



It's No Longer If or When, But How

Insights from the National AI Skills Forum 2026

Hosted by Future Skills Organisation and National AI Centre

Canberra, 18–19 August 2026



Future Skills Organisation

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Acknowledgement of Country

We acknowledge the traditional custodians of the land on which we work and pay our respects to elders past and present.



Insights from the National AI Skills Forum 2026

Hosted by Future Skills Organisation (FSO) and National AI Centre, Canberra, 18–19 August 2026

The National AI Skills Forum 2026 focused on how Australia can adopt AI well. It brought together senior leaders from the finance, technology and business sectors, along with training providers, unions and government.

The [2025 FSO National Forum](#) considered how to build a skills system for a changing economy, with AI as one of several themes. This year, reflective of the scale and pace of change, AI was the sole focus. As [The Hon. Amanda Rishworth MP, Minister for Employment and Workplace Relations, said in closing](#), AI adoption is “no longer if or when, but how.”

Executive Summary

Australia does not have an AI adoption problem. It has an AI capability problem.

AI is already here. Most Australians use AI tools in some form, yet relatively few organisations are translating that adoption into meaningful productivity, innovation or workforce outcomes. The National AI Skills Forum, convened by FSO and the National AI Centre, surfaced a clear and consistent conclusion: the difference between experimentation and impact is capability.

Repeatedly, participants returned to the same point. Successful AI adoption is not primarily about technology. It is about people. It is about workers having the judgement to know when AI helps and when it does not, leaders treating AI adoption as a workplace transformation rather than a software deployment, and learning that is embedded in real jobs rather than disconnected from them.

Capability builds confidence. Confidence builds trust. And trust is what turns casual use into genuine adoption.

The Forum also highlighted a growing coordination challenge. Governments, employers, educators and unions all have a role to play in building AI capability, yet responsibilities remain blurred. Who develops core capability? Who supports application in the workplace? How do we ensure effort is coordinated rather than duplicated?

Without a common understanding of what AI capability is, scaling it across the economy becomes significantly harder.

From FSO's perspective, one of the most important conclusions is that Australia has already begun building many of the foundations required to address this challenge. Through the soon-to-be nationally recognised Units of Competency and associated learning and assessment resources, a common language for AI capability is emerging that can be used across accredited and non-accredited learning pathways. These assets provide practical foundations for capability development across industries, occupations and learning settings.

The challenge now is mobilisation. The task is to ensure that providers, employers, workforce intermediaries and learners can readily access, adopt and apply these resources at scale. The next phase of Australia's AI capability journey is less about design and more about implementation.

Importantly, the Forum broadly agreed about the direction of travel. The challenge is no longer deciding whether to act. It is deciding what to do next. Participants repeatedly emphasised that progress will not come from further examination of the issue, but from practical action. The challenge issued to every attendee was simple: identify one thing you can do in the next 90 days, do it, and bring your workforce with you.

The conclusion from the Forum was clear: Australia's opportunity is real, but it will be realised only if capability development moves from isolated initiatives to coordinated action at scale. The foundations are increasingly in place. The imperative now is to mobilise the education, training and workforce system around them and move rapidly from ambition to implementation.

Seven Key Insights

1. Human Capability, not technology, is what will drive AI adoption
2. Judgement is the human capability that matters most
3. Capability must be built in the context of real work
4. Leadership determines whether change happens at all
5. AI adoption must be human-centred, trusted and inclusive
6. Australia's opportunity is real, but responsibility must be shared
7. Australia needs a more adaptive skills system as jobs change

FSO Reflection

Australia does not need to start from scratch. The foundations of an AI capability framework are already emerging. The challenge now is to mobilise the education and training ecosystem around a common language of capability, nationally recognised Units of Competency and shared learning and assessment resources so that every learner, training provider and employer can benefit from them. Success will not be determined by our ability to design new frameworks, but by our ability to scale and apply the ones we already have.

NAIC Reflection

Australia's opportunity is not simply to adopt AI, but to build the capability needed to use it well. The Forum reinforced that AI adoption is both a people and a technology shift. Success will depend on how effectively government, industry, educators, unions, and technology providers work together to build the confidence, capability and practical skills needed to turn experimentation into real value. The foundations are in place. The challenge now is helping more Australians, organisations and communities apply AI safely and in practical ways that bring value and uplift our productivity.

