Pillar 2
Building a skilled and adaptable workforce

Consultation questions | May 2025

Contents

Building a skilled and adaptable workforce

We are looking at making it easier for workers and employers to adapt to a changing economy, including improving education outcomes and occupational entry regulations.

We are asking you for feedback on our approach so far to **Pillar 2: Building a skilled and adaptable workforce**.

After reviewing the ideas submitted through Australia's Productivity Pitch and undertaking our own research and stakeholder consultation, we have identified three policy reform areas in this pillar to explore further.

For each reform area, we will:

- recommend specific reforms
- seek to quantify their benefits (where possible) and
- suggest how the reforms can be implemented.

Skilled migration has been excluded from this inquiry as it's too early to assess the effects of recent changes in this area.

Improve school student outcomes with the best available tools and resources	**Support the workforce through a flexible post-secondary education and training sector**	**Balance service availability and quality through fit-for-purpose occupational entry regulations**
Improving access to high-quality, accredited curriculum and lesson planning materials and diffusing the best innovations in educational technology across the country.	Post-secondary education that improves graduate skills and enables flexible learning, reskilling and upskilling through structured work-related training.	Reforms to occupational entry regulations to reduce red tape, improve the availability of skills and make it easier for workers to move to areas of industry need.

Why is a skilled and adaptable workforce important?

Australia's most valuable resource is its 27 million people. More than ever, the success of our economy depends on our ability to use and develop new technology and ideas, perform skilled work, manage productive teams and deliver high-quality services efficiently.

Our education system needs to keep us at the forefront of the global market for skills and knowledge and create the foundation for lifelong learning. And our jobs market needs to respond quickly as demand for skills change, allowing business to innovate and respond to opportunities.

What are the pillars of productivity?

In 2024, the Australian Government asked us to identify the highest priority reform areas under 5 pillars of productivity:

1. Creating a more dynamic and resilient economy

2. Building a skilled and adaptable workforce
3. Harnessing data and digital technology
4. Delivering quality care more efficiently
5. Investing in cheaper, cleaner energy and the net zero transformation.

We will deliver practical and implementable policy ideas across the 5 pillars at the end of 2025.

Sub-page – Policy reform area

Improve school student outcomes with the best available tools and resources

Despite increased investment, the academic achievement of Australian school students has stagnated in recent years. Using school resources more efficiently and innovatively will enable teachers to provide the quality teaching vital to improve student outcomes.

Australian teachers have access to a multitude of curriculum and lesson planning resources to enhance student learning experiences. These are available from a diverse range of sources including social media, commercial providers and, for some jurisdictions, dedicated state and territory government platforms.

Access to these resources can depend on the jurisdiction and education sector that a teacher works in, which means that teachers may be using material and tools of varying quality.

As noted by the Grattan Institute, this means that 'students are less likely to experience a coherent, vertically aligned curriculum over time and are more likely to be a victim of the lesson lottery' (Hunter et al. 2022, p. 31).

Similar issues affect the use of education technology (edtech) with some jurisdictions trialing new tools and others adopting a wait and see approach. With the rapid pace of technological development in edtech tools such as generative AI (GenAI), all governments have an interest in diffusing the best innovations across the country while collaborating to manage risks.

Our approach

We will explore the most effective ways to ensure all teachers have access to high-quality teaching and learning resources, and are supported in using them effectively to improve student outcomes.

Our approach aims to reduce disparities in student learning outcomes without limiting choice and diversity in teaching approaches. We will also explore how governments can reduce duplication, pool resources and support all teachers across school systems.

Sub-page – Policy reform area

Support the workforce through a flexible post-secondary education and training sector

A post-secondary education system (including VET and higher education) that improves graduate skills and enables flexible pathways can improve transitions from education to work, and lift employment outcomes for students. Lowering barriers to reskilling and upskilling through structured, non-formal work-related training improves job matching – increasing productivity and economic growth.

Reform in these areas is timely. The vast majority of new jobs will require tertiary education and the average Australian worker is expected to change occupations 2.4 times by 2040 (AlphaBeta 2019).

Our approach

We will explore ways to make the post-secondary education and training system more flexible and adaptable.

Two promising avenues of reform are:

- Improving recognition of prior learning and credit transfer mechanisms to make it easier for tertiary education students to have their existing qualifications and experience certified. This could enable more flexible education pathways, drive competition between course providers and support the growth of innovative education offerings such as microcredentials.

- Increasing the rates of structured, non-formal work-related training by developing targeted measures to enable lifelong skill development and support the workforce to adapt to the future needs of our changing economy.

We will examine the mechanisms available to government to improve credit transfer and recognition of prior learning and create more predictable tertiary pathways for students. We will also consider how best to structure government supports to encourage more structured work-related training. More broadly, we will develop recommendations that align with existing skills initiatives and are responsive to the needs of businesses, employees and students.

