

Schedule F

Australian Capital Territory

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 the Australian Capital Territory (ACT) 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 50 and 54 of the Agreement.

PART 2 – AGREED BASELINES AND BENCHMARKS

Budget benchmark

2. In accordance with clauses 23(a) and 38-40 of the Agreement, ACT's agreed budget benchmark is \$92.52 million to be adjusted each year to include annual Skilling Australians Fund payment from the Commonwealth.
 - (a) The budget benchmark has the following constituent parts:
 - i. the Vocational Education and Training (VET) Output Class published under 2014-15 Budget Statements paper including:
 1. funding allocated to provision and overall management of vocational education and training in the ACT; and
 2. funding allocated to VET in Schools and Careers and Transitions.
 - ii. includes Direct Government payment for outputs to public providers.
 - iii. excludes the budget attributable to the former National Partnership Agreement on Skills Reform and its predecessor.
 - iv. excludes the budget for employee, corporate and operational expenses.

Baseline commencements

3. In accordance with clauses 23(c), ACT's agreed baseline for existing training activity (baseline commencements) is based on the 2016-17 financial year as in Table 1.

Table 1: Baseline commencements

Training activity type	Baseline - commencements
Total commencements	4611
Apprenticeships/traineeships	4215
Pre-apprenticeships/traineeships	171
Higher apprenticeships	225

- (a) The scope of ACT's agreed baseline commencements is defined in Attachment A and, if required, subject to annual review with the Commonwealth to redefine the scope of the agreed baseline.
- (b) The number of commencements for training with similar characteristics (like activity) to an apprenticeship or traineeship that contributes to the achievement of the baseline commencements is capped as outlined in Attachment A.

Additional commencements

4. In accordance with clause 23(d), ACT's agreed targets for additional training activity (additional commencements) over the term of the Agreement (2018-19 to 2021-22) are in Table 2.

Table 2: Additional commencement targets

Training activity type	Estimated commencements
Total commencements	3717
Apprenticeships/Traineeships	2834
Pre-apprenticeships/traineeships	632
Higher apprenticeships	251

- (a) The scope of ACT's agreed targets for additional commencements is defined in Attachment A and, if required subject to annual review with the Commonwealth to redefine the scope of the agreed targets.
- (b) The number of additional commencements for training with similar characteristics (like activity) to an apprenticeship or traineeship that contributes to achievement of the targets is capped as outlined in Attachment A.

PART 3 – PROJECTS

5. The following projects will be delivered by ACT in 2018-19 through to 2021-22, in accordance with clause 11 of the Agreement.
- (a) **Project 1: Skilling Australia's Capital Region – 1 July 2018 to 30 June 2022**
- The Skilling Australia's Capital Region Project seeks to continue the development and growth of a highly skilled workforce in the Nation's Capital, increasing the number of commencements across pre-apprenticeships, apprenticeships and traineeships, higher-apprenticeships and other relevant employment-related training.

