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### **Strategic Context**

As a nation, we've experienced firsthand how quickly global and domestic events can disrupt supply chains and impact industries, communities, and individuals. Whether it's floods, bushfires, the global pandemic, unexpected trade restrictions, or geopolitical tensions, the resilience and strength of our supply chains determine how quickly our economy is able to rebound and grow, and how well we fare as a society.

For Australia, the convergence of these events over the last five years has exposed the lack of a systematic approach to building an agile and highly skilled supply chain workforce – an approach that is capable of lifting enterprise productivity and, at the same time, creating opportunities for individual workers.

Building a world class supply chain workforce has never been more important or more challenging. Our industries currently face widespread attraction and retention issues, a tight labour market, and a rapidly aging workforce. Supply chains are being radically transformed by the increasing dominance of omnichannel logistics and the move to a Net Zero economy. Digitalisation of supply chain operations, big data and AI are also revolutionising business models, redesigning jobs, and demanding new skills.

For businesses in regional, rural and remote Australia, these challenges are often compounded by interconnected issues, such as the availability and affordability of housing and childcare.

Industry Skills Australia (ISA) is the Jobs and Skills Council for the nation's aviation, maritime, rail, transport and logistics sectors, and the emerging sectors of space transport and logistics, and omnichannel distribution and logistics. Together these sectors comprise 213,000 businesses and a workforce of

730,000 workers<sup>1</sup>. The number of transport and logistics workers in the Australian economy rises to over one million when including those employed by industries, such as agriculture, manufacturing, mining, and tourism,

Owned and led by industry, our Council is committed to building a world-class supply chain workforce to increase productivity, create better jobs, and build opportunities for individuals and communities. Our Strategic Plan ('the Plan') sets out our four strategic pillars, the underpinning goals and objectives, and a range of actions to fully establish the Council and reach a 'steady state' of program delivery in line with the tripartite model. Key performance indicators, our ways of working, and strategic risk management complete our Plan.

Our dedicated Governance, Risk and Quality Team continues to monitor progress with regular reporting to the ISA Executive, quarterly reporting to the Board and the Department of Employment and Workplace Relations.

Jobs and Skills Councils are part of an ambitious skills reform agenda being led by the Government to ensure that no Australian is left behind or held back as the economy transitions and adapts to structural change. The National Skills Agreement and National Skills Plan will be vital in building the supply chain workforce needed by the nation, as will changes already heralded by the Government's Employment White Paper, Migration Strategy, and the Australian Universities Accord.

As a result of these and other reforms, and the rapidly evolving operating environment of our industries, the ISA Board will review, update, and submit our Plan on or before 30 June of each year to the Commonwealth.

<sup>&</sup>lt;sup>1</sup> Source: ABS Labour Force Survey (EQ6) 2023 quarterly average and ABS Counts of Australian Businesses 2023



#### **Our Mission**

To build a world class supply chain workforce that lifts productivity, creates better jobs, and builds real opportunity for individuals and communities.

### **Our Vision**

To be Australia's pre-eminent body on workforce planning and development for the transport and distribution industry, and the most reliable and representative source of contemporary industry advice for governments and decision-makers.

#### **Our Values**

Industry Skills Australia's values embody who we are and reflect the essence of the Jobs and Skills Councils Program:

- Collaboration We nurture open, trusted relationships and work with those who share our goals
- Innovation We listen carefully, dive deep and think differently to find new, effective solutions
- **Passion** We care. Deeply. Because every day we see the transformative power of skills on individual lives and the industries we serve
- Integrity We do what is right and we do what we say we are going to do
- Impact We create sustainable, far-reaching change by working with our stakeholders to build their capability
- Excellence We deliver high quality and high value back to our stakeholders by continually growing our capability.







#### **GOVERN**

#### STRATEGIC GOAL

Industry Skills Australia's approach to governance maintains the organisation's **integrity**, **reputation** and commitment to **excellence** 

## STRATEGIC OBJECTIVES

- The Board's **structure and composition** are inclusive, skill-based and embody the principles of good governance
- The Board ensures compliance with the Jobs and Skills Council Grant Agreement and Code of Conduct, relevant laws, regulations, and internal policies, and that these requirements extend to all staff, contractors, and committees
- The Board's decision-making is data-driven and evidence-based
- The Board and organisation proactively identify, assess and manage risk
- The organisation uses its resources appropriately, and monitors and evaluates its performance and impact
- The organisation invests in its people, business systems, and cyber security in alignment with its functions
- The organisation attracts, recruits, and retains a diverse and highly skilled workforce

