

Schedule [A]

South Australia

NATIONAL PARTNERSHIP ON THE SKILLING AUSTRALIANS FUND

PART 1 – PRELIMINARIES

1. This Schedule has been developed in accordance with clause 22 of the Agreement.
 - (a) It will commence as soon as it is agreed between the Commonwealth and South Australia and expire on 30 June 2022 or on completion of agreed projects, including final performance reporting and processing of final payments against milestones.
 - (b) It may be amended in accordance with clause 54 of the Agreement.

PART 2 – AGREED BASELINES AND BENCHMARKS

2. In accordance with clauses 23(a) and 38-40 of the Agreement, South Australia's agreed budget benchmark is \$202.8 million. This will be adjusted each year to include annual Skilling Australians Fund payment from the Commonwealth.
3. The Budget Benchmark has the following constituent parts:
 - (a) the 2016-17 estimated result, published in the Department of State Development's (DSD) 2017-18 budget papers for employment and skills formation
 - (b) excludes non-VET related expenditure, including higher education, depreciation, non-VET employment programs, and non-VET corporate overheads
 - (c) makes a series of one-off adjustments to ensure the comparability of information over financial years as a result of the sale and leaseback of TAFE SA campuses part way through 2016-17, and costs related to excess staff and separation packages, and
 - (d) excludes expenditure attributable to revenue from the National Agreement on Skills and Workforce Development.
4. In accordance with clause 23(c), South Australia's agreed baseline existing training activity is:

Contract type	Baseline - commencements
Total	9975
Apprenticeships/Traineeships	7845
Pre-apprenticeships/traineeships	2078
Higher apprenticeships	52

5. In accordance with clause 23(d), South Australia's agreed targets for additional contract or equivalent commencements (between 2018–19 and 2021–22) are as follows:

Contract type	Estimated contribution - commencements
Total	17,041
Apprenticeships/Traineeships	13,065
Pre-apprenticeships/traineeships	2840
Higher apprenticeships	1136

6. The scope of South Australia’s agreed baseline for existing training activity, and targets for additional contract or equivalent commencements, is defined in Attachment A. This is subject to annual review by South Australia and the Commonwealth to redefine (if required) the scope of the agreed baseline and targets.
7. The number of commencements for training with similar characteristics to an apprenticeship or traineeship that contributes to achievement of the additional contract or equivalent commencements will be capped as outlined in Attachment A.

PART 3 – PROJECTS

8. The following project will be delivered by South Australia between 1 July 2018 and 30 June 2022, in accordance with clause 11 of the Agreement.

(a) **Project 1: Skilling South Australia Initiative (1 July 2018 to 30 June 2022)**

Skilling South Australia will build demand for apprenticeships and increase the supply of training in priority areas. It has been designed to be delivered over a four-year period and to allow for consideration and adaptation to issues that prospective apprentices, trainees, employers and industry may identify. A flexible and adaptive approach will ensure the ability to deliver the targets.

It comprises four key elements outlined below that are in response to extensive industry and employer feedback on their needs and to drive growth in apprenticeships. Each element includes a range of measures to drive an increase in apprenticeship and traineeship, pre-apprenticeship and pre-traineeship, higher apprenticeship, and training with similar characteristics activity.

These measures focus on:

Industry and employer support

- Industry plans, a new advisory service for employers and students, additional support for first time employers, targeted incentives for employers and industries, and additional funding for Group Training Organisations.

Student support

- Increased student support through improved career advice, learner support services, and additional financial support for accommodation, travel and equipment.

Training support

- More subsidised courses, greater access for non-Government training providers, and tailored project funding.

System development

- System development such as a marketing campaign, reducing regulatory burden on employers, signature projects, introducing Industry Skills Councils, and strengthening policy to support companies employing apprentices and trainees.

Overall, Skilling South Australia will deliver more training in priority areas; targeted, customised, supports and incentives for prospective apprentices, trainees and employers; and a bespoke projects capacity, supporting stakeholder partners to co-design and build tailored apprenticeships projects to meet specific workforce needs—at a business or industry sector level.

The Skilling South Australia Initiative is an opportunity to further build and improve the State’s training system. South Australia intends to do more than is required under the National Partnership and drive strong workforce outcomes in support of the State’s growing economy.