- i. Understanding and removing the barriers to training by:
 1. 2018-19: Increase Registered Training Organisation subsidies to boost commencements in Australian Apprenticeship qualifications and Skilled Capital qualifications. The subsidy is paid to RTOs and reduces the upfront cost throughout the term of their training for new students that commenced in 2018-19 only.
 2. 2018-19: Increase the uptake of the completion survey through RTO consultation and system changes, which sought to increase response rates, improve usability and support more efficient and effective analysis.
 3. Implementing targeted supports to encourage uptake, retention and completion of Australian Apprenticeships. This element includes: activities that increase awareness about Australian Apprenticeship pathways, support the efficient tracking of Australian Apprenticeships training, enhance work health and safety for Australian Apprentices (including mental health), and data collection.
 4. Reviewing the Forecasting of Industry Needs and Entitlement (FINE) model and the funding model for ACT Government subsidised training initiatives to ensure continued alignment with the objectives of the Agreement as it relates to Australian Apprenticeship pathways meeting industry needs in the ACT.
- ii. Encouraging market diversification by:
 1. 2018-19: Revising the ACT Adult and Community Education (ACE) Grant program guidelines to align with the objectives of the Agreement.
 2. Delivering the Future Skills for Future Jobs Grants Program, supported by a new Workforce and Skills Development Unit, co-designing innovative projects with local industry to identify new pathway opportunities for Australian Apprenticeships.
 3. Delivering new and expanded pre-employment and pre-apprenticeship initiatives in collaboration with industry, to meet industry needs and improve pathways and readiness for Australian Apprenticeships. An example of an expanded program in 2018-19 was the SPARK program.
 4. Delivering new and expanded school-based initiatives to raise awareness about vocational education and training pathways and to encourage youth into a career leading to an Australian Apprenticeship. An example of an expanded program in 2018-19 was the Australian School-based Apprenticeships (ASBAs) in Government program.
- iii. Increasing collaboration with industry by:
 1. 2018-19 and 2019-20: Enhancing the My Profiling tool through a trial with private RTOs and staged rollout with CIT. The tool enables on-job and off-job activity by apprentices to be tracked by employers and RTOs.
 2. Trialling and piloting programs through the Australian Apprenticeships Growth Project run by the Canberra Institute of Technology (CIT) and the ACT Education Directorate. This element supports the ACT Public VET Network to meet increased demand for Australian Apprenticeship commencements.
 3. Work with local industry to build awareness and undertake promotion and advocacy to attract potential employers and participants to VET programs in the ACT, with a particular focus on Australian Apprenticeships and Workforce Development.
- iv. Valuing VET as a pathway to a rewarding career by:

1. Delivering targeted campaigns and leveraging existing communication activities. This element aims to educate employers and raise awareness with local industry and schools about VET pathways and existing support services and systems available for Australian Apprentices.
2. Developing an ACT VET Investment Plan that provides a roadmap to support VET investment for the sector.

Financial contributions

- (b) Estimated financial contributions to Project 1 over the life of the Agreement (2018–19 to 2021–22) are in Table 3.

Table 3: Estimated financial contributions

(\$ million)	2018-19	2019-20	2020-21	2021-22	Total
Estimated total budget	13.3	11.0	8.0	8.0	40.3
Less estimated National Partnership payments	4.9	5.5	4.0	4.0	18.4
Balance of non-Commonwealth contributions	8.4	5.5	4.0	4.0	21.9

Planned additional commencement targets

- (c) Estimated additional commencements to Project 1 over the life of the Agreement (2018–19 to 2021–22) are in Table 4.

Table 4: Additional commencement targets

Training activity type	2018-19	2019-20	2020-21	2021-22	Total
Total commencements	873	1056	763	1025	3717
Apprenticeships/Traineeships	638	786	588	822	2834
Pre-apprenticeships/traineeships	174	195	123	140	632
Higher apprenticeships	61	75	52	63	251

Data / evidence

- (d) Data/evidence to be used to measure achievement of the performance benchmarks and/or milestones for this project are as in Table 5.

Table 5: Data/evidence used to measure performance requirements

Performance requirements	Data/evidence to be used for reporting
Performance benchmarks <ul style="list-style-type: none"> • Apprenticeships/traineeships • Pre-apprenticeships/traineeships • Higher apprenticeship 	<p>The measurement of commencements in all categories in scope of ACT projects under the Agreement will be based on Primary data source: ACT Vocational Education and Training Administration Records System (AVETARS)</p> <p>Secondary data source: Skills Canberra administrative data</p> <p>Data will be reported 1 July up to 30 April each financial year to support 30 April reporting.</p> <p>The carrying forward of commencements above the total performance benchmark will require data to be reported on 30 April for the period 1 July to 30 June in the preceding financial year.</p> <p>All data will be signed off as a true and accurate record of achievement by an authorised senior official responsible for VET data in the ACT.</p>
Milestones	<p>Short report outlining what has been achieved including how the activities have been undertaken and completed and who has been engaged in delivering the activities to achieve the milestones.</p> <p>The report is to include evidence for the completion of milestones (e.g. publicly available materials, references to published website links, and internal records or reports).</p> <p>All milestones will be signed off as true and accurate record of achievement by the Executive Branch Manager, Skills Canberra or an equivalent authorised senior officer.</p>
Matched funding	A statement that ACT's annual budget for project(s) under the Agreement at least matches the proposed Commonwealth contribution in clause 12(c) of the Agreement. This is to be signed by the CFO or equivalent senior authorised officer.
Budget benchmark	A statement that ACT's annual budget for vocational education and training at least equals the budget benchmark calculated using the same methods in clause 2 of this schedule. This is to be signed off by the CFO or equivalent authorised senior officer.

