

# PROJECT AGREEMENT FOR THE COMMONWEALTH/STATE AND TERRITORY JOINT GROUP TRAINING PROGRAM

Council of  
Australian  
Governments

An agreement between

- the Commonwealth of Australia and
- the State of Western Australia

The output of this project will be Group Training Organisations are assisted to implement strategies and initiatives which encourage and improve commencements and completions in Australian Apprenticeships.

# Project Agreement for the Commonwealth/State and Territory Joint Group Training Program

INTERGOVERNMENTAL AGREEMENT  
ON FEDERAL FINANCIAL RELATIONS

## PRELIMINARIES

1. This Project Agreement (the Agreement) is created subject to the provisions of the Intergovernmental Agreement on Federal Financial Relations and should be read in conjunction with that Agreement and its Schedules, which provide information in relation to performance reporting and payment arrangements under the Intergovernmental Agreement on Federal Financial Relations.
2. This Agreement recognises the history of the Commonwealth/State and Territory Joint Group Training Program and the Commonwealth and the State of Western Australia will support the delivery of strategies and initiatives to improve commencements and completions in Australian Apprenticeships through group training arrangements. This will be achieved in line with the Commonwealth/State and Territory Joint Group Training Program Administrative Guidelines at Schedule A, for the period of this Agreement.
3. The Guidelines form Schedule A of this Agreement. If there is any inconsistency between the Guidelines and this Agreement, the terms and conditions of this Agreement will take priority over the Guidelines, to the extent of the inconsistency.
4. This Agreement and its schedules constitute the entire agreement for this project.

## PART 1 – FORMALITIES

### Parties to this Agreement

5. This Agreement is between the Commonwealth of Australia (the Commonwealth) represented by the Minister for Tertiary Education, Skills, Science and Research and the State of Western Australia (Western Australia) represented by the State Minister with portfolio responsibility for training.

### Term of the Agreement

6. This Agreement will commence as soon as the Commonwealth and Western Australia sign the Agreement and will expire on 15 November 2012 or when the Funding Performance Report and Final Project Report are accepted by the Commonwealth, whichever is later, unless terminated earlier or extended as agreed in writing by the Parties.

## **Enforceability of the Agreement**

7. The Parties do not intend any of the provisions of this Agreement to be legally enforceable. However, that does not lessen the Parties' commitment to this Agreement.

## **Role of the Commonwealth**

8. The Commonwealth will be responsible for providing a financial contribution to Western Australia to support the implementation of this Agreement.

## **Role of the States and Territories**

9. Western Australia will be responsible for:
  - (a) achieving the project outputs within the agreed timeframe set out in this Agreement;
  - (b) providing details of any matter(s) that arise that adversely impact on the delivery of the output, and how Western Australia is to resolve this/these matter(s); and
  - (c) reporting on the delivery of outputs as set out in Part 4 – Project Milestones, Reporting and Payments.
10. Both Parties will meet the requirements of Schedule E, Clause 26 of the Intergovernmental Agreement on Federal Financial Relations, by ensuring that prior agreement is reached on the nature and content of any events, announcements, promotional material or publicity relating to activities under this Agreement, and that the roles of both Parties will be acknowledged and recognised appropriately.

## **Interpretation**

11. For the purposes of this Agreement, the 'National Funding Principles' are defined in Schedule A – Administrative Guidelines.

## **PART 2 – PROJECT OUTPUT(S)**

### **Output**

12. The output of this Agreement will be that Group Training Organisations are assisted, in line with the National Funding Principles, to implement strategies and initiatives which encourage and improve commencements and completions in Australian Apprenticeships.
13. The specific strategies and initiatives to be implemented by Western Australia are outlined in the Funding Plan at Schedule B.

## **PART 3 – FINANCIAL ARRANGEMENTS**

14. The Commonwealth will provide a maximum financial contribution to Western Australia of \$2,999,368.00 in respect of this Agreement. All payments are GST exclusive.
15. The Commonwealth's funding contribution will not be reduced where Western Australia secures funding from other activity partners through innovative and collaborative partnerships.