- i. Estimated financial contributions to Project 1 are as follows:

(\$ million)	2018-19	2019-20	2020-21	2021-22
Estimated total budget	69.55	80.67	87.33	84.48
Less estimated National Partnership payments	20.30	20.10	23.00	20.10
Balance of non-Commonwealth contributions	49.25	60.57	64.33	64.38

- ii. Project 1 is estimated to contribute the following additional contract or equivalent commencements above the baseline:

Contract type	2018-19	2019-20	2020-21	2021-22
Total	2860	4260	4960	4961
Apprenticeships/Traineeships	2050	3266	3874	3875
Pre-apprenticeships/traineeships	650	710	740	740
Higher apprenticeships	160	284	346	346

- iii. Data/evidence to be used to measure achievement of performance benchmarks and/or milestones for this project are:

Performance requirements	Data/evidence to be used for reporting
3 Performance benchmarks: <ul style="list-style-type: none"> • Apprenticeships and traineeships • Pre-apprenticeships and pre-traineeships • Higher apprenticeships 	<p>Department for Industry and Skills Apprenticeship and Traineeship onLine Application System (ATLAS) or comparable data, including Total VET Activity data. This data will require sign off by South Australia’s relevant senior officer responsible for VET data</p> <p>Higher Apprenticeships that undertake an Associate degree will be counted through the Department for Industry and Skills Apprenticeship and Traineeship onLine Application System (ATLAS) or comparable project reporting tools, and signed off by South Australia’s relevant senior officer responsible for VET data</p>
Milestone 1: Communications and marketing strategy	<p>Short report outlining the achievement of the various activities undertaken and activities planned to implement and maintain the communications and marketing strategy.</p>
Milestone 2: Signature projects	<p>Report providing details on the implementation of signature projects, including:</p> <ul style="list-style-type: none"> • the involvement of industry in designing the signature projects, • information on the implementation, such as the number of participants and providers involved in the projects, and • outcomes achieved by the reporting date.
Milestone 3: Provider Development Program	<p>Short report outlining the achievement of the various activities undertaken and activities planned to implement and maintain the Provider Development Program.</p>
Milestone 4: Skilling South Australia Programs	<p>Short report outlining the achievement of the various activities undertaken and activities planned to implement and maintain the Skilling South Australia Programs.</p>
Milestone 5: Industry workforce development plans	<p>Short report outlining the achievement of the various activities undertaken and activities planned in the development, implementation and ongoing management of the industry workforce development plans, including how industry were involved in the development and implementation of the plans.</p>
Milestone 6: Apprenticeship and traineeship advisory service	<p>Short report outlining the achievement of the various activities achieved and activities planned in the development, implementation and ongoing management of the apprenticeship and traineeship advisory service.</p>

PART 4 – PERFORMANCE BENCHMARKS AND/OR MILESTONES, REPORTING AND PAYMENTS

9. Table 2 summarises the performance benchmarks and/or milestones for agreed projects, relevant reporting dates and expected payments to be made.

Table 2: Performance benchmarks, milestones, reporting and payment summary

Output	Performance benchmarks/milestones	Reporting date	Payment
Project 1	<p>Performance benchmarks</p> <p><u>Performance benchmark 1: Apprenticeships and traineeships</u></p> <p>South Australia will achieve the following commencements (67.4 per cent of their target) in the reporting period to achieve 100 per cent of the performance benchmark payment.</p> <ul style="list-style-type: none"> • <u>2018-19</u>: 6,669 commencements • <u>2019-20</u>: 7,489 commencements • <u>2020-21</u>: 7,899 commencements • <u>2021-22</u>: 7,899 commencements <p>South Australia will be eligible for 50 per cent of the performance benchmark payment if the following commencements are achieved, with pro rata amounts paid for commencements between 50 per cent and 100 per cent.</p> <ul style="list-style-type: none"> • <u>2018-19</u>: 3,335 commencements • <u>2019-20</u>: 5,552 commencements • <u>2020-21</u>: 5,817 commencements • <u>2021-22</u>: 6,081 commencements <p><u>Performance benchmark 2: Pre-apprenticeships and pre-traineeships</u></p> <p>South Australia will achieve the following commencements (86.0 per cent of their target) to achieve 100 per cent of the performance benchmark payment.</p> <ul style="list-style-type: none"> • <u>2018-19</u>: 2,346 commencements • <u>2019-20</u>: 2,398 commencements • <u>2020-21</u>: 2,423 commencements • <u>2021-22</u>: 2,423 commencements <p>South Australia will be eligible for 50 per cent of the performance benchmark payment if the following commencements are achieved, with pro rata amounts paid for commencements between 50 per cent and 100 per cent.</p> <ul style="list-style-type: none"> • <u>2018-19</u>: 1,173 commencements 		

