

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. 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.
3. In accordance with clause 23(c), South Australia's agreed baseline existing training activity is:

Commencements	Baseline
Total	9975
Apprenticeships/Traineeships	7845
Pre-apprenticeships/traineeships	2078
Higher apprenticeships	52

4. In accordance with clause 23(d), South Australia's agreed targets for additional contract or equivalent commencements are as follows:

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

5. 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.
6. The number of commencements for training with similar characteristics to an apprenticeship or traineeship that contributes to achievement of the targets will be capped at 20 per cent in 2018-19, 15 per cent in 2019-20, and 10 per cent in 2020-21 and 2021-22.

PART 3 – PROJECTS

7. The following projects 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 2019)**

Skilling South Australia will build demand for apprenticeships and increase the supply of training in priority areas. 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. Estimated financial contributions to Project 1 are as follows:

(\$ million)	2018-19	2019-20	2020-21	2021-22
Estimated total budget	69.55	-	-	-
Less estimated National Partnership payments	20.30	-	-	-
Balance of non-Commonwealth contributions	49.25	-	-	-

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

Commencements	Estimated contribution
Total	2860
Apprenticeships/Traineeships	2050
Pre-apprenticeships/traineeships	650
Higher apprenticeships	160

- ii. 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
<p>3 Performance benchmarks:</p> <ul style="list-style-type: none"> • Apprenticeships • Pre-apprenticeships • 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 from South Australia's relevant senior officer responsible for VET data</p>
<p>Milestone 1: Communications and marketing strategy</p>	<p>Report providing evidence of the implementation of the communications and marketing strategy, including information on the following:</p> <ul style="list-style-type: none"> • targeted advertising, direct engagement such as through exhibits and school programs • outcomes achieved by the reporting date.
<p>Milestone 2: Signature projects</p>	<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.
<p>Milestone 3: Provider Development Program</p>	<p>Report providing details of the Provider Development Program implementation, including:</p> <ul style="list-style-type: none"> • the involvement of industry and training providers in designing the Provider Development Program • information on the number of training providers, VET teachers, trainers, and assessors that participate in the Program, and • outcomes achieved by the reporting date.

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

8. 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</u></p> <p>South Australia will achieve 666g commencements (67.4 per cent of their target). Payments will be made proportional to achievement against the performance benchmark on a pro-rata basis to the nearest per cent, from 50 per cent to 100 per cent of funding, as stipulated in clause 44.</p>	30 April 2019	\$12,400,000

	<p><u>Performance benchmark 2: Pre-apprenticeships</u></p> <p>South Australia will achieve 2,346 commencements. (86.0 per cent of their target. Payments will be made proportional to achievement against the performance benchmark on a pro-rata basis to the nearest per cent, from 50 per cent to 100 per cent of funding, as stipulated in clause 44.</p>	30 April 2019	\$3,932,000
	<p><u>Performance benchmark 3: Higher Apprenticeships</u></p> <p>South Australia will achieve 143 commencements (67.4 per cent of their target). Payments will be made proportional to achievement against the performance benchmark on a pro-rata basis to the nearest per cent, from 50 per cent to 100 per cent of funding, as stipulated in clause 44.</p> <p>Milestones</p> <p><u>Milestone 1 – Communications and marketing strategy</u></p> <p>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. <p><u>Milestone 2 – Signature projects</u></p> <p>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>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. 	30 April 2019	\$968,000
		30 April 2019	\$1,000,000
		30 April 2019	\$1,500,000
		30 April 2019	\$500,000

PART 5 – SIGN OFF

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

Signed for and on behalf of the Commonwealth of Australia by



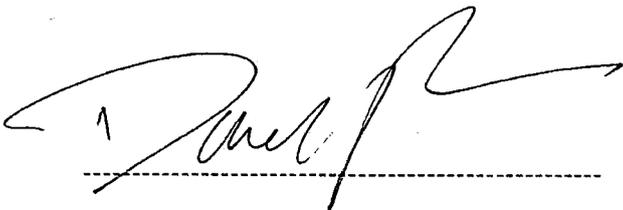
A handwritten signature in black ink, appearing to read 'Michaelia Cash', written over a horizontal dashed line.

Senator The Honourable Michaelia Cash

Minister for Small and Family Business, Skills and Vocational Education.

28 August 2018

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

31 August 2018

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 baseline and 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)*.

PART 2 – PRE-APPRENTICESHIPS AND PRE-TRAINEESHIPS

Full qualifications

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

1. it was for a 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 qualifications subsidised for the specific purpose of leading into further study or a training contract will be bilaterally agreed between the Commonwealth and South Australia, and subject to regular review.

Accredited training

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 not a commencement for a nationally recognised qualification, and
4. it was not delivered through a training contract as defined under Part 4 of the *Training and Skills Development Act 2008* (SA).

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, and
2. 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 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, and
2. 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. was not delivered through a training contract as defined under Part 4 of the *Training and Skills Development Act 2008* (SA).