

# Queensland Implementation Plan

NATIONAL PARTNERSHIP AGREEMENT ON SKILLS REFORM

## Part 1: Preliminaries

1. This Implementation Plan is a schedule to the National Partnership Agreement on Skills Reform (NP) and should be read in conjunction with that Agreement. The NP will contribute to reform of the Vocational Education and Training (VET) system to deliver a productive and highly skilled workforce which contributes to Australia's economic future, and enable all working age Australians to develop the skills and qualifications needed to participate effectively in the labour market.
2. Reform of the VET sector through the NP will enable Australia to meet the challenges of changing economic conditions, maximising our productivity and prosperity in the longer term. The Commonwealth and the States are committed to a responsive, agile and equitable national training system that meets the needs of industry and students (including those from disadvantaged groups or locations) and provides pathways into and removes barriers between schools; adult and community; vocational and higher education; and employment.

## Part 2: Terms of this Implementation Plan

3. This Implementation Plan will commence as soon as it is agreed between the Commonwealth of Australia, represented by the Minister for Skills, and the State of Queensland, represented by the Minister for Education, Training and Employment.
4. As a schedule to the NP, the purpose of this Implementation Plan is to provide the public with an indication of how projects intend to be delivered and demonstrate Queensland's capacity to achieve the outcomes of the NP.
5. This Implementation Plan will cease on completion or termination of the NP, including the acceptance of final performance reporting and processing of final payments against performance benchmarks or milestones.
6. This Implementation Plan may be varied by written agreement between the Commonwealth and State Ministers responsible for it under the overarching NP.
7. The Parties to this Implementation Plan do not intend any of the provisions to be legally enforceable. However, that does not lessen the Parties' commitment to the plan and its full implementation.

## Part 3: Strategy for Queensland implementation

### Project Information

8. The progress made toward achievement of the national reforms outlined in Part A of the NP, that all states have agreed to implement, will be reported in each jurisdiction's annual performance report.
9. The planned project descriptions for the Part B structural reforms are shown in Table 1:

**Table 1: Project Descriptions**

Outputs	Short description	Planned start date	Planned end date
<b>Quality</b>			
<b>State criteria for access to public subsidy funding and/or complementary strategies</b>	<p>Queensland is committed to instituting effective program and contract management arrangements that deliver quality, value for money training outcomes for individuals and employers. In determining the State criteria for access to public subsidy funding, Queensland intends building on the success of its existing purchasing models and examining other best practice arrangements, while also learning from the experience of other jurisdictions that have already introduced an entitlement model.</p> <p>As part of arrangements for improving the quality of VET teaching and training in Qld, and in line with clause 27 (a) of the NP, Qld will closely examine its existing pre-qualified supplier (PQS) process, which is an integral part of the reformed User Choice Program, and will amend the model, as necessary, for use in effectively managing access to public training subsidy funding. Updates to the model for use as part of the introduction of the national entitlement (clause 28a and Schedule 3 of the NP) will be undertaken as part of this project.</p> <p>The final model for ensuring access to government funds by high quality training providers will be introduced as part of the implementation of the national entitlement to assist in financial and quality management.</p>	<i>Signing of IP</i>	<i>December 2016</i>
<b>External validation of RTO assessment practices</b>	<p>As part of arrangements for improving the quality of VET teaching and training in line with clause 27 (b) of the NP, Queensland will pilot programs for the external validation of RTO assessment practices by undertaking trial validation activities with a range of providers.</p> <p>Governance of the pilot programs will be via a reference group with representation from stakeholders such as private and public providers, key industry sectors (construction, resources and community services) and government.</p>	<i>Signing of IP</i>	<i>December 2016</i>

Outputs	Short description	Planned start date	Planned end date
	<p>A range of methodologies will be developed to conduct pilot programs in a variety of industry sectors and across public and private providers.</p> <p>Conduct of the pilot programs will be an iterative process, with a view to refining possible models and ensuring their suitability in a range of contexts.</p> <p>Following the conduct of the pilot programs, a report will be prepared detailing the outcomes of each trial, including recommendations as to their suitability for informing the development of a national model.</p>		
<b>Publication of RTO quality measures through My Skills (under improved consumer information below)</b>	<p>Queensland will work with the Commonwealth and other jurisdictions to support and contribute to the <i>My Skills</i> implementation plan, including by promoting the benefits for providers and consumer, in line with clause 26(d) and 27(c).</p>	<i>Signing of IP</i>	<i>December 2016</i>
<b>Efficiency</b>			
<b>Improved government to government information sharing</b>	<p>The Queensland Government will work with the Australian Government to improve information exchange through development of a shared information model, as outlined in clause 29 (a). The development of the model will be through NSOC and its committees.</p> <p>Information sharing will be complemented by the existing nationally led projects, including those led through the DPMPC. Projects including:</p> <ul style="list-style-type: none"> <li>• VET data quality;</li> <li>• Quarterly reporting;</li> <li>• Unique Student Identifier;</li> <li>• VET data portal;</li> <li>• Total VET activity; and</li> <li>• <i>My Skills</i>.</li> </ul> <p>The information which becomes available to governments under this model will facilitate the conduct of the Review of the National Partnership Agreement as referenced in clause 29a of the NP.</p>	<i>Signing of IP</i>	<i>December 2016</i>
<b>Support public training providers</b>	<p>Defining the future role of the public provider in Queensland is an important element of the Government's commitment to strengthening the State's VET sector.</p> <p>The Queensland Skills and Training Taskforce will consider the strategic direction of TAFE, including:</p> <ul style="list-style-type: none"> <li>• the appropriate role for TAFE in supporting the four-</li> </ul>	<i>Signing of IP</i>	<i>December 2016</i>

Outputs	Short description	Planned start date	Planned end date
	<p>pillar economy, with consideration given to the roles played by registered training organisations and schools</p> <ul style="list-style-type: none"> <li>• the current offerings and outputs of TAFE and the quality of those offerings and outputs</li> <li>• the level and nature of industry involvement in setting the direction of TAFE</li> <li>• the operational efficiency of TAFE including asset management, workforce management, organisational structures and operating systems.</li> </ul> <p>The strategic and operational efficiency and responsiveness of the public provider in Queensland will be examined to ensure TAFE Queensland can operate effectively in an environment of greater competition, in line with clause 29 (b) of the NP.</p> <p>As outlined in the Government Response to the Taskforce Report (November 2012), support for the public provider in the transition to a more competitive training system will be provided by:</p> <ul style="list-style-type: none"> <li>• Confirming TAFE's role as the foundation of a stable and high quality training sector in Qld.</li> <li>• Endorsing TAFE's role as delivering government policy priorities, providing pathways to higher education and reskilling and being responsive to industry and students.</li> <li>• Creating governance arrangements that will give TAFE independence from the Department of Education, Training and Employment.</li> <li>• Establishing a commercially focused Board to make TAFE sustainable into the future.</li> <li>• Providing a transparent base funding arrangement that will be regularly reviewed.</li> <li>• Funding TAFE to provide services that cannot be delivered contestably, including for rural and remote and disadvantaged students.</li> <li>• Providing additional resources to ensure an effective systemic and cultural transition to new arrangements.</li> <li>• Developing a strategic asset management plan and reinvesting in training facilities.</li> <li>• Working with unions and staff to negotiate a modern enterprise agreement that delivers increased productivity outcomes.</li> </ul>		
Review	Queensland will participate in a review of the NP and reforms in conjunction with the Commonwealth and	January 2013	December 2015