Sub-page – Policy reform area

Balance service availability and quality through fit-for-purpose occupational entry regulations

Occupational entry regulations govern the entry of new workers into certain professions. These regulations are needed for high-risk professions to protect consumer and worker safety. However, a relatively high number – approximately one in five workers – are subject to registration requirements (PC 2015).

Restrictions on occupational entry come with costs. By restricting entry to professions, they can act as a barrier to new workers and an ongoing operating cost for businesses. They can limit a firm's ability to hire and fully utilise skilled professionals, reduce incentives to innovate and drive an over-reliance on licences as a signal for employee quality.

Occupational entry regulations can also make it harder for workers to move to more productive firms. This can be a particular issue where professional skills overlap across occupations, creating a situation where otherwise valuable staff are not able to be hired due to a lack of licences (Bambalaite et al. 2020; PC 2023).

Streamlining these regulations can lower prices for consumers by making the workforce more adaptable to industry need and allowing more people to work in jobs that they have the skills and experience to do. It can also promote competition and encourage businesses to innovate.

Policymakers should assess the benefits of occupational entry regulations to consumers and workers against the likely costs. In some instances, alternative forms of regulation may be more effective and efficient, such as work health and safety or consumer protection legislation.

Previous work by the PC (2023, 2024) estimated that streamlining occupational licensing and registration requirements could result in an increase in productivity of 0.8% for industries with the highest incidence of occupational licensing and an overall 0.34–0.39% boost to GDP.

Our approach

Our inquiry will examine pathways to improve the efficiency of occupational entry regulations across Australian jurisdictions, including identifying areas where licensure is unnecessarily prevalent and restrictive.

We will look to articulate a reform agenda to guide action across Australian governments. Possible actions include restricting entry regulations to those occupations that are high-risk; improving data and processes to better assess the benefits and costs of licensure; and replacing licensing with alternative measures that maintain safety and quality standards while minimising barriers to entry.

Our inquiry will complement work being concurrently undertaken by the PC on an occupational licensing scheme that provides for labour mobility nationally (part of commissioned National Competition Policy analysis 2025). Where relevant, insights gained through this process will be shared with the National Competition Policy analysis team and vice versa.

Sub-page – Consultation page with online form

Have your say on building a skilled and adaptable workforce

Section 1. About you and/or your organisation

Contact information

1. **Name**

2. **Email**

3. **Phone**

4. **Postcode**

5. **May we contact you about your response?**

   - Yes
   - No

If yes:

6. **How would you prefer we contact you?**

   - Email
   - Phone
   - Other (please specify)

Attribution

7. **Whose views does your response represent? (Please include the full names of applicable individuals, groups or organisations).**

This can be the name of one or more individuals (including yourself), or the name of one or more organisations. Ensure that you have permission to attribute the submission to all individuals/organisations named.

8. **Do any of the attributed parties identify as Aboriginal or Torres Strait Islander/are any identified organisations an Aboriginal and/or Torres Strait Islander organisation?**

   - Yes
   - No
   - Prefer not to say

Under the National Agreement on Closing the Gap, an Aboriginal and Torres Strait Islander organisation (other than an Aboriginal and Torres Strait Islander community-controlled organisation):

- *is a business, charity, not-for-profit organisation, incorporated under Commonwealth, state or territory legislation*
- *has at least 51% Aboriginal and/or Torres Strait Islander ownership and/or directorship and is operated for the benefit of Aboriginal and Torres Strait Islander communities.*

Consent

9. Do the attributed parties consent to the PC publishing your response on our website and referring to it in our reports?

- Yes, with attribution
- Yes, without attribution
- No, do not publish my response or refer to it in your reports

We will only publish your response if it meets our community guidelines. We are unable to refer to unpublished responses within our report.

For further information on how we handle your information visit our Privacy Policy and Information Policy.

10. Guidelines and policies agreement

- I have read and agree to the above guidelines and policies.

Providing supporting documents (optional)

At this stage of the inquiry, we are only accepting and reviewing supporting documents that meet the following criteria:

- They contain data, charts and supporting information relevant to the policy areas and questions we are asking in this round of consultation
- The attributed participant(s) hold the copyright for the information contained in the documents
- The documents don't include any personal or identifying information.

There will be an opportunity to provide submissions on our policy reform ideas when we release our interim report.

11. Will you be providing any documents to support your response?

- Yes
- No

How to provide a supporting document

Once you have submitted your response via the 'Submit' button below, you will receive a confirmation email from us. Please reply to this confirmation email with your supporting documents attached.

For accessibility reasons, we prefer Microsoft Word documents.

Once we receive your supporting documents, we will review them alongside your response. If your contributions meet our community guidelines, and you have provided consent, we will publish them to engage.pc.gov.au within 14 days.

We are seeking responses to questions on three policy reform areas.