<ul style="list-style-type: none"> • <u>2019-20</u>: 1,876 commencements • <u>2020-21</u>: 1,966 commencements • <u>2021-22</u>: 2,055 commencements 	30 April 2020	\$1,136,000
	30 April 2021	\$1,368,000
	30 April 2022	\$1,094,500
<u>Performance benchmark 3: Higher Apprenticeships</u>		
South Australia will achieve the following commencements (67.4 per cent of their target) to achieve 100 per cent of the performance benchmark payment.		
<ul style="list-style-type: none"> • <u>2018-19</u>: 143 commencements • <u>2019-20</u>: 226 commencements • <u>2020-21</u>: 268 commencements • <u>2021-22</u>: 268 commencements 	30 April 2019	\$968,000
	30 April 2020	\$274,000
	30 April 2021	\$386,000
	30 April 2022	\$309,000
South Australia will be eligible for 50 per cent of the performance benchmark payment if the following commencements are achieved, with pro rata amounts paid for commencements between 50 per cent and 100 per cent.		
<ul style="list-style-type: none"> • <u>2018-19</u>: 71 commencements • <u>2019-20</u>: 37 commencements • <u>2020-21</u>: 39 commencements • <u>2021-22</u>: 40 commencements 	30 April 2019	\$484,000
	30 April 2020	\$137,000
	30 April 2021	\$193,000
	30 April 2022	\$154,500
Milestones		
<ul style="list-style-type: none"> • <u>Milestone 1: Communications and marketing strategy</u> <p><u>2018-19</u>: Milestone is met when South Australia implements a communications and marketing strategy to 're-brand' apprenticeships and promote them as a first-choice career option using a range of channels such as:</p> <ul style="list-style-type: none"> • targeted advertising • exhibits, and • school programs. 	30 April 2019	\$1,000,000
<p><u>2019-20 and 2020-21</u>: Milestone is met when South Australia provides the communications and marketing strategy, and information on the continued operation and outcomes of the strategy which may include:</p> <ul style="list-style-type: none"> • the specific activities / deliverables achieved in the reporting period and the contribution of these activities to the strategy's outcomes 	30 April 2020	\$1,000,000
	30 April 2021	\$1,000,000

