

Interim Report: Building a Skilled and Adaptable Workforce

A Submission to the Australian Productivity Commission

Monday, 15th September 2025

Executive Summary

The Australian Logistics Council (ALC) welcomes the Productivity Commission's workforce inquiry into building a skilled and adaptable workforce. However, it notes the Interim Report does not explicitly address the freight, logistics, and supply chain sector—despite its 8.6 per cent¹ contribution to Australia's GDP, its role as a national economic enabler, and its acute workforce shortages.

ALC's June 2025 submission, *Building a Skilled and Adaptable Workforce*², outlined evidence-based proposals addressing structural barriers, training gaps, and sector-specific workforce shortages. This updated submission strengthens those recommendations by highlighting practical, place-based opportunities to demonstrate reform in action through logistics precincts and workforce pilots.

Intermodal precincts provide a unique opportunity to serve as live reform laboratories, where initiatives such as recognition of prior learning, SME training incentives, and licensing harmonisation can be trialled and evaluated. These hubs are also regional employment anchors, connecting local communities—including underutilised cohorts such as veterans, migrants with overseas qualifications, women, and Indigenous jobseekers—into meaningful supply chain careers. Positioning logistics precincts as cross-sector skills ecosystems—spanning freight, manufacturing, construction, and renewable energy—creates adaptable talent pipelines that extend beyond transport. Embedding workforce development outcomes into procurement and infrastructure contracts further ensures that reforms are implemented consistently and deliver tangible results.

Finally, the freight sector must be future-ready. Alongside core roles such as drivers, technicians, and warehouse specialists, workforce planning must also include adjacent and emerging roles in data analytics, ESG compliance, community engagement, and workforce wellbeing—areas increasingly critical to regulators, investors, and supply chain resilience. ALC therefore calls for the Commission's final report to explicitly prioritise freight and logistics as a testbed for national workforce reform, demonstrating how inclusive, precinct-based approaches can both strengthen supply chain resilience and create long-term, future-ready careers.

Introduction

ALC represents Australia's freight and logistics industry, encompassing the largest end-to-end supply chain operators across all transport modes. The sector contributes approximately \$150 billion annually to GDP and employs over 1.2 million Australians³.

In our June 2025 submission, *Building a Skilled and Adaptable Workforce*, we presented a detailed evidence base and reform framework addressing severe shortages in heavy vehicle driving, warehousing, logistics coordination, and technical roles. The submission identifies barriers such as fragmented licensing, outdated training curricula, and low career awareness.

¹ <https://www.infrastructure.gov.au/infrastructure-transport-vehicles/transport-strategy-policy/freight-supply-chains>

² <https://austlogistics.com.au/media-centre/submission-building-a-skilled-and-adaptable-workforce/>

³ <https://www.abs.gov.au/statistics/economy/national-accounts/australian-transport-economic-account-experimental-transport-satellite-account/latest-release>

Despite these critical issues, the Productivity Commission's Interim Report does not explicitly address the freight and logistics workforce, overlooking a sector vital to economic productivity, cost-of-living containment, and supply chain resilience.

ALC's Position: Addressing a Critical Omission

The Interim Report's failure to explicitly acknowledge the freight, logistics and supply chain workforce overlooks:

- One of Australia's most severely affected sectors by workforce shortages, with nearly 28 000 heavy vehicle driver vacancies in 2024 nationally⁴.
- Cascading productivity losses and cost increases that directly impact inflationary pressures⁵.
- Existing and effective industry-government partnerships such as the Heavy Vehicle Driver Apprenticeship Pilot and the *Wayfinder: Supply Chain Careers for Women*⁶ career awareness program, which remain unrecognised.
- The opportunity to use logistics precincts as live reform environments, connecting workforce policy with regional job creation, underutilised cohorts, and cross-sectoral skill-building across freight, construction, energy, and manufacturing.

This omission risks perpetuating supply chain vulnerabilities and economic inefficiencies.

