion of women working on major projects, applying from 1 July 2024.



Ensure that digital and tech VET meets the needs of students and industry, keeping pace with technological change, to increase the standing of VET pathways in the industry.



Delivering Housing Supply

What we know

Australia's increasing population and tight supply of labour and materials have led to significant housing shortages.³⁶ All construction trades are currently in shortage,³⁷ and these shortages are projected to grow, impacting Australia's ability to ensure adequate housing for all residents and meet national housing targets,³⁸ particularly in regional and remote areas. Meeting this challenge requires a strong VET sector response; more than half of the construction workforce, and 80% of those with a post school qualification, hold a VET qualification as the highest level of education.³⁹

Modelling by BuildSkills Australia suggests an additional 90,000 workers are needed to meet housing supply targets under the National Housing Accord,⁴⁰ with demands on the broader construction industry forecast to lead to a labour shortfall of 40% by 2040.⁴¹

Ambitions for the VET sector

- Increase the number of construction workers to build capacity in the residential construction sector, improve quality housing supply and affordability and meet the targets of the National Housing Accord.
- Drive productivity and innovation in the construction industry through a future-focussed VET sector.
- Unlock workforce supply by increasing the attractiveness and adaptability of trades and other construction-related qualifications in VET for a broader pool of workers, particularly women, people from diverse backgrounds, and regional and remote residents.

Drivers of change

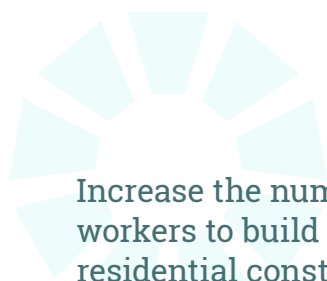
- Several factors affect housing supply, including supply chain issues, planning constraints, shortages of skilled construction workers (particularly local residents), and competition from other sectors such as clean energy, mining, and infrastructure.
- Productivity in the construction sector has been largely stagnant for the last two decades, providing an opportunity to drive increased productivity through advanced and emerging technologies.
- All governments have committed to improving housing supply and affordability, including through the National Housing Accord, which sets a target of 1.2 million new, well-located homes over 5 years from mid-2024.
- Apprenticeships are a key pathway to construction trade roles, though employers commonly report difficulty attracting apprentices, and construction trade apprenticeship contract completion rates consistently remain below 50%.⁴²
- Women are particularly underrepresented in trade apprenticeships, which exacerbates apprenticeship supply issues.

Key focus areas

- Offering financial support for apprentices and employers to support an increase in timely apprenticeship commencements and completions for construction occupations.
- Increasing the availability and accessibility of training in regional and remote areas.
- Embedding advanced and emerging technologies and clean energy skills into construction-related trade qualifications.
- Attracting industry experienced trainers, including women and First Nations trainers to foster a safe, inclusive and culturally responsive training environment in construction and related trades.

Early national actions

- BuildSkills JSC delivers its Workforce Plan.
- Provide 15,000 additional Fee-Free TAFE and VET places and 5,000 places in pre-apprenticeship programs from 1 January 2025 to support the skilled housing and construction workforce.
- Revisions to the Australian Apprenticeships Incentives Systems from 1 July 2024 to promote uptake of apprenticeships in priority occupations.
- The Australian Skills Guarantee will introduce new national targets for apprentices, trainees and paid cadets working on Australian Government funded major construction projects, including targets to increase the proportion of women working on major projects, applying from 1 July 2024.



Increase the number of construction workers to build capacity in the residential construction sector, improve quality housing supply and affordability and meet the targets of the National Housing Accord.



Delivering reforms to improve the regulation of VET qualifications and quality

What we know

In 2023, while 89.5% of employers with jobs that require vocational qualifications were satisfied with VET as a way of meeting their skills needs, there is room for improvement. For employers who were dissatisfied, the top reasons were that the training was of a poor quality or low standard and that relevant skills were not taught.⁴³ With all governments working together, there are opportunities to improve regulation of VET qualifications and quality and improve industry and student satisfaction.

Ambitions for the VET sector

- Improve the VET qualifications system so that it is high-performing, easy to navigate, and meets the needs of employers and learners, especially priority cohorts.
- Have the VET sector support excellence in training delivery and assessment, accessibility for priority cohorts, and quality in training outcomes, with TAFE at the heart of VET.
- Ensure the VET sector supports more employers to use nationally recognised training and delivers an adaptable skilled workforce resilient to structural change.