<ul style="list-style-type: none"> consultation with and involvement of industry (including RTOs) and potential students to ensure the strategy continues to be fit for purpose, and the insights and outcomes of activity informed by the strategy and consultation. 	<ul style="list-style-type: none"> consultation with and involvement of industry (including RTOs) and potential students to ensure the strategy continues to be fit for purpose, and the insights and outcomes of activity informed by the strategy and consultation. 		
<p><u>2021-22:</u> Milestone is met when South Australia provides information on the strategy, which may include :</p> <ul style="list-style-type: none"> operation of the strategy, including the specific activities / deliverables achieved in the reporting period and the contribution of these activities to the strategy's outcomes review of the strategy's achievement against outcomes, including any consultation with industry (including RTOs) and potential students possible future activities to be undertaken beyond the term of the National Partnership on the Skilling Australians Fund. <p><u>Milestone 2: Signature projects</u></p> <p><u>2018-19:</u> Milestone is met when South Australia implement four signature projects designed to demonstrate the value of apprenticeships in a range of ways, including for particular cohorts (such as young people at school and transitioning workers) and particular sectors (such as those supporting the digital age or the disability sector sectors).</p> <p><u>Milestones 3: Provider Development Program</u></p> <p><u>2018-19:</u> Milestone is met when South Australia implements a Provider Development Program to improve the knowledge, skills and practice of VET teachers, trainers, assessors of apprentices and trainees in a range of ways, such as:</p> <ul style="list-style-type: none"> information sessions interactive workshops masterclasses, and the establishment of communities of practice. <p><u>2019-20 and 2020-21:</u> Milestone is met when South Australia provides information on the continued operation of the Provider Development Program, including the specific activities / deliverables achieved in the reporting period and the contribution of these activities to the program's outcomes, such as:</p> <ul style="list-style-type: none"> information on the number / types of support provided the promotion of the program and the opportunities available through the program consultation with and involvement from industry 	<p><u>2021-22:</u> Milestone is met when South Australia provides information on the strategy, which may include :</p> <ul style="list-style-type: none"> operation of the strategy, including the specific activities / deliverables achieved in the reporting period and the contribution of these activities to the strategy's outcomes review of the strategy's achievement against outcomes, including any consultation with industry (including RTOs) and potential students possible future activities to be undertaken beyond the term of the National Partnership on the Skilling Australians Fund. <p><u>Milestone 2: Signature projects</u></p> <p><u>2018-19:</u> Milestone is met when South Australia implement four signature projects designed to demonstrate the value of apprenticeships in a range of ways, including for particular cohorts (such as young people at school and transitioning workers) and particular sectors (such as those supporting the digital age or the disability sector sectors).</p> <p><u>Milestones 3: Provider Development Program</u></p> <p><u>2018-19:</u> Milestone is met when South Australia implements a Provider Development Program to improve the knowledge, skills and practice of VET teachers, trainers, assessors of apprentices and trainees in a range of ways, such as:</p> <ul style="list-style-type: none"> information sessions interactive workshops masterclasses, and the establishment of communities of practice. <p><u>2019-20 and 2020-21:</u> Milestone is met when South Australia provides information on the continued operation of the Provider Development Program, including the specific activities / deliverables achieved in the reporting period and the contribution of these activities to the program's outcomes, such as:</p> <ul style="list-style-type: none"> information on the number / types of support provided the promotion of the program and the opportunities available through the program consultation with and involvement from industry 	<p>30 April 2022</p> <p>30 April 2019</p> <p>30 April 2019</p> <p>30 April 2020</p> <p>30 April 2021</p>	<p>\$1,000,000</p> <p>\$1,500,000</p> <p>\$500,000</p> <p>\$500,000</p> <p>\$500,000</p>

<ul style="list-style-type: none"> any reviews to the program to ensure continued relevancy with regulations and industry demands outcomes and insights gained through the delivery of the program. 			
<p><u>2021-22:</u> Milestone is met when South Australia provides information on the continued operation of the Provider Development Program, including the specific activities / deliverables achieved in the reporting period and the contribution of these activities to the program's outcomes, and the planned future for the program beyond the term of the National Partnership on the Skilling Australians Fund.</p>		30 April 2022	\$500,000
<p><u>Milestone 4: Skilling South Australia Programs</u></p>			
<p><u>2019-20, 2020-21, and 2021-22:</u> Skilling South Australia Programs may include measures to:</p>		30 April 2020	\$4,000,000
<ul style="list-style-type: none"> fund project proposals that have industry and / or employer involvement 		30 April 2021	\$4,000,000
<ul style="list-style-type: none"> reduce employers' or students' costs associated with a contract or equivalent commencement, and / or provide incentives for contract or equivalent commencements. 		30 April 2022	\$4,000,000
<p>Milestone is met when South Australia operates program(s) (however described) during the reporting period to the value of the yearly milestone payment that support additional contract or equivalent commencements. South Australia will outline in a report each year:</p>			
<ul style="list-style-type: none"> any program guidelines or policies issued to fund projects, reduce costs or provide incentives any funding provided under these programs to fund projects, reduce costs or provide incentives (and the contribution to these activities from the milestone payment), and outcomes achieved by the reporting date and future planned activities. 			
<p><u>Milestone 5: Industry workforce development plans</u></p>			
<p><u>2019-20, 2020-21, and 2021-22:</u> Milestone is met when South Australia develops and implements at least six industry specific workforce development plans during each year of the reporting period. South Australia will outline in a report each year details such as:</p>		30 April 2020	\$1,500,000
<ul style="list-style-type: none"> engagement with industry in the development/or implementation of the industry workforce development plans 		30 April 2021	\$1,500,000
<ul style="list-style-type: none"> the actions or strategies, including associated timeframes, being implemented as part of the industry workforce development plans, and 		30 April 2022	\$1,500,000

