

BILATERAL FUNDING AGREEMENT
between
THE AUSTRALIAN GOVERNMENT AND TASMANIA

under the
2005-08 COMMONWEALTH-STATE AGREEMENT FOR SKILLING AUSTRALIA'S
WORKFORCE

PURPOSE

1. This Bilateral Agreement underpins the collaborative intent of the new national training arrangements. It creates the basis for a partnership between the Tasmanian Government and the Australian Government to advance national and State priorities for vocational and technical education, and ensures that the training sector performs at the highest possible level and meets the needs of industry, individuals and communities within Tasmania.
2. In this Bilateral Agreement, Tasmania and the Australian Government are establishing those areas where they will work together, and the manner in which they will engage in a collaborative effort to improve training outcomes for clients of the national training system.
3. This Bilateral Agreement also details the State-specific elements of the Commonwealth-State Agreement for Skilling Australia's Workforce that will apply in Tasmania.
4. This Bilateral Agreement applies in respect of the period 1 January 2006 to 31 December 2008. In recognition of the dynamic nature of industry and the training sector, it will be reviewed annually to take account of changing local priorities.

TASMANIA'S PRIORITIES

Tasmania's strategic direction for vocational education and training (VET) is informed by Tasmanian industry, the community and government policy. The following constitutes Tasmania's major policy drivers in the provision and delivery of VET in Tasmania.

Tasmania Together, developed by consultation with the Tasmanian community is the Tasmanian Government's overarching vision statement for the State. It provides the broad framework for all Government agencies in the State.

Learning Together underpins *Tasmania Together* and articulates the Government's vision and a set of values for achieving a world-class education, training and information system. It describes five key goals and 130 new initiatives.

Tasmania: A State of Learning, arising out of *Learning Together* sets out the vision, purposes and values that will guide post-Year 10 education and training in the coming years. A total of twenty-seven initiatives are encompassed in four key elements. It contains many tangible initiatives to address the learning needs of both young and adult Tasmanians. The broad aims of *State of Learning* are to:

- Build a skilled workforce with the capacity to support Tasmanian business and industry in a growing economy;
- Improve young Tasmanian's participation in education and training beyond compulsory schooling;
- Enable second chance learning opportunities for people of all ages;
- Create communities that value life-long learning.

State of Learning responds to the opportunities and challenges raised in *Tasmania Together* and identifies the links between education, skills, social justice and economic success.

Tasmania's Industry Development Plan highlights the Government's strategic approach to the development, including the support of export growth and import replacement industry, with skill development a vital component of this Plan.

Tasmania's priorities for VET are drawn from those established in the above strategies.

Tasmania's VET priorities for 2006 are:

- Established links with other State, local and Australian government agencies and regional and industry bodies to ensure education and training solutions are part of co-ordinated whole of government, community and industry strategies;
- Increased proportion of working age population with skills that are relevant to, and will support State economic and industry development;
- Improved opportunities for mature-age workers;
- Improved access to vocational education and training and improved outcomes for people who experience barriers to training and employment due to their particular needs;
- Improved opportunities and outcomes for young people (15-24) as they move from compulsory education to post-compulsory education, training and work.

Responding to skill development needs for major developments is also a high priority for Tasmania, to ensure that the Government and the training system has the information and resources necessary to meet the skill development needs of such developments, both during construction and operation, and including flow-on effects.

TASMANIAN ENVIRONMENT

Management of Tasmania's VET system is strongly influenced by the State's unique characteristics. Tasmania has a broad, diverse, and highly dispersed industry base servicing interstate and international markets; a small and dispersed population and a predominance of small to medium sized businesses.

Tasmania also has an aging workforce and low levels of labour-force participation.

One impact is that there is strong demand for skilled people and limited numbers especially outside urban centres, and there is a growing need to expand the workforce into groups that have been disengaged.

Tasmania's system of having one public VET provider, the Institute of TAFE Tasmania, operating throughout the State and able to operate highly independently of external controls, while at the same time working in partnership with the Office of Post-Compulsory Education and Training (OPCET) and development agencies, is a successful response to the market conditions.

