

## **MANUFACTURING INDUSTRY SKILLS ALLIANCE STATEMENT OF RESPONSE**

### **Purpose and Role**

This Statement has been developed in response to the Australian Government's Statement of Priorities for Manufacturing Industry Skills Alliance (Manufacturing Alliance), issued on 18 December 2025 by the Hon Amanda Rishworth MP, Minister for Employment and Workplace Relations, and the Hon Andrew Giles MP, Minister for Skills and Training.

As a Jobs and Skills Council, Manufacturing Alliance has been charged with bringing together employers, unions and governments in a tripartite arrangement to deliver solutions to skills and workforce challenges for the manufacturing industry. Its vision is for an empowered manufacturing workforce that drives the Australian economy.

Manufacturing Alliance's response to the Australian Government's priorities is set out below. The response reflects the organisation's commitment to identifying, implementing and promoting solutions that address the evolving skills and workforce needs of the manufacturing industry. It also outlines priority activities for the year ahead, which are guided by workforce planning and informed by consultation with industry.

### **GOVERNMENT POLICY PRIORITIES AND OBJECTIVES – PROGRAM WIDE**

#### **1. Addressing Australia's productivity challenges**

Manufacturing Alliance is committed to meeting the productivity challenges outlined by the Australian Government. Manufacturing Alliance will lead an industry-first, execution-focused program to lift manufacturing productivity through skills solutions, workforce planning and analysis activities.

This work, guided by workforce intelligence, ensures the training products developed are timely, responsive to industry needs, and comply with government requirements. Examples of training product development projects that are currently progressing include:

- *Polymer Technician and Processing* – improve support and training for industrial polymer skills, critical for strengthening sovereign capabilities and supply chains in identified industries
- *Ammonia Production Specialisation* – add a new ammonia specialisation to the national training package to support emerging requirements for the safe use of high-risk chemicals for ammonia production
- *Printing and Graphics Technology* – develop new training products to ensure technological advancements in print, signage and graphics are effectively supported.

Manufacturing Alliance's workforce planning and analysis activities are framed by four enduring workforce challenges identified for the manufacturing industry. These focus on: expanding apprenticeship uptake and completion; addressing the shortage of mid-level technical skills; supporting priority cohorts engage with, and succeed in, the manufacturing industry; and accelerating circular economy skills while convening partners to address system constraints beyond Manufacturing Alliance's remit.

## 2. Progressing priority reforms under the Closing the Gap National Agreement

Advancing priority reforms under the National Agreement on Closing the Gap is of utmost importance to Manufacturing Alliance. In 2026, Manufacturing Alliance will undertake a project to improve occupational outcomes for First Nations people in manufacturing. The project will feature a partnership-based governance approach that puts First Nations communities at the centre of leadership and decision-making. Manufacturing Alliance also actively contributes to the cross-JSC Closing the Gap Working Group and appreciates the opportunity these working groups provide to share insights and learn from initiatives successfully implemented in other industries.

## 3. Addressing system inclusivity in gender-segregated industries

A key workforce challenge identified by Manufacturing Alliance is the need to diversify the manufacturing talent pool, including by addressing gender disparity within the industry. This is a significant driver for the work program and Manufacturing Alliance will continue to design and deliver projects aimed at addressing barriers to participation by under-represented groups.

Having undertaken preliminary research into the enablers and barriers to women's participation in manufacturing, in 2026 Manufacturing Alliance has leveraged the findings to develop an online hub to showcase programs and initiatives that support the attraction, participation and retention of women in manufacturing (Pathways+).

The CEO of Manufacturing Alliance also Chair's the cross-JSC Gender Equity Working Group, which is actively exploring opportunities for cross-JSC projects that address gender equity challenges, including those identified by Jobs and Skills Australia (2025) in its *Gender Economic Equality Study – Paper 3: Speeding up progress towards gender economic equality*.

## 4. Building an evidence-based view of the challenges and opportunities for the manufacturing industry

Manufacturing Alliance will continue to build on and strengthen its data analysis, research and stakeholder engagement in developing its 2026 Workforce Plan. Manufacturing Alliance will also produce subsector plans to complement and extend the national plan.

As an example, the organisation has recently published the research findings of its *Better Manufacturing Apprenticeship Outcomes* project, which investigated the behavioural patterns behind low completion rates and manufacturing apprenticeships and traineeships. The project identified a set of actionable solutions to enhance apprenticeship completions, and these are now being used to inform the next stream of Manufacturing Alliance's apprenticeship-focused work.

This approach, more granular and dynamic, improves the alignment of workforce solutions to the specific requirements of industry. Impact measures are also being developed to track how solutions improve workforce capability over time.