	<ul style="list-style-type: none"> outcomes achieved by the reporting date and future planned activities. <p><u>Milestone 6: Apprenticeship and traineeship advisory service</u></p> <p>The advisory service may provide face-to-face, phone and online support for industry and employers in navigating the apprenticeship system, and support access to funding for training contract or equivalent commencements.</p> <p>Milestone is met when South Australia operates an apprenticeship and traineeship advisory service during the reporting period. South Australia will outline in a report each year:</p> <ul style="list-style-type: none"> nature of support provided in that year for industry and employers in navigating the apprenticeship and traineeship system nature of support provided in that year to access funding for training contract or equivalent commencements, and outcomes achieved by the reporting date and future planned activities. 	<p>30 April 2020</p> <p>30 April 2021</p> <p>30 April 2022</p>	<p>\$1,500,000</p> <p>\$1,500,000</p> <p>\$1,500,000</p>
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The calculation of pro rata performance payments will be on the following basis:

i. Pro rata payment = $(1 + (\text{commencements} - A)/B) * C$

Where:

A is the commencements required to be eligible for a 50 per cent payment as at 30 April each year,

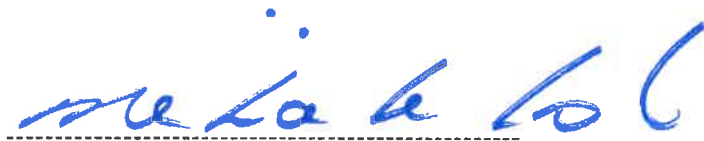
B is the difference between the commencements required to be eligible for a 100 per cent payment and a 50 per cent payment, and

C is the payment amount available for the 50 per cent payment in a given year.

PART 5 – SIGN OFF

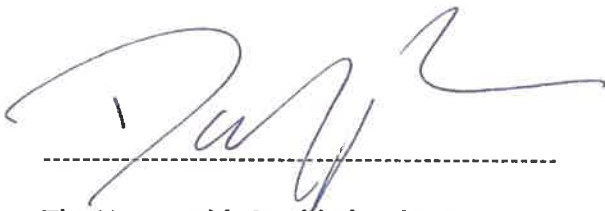
10. The Parties have confirmed their commitment to this agreement as follows:

Signed for and on behalf of the Commonwealth of Australia by

A handwritten signature in blue ink, appearing to read 'Michaelia Cash', written over a horizontal dashed line.

Senator the Honourable Michaelia Cash
Minister for Small and Family Business, Skills and Vocational Education

Signed for and on behalf of South Australia by

A handwritten signature in black ink, appearing to read 'David Pisoni', written over a horizontal dashed line.

The Honourable David Pisoni MP
Minister for Industry and Skills

ATTACHMENT A – SCOPE OF AGREED BASELINE AND TARGETS

This attachment to the Schedule defines the scope of activity agreed between the Commonwealth and South Australia that contributes toward the agreed baseline of existing training activity and targets for additional contract or equivalent commencements.

PART 1 – APPRENTICESHIPS AND TRAINEESHIPS

Contracts of training

A commencement contributes to this component of the activity baseline and target if:

1. it was for a nationally recognised qualification at:
 - a. Australian Qualifications Framework Level 1
 - b. Australian Qualifications Framework Level 2
 - c. Australian Qualifications Framework Level 3, or
 - d. Australian Qualifications Framework Level 4, and
2. it was delivered through a training contract as defined under Part 4 of the *Training and Skills Development Act 2008 (SA)*.

