

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 clauses 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, South Australia's agreed budget benchmark is \$202.8 million, to be adjusted each year to include an annual Skilling Australians Fund payment from the Commonwealth.
 - (a) The budget benchmark has the following constituent parts:
 - i. the 2016-17 estimated result, published in the Department of State Development's (DSD) 2017-18 budget papers for employment and skills formation
 - ii. excludes non-VET related expenditure, including higher education, depreciation, non-VET employment programs, and non-VET corporate overheads
 - iii. 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
 - iv. excludes expenditure attributable to revenue from the National Agreement on Skills and Workforce Development.

Baseline commencements

3. In accordance with clause 23(c), South Australia's agreed baseline for existing training activity (baseline commencements) is based on the 2016–17 financial year and is in Table 1.

Table 1: Baseline commencements

Training activity type	Baseline - commencements
Total	9975
Apprenticeships/traineeships	7845
Pre-apprenticeships/traineeships	2078
Higher apprenticeships	52

- (a) The scope of South Australia’s agreed baseline commencements are defined in Attachment A and, if required, subject to annual review with the Commonwealth to redefine the scope of the agreed baseline.

Additional commencement targets

4. In accordance with clause 23(d), South Australia’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 targets - commencements
Total	14,636
Apprenticeships/traineeships	11,186
Pre-apprenticeships/traineeships	2481
Higher apprenticeships	969

- (a) The scope of South Australia’s agreed targets for additional commencements, are 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 the achievement of the total performance benchmark is capped as outlined in Attachment A.

PART 3 – PROJECTS

5. The following project will be delivered by South Australia from 2018-19 through to 2021-22, in accordance with clause 11 of the Agreement.

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

South Australia will address demand for apprenticeships and traineeships and increase the supply of training in priority areas with the Skilling South Australia Initiative - a four year project to reform the vocational education and training (VET) market to meet future demands, shift perceptions of VET, and pilot and embed new models of training delivery that lead to sustainable skilled careers, meet industry need and support the State’s economy.

Skilling South Australia’s range of measures, as set out in the milestones, are designed to further build and improve the State’s training system, delivering more training in priority areas; providing targeted, customised supports and incentives for prospective apprentices, trainees, employers and providers; and building capacity, partnering with stakeholders to co-design and build tailored approaches to meet specific workforce needs at business or industry sector level.

These measures focus on:

- i. Industry and employer support: industry sector plans, an advisory service for employers and students, additional support for first time employers and small business, targeted incentives and customised support for employers, industries and regions, and additional funding to support Group Training Organisations to grow.
- ii. Student support: Increased student support through improved career information, learner support services, targeted incentives and customised support including region and cohort specific initiatives, and additional financial support for accommodation, travel and equipment.
- iii. Training support: More subsidised courses, greater access for non-Government training providers, tailored project funding and VET provider and market development activities.
- iv. System development: System development such as a multifaceted marketing campaign, reducing regulatory burden for employers, signature and strategic projects, establishing and partnering with Industry Skills Councils, and strengthening policy to support businesses employing apprentices and trainees.

Financial contributions

- (b) Estimated financial contributions to Project 1 over the term 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	69.5	74.81	78.87	77.64	300.82
Less estimated Agreement payments	20.30	20.10	16.32	16.19	72.91
Balance of non-Commonwealth contributions	49.2	54.71	62.55	61.45	227.91

Planned additional commencement targets

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

Table 4: Estimated additional commencement targets

Training activity type	2018-19	2019-20	2020-21	2021-22	Total
Total	2860	4260	3520	3996	14,636
Apprenticeships/traineeships	2050	3266	2749	3121	11,186
Pre-apprenticeships/traineeships	650	710	525	596	2,481
Higher apprenticeships	160	284	246	279	969

Data / evidence

- (d) Data/evidence to be used to measure achievement of the performance benchmarks and/or milestones for Project 1 are in Table 5.