Tasmanian private registered training organisations (RTOs) are diverse and consist of specialist training businesses, Group Training Organisations, enterprise-based training organisations, not-for-profit organisations, schools and colleges. Many successfully operate in niche markets or provide services for a specific target group and access contestable public funding for training as well as operating on a fee for service basis. As at the end of December 2005, there were 138 active RTOs registered by the Tasmanian Qualifications Authority. Most VET in Tasmania is delivered as part of a Training Package.

ENGAGEMENT AND COOPERATION

Tasmania supports working in collaboration with the Australian Government to foster a cooperative national training system.

The Tasmanian Government and the Australian Government will work together to progress the work of the Council of Australian Governments (COAG).

In Tasmania, the Department of Education's **Office of Post-Compulsory Education and Training**, is responsible for planning, purchasing and supporting the delivery of VET services; the development of policy advice for post-compulsory education and training; promotion of industry investment in training; and the development, regulation and administration of the post-compulsory education and training system.

The **Tasmanian Qualifications Authority** is a separate statutory authority which handles matters associated with the certification of Tasmanian trainees and students. It accredits VET courses not covered by national training packages and registers VET providers and higher education providers and higher level courses. It accredits courses, determines assessment and provides certification for the Tasmanian Certificate of Education for all Year 11-12 students in Tasmania.

The **Tasmanian Learning and Skills Authority** (TLSA) is responsible for advice to the Tasmanian Minister for Education on the development and implementation of policies, plans and programs and on fostering inter-sectoral linkages relating to adult and community education, VET, senior secondary education and to the higher education sector. Active monitoring of the provision, performance and outcomes of post-Year 10 education and training is a key function. Other functions include overseeing the implementation of national policy agreements and commissioning research. OPCET supports TLSA in carrying out its functions.

OPCET engages directly with industry to ensure the training needs of businesses and industry are being met through its industry advisory arrangements. These arrangements have been in operation since July 2003 and comprise of the TLSA Industry Advisory Group (TIAG), Industry Liaison Officers, purchasing industry advice, convening industry forums and sponsoring various projects.

Tasmania's industry advisory arrangements inform the resourcing of industry training that is needed to support the development of industry capability in line with Tasmania's economic priorities and directions. It has further opportunity to ensure local industry needs are informing the national VET system through further involvement in the development and review of national Training Packages. Tasmania is linking with the new national Industry Skills Councils (ISC)+; however, would welcome more interaction and specific engagement with Industry Skills Councils on Training Package development and review. Tasmania is keen to implement processes that would result in better information sharing around Training Package management processes. Tasmania, through its industry advisory system has worked with individual skills councils on a range of local industry matters. Skills councils have used information obtained by Tasmania through its advisory processes in developing national approaches to skills issues. Tasmania will work to expand this interaction.

The development of an Adult Literacy Strategy is an area where the Tasmanian and Australian Governments are working in cooperation towards specific adult literacy goals for the State. A joint State and Commonwealth Taskforce, which convened for the first time in May 2004, has set the agenda for adult literacy in Tasmania. The Tasmanian Adult Literacy Strategy will work to overcome the barriers associated with adult literacy and create opportunities to meet the essential skills and literacy needs of adult Tasmanians.

OPCET will work together with the Australian Government to explore synergies between Tasmania's *Guaranteeing Futures* initiative and the Australian Government's Australian Network of Industry Careers Advisers (ANICA) initiative. *Guaranteeing Futures*, an element in *Tasmania: A State of Learning*, provides a strategic approach to meeting the needs of young Tasmanians in transition from compulsory education to independent young adulthood including through the introduction of Area Taskforces and individual pathway planning and transition support for young Tasmanians. OPCET envisages continuing communication with DEST to harmonise ANICA and *Guaranteeing Futures* activity to ensure both initiatives provide effective outcomes for stakeholders.