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

6. The total performance benchmark is the addition of the baseline commencement plus the additional commencement target for a given training activity type.
7. Table 6 summarises the performance benchmarks and milestones for agreed projects, relevant reporting dates and expected payments to be made.

Table 6: Performance benchmarks, milestones, reporting and payment summary

Output	Performance benchmarks/milestones	Report due	Payment
Project 1	<p>Performance benchmark 1: Apprenticeships and traineeships</p> <p>The total performance benchmark for each financial year (baseline commencement plus additional commencement targets) for apprenticeships and traineeships commencements are as follows:</p> <ul style="list-style-type: none"> • 2018-19: 4853 commencements • 2019-20: 5001 commencements • 2020-21: 4803 commencements • 2021-22: 5037 commencements <p>ACT will be eligible for the full performance payment each financial year when the following commencements are achieved (70 per cent of the total performance benchmark for apprenticeship and traineeship commencements) between 1 July and up to 30 April:</p> <ul style="list-style-type: none"> • 2018-19: 3397 commencements • 2019-20: 3500 commencements • 2020-21: 3362 commencements • 2021-22: 3526 commencements <p>ACT will be eligible for the minimum performance payment each financial year if the following apprenticeship and traineeship commencements are achieved between 1 July and up to 30 April with pro-rata amounts paid for commencements between 50 per cent and 100 per cent:</p> <ul style="list-style-type: none"> • 2018-19: 3174 commencements • 2019-20: 3225 commencements • 2020-21: 3156 commencements • 2021-22: 3238 commencements 	<p>30 April 2019</p> <p>30 April 2020</p> <p>30 April 2021</p> <p>30 April 2022</p> <p>30 April 2019</p> <p>30 April 2020</p> <p>30 April 2021</p> <p>30 April 2022</p>	<p>\$1,500,000</p> <p>\$1,680,000</p> <p>\$1,200,000</p> <p>\$1,200,000</p> <p>\$750,000</p> <p>\$840,000</p> <p>\$610,000</p> <p>\$610,000</p>

Output	Performance benchmarks/milestones	Report due	Payment
	<p>Performance benchmark 2: Pre-apprenticeships and pre – traineeships</p> <p>The total performance benchmark for each financial year (baseline commencements plus additional commencement targets) for pre-apprenticeships and pre-traineeships commencements are as follows:</p> <ul style="list-style-type: none"> • 2018-19: 345 commencements • 2019-20: 366 commencements • 2020-21: 294 commencements • 2021-22: 311 commencements <p>ACT will be eligible for the full performance payment each financial year when the following commencements are achieved (70 per cent of the total performance benchmark for pre-apprenticeship and pre-traineeship commencements) between 1 July and up to 30 April:</p> <ul style="list-style-type: none"> • 2018-19: 242 commencements • 2019-20: 256 commencements • 2020-21: 206 commencements • 2021-22: 218 commencements <p>ACT will be eligible for the minimum performance payment if the following pre-apprenticeship and pre-traineeship commencements are achieved between 1 July and up to 30 April with pro-rata amounts paid for commencements between 50 per cent and 100 per cent:</p> <ul style="list-style-type: none"> • 2018-19: 181 commencements • 2019-20: 188 commencements • 2020-21: 163 commencements • 2021-22: 169 commencements 	<p>30 April 2019</p> <p>30 April 2020</p> <p>30 April 2021</p> <p>30 April 2022</p> <p>30 April 2019</p> <p>30 April 2020</p> <p>30 April 2021</p> <p>30 April 2022</p>	<p>\$660,000</p> <p>\$740,000</p> <p>\$540,000</p> <p>\$540,000</p> <p>\$330,000</p> <p>\$370,000</p> <p>\$270,000</p> <p>\$270,000</p>