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Today is the slowest day of the rest of our working lives.

— Professor Martin Bean CBE AM, Founder and CEO of the Bean Centre

KEY INSIGHTS

1. Human capability, not technology, is what will drive AI adoption

The clearest message from the Forum was that capability is the primary barrier to AI adoption. And the capability required extends well beyond knowing how to use a tool. It includes the judgement to know where AI adds value, the ability to redesign work around it, and the leadership needed to bring people through the change. Organisations that succeed with AI are not deploying better technology; they are building stronger human capability.

Most workers have already experimented with AI. The challenge is application. Participants repeatedly highlighted a gap in confidence and judgement: knowing how to apply AI to a real task, when to trust its outputs, when to challenge them, and when not to use AI at all. The next phase of adoption will therefore be determined less by access to technology and more by people's ability to work effectively alongside it.

The scale of this challenge is both significant and measurable. OECD analysis presented to the Forum found that around half of small and medium-sized enterprises report their employees lack the skills needed to use generative AI effectively. At the same time, only 42 per cent of workers in sectors such as manufacturing and finance have received any training related to AI. The implication is clear: while adoption is accelerating, capability is not keeping pace. Closing that gap is now one of the most important workforce challenges facing Australia's productivity and competitiveness.

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Trust in the adoption of AI in the workplace depends on both organisational and individual capability, not just the capability of workers and employers to use AI, but the capability to adopt AI in a way that maintains trust.

The Hon. Amanda Rishworth MP, Minister for Employment and Workplace Relations

The goal is not cognitive surrender, it's cognitive uplift: using AI to strengthen our problem-solving, while we keep responsibility for the judgements we make as humans.

Lee Hickin, Executive Director, National AI Centre

KEY INSIGHTS

2. Judgement is the human capability that matters most

One of the strongest themes to emerge from the Forum was that judgement, not technical fluency, is the capability that will ultimately determine whether AI delivers productivity gains. Knowing how to use AI is increasingly common. Knowing when to use it, how far to trust it, and when to ignore it altogether is far rarer and far more valuable.

Participants argued that judgement is developed through experience, context and reflection, not training alone. This creates a new challenge. If AI absorbs routine and entry-level tasks, workers may lose some of the opportunities through which professional judgement has traditionally been developed. As AI takes on more of the work, organisations will need to think carefully about how people continue to learn, practise and mature their decision-making capabilities.

Many speakers described the future of work not as a contest between humans and machines, but as a process of designing effective partnerships between them. This requires organisations to work at the task level, identifying what AI can do faster or better, what must remain fundamentally human, and how work should be redesigned around that division. In this model, AI ceases to be just another workplace tool and becomes a collaborative digital co-worker. The competitive advantage lies not in access to AI, but in the quality of human judgement that guides its use.

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The ability to identify when to use AI, and, just as importantly, when not to use it, is the number one challenge.

Amanda Linton, CEO, Institute of Certified Bookkeepers

The real skill is the task triage between the human and the AI, when do we trust it, and when does the decision have to stay human?

Dr Sean Gallagher, Founder, Humanova

KEY INSIGHTS

3. AI capability must be built in the context of real work

A consistent message from the Forum was that AI capability cannot be developed in the abstract. People learn to use AI most effectively when it is applied to a real workplace problem, in a specific role, within the context of the work they do every day. Participants argued that capability development should start with the task and the outcome, not the tool. The question is not "Which AI platform should we teach?", but "What capability does this worker need to perform their job better?" From there, tools can be selected as the means rather than the end.

At the same time, participants recognised that hyper-personalised training is difficult to scale. If every organisation, industry and occupation develops its own approach, capability building becomes fragmented, inconsistent and expensive. The model that attracted the greatest support was a capability pyramid: a common foundation of transferable AI capabilities shared across the workforce, with industry, occupation and enterprise-specific application layered on top. Such an approach offers the consistency needed for scale while preserving the relevance needed for impact.

The Forum also highlighted an equity challenge. The organisations and workers who would benefit most from practical, workplace-based learning are often the least able to access it. Without deliberate intervention, capability gaps could widen between large and small employers, between metropolitan and regional businesses, and between workers who are already confident with technology and those who are not. Building AI capability at scale therefore requires more than effective training. It requires a shared framework, common language and accessible pathways that ensure no part of the workforce is left behind.