STATE-SPECIFIC ELEMENTS OF THE COMMONWEALTH-STATE AGREEMENT FOR SKILLING AUSTRALIA'S WORKFORCE

5. Strategic National Initiatives

- (i) Tasmania will work with local industry and community to support the National Skill Shortage Strategy through the following State initiatives:
- The *Skills for Growth* budget initiative will see \$12.6m over four years to directly address skill shortages identified by the Government and industry by building workforce capacity in the traditional trades and other growth industries. *Skills for Growth* will meet immediate industry and community needs as well as making an important contribution to the longer term economic and social wellbeing of the State.
 - *Fast Track Skills* is a package of funding programs and assistance to Tasmanian industry to address personnel and skill issues. It gives businesses the opportunity to participate in business planning information sessions and workshops which present innovative ways of attracting new jobseekers and retaining skilled employees. \$500,000 has been allocated to *Fast Track Skills* in the 2005-2006 State budget.
 - *Skills Equip 2006* competitive tendering program aims to provide improved access to and improved outcomes for people who experience barriers to training and employment due to their particular needs and focuses on developing the skills of people wishing to up-skill, return to study or the workforce. The budget for this program is \$330,000 from state recurrent funding and \$360,000 from the Australian Government's Australians Working Together program.
 - Processing Vegetable Industry Skills Package is a whole of government approach to assist processing vegetable growers identify and develop the skills needed to help this industry sector remain viable. The Skills Package will consist of \$420,000 in funding to identify skill requirements and deliver appropriate training for Tasmania's processing vegetable farming enterprises. The funding will be sourced from the Department of Economic Development's Workforce Development Program and OPCET's Competitive Bids Program.
 - Following the Pulp Mill Skills Audit in 2005 which identified the skill development needs for the proposed pulp mill, funding has been set aside for a separate training program to be developed from the 2006 Competitive Bids Program once training needs have been confirmed.
 - Wine Industry Skill Development Plan aims to solve skill shortage problems in the wine industry based around a plan to develop a skills passport for rural and remote seasonal workers in the wine grape growing industry. Funding allocated for this project is up to \$20,000.
 - Skills development in Tasmania's maritime, fishing and aquaculture industries through a specific budget allocation of \$500,000.

The Tasmanian Government and the Australian Government will work together to consider ways that State and Territory skills shortage initiatives that are consistent with the work of COAG, might be progressed to provide national benefit. Where appropriate such work may be proposed for funding through Strategic Initiative Funding.

- (ii) Tasmania will match its share of the Australian Government's contribution to Indigenous funding detailed in the National Funding Framework for Commonwealth-State Agreement for Skilling Australia's Workforce 1 July 2005-31 December 2008. Tasmania will manage its share of funding in a manner that takes into account the needs of the

local Aboriginal community, established through consultation. The Tasmanian Department of Education and the DEST will work cooperatively in the further development of the guidelines and management of the Joint Indigenous Funding Pool.

New Tasmanian Aboriginal identification processes have recently been introduced. The new criteria are more rigorous and may mean that the number of Tasmanians identified as Aboriginal participating in VET will be reduced.

6. National Targets

Tasmania will meet its share of the national targets set out in the 2005-08 Commonwealth-State Agreement for Skilling Australia's Workforce. In meeting its share, Tasmania will use 2003 as the base year for calculating targets.

The targets including specific qualifications for (i) and (ii) below and forecasts over the term of the agreement are contained in the template supplied by DEST listed as an attachment to the Tasmanian VET Plan 2006-08.

It is agreed that the period for meeting the targets is 2005 to 2008, and meeting any overall target at any stage prior to 2008 will be considered equivalent to meeting that target for the purpose of this agreement.

The targets for Tasmania are as follows:

- (i) Additional New Apprentice commencements in skills shortages in traditional trades:
 - (a) Tasmania's share of 10,000, additional places = 234
 - (b) The trade occupations that the Tasmanian target will be achieved in are: civil construction; building and construction; plumbing and services; metals and engineering and electrotechnology. [As agreed by DEST, the NCVET definition of traditional trades creates limitations as it is based on length of time of the apprenticeship i.e. four years.]

- (ii) Additional places in other areas of skills shortage:
 - (a) Tasmania's share of 10,000, additional places = 234
 - (b) The occupational areas that the Tasmanian target will be achieved in are: childrens services; enrolled nursing, automotive, conservation and land management, assessment and workplace training, occupational diving, transport and distribution (maritime operations), gas operations, food processing (wine) and commercial cookery. The qualifications that make up these occupational areas are available in the Tasmanian VET Plan 2006-08.

