



Jobs and Skills Australia	
Party:	Australian Labor Party
Summary of proposal: The proposal would establish Jobs and Skills Australia as a national partnership to drive Vocational Education and Training (VET) education and strengthen workforce planning by working together with employers, unions, and the training and education sector. Jobs and Skills Australia would replace the National Skills Commission with existing funding and staffing. The proposal would begin on 1 July 2022.	

Costing overview

The proposal would be expected to have no impact on the fiscal and underlying cash balances over the 2022-23 Budget forward estimates period.

The proposal would not have an impact beyond the 2022-23 Budget forward estimates period. A breakdown of the financial implications (including separate PDI tables) over the period to 2032-33 is provided at Attachment A.

The estimates are sensitive to the assumption that Jobs and Skills Australia would continue to be funded only from resources that would be assigned to the National Skills Commission. Should differing resourcing be needed, especially over the medium term, then the financial implications would vary.

Table 1: Financial implications (\$m)^{(a)(b)}

	2022-23	2023-24	2024-25	2025-26	Total to 2025-26
Fiscal balance	-	-	-	-	-
Underlying cash balance	-	-	-	-	-

(a) A positive number represents an increase in the relevant budget balance; a negative number represents a decrease.

(b) PDI impacts are not included in the totals.

- Indicates nil.

Key assumptions

The Parliamentary Budget Office (PBO) has made the following assumptions in costing this proposal.

- Jobs and Skills Australia would have the same functions and resourcing as the National Skills Commission it is replacing.
- There would be no redundancy or capital costs in this simple transfer of functions.
- Jobs and Skills Australia would be funded as per the resources that would have been provided to the National Skills Commission over the medium-term.

Methodology

The financial implications were obtained by deducting the current funding for the National Skills Commission and allocating this to Jobs and Skills Australia.

Financial implications were rounded consistent with the PBO's rounding rules as outlined on the PBO Costings and budget information webpage.¹

Data sources

Department of Education, Skills and Employment (DESE) (2022) [Portfolio Budget Statements 2022-23](#), DESE, accessed 10 June 2022.

¹ https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Budget_Office/Costings_and_budget_information

Attachment A – Jobs and Skills Australia – financial implications

Table A1: Jobs and Skills Australia – Fiscal and underlying cash balances (\$m)^(a)

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	Total to 2025-26	Total to 2032-33
Expenses													
<i>Administered expenses</i>	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Departmental expenses</i>	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (excluding PDI)	-	-	-	-	-	-	-	-	-	-	-	-	-

(a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

- Indicates nil.

Table A2: Jobs and Skills Australia – Memorandum item: Public Debt Interest (PDI) impacts – Fiscal and underlying cash balances (\$m)^{(a)(b)}

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	Total to 2025-26	Total to 2032-33
Fiscal balance	-	-	-	-	-	-	-	-	-	-	-	-	-
Underlying cash balance	-	-	-	-	-	-	-	-	-	-	-	-	-

(a) As this table is presented as a memorandum item, these figures are not reflected in the totals in the table above. This is consistent with the approach taken in the budget where the budget impact of most measures is presented excluding the impact on PDI. If the reader would like a complete picture of the total aggregate, then these figures would need to be added to the figures above. For further information on government borrowing and financing please refer to the PBO's online budget glossary².

(b) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

- Indicates nil.

² [Online budget glossary – Parliament of Australia \(aph.gov.au\)](https://aph.gov.au)