AI may provide access to more knowledge, but it doesn't automatically guarantee more wisdom.

Professor The Hon. Bill Shorten, Vice-Chancellor and President, University of Canberra

KEY INSIGHTS

4. Leadership determines whether change happens at all

The Forum heard repeatedly that leadership behaviour is one of the strongest predictors of AI adoption. Organisations where leaders actively use AI, talk openly about its potential and limitations, and model experimentation are far more likely to see adoption spread through their workforce. In contrast, training programs alone rarely change behaviour if leaders do not demonstrate that change is expected, supported and valued.

Psychological safety emerged as a critical leadership responsibility. Participants emphasised that workers need permission to experiment, learn and occasionally fail without fear of penalty. AI adoption is a learning process rather than a compliance exercise. When leaders create environments where curiosity is encouraged and responsible experimentation is rewarded, capability develops much more quickly.

However, the Forum also identified a growing risk. Senior leaders often have greater autonomy to test new tools, redesign workflows and explore AI's possibilities than frontline staff. If that freedom is concentrated at the top, organisations can create a capability gap where leaders become increasingly AI-enabled while the broader workforce remains constrained by existing processes, policies and expectations. In this scenario, AI capability becomes concentrated among a few rather than distributed across many.

The implication is clear: leadership is about creating the conditions for widespread participation rather than simply endorsing AI adoption. The organisations that realise value from AI will be those whose leaders move beyond advocacy and actively enable their workforce to build confidence, capability and new ways of working. AI adoption succeeds when experimentation becomes part of the culture instead of just being a priority of the executive team.



Leaders must show the way; a leader's own use of AI is the biggest factor in whether their team adopts it.

Dr Kathryn van der Merwe, Group Executive People, Culture and Capability, Telstra

As a leader, you've got an absolute responsibility and accountability to learn AI, not just to use the technology, but to create the space with your teams.

Pip Dexter, Chief People and Purpose Officer, Deloitte

KEY INSIGHTS

5. AI adoption must be human-centred, trusted and inclusive

The Forum strongly challenged the assumption that trust and inclusion will emerge automatically from AI adoption. Instead, they were described as design choices that must be built into implementation from the outset. Trust is not created through communication after decisions have been made. It is built through transparency, engagement and genuine participation in shaping how AI will be used. While participants differed on whether consultation should precede action or run alongside it, there was broad agreement that people are far more likely to embrace change when they have agency in the process.

Inclusion was framed as one of the defining workforce challenges of the AI era. Not every worker has the same opportunity to experiment with new technologies, access learning, or redesign the way they work. Differences in autonomy, confidence, digital literacy, time and organisational support mean that some workers are better positioned to benefit from AI than others. Left unaddressed, these disparities risk creating a two-speed workforce, where capability accumulates among the already advantaged while others fall further behind.

Importantly, the Forum's discussion of safety focused less on technical risks and more on human outcomes. Participants were concerned about the risks of exclusion, unequal access to opportunity, and the potential for AI to intensify work rather than improve it. Successful adoption was therefore seen not simply as deploying AI responsibly, but as ensuring that the benefits are broadly shared across workplaces and communities.

The broader conclusion was clear. Australia's opportunity lies in how effectively the nation lifts capability across the entire workforce. The winners in the AI transition will not be those who move fastest alone, but those who bring the most people with them.

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Our task is to help shape a fair and productive transition that expands opportunities and spreads the benefits of AI across our economy and communities.

The Hon. Andrew Giles MP, Minister for Skills and Training

We really need to start with the basics: making sure people have access to the technology in the first place.

Jess Wilson, CEO, Good Things Australia

Trust could [be] built if there was a conversation at the start: what would actually help in your job? What are the pain points? What would make your job better? Start at what the problems are and take a genuinely collaborative approach to fixing them.

Nicole McPherson, National Assistant Secretary, Finance Sector Union

Don't get lost in the belief that we have to have the fastest runner on Team Australia. The greatest gains will be the average runner in Team Australia. We need to lift everybody, as far and as fast as we can.

Chris Richardson, Economist

SIR RICHARD BRANSON'S CHALLENGE TO LEADERS

What opportunity are we creating?

Sir Richard Branson urged leaders to look beyond productivity and consider who benefits from AI and what opportunities remain for the next generation. He posed three questions:



As AI transforms work, what opportunities are you creating for the next generation?