Drivers of change

- The focus on quality of training delivery in the VET sector has generally been on minimum standards rather than excellence. Key elements of excellence are a student-centred culture, a focus on continuous improvement, and an adaptable, flexible, responsive system with strong industry links.⁴⁴
- VET qualifications need to meet the needs of students and employers, and qualification reform is required to enhance the relevance and transferability of VET credentials and to ensure the training system better delivers an adaptable skilled workforce resilient to structural changes while supporting more employers to use nationally recognised training.
- Meeting industry and student needs requires innovative and flexible approaches rather than a one-size-fits-all approach



Improve the VET qualifications system so that it is high-performing, easy to navigate, and meets the needs of employers and learners, especially priority cohorts.

Key focus areas

- Promoting best-practice teaching and assessment approaches to drive excellence in the VET workforce.
- Facilitating responsive, flexible training to make the VET sector resilient to structural change to increase the standing of VET qualified jobseekers with employers.
- Ensuring the availability of key training, including existing broad-based qualifications, top-ups and electives, and new qualifications targeted to emerging sectors.
- Successfully implementing regulatory reforms, such as supporting RTOs through the transition to revised Standards for RTOs and ensuring TAFEs remain leaders in their breadth of VET delivery.
- Increasing collaboration and harmonisation between higher education and VET to create and deliver new qualifications and pathways as industry skills needs evolve.

Early national actions

- Revised Standards for RTOs to support high-quality training delivery in the VET sector. It is anticipated that the revised Standards will be enacted from 1 January 2025 and come into full regulatory effect from 1 July 2025.
- Roll out of actions identified in the VET Workforce Blueprint to support a high-quality and sustainable VET workforce.
- Work with ASQA to uplift and build its digital and data capability.
- Establishing a National TAFE Network to enhance the quality of teaching and learning practice in TAFEs and public training providers.
- SCs are road-testing an approach to VET qualifications reform developed by the tripartite Qualifications Reform Design Group.
- Implementing a suite of initiatives to drive tertiary harmonisation, including by supporting better student pathways between VET and higher education, improving regulatory approaches for dual-sector providers and TAFEs, and piloting delegating ASQA's course accreditation function to select TAFEs.

Section 5

What outcomes are we aiming to achieve?

Jurisdictional action plans will be finalised by November 2024

Jurisdictional action plans to deliver on the national priorities and outcomes will be developed by all governments by November 2024.

These plans will include jurisdiction-specific actions, and outcome and output targets that contribute to this National Skills Plan.

State and territory responses to national priorities and the outcomes framework will be tailored to the specific needs of their communities.

As these plans are developed, governments will seek input, advice and analysis from key stakeholders including the VET sector, industry, unions and their First Nations partners to ensure jurisdictional action plans address local needs and challenges, whilst also contributing to the national objectives.

Population and system-level outcomes will guide effort and form the basis for measuring progress

The objective of the National Skills Agreement is to ensure the national VET sector provides high-quality, responsive and accessible education and training to boost productivity, deliver national priorities and support Australians to obtain the skills and capabilities they need to prosper.

To drive progress, all governments have agreed to a suite of population and system-level outcomes. The outcomes are set out in [Figure 2 on page 38](#).

Population outcomes are aimed at whole of economy considerations that are influenced by the VET sector, among a range of other factors and systems.

System-level outcomes are aimed at areas where the VET sector has more direct control. Achieving system outcomes will help drive improvement in population-level outcomes.

Further work is underway to develop a comprehensive outcomes framework to track progress

By the end of 2024, an outcomes framework with detailed indicators and targets will be developed to set out governments' ambitions for the skills system. It will link actions taken with the shared goals or objectives through outcomes, indicators and targets.

The outcomes framework will describe what success looks like through a 'balanced scorecard' of national targets. A 'balanced scorecard' approach recognises the VET sector's complexity, and will present progress against a range of indicators, targets and cohorts for each outcome to provide a view of the entire VET system.



The outcomes framework will allow progress to be measured and action to be taken when gaps and shortfalls are identified. Evidence from the outcomes framework will also provide an important source of information for Skills Ministers to evaluate the operation of this National Skills Plan.

There will be a continuous cycle of monitoring, evaluation and learning

Alongside measurement of progress through the outcomes framework, this National Skills Plan, jurisdictional action plans and national priorities will be subject to an annual review cycle and feedback loop.

Updates to this National Skills Plan, including new actions to address identified gaps and shortcomings and drive improvement, will be informed by analysis and evidence from JSA, the NCVER and JSCs, as well as evidence from the outcomes framework, jurisdictional action plans and in relation to emerging priorities. This will form part of the annual workplan for Skills Ministers through the Skills and Workforce Ministerial Council, supported by officials across all governments.