Output	Performance benchmarks/milestones	Report due	Payment
Project 1	<p>Milestone 1</p> <p>ACT will be eligible for the milestone payment when the following deliverables are met:</p> <p>1.1 Implements increased training subsidies</p> <p>1.2 Advises RTOs and/or the community on the increase in the RTO subsidies</p> <p>1.3 Completes consultation and review on the outcomes of previous increases in RTO subsidies.</p>	30 April 2019	\$750,000
	<p>Milestone 2</p> <p>2.1 ACT will be eligible for the milestone payment when the ACE program guidelines are revised and made publicly available.</p>	30 April 2019	\$200,000
	<p>Milestone 3</p> <p>3.1 ACT will be eligible for the milestone payment when the SPARK program and ASBA initiative, including consultation with industry, is delivered.</p>	30 April 2019	\$340,000
	<p>Milestone 4</p> <p>4.1 ACT will be eligible for the milestone payment when the new Future Skills for Future Jobs Grants program is established and implemented, including activities such as publishing grant guidelines and industry consultation.</p>	30 April 2019	\$950,000
	<p>Milestone 5</p> <p>ACT will be eligible for the milestone payment when the following deliverables are met:</p> <p>5.1 Evaluate the My Profiling trial undertaken by CIT and a selection of private RTOs.</p> <p>5.2 Review the FINE model, to ensure alignment with the objectives of the Agreement and local skills needs.</p> <p>5.3 Co-develop innovative industry-based projects through the Future Skills for Future Jobs Grants Program.</p> <p>5.4 Implement pilot initiatives designed to improve post-school pathway options and increase ASBA commencements.</p> <p>5.5 Deliver a series of business development activities that promote innovation and growth in the ACT VET system, with a particular focus on Australian Apprenticeships.</p>	30 April 2020	\$2,510,000

Output	Performance benchmarks/milestones	Report due	Payment
	5.6 Develop the ACT VET Investment Strategy, including stakeholder consultation, and commence development of an evaluation framework.		
	<p>Milestone 6</p> <p>ACT will be eligible for the milestone payment when the following deliverables are met:</p> <p>6.1 Implement revised FINE model and ACT Training Initiatives.</p> <p>6.2 Co-develop innovative industry-based projects through the Future Skills for Future Jobs Grants Program.</p> <p>6.3 Evaluate the expansion of the SPARK program to ensure consistency with industry and employer needs, and identify next steps.</p> <p>6.4 Undertake activities to promote innovation and growth in the ACT VET system, with a particular focus on Australian Apprenticeships.</p> <p>6.5 Develop a School Engagement Strategy to facilitate improved awareness of VET pathways and Australian Apprenticeship opportunities in ACT schools.</p> <p>6.6 Finalise the ACT VET Investment Strategy and evaluation framework.</p>	30 April 2021	\$1,830,000
	<p>Milestone 7</p> <p>ACT will be eligible for the milestone payment when the following deliverables are met:</p> <p>7.1 Establish arrangements for future targeted supports for Australian Apprenticeships, following the evaluation of pilot activities.</p> <p>7.2 Review the Future Skills for Future Jobs Grants program in consultation with local industry, to determine the effectiveness of the program and the co-development approach.</p> <p>7.3 Review the pre-employment and pre-apprenticeship initiatives and their effectiveness in improving awareness about VET pathways and supporting Australian Apprenticeship pathways.</p> <p>7.4 Review the Australian Apprenticeships Growth Project and report on the project's effectiveness in supporting the ACT Public VET Network to meet increased demand for Australian Apprenticeship commencements.</p>	30 April 2022	\$1,830,000