How are you investing in the people who already work for you so they can thrive alongside these new technologies?



How will you hold yourself accountable for ensuring more people benefit from progress?

He challenged leaders to make one commitment and take one practical action within 90 days. If leaders get this right, the legacy will be more human opportunity, not only more powerful technology.



How do we ensure that the transition to an AI-enabled economy creates more opportunities, not fewer?

Sir Richard Branson, Founder, Virgin Group

KEY INSIGHTS

6. Australia's opportunity is real, but responsibility must be shared

The Forum was firm in its belief that Australia has a genuine opportunity to lead in the adoption and application of AI. The foundations are strong: a highly educated workforce, a trusted skills system, growing industry engagement and widespread access to new technologies. Yet participants were equally clear that these advantages alone will not secure Australia's position. Leadership will depend on how effectively the nation builds the workforce capability needed to turn AI adoption into tangible economic and social value.

A broad consensus emerged that workforce capability is now the key constraint. Employers, educators, unions and government all recognised that the pace of capability development is lagging the pace of technological change. Where views diverged was on the barriers that sit behind this challenge. Some argued that funding, access and the availability of training remain significant obstacles. Others contended that the greater challenge is coordination, with responsibility dispersed across multiple actors and no clear mechanism for aligning effort at scale.

International examples presented at the Forum reinforced the value of deliberate national coordination. The strongest results were being achieved through shared frameworks, common language and clear roles for government, industry, educators and workers. The lesson was that everyone must be working towards the same outcome.

Perhaps the clearest message from the discussion was that agreement on the need to act is now well ahead of agreement on who should pay, who should lead and how responsibility should be divided. While these questions remain important, participants were emphatic that they should not become excuses for delay. The risks associated with inaction are growing more quickly than the risks associated with imperfect action.

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“The opportunity is to position Australia as a leader in responsible and practical AI adoption.”

Professor Michelle Lincoln, Deputy Vice-Chancellor and Vice President, University of Canberra

It's a shared responsibility, and I'm advocating that government take a more leading role in bringing unions and business to the table about what the training looks like. Business is going to benefit immensely from these changes and so needs to contribute to the solution in a meaningful way.

Emeline Gaske, National Secretary, Australian Services Union

The challenge facing Australia is therefore less about building consensus on the problem and more about mobilising collective action. The opportunity is real, but it will only be realised if governments, employers, unions and educators each take responsibility for the part only they can play. The question is no longer whether AI capability matters. The question is who will act first, and how quickly others will follow.

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It's not good enough to sit here and do nothing. We need to decide what we're going to do, in spite of the uncertainty.

Patrick Kidd OBE OAM, CEO, FSO

This is going to be a joint effort, a cohesive effort. You can't shovel it all onto employers, we've got to work together.

Innes Willox, Chief Executive, Australian Industry Group

KEY INSIGHTS

7. Australia needs a more adaptive skills system as jobs change

A consistent message throughout the Forum was that the future of work is not defined by widespread job loss, but by the redesign of work itself. AI is changing the tasks that make up jobs, automating some activities, augmenting others and creating entirely new combinations of work. The challenge is helping workers continuously adapt as the content of existing jobs evolves around them.

This shift raises a more fundamental question: how do people develop expertise when the routine tasks that have traditionally built skills and experience are among the first to be automated? For generations, entry-level work has provided a pathway for learning judgement, building confidence and understanding how work gets done. Participants expressed concern that if AI absorbs too much of this developmental work, organisations will need new ways to create learning opportunities and develop the next generation of talent.

The Forum also heard that the pace of change is exposing the limits of current skills and training systems. Qualification development, curriculum design and credentialing processes are often geared towards stability and consistency, while AI is driving rapid and continuous change. As a result, agility can no longer be treated as an enhancement to the system. It must become a core design principle. Participants argued for shorter development cycles, more iterative learning models and faster mechanisms for updating capability standards to reflect emerging workplace needs.

Successfully navigating this transition will require a clearer and more coordinated approach to responsibility. Governments, employers, educators and individuals all have a role to play in building and maintaining workforce capability, yet the boundaries between those responsibilities are often unclear. The challenge is creating a skills ecosystem capable of responding to change at the speed required.