- (iii) Additional places for youth (15-19):
 - (a) Tasmania's share of 26,000, additional places = 608

- (iv) Additional places for people with a disability:
 - (a) Tasmania's share of 10,000, additional places = 234
N.B. The outcomes from the Client Student Voice Action Group may impact on this target.

(v) Indigenous Australians:

- (a) Tasmania will increase Indigenous Australians participation (if applicable).
- (b) the whole of Tasmania is classified as regional by the Accessibility/Remoteness Index of Australia (ARIA) classification.

N.B Targets are based on current NCVER collection; however, recent changes to Tasmanian Aboriginal identification process may mean that the number of Tasmanians identified as Aboriginal that are participating in VET will be reduced, and this would require further discussion.

(vi) Tasmania will continue current levels of participation of Aboriginal and Torres Strait Islander people in Certificate III qualifications and above and either match or maintain above the national average over the term of the agreement.

For (v) and (vi) above, Tasmania will implement the following strategies to improve outcomes and participation for Aboriginal and Torres Strait Islander people in Tasmania including participation in higher qualification levels through the following activities:

- The competitive tendering program will provide opportunities for RTOs to tender for the delivery of training specifically for Aboriginal and Torres Strait Islander people with the aim to promote innovative training delivery in employment linked areas. Also, to increase the awareness of the needs of Aboriginal and Torres Strait Islander people in order to raise their profile as potential employees.
- Promoting the *Financial Assistance for Aboriginal and Torres Strait Islander Students Undertaking VET* website.
- Aboriginal VET Officers are available in all regions to provide support, advice and fee assistance to Aboriginal and Torres Strait Islanders who wish to enrol or are already enrolled in courses at TAFE Tasmania.
- Promoting the success of Tasmanian Aboriginal VET students through production of a publication that features Aboriginal learners' stories to highlight successes and identify barriers to effective learning which might serve to motivate other learners and teachers.
- Regional information sessions for Aboriginal students and their parents/carers in partnership with appropriate agencies.
- Supporting the *Tasmanian Aboriginal Education Association Inc.* Aboriginal advisory body in its provision of advice on Aboriginal training and employment issues.
- Implementation of *oana malla*, the Tasmanian plan of action for increasing Aboriginal people's access to VET, and consulting on training needs and issues for Aboriginal people and monitoring progress on the Action Plan through the Monitoring Committee. *oana malla* is Tasmania's response to 'Partners in a Learning Culture,' the National Aboriginal and Torres Strait Islander Strategy for VET.
- Continue working with the *Partners in Aboriginal Education* group to develop and extend pathways to further education, training and employment for Aboriginal students.

PERFORMANCE MEASURES

7. Tasmania will demonstrate continuous improvement in employer and student satisfaction over the life of this Agreement.

(i) *Employer satisfaction*

Tasmania will maintain employer satisfaction levels at or above the national average over the term of the agreement.

Strategies to maintain or improve employer satisfaction:

- OPCET's Professional Development for VET Practitioners program is offered to all RTOs and facilitates learning opportunities to improve the quality of training and assessment. The program is based on the results of a research survey to determine the professional development needs of VET practitioners.
- Employer feedback is gathered as part of Australian Quality Training Framework (AQTF) audits of RTOs. This provides a sample of employers who are engaged with an RTO subject to audit, to raise concerns and issues which can inform the audit process. An RTO audit may be carried out at employers' premises if considerable training and assessment activity is carried out at the worksite.
- The new TAFE Tasmania organisational model provides the organisation with the direction and commitment to achieve high levels of student and enterprise satisfaction, as reflected in its Corporate Plan 2005-08. TAFE Tasmania has two key objectives; to ensure that its training meets the needs of enterprise clients, as reflected by its market share and quality performance indicators; and to ensure that the level, mix and delivery of career courses aligns to the State's economic and skill development needs.
- TAFE Tasmania will continue to maintain high levels of satisfaction from employers and enterprises through:
 - 1.) Annual Industry Surveys - three major industry surveys are carried out per year to gather views on training from key stakeholders;
 - 2.) Networks of Industry Reference Groups - to provide direct feedback to delivery teams;
 - 3.) Maintaining memorandums of understanding/partnerships with enterprises and continuing to build on the existing training partnerships with large and small businesses.
- The *Skills and Training Connection*, an initiative of the Tasmanian Industry Advisory Group, is a web-based resource due to be published in 2006. It aims to provide better access for employers to information on skills, training and related matters such as: information about skill shortages and solutions; what the opportunities are; how these fit with other solutions; and to provide information on the many studies on skills and training, both how to provide input and how to access information they produce.
- Competitive bids processes incorporate initiatives to address specific industry training needs determined through industry advisory arrangements.