Table 5: Data/evidence used to measure performance requirements

Performance requirements	Data/evidence to be used for reporting
<p>Performance benchmarks:</p> <ul style="list-style-type: none"> • Apprenticeships/traineeships • Pre-apprenticeships/traineeships • Higher apprenticeships • Like activity 	<p>The measurement of commencements in all categories in scope of South Australia's Project under the Agreement will be based on primary data source:</p> <ul style="list-style-type: none"> • Department for Innovation and Skills Apprenticeship and Traineeship onLine Application System (ATLAS) or • comparable project reporting tools. <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 the Executive Director of Department for Innovation and Skills or an equivalent authorised senior officer.</p>
<p>Milestones</p>	<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 a true and accurate record of achievement by the Executive Director of Department for Innovation and Skills or an equivalent authorised senior officer.</p>
<p>Matched funding</p>	<p>A statement that South Australia's annual budget for the project(s) under the Agreement at least matches the proposed Commonwealth contribution in this schedule. This is to be signed by the Chief Financial Officer (CFO) or equivalent authorised senior officer.</p>
<p>Budget benchmark</p>	<p>A statement that South Australia's annual budget for vocational education and training at least equals their budget benchmark calculated using the same methods in clause 2 of this schedule. This is to be signed by the CFO or equivalent authorised senior officer.</p>

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 the agreed project, 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 commencements plus additional commencement targets) for apprenticeship and traineeship commencements are as follows:</p> <ul style="list-style-type: none"> • 2018-19: 9895 commencements • 2019-20: 11,111 commencements • 2020-21: 10,594 commencements • 2021-22: 10,966 commencements. <p>South Australia will be eligible for the full performance payment each financial year when the following commencements are achieved (67.4 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: 6669 commencements • 2020-21: 7140 commencements • 2021-22: 7391 commencements. <p>South Australia will be eligible for the full performance payment when the following commencements are achieved (36 per cent of the total performance benchmark for apprenticeship and traineeship commencements) between 1 July and up to 31 December:</p> <ul style="list-style-type: none"> • 2019-20: 4000 commencements <p>South Australia will be eligible for the minimum performance payment each financial year if the following apprenticeship and traineeship</p>		
		30 April 2019	\$12,400,000
		30 April 2021	\$7,150,000
		30 April 2022	7,160,000
		30 April 2020	\$9,054,000

	<p>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: 3335 commencements • 2020-21: 5816 commencements • 2021-22: 6081 commencements. <p>South Australia will be eligible for the minimum performance payment if the following apprenticeship and traineeship commencements are achieved between 1 July and up to 31 December with pro rata amounts paid for commencements between 50 per cent and 100 per cent:</p> <ul style="list-style-type: none"> • 2019-20: 2965 commencements 	<p>30 April 2019 30 April 2021 30 April 2022</p> <p>30 April 2020</p>	<p>\$6,200,000 \$3,575,000 \$3,580,000</p> <p>\$4,527,000</p>
	<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-traineeship commencements are as follows:</p> <ul style="list-style-type: none"> • 2018-19: 2728 commencements • 2019-20: 2788 commencements • 2020-21: 2603 commencements • 2021-22: 2674 commencements. <p>South Australia will be eligible for the full performance payment each financial year when the following commencements are achieved (86 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: 2346 commencements • 2019-20: 2398 commencements • 2020-21: 2239 commencements • 2021-22: 2300 commencements. <p>South Australia will be eligible for the minimum performance payment each financial year if the following pre-apprenticeships and pre-traineeships commencements are achieved between 1 July and up to 30 April with pro rata</p>	<p>30 April 2019 30 April 2020 30 April 2021 30 April 2022</p>	<p>\$3,932,000 \$2,272,000 \$2,050,000 \$1,960,000</p>

