



Section 1 – LATEST INTELLIGENCE

INDUSTRY OVERVIEW

~~Worker productivity is a key determinant of whether Australia can achieve its economic potential will be determined by productivity. This will be~~ Productivity is underpinned by a skilled workforce and improve ~~d~~ ~~ments in~~ workforce participation. Skills Australia ~~says has suggested~~ that ~~a 69% the~~ workforce participation rate ~~is~~ ~~needs to reach 69% ed~~ by 2025 to lift productivity and improve social inclusion.¹

~~In addition to increased workforce participation, T~~he Organisation for Economic Co-operation and Development (OECD) advocates that changes to patterns of participation in education will also boost a nation's productivity.² ~~In fact, T~~he Australian Government has suggested that ~~an additional year of education~~ may raise productivity by 3-6%.³

According to Skills Australia's *Skills for prosperity – a road map for vocational education and training*⁴, the argument for continued investment in skills is clear. While driven by the need to improve workforce participation, particularly in the context of an ageing workforce, other key drivers include:

- the requirement to better use **existing skills**
- continued **skill needs in critical areas**
- ongoing demand for **additional skills**
- unacceptably low levels of **f**Foundation skills within the working population.

Comment [P1]: Go back to source to define this better. Does it mean an extra year of high school, e.g. Year 13, or does it mean that if someone left in year 11 instead of year 10?

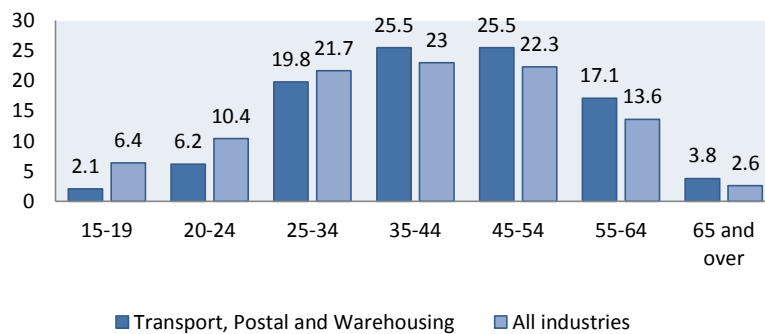
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The Transport and Logistics Industry recognises the need to tackle these important issues, especially given the ~~industry's~~ contribution ~~that transport and logistics makes~~ to economic productivity. ~~With its large land mass and geographic isolation from As the sixth largest country in the world and one which sits geographically isolated from its~~ key overseas markets, Australia's ability to sustain economic growth relies heavily on efficient transport and logistics systems. ~~There are more than Over~~ 165,000 businesses ~~in Australia's Transport and Logistics Industry, make up the industry,~~ which in 2010-11 was worth \$100 billion.⁵

~~The a~~Ageing of the ~~transport and logistics~~ workforce ~~across the industry~~ is becoming a critical ~~workforce~~ issue. Compared with other industries, the Transport and Logistics Industry has a higher concentration of workers aged 35 years and older. This problem is exacerbated by a lack of new, ~~skilled~~ entrants ~~to replenish the skills gaps~~. Employers are seeking new ways to preserve and pass on knowledge and skills; ~~with a number of several~~ strategies ~~are~~ already in place ~~across the industry~~ to address this issue.

Figure 1.1: Employed ~~p~~Persons by ~~a~~Age ~~C~~ompared with ~~a~~All ~~i~~ndustries (% share of employment) – 2009

Comment [MSOffice2]: Check in January if there is a more recent graph



Source: ABS Labour Force Survey cat. no. 6291.0.55.003 (four quarter average)

The ~~issues of problems associated with~~ an ageing workforce ~~and insufficient new entrants~~ are compounded by the 'pull' of the resources and construction ~~sectors industries~~, which ~~have high demand for~~ continue to attract workers to fill the continued demand for skilled and semi-skilled employment workers and a more attractive marketplace image. The Transport and Logistics Industry needs to combat this by promoting the attractions of its job opportunities and ~~With an outdated image of the industry and its opportunities further exacerbating this issue, a focus on~~ improving the culture and career paths ~~within the Transport and Logistics Industry is needed.~~

To build a vibrant workforce, the industry will need to turn casual or part-time workers into skilled full-time workers and recruit more people from categories that are under-represented (e.g. women). Improved language, literacy and numeracy skills will be important in this to assist with the ~~Optimising the potential of people marginally attached to the workforce or those under-represented within the industry will be required to build a vibrant labour force.~~ New and emerging technologies that will call require for higher-order skills. Demand for improved language, literacy and numeracy skills is set to further increase in importance as supply chains become more integrated, transparent, accountable and agile.

The need for energy efficiency will increase, particularly with the introduction of ~~a the new c~~ Carbon ~~t~~ Tax. This brings with it a requirement for the industry to adapt ~~its S, with accompanying skill s~~ sets evolving to new demands.

Adaptability of the workforce will provide long-term benefits to the nation. ~~Workers will need to be equipped with~~ Sa skills s Sets set that allows them to adjust to changes ~~that will be required of them in the future.~~ ~~In the United States, some technical colleges have introduced programs to train individuals for jobs in the transportation industry that have not yet been identified. -This is in recognition that the field is constantly evolving and demand for a highly skilled workforce is continuing to grow.~~

INDUSTRY SECTORS

Transport and logistics involves almost every type of occupation, from crews of vehicles, trains, vessels and aircraft to staff involved in engineering infrastructure, tourism, hospitality, security, retailing, warehousing, administration and ~~i~~ information ~~t~~ Technology.

| For the purposes of analysis in this *Environmental Scan*, the following sector breakdown has been used:

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- Logistics Management, Road Transport and Warehousing
- Aviation
- Maritime
- Rail
- Ports.

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