

# BUSINESS NSW

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Jobs and Skills Australian Engagement Team  
Department of Employment and Workplace Relations  
via email to: [jsaengagement@dewr.gov.au](mailto:jsaengagement@dewr.gov.au)

## Establishment of Jobs and Skills Australia

Business NSW welcomes the opportunity to provide a submission to the *Jobs and Skills Australia Discussion Paper*.

Business NSW is NSW's peak business organisation with more than 40,000 member businesses. Business NSW works with businesses spanning all industry sectors, the majority of which are small or medium enterprises. Operating throughout a network in metropolitan and regional NSW, Business NSW represents the needs of business at a local, state and federal level.

Business NSW supports the creation of Jobs and Skills Australia (JSA). JSA will play a critical role at a critical time in ensuring that businesses have the workers they need now and into the future. Workforce shortages exist in many occupations, across most industry sectors and in every region of NSW. The *Business NSW 2022 Workforce Skills Survey* found that 9 in 10 of businesses were experiencing difficulty in recruiting the workers they needed. It also found that these shortages extended across both skilled and unskilled positions.

Given the critical importance of the Commissioner and Deputy Commissioners in providing advice to government on the workforce needs and jobs of the future, it is our strong view that the people filling these vital roles will have extensive backgrounds of working in and leading industry.

Regarding JSA's structure and governance, it is critical that industry representation and input occurs at every level – including, while this is not our preferred structure (see below), in the proposed Advisory Body and Sub-committees. While Business NSW recognises the importance of labour market analysis and the use of workforce projections, there is a need to ensure that qualitative data is captured from industry representatives throughout the work conducted by JSA. This is vitally important to ensure that the workforce demand of small businesses, emerging occupations and small but critical workforces, are represented as accurately as possible in the work that JSA conducts. While small and medium business owners tend to be time-poor, it is firm view that small and medium business should be encouraged to participate in these advisory bodies. Business NSW would be happy to facilitate this through our engaged member base.

Further, and in line with the joint position put forward by ACCI, Ai Group and the ACTU, Business NSW believes that JSA should be governed by a multi-disciplinary Independently Chaired Board. The Board composition should be determined in consultation with National Skills Ministers. The composition of the Board would reflect an equal balance of unions and employer groups, along with representatives from the School, Vocational Education and University sectors, as well as jurisdictional representatives.

In addition to the work identified in the Discussion Paper, Business NSW believes that JSA has an ideal opportunity to develop a detailed National Workforce Plan considering how the three key workforce inputs (skill development; increased participation in the workforce; and migration) will complement one another to deliver the skills that are needed. This plan would be based on workforce projections, as well as a broad consultation process. Again, transparency and communication in the methodology would be key.

One area that could provide an initial area of focus for the National Workforce Plan could be in the significant infrastructure investment pipeline across Australia. In our recent report, [Down to the Wire](#), Business NSW explored the infrastructure pipeline in the Riverina Murray region of southern NSW as a case study for the rest of NSW. In that report, Business NSW identified an energy and transport infrastructure pipeline of more than \$20 billion allocated to projects that are funded or underway, with more planned. Six of those projects (Snowy 2.0, Inland Rail, Project Energy Connect, Snowy 2.0 Connect, VNI West and Hume Link) are estimated to be collectively worth over \$14 billion and are likely to face further cost increases over the coming years as inflationary pressures pile up. The Industry Capability Network estimates these six projects alone will require more than 5000 workers during their construction phases.

During consultation for that report, we heard from many businesses in the region already struggling to fill vacancies and find suitably qualified workers, with many concerned that these shortages would be exacerbated as competition for available skills increases as major infrastructure projects progress. It is our view that this situation is mirrored elsewhere across Australia and would benefit from a priority focus by JSA, in partnership with Infrastructure Australia and relevant state and territory departments.

Finally, Business NSW recommends that JSA rationalise the existing multiple skills needs lists, and underpin a new singular list with a rigorous and transparent skills shortage methodology. Significant consultation was conducted in 2020 to develop a new skills needs methodology but it is unclear what, if anything, changed as a result.

Business NSW looks forward to working closely with JSA and the Commonwealth Government in ensuring a pipeline of quality skilled workers into the future.

Yours faithfully



**DAVID HARDING**  
Executive Director