#### **ACTIONS**

- Appoint and induct industry leaders to the ISA Board and support their role as champions of the Jobs and Skills Council
- Establish and maintain internal planning, policy and procedures to ensure strong governance flows through to all operations
- Establish and maintain fit-for-purpose reporting and evaluation framework and business systems
- Maintain the skills, capabilities and capacity required to deliver ISA functions through mentoring, professional development, and recruitment
- Implement and maintain Attraction and Retention Strategy and Succession Plan
- Undertake internal governance review and highlight opportunities for improvement



- Gender balance, equity, and diversity are present at all levels of Industry Skills Australia's operating model
- JSC Performance Framework overall rating of Industry Skills Australia meets or exceeds expectations
- Corporate reporting requirements are fully compliant and on time







#### **ESTABLISH & LEAD**

#### STRATEGIC GOAL

Industry Skills Australia's establishment of the Jobs and Skills Council positions **industry at the heart** of the organisation

## STRATEGIC OBJECTIVES

- The organisation's operational model is tripartite and reflective of its industry coverage
- The organisation is successfully positioned with critical stakeholders as a trusted source of information, intelligence, and strategic advice
- The organisation ensures its activities are inclusive and key stakeholders are empowered to fully participate
- The flow of intelligence between the organisation's committees, working groups, and ISA teams is timely, relevant and valued

#### **ACTIONS**

- Establish and regularly review Terms of Reference for all key committees and working groups
- Identify, appoint and induct industry leaders onto the Industry
   Advisory Committee and commence program of work
- Grow the membership, and build the confidence and influence of the Strategic Workforce Planning Committees in line with the program of work
- Establish the model, program of work, priorities, and subject matter experts for the Technology Futures Taskforce
- Establish priority locations and focus areas Regional Fora that are connected to the program of work
- Establish proposed focus, approach, and format for the Annual
   Supply Chain Leaders' Summit
- Incorporate feedback mechanisms into the operating model to capture qualitative data on the relevance and quality of the VET system
- Establish scope for internal evaluation of model efficiency and effectiveness of intelligence flows

- All key elements of Industry Skills Australia's operating model are established
- Strong, active tripartite representation is embedded throughout Industry Skills Australia's operating model
- Industry Skills Australia is considered a trusted source of advice and evidence on workforce and skills issues affecting their industry sectors





#### **ENGAGE**

STRATEGIC
GOAL

Industry Skills Australia's engagement builds **trusted** and **productive relationships** with stakeholders

## STRATEGIC OBJECTIVES

- Industry Skills Australia's approach to engagement is broad, inclusive, and systematic to effectively and reliably represent the views and needs of all industry stakeholders at the national, urban, regional, rural and remote levels
- Industry Skills Australia continually grows and refreshes its stakeholder networks to ensure its insights and activities are shaped by the latest developments in industry
- Industry Skills Australia maintains open and transparent communication channels to facilitate cooperation, build trust and accountability
- Industry Skills Australia designs its communication and engagement activities to meet the diverse needs of its stakeholders

#### **ACTIONS**

- Refresh and implement the ISA Communications Plan
- Refresh and implement the ISA Stakeholder Engagement Plan
- Evolve and update the ISA website to promote industry priorities and key activities
- Consult with the Strategic Workforce Planning Committees and key industry stakeholders to identify priority issues and potential solutions
- Undertake industry-wide consultation to develop and validate
   National Workforce Plans as a continuous cycle
- Engage Industry Leaders in a series of high-level Roundtables around Australia
- Consult with VET Regulators to identify systemic issues of quality
- Build key stakeholder networks in Space Transport and Logistics and Omnichannel Distribution and Logistics and undertake initial workforce studies

- Stakeholders' expectations of Industry Skills Australia are met or exceeded across all stakeholder categories (survey)
- The number of Registered Stakeholders increases across all stakeholder categories





#### **COLLABORATE**

STRATEGIC	
GOAL	

Industry Skills Australia builds collaboration among stakeholders to address **common goals** 

## STRATEGIC OBJECTIVES

- Industry Skills Australia brings stakeholders together to optimise resources, share knowledge and coordinate efforts
- Industry Skills Australia builds tripartite approaches to solving workforce development and skills challenges
- Industry Skills Australia builds sustainable solutions by creating shared value