(ii) *Student satisfaction*

Tasmania maintains consistently high levels of student satisfaction. The 2005 NCVET Student Outcomes Survey shows 87 per cent of Tasmania's student graduates were satisfied with the overall quality of their training.

Tasmania will maintain student satisfaction levels at or above the national average over the term of the agreement.

Strategies to maintain or improve student satisfaction:

- Learners' perceptions and training experiences are monitored through the RTO audit process. Samples of learners are given the opportunity to provide feedback

on their experiences with a particular RTO which ensures common issues are identified and subsequently addressed through audit.

- Through the newly established Career Pathways team in TAFE Tasmania, all learners will be supported in developing individual learning pathways, to realise their own learning and employment aspirations.
- RTOs are encouraged to inform learners of their rights as a customer of that RTO, including information about their training and which aspects of training can be negotiated. OPCET also makes this information available on its website.
- Dedicated Pathway Planning Officers, based in Colleges state-wide are working with students to assist them to make informed choices about their future and develop their education and training plans, based on their individual interests, aspirations and capabilities.
- Area Taskforces which will begin operation in 2006 will see community partnerships developed to share responsibility for improving opportunities for young Tasmanians as they move from school to further education, training and employment. Taskforces will involve parents, schools, colleges, the Institute of TAFE Tasmania, other VET providers, the University of Tasmania, youth service providers, employers, councils, government agencies and community organisations.
- Training Consultants provide support to apprentices and trainees during the term of their training contracts. Training Consultants provide advice and counselling to encourage completion of training.

(iii) Tasmania will implement the following strategies to improve completion rates and outcomes for mature age workers:

- Support the Institute of TAFE Tasmania's Recognition Centre - for existing workers to gain recognition for their skills;
- Provide specific opportunities through competitive bids program for mature-age workers;
- Enhance opportunities for adult Tasmanians to successfully engage in learning through *Tasmania: A State of Learning*;
- Provide opportunities through Adult Education for general skills courses and entry-level training particularly in relation to employability skills for adults;
- Implement Adult Education's "*Which Way for Me*" program to help mature unemployed workers and single parents to move back into the workforce, or undertake specific vocational training.

(iv) Tasmania will implement the following strategies to improve outcomes for people with a disability:

- Distribute guidelines for RTOs and community groups on access and equity;
- Publish a web-based resource to support the implementation of the *Transition Support Project* which aims to provide effective transition for young people with disabilities;
- Provide funding to RTOs to support training and employment programs for people with a disability;
- Consult with VET stakeholders on training needs and issues through the Equal Partners Reference Group;

- Implement TAFE Tasmania's "MyStep to Success" program to support students in developing employability skills and explore pathways for further training and employment;
 - Implement Bridging Pathways at the state level through Equal Partners Stage 2 (*Tasmanian Plan of Action for increasing opportunities for people with a disability in VET*);
 - Coordinate Communities of Practice for people involved in disability services throughout the State.
- (v) Tasmania will implement strategies to improve outcomes for Aboriginal and Torres Strait Islander people [refer to 6 (v) and (vi)].

INFRASTRUCTURE

8. Tasmania does not intend to apply for additional infrastructure funding for recurrent purposes during the term of the agreement.

ACTIVITY

9. Tasmania will negotiate any agreements with the Australian Government to adjust its overall activity requirement due to shifts of training activity into higher cost areas, including shifts to higher cost locations, clients and qualifications.

ADDITIONAL FUNDING

10. Not applicable at this stage.