Outputs	Short description	Planned start date	Planned end date
	<p>other jurisdictions as outlined in the NP, in line with clauses 54 to 58 of the NP.</p> <p>Qld will also contribute to the review of the progress of structural reforms and training outcomes, particularly as they relate to transparency reforms and the introduction of the national entitlement and the extension of ICLs.</p> <p>Each project element of the Implementation Plan will have review requirements to inform the project direction across the life of the NP and, where appropriate, to input into the overall review of the progress of structural reforms and training outcomes.</p> <p>Through SCOTSESE, Qld will also contribute to the work of the Expert Panel that will examine options for future VET funding arrangements.</p>		
<b>Access and Equity</b>			
<b>National entitlement</b>	<p>Queensland will develop strategies to effectively manage the introduction of a national minimum training entitlement for all working age Australians, in line with Clause 28 (a) and Schedule 3 of the NP.</p> <p>In order to maximise the benefit of the introduction, Queensland envisages developing a managed market approach that builds on existing funding arrangements, potentially adapting the existing framework for the demand led User Choice program. A staged approach that expands on current delivery and purchasing strategies is envisaged, so that quality and funding implications can be closely monitored and revisions to the national entitlement can be made as required.</p> <p>The key elements of the introduction of entitlement in Queensland relate to closer linking of industry training priorities with the level of subsidy for qualifications. More flexible subsidy and funding arrangements will require more flexible fee arrangements, enabled through legislative change. Higher subsidies and lower, market determined fees will incentivise participation in skill shortage training.</p> <p>To ensure that entitlement can be effectively rolled out within existing funds, comprehensive financial modelling will be undertaken. The modelling will take account of industry priorities, student propensity to enrol, differing fee arrangements, demographic inputs and various other variables to determine likely financial and participation impacts. Funding, contracting and other arrangements will be influenced by the modelling outcomes.</p>	<i>Signing of IP</i>	<i>December 2016</i>

Outputs	Short description	Planned start date	Planned end date
	<p>In order to ensure the public provider is positioned to operate effectively in a more competitive environment, entitlement will initially be implemented through TAFE funding and an additional \$21 million in contestable funding. Expansion of availability of funds through contestable means will be considered in the context of the role of the public provider.</p> <p>Provider selection and ongoing assurance of provider quality will be based on Queensland's existing successful implementation of the demand driven User Choice program, including the pre-qualified supplier (PQS) arrangements, rigorous audit and strict contracting arrangements (per arrangements that fulfil clause 28 (a) (i)).</p> <p>In addition, contestable delivery of entitlement training will initially be limited to a selection of key Certificate III courses based on skill priorities.</p> <p>Testing, monitoring and resulting adjustments to the managed market approach to entitlement will be part of a continuous improvement and risk management strategy for implementation.</p> <p>Creating a more open and competitive training market and strengthening the capacity of public and private providers to deliver training align with the requirements of clauses 6 (c) and 6 (e) respectively.</p>		
<p><b>Increase access to ICLs.</b></p>	<p>The ability of Queensland to effectively increase access to ICLs relies on the ability of its providers to offer ICLs, the simplification of administration arrangements, removal of impediments for non-statutory TAFEs to apply to offer ICLs and removal of the credit transfer requirements. Following the necessary Commonwealth legislative amendments, effective management of the weighted average will be examined, drawing on learnings from other jurisdictions and other similar arrangements.</p> <p>Expanding access to income contingent loans for VET in Queensland is key to enabling a greater individual financial contribution to VET while also ensuring the sector remains affordable. A key way in which access will be expanded is through the ability for public providers to offer ICLs as they are the majority provider of government subsidised higher level qualification training.</p> <p>While Queensland will commence implementation of a student entitlement from July 2013. Legislative amendments are required to the existing fees and charges regime, however, before the introduction of ICLs. In the event that the legislative amendments are</p>	<p><i>Signing of IP</i></p>	<p><i>December 2016</i></p>

Outputs	Short description	Planned start date	Planned end date
	<p>completed, ICLs will be offered from July 2013. Otherwise, ICLs will be offered from July 2014 .</p> <p>Amendments to IT and other systems will be undertaken to ensure technical support for implementation. Changes are likely to include additional input fields in student management systems and additional financial system management functionality for calculation of weighted average. Finance systems will also need to link to Commonwealth systems to ensure 'live' access to financial information across the State to ensure the weighted average overall is not exceeded.</p> <p>Promotion of access to ICLs as well as monitoring of the quantum and type of higher level qualification courses eligible for government subsidy will be ongoing. ICLs will be a key component of purchasing of higher level qualifications in the future. Funding of particular qualifications will be based on industry advice in relation to skills priorities. Levels of subsidies will be initially, also based on historic student participation rates.</p> <p>Provider contracts will be updated to include requirement to manage the weighted average and other ICL compliance related issues.</p> <p>Queensland will work closely with the Commonwealth and others to ensure an efficient and effective trial approach to the introduction of ICLs for the agreed lower level qualifications.</p> <p>In summary, Queensland will implement and administer the ICLs as set out in Clause 28(b) and Schedule 4 of the NP and this Implementation Plan.</p>		

10. Queensland agrees to the Part A – National Reform transparency projects as outlined in clauses 26(a) to (d) of the NP, and milestones as specified in the NP.
11. Projects relating to transparency as identified in Schedule 2 of the NP will be reviewed through the annual performance report.

### Risk management

12. A risk management plan is in place. Risks have been actively identified, entered into a risk log and categorised in terms of impact and likelihood. The risk management plan is subject to the usual risk management processes in place for the Queensland Government programs.

## Relevant State or Territory Context

13. The Queensland Government is committed to growing a four pillar economy by focusing on resources, construction, agriculture and tourism, and reducing unemployment in Queensland to 4 per cent over the next six years.

Strengthening the State's vocational education and training (VET) sector is a key part of delivering on these commitments.

As part of this commitment, the Government has undertaken to reform and revamp Queensland's VET sector. These reforms are needed to provide the right skills base for our existing industries and the skills Queenslanders need to respond to changing economic and trade conditions.

More than 1,500 registered training organisations, including TAFE institutes, private providers and schools are registered in Queensland. In 2011-12, the Queensland Government has invested more than \$739 million in VET, including nearly \$430 million through contestable purchasing.

Queensland's population grew from 2.6 million in 1986 to 4.4 million in 2009, and is expected to continue growing, projected to reach 5.48 million by 2021. More than 40 per cent of the population live in regional or remote communities and almost 40 per cent of VET is delivered outside the South-East corner, supporting regional industries in Queensland. More than 55 per cent of Queensland's 25-64 year old population hold a VET qualification at Certificate III or higher.

The Queensland Government has established a Skills and Training Taskforce to reform and revamp the VET system in Queensland, including:

- focusing and matching training to improve job outcomes for individuals and industry,
- reforming the current trade training pathway to increase completion rates,
- transforming VET investment to support demand driven training, and
- establishing the right governance structure of the VET system to ensure accountability, value for money and increased completion rates.

These reforms align with the National Agreement for Skills and Workforce Development and with the National Partnership Agreement on Skills Reform, per detail below.

The Government Response to the Queensland Skills and Training Taskforce was released on 30 November 2012 and articulates the Queensland Government's commitment to ensuring the VET system is viable and positioned to meet the needs of the State's economy. The response identifies four key objectives for reforming the VET sector:

- An industry engaged VET sector that has a direct line to government.
- Demand driven, fully contestable funding for the delivery of skills and training to grown the capacity of Qld's training market and increase access to training across the State.
- A new era and a strong future for TAFE Queensland.
- Strengthening Qld's apprenticeship system to increase flexibility for uses and increase completion rates.



The Government will release a detailed five-year action plan for skills and training in the first half of 2013. The action plan will map out how the reforms will be achieved.