16. The Commonwealth's financial contribution and Western Australia's estimated financial contribution to the operation of this Agreement, including through Project Agreement payments to Western Australia paid in accordance with *Schedule D — Payment Arrangements* of the Intergovernmental Agreement on Federal Financial Relations, are shown in Table 1.

**Table 1: Estimated financial contributions**

	2011-12 financial year	Total
<b>Estimated total budget</b>	<b>5,998,736.00</b>	<b>5,998,736.00</b>
Less Project Agreement Payment:	2,999,368.00	2,999,368.00
Balance of non-Commonwealth contributions	2,999,368.00	2,999,368.00

17. Project Agreement payments to Western Australia will be paid in accordance with *Schedule D — Payment Arrangements* of the Intergovernmental Agreement on Federal Financial Relations.

## PART 4 — PROJECT MILESTONES, REPORTING AND PAYMENTS

18. The following table summarises the milestones for the project, their relationship to the outputs, expected completion dates, relevant reporting dates and expected payments to be made (if applicable).

**Table 2: Milestones, reporting and payment summary**

Output	Milestone(s)	Date due	Payment
Group Training Organisations are assisted to implement strategies and initiatives which encourage and improve commencements and completions in Australian Apprenticeships.	Receipt and acceptance of a Funding Plan, to implement the strategies and initiatives to encourage and improve commencements and completions in Australian Apprenticeships.	15 February 2012	\$2,999,368.00

### Reporting arrangements

19. Western Australia has provided a Funding Plan which describes how it will allocate the funds for the purposes of this Agreement. The Funding Plan has been accepted and is incorporated into this Agreement at Schedule B. The Funding plan reflects the National Funding Principles and the information as detailed in the Administrative Guidelines at Item 6 (Schedule A).
20. Western Australia will provide a Funding Performance Report by 15 November 2012. The Funding Performance Report is to include the following information:
- a statement certified by the senior executive officer who has primary responsibility for managing the Western Australia's audit functions that all Western Australia's contribution

Funding (GST exclusive) received has been expended for the Project and in accordance with the Agreement.

- b) a description of actual performance and de-identified, aggregated data for Australian Apprenticeships in Western Australia for the period 1 July 2011 to 30 June 2012, including but not limited to:
    - (i) percentage of Out of Trade Australian Apprentices commenced through Group Training arrangements as compared to all employers;
    - (ii) percentage of Australian Apprentices commenced and completed through Group Training arrangements as compared to all employers for each identified client group;
    - (iii) percentage of Australian Apprenticeship cancellations through Group Training arrangements as compared to all employers (Attrition rate); and
    - (iv) percentage of Australian Apprentices commenced through Group Training arrangements compared to all employers.
  - c) promotional activities undertaken in relation to, and media coverage of, the project during the reporting period and any promotional opportunities expected to arise during the next reporting period.
21. Western Australia will also provide a separate Final Project Report within 90 days of the completion of projects under this Agreement that will be a stand-alone document that can be used for public information dissemination purposes demonstrating outcomes for public accountability. The Final Project Report will:
- a) describe the conduct, benefits and outcomes of the Project(s); and
  - b) evaluate the Project(s) from the responsible Party's perspective, including assessing the extent to which the JGTP outcomes have been achieved and why any aspect was not achieved.

## **PART 5 – GOVERNANCE ARRANGEMENTS**

### **Dispute resolution**

- 22. Any Party may give notice to other Parties of a dispute under this Agreement.
- 23. Officials of relevant Parties will attempt to resolve any dispute in the first instance.
- 24. If a dispute cannot be resolved by officials, it may be escalated to the relevant Ministers and if necessary, the relevant COAG Council.
- 25. If a dispute cannot be resolved by the relevant Ministers, it may be referred by a Party to COAG for consideration.

### **Variation of the Agreement**

- 26. The Agreement may be amended at any time by agreement in writing by all the Parties.
- 27. A Party to the Agreement may terminate their participation in the Agreement at any time by notifying all the other Parties in writing.

