

Western Australian Implementation Plan

NATIONAL PARTNERSHIP AGREEMENT ON SKILLS REFORM

Part 1: Preliminaries

1. This Implementation Plan (IP) 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 IP will be implemented as soon as agreed between the Commonwealth of Australia, represented by the Minister for Tertiary Education, Skills, Science and Research and the State of Western Australia, represented by the Minister for Training and Workforce Development.
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 Western Australia'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 Western Australian implementation

Project Information

8. The progress made toward achievement of the national reforms outlined in Part A clause 26 and Schedule 2 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 as outlined in clauses 27-29 and Schedule 2 are shown in Table 1:

Table 1: Project Descriptions

Outputs	Short description	Planned start date	Planned end date
Quality			
State criteria for access to public subsidy funding and/or complementary strategies	<p>The Department of Training and Workforce Development will establish an ongoing audit and education team to further develop and strengthen a risk based approach to monitoring the performance of contracted RTOs delivering training in Western Australia, as outlined in clause 27 (a) of the NP.</p> <p>The Department of Training and Workforce Development will also implement a Preferred Provider Contracting Framework that will apply across all publicly funded training programs open for competition in 2014.</p> <p>This framework will include requirements for RTOs to demonstrate minimum delivery experience in all course areas for which they are seeking to claim government funding demonstrate their capacity to deliver quality training to meet the needs of industry and students. The framework will be underpinned by a requirement for contract management plans for all service agreements and contracted training programs.</p>	July 2012	June 2017
External validation of RTO assessment practices	<p>The Department of Training and Workforce Development will develop and pilot a model of external validation of RTO assessments for publicly funded VET delivery. The Pilot will be based on a risk managed approach targeting key industry areas and student cohorts that have identified issues with quality training outcomes.</p> <p>The pilot program will run for a period of two years and be subject to an evaluation and review of outcomes which may inform the development of a national model as outlined in clause 27 (b) of the NP.</p>	July 2012	December 2016

Outputs	Short description	Planned start date	Planned end date
<p>Publication of RTO quality measures through My Skills and on their own RTO website</p>	<p>As agreed under the Transparency Reform Direction, the Department of Training and Workforce Development will support the implementation of the <i>MySkills</i> website through improved contractual requirements for RTOs to provide quality data on their performance and as outlined in clause 27 (c) of the NP.</p> <p>This reform initiative will be implemented as per timeframes agreed through the Standing Council on Tertiary Education, Skills and Employment (SCOTESE) and as per milestones at Part A of Schedule 2 of the NP.</p>	<p>July 2012</p>	<p>June 2017</p>
Efficiency			
<p>Improved government to government information sharing</p>	<p>Western Australia supports and will work to improve the exchange of information with the Commonwealth's own funded training activity as outlined in clause 29(a) of the NP and consistent with state based confidentiality protocols and without affecting the 'business in confidence' nature of the information.</p> <p>The WA 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 SCOTESE Data and Performance Measurement Principal Committee. Projects include:</p> <ul style="list-style-type: none"> • VET data quality; • Quarterly reporting; • Unique Student Identifier; • VET data portal; • Total VET activity; and • My Skills. <p>The information which becomes available to governments under this model will facilitate the conduct of the Review of the National Partnership as referenced in clause 29(a) of the NP.</p>	<p>July 2012</p>	<p>June 2017</p>
<p>Support public training providers</p>	<p>Public providers in Western Australia were made autonomous statutory bodies with the enactment of the <i>Vocational Education and Training Act 1996</i>.</p>	<p>July 2012</p>	<p>June 2017</p>

Outputs	Short description	Planned start date	Planned end date
	<p>Since that time, there has been a separation between the regulatory and policy functions undertaken by the State Training Authority and the provision of training services to the public undertaken by the public provider network.</p> <p>Western Australia has made significant progress in enabling public providers to become autonomous in order to compete effectively in an open market.</p> <p>The following actions will be implemented to continue to support this reform at the State level:</p> <ul style="list-style-type: none"> • The Department of Training and Workforce Development will manage and evaluate the implementation of the State Training Provider Governance Framework. This evaluation will provide the basis for ongoing consultation with public providers with the view to continuing to promote their autonomy. • A monitoring framework and audit program will be developed which rewards high standards of governance with greater autonomy. Further information on support for public training providers as outlined in clause 29 (b) of the NP is listed under 'Supporting State Training Providers' in this IP. 		
Review	<p>Western Australia will support the review of the National Partnership Agreement on Skills Reform through provision of data and other information collected for reporting purposes as outlined in clauses 54 through 58 of this National Partnership.</p> <p>The Department of Training and Workforce Development will engage with the Commonwealth through participation in consultation, review and evaluation processes as necessary to contribute to the review of the National Partnership in 2015.</p>	April 2013	June 2017
Access and Equity			
National entitlement	<p>Western Australia is supportive of a managed entitlement model characterised by a demand-driven, user-choice purchasing arrangements with the student at the centre of the resource allocation. This model would build on the open market, demand-driven processes already in place.</p> <p>The following actions will be implemented to support this reform at the State level in line with clause 28(a) of the NP:</p> <ul style="list-style-type: none"> • Establish the model best suited to the Western Australian context. • Include the minimum acceptable Essential Criteria in the model as outlined in Schedule 3 of the NP. 	July 2012	June 2017