## 5. Understanding the impact of advances in technology, including Artificial Intelligence (AI) and broader digital transformation

Manufacturing Alliance is identifying a significant range of Artificial Intelligence applications, current and anticipated, across the manufacturing sector. Further detailed, sub-sector analysis is being undertaken and is focused on trade and technicians level occupations and qualifications and pathways in manufacturing and engineering. The organisation works closely with industry, unions, educators and government to build a shared understanding of how Australia's manufacturing workforce will evolve as technology advances.

## 6. Qualification Reform

Manufacturing Alliance acknowledges the importance of the Ministers' VET qualifications reform agenda as a key enabler of objectives and priorities outlined in the National Skills Agreement.

Informed by consultation with industry, Manufacturing Alliance will continue to support its implementation through application of the qualification design model and the updated Training Package Organising Framework (TPOF). Current examples include:

- The *Future Focussed Skills* project, which will review qualifications within the Manufacturing and Engineering Training Package to ensure they align with current industry requirements, equip the workforce with future focused skills, and identify options for continuous improvement.
- an *Aviation Maintenance Skills Alignment* project, which seeks to ensure the VET system can provide the required support for the attainment of the new Civil Aviation Safety Authority (CASA) modular licence option for aircraft maintenance engineers
- a *Manufacturing Technology Review* project, targeting four qualifications for improved flexibility, industry relevance and possible rationalisation.

## GOVERNMENT POLICY PRIORITIES AND OBJECTIVES – MANUFACTURING INDUSTRY SKILLS ALLIANCE SPECIFIC

### 7/8. Contributing to the National Priorities of developing Australia's sovereign capability and food security

Manufacturing Alliance maintains a strong commitment to working with governments to support the implementation of initiatives that contribute to the priorities of the National Skills Agreement, including the National Priority of growing Australia's sovereign capability.

Manufacturing Alliance is progressing a number of initiatives to strengthen the evidence base that supports these priorities and contributes to the development of a shared understanding of the manufacturing skills and training needs that underpin Australia's sovereign capability and food security. This includes:

- the *Australia's Food Manufacturing Capability & Future Needs* project, which will undertake a national assessment of Australia's food manufacturing capability and examine future workforce, and industry needs through to 2050
- ongoing dialogue with key stakeholders to support a shared understanding of the alignment between the needs of the defence manufacturing workforce and the capacity and capabilities of Australia's skills system.

## 9. Building an understanding of the opportunities in manufacturing

Manufacturing Alliance identified the need to increase the pipeline of apprentices as one of the enduring workforce challenges for the manufacturing industry. To better understand the barriers to entry for young Australians, Manufacturing Alliance delivered a promotional campaign ('Make it ManuFACTuring') with the aim of showing young Australians and their support networks that manufacturing is a modern, innovative and future-focused career choice. The campaign not only lifted interest in manufacturing, it shifted people's perceptions about manufacturing work looks and feels like, especially among 14-21 year olds. The findings of the campaign are now informing the development of future activities.

## **10. Continue to monitor the implementation of the Ministerial exemption to the 2012 Standards for Training Packages for Release 2 of the MEM Manufacturing and Engineering Training Package**

Manufacturing Alliance will continue to monitor implementation as part of a broader review of the MEM Training Package, which commenced in 2025, that includes all 39 qualifications. The review, which involves extensive, nation-wide consultation, will consider how well all 39 qualifications align with current industry practice and will support continuous improvement. This review will include consideration of current delivery arrangements, including those arising from the Ministerial exemption to the 2012 Standards for Training Packages for Release 2 of the MEM Manufacturing and Engineering Training Package.

## **PARTNERING FOR SUCCESS**

Strong models of stakeholder engagement and industry stewardship underpin Manufacturing Alliance's approach, ensuring workforce planning and skills development are informed by the perspectives of employers, unions, training providers, government and the broader manufacturing ecosystem. As part of this approach, Manufacturing Alliance will continue to deepen engagement with key stakeholder groups and expand its networks to ensure it is capturing diverse perspectives across the industry.

## **Conclusion**

Through the work outlined in this Statement, the Manufacturing Alliance reaffirms its strong commitment to delivering on the Australian Government's priorities and supporting the long-term success of Australia's manufacturing industry. Guided by tripartite collaboration and grounded in robust workforce intelligence, Manufacturing Alliance will continue to develop and implement practical, evidence-based solutions that respond to current and emerging skills challenges.

Manufacturing Alliance is committed to building a skilled, adaptable and inclusive manufacturing workforce by strengthening workforce planning, advancing VET qualifications reform, improving participation and outcomes for underrepresented cohorts, and supporting the industry to respond to technological change. Manufacturing Alliance will continue to work in close partnership with employers, unions, training providers, governments, communities and learners to ensure the organisation's work is responsive, coordinated and aligned with national priorities, including Closing the Gap, growing Australia's sovereign capability and supporting a future ready skills system.

Through strong stewardship, transparent engagement and a focus on impact, Manufacturing Alliance will play a central role in supporting a resilient and productive manufacturing workforce that contributes to economic growth, national capability and shared prosperity for Australia.