	<p>amounts paid for commencements between 50 per cent and 100 per cent:</p> <ul style="list-style-type: none"> • 2018-19: 1173 commencements • 2019-20: 1876 commencements • 2020-21: 1966 commencements • 2021-22: 2055 commencements. 	<p>30 April 2019 30 April 2020 30 April 2021 30 April 2022</p>	<p>\$1,966,000 \$1,136,000 \$1,025,000 \$980,000</p>
	<p>Performance benchmark 3: Higher apprenticeships</p> <p>The total performance benchmark for each financial year (baseline commencements plus additional commencement targets) for higher apprenticeship commencements are as follows:</p> <ul style="list-style-type: none"> • 2018-19: 212 commencements • 2019-20: 336 commencements • 2020-21: 298 commencements • 2021-22: 331 commencements <p>South Australia will be eligible for the full performance payment each financial year when the following commencements are achieved (67.4 per cent of the total performance benchmark for higher apprenticeship commencements) between 1 July and up to 30 April:</p> <ul style="list-style-type: none"> • 2018-19: 143 commencements • 2019-20: 226 commencements • 2020-21: 201 commencements • 2021-22: 223 commencements. <p>South Australia will be eligible for the minimum performance payment each financial year if the following higher apprenticeship 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: 71 commencements • 2019-20: 37 commencements • 2020-21: 39 commencements • 2021-22: 40 commencements. 	<p>30 April 2019 30 April 2020 30 April 2021 30 April 2022</p>	<p>\$968,000 \$274,000 \$222,000 \$219,000</p> <p>\$484,000 \$137,000 \$111,000 \$109,500</p>

Output	Performance benchmarks/milestones	Report due	Payment
	<p>Milestone 1</p> <p>South Australia will be eligible for the milestone payment when the following deliverables are met:</p> <p>1.1 Implement 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 • school programs. <p>1.2 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>1.3 Implement 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 • the establishment of communities of practice. 	<p>30 April 2019</p> <p>30 April 2019</p> <p>30 April 2019</p>	<p>\$1,000,000</p> <p>\$1,500,000</p> <p>\$500,000</p>
	<p>Milestone 2</p> <p>South Australia will be eligible for the milestone payment when the following deliverables are met:</p> <p>2.1 Deliver the communications and marketing strategy and associated activities, including:</p> <ul style="list-style-type: none"> • conducting market research and stakeholder engagement to ensure the strategy and associated activities continue to meet industry, employer, student and community needs • cataloguing the insights gained and outcomes achieved from the strategy and associated activities • identifying and planning activities for 	<p>30 April 2020</p>	<p>\$8,500,000</p>

	<p style="text-align: center;">2020–21.</p> <p>2.2 Deliver the Provider Development Program, supporting capability and capacity building of the VET market, including:</p> <ul style="list-style-type: none"> • identifying activities/deliverables achieved in the reporting period and the contribution of these activities to the program’s outcomes • promoting the opportunities available through the program • regular engagement with industry, including the VET sector • updating or expanding the program to ensure continued relevance with regulations, industry and market. • identifying and planning activities for 2020–21. <p>2.3 Develop four industry sector plans, identifying workforce strategies and actions to be delivered in 2020-21, with a view to:</p> <ul style="list-style-type: none"> • regular engagement with industry, including Industry Skills Councils, to determine training priorities, sector insights and industry delivery partners • identifying pathways and innovative models of training delivery, to meet industry needs • funding project proposals that support training pathways and commencements. <p>2.4 Deliver the apprenticeship and traineeship advisory service, with a view to:</p> <ul style="list-style-type: none"> • identifying activities/deliverables achieved in the reporting period and the contribution of these activities to the program’s outcomes • promoting the opportunities available through the program • engaging with industry, including Industry Skills Councils, to gain insights and intelligence • identifying and planning activities for 2020–21. 		
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	<p>2.5 Deliver the student support element of the project, with a view to:</p> <ul style="list-style-type: none"> • identifying activities/deliverables achieved in the reporting period and the contribution of these activities to the program’s outcomes • reducing student costs associated with training commencements • implementing targeted incentives and customised support, including region and cohort specific initiatives • identifying and planning activities for 2020–21. <p>2.6 Deliver customised support and incentives for prospective employers, with a view to:</p> <ul style="list-style-type: none"> • identifying activities/deliverables achieved in the reporting period and the contribution of these activities to the program’s outcomes • funding project proposals that have industry and/or employer involvement, including region and cohort specific initiatives • removing barriers to support the program’s outcomes • updating the program to ensure continued relevance with regulations and industry needs • identifying and planning activities for 2020–21. 		
	<p>Milestone 3</p> <p>South Australia will be eligible for the milestone payment when the following deliverables are met:</p> <p>3.1 Deliver the communications and marketing strategy and associated activities, including:</p> <ul style="list-style-type: none"> • conducting market research and stakeholder engagement to ensure the strategy and associated activities continue to meet industry, employer, student and community needs • cataloguing the insights gained and outcomes achieved from the strategy and associated activities • identifying and planning activities for 	30 April 2021	\$6,898,000