Which policy reform areas would you like to respond to?

- **Improve school student outcomes with the best available tools and resources**

  We are exploring how teachers utilise the various curriculum and lesson planning materials available online, through government sources and through market providers, and looking at the role of emerging educational technology and how both can be used to support better student outcomes.

- **Support the workforce through a flexible post-secondary education and training sector**

  We are interested in the current state of credit recognition and recognition of prior learning in the post-secondary education system and the role of work-related training in improving skill development.

- **Balance service availability and quality through fit-for-purpose occupational entry regulations**

  Occupational entry regulations require individuals to meet certain conditions before working in specific professions. We are looking at the stringency of occupational entry regulations, and how they affect consumers, licensed professionals and industries.

Section 2. Improve school student outcomes with the best available tools and resources

We want to hear how the school education workforce is using generative AI (GenAI) and/or educational technology (edtech) tools, lesson planning and curriculum materials to support student learning.

The questions below are in two parts:

- More general questions for peaks, advocacy groups and individuals (not students) with an interest in schools and student outcomes
- More targeted questions for teachers, principals, or other individuals actively engaged in working with or in school settings.

For all

1. **What (if anything) needs to be done to improve the use of edtech tools (including GenAI) in schools?**

[long text]

2. **What more (if anything) needs to be done to improve awareness and access to high quality lesson planning and curriculum materials in schools?**

[long text]

3. **Is there anything more you would like to say about edtech, GenAI or lesson planning and curriculum materials?**

[long text]

4.   Which of the following best describes you?

- I am a primary school teacher
- I am a secondary school teacher
- I am a school principal
- I am an education support worker
- Other (please specify)

For teachers/school principals/education support workers

5.   Are you currently using any edtech tools (including learning games and GenAI) to support teaching and learning in the classroom?

- Yes
- No

If yes:

6. What has been your experience with using these tools?

 [long text]

You might want to elaborate on:

- – *whether you use these tools to generate learning materials or adapt existing materials*
- – *if you use these tools to mark work or provide feedback*
- – *whether the tools you use are provided via your school or school system*
- – *whether you received any training or support in using these tools.*

7. Are there things you would like to do with GenAI or edtech tools that you can't do currently? What's stopping you from doing these things?

[long text]

If no:

8. Can you tell us why you are not using any edtech tools?

[long text]

For all

9.   Do you access lesson planning and curriculum materials online?

- Yes
- No

If yes:

10. What has been your experience with using these tools?

[long text]

You might want to elaborate on:

- – *Where you access the materials*
- – *How you determine whether they are high quality and aligned to your local curriculum.*

If no:

11. Can you tell us why you are not using online lesson planning and curriculum materials?

[long text]

Section 3. Support the workforce through a flexible post-secondary education and training sector

Credit transfer and recognition of prior learning

We want to hear from past or current students, employers and others, about their experience with credit transfer and/or recognition of prior learning:

- Credit recognition is when your past learning is formally acknowledged by an education provider and used to reduce the amount of study you need to complete a course.
- Recognition of prior learning (RPL) is a process where your work experience, informal training, or non-accredited learning is assessed to determine if it meets the requirements of a subject or qualification.

These processes can save you time and money, but not all students are aware of these options or successfully access them.

We are interested in understanding who is using credit recognition and why some students might not.

The questions below are in two parts:

- More general questions for peaks, advocacy groups and individuals with an interest in supporting a flexible post-secondary education and training sector
- More targeted questions for individuals with direct experience of credit transfer or recognition of prior learning processes.

For all

12. In your experience, how well does the credit transfer and recognition of prior learning system operate in Australia? Does it adequately support students to move between courses or have their work experience recognised as part of a qualification? Are there ways it could be improved?

[long text]

In answering this question you may like to consider:

- – *the clarity and ease of the application process for credit recognition or RPL*
- – *the transparency of the application process for credit recognition or RPL*
- – *the availability of up-front information about the likely provision of credit*
- – *whether enough is done to promote credit recognition and RPL options to students*

     – *whether it would be helpful to have a central method of tracking your credits and credentials.*

13. Which of the following best describes you? Please select all that apply.

- I am a current university student
- I am a former university student
- I am a current VET student
- I am a former VET student
- Other (please specify)

14. In the past 3 years, have you applied for credit recognition or recognition of prior learning (RPL)?

- Yes
- No

If yes:

15. What was your experience in applying for credit recognition or RPL like?

[long text]

You might want to elaborate on:

    – *whether* you were applying for credit recognition or RPL
    – *whether your application was successful and likely the reasons why or why not*
    – *whether the recognition reduced the time or cost of your course*
    – *whether you received help from your provider in the* application process
    – *how long the process to award recognition took.*

If no:

16. Can you elaborate on why you didn't apply?

[long text]

Work-related training

Work-related training is structured, non-formal education or training undertaken for work purposes.