Training with similar characteristics

A commencement contributes to this component of the activity target if:

1. it was for a nationally recognised qualification at:
 - a. Australian Qualifications Framework Level 3, or
 - b. Australian Qualifications Framework Level 4, and
2. it was subsidised by the Government of South Australia with a specific requirement for the inclusion of a work placement or experience component as a condition of the subsidy, and
3. it was not delivered through a training contract as defined under Part 4 of the *Training and Skills Development Act 2008 (SA)*.

The contribution of higher apprenticeship training with similar characteristics will be capped as follows.

These numbers represent the total number of these types of commencements in each financial year

Cap - commencements	2018-19	2019-20	2020-21	2021-22
Apprenticeship and traineeship training with similar characteristics	1979	653	775	775

PART 2 – PRE-APPRENTICESHIPS AND PRE-TRAINEESHIPS

Nominated qualifications

A commencement contributes to this component of the activity baseline and target if:

1. it was for a nominated nationally recognised qualification, and
2. it was subsidised by the Government of South Australia for the specific purpose of leading into:

- a. further study, or
 - b. a training contract as defined under Part 4 of the *Training and Skills Development Act 2008* (SA), and
3. it was not delivered through a training contract as defined under Part 4 of the *Training and Skills Development Act 2008* (SA).

Note: The list of nominated nationally recognised qualifications will be subject to regular review and may be amended by written agreement between the Commonwealth and South Australia. In the event that the list used to formulate the baseline changes, the respective baseline will be subject to review and agreement between the Commonwealth and South Australia.

Project proposals

A commencement contributes to this component of the activity baseline and target if:

1. it included nationally accredited training, and
2. it was subsidised by the Government of South Australia for the specific purpose of leading into:
 - a. further study, or
 - b. a training contract as defined under Part 4 of the *Training and Skills Development Act 2008* (SA), and
3. it was subsidised by the Government of South Australia in response to a project proposal that included industry or employer involvement, and
4. it was not a commencement for a nominated nationally recognised qualification, and
5. it was not delivered through a training contract as defined under Part 4 of the *Training and Skills Development Act 2008* (SA).

Where the commencement involves delivery of a nationally recognised qualification that is not a nominated nationally recognised qualification (as agreed with the Commonwealth), the contribution of these commencements to the target will be capped as follows. These numbers represent the total number of these types of commencements in each financial year

Cap - commencements	2018-19	2019-20	2020-21	2021-22
Nationally recognised qualifications (excluding nominated nationally recognised qualifications)	0	100	100	100

PART 3 – HIGHER APPRENTICESHIPS

Contracts of training

A commencement contributes to this component of the activity baseline and target if:

1. it is for a nationally recognised qualification at:
 - a. Australian Qualifications Framework Level 5, or
 - b. Australian Qualifications Framework Level 6, or

- c. it is for an accredited Associate Degree qualification at Australian Qualifications Framework Level 6 (provided that commencement is not also being funded by the Commonwealth through another mechanism), and
2. it was delivered through a training contract as defined under Part 4 of the *Training and Skills Development Act 2008* (SA).

Training with similar characteristics

A commencement contributes to this component of the activity target if:

1. it is for a nationally recognised qualification at:
 - a. Australian Qualifications Framework Level 5, or
 - b. Australian Qualifications Framework Level 6, or
 - c. it is for an accredited Associate Degree qualification at Australian Qualifications Framework Level 6 (provided that commencement is not also being funded by the Commonwealth through another mechanism), and
2. it was subsidised by the Government of South Australia with a specific requirement for the inclusion of a work placement or experience component as a condition of the subsidy, and
3. it was not delivered through a training contract as defined under Part 4 of the *Training and Skills Development Act 2008* (SA).

The contribution of higher apprenticeship training with similar characteristics will be capped as follows. These numbers represent the total number of these types of commencements in each financial year.

Cap - commencements	2018-19	2019-20	2020-21	2021-22
Higher apprenticeship training with similar characteristics	42	57	69	69

Where South Australia's higher apprenticeship commencements for a given financial year are in excess of the performance benchmark by the reporting date, South Australia may elect for those excess commencements to be counted towards the apprenticeship and traineeship performance benchmark in the same financial year. The ability to transfer higher apprenticeship commencements to apprenticeship and traineeship commencements is subject to transfers with the categories (such as with training contract or training with similar characteristics) and the caps on training with similar characteristics.