	<p style="text-align: center;">2021–22.</p> <p>3.2 Deliver the Provider Development Program, supporting capability and capacity building of the VET market, including:</p> <ul style="list-style-type: none"> • identifying activities/deliverables achieved in the reporting period and the contribution of these activities to the program’s outcomes • promoting the opportunities available through the program • regular engagement with the VET sector. • updating or expanding the program to ensure continued relevance with regulations, industry and market • identifying and planning activities for 2021–22. <p>3.3 Deliver industry sector plans, including:</p> <ul style="list-style-type: none"> • managing the four industry sector plans established in 2019–20 • developing two additional industry sector plans, identifying workforce strategies and actions to be delivered in 2021-22. <p>3.4 Deliver the apprenticeship and traineeship advisory service, with a view to:</p> <ul style="list-style-type: none"> • identifying activities/deliverables achieved in the reporting period and the contribution of these activities to the program’s outcomes • promoting the opportunities available through the program • engaging with industry, including Industry Skills Councils, to gain insights and intelligence • identifying activities for 2021–22. <p>3.5 Deliver the student support element of the project, with a view to:</p> <ul style="list-style-type: none"> • identifying activities/deliverables achieved in the reporting period and the contribution of these activities to 		
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	<p>the program's outcomes</p> <ul style="list-style-type: none"> • reducing student costs associated with training commencements • implementing targeted incentives and customised support, including region and cohort specific initiatives • identifying and planning activities for 2021–22. <p>3.6 Deliver customised support and incentives for prospective employers, with a view to:</p> <ul style="list-style-type: none"> • identifying activities/deliverables achieved in the reporting period and the contribution of these activities to the program's outcomes • funding project proposals that have industry and/or employer involvement, including region and cohort specific initiatives • removing barriers to support the program's outcomes • updating the program to ensure continued relevance with regulations and industry need • identifying and planning activities for 2021–22. 		
	<p>Milestone 4</p> <p>South Australia will be eligible for the milestone payment when the following deliverables are met:</p> <p>4.1 Deliver the communications and marketing strategy and associated activities, including:</p> <ul style="list-style-type: none"> • ensuring the strategy and associated activities continue to meet industry, employer, student and community needs • cataloguing the insights gained and outcomes achieved from the strategy and associated activities. <p>4.2 Deliver the Provider Development Program, supporting capability and capacity building of the VET market, including:</p> <ul style="list-style-type: none"> • identifying activities/deliverables achieved in the reporting period and 	30 April 2022	\$6,851,000

	<p>the contribution of these activities to the program's outcomes</p> <ul style="list-style-type: none"> • promoting the opportunities available through the program • regular engagement with the VET sector • updating or expanding the program to ensure continued relevance with regulations, industry and market. <p>4.3 Deliver industry sector plans, including:</p> <ul style="list-style-type: none"> • manage the four industry sector plans established in 2019–20 • implement the two additional industry sector plans developed in 2020–21 • develop two additional industry sector plans, including identification of workforce strategies and actions. <p>4.4 Deliver the apprenticeship and traineeship advisory service, with a view to:</p> <ul style="list-style-type: none"> • identifying activities/deliverables achieved in the reporting period and the contribution of these activities to the program's outcomes • promoting the opportunities available through the program • engaging with industry, including Industry Skills Councils, to gain insights and intelligence. <p>4.5 Deliver the student support element of the project, with a view to:</p> <ul style="list-style-type: none"> • identifying activities/deliverables achieved in the reporting period and the contribution of these activities to the program's outcomes • reducing student costs associated with training commencements • implementing targeted incentives and customised support, including region and cohort specific initiatives. <p>4.6 Deliver customised support and incentives for prospective employers, with a view to:</p> <ul style="list-style-type: none"> • identifying activities/deliverables achieved in the reporting period and 		
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	<p>the contribution of these activities to the program’s outcomes</p> <ul style="list-style-type: none"> • funding project proposals that have industry and/or employer involvement, including region and cohort specific initiatives • removing barriers to support the program’s outcomes • updating the program to ensure continued relevance with regulations and industry need. 		
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Performance benchmark part-payments

