

Sustainability Industry Reference Committee

The Australian Industry and Skills Committee (AISC) commissioned the [Future Skills and Training Resource](#) which summarises data on current and future Australian and international megatrends, to support Industry Reference Committees (IRCs) in developing their Industry Skills Forecasts and Proposed Schedules of Work.

Future Skills Workshop Outcomes

The following trends and considerations are based on Sustainability IRC discussions. This document presents the preliminary thinking of IRC members in order to stimulate broad discussion in industry.

The IRC welcome feedback in developing the Industry Skills Forecast.



Society and Culture

The key trends affecting the Sustainability discipline and related sectors are:

The 17 Sustainable Development Goals established by United Nations in 2015 in a global effort to end poverty, protect the planet and ensure prosperity for all, reflect the global social and cultural trend of increasing demand for better stewardship of environmental, social and economic wellbeing.

This in turn is influencing business practices, political and institutional behaviour and environmental and resource management – with technology providing the major platform through which change is taking place.

Changing work and career values, particularly amongst younger generations, are leading to more people working for themselves. However, this can in turn lead to **workforce vulnerability** and fewer opportunities for workers to become skilled.

Increased participation by women in the workforce is having the effect of reorienting the commercial hubris toward a sustainable leading edge.

Business and Economics

The key trends affecting the Sustainability discipline and related sectors are:

Behavioural economics and psychology: The value chain is shifting from competitors to **empowered customers**. Consumer demands and improved economic outcomes have now overtaken regulation as the key drivers of change in sustainable practices.

Different business models are emerging as a result of customer demand for ongoing service, in place of one-off sale of products, as well as for products that are designed to be returned to the manufacturer to be re-used or re-purposed.

Consumer expectations have changed as society becomes more self-aware and there is a trend towards expenditure in ethical investments. Trades people are increasingly becoming the experts in the domestic housing sector, advising consumers of different products and materials so that they can make more informed decisions.

High speed/online competition is enabling manufacturers and traditional trades to become more viable.

Network working and producing: Niche manufacturers are working together in different ways and enabling small-scale entrepreneurs in the industry.

The impact of **skills mismatch** is greater in the Australian manufacturing sector than it is globally.

Political and Institutional

The key trends affecting the Sustainability discipline and related sectors are:

Innovation ahead of regulation: Policy is sometimes hampering innovation, such as the case of rules that guard against monopolies, even though they might be the most viable business option in new, emerging areas.

Innovation is important for industry and organisational sustainability and needs to be taught, particularly where it relates to improving a business and making it sustainable.

Public relations issues, such as environmental disasters, have a major impact on the profile and stability of governments and organisations.

Resources and Environment

The key trends affecting the Sustainability discipline and related sectors are:

Energy price increases, driven in part by restriction of available energy choices, are having a major impact on business decisions, prompting calls for government responses to ease the impact.

Access to quality internet: There is an expectation that data be available in real time for reporting on environmental monitoring, which relies on country-wide high-speed/quality internet access.

Climatic weather shifts: Government, industries and employers often underestimate the impact of changes in weather patterns on jobs.

International sustainability action: Industry is looking at ethical supply chains and responding to modern slavery practices ahead of anticipated international legislative frameworks. Changes occurring in the EU in relation to sustainability standards and legislation will increasingly impact upon Australian businesses contributing to global supply chains.

Changes in sustainable practice are more likely to be adopted when evidence of **financial viability** is provided.

Technology

The key trends affecting the Sustainability discipline and related sectors are:

Cross-disciplinary science: Industry and sectoral boundaries are becoming blurred; e.g. Where does farming end and manufacturing begin? The bespoke approach to producing goods and services is also becoming repeatable with material and technological advances. Science and economic skills are increasingly needing to be combined.

Digitisation and big data are providing the basis for improved monitoring and reporting (increasingly in 'real time'), which in turn is driving improvements in sustainable practices.

Implications for Training

Employers/Industry

Australian businesses and the manufacturing industry need to be ready to respond to government regulation – particularly in relation to international sustainability action. Larger organisations often react to international competitors but opportunities exist for Australian business to take the lead on sustainability issues.

Organisations need to be able to undertake a self-evaluation in relation to sustainability. Training should be available to assist industries, organisations and people better understand what being sustainable means and how it affects the triple bottom line of reputation, financial resources, and the environment.

Organisations may be reluctant to train employees due to financial constraints, but evidence is available of the value of training to an organisation when it is structured and managed carefully.

Learners/Workers

The communication of data and sustainable products is an emerging trend. Training needs to include how to influence and inform the consumer.

The 'just in time' approach that has become a predominant way of doing business, along with increasing casualisation and sub-contracting of the workforce, contraction of business sizes and financial constraints for businesses are all contributing to a demand for smaller chunks of learning and training for workers (as seen in the trend for 'micro-credentials').

The rise of niche market organisations is having the effect of greater specialisation for some job roles, which is also driving demand for skill specialisations or for greater customisation of training to enable organisations to differentiate themselves – sometimes at the expense of broad occupational skilling.

Government

Governments should consider how to respond to the impact of fluctuating energy prices on rural communities.

Education and Training

Educators should consider how to encourage learners to embed innovative practices in their workplace.

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