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

*Signed for and on behalf of the Commonwealth  
of Australia by*



**Senator, the Honourable Christopher Evans**  
Minister for Minister for Tertiary Education, Skills,  
Science and Research

30 4 12  
[Day] [Month] [Year]

*Signed for and on behalf of the  
State of Western Australia by*



**The Honourable Peter Collier, MLC**  
Minister for Energy, Training and Workforce  
Development and Indigenous Affairs

[Day] [Month] [Year]  
4 / 4 / 2012

**Commonwealth/State and Territory Joint Group Training Program (JGTP)  
Administrative Guidelines.  
Effective from 1 July 2011  
Updated 16 November 2011**

**1. Administrative Arrangements**

The JGTP Administrative Guidelines are to be applied in conjunction with the National Funding Principles for the administration of the Program. Australian Government contributions to the Program are subject to the Australian Government Minister's decisions on the Program and budget limitations. The JGTP Administrative Guidelines form part of the Project Agreement as Schedule A.

- 1.1 If the Project Agreement is inconsistent with these Guidelines, the terms and conditions of the Project Agreement will take priority over these Guidelines, to the extent of the inconsistency.

**2. Project Agreements**

Project Agreements are subject to the *Intergovernmental Agreement on Federal Financial Relations* which commenced on 1 January 2009 and provides the overarching framework for COAG to pursue economic and social reforms to underpin growth, prosperity and social cohesion into the future. The new framework simplifies payments to the States and Territories, aids transparency and improves State and Territory governments' budget processes.

**3. Australian Government Contributions**

- 3.1 The Australian Government recognises the States and Territories' commitment to JGTP and the 2010-11 Australian Government funding contribution defines the Australian Government's budget capacity. Funding for 2011-12 will be provided at this level with the offer of an additional 1.7%, being indexation, based on Wage Cost Index 1 (WCI 1).
- 3.2 Subject to Ministerial decisions and available funding, JGTP Australian Government funding may be provided, at the previous year's funding allocation with indexation based on WCI 1 at that time.
- 3.3 The Australian Government and the States and Territories will contribute equally to JGTP confirming their joint commitment to the Program. States and Territories have the option to accept the additional indexation (WCI 1) funding offered by the Australian Government and to increase their contribution by the corresponding amount.
- 3.4 The Australian Government will provide funding for a period of one year. Extension of the JGTP may be supported in subsequent years with updated Funding Plans and new Project Agreements.
- 3.5 The annual funding allocation will be paid in one payment on execution of the Project Agreement to each participating State or Territory on receipt and acceptance of correctly rendered Tax Invoices.

#### 4. Fully Contestable Funding

- 4.1 States and Territories must ensure that the Joint Group Training Program funding is fully contestable and all Group Training Organisations, registered against the National Standards for Group Training Organisations (GTOs), ie GTOs that are for profit or not-for-profit are eligible to apply for funding under this Program.

#### 5. Use of JGTP Funding by States and Territories

The primary objective of JGTP is to provide funding to GTOs for strategies and initiatives which encourage and improve commencements and completions in Australian Apprenticeships. Funds must only be expended, including the State contribution, in accordance with the Project Agreement.

##### 5.1 Funding of Group Training Australia –State Associations.

JGTP funding is not to be used to fund Group Training Australia Limited or its State Associations directly but may be used to fund projects conducted by them or for specific activities provided by them which support the objectives of JGTP and the National Funding Principles:

- (i) Principle 1: Organisations that meet the National Standards for Group Training Organisations are eligible to apply to the State Training Authority for Joint Group Training Funding.
- (ii) Principle 2: Targeted outcomes will be determined by each State or Territory for each of the following nationally agreed priority areas: - Skills Development, Client Groups and Geographical Locations.
- (iii) Principle 3: Australian Government Funding under the Joint Group Training Program will be allocated to each State and Territory subject to submission and acceptance of each State and Territory's Funding Plan, which will form part of the Project Funding Agreement between the Australian and individual State and Territory Governments.
- (iv) Principle 4: Where funding is applied to individual Australian Apprentices under the Program, the funding will remain in place for the duration of that Australian Apprenticeship, at a level to be determined by the State Training Authority provided the Group Training Organisation continues to receive Program funding from that State or Territory.
- (v) Principle 5: Incentive outcome payments will be determined by the State Training Authority and will include different rates to reflect the level of priority of the outcomes. State and Territory priority areas where possible will align to the State or Territory VET Plan.
- (vi) Principle 6: Structuring of the funding model under the Program is determined by the State Training Authority in a way that supports skills and training for identified priority areas and encourages the completion of an Australian Apprenticeship.
- (vii) Principle 7: The Australian Government and the State and Territory Governments will contribute equally to the Program and the Australian Government contribution will be maintained within the agreed budget capacity of the Australian Government.



