

25<sup>th</sup> November 2013

Mr Tony Shepherd AO  
Chair  
National Commission of Audit

Dear Mr Shepherd,

### **Re: National Commission of Audit - Submission**

The Transport and Logistics Industry Skills Council (TLISC) is an independent, government funded, not-for-profit organisation that works on behalf of the Transport and Logistics Industry to promote investment in skills and workforce development. Our mandate is to drive the skills and workforce development agenda across the entire Transport and Logistics Industry which encompasses activities in Road Transport, Warehousing, Rail, Aviation, Maritime, Logistics and Ports.

This submission is made in direct response to your Terms of Reference and specifically relates to the *'options to manage expenditure growth, including through a review of existing policy settings, programs and discretionary spending'* and *'whether there is a strong case for continued direct involvement of government'*.

There are more than 165,000 businesses in Australia's Transport and Logistics Industry, which in 2012-13 had an estimated worth of at least \$120 billion. While often synonymous with the image of transport and logistics, large companies employing more than 200 people only account for 0.25% of the industry – with the majority being micro and SME's. The industry is characterised by immense diversity in occupations, business types and sizes, and locations. The diversity presents significant challenges in communicating effectively with the industry sectors and meeting their diverse workforce development needs.

Fulfilling our role as an Industry Skills Council, TLISC actively supports and engages Transport and Logistics businesses through activities including:

- brokering whole of business solutions to support enterprises to develop a skilled workforce
- developing high quality and contemporary industry intelligence about the transport and logistics workforce, as well as analysis of macro, micro and market factors impacting the industry
- consulting extensively with industry, government, and regulatory stakeholders in the development of qualifications and support materials that ensure skilled workers meet the needs of the businesses that employ them

The Transport and Logistics Industry has a myriad of industry bodies and associations which sit at a national, state, regional, sectoral, sub-sectoral, occupational and commodity level. Given the complexity of Vocational Education and Training, and that not all of these bodies have the scale or resources to regularly engage in the VET policy space, the central efficiency delivered by TLISC, and indeed the ISC model, is the independence of the organisation and the extent and frequency of stakeholder engagement.

The truly non-partisan nature of Skills Councils provides a central point for enterprises and all other industry parties to articulate their key issues and preferred directions for skills development. This enables TLISC to provide feedback to governments on whether industry skills and labour needs are being met, as well as supporting-evidenced based policy formation.

Through engagement with Regulators across all Transport modes, TLISC has delivered harmonisation of qualifications with licensing requirements for the majority of licensed occupations. This has eliminated duplication of training effort and wastage of scarce financial resources. It has also enabled Transport regulators to leverage off the existing VET framework, including accreditation standards and audits, and to move away from establishing or maintaining their own training regimes.

TLISC is tasked with brokering agreements between Transport and Logistics organisations who have a workforce development need, and the Federal Government. Since its establishment, the total value of NWDF projects brokered by TLISC in the Transport and Logistics industry is \$31.7 million. The biggest barrier to employers providing training to their employees is cost related, as evidenced by TLISC's 2013 Workforce Planning and Development Survey and detailed in the TLISC Environmental Scan 2013. The co-funded nature of the NWDF helps employers to overcome this challenge. Transport and Logistics enterprises have invested \$18.1 million in upskilling their employees through these projects.

The outcomes of many of these projects have been published by TLISC in "NWDF: The Stories" which portrays real life examples of the impact that the projects have had on enterprises around Australia. 'Skilling Transport', an eBook also produced by TLISC has just been completed which provides additional employer case studies, including video interviews.

Each year, TLISC develops and publishes The Transport and Logistics Environmental Scan (the E-Scan). The E-Scan operates as an 'early warning system' about the state of the industry, and the skilling needs of employers. We are aware that this publication is regularly used by many levels of government, both Federal and State, inclusive of education and transport portfolios.

This document draws on real-time, grass-roots industry intelligence from across the industry on existing and emerging skill shortages and training requirements. These contemporary insights are translated into an analysis of what changes are required to TLISC Training Packages and the VET system more broadly in order to meet the needs of business.

[Setting the skills standards for industry:](#)

[Road Transport](#) | [Rail](#) | [Maritime](#) | [Ports](#) | [Aviation](#) | [Logistics & Warehousing](#)

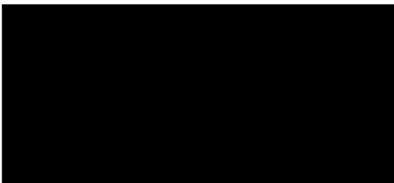
The E-Scan is developed through extensive stakeholder consultation and underpinned by structured research activities. This methodology enables TLISC to collect, analyse and validate industry intelligence, often using multiple, simultaneous approaches as a means of triangulating and testing advice. The E-Scan process gives industry a formal platform to express its views and have those flow through to all levels of government which results in significant efficiency through ensuring their inclusion in key policy formation considerations.

TLISC, like all ISCs has a singular focus on skills development and workforce planning. This concentrated effort means that we have developed a deep, rich level of expertise in distilling broader macroeconomic policy into high impact strategies. TLISC recently completed a joint research project with Monash University - 'Australian Transport and Logistics Industry: Forecasts of Labour and Skill Requirements 2012-17' an investigation into the future skill needs of the industry which explores workforce requirements to meet employment growth, turnover needs and skills deepening needs.

This work will now inform the establishment of Industry-driven, sector-based workforce plans. When complete these plans will identify high level workforce and skill needs; and identify actions to be taken to meet those needs. These plans will be strategic documents that direct industry and stakeholders toward a set of common goals.

I've endeavoured to keep the summary of our activities and remit as concisely as possible, but I am happy to provide any further information that may be required by the Commission of Audit. I can be contacted on [REDACTED] or [REDACTED].

Yours sincerely,



[REDACTED]  
**Chief Executive Officer**