

24 January 2024

Mr David Turvey
Acting Commissioner
Jobs and Skills Australia
Department of Employment and Workplace Relations
GPO Box 9828
Canberra ACT 2601

By email: connectwithus@jobsandskills.gov.au

Dear Commissioner Turvey

Jobs and Skills Australia's 2024-25 work plan development

The Minerals Council of Australia (MCA) appreciates the opportunity to provide comment on: *Jobs and Skills Australia's 2024-2025 work plan development consultation paper*.¹

The MCA acknowledges the achievements of Jobs and Skills Australia (JSA) since its establishment in November 2022, noting the extensive outreach strategy and work to date, including the *Clean Energy Generation:* workforce needs for a net zero economy report.²

Skills shortages are a huge risk to the international competitiveness of Australian mining, particularly when costs are rising faster than those of our competitors.

There are more than 299,000 people directly employed in mining predominantly located in regional and remote Australia.³ The broader mining and Mining Equipment, Technology and Services (METS) sector support 1.1 million jobs at over 200 operating mine sites and in supply chains across the country.⁴

The minerals industry supports the future focus areas proposed in the consultation paper, centred on addressing ongoing skills shortages, building the talent pipeline in regional Australia, increasing cohesion across tertiary pathways, and developing job ready graduates.

The MCA welcomes a joined-up approach and action across government, industry and training providers. Representing more than 130 members across the minerals, mining and processing industry and the supply chain, the MCA can provide a wider range of industry insight to support progress across the future focus areas listed in the consultation paper.⁵

Key points

Skills shortages remain a persistent and complex challenge for regions and industries across the economy. This is particularly pronounced in the context of the supporting the net zero transition. For example, across the minerals industry skills shortages pose a critical risk to uninterrupted operations, higher costs and the provision of the raw materials essential to the net zero transition.

Web: www.minerals.org.au ABN: 21 191 309 229

¹ Jobs and Skills Australia, <u>Jobs and Skills Australia's 2024-25 work plan development public consultation paper</u>, November 2023, Australian Government.

² Jobs and Skills Australia, <u>Clean Energy Generation: workforce needs for a net zero economy report</u>, 3 October 2023, Australian Government.

³ Australian Bureau of Statistics, <u>Labour Force, Australia, Detailed, Quarterly - November 2023</u>, Table 06. Employed persons by Industry sub-division of main job (ANZIC) and Sex, Australian Government, 21 December 2023.

⁴ ibid; and METS Ignited, METS in Australia, <u>METS in Australia</u> web page, 2024.

⁵ Op. cit. Jobs and Skills Australia, November 2023, Australian Government, p. 11.

More needs to be done to change outdated perceptions of the minerals industry and promote the critical role the industry plays in achieving net zero, and the skills, emerging occupations, and career pathways on offer.

There is no net zero without mining and there is no mining without a skilled workforce capable of safely and sustainably developing and producing the products critical for the clean energy technologies of the future.

Australia has a once-in-a-century opportunity to generate sustained national prosperity and contribute in a substantial way to global clean energy supply chains. Action to ensure that Australians are equipped with the skills and capabilities required to support and capitalise on the global net zero transition over the coming decades. Ensuring access to high quality, highly skilled, Australian talent should be prioritised to improve the international competitiveness of Australian industries as the world transitions.

To support the net zero transition, it is important to understand:

- Workforce requirements across industries critical to the transition, including those required for the supply of clean energy and to enable clean energy (mining, oil and gas, construction, advanced manufacturing, defence, hydroelectricity generation, wind and solar, automotive, and waste)⁶
- Implications of meeting the requirements of the transition across the economy, for example raising business costs, displacing skills, disrupting workforces and compromising productivity.