## 5.2 **Optional use of Australian Government Funding**

In addition to the payment of incentives to GTOs to achieve Australian Apprenticeship outcomes, States and Territories may utilise up to 20% of the allocated Australian Government funding to fund innovative/strategic projects which support the objectives of JGTP. This funding is not to be used for straight research projects.

## 6. **State/Territory Funding Plan**

Each participating State and Territory is to provide the Department of Industry, Innovation Science, Research and Tertiary Education (DIISRTE) with a Funding Plan which will be incorporated into the Project Agreement as Schedule B.

### 6.1 The Funding Plan is to include:

- a brief overview of how JGTP funds will be utilised
- target Australian Apprenticeship commencements and completions through Group Training
- the targeted outcomes for each of the priority areas and any additional target areas or priority groups as determined by the State or Territory (Principle 2)
- the proposed incentive payments and schedule to each of these target groups (Principle 5 &6)
- proposed innovative projects – if known, and
- strategies to ensure continued investment in Australian Apprenticeships in the current economic downturn, through Group Training.

### 6.2 For changes made to State and Territory Funding Plans over the life of the Project Agreement that are supportive of the objectives of JGTP and the National Funding Principles, States and Territories are not required to seek the prior approval of DIISRTE. However, as the Funding Plan forms part of the Project Agreement, DIISRTE requires that States and Territories notify them in writing of any changes that are made to the Funding Plan.

## 7. **Reporting**

- 7.1 As outlined in the Project Agreement, the Funding Performance Report will be provided to DIISRTE by 15 November 2012.
- 7.2 The Funding Performance Report must be signed off by the Chief Executive Officer and the Senior Executive who has primary responsibility for managing audit functions.
- 7.3 As outlined in the Project Agreement, each State and Territory will also provide a separate Final Project Report within 90 days of the completion of projects under this Agreement that will be a stand-alone document that can be used for public information dissemination purposes demonstrating outcomes for public accountability.
- 7.4 DIISRTE will provide templates for all reports required under the Project Agreement.

## 8 **JGTP Outcomes**

Consistent with the COAG agenda for improved productivity and participation, this Program is well positioned to contribute towards the following targets:

- double the number of higher qualification completions (diploma and advanced diploma) between 2009 and 2020, and

- halve the proportion of Australians aged 20–64 without qualification to Certificate III level and above between 2009 and 2020.

8.1 JGTP can achieve flexibility and responsiveness in program delivery through supporting quality training outcomes for Australian Apprentices based on the nationally agreed priority areas: Skills Development, Client Groups and Geographical Locations.

8.2 Program Outcomes and corresponding Progress Measures are listed at 8.3. Success in achieving the Program Outcomes is to be captured by reporting against the Progress Measures. States and Territories will continue to work with the Australian Government to redevelop Outcomes and Progress Measures that are consistent across all jurisdictions as required.