#### **ACTIONS**

- Engage with ministers and senior officials to identify opportunities for collaboration and delivery of the National Skills Plan and jurisdictional action plans
- Work with Jobs and Skills Australia to identify opportunities for collaboration and industry feedback on its data and analysis
- Establish Training Product and Implementation Working Groups with Terms of Reference for relevant activities
- Co-design the RTO Capability Building Program with key stakeholders and identify priority areas and timetable of activities
- Work with other Jobs and Skills Councils to share good practice, and identify common priorities and opportunities for collaborative responses
- Engage with state and territory industry advisory bodies to identify opportunities to collaborate and share intelligence and data
- Engage with the National Careers Institute to identify opportunities to collaborate and share key priorities

- Industry Skills Australia pro-actively engages in relevant cross-JSC initiatives and activities
- Industry Skills Australia collaborates with key stakeholders on mutual priorities
- National training products are developed and maintained on time and budget





#### The challenge ahead

The Jobs and Skills Council Program has been established by the Australian Government at a time when as a nation, we are moving towards a more advanced, digitally focussed, and decarbonised economy. It is the greatest transition since the Industrial Revolution.

The seismic shifts to business models, jobs and skills will progressively impact all our industries, at all scales of business, and throughout urban, rural, regional and remote Australia. We must not only equip workers with skills relevant for today's technologies but also ensure they are adaptable to future innovations.

Jobs and Skills Councils are industry-owned and industry-led. Underpinned by a commitment to collaboration, and a tripartite model that brings together business leaders, unions, and governments, our role is to provide leadership on the skills and workforce development challenges ahead.

## A system, rather than a series of projects

As Australia charts its course toward an innovative and sustainable future, preparing the workforce will demand both strong industry leadership and continuous, sustained effort.

It is the reason why our model is intentionally designed to operate as a system as distinct from a series of projects, and why industry is embedded in every aspect, from high-level strategic thinking and advocacy, through to local implementation of customised solutions (Figure 1).

Jobs and Skills Councils have four critical roles. The first is 'industry stewardship' which involves gathering industry intelligence to reliably represent the views and needs of industry back to the national skills system and its decision-makers. From that flows the 'workforce planning' role which, drawing on industry intelligence and anchored in hard data, sees each industry prioritise its skills needs in its Workforce Plan. From that advice comes the third role, the development of training products in response to industry's skills needs. Our fourth and final role involves 'implementation, promotion and monitoring' where we work on the ground to support training providers, promote careers and monitor just how well the system is meeting the needs of industry and learners.

Our Board remains responsible for the overall governance and strategic direction of Industry Skills Australia, and ensuring that our Jobs and Skills Council delivers strong value for money back to the Commonwealth and industry.

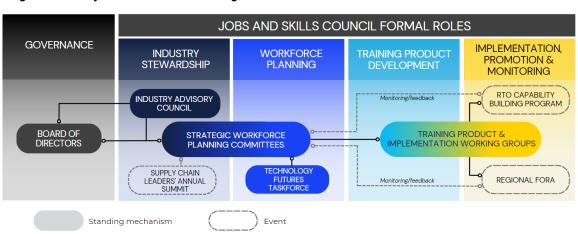


Figure 1. Industry Skills Australia's model against the JSC formal roles



Our operational model has been designed to ensure that industry's voice is actively present every day and at every level (Table 1)