- Structured refers to education or training with a lesson plan and format designed to develop skills.
- Non-formal means the education or training does not lead to a qualification.
- Work purposes can refer to current employment, or training related to future employment prospects.

Work-related training can be delivered externally by universities, TAFE and private training organisations, or it can be delivered internally by an employer.

We are interested in education and training that develops existing skills or helps you acquire new skills. Please exclude training conducted for compliance purposes such as Work Health and Safety (WHS).

The questions below are in two parts:

- More general questions for peaks, advocacy groups and individuals with an interest in supporting work-related training
- More targeted questions for individuals with direct experience engaging in work-related training.

For all

17. What are the main reasons individuals and/or businesses do or do not not participate in work-related training?

[long text]

18. What role, if any, should businesses be playing to address any barriers and better support the offer of work-related training to employees?

[long text]

19. What, if anything, could government do to address barriers and better support the offer of work-related training to employees?

[long text]

20. Which of the following best describes you? Please select all that apply

- I am an employee/individual
- I am a business owner, manager or sole trader

For business owner, manager or sole trader

21. I have:

- Fewer than 20 employees
- 20 to 199 employees
- 200 or more employees

22. Have you provided or supported your employees to participate in work-related training in the past 12 months?

- Yes
- No

If yes:

23. Can you elaborate on the reasons for the training and any benefits you or your employees received from doing it.

[long text]

In answering this question you may like to tell us:

- *whether the training was mandated for employees*
- *who delivered and paid for it*

- *whether the training helped you or your employees perform in their current job and/or will help for their future job prospects.*

24. Can you describe whether you accessed any government assistance, what type, and the amount received? If you didn't access any financial assistance, please tell us the reasons why.

[long text]

If no

25. Can you elaborate on any challenges or barriers you faced in attempting to provide or support your employees to undertake work-related training, such as the time or cost, availability of relevant or high-quality courses, and level of interest from your employees?

[long text]

For employees/individuals

26. Have you participated in any work-related training in the last 12 months that did not relate to general compliance (such as WHS)?

- Yes
- No

If yes:

27. Can you elaborate on the reasons for the training and any benefits you received from doing it?

[long text]

In answering this question, you may like to tell us:

- *whether the training was mandated by your employment*
- *who delivered and paid for it*
- *whether the training helped you perform in your current job and/or will help for your future job prospects.*

If no:

28. Can you elaborate on any challenges or barriers you faced in attempting to undertake work-related training?

[long text]

These may include:

- *financial reasons*
- *the time to undertake the course*
- *the availability of relevant or high-quality courses*
- *employer expectations around prioritising work over study*
- *other reasons.*

Section 4. Balance service availability and quality through fit-for-purpose occupational entry regulations

Occupational entry regulations require individuals to meet certain conditions before working in specific professions. For example:

- electricians, plumbers, and builders must have completed training and hold licences to ensure compliance with safety standards
- teachers must be registered through state-based accreditation bodies
- real estate agents are licensed to facilitate property sales and leases
- hairdressers may need certification in some jurisdictions.

Occupational entry regulations serve an important role in protecting worker and consumer safety and meeting quality standards. However, they may also reduce competition and service availability, and increase prices. These regulations vary across industries, states and territories and over time.

29. What are the effects of occupational entry regulations? Please describe your experience and name the specific occupations you are referring to.

[long text]

You might like to elaborate on how occupational entry regulations have affected you:

- *as an industry professional: utilisation of skills, job security, professional recognition and trust, safety and quality outcomes*
- *as an aspiring or licensed professional: compliance costs, ease of entering the profession or maintaining your licence, ability to move across industries or geographic regions*
- *as an employer or business owner: hiring costs and practices, recruitment difficulties*
- *as a consumer: costs for services, availability of services, confidence in professionals, service quality and safety.*

Some occupational entry regulations may not be proportionate to the level of risk associated with certain professions. Excessive regulations can create unnecessary barriers to entry. On the other hand, insufficient licensing standards can increase the risk of harm to consumers and workers. There may also be alternative approaches that can achieve policy goals without creating barriers to entry.

30. Do you believe current occupational entry regulations are proportionate to the level of risk associated with different professions? Why or why not? If not, do you have any suggested improvements to regulations to better reflect risks? Please name the specific occupations you are referring to.

[long text]

31. Which of the following best describes your connection to occupational entry regulations? Please select all that apply.

- Licensed professional
- Aspiring licensed professional
- Employer or business owner
- Industry association or professional-body representative
- Regulator or policymaker
- Educator or training provider

- Consumer or member of the public
- Other (please specify)

32. Which state or territory are you predominantly based in?

- Australian Capital Territory
- New South Wales
- Northern Territory
- Queensland
- South Australia
- Tasmania
- Victoria
- Western Australia
- Other (please specify)