#### **Access and Equity**

The Queensland Government is committed to delivering a strong economy and real opportunities in rewarding jobs for all Queenslanders. Matching training to improved job outcomes for individuals and industry, and improving completion rates are key ambitions that align with the intent of the national minimum training guarantee and achieving additional qualification completions over the life of the National Partnership.

#### **Quality**

The Queensland Government is also committed to transforming VET investment to support demand driven training through better and more targeted investment in training for skills shortages, including additional apprenticeship places. Complementing these strategies is the need to ensure ongoing accountability, value for money and increased completion rates.

#### **Transparency**

The Queensland Government continues to support national VET data improvement initiatives through SCOTese, NSOC, the Data and Performance Measurement Principal Committee, the Unique Student Identifier Taskforce and the various related working groups and sub-committees.

#### **Efficiency**

The Queensland Government is committed to ensuring that TAFE Institutes operate effectively and efficiently while also recognising the importance of the public provider and supporting demand driven training investment.

**Table 2: Links with existing reforms or projects**

Proposed project elements	Existing reforms or projects	Complementary nature of activities
Quality	<p>Queensland will continue to monitor the impacts of the introduction of the National VET Regulator, the Australian Skills Quality Authority (ASQA).</p> <p>The quality of providers offering government subsidised training is actively monitored as part of contract compliance and audit requirements.</p> <p>Queensland will continue to participate in the Tertiary Education Quality and Pathways Principal Committee (TEQPPC).</p>	<p>Queensland's existing pre-qualified supplier policy, systems and processes will be reviewed and amended, as required, as part of the introduction of Quality measures through the NP.</p>

<p>Transparency</p>	<p><b>Data use and awareness raising</b>          In partnership with ACPET, the Queensland Government is facilitating more effective use of existing publicly available NCVET information.</p> <p>Awareness raising strategies include on demand RTO training seminars to improve knowledge and use of existing sources of information such as from VOCSTATS, ROGS and the ABS.</p> <p><b>VET system data sharing</b>          The Queensland Government releases selective VET system data, analysis and interpretation to provider bodies to assist with understanding of the system, including performance within the competitive funding programs.</p> <p><b>Right to Information</b>          The Queensland Government is bound by the <i>Right to Information Act 2009</i> and the <i>Information Privacy Act 2009</i> giving greater access to information held by the state government, whilst also ensuring the privacy of individuals.</p> <p><b>Internal information sharing</b>          Regular presentations of VET system data to internal stakeholders helps inform program and funding decisions, ensuring efficient use of govt funds.</p> <p><b>Publishing information</b>          The Queensland Government will provide links to complementary websites to connect providers and others with publicly available information, including active promotion of <i>My Skills</i>.</p>	<p>All existing and proposed future projects do or will contribute positively towards the key outcomes of the National Partnership including:</p> <ul style="list-style-type: none"> <li>• enhanced national data collections,</li> <li>• improved data reporting timelines,</li> <li>• improved consumer information, and</li> <li>• introduction of a national Unique Student Identifier.</li> </ul>
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<p>Efficiency</p>	<p>The Queensland Government has committed to strengthening the State's VET sector to ensure that training leads to skills that deliver growth in employment and productivity.</p> <p>The Queensland Government has established the Queensland Skills and Training Taskforce to ensure that the State's VET sector enables Queenslanders to contribute to a prosperous economy.</p> <p>The Terms of Reference for the Taskforce specifically require outcomes that align with the objectives of the NP on Skills Reform.</p> <p>The Taskforce will:</p> <ul style="list-style-type: none"> <li>• improve the operations and outcomes of the Qld VET sector</li> <li>• review the role and function of the VET sector statutory bodies</li> <li>• build a platform for creating job ready graduates and increasing Qld's productivity</li> <li>• consider the strategic direction of TAFE, and</li> <li>• review impact of regulatory frameworks and red tape.</li> </ul> <p>The Taskforce delivered its report in November 2012.</p>	<p>The Government Response to the Taskforce Report provides the foundation on which Government can deliver an industry-led, demand driven skills and training sector, in line with the overall objectives of the NP and the NASWD.</p> <p>The Government Response sets out the reforms needed to:</p> <ul style="list-style-type: none"> <li>• deliver quality outcomes for election commitments</li> <li>• address skills shortages by focusing on job outcomes</li> <li>• reform current training pathways to increase completion rates</li> <li>• match training and job outcomes for individuals, employers and industry</li> <li>• support demand driven training</li> <li>• articulate the role and purpose of the public provider in Qld and identify opportunities to improve TAFE Queensland, and</li> <li>• rejuvenate governance of the VET system to ensure accountability, value for money and long term industry/government cooperation.</li> </ul>
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<p><b>Access and Equity</b></p>	<p>The User Choice program was reformed in 2010 signifying a further step towards a demand led skills system.</p> <p>The changes effectively empower employers and apprentices/trainees to choose their desired Registered Training Organisation (RTO) and focuses public funds on the areas of highest priority.</p> <p>The key principles underpinning the reform included ensuring the program is transparent, flexible, responsive, consistently applied and easily understood.</p>	<p>The User Choice program will form an important part of Queensland's entitlement model and is integral to addressing skill shortages.</p>
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## Estimated Costs

14. The maximum financial contribution to be provided by the Commonwealth for each structural reform project to Queensland is \$232 million payable in accordance with milestones set out in Part 5, and detailed in Schedule 2 of the NP. Payments linked to training outcomes will be based on achievement of agreed improvements against performance measures in years four and five of the Agreement. All payments are exclusive of GST.
15. The Commonwealth's estimated financial contribution to Queensland's VET structural reform and training (exclusive of GST) is set out in Table 3 (a breakdown by state is at Schedule 5 of the NP). The Commonwealth contribution can only be moved between years with the agreement of the Commonwealth. The budget is indicative only and Queensland retains the flexibility to move funds between components as long as outcomes are not affected.
16. Queensland's financial contributions to skills training and reform are set out in their budget papers.

**Table 3: Estimated Commonwealth financial contributions to Queensland**

Administered item expenses (\$millions)		2012-13	2013-14	2014-15	2015-16	2016-17	Totals
<b>National Partnership:</b>							
65%	In advance payments 20%	35.7	35.7				71.4
	Structural reform milestones 45%	13.0	13.0	77.0	28.8	28.8	160.6
	<b>Total structural reform payments</b>	<b>48.7</b>	<b>48.7</b>	<b>77.0</b>	<b>28.8</b>	<b>28.8</b>	<b>232.0</b>
35%	Training outcomes 35%				48.3	76.6	124.9
	<b>Total Reform National Partnership</b>	<b>48.7</b>	<b>48.7</b>	<b>77.0</b>	<b>77.0</b>	<b>105.4</b>	<b>356.9</b>

17. Table 4 represents the estimated Commonwealth financial contributions for VET structural reforms and the proportion of funding that would be withheld if the milestones for projects under the structural reform categories are not met as indicated in clause 51 of the NP.