Table 1. Overview of each mechanism within ISA's Jobs and Skills Council

MECHANISM	OVERVIEW					
INDUSTRY ADVISORY COUNCIL	Operates as a high-level advisory mechanism to the Board and Strategic Workforce Planning Committees. Provides strategic insight into the future of work and identifies opportunities for cross-industry solutions to workforce challenges. Advises the Technology Futures Taskforce on horizon technologies to be investigated for their potential to redefine business models, jobs and skills. Comprises industry leaders from a range of industries where supply chain effectiveness is central to productivity (for example, mining, construction, agriculture, manufacturing).					
STRATEGIC WORKFORCE PLANNING COMMITTEES	Established for each of the main industries, these Committees are the central mechanism of the Jobs and Skills Council. With a focus on identifying workforce challenges, emerging skills needs, and the responses needed from industry, government, and the national skills system, these Committees lead the development of the national Workforce Plan for their industry (Aviation, Maritime, Rail, Transport and Logistics). Committees embody the tripartite model and are representative of all major sectors in the industry.					
SUPPLY CHAIN LEADERS' ANNUAL SUMMIT	Brings together high-profile industry leaders from across Australia's supply chain sectors, ministers and senior representatives from the national skills system for an annual summit on the future of Australia's supply chains and the implications for jobs and skills. Includes discussion on the responses needed from industry, governments and the national skills system.					
TECHNOLOGY FUTURES TASKFORCE	Increases the responsiveness of the national skills system and the speed-to-market of workforce development solutions through the early identification of new and emerging technologies, and the likely impact on skills and jobs. Taskforce intelligence serves as a key input to the deliberations of the Strategic Workforce Planning Committees. Involves representatives from Australia's innovation and research sector and pioneering businesses that are early adopters of cutting-edge technologies.					
TRAINING PRODUCT & IMPLEMENTATION WORKING GROUPS	Time-limited working groups established to undertake the specific activities identified by the relevant Strategic Workforce Planning Committee as priorities for their industry. Activities may include workforce development solutions; capability building within the national skills system; promotion of careers; brokering learning pathways between schools, VET, higher education; development and piloting of new training products.					
RTO CAPABILITY BUILDING PROGRAM	Operates as a multi-faceted program of high-impact activities to build the professional capability and vocational currency of trainers and assessors, with the goal of lifting the quality and relevance of training outcomes. Includes establishment of sustainable communities of practice, collaborative development of resources, sharing of good practice and ongoing professional development program. Involves practitioners from registered training organisations, schools, community colleges, and higher education institutions.					
REGIONAL FORA	Operates as a multi-faceted collaborative engagement program in priority locations across urban, rural, regional and remote Australia, particularly where chronic workforce development issues are impacting industry or major transition is underway. Its goal is to build industry's engagement in workforce planning and skills development and bring together critical stakeholders to drive sustainable solutions. Participants include employers, key supply chain stakeholders, local chambers, Regional Development Australia committees, Local Government Authorities, state and territory training authorities, and participants from the RTO Capability Building Program.					



## Stakeholder Engagement Principles

We define a stakeholder as 'any individual or organisation with an interest or influence in our work as a Jobs and Skills Council'. The stakeholder-centric functions of a Jobs and Skills Council mean that our ability to successfully engage with a large and diverse range of stakeholders will define our success.

Our industry coverage is characterised by extremely high numbers of industry organisations at both a national and state level. Each of our industries is highly diverse and ranges from complex national and global businesses through to a multitude of small one and two-person businesses. Over 99 per cent of enterprises within the coverage are small businesses. Collectively, our Jobs and Skills Council coverage looks after over 8.2 per cent of Australian businesses.

As an organisation with 30 years' experience of working with Australia's aviation, maritime, rail, transport and logistics industries, we already enjoy deep and trusted relationships with the vast majority of key stakeholders. Work to build relationships with key organisations in the emerging sectors of omnichannel logistics and space transport is currently underway.

Whilst our experience and relationships have enabled us to quickly commence operations, and limit disruption to the training system, our engagement principles mean that we are deeply committed to continually renewing, refreshing, and increasing our stakeholder base so that all stakeholders can influence and benefit from our work.

Our commitment to stakeholders is captured in the following engagement principles which are built into our Plan and will be echoed throughout our work and at all levels of the organisation.

- Clear and purposeful we will always be clear on our objectives for any engagement and be disciplined in our use of language, terminology and phrasing when communicating with stakeholders
- Collaborative we will work in partnership with key stakeholders who share our objectives and have the networks to amplify our reach and impact
- Fresh and dynamic we will continually renew and refresh our stakeholder networks to test our thinking, evolve solutions, and drive innovation
- Informative we will always give stakeholders the information they need to successfully participate in any engagement activity
- Respectful and transparent we will be open and honest in our engagement and respect the expertise, range of views and differing needs of stakeholders
- User-centred and inclusive we will design our engagement activities to recognise the different categories of stakeholders and their varying levels of interest and influence
- Open and encouraging we will build stakeholder capability and confidence to contribute to the VET system.





#### **Managing Risk**

We operate in a dynamic and complex environment; we are part of a new program founded on tripartite collaboration, we have a large and diverse range of stakeholders, and our work spans the full skills pipeline.

We are committed to the highest quality of risk management and operate in accordance with our Risk Management Framework based on ANZ/NZS ISO 31000. Our goal is to proactively identify, assess and manage risk, and minimise any impact should it arise.

#### **Current Risk Appetite**

In our first year, we adopted a 'no risk' appetite to ensure that our Council's foundations are strong and secure, and to build key stakeholder confidence in the new model.