Output	Performance benchmarks/milestones	Report due	Payment
	<p>7.5 Deliver targeted promotional activities to improve awareness of VET pathways and Australian Apprenticeship opportunities for educators, industry, students and the broader ACT community.</p> <p>7.6 Evaluate the impact of the ACT VET Investment Strategy using the evaluation framework.</p>		

Performance Benchmark part-payments

8. The calculation of pro rata performance payments will be on the following basis:

(a) $\text{Pro-rata payment} = (1 + (A - B)/C) * D$

Where

A is the number of commencements reported on 30 April

B is the number of commencements required to receive the minimum performance payment at 30 April

C is the difference between the number of commencements required to receive the full performance payment at 30 April and the number of commencements required to receive the minimum performance payment at 30 April

D is the minimum performance payment.

Carrying forward commencements above the total performance benchmark

9. In accordance with clause 11 of the Agreement, the ACT may carry forward commencements above the total performance benchmark in a single financial year to achieve performance benchmark(s) in the next financial year.

(a) The number of commencements are to be confirmed through final, validated data for the period 1 July to 30 June in a single financial year.

(b) The confirmed number of commencements are to be reported in the 30 April annual report in the financial year in which the commencements are to count towards any identified performance benchmark(s).

(c) The confirmed commencements can only be counted towards the same training activity, or an alternative training activity as determined in Attachment A.

(d) Any confirmed commencements can only be used once.

(e) Commencements that have been counted to be above a performance benchmark as of 30 April for a single financial year, and have been assigned in the same financial year to another performance benchmark in accordance with the definitions in Attachment A, cannot be carried forward into the next financial year.

Note: this provision does not override any provisions related to caps on particular training activity types.


Reporting

10. The Commonwealth will accept a final report with draft data up to 30 April of the reporting year.
 - (a) Validated ACT data must be received by the Commonwealth within two weeks following this date.
 - (b) Where ACT is seeking to count any commencements from a previous financial year, those commencements are to be included in the 30 April report.

PART 5: SIGN OFF

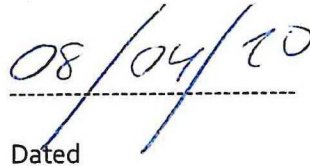
11. The Parties have confirmed their commitment to this agreement as follows:

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 Hon Michaelia Cash
Minister for Employment, Skills, Small and Family Business



A handwritten date '08/04/20' in blue ink, written over a horizontal dashed line.

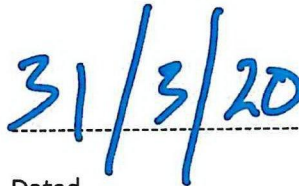
Dated

Signed for and on behalf of the Australian Capital Territory by



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

Chris Steel MLA
Minister for Tertiary Education
Minister for City Services
Minister for Multicultural Affairs
Minister for Recycling and Waste Reduction
Minister for Roads and Active Travel
Minister for Transport



A handwritten date '31/3/20' in blue ink, written over a horizontal dashed line.

Dated

ATTACHMENT A – SCOPE OF AGREED BASELINE AND TARGETS

This Attachment to the Schedule define the scope of activity agreed between the Commonwealth and the ACT that contributes towards the agreed baseline of existing training activity and targets for additional training activity types..

PART 1 – APPRENTICESHIPS AND TRAINEESHIPS

Contracts of Training

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

- (a) it is for a nationally recognised qualification at any qualification level (Australian Qualifications Framework Level 1-6), and
- (b) it is delivered through a training contract as defined under Part 3 of the *Training and Tertiary Education Act 2003* (ACT)).