**Table 4: Structural Reform Payments\***

\*Figures subject to rounding

Outputs	2012-13	2013-14	2014-15	2015-16	2016-17	Total
	\$m	\$m	\$m	\$m	\$m	\$m
<b>Quality (20%)</b>						
<ul style="list-style-type: none"> <li>State criteria for access to public subsidy funding and/or complementary strategies</li> <li>External validation of RTO assessment practices</li> <li>Publication of RTO quality measures through My Skills (under improved consumer information below)</li> </ul>						
Completion of one project (40%)	1.0	1.0	6.2	2.3	2.3	32.2
Completion of two projects (100%)	2.6	2.6	15.4	5.8	5.8	
<b>Transparency (10%)</b>						
<ul style="list-style-type: none"> <li>Enhanced National data collections</li> <li>Improved and agreed timelines</li> <li>Improved consumer information</li> <li>Unique Student Identifier</li> </ul>						
Completion of one project (20%)	0.3	0.3	1.5	0.6	0.6	16.1
Completion of two projects (40%)	0.5	0.5	3.1	1.2	1.2	
Completion of three projects (60%)	0.8	0.8	4.6	1.7	1.7	
Completion of four projects (100%)	1.3	1.3	7.7	2.9	2.9	
<b>Efficiency (10%)</b>						
<ul style="list-style-type: none"> <li>Improved government to government information sharing</li> <li>Support public training providers</li> <li>Review</li> </ul>						
Completion of one project (40%)	0.5	0.5	3.1	1.2	1.2	16.1
Completion of two projects (60%)	0.8	0.8	4.6	1.7	1.7	
Completion of three projects (100%)	1.3	1.3	7.7	2.9	2.9	
<b>Access and equity (60%)</b>						
<ul style="list-style-type: none"> <li>National Entitlement</li> <li>Increase access to ICLs</li> </ul>						
Completion of one project (40%)	3.1	3.1	18.5	6.9	6.9	96.4
Completion of two projects (100%)	7.8	7.8	46.2	17.3	17.3	
<b>Total Structural Reform Payment</b>	<b>13.0</b>	<b>13.0</b>	<b>77.0</b>	<b>28.8</b>	<b>28.8</b>	<b>160.6</b>

18. In accordance with Clause 49 of the NP, if a state does not meet a structural reform project annual milestone, 25% of the structural reform payment relevant to that project will be payable for completion of the relevant interim milestone. This payment will be subject to evidence of completion of the interim milestone being provided and assessed through the annual performance report and payable at that time.

## PART 4: PERFORMANCE AND REPORTING ARRANGEMENTS

### Milestones

19. The general performance and reporting arrangements are outlined in the NP. Performance and reporting arrangements that are specific to Queensland are included as Attachments to this Implementation Plan.

### Structural reform

20. **Attachment A** includes the agreed project milestones for the jurisdictionally flexible outputs of the NP.

### Training outcomes

21. Queensland is committed to improving training outcomes in the VET sector. Queensland's specific objectives under the NP are to deliver increases in:
  - a. qualification completions, to contribute to the national target of 375,000 additional completions nationally over the life of the agreement;
  - b. higher level qualification completions;
  - c. qualification completions by Indigenous Australians;
  - d. qualification completions by persons with a disability; and
  - e. apprenticeship new commencements.
22. **Attachment B** includes the agreed training outcomes targets for Queensland and technical specifications.
23. In accordance with clause 47 of the NP, training outcomes payments will be distributed between the five outcomes targets as follows:

**Table 5: Training Outcomes Performance Targets**

Outcomes target	Proportion	2015-16 (\$ million)	2016-17 (\$ million)	Total (\$ million)
Aggregate completions	15%	7.24	11.49	18.74
Higher level qualification completions (Cert III and above)	15%	7.24	11.49	18.74
Indigenous completions (Cert I and above)	27.5%	13.28	21.07	34.35
Students with a disability completions (Cert I and above)	27.5%	13.28	21.07	34.35
Number of apprentice new commencements	15%	7.24	11.49	18.74
<b>Total</b>	<b>100%</b>	<b>48.28</b>	<b>76.62</b>	<b>124.90</b>

## Reporting

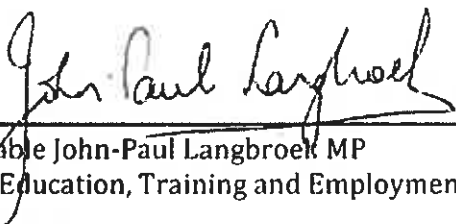
24. Queensland will report annually on the achievement of project milestones (including partial achievement), during the life of the Agreement. Annual performance reports will be submitted to the Commonwealth by 30 April each year.
25. Queensland agrees to provide an annual performance report to the Commonwealth based on the agreed template.
26. The final annual performance report will include achievements against milestones over the life of the Agreement.
27. Circumstances may give rise to additional reporting being sought from Queensland. Such requests should be kept to the minimum for the effective assessment of the project or reform. Requests should not place an undue reporting burden on jurisdictions and portfolio agencies.

## Review and Evaluation

28. The Implementation Plan will be reviewed in conjunction with the review of the NP by 31 December 2015 about progress made by the Parties in respect of achieving the agreed outcomes.


## Sign off

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

Signature  Date 18.4.13

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The Honourable John-Paul Langbroek MP  
Minister for Education, Training and Employment

Signature  Date 5.6.13

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The Honourable Dr Craig Emerson MP  
Minister for Tertiary Education, Skills, Science and Research  
Minister for Trade and Competitiveness

## ATTACHMENT A: PROJECT MILESTONES

National reforms are outlined in clause 26 on the national structural reforms of the NP, and Schedule 2 sets out the relevant milestones and processes for these reforms for this Implementation Plan. Jurisdictionally flexible reforms are referred to in clauses 27-29 of the NP and are outlined below.

### 2012 milestones

OUTPUT	MILESTONE	EVIDENCE OF COMPLETION	INTERIM MILESTONE/S
<p><b>Quality:</b> Implementation of criteria specific to each state for access to public subsidy funding and complementary strategies</p>	<ul style="list-style-type: none"> <li>• Scope strategy for developing criteria for access to public subsidy funding, including:               <ul style="list-style-type: none"> <li>◦ review of existing pre-qualified supplier (POS) policy, system and processes to amend the model, as appropriate, for use in effectively managing access to public training subsidised funding</li> <li>◦ review of existing contract management and audit framework</li> </ul> </li> <li>• Establish and maintain links with Entitlement implementation actions</li> </ul>	<ul style="list-style-type: none"> <li>• Completion of project plan for developing criteria for access to public subsidy funding policy</li> </ul>	<ul style="list-style-type: none"> <li>• Draft project plan developed</li> </ul>
<p><b>Quality:</b> Development and piloting of independent validation of RTO assessment practices</p>	<ul style="list-style-type: none"> <li>• Establish reference group to pilot programs for the external validation of RTO assessment practices</li> </ul>	<ul style="list-style-type: none"> <li>• Reference Group established and project coordinator identified</li> </ul>	<ul style="list-style-type: none"> <li>• Terms of reference for the reference group agreed</li> </ul>
<p><b>Access &amp; Equity:</b> Introducing and strengthening a national entitlement to a government subsidised training place</p>	<ul style="list-style-type: none"> <li>• Undertake project planning for the development of a managed market approach to the introduction of entitlement, including:               <ul style="list-style-type: none"> <li>◦ Economic modelling to inform price and subsidy levels</li> <li>◦ Population and other statistical analysis and modelling</li> <li>◦ Scoping of priority qualifications, market demand priorities and skills shortage areas</li> <li>◦ Analysis of existing training profile across</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Completion of project plan for introducing a training entitlement</li> </ul>	<ul style="list-style-type: none"> <li>• Draft project plan developed</li> </ul>



