

2008 NSW U&E ITAB Annual Conference

Making Training Work



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Increasing Opportunity Through User Choice Funding





User Choice Arrangements

- ◆ New arrangements aim to:
 - Further harness capacity of the training market to increase training participation in priority skill areas
 - Better meet employer needs for flexible and responsive training



Objectives

- ◆ Increase apprenticeship and traineeship participation in line with national and state skill priorities
- ◆ Expand apprenticeship coverage within a managed market
- ◆ Prioritise funding for apprenticeships and traineeships in line with skill priorities
- ◆ Implement pricing principles that promote viable and quality training



Expand Apprenticeships in Managed Market

- ◆ Apprenticeships: Over 200 commencements
 - 24 available on open markets of Sydney, Illawarra and Lower Hunter



Open Market Apprenticeships

Sydney SD, Illawarra SD and Newcastle SSD

- Automotive (Heavy Vehicle Mechanical) (Industrial)
- Automotive (Heavy Vehicle Mechanical) (Road Transport)
- Automotive (Light Vehicle - Mechanical)
- Automotive (Panel Beating)
- Automotive (Vehicle Painting)
- Beauty Therapy
- Bricklaying - Bricklaying / Blocklaying
- Cabinetmaking - Furniture Making (Cabinetmaking)
- Carpentry & Joinery - Carpentry
- Cookery Western - Hospitality (Commercial Cookery)
- Electrical (Electrician) - Electrotechnology Electrician
- Engineering - Fabrication Trade
- Engineering - Mechanical Trade
- Hairdressing
- Landscaping - Horticulture (Landscape)
- Meat Processing (Meat Retailing)
- Painting & Decorating
- Plumbing, Gasfitting & Draining - Plumbing
- Refrigeration / Air Conditioning (Mechanic)
- Shopfitting - Off-site Construction (Shopfitting)

All NSW

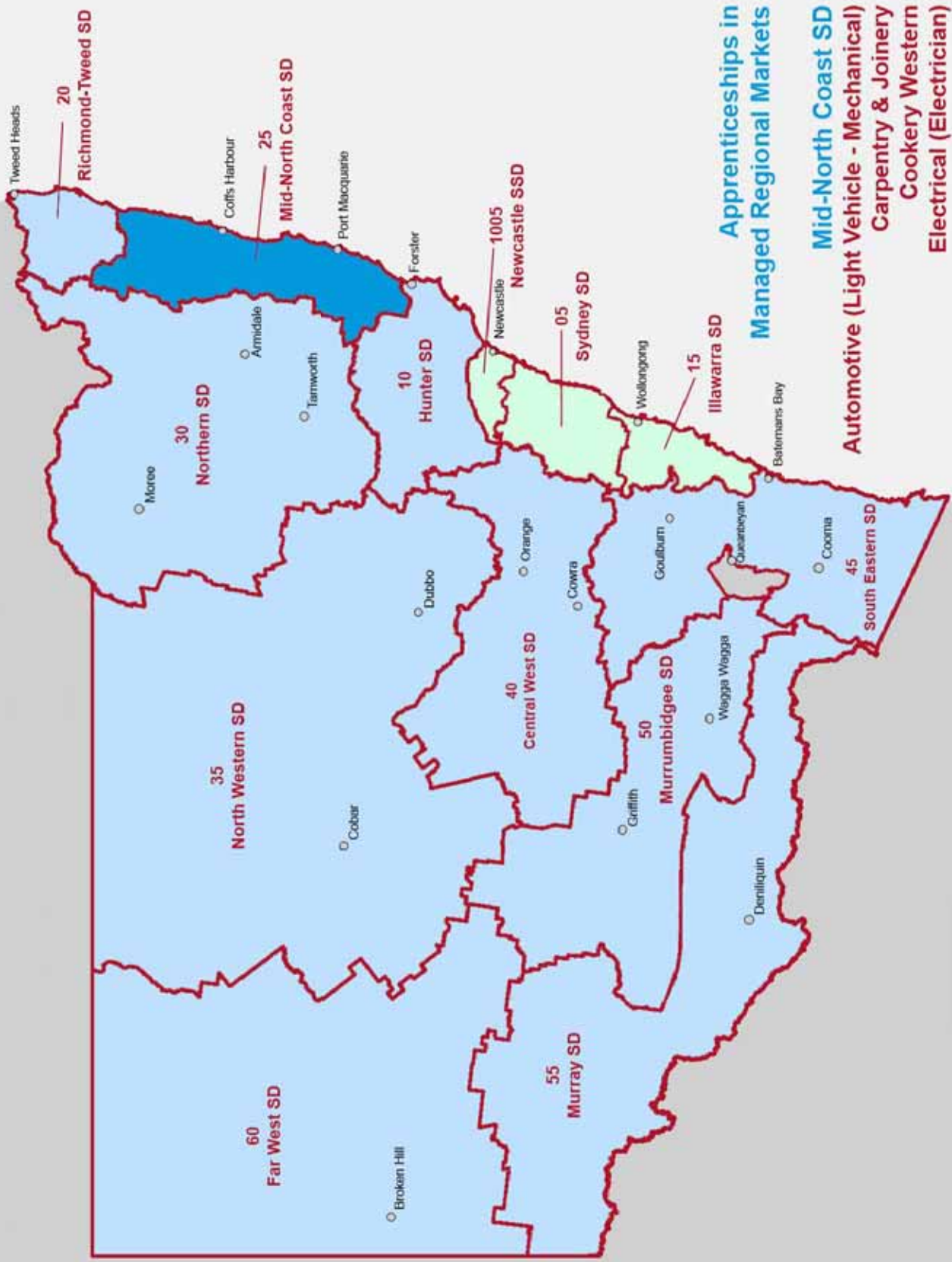
- Electricity Supply Industry - Cable Jointing (Power Line)
- Electricity Supply Industry - Distribution (Power Line)
- Electricity Supply Industry - Rail Traction (Power Line)
- Electricity Supply Industry Transmission (Power Line)