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

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

Where

A is the number of commencements reported on the 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 additional commencements above the total performance benchmark

9. In accordance with clause 11 of the Agreement, South Australia 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 South Australian data must be received by the Commonwealth within two weeks following this date.
 - (b) Where South Australia 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

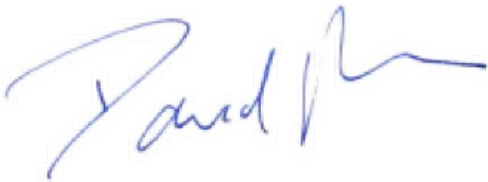


23.04.20

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

Dated

Signed for and on behalf of South Australia by



23/04/2020

The Honourable David Pisoni MP
Minister for Innovation and Skills

Dated

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 training activity types.

PART 1 – APPRENTICESHIPS AND TRAINEESHIPS

Contracts of training

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

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

Commencements above the performance benchmark

Where South Australia's apprenticeship and traineeship commencements for a given financial year are above the performance benchmark at 30 April, South Australia 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 additional activity target if:

- (a) it was for a nationally recognised qualification at:
 - i. Australian Qualifications Framework Level 3, or
 - ii. Australian Qualifications Framework Level 4, and
- (b) 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
- (c) 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 commencements for training with similar characteristics will be capped over the term of the Agreement at 20 per cent of the total activity in 2018-19, and 20 per cent of the additional activity in 2019-20, 2020-21 and 2021-22 as in Table 1. These numbers represent the total number of these types of commencements in each financial year.

Table 1: Number of commencements cap

Cap - Commencements	2018-19	2019-20	2020-21	2021-22
Apprenticeship and traineeship training with similar characteristics	1979	653	550	624

PART 2 – PRE-APPRENTICESHIPS AND PRE-TRAINEESHIPS

Nominated qualifications

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

- (a) it was for a nominated nationally recognised qualification, and
- (b) it was subsidised by the Government of South Australia for the specific purpose of leading into:
 - i. further study, or
 - ii. a training contract as defined under Part 4 of the *Training and Skills Development Act 2008* (SA), and
- (c) 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 additional activity target if:

- (a) it included nationally accredited training, and
- (b) it was subsidised by the Government of South Australia for the specific purpose of leading into:
 - further study, or
 - a training contract as defined under Part 4 of the *Training and Skills Development Act 2008* (SA), and
- (c) it was subsidised by the Government of South Australia in response to a project proposal that included industry or employer involvement, and
- (d) it was not a commencement for a nominated nationally recognised qualification, and
- (e) 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 at 100 commencements each financial year from 2019-20 to 2021-22 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

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 additional target if:

- (a) it is for a nationally recognised qualification at:
 - i. Australian Qualifications Framework Level 5, or
 - ii. Australian Qualifications Framework Level 6, or
 - iii. 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
- (b) 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 (like activity)

A commencement contributes to this component of the activity if:

- (a) it is for a nationally recognised qualification at:
 - i. Australian Qualifications Framework Level 5, or
 - ii. Australian Qualifications Framework Level 6, or
 - iii. 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
- (b) 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
- (c) 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 commencements with similar characteristics will be capped over the term of the Agreement at 20 per cent of the total activity in 2018-19, and 20 per cent of the additional activity in 2019-20, 2020-21 and 2021-22 as in Table 3. These numbers represent the total number of these types of commencements in each financial year.

Table 3: Number of commencements cap

Cap - commencements	2018-19	2019-20	2020-21	2021-22
Higher apprenticeship training with similar characteristics	42	57	49	56

Commencements above the performance benchmark

Where South Australia's higher apprenticeship commencements for a given financial year are above the performance benchmark at 30 April, South Australia may elect for those commencements to be counted towards the apprenticeship and traineeship and/or pre-apprenticeship performance benchmark in the same financial year. The ability to transfer higher apprenticeship commencements to apprenticeship and traineeship commencements is subject to transfers within the categories (such as within training contract or training with similar characteristics) and the caps on training with similar characteristics.