OUTPUT	MILESTONE	EVIDENCE OF COMPLETION	INTERIM MILESTONES
<p><b>Access &amp; Equity: Supporting the expansion of the Commonwealth's iCLs scheme</b></p>	<p>all government funded programs</p> <ul style="list-style-type: none"> <li>○ Commence review of legislation to enable introduction of entitlement, including more flexible fee arrangements</li> <li>● Introduce a managed market framework which is intended to determine single price to market for publicly funded entitlement courses using varying subsidy levels according to level of priority (only able to be implemented following legislative change (fees and charges)).</li> <li>● Fiscal integrity of Queensland's VET budget to be maintained through rigorous contractual arrangements and strict provider quality controls.</li> <li>● Links to the related Quality reform (Implementation of criteria specific to each state for access to public subsidy funding and complementary strategies) to be established.</li> <li>● Qld to work with the Cth to ensure public providers are able to offer VET FEE HELP for higher level qualification courses.</li> <li>● Participation in ICL working group to: <ul style="list-style-type: none"> <li>○ Review ICLs to simplify administration and maximise transparency for consumers</li> <li>○ Develop parameters for the trial of ICL for selected Certificate IV qualifications</li> <li>○ Determine preferred management of weighted average arrangements.</li> <li>○ Develop an equivalent indexed maximum loan cap, which may be applied instead of an average weighted loan system in some or all jurisdictions from 2013-14.</li> </ul> </li> <li>● Qld to commence work on developing approach to ICLs for govt subsidised places, ready for</li> </ul>	<ul style="list-style-type: none"> <li>● Implementation planning commences</li> </ul>	<ul style="list-style-type: none"> <li>● Participation in working group</li> </ul>

OUTPUT	MILESTONE	EVIDENCE OF COMPLETION	INTERIM MILESTONES
	<p>introduction from July 2014, (unless legislative amendment enables implementation from July 2013).</p>		
<p><b>Efficiency: Improvements in government to government information exchange</b></p>	<ul style="list-style-type: none"> <li>• National Senior Officials Committee (NSOC) to review the major components of the National VET Data Strategy including:               <ul style="list-style-type: none"> <li>◦ USI</li> <li>◦ Total VET Activity</li> <li>◦ Frequent (quarterly) reporting</li> <li>◦ National Data Governance Standards</li> <li>◦ VET Data Portal</li> <li>◦ VETs reporting</li> <li>◦ Improved surveys and VET financial reporting.</li> </ul> </li> <li>• NSOC to review associated actions including:               <ul style="list-style-type: none"> <li>◦ AVETMISS provider upgrades</li> <li>◦ Contracts of training</li> <li>◦ Financial collections</li> </ul> </li> <li>• Structure of information sharing model to draw on elements of existing arrangements</li> <li>• Commence scoping of the information sharing model</li> </ul>	<ul style="list-style-type: none"> <li>• Participation in Government to Government working group.</li> </ul>	<ul style="list-style-type: none"> <li>• Scoping of information sharing model commences</li> </ul>
<p><b>Efficiency: Strategies which enable public providers to operate effectively in an environment of greater competition, recognising their important functions</b></p>	<ul style="list-style-type: none"> <li>• Develop response to the Skills and Training Taskforce report in the context of enabling the public provider to operate effectively in an environment of greater competition, recognizing its important functions</li> </ul>	<ul style="list-style-type: none"> <li>• Release of Government response to Taskforce report</li> </ul>	

## 2013 milestones

OUTPUT	MILESTONE	EVIDENCE OF COMPLETION	INTERIM MILESTONE/S
<p><b>Quality:</b> Implementation of criteria specific to each state for access to public subsidy funding and complementary strategies</p>	<ul style="list-style-type: none"> <li>Complete review of existing policies, systems and processes related to accessing public subsidy funding, per project plan developed in 2012.</li> </ul>	<ul style="list-style-type: none"> <li>New access to public subsidy funding policy, contracts and processes developed, based on existing POS Policy</li> </ul>	<ul style="list-style-type: none"> <li>Review commences</li> </ul>
<p><b>Quality:</b> Development and piloting of independent validation of RTO assessment practices</p>	<ul style="list-style-type: none"> <li>Pilot programs for the external validation of RTO assessment practices developed</li> </ul>	<ul style="list-style-type: none"> <li>Findings of preliminary pilot programs reported to the reference group</li> </ul>	<ul style="list-style-type: none"> <li>Preliminary pilot programs commence</li> </ul>
<p><b>Access &amp; Equity:</b> Introducing and strengthening a national entitlement to a government subsidised training place</p>	<ul style="list-style-type: none"> <li>Entitlement in Old introduced from 1 July 2013 using a managed market framework, supported through a comprehensive communication strategy of the implications for change (linked to Transparency initiatives, including My Skills).</li> </ul>	<ul style="list-style-type: none"> <li>Entitlement introduced</li> </ul>	<ul style="list-style-type: none"> <li>Planning for introduction of entitlement commences</li> </ul>
<p><b>Access &amp; Equity:</b> Supporting the expansion of the Commonwealth's ICLs scheme</p>	<ul style="list-style-type: none"> <li>Develop Implementation Plan for Old to introduce ICLs (including Certificate IV trial):                             <ul style="list-style-type: none"> <li>Management of the weighted average or maximum cap across selected courses.</li> <li>Extent of transparency of consumer information including courses, fees, loan conditions, and general labour market prospects.</li> <li>Modelling of levels of govt subsidy on various qualifications taking into account anticipated take up, no gap fees and weighted average.</li> <li>Consider industry advice regarding priority areas to assist in prioritisation of subsidy funding.</li> <li>Develop new/amend existing financial management systems to enable administration of ICLs in Old.</li> <li>Develop stakeholder/student communication strategy, to complement entitlement communication strategy.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Implementation Plan finalised.</li> </ul>	<ul style="list-style-type: none"> <li>Implementation planning commences</li> </ul>

OUTPUT	MILESTONE	EVIDENCE OF COMPLETION	INTERIM MILESTONES
<b>Efficiency: Improvements in government to government information exchange</b>	<ul style="list-style-type: none"> <li>Queensland, other jurisdictions and Commonwealth collect, analyse, and exchange data within the capabilities that have been afforded by the staged development of the component parts of the National VET Data Strategy.</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing input into USI development and implementation, including promotion to Qld providers</li> </ul>	<ul style="list-style-type: none"> <li>Participation in the USI working group</li> </ul>
<b>Efficiency: Strategies which enable public providers to operate effectively in an environment of greater competition, recognising their important functions</b>	<ul style="list-style-type: none"> <li>TAFE Reform Implementation Unit established and transition strategy developed to support reform of the public provider to be able to operate effectively in an environment of greater competition, recognising its important functions.</li> </ul>	<ul style="list-style-type: none"> <li>Revised arrangements introduced: <ul style="list-style-type: none"> <li>Legislation changed to establish parent entity and Board (1 July 2013)</li> <li>Transparent funding model developed (1 July 2013)</li> </ul> </li> <li>Strategic asset management plan developed (December 2013)</li> <li>Review of existing third party access policy (December 2013)</li> </ul>	<ul style="list-style-type: none"> <li>Transition planning commences</li> </ul>
<b>Review</b>	<ul style="list-style-type: none"> <li>Terms of reference for the review of the National Partnership to be agreed by all jurisdictions by 30 April 2013 as per clause 57 of the NP.</li> </ul>		

## 2014 milestones

OUTPUT	MILESTONE	EVIDENCE OF COMPLETION	INTERIM MILESTONES
<b>Quality: Implementation of criteria specific to each state for access to public subsidy funding and complementary strategies</b>	<ul style="list-style-type: none"> <li>Undertake an annual review of arrangements for accessing public subsidy funding.</li> <li>Review of existing apprenticeship and traineeship funding pre-qualified supplier (POS) policies, systems and processes</li> </ul>	<ul style="list-style-type: none"> <li>Completion of annual review</li> </ul>	<ul style="list-style-type: none"> <li>Annual review commences</li> </ul>
<b>Quality: Development and piloting of independent validation of RTO assessment practices</b>	<ul style="list-style-type: none"> <li>Continued implementation of pilot programs for the external validation of RTO assessment practices.</li> </ul>	<ul style="list-style-type: none"> <li>Findings of pilot programs reported to the reference group</li> </ul>	<ul style="list-style-type: none"> <li>Pilot programs continue</li> </ul>
<b>Access &amp; Equity: Introducing and strengthening a national entitlement to a government subsidised training</b>	<ul style="list-style-type: none"> <li>Review and analysis of introduction of entitlement undertaken, including: <ul style="list-style-type: none"> <li>Outcomes of introduction measured and</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Review report completed and outcomes used to inform revised framework</li> </ul>	<ul style="list-style-type: none"> <li>Review and analysis of activities to date commences</li> </ul>