Outputs	Short description	Planned start date	Planned end date
	<ul style="list-style-type: none"> • Develop a comprehensive implementation plan. • Extensive ongoing consultation with stakeholders. 		
Increase access to ICLs.	<p>Western Australia supports the concept of income-contingent loans and will facilitate their implementation at the State level as outlined in Schedule 4 of the NP.</p> <p>The following actions will be implemented to support this reform at the State level:</p> <ul style="list-style-type: none"> • Develop a policy framework to support ICLs. • Undertake a comprehensive communication campaign. • Work with the Commonwealth to enhance a quality framework for RTOs to access ICLs as outlined in clause 28 (b) of the NP. 	Jan 2013	June 2017

10. Projects relating to transparency as identified in Schedule 2 of the NP will be reviewed through the annual performance report.

Risk management

11. 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 Western Australian Government programs.

Relevant State or Territory Context

12. In developing this Implementation Plan, consideration has been given to the following contextual information that is relevant to Western Australia.

Western Australia is a major part of the Australian economy. Despite having just 10.4% of Australia's population, Western Australia currently accounts for 46.1% of national merchandise exports and 15.5% of national GDP. The resources sector plays a major role, with mining in the State representing 57.9% of the national mining industry's contribution to Gross Domestic Product.

Driven by the growth of the resources sector, the Western Australian economy continues to perform relatively well, recording a growth rate of 3.5% in 2010–11. This was the strongest growth rate of all states, and above national growth of 2.1% over 2010–11. More recent data shows employment in Western Australia grew by a strong 3.7% over the year to March 2012, compared to national growth of only 0.3%. However, strengthening labour demand in the State has been constrained by the supply of suitably skilled labour.

The State's pipeline of investment activity is important to the State's economic outlook, led by construction of the \$43 billion Gorgon LNG project, as well as many other key resource

projects already underway or committed to. Access Economics *Investment Monitor* data shows that of the total national value of all major investment projects either underway or committed to (of about \$415 billion worth) Western Australia is responsible for just over a third (\$140 billion worth).

While the impact of the Global Financial Crisis has lingered, partly influenced by uncertainty in Europe, and growth in some industry sectors has been mixed, it is important that Western Australia continue to develop skills for the future.

The State Government's most recent forecasts¹ show the State's economy growing by 4.75% in 2011–12, moderating to a growth rate of 4.25% in both 2012–13 and 2013–14, before easing further to 4.0% in 2014–15.

In particular, the demand for labour is expected to ramp-up in 2011–12 and then remain strong over the next few years on the back of the State's expanding resources sector and strength in other sectors.

Latest projections from Monash University's Centre of Policy Studies show Western Australia's workforce is expected to grow by an additional 170,000 jobs by 2015. Based on Monash's projections and other data, the Department of Training and Workforce Development's projections indicate that Western Australia faces a potential labour market shortfall of around 76,000 workers by 2015.

In order to capitalise on the forecast increase in economic activity and minimise the skill shortages experienced in the past, Western Australia will continue to develop a training system that is able to support and respond to the State's economic and workforce development needs.

Recent training reforms and outcomes

Western Australia has implemented significant training reforms in recent years.

Training WA: planning for the future 2009–2018 was released in May 2009 to set the vision, major goals and key deliverables for the training system from 2009 until 2018.

Skilling WA – A workforce development plan for Western Australia was released in December 2010 as a response by the State to the increasing demand for skills and labour by the State's industries.

As part of these reforms, since 2009 the State Government has invested an additional \$58.5 million for training places over and above the contribution to the National Partnership for Productivity Places Program to deliver more than 21,000 additional training places.

Greater autonomy has been given to State Training Providers, including the opportunity to deliver more flexible and effective training. The training market has also been increasingly opened to competition.

¹ From the State Government's mid-year financial projections (Western Australian Department of Treasury 2011–12 *Government Mid-year Financial Projections statement*, December 2011).

From 2008 to 2011, the total number of non-public providers in receipt of public funds for training delivery has increased from 190 to 324. Through careful management of the market state owned public providers lost only 8% of their market share of publicly funded training delivery but increased their total delivery by 15% over the same period.

At the same time, no public provider has become insolvent or required supplementary funding for their operations.