### 8.3 Outcomes and Progress Measures Table

	Outcome	Progress Measure
I	Group Training Organisations are supported to meet changing labour market demands as determined at the State and Territory level.	In the current economic climate Australian Apprenticeship commencements and completions are maintained at the previous year's level for individual States and Territories.
II	Group Training Organisations are encouraged and supported to develop linkages to both National and State/Territory Priority areas under the Australian Government's 2011–2012 Budget <i>Building Australia's Future Workforce</i> package including the Accelerated Australian Apprenticeships Program, Australian Apprenticeships Mentoring Program, also Out of Trade (OOT) Apprentices and Pre-vocational & Pre-apprenticeship training initiatives.	States and Territories collect data on the number Australian Apprentices who have completed Pre-vocational and Pre-apprenticeship training prior to commencement of an Australian Apprenticeship.  % of OOT Australian Apprentices commenced through Group Training as compared to all employers for funded period.
III	Group Training Organisations are supported to engage with industry to support the delivery of the Green Skills Agreement and the Skills for the Carbon Challenge Initiative and knowledge through Australian Apprenticeships.	States and Territories promote strategies which support emerging Green Skills and knowledge through Group Training.
IV	Enhanced employment opportunities through Group Training for disadvantaged and equity groups	% commenced and % completed in Group Training as compared to all employers for each identified client group for funded period.
V	Industries and Group Training Organisations continue to invest in training and skills development in order to create a sustainable workforce	% Australian Apprenticeship cancellations in Group Training for funded period compared to all employers (Attrition rate) % Australian Apprentices commenced through Group Training as compared to all employers for funded period.

**2011-12 Joint Group Training Program Funding Plan  
Western Australia**

**Overview**

In Western Australia, in 2011-12 all Group Training Organisations (GTOs) that meet the *National Standards for Group Training Organisations* and are registered with the Department of Training and Workforce Development are eligible to apply for Joint Group Training Program (JGTP) funding.

GTOs are responsible for:

- Managing the employment and training of apprentices and trainees under an Apprenticeship/Traineeship Training Contract and placing them with host employers.
- Undertaking the employer responsibilities for the quality and continuity of the apprentices' and trainees' employment and training.
- Managing the additional care and support necessary to achieve the successful completion of the Training Contract.

**Joint Group Training Program Funding Plan - Targeted Priorities**

The Department of Training and Workforce Development's Strategic Plan 2010-2013 has a key goal of growing the West Australian workforce to meet the economic needs of the State. The JGTP funding model for 2011-2012 supports this goal by:

- supporting GTOs to employ apprentices and trainees in skills shortage occupations;
- providing a relatively high level of incentives to encourage GTOs to employ apprentices and trainees from client groups under-represented in the workforce; and
- providing a substantial increase in funding for GTOs employing apprentices and trainees in remote regions

The targeted priorities are in line with the nationally agreed priority areas as outlined below.

<b>TARGETED STATE PRIORITIES</b>	<b>Commencement Payment</b>	<b>Completion Payment</b>
<b>1. Skills Development</b>		
Skill Shortages Apprenticeships (inc traditional trades)	800	800
Skill Shortages Traineeships	200	200
High Level Traineeships (Certificate 4 and above)	300	300
<b>2. Client Groups</b>		
Indigenous Australians	1500	1500
People with Disabilities.	1500	1500
Culturally and Linguistically Diverse	1500	1500
Youth at Risk	1000	1000
Mature Age Trainees (45+)	1000	1000
Adult Apprentices (21+)	1000	1000
Women in Non-Traditional Trades	1000	1000
Out of Trade Apprentices	1000	-
School Based - Trainees	1000	1000
School Based - Apprentices	1000	
School Based – Aboriginal Students At-Risk	1000	1000
<b>3. Geographical Locations</b>		
Regional	200	200
Remote	1200	1200

### **Comments against the National Funding Principles of the Joint Group Training Program**

- The above schedule of payments reflects the level of priority outcomes in Western Australia.
- Funding for apprentices and trainees that commence under this funding model will remain in place, subject to this funding model, for the duration of their training contracts.
- Funding is weighted towards the Client Groups, in particular to Indigenous Australians, People with Disabilities and People from CALD backgrounds, to reflect the State's priority of increasing employment for these groups.
- Funding for each category is distributed based on commencement and completion achievements in order to encourage GTOs to support skills and training for apprentices and trainees through to completion.
- Western Australia's JGTP funding allocation for 2011-12 is \$3,144,000GST exclusive.

### **Other Strategies for Australian Apprenticeships**

#### *Out of Contract completion payment*

The State Government's Out of Contract Completion initiative, which commenced in May 2010, rewards employers, including GTOs, who recruit apprentice/trainees from the Out of Contract Register and retain them through to successful completion. Employers will be paid a completion payment of \$4000 for eligible certificate III and above apprentices and trainees completing their training contract. The initiative is in place until 30 June 2012.