OUTPUT	MILESTONE	EVIDENCE OF COMPLETION	INTERIM MILESTONE/S
place	<ul style="list-style-type: none"> <li>considered</li> <li>Suitability of managed market framework determined through analysis of training outputs and outcomes, consumer feedback and financial impacts</li> <li>Revised subsidy arrangements introduced.</li> </ul>		
<b>Access &amp; Equity: Supporting the expansion of the Commonwealth's ICLs scheme</b>	<ul style="list-style-type: none"> <li>Implementation of ICLs for government subsidized training from July 2014.</li> <li>Certificate IV trial from July 2014</li> </ul>	<ul style="list-style-type: none"> <li>ICLs for government subsidised training commences</li> </ul>	<ul style="list-style-type: none"> <li>Review and analysis of activities to date commences</li> </ul>
<b>Efficiency: Improvements in government information exchange</b>	<ul style="list-style-type: none"> <li>Queensland, other jurisdictions and Commonwealth collect, analyse, and exchange data to the extent allowed for in the model developed to date</li> </ul>	<ul style="list-style-type: none"> <li>Results of the review of information exchange reported through the Annual Report for the NP.</li> </ul>	<ul style="list-style-type: none"> <li>Annual review of progress in developing the model commences</li> </ul>
<b>Efficiency: Strategies which enable public providers to operate effectively in an environment of greater competition, recognising their important functions</b>	<ul style="list-style-type: none"> <li>Continued implementation of transition strategy, including monitoring the effectiveness of the changes to TAFE and the VET sector more broadly and their impact on the training market.</li> </ul>	<ul style="list-style-type: none"> <li>Transparent funding arrangements reviewed</li> </ul>	<ul style="list-style-type: none"> <li>Revised arrangements commence</li> </ul>
<b>Review</b>	<ul style="list-style-type: none"> <li>Participation in consultations to contribute to the review of the National Partnership as outlined in Part 6 of the NP.</li> </ul>		

## 2015 milestones

OUTPUT	MILESTONE	EVIDENCE OF COMPLETION	INTERIM MILESTONE/S
<b>Quality: Implementation of criteria specific to each state for access to public subsidy funding and complementary strategies</b>	<ul style="list-style-type: none"> <li>Incorporate changes to User Choice POS into broader public subsidy funding policy, systems and processes</li> </ul>	<ul style="list-style-type: none"> <li>Annual review completed and relevant policy, systems and processes updated</li> </ul>	<ul style="list-style-type: none"> <li>Annual review commences</li> </ul>
<b>Quality: Development and piloting of independent validation of RTO assessment practices</b>	<ul style="list-style-type: none"> <li>Continued implementation of pilot programs for the external validation of RTO assessment practices.</li> </ul>	<ul style="list-style-type: none"> <li>Findings of pilot programs reported to the reference group</li> </ul>	<ul style="list-style-type: none"> <li>Pilot programs continue</li> </ul>

OUTPUT	MILESTONE	EVIDENCE OF COMPLETION	INTERIM MILESTONES
<b>Access &amp; Equity:</b> Introducing and strengthening a national entitlement to a government subsidised training place	<ul style="list-style-type: none"> <li>Undertake review and analysis of first two years of introduction of entitlement</li> </ul>	<ul style="list-style-type: none"> <li>Review report completed and outcomes used to inform revised framework</li> </ul>	<ul style="list-style-type: none"> <li>Review and analysis of activities to date commences</li> </ul>
<b>Access &amp; Equity:</b> Supporting the expansion of the Commonwealth's ICLs scheme	<ul style="list-style-type: none"> <li>Undertake review and analysis of introduction of ICLs for government subsidised training, including Certificate IV trial</li> </ul>	<ul style="list-style-type: none"> <li>Review report completed and outcomes used to revise arrangements</li> </ul>	<ul style="list-style-type: none"> <li>Review and analysis of activities to date commences</li> </ul>
<b>Efficiency:</b> Improvements in government to government information exchange	<ul style="list-style-type: none"> <li>Queensland, other jurisdictions and Commonwealth collect, analyse, and exchange data to the extent allowed for in the model developed to date</li> </ul>	<ul style="list-style-type: none"> <li>Results of the review of information exchange reported through the Annual Report for the NP.</li> </ul>	<ul style="list-style-type: none"> <li>Annual review of progress in developing the model commences</li> </ul>
<b>Efficiency:</b> Strategies which enable public providers to operate effectively in an environment of greater competition, recognising their important functions	<ul style="list-style-type: none"> <li>Continued implementation of transition strategy, including monitoring the effectiveness of the changes to TAFE and the VET sector more broadly and their impact on the training market.</li> </ul>	<ul style="list-style-type: none"> <li>Transparent funding arrangements reviewed</li> </ul>	<ul style="list-style-type: none"> <li>Revised arrangements continue</li> </ul>
<b>Review</b>	<ul style="list-style-type: none"> <li>Membership and Terms of Reference for Expert Panel that will examine options for VET funding arrangements finalised by SCOTese</li> <li>Review completed by 31 December 2015 as per clauses 54-58.</li> </ul>		

### 2016 milestones

OUTPUT	MILESTONE	EVIDENCE OF COMPLETION	INTERIM MILESTONES
<b>Quality:</b> Implementation of criteria specific to each state for access to public subsidy funding and complementary strategies	<ul style="list-style-type: none"> <li>Undertake an annual review of arrangements for accessing public subsidy funding</li> </ul>	<ul style="list-style-type: none"> <li>Annual review completed and relevant policy, systems and processes updated</li> </ul>	<ul style="list-style-type: none"> <li>Annual review commenced</li> </ul>

## ATTACHMENT B: TRAINING OUTCOMES TARGETS

This Attachment specifies the training outcomes targets for Queensland under the NP.

### Training outcome 1: Aggregate qualification completions

	Aggregate completions	Completions above baseline	Target (cumulative above baseline)
Baseline (average 2008 and 2009)	73,637	-	-
2012	79,492	5,855	-
2013	81,590	7,953	-
2014	83,766	10,129	-
2015	86,022	12,385	36,322
2016	88,363	14,726	51,048

### Training outcome 2: Certificate III and above qualifications completed

	Aggregate completions	Completions above baseline	Target (cumulative above baseline)
Baseline (average 2008 and 2009)	52,475	-	-
2012	54,065	1,590	-
2013	54,606	2,131	-
2014	55,152	2,677	-
2015	55,703	3,288	9,626
2016	56,260	3,785	13,411

### Training outcome 3: Certificate I and above qualifications completed by Aboriginal and Torres Strait Islander people

	Aggregate completions	Completions above baseline	Target (cumulative above baseline)
Baseline (average 2008 and 2009)	3,113	-	-
2012	3,471	358	-
2013	3,600	487	-
2014	3,733	620	-
2015	3,871	758	2,224
2016	4,014	901	3,125

