

BILATERAL SCHEDULE BETWEEN NEW SOUTH WALES AND THE COMMONWEALTH ON SKILLS FLEXIBLE FUNDING

PRELIMINARIES

1. This bilateral schedule (Schedule) is between the Commonwealth of Australia (Commonwealth) and New South Wales (the Parties) under the 2024-2028 National Skills Agreement (Agreement) and should be read in conjunction with the Agreement.
2. This Schedule sets out bilateral arrangements pursuant to Part 5 of the Agreement (Funding Arrangements).

TERMS

3. The terms of this Schedule are set out in Clauses A15-16 of the Agreement.
4. This Schedule will expire on 31 December 2028.

FLEXIBLE FUNDING ARRANGEMENTS

5. Table 1 details New South Wales' estimated Flexible Funding as follows:
 - (a) the estimated minimum financial contribution (representing New South Wales' projected entitlement under the National Skills and Workforce Development Specific Purpose Payment),
 - (b) the estimated maximum financial contribution to Cap 1, and
 - (c) the estimated maximum financial contribution to Cap 2.

Table 1: New South Wales' estimated Flexible Funding

Year	Minimum Financial Contribution (\$m)	Maximum Financial Contribution to Cap 1 (\$m)	Maximum Financial Contribution to Cap 2 (\$m)
2023-24	260.76	290.10	333.28
2024-25	537.18	597.63	683.78
2025-26	548.23	609.92	695.86
2026-27	557.42	620.14	705.88
2027-28	566.76	630.54	716.07
2028-29	288.13	320.55	363.21

MAINTENANCE OF EFFORT BENCHMARK

6. For the purposes of Clause A50(c) of the Agreement, the Commonwealth will determine that New South Wales has met the maintenance of effort benchmark where its Eligible State Expenditure for the relevant financial year meets or exceeds the amounts in Table 2:

Table 2: New South Wales' minimum Eligible State Expenditure required to meet maintenance of effort benchmark

Year	Amount (\$m)
2023-24	972.35
2024-25	1,980.24
2025-26	2,016.21
2026-27	2,054.05
2027-28	2,092.59
2028-29	1,065.93

ELIGIBLE STATE EXPENDITURE

7. The scope of Eligible State Expenditure is defined at Clauses A57-62 of the Agreement.

SIGNATORIES

The Parties have confirmed their commitment to this Schedule as follows:

Signed for and on behalf of the Commonwealth of Australia by



The Honourable Brendan O'Connor MP
Minister for Skills and Training

Date 13 October 2023

Signed for and on behalf of the State of New South Wales by



The Honourable Steven Whan MP
Minister for Skills, TAFE and Tertiary Education

Date 16 Oct 2023