The Forum's conclusion was stark: if work is becoming more adaptive, then the skills system must become more adaptive too. The future will favour systems that can rapidly translate change in the workplace into learning opportunities, capability development and recognised pathways. In an AI-enabled economy, agility will be a prerequisite for relevance.

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If AI is going to take away some jobs, it's sure as hell not going to take away problems. There will never be a lack of problems, and on that basis, there will never be a lack of jobs. What we do and how we do it may change.

Chris Richardson, Economist

We definitely need to transition the training system to be more adaptive and more flexible. That's what we're asking of people, we have to ask that of the system as well.

Anna Faithfull, Deputy Secretary, Department of Employment and Workplace Relations

CONCLUSION

From Consensus to Action

Australia has the foundations it needs to accelerate AI adoption. The challenge now is whether we can execute at the speed and scale the moment demands. Across government, industry, education and the workforce there is broad alignment that AI should strengthen human capability, improve the quality of work and deliver widely shared economic benefits. The question is no longer the destination. It is how quickly we get there.

The priority now is clear: rapidly build workforce capability, support responsible adoption and create a more adaptive education and training system. Waiting for perfect technology, complete certainty or universal agreement carries its own risk. Every delay widens capability gaps, slows adoption and leaves organisations less prepared for a future that is already arriving. The Forum reinforced a simple but important truth: Australia's success will be determined not by access to AI, but by the confidence, judgement and leadership with which it is applied.

Asked to identify the single most important action, the Forum's closing panel did not call for more analysis or further examination of the issues. Instead, it pointed to practical reforms capable of accelerating progress now: a national system of flexible, stackable credentials that learners own and employers trust; community-based AI and digital capability programs that reach people beyond formal education; a human-centred skills passport that captures informal and formal learning alike; and a fundamental redesign of learning pathways to reflect how skills are acquired in a world of continuous change. Together, these ideas describe a system organised around the learner, rather than the institution.

Perhaps the strongest message from the Forum was that capability is now the critical national challenge, and action is the only credible response. The debate is moving from why AI matters to how society responds. The organisations and nations that succeed will be those that start building capability now, learn as they go, and bring their people with them.



The challenge issued to every participant was simple:

identify the one thing only you can do, do it within the next 90 days, and help move Australia from ambition to implementation.

FSO REFLECTION

The foundations exist. The challenge is mobilisation

From FSO's perspective, one of the most important conclusions arising from the Forum is that Australia has already begun building many of the foundations needed to develop AI capability at scale. Significant work is underway to create a common language for skills, capability and workforce development. Through the National Skills Taxonomy, Jobs and Skills Australia is establishing a shared way of understanding and describing skills across the economy. In parallel, FSO has developed soon-to-be nationally recognised AI Units of Competency and associated learning and assessment resources that provide practical guidance on the capabilities needed to use AI effectively in work and learning.

Together, these initiatives provide an important foundation for a more coherent national approach. The challenge is no longer the absence of frameworks, standards or content. The challenge is mobilisation. How do we ensure these assets are visible, accessible and actively used by employers, educators, workforce intermediaries and learners? How do we connect skills intelligence, capability frameworks and learning pathways so they reinforce rather than duplicate one another?

FSO believes the next phase of work must focus on adoption, alignment and application. Australia does not need multiple competing definitions of AI capability. It needs a shared architecture that links the National Skills Taxonomy, nationally recognised Units of Competency and practical learning resources into a coherent ecosystem. The opportunity is to create consistency where it matters, flexibility where it is needed, and a common language that enables employers, educators and learners to move with confidence as work continues to evolve.

Ultimately, the success of Australia's AI transition will depend on our ability to activate the education, training and workforce systems around these new assets. The foundations are increasingly in place. The task now is to mobilise the ecosystem to use them, scale them and ensure they are accessible to every learner, worker and employer who needs them.

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There is absolute alignment on the fact that we need to get going. Have we really got the guts and the confidence to lean in and start to do something about it?

Patrick Kidd OBE OAM, CEO, FSO

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AI use statement

This report was prepared with assistance from AI tools, including for transcription, analysis and drafting. Human judgement and oversight were maintained throughout, with all content reviewed and verified prior to publication. Responsibility for the final content rests with Future Skills Organisation. The use of AI reflects FSO's commitment to the responsible adoption of emerging technologies while maintaining rigorous quality standards, transparency and human oversight.