OUTPUT	MILESTONE	EVIDENCE OF COMPLETION	INTERIM MILESTONES
<p><b>Quality:</b> Development and piloting of independent validation of RTO assessment practices</p>	<ul style="list-style-type: none"> <li>Finalise and report on the implementation of pilot programs for the external validation of RTO assessment practices</li> </ul>	<ul style="list-style-type: none"> <li>Findings of pilot programs reported to the reference group</li> <li>Recommendations made available as to suitability of particular validation models for informing the development of a national model.</li> </ul>	<ul style="list-style-type: none"> <li>Pilot findings documented</li> </ul>
<p><b>Access &amp; Equity:</b> Introducing and strengthening a national entitlement to a government subsidised training place</p>	<ul style="list-style-type: none"> <li>Undertake review of effectiveness of introduction of entitlement model</li> <li>Ongoing use of managed market framework for entitlement, incorporating relevant review amendments</li> </ul>	<ul style="list-style-type: none"> <li>Review report completed and outcomes used to inform review of entitlement managed market approach</li> </ul>	<ul style="list-style-type: none"> <li>Review commences</li> </ul>
<p><b>Access &amp; Equity:</b> Supporting the expansion of the Commonwealth's ICLs scheme</p>	<ul style="list-style-type: none"> <li>Ongoing implementation</li> </ul>	<ul style="list-style-type: none"> <li>Implementation to date reviewed and any resulting changes agreed and implementation continues</li> </ul>	<ul style="list-style-type: none"> <li>Scope of review determined and commenced</li> </ul>
<p><b>Efficiency:</b> Improvements in government to government information exchange</p>	<ul style="list-style-type: none"> <li>Implement recommendations of the Review of the National Partnership which may impact on the usefulness of the information sharing model.</li> <li>Queensland, other jurisdictions and Commonwealth collect, analyse, and exchange data as agreed in the model</li> </ul>	<ul style="list-style-type: none"> <li>Evidence of improvements in the quality and quantity of government to government information exchange reported through the Annual Report for the NP.</li> </ul>	<ul style="list-style-type: none"> <li>Annual review of model commences</li> </ul>
<p><b>Efficiency:</b> Strategies which enable public providers to operate effectively in an environment of greater competition, recognising their important functions</p>	<ul style="list-style-type: none"> <li>Continued implementation of transition strategy, including monitoring the effectiveness of the changes to TAFE and the VET sector more broadly and their impact on the training market.</li> </ul>	<ul style="list-style-type: none"> <li>Transparent funding arrangements reviewed</li> </ul>	<ul style="list-style-type: none"> <li>Revised arrangements continue</li> </ul>
<p><b>Review</b></p>	<ul style="list-style-type: none"> <li>Separate to the review, the SCOTese appointed Expert Panel will report to governments on options for future VET funding arrangements based on data and evidence collected as a result of the NPASR (second half of 2016)</li> </ul>		



### Training outcome 4: Certificate I and above qualifications completed by persons with a disability

	Aggregate completions	Completions above baseline	Target (cumulative above baseline)
Baseline (average 2008 and 2009)	3,022	-	-
2012	3,370	348	-
2013	3,495	473	-
2014	3,624	602	-
2015	3,758	736	2,159
2016	3,897	875	3,034

### Training outcome 5: Number of apprentice new commencements

	Aggregate commencements	Commencements above baseline	Target (cumulative above baseline)
Baseline (average 2008 and 2009)	16,543	-	-
2012	17,455	912	-
2013	17,690	1,147	-
2014	17,929	1,386	-
2015	18,171	1,628	5,073
2016	18,416	1,873	6,946

### Technical specifications

	AVETMISS specifications	Primary data source	Secondary data source (if primary unavailable)
Target 1	<ul style="list-style-type: none"> <li>Awards</li> </ul>	NCVER, Students and Courses, VOCSTATS	STAC, DETE
Target 2	<ul style="list-style-type: none"> <li>Awards</li> <li>Certificate III and above</li> </ul>	NCVER, Students and Courses, VOCSTATS	STAC, DETE
Target 3	<ul style="list-style-type: none"> <li>Awards</li> <li>Certificate I and above</li> <li>Indigenous</li> </ul>	NCVER, Students and Courses, VOCSTATS	STAC, DETE
Target 4	<ul style="list-style-type: none"> <li>Awards</li> <li>Certificate I and above</li> <li>With a disability</li> </ul>	NCVER, Students and Courses, VOCSTATS	STAC, DETE
Target 5	<ul style="list-style-type: none"> <li>Estimates</li> <li>Commenced</li> <li>Traditional Trades</li> </ul>	NCVER, Apprentices and Trainees, VOCSTATS	DELTA, DETE

# ATTACHMENT C: COMMONWEALTH FUNDED EMPLOYMENT SERVICE PROVIDER CLIENTS

## Appendix: Cost –sharing arrangements for JSA/DES clients referred to training under an entitlement model

### PRELIMINARIES

29. Based on the SCOTese cost sharing principles, the Commonwealth and jurisdictions have agreed a mechanism whereby the costs of providing access to subsidised accredited training for clients of Commonwealth employment services providers are shared between the two jurisdictions. This appendix outlines how this agreement will be implemented.

### Objective

30. To equitably apportion the costs of delivering accredited training to eligible job seekers who are referred to training by Job Services Australia providers (JSAs) or other Australian Government employment services as part of their employment pathway, without treating these job seekers differently.

### Principles

31. The following high level principles underpin the model of funding for clients of employment service providers under the national entitlement provisions of the Skills Reform NP:
  - a. We share a goal to achieve the best outcomes for job seekers. This includes employment services providers' support for training where it facilitates employment outcomes in both the short and long term for job seekers and RTOs' objective to facilitate course completions by students.
  - b. There should be equity in regards to the total price (fees, subsidies and other charges) of training charged for eligible job seekers (i.e. it should be the same price if the job seeker is engaged with, and referred by, a JSA / DES or if they enrol directly in training).
  - c. Employment services providers will work with clients to determine the best pathway for them. These providers will contribute towards the cost of training by meeting any gap payment if the price of a course selected exceeds the state subsidy and student concessional tuition fee, so long as the cost complies with Principle b. However, employment services providers will not be compelled to nominate training pathways or refer clients to courses they judge to be poor value.
  - d. States determine subsidies and concession policies for RTOs they fund, sometimes directly, sometimes through parameters applying to RTOs setting fees in a market. States will advise the Commonwealth on full fee prices, subsidies and other funded support, noting that these vary between and within jurisdictions, so employment services providers and Governments can judge value for money for the EPF.

- a. Employment services providers will continue to identify job seekers' vocational and non-vocational barriers to employment and negotiate how those barriers might best be addressed. RTOs will continue to provide learner support in order to assist students to complete their training and achieve their qualification, drawing on the principle that these students should not be treated differently because they are employment service clients (COAG equity principle). Employment and training officials will work together to encourage effective collaboration and information sharing at local levels in meeting these needs, including identifying suitable training plans and non-attendance at training by the job seeker.
32. The following sections detail how the principles will be implemented.

### Commonwealth implementation arrangements

33. Where an employment services provider does refer their eligible job seeker to training that is subsidised under state concession arrangements and the state subsidy only covers part of the full student price of the training course, the employment services provider and/or the job seeker will cover the gap. Where there is no gap because the state fully subsidises the qualification, the employment service provider will cover the equivalent to the gap based on agreed cost benchmarks.
- a. The Commonwealth will, in consultation with jurisdictions, issue guidance to Australian government employment service providers about the new requirement to meet any gap fees for concessional clients referred to a government subsidised training place. This will include amendments to the Employment Pathway Fund guidelines to advise JSAs of the practical implications of this model.