Moving into 2024-2025, we will assume an overall 'limited appetite' for risk.

In addition to an overall risk appetite, we assess risk against seven individual categories, each reflecting a critical aspect of our business (Figure 2).

RISK CATEGORIES

ROPETITE

RISK CATEGORIES

Governance and Policy

Strategic Positioning

People and Capability

Operations

Compliance

Strategic risks identified against each Risk Category (Table 2) typically reflect the new and evolving nature of the Jobs and Skills Council program, with our mitigation focused heavily on ongoing engagement and collaboration with all key stakeholders.



#### Table 2. Current Appraisal of Strategic Risks

Risk ID	STRATEGIC RISK	RISK  Current Untreated Risk Rating  MITIGATION	MITIGATION	STRATEGIC PLAN PILLARS					
			MITIGATION	Govern	Establish & Lead	Engage	Collaborate		
	GOVERNANCE AND POLICY								
1	Existing and new stakeholders involved in ISA governance are not fully conversant with the objectives of the Jobs and Skills Council Program or ISA's operating model	Medium	Governance stakeholders could take time to adjust to the requirements of the model and delay the progress of the Jobs and Skills Council		Undertake full induction of existing and new Board Directors and Members in accordance with AICD NFP Principles, Program Guidelines, Grant Agreement, Code of Conduct, and Performance Framework  Promote the ISA operating model, roles and responsibilities of stakeholders  Promote and implement ISA's Stakeholder Engagement Plan, the Communication Plan and its key messages	✓	<b>√</b>		
	STRATEGIC POSITIONING								
2	Trusted relationships with the full range of senior tripartite stakeholders take time to build	Medium	The potential reach and impact of the Jobs and Skills Council's work may not be optimised or understood by senior stakeholders	•	Implement the Stakeholder Engagement Plan and ensure a systematic approach to engaging senior tripartite stakeholders through the Board and Executive		✓	<b>√</b>	
3	Industry Advisory Council and Strategic Workforce Planning Committees struggle to attract industry leaders	Medium	Strong industry leadership of ISA's Jobs and Skills Council operating model may not be realised	•	Implement the Stakeholder Engagement Plan and ensure a systematic approach to engaging industry leaders through the Board and Executive		<b>√</b>	✓	
	FINANCIAL								
4	Key components of ISA's operating model are interdependent (activities feed into and from one another) and rely on Activity Funding which is not guaranteed	Medium	The full value of ISA's model for the JSC may not be realised	•	Work collaboratively with DEWR to enable funding of the operating model as designed	✓	✓		✓
	PEOPLE AND CAPABILITY								
5	The ability to recruit suitable talent into ISA is reduced in a competitive labour market and at a time when most JSCs are recruiting for similar positions	Medium	Potential for longer lead times to fully establish ISA teams	•	Drive ISA's commitment to our 'People First' culture by creating more opportunities for the promotion of ISA team members who possess the requisite skills and behaviours  Use alternative recruitment methods, including different networks, searching LinkedIn, and recruitment promotion through partners and key stakeholders  Continue multi-skilling and mentoring of ISA team members to build internal mobility across teams	✓			
	STAKEHOLDERS/EXTERNAL SCRUTINY	Y							
6	Stakeholders have high expectations that regardless of being a small organisation with a limited budget, ISA will deliver both high-impact outcomes for multiple industries and simultaneously deliver on the Government's reform priorities for the national skills system	Medium	Stakeholders' expectations are unmet	•	Promote and implement Stakeholder Engagement Plan, the Communication Plan, and key messages to manage stakeholder expectations  Identify opportunities to work collaboratively with key stakeholders to address industry and Government priorities		✓	✓	✓
	OPERATIONS								
7	Stakeholders are unwilling to accept JSCs as responsible for dispute resolution	Medium	Stakeholder relationships are negatively impacted and the progress of activities is delayed	•	Ensure all committees and working groups are underpinned by agreed Terms of Reference consistent with the Code of Conduct and which include dispute resolution protocols	$\checkmark$	✓		
	COMPLIANCE								
8	Jobs and Skills Council Program requirements continue to evolve and require expansion or changes to existing internal compliance requirements and systems/processes	Medium	The cost of administering the Jobs and Skills Council Program is more resource-intensive and costly than budgeted and impacts the resources available for the core functions	•	Work collaboratively with DEWR to ensure that compliance with the Program requirement is manageable, targeted, and meaningful	✓			✓

Industry Skills Australia – 2024-2027 Strategic Plan