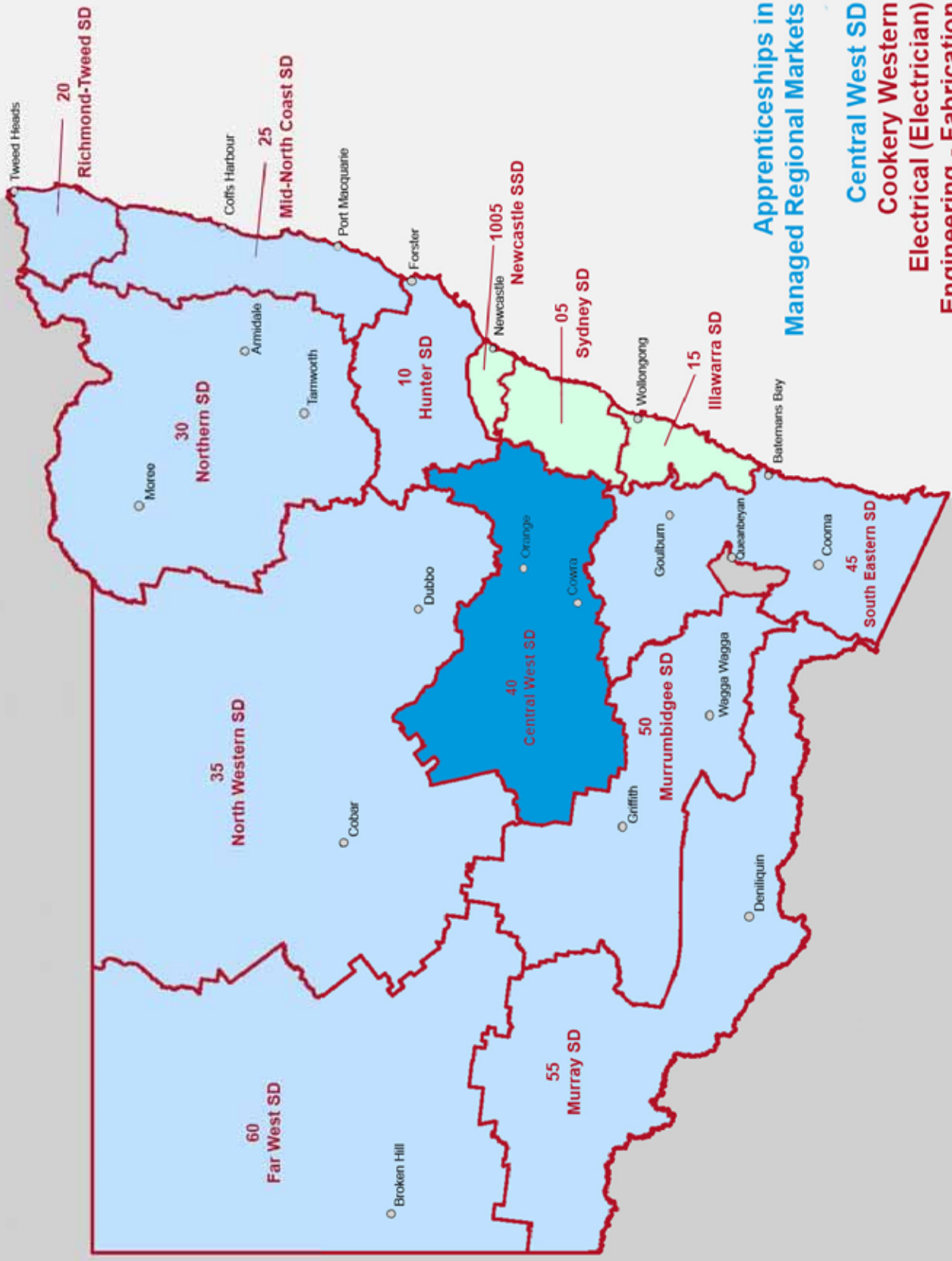




Expand Apprenticeships in Managed Market

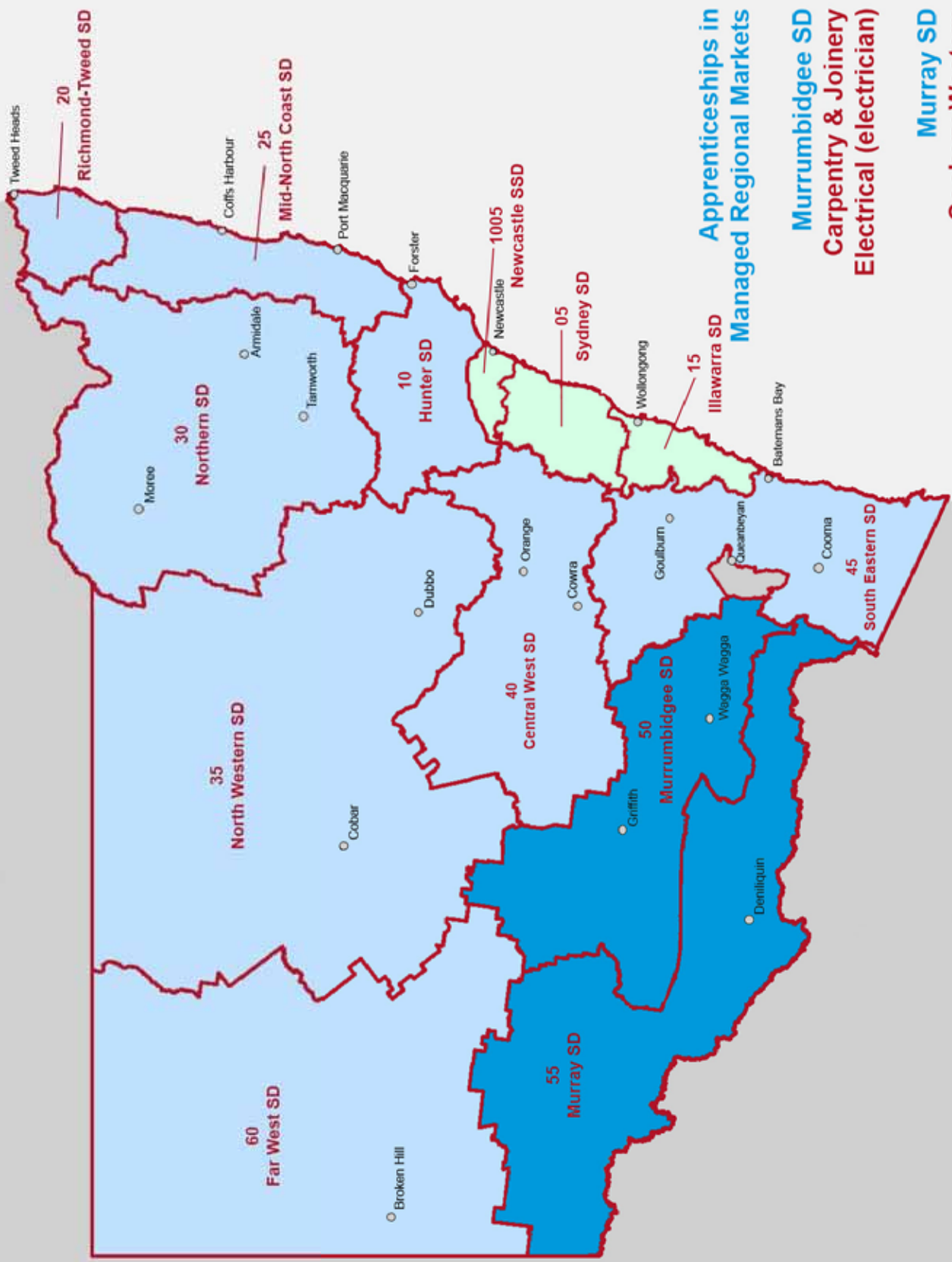
- ◆ Apprenticeships: Less than 200 commencements
 - Increase training capacity to meet local demand
 - Private RTOs selected based on:
 - ◆ Business plan for vocation/region
 - ◆ Level of formal partnership arrangements with industry, community or TAFE
 - ◆ Level of experience in apprenticeship training delivery
 - ◆ Access to industry standard equipment and facilities