### State Implementation arrangements

34. States will ensure that the funding rules for RTOs contracted to deliver subsidised accredited training provide clear direction that the RTO will not charge a higher fee for an employment services referred client than a comparable non-referred job seeker.
35. States will ensure that concession arrangements for government subsidised training are clear to RTOs, students, jobseekers, employers and the broader community
36. States will, in consultation with the Commonwealth, issue guidance to contracted RTOs that they should discuss the cost of the training at the time of referral. The JSA or job seeker will pay the concession fee and the JSA will pay any gap between the concession fee and the full student price as well as any other applicable charges.
37. The JSA and the RTO will work together to ensure that payment requirements are satisfactorily resolved.
38. States will provide guidance to the Commonwealth on total prices charged for government subsidised courses (including subsidy rates and tuition fees charged by RTOs). This information will assist the Commonwealth and employment service providers to compare prices (both subsidy and tuition fees) charged, via publication on the My Skills website, as agreed under the National Partnership Agreement on Skills Reform.
39. The arrangements for implementation in Queensland are set out in **Attachment A**.

## Joint arrangements

40. It is expected that RTOs and Job Services Australia providers will use the agreed referral form for eligible job seekers who are enrolled in a course through these arrangements.
41. Where either State or Commonwealth officials are concerned about predatory pricing practices or other potential manipulation of the arrangement by either RTOs or employment service providers or at a system level, there will be immediate escalation to head of agency level for resolution.
42. Jurisdictions and the Commonwealth will encourage employment services providers and RTOs to share relevant information on the job seeker, which will assist both service providers to better address the learning needs of job seekers and ensure job seekers meet their participation requirements through the provision of attendance and non-attendance information.
43. The arrangements outlined above will take effect from a date bilaterally agreed, and will continue until the end of the National Partnership or as otherwise agreed in writing between the Commonwealth and State.

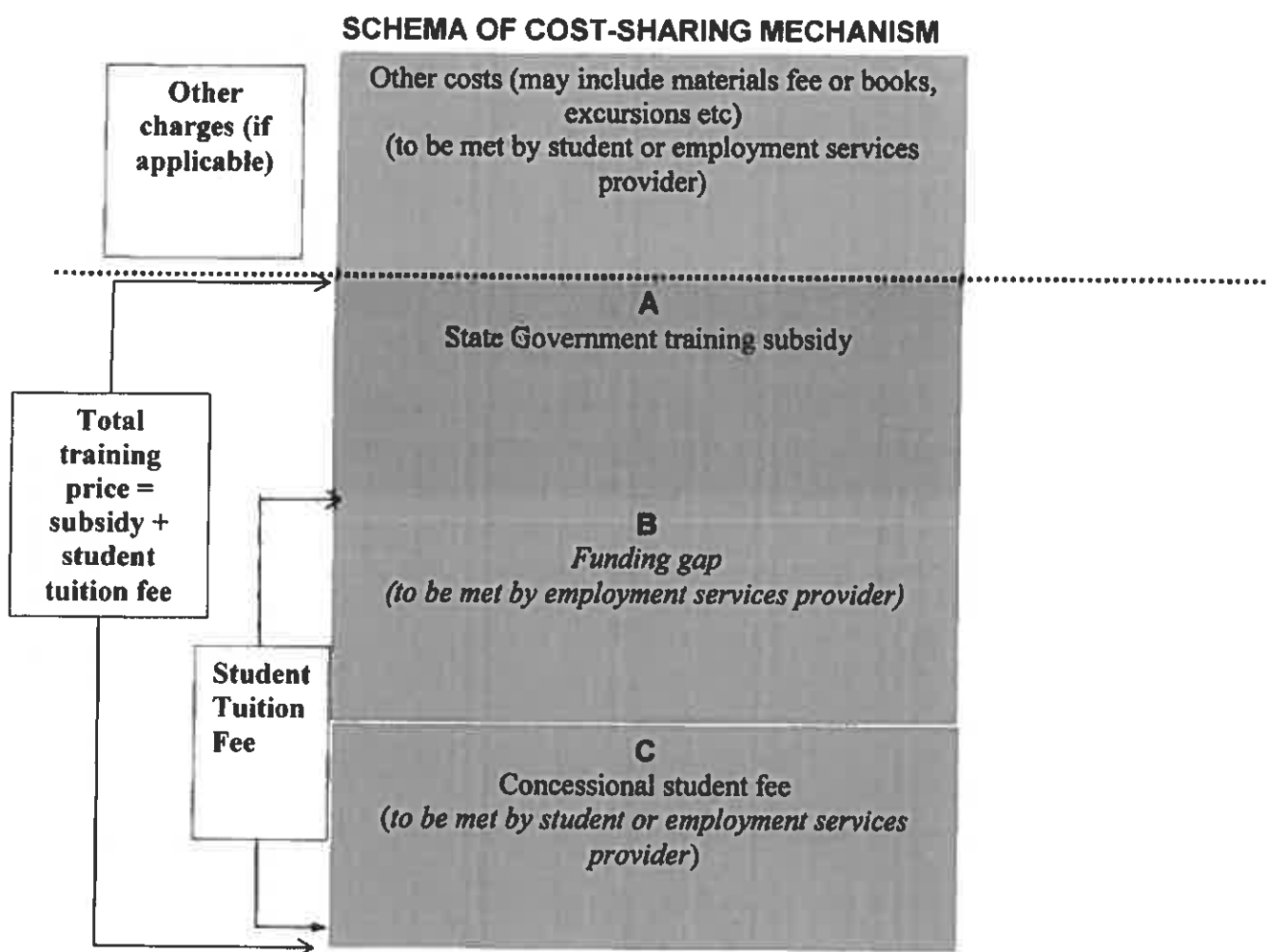
## Agreed Milestones

Year	Action
2013	<p><b>Joint milestones:</b></p> <ol style="list-style-type: none"> <li>1. Release complementary guidance material to JSAs and RTOs explaining the new cost-sharing arrangements</li> <li>2. Monitor compliance with these arrangements and notify the other party should concerns emerge.</li> </ol> <p><b>State milestone:</b></p> <ol style="list-style-type: none"> <li>1. Amend the state training policy as necessary to allow the new arrangement to take effect from 1 July 2013.</li> </ol> <p><b>Commonwealth milestone:</b></p> <ol style="list-style-type: none"> <li>1. Amend the Employment Pathway Fund Guidelines as necessary to allow the new arrangement to take effect from 1 July 2013.</li> </ol>

## Attachment A: Commonwealth funded employment service provider clients

This Attachment specifies the arrangements in Queensland for the equitable sharing of training costs for clients of Commonwealth funded employment service providers (Job Services Australia (JSA)/Disability Employment Services (DES)).

- Queensland acknowledges the Standing Council on Tertiary Education, Skills and Employment (SCOTESE) Principles that guide implementation in each jurisdiction.
- Queensland acknowledges the cost sharing schema, which forms the basis for the description of implementation in Qld.



- These arrangements apply when the JSA agrees to refer a job seeker to an RTO to undertake an accredited government subsidised training course.
- The 'total training price' is the sum of A + B + C. The RTO will receive A as per state subsidy arrangements. The RTO will receive B+C+D from the JSA or referred job seeker, depending on the arrangements agreed between the RTO and the JSA and provided the referred job seeker pays no more than they would otherwise have paid had they directly enrolled in training.
- Queensland Government funding rules and guidelines will be clear that the total value of A+B+C+D for an employment services provider referred client will not exceed that which the RTO would charge for a comparable non-referred job seeker.
- Assuming the student pays C, the fee paid by the JSA (B) represents payment of the gap between the state subsidy (A) and the total training price for the selected course. The gap will vary depending on the subsidy level, which will reflect its priority status and the student's eligibility for a national minimum training entitlement.

