

Australian Information Industry Association

Submission on the

National Skills Passport

18 February 2024

Introduction

The Australian Information Industry Association (AIIA) thanks the Department of Education (DoE) and Department of Employment and Workplace Relations (DoEW) for the opportunity to respond to the National Skills Passport consultation. The AIIA notes that the technology sector is keenly interested in access to talents in support of the digital economy, especially to protect it with cyber security and data management skills and drive productivity with Artificial Intelligence (AI) and Machine Learning (ML) skills. For these reasons, the AIIA supports the National Skills Passport and makes recommendations to prioritise tech skills and interoperability with skills passports in important jurisdictions, both at State-level and overseas.

Key Principle 2: User-centred

2. From the perspective of an organisation:
 - a. What data (such as credentials, qualifications, licences, and skills) and functionality should be included in a National Skills Passport?

The tech industry continues to expect job growth. In the tech index the AIIA and Info-Tech Research Group jointly launched to measure CIOs buying sentiment, 42% of the senior IT executives stated that they will increase headcount by 1 to 9%, while 29% will increase headcount by 10 to 29% over the next year.¹ This bodes well for the Government's plan to achieve 1.2M technology-related jobs by 2030.

The top talents in demand are those with cyber security, data analytics, and information management and risk and governance, enterprise architecture, AI and ML skills. The inclusion of these skills in a National Skills Passport will greatly assist in the matching of employees with employers, fulfilling the national efforts in driving the digital economy and productivity.

Recommendation: The AIIA suggests the DoE and DoEW prioritise the recognition of tech skills, particularly in areas of cyber security, data analytics, and information management and risk and governance, enterprise architecture, AI and ML.

Recommendation: The AIIA suggests the Government issue credit to employees to promote lifelong learning and up-skilling in critical technical skills, and provide funding to schools for training both students and teachers on digital skills, with a particular focus on underprivileged institutions as per its recommendations in its 2020 Whitepaper on [Building Australia's Digital Future in a Post-COVID World](#).

¹ AIIA, [Australia's First Australian Tech Index Launched to Measure Buying Sentiment](#), 12 February 2024.

Key Principle 3: Integrated and interoperable

1. What systems do you operate or interact with that may be impacted by a National Skills Passport, and what systems would you like to see integrated?

The AIIA supports interoperability with skills passports in Australian States and international jurisdictions. It is important that tech companies in Australia have access to the talents to support innovation from conception to commercialisation. This is in line with the Government's aspiration to maximise (business) opportunities from the digital and net zero transformations in its Working Future White Paper.² It will, in turn, assist in the related Migration Strategy, which will develop a Specialist Skills Pathway to bring in suitable top talents such as Cyber Specialists.³

In addition, the AIIA notes that there are important complementary systems such as the Commonwealth Digital Identity platform (myGov) to verify the candidate and NSW credentials (e.g. [Working with Children Check](#) and [General Construction Induction Training Card](#)) to verify the candidate's approval to work in specific industries.

Recommendation: The AIIA suggests the DoE and DoEW prioritise interoperability with Australian States Skills passports and those of the top countries providing the most permanent migrants to Australia.⁴

Recommendation: The AIIA also suggests the National Skills Passports to be accessible via the Digital ID system (myGov) and integrated with other important (non-skill) right-to-work credentials wallets.

3. Noting the different levels of data standard maturity between VET and higher education, would you see benefit in establishing a single data standard across the tertiary education system? If yes, what features would you expect to see in the data standard?

The AIIA recommends capability uplift across the education sector. Our tech index found that the sector is well-aware that its top priority is data transformation but currently faces skills gaps in database administration, data analysis and business analysis. It also found the education sector to be both underfunded and underinvesting in technology when compared to the overall economy. The education sector is twice as likely to have less than \$10M OPEX and CAPEX annual IT budget and five times more likely to not have increase in IT budget in the next one to three years.⁵

Recommendation: The AIIA agrees that a mandate to establish a single data standard will motivate the education sector to focus capability uplift, which will both assist in implementing the National Skills Passport initiative as well as other key projects such as cyber security defences.

Recommendation: The AIIA suggests greater Government funding for the education sector to embark on digital transformation.

² Commonwealth Treasury, [Working Future - The Australia Government's White Paper on Jobs and Opportunities](#), September 2023.

³ Department of Home Affairs, [Migration Strategy](#), 11 December 2023 (page 49).

⁴ Department of Home Affairs, [Country Profiles List](#), 9 January 2024.

⁵ AIIA, [Australia's First Australian Tech Index Launched to Measure Buying Sentiment](#), 12 February 2024.

Key principle 4: Trusted and reliable

2. Who would you expect to provide the validation? For example, would you expect qualifications to be validated by a university, Registered Training Organisation or regulating body, and skills verified by an employer or third party?

Due to the need for rapid upskilling alongside technology advances, it is expected that companies will rely on agile courses to re-deploy existing team members to use new technologies. The AIIA tech index found that 61.5% of the IT leaders plan to build internal staff capabilities before seeking managed or professional services to fill skills gaps.⁶ As part of the solution, the AIIA developed two pilot ICT micro-credentialing courses and partnered with the Queensland University of Technology to successfully train 1,340 Queenslanders in cyber security and strategic IT-enabled innovation over 12 months in 2021.⁷ The AIIA was engaged again by the Queensland Government to provide an AI-specific 'Micro-credentialing Program', supporting 650 participating enterprises to simultaneously adopt Generative AI and resolve identified problems in 2023.⁸ These are examples of how tech-specific courses are promptly developed beyond the traditional educational pathways to save jobs and help employees transition to new future jobs.

Recommendation: The validation of new qualifications should be timely and flexible to acknowledge new training methods and incorporate new skills in demand. Validation must not be limited to traditional educational pathways such as university or Registered Training Organisation.

Conclusion

The AIIA appreciates the opportunity to explain the latest developments in the technology sector and the skills in demand, noting that it is a key pillar of growth for the national economy. Should you have any questions about the content of this submission please contact Ms Siew Lee Seow, General Manager, Policy and Media at siewlee@aiia.com.au.

Yours sincerely
Simon Bush
CEO, AIIA

⁶ Ibid.

⁷ Peter Bevan, [QUT and AIIA Supporting Queensland's ICT Skills](#), 20 December 2021

⁸ Peter Bevan, [\\$17M Responsible AI adopt program to support Australian businesses](#), 8 December 2023

About the AIIA

The Australian Information Industry Association (AIIA) is Australia's peak representative body and advocacy group for those in the digital ecosystem. We are a not-for-profit organisation to benefit members, which represents around 90% of the over 1 million employed in the tech sector in Australia. Since 1978, the AIIA has pursued activities to stimulate and grow the digital ecosystem, to create a favourable business environment for our members and to contribute to Australia's economic prosperity.

We do this by delivering outstanding member value by:

- providing a strong voice of influence
- building a sense of community through events and education
- enabling a network for collaboration and inspiration; and
- developing compelling content and relevant and interesting information.

We are unique in that we represent the diversity of the tech ecosystem from small and medium businesses, start-ups, universities and digital incubators through to large Australian companies, multinational software and hardware companies, data centres, telecommunications companies and technology consulting companies.