How stakeholders will engage in the annual review cycle

All stakeholders are encouraged to work with government agencies, JSCs and peak bodies to inform the annual review cycle and future National Skills Plans.

The first National Skills Plan has been informed by engagement with tripartite leadership structures, and First Nations organisations and communities. Governments are committed to deepening tripartite engagement and partnership with key stakeholders as part of the subsequent annual review cycles. This includes commitment to progress a partnership framework at a national level with First Nations people. Governments will also engage and partner with stakeholders through the development of jurisdictional action plans, and ongoing monitoring and refinement.

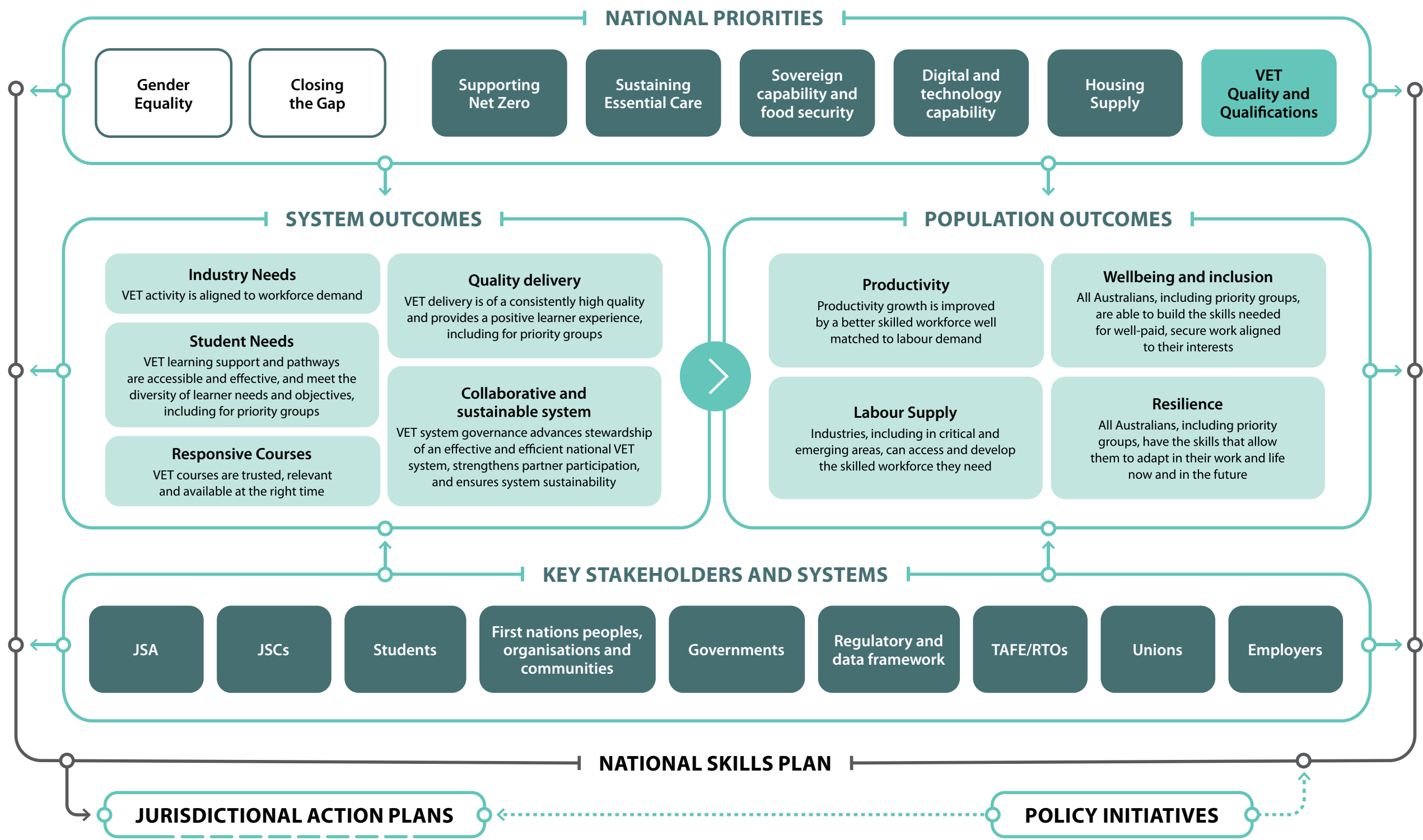
Figure 2 – National Skills Plan: Framework for collaborative progress



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Ministerial Council

National Skills Plan Process

Delivering on shared outcomes and priorities





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