Apprenticeships in Managed Regional Markets

- Central West SD
- Cookery Western
- Electrical (Electrician)
- Engineering - Fabrication



Apprenticeships in Managed Regional Markets

Murrumbidgee SD
Carpentry & Joinery
Electrical (electrician)

Murray SD
Cookery
Western



Pricing Arrangements

- ◆ Prioritise traineeship funding to align with skill priorities
 - Discontinue pricing by mode of delivery
 - ◆ Single price for each qualification
 - ◆ Aim to stimulate more industry-responsive, workbased training delivery
 - Price of each qualification prioritised according to:
 - ◆ Qualification level
 - ◆ Skill shortage
 - ◆ Priority industry



Pricing Arrangements

- Incentives for priority groups
 - ◆ Weighting for priority areas are:
 - Small Business: 30% of set price
 - Regional and rural locations (outside Sydney, Illawarra and Lower Hunter): 15% of set price
 - Training with High equipment costs - \$550 fixed per year
 - Indigenous and People with a Disability - \$400 for Cert II and \$800 for Cert III and IV (Replaces current equity payment process)



Pricing Arrangements

"There is scope for better awareness-raising amongst employers of the subsidies and other forms of assistance available for employing apprentices and trainees. Consideration also needs to be given to reducing the amount of red tape involved in accessing this support, particularly for small business."

NSW Government Summit on Raising the School Leaving Age
17 March 2008



Priority Weightings

$$\begin{aligned}
 & \text{Set price for qualification} \\
 & + \\
 & 15\% \text{ of set price for Regional and Rural} \\
 & + \\
 & 30\% \text{ of set price for Small Business} \\
 & + \\
 & \$550 \text{ per year for High Equipment Costs} \\
 & + \\
 & \$400 \text{ for Cert II trainees or } \$800 \text{ for Cert III and Cert IV apprentices and} \\
 & \quad \text{trainees who are Aboriginal or Torres Strait Islander} \\
 & + \\
 & \$400 \text{ for Cert II trainees or } \$800 \text{ for Cert III and Cert IV apprentices and} \\
 & \quad \text{trainees with a disability} \\
 & = \\
 & \text{TOTAL PRICE PAID PER APPRENTICE OR TRAINEE}
 \end{aligned}$$



Employer Investment in Training

- ◆ ATTP funding is a contribution towards the cost of apprenticeship or traineeship training delivery
- ◆ RTOs may seek an employer contribution towards the cost of training