The MCA recommends that JSA:

- Enable broader industry engagement through direct meetings, interviews, roundtables and supplementary submissions during the ongoing consultation cycle, and including 'relevant industry bodies' to the definition of tripartite consultation⁷
- Participate in targeted engagement on topics relevant to the minerals industry and the supply chain, through issues-based forums, committees and joint initiatives, starting with a joint workforce profile of the modern minerals industry and in-depth study of workforce requirements for the net zero transition.

In addition to participating in open consultation processes and sitting on the mining sector Strategic Workforce Advisory Panel with the mining and automotive Jobs and Skills Council (AUSMASA), building on the existing engagement mechanisms will add greater value through unfiltered access to key expertise, data, anecdotal evidence and activities.

This approach will enhance JSA's work plan activities and ensure comprehensive roadmaps are designed and deliver policies and reform that address existing and future workforce challenges, including across the minerals industry and the supply chain.

Roadmap opportunities: recommended priority focus areas

The MCA recommends JSA facilitate progress on the complementary focus areas listed below.

Opportunity 1: Identify and address persistent skills shortages

 Persistent skills shortages threaten Australia's capability to capture the opportunities coming from growing global demand for minerals and metals.

Opportunity 9: Support the net zero transition through the lens of education, training and migration

• Ensuring there is a comprehensive understanding of workforce requirements for the net zero transition and potential shortages in skills and capabilities, along with impediments to supply is central to delivering an effective net zero transition.

⁶ op. cit. Jobs and Skills Australia, 3 October 2023, Australian Government, p.46.

Jobs and Skills Australia, <u>Work Plan Development Process Consultation Paper</u>, Canberra, June 2023, Australian Government, p. 13.

Opportunity 2: Establish a nationally consistent approach for labour market and skills forecasting, and coherent workforce planning across regions and industries

A national approach to workforce planning is central to ensuring a pipeline of skills that are needed to develop Australia's capability and capacity in critical industries across the economy.

Opportunity 11: Develop a Regional Australia jobs and skills roadmap

As a key employer in regional Australia, the minerals industry has a strong understanding of the evolving jobs and skills demand and has a key role to play in informing this roadmap.

Opportunity 14: Identify key elements of the national jobs and skills roadmap that will assist Australia's productivity growth

As a key contributor to the economy and one of the most productive industries, mining understands the vital role of the jobs and skills roadmap to lift productivity and unlock the growth potential in industries critical to the net zero transition.

Opportunity 4: Assess how reforms implemented as a result of the National Skills Agreement, the Australian Universities Accord and migration reforms, help meet the skills needs of industry

The minerals industry has a vested interest in measuring the impact and outcomes of reforms on meeting workforce skills needs, and ongoing monitoring to enable a system that drives

Opportunity 8: Deliver key enhancements in the evidence base

There is a need for continual monitoring of the necessary skills and capabilities as well as gathering knowledge of anticipated skills tension points, skills transferability and opportunities for skills transitions.

Opportunity 10: Shape a national skills taxonomy

Delivering a flexible and functional tertiary education system at the vocational education and training, and higher education level is critical to meeting the skills needs of the sector, especially as specialist skills associated with innovation and adoption of clean energy technologies of the future increase.

Further information

The JSA 2024-25 workplan provides a solid framework to achieve the objectives of the national jobs and skills roadmap and fortifying the education, training and workforce landscape to address the nation's most pressing jobs and skills challenges.

Achieving these objectives depends on greater direct engagement with industry bodies to leverage the data and insights to deliver tangible results across industries. Examples include, attracting higher numbers of talent to industry, decreasing skills shortages and an education system that delivers job ready graduates.

The MCA seeks to be embedded across the engagement activities beyond the existing formal consultation processes and looks forward to discussing the role Australian mining can play in supporting the work of JSA. Please contact Karolina Szukalska, General Manager – Workforce and Innovation on 0430 246 804 or Karolina. Szukalska@minerals.org.au.

Yours sincerely

TANIA CONSTABLE, PSM CHIEF EXECUTIVE OFFICER

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