Commencements above the performance benchmark

Where ACT's apprenticeship and traineeship commencements for a given financial year are above the performance benchmark at 30 April, ACT may elect for those commencements to be counted towards the performance benchmark for higher apprenticeship and/or pre-apprenticeship commencements in the same financial year.

Training activity with similar characteristics (like activity)

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

- (a) it is for a nationally recognised qualification at
 - i. Australian Qualifications Framework Level 3, or
 - ii. Australian Qualifications Framework Level 4, and
- (b) it is subsidised by the ACT State Training Authority with a specific requirement for the inclusion of a work placement or experience component as a condition of the subsidy
- (c) it is not delivered through a training contract as defined under Part 3 of the *Training and Tertiary Education Act 2003* (ACT).

The contribution of commencements with similar characteristics that contributes to the baseline will be capped as in Table 1 over the term of the Agreement. The numbers represent the total number of the types of commencements in each financial year.

Table 1: Number of commencements cap contributing to the baseline

Cap commencements	2018–19	2019–20	2020–21	2021–22
Apprenticeship and traineeship training with similar characteristics	513	513	513	513

The contribution of commencements with similar characteristics that contributes to the apprenticeship and traineeship target will be capped at 20 per cent over the term of the Agreement as in Table 2. These numbers represent the total number of these types of commencements in each financial year.

Table 2: Number of commencements cap for additional activity target

Cap commencements	2018–19	2019–20	2020–21	2021–22
Apprenticeship and traineeship training with similar characteristics	128	157	118	164

PART 2 - PRE-APPRENTICESHIPS AND PRE-TRAINEESHIPS

Full qualifications

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

- (a) it is for a nationally recognised qualification at
 - i. Australian Qualifications Framework Level 1, or
 - ii. Australian Qualifications Framework Level 2, and
- (b) is either funded as part of:
 - i. Skilled Capital, or
 - ii. Another identified pre-apprenticeship program, and
- (c) it is not delivered through a training contract as defined under Part 3 of the *Training and Tertiary Education Act 2003* (ACT).

Skill Set/Accredited training

A commencement contributes to this component of the baseline commencements and additional commencements if:

- (a) it is for an identified part qualification (Skill Set) that is likely to lead to an apprenticeship or traineeship
- (b) is either funded as a part of:
 - i. Skilled Capital, or
 - ii. A pre-apprenticeship program approved for funding under SAF, and
- (c) it is not delivered through a training contract as defined under Part 3 of the *Training and Tertiary Education Act 2003* (ACT)

Note: Skill sets are made up of one or more units of competency and can be defined in training packages, or developed by an individual registered training organisation to meet employer or industry demand.

PART 3 - HIGHER APPRENTICESHIPS

Full Qualifications

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

- (a) it is for a nationally recognised (VET) qualification at qualification level
 - i. Australian Qualifications Framework Level 5, or
 - ii. Australian Qualifications Framework Level 6, or
 - iii. Australian Qualifications Framework Level 7 (pending agreement by the Commonwealth), or
 - iv. Australian Qualifications Framework Level 8 (pending agreement by the Commonwealth), and
- (b) is either:
 - i. subsidised by the ACT State Training Authority with a specific requirement for the inclusion of a work placement or experience component as a condition of the subsidy, or
 - ii. the training package (as per training.gov.au) specifies that the qualification has a mandatory work placement (and that was included in activity baseline commencement), and
- (c) it is not delivered through a training contract as defined under Part 3 of the *Training and Tertiary Education Act 2003* (ACT).
- (d) The inclusion of Australian Qualifications Framework Levels 7 and 8 at point (a)iii and (a)iv to be agreed with the Commonwealth in respect to the specific qualification, targeted cohort and impact on the baseline and target.

Commencements above the performance benchmark

Where ACT's higher apprenticeship and higher traineeship commencements for a given financial year are above the performance benchmark at 30 April, ACT may elect for those commencements to be counted towards the pre-apprenticeship training activity type performance benchmark in the same financial year.