Areas of Partial Alignment with ALC Recommendations

The Interim Report endorses some workforce reform principles that align with ALC's recommendations but lacks sector-specific focus:

- **Recognition of Prior Learning & Credit Transfer:** Supports modernised qualifications but omits freight-specific implementation needs (ALC June 2025 submission, p. 15), including the fast-tracking of underutilised cohorts such as veterans, migrants with overseas qualifications, and women transitioning from adjacent industries.
- **Alternative Entry Pathways:** Encourages apprenticeships but excludes key roles such as heavy vehicle drivers and logistics trades (ALC submission, p. 17), as well as adjacent and future-facing roles in automation, data analytics, ESG compliance, and workforce wellbeing.
- **Workforce Data & Intelligence:** Calls for enhanced data but does not commit to freight sector-level analysis (ALC submission, p. 21), nor does it recognise the value of precinct-level workforce data to test reforms in real time.

Critical Gaps and Missed Opportunities

The Interim Report does not address several key workforce reform opportunities:

- **National Freight and Logistics Workforce Strategy:** Essential for coordinated cross-jurisdictional planning, absent from the report (ALC submission, p. 8).
- **National Logistics Skills Hub:** Needed to lead curriculum modernisation and regional training delivery (ALC submission, p. 19).
- **Apprenticeship Priority List Inclusion:** Critical logistics roles excluded, limiting workforce pipeline growth (ALC submission, p. 18).
- **Nationally Consistent, Streamlined Licensing and Accreditation:** Interstate heavy vehicle licensing inconsistencies reduce mobility.
- **Sector-Specific Career Awareness Campaigns:** Successful initiatives like Wayfinder, proven to boost participation among women and under-represented groups, lack recognition and funding. This program is a proven model for awareness campaigns.
- **Targeted Skilled Migration Pathways.**

⁴ <https://primemovermag.com.au/global-truck-driver-shortage-report-highlights-labour-issues>

⁵ <https://www.rba.gov.au/publications/bulletin/2023/sep/pdf/recent-trends-in-australian-productivity.pdf>

⁶ <https://www.wayfinder.org.au/>

- The absence of precinct-based workforce pilots to trial reforms such as licensing harmonisation, SME training incentives and recognition of prior learning.
- A lack of recognition that logistics precincts act as cross-sector skills ecosystems linking freight with manufacturing, energy, and construction.
- Failure to embed workforce outcomes into procurement and infrastructure contracts, missing a key lever for turning national policy into local jobs.

ALC's Revised Recommendations to the Productivity Commission

ALC urges the final report to:

- Recognise freight and logistics as a priority workforce sector essential to national productivity and resilience.
- Endorse a National Freight and Logistics Workforce Strategy governed jointly by government and industry.
- Establish a National Logistics Skills Hub to coordinate skills forecasting, curriculum reform, and training delivery.
- Support precinct-based pilot programs at major freight hubs (e.g. Moorebank, Beveridge) to test reforms such as recognition of prior learning, SME training incentives, and licensing harmonisation.
- Include critical logistics roles in apprenticeship priority lists and expand support for heavy vehicle driver apprenticeships nationally.
- Embed workforce outcomes into procurement and infrastructure contracts, including social procurement and industry participation requirements, to translate national strategy into local jobs.
- Harmonise interstate licensing and accreditation for freight roles to improve workforce mobility.
- Fund national career awareness campaigns (e.g. Wayfinder) and broaden outreach through community-based employers, social enterprises, and Indigenous businesses.
- Develop targeted skilled migration pathways and fast-track routes for migrants with logistics qualifications, veterans, women entering from adjacent industries, and other underutilised cohorts.
- Incorporate future-facing and adjacent roles (ESG, workforce wellbeing, community engagement, data analytics) into workforce planning frameworks.
- Implement a sector-specific workforce intelligence platform providing real-time, granular data to guide long-term policy and investment.
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Conclusion

The final Productivity Commission report presents a vital opportunity to correct a significant omission by explicitly prioritising the freight, logistics, and supply chain workforce. Without decisive, sector-specific reforms, Australia risks worsening supply chain disruptions and escalating economic costs.

ALC calls on the Commission to champion a coordinated national strategy, backed by robust government-industry collaboration, to build a skilled, adaptable workforce. This is imperative to securing Australia's supply chain resilience, economic competitiveness, and broader productivity goals. ALC remains fully engaged and prepared to collaborate with government to translate these recommendations into concrete outcomes.