Outcomes

Western Australia has already achieved significant outcomes through these reform initiatives.

Participation in training has increased, with a 15% increase in the number of working aged Western Australians undertaking training between 2008 and 2011. The training participation rate of the working aged population in WA has increased from 8.6% in 2008 to 9.1% in 2011.

Training has increasingly been targeted to key industry needs, with the share of training delivery hours in skill shortage areas having increased from 30% in 2008 to 58% in 2010.

There has been a 26% increase in Aboriginal employment related training enrolments between 2008 and 2011, as well as a 219% increase in recognition of prior learning outcomes.

The proportion of training delivery allocated through competitive processes, including user choice funding arrangements, has increased from 33% in 2008 to 60% in 2011. Employer satisfaction with training has increased from 72% in 2007 to 85% in 2011, and student satisfaction levels have increased from 85% in 2008 to 88% in 2011.

Table 2: Links with existing reforms or projects

Proposed project elements	Existing reforms or projects	Complementary nature of activities
<p>Quality</p>	<p>The State Training Authority provides extensive support to RTOs that focus on building capability and capacity in competency based assessment practices.</p> <p>These strategies include the annual Training Forum, supporting practitioner networks, a series of good practice publications, the design delivery and subsidisation of practitioner workshops.</p> <p>In Western Australia RTOs are required to report all details of student achievements at the unit of competency and qualification level on a six monthly basis to the Training Accreditation Council. RTOs are required to collect and use data on the following three Quality Indicators: Learner engagement; Employer satisfaction; and Competency completion. This information is used to inform the RTOs' continuous improvement practices and to assist the Regulator in determining a risk rating for an RTO.</p>	<p>The development of essential criteria for RTOs to access public subsidy funding in Western Australia (clause 27 (a) of the NP) will provide an opportunity to ensure that RTOs have the necessary systems and capacity to deliver high quality training outcomes. This will also provide an additional layer of quality assurance in the implementation of the proposed entitlement model. Further this criteria will also be used to set appropriate benchmarks around the quality of training delivery by RTOs.</p> <p>The external validation pilot project proposed under the Quality reform direction (clause 27 (b) of the NP) will complement existing regulation and ensure quality of publicly funded VET delivery by RTOs in Western Australia.</p>
<p>Transparency</p>	<p>Currently, VET data is collected and validated by the State Training Authority for all publicly funded VET activity. This collection is consistent with the protocols established by AVETMISS (Australian Vocational Education and Training Management Information Statistical Standard).</p> <p>As part of its continuing commitment towards improving data quality, the State Training Authority has committed dedicated resources to ensure the quality of data collection by private registered training organisations through appropriate audits.</p>	<p>Western Australia's ongoing improvements to data collection effort will be consistent with the work of the SCOTSESE Data and Performance Measurement Principal Committee and will complement the reform initiatives proposed under the transparency reform direction listed under clause 26 of the NP.</p>

Proposed project elements	Existing reforms or projects	Complementary nature of activities
	<p>The State Training Authority has also moved in 2011 to collecting data on a quarterly basis with an approximate six week validation period. This allows for more frequent reporting within the State Training Authority. Previously this was done on an annual basis.</p> <p>Validated data are provided to industry stakeholders to assist with industry and regional training delivery planning.</p>	
Efficiency	<p><u>Supporting State Training Providers</u></p> <p>In May 2009, the Minister for Training and Workforce Development launched <i>Training WA: Planning for the future 2009–2018</i>. One of the key strategies contained within this document was the development of a vibrant and diverse training market, including providing the public providers with a greater level of independence so that they may compete more effectively in an open training market.</p> <p>The public providers, as bodies corporate, are governed by a Governing Council, employ a Managing Director and report separately under the current <i>Financial Management Act 2006</i>. Public providers in Western Australia are already operationally independent institutions.</p> <p>Western Australia's training market is already well advanced in terms of its open and competitive nature. While private providers have greater equity and accessibility to publicly subsidised funding for training delivery, measures such as the State Training Provider (STP) Governance Framework provide the autonomy and independence to STPs to respond effectively to market conditions.</p> <p>Some key features of the Governance Framework that ensure STPs conduct their business in accordance with high standards of</p>	<p>Western Australia has a solid foundation for the implementation of the efficiency reform direction through its ongoing measures to ensure public provider autonomy.</p> <p>Western Australia's legislative and regulatory framework provides a fine balance for State Training Providers to operate efficiently in a competitive business environment while at the same time having safeguards in place to limit their exposure to risks.</p> <p>In addition to conforming with the <i>VET Act 1996</i>, State Training Providers are also required to adhere to the <i>Ministerial Guidelines relating to commercial activities by public training providers 2009</i> and Western Australian Treasurer's instructions as appropriate. The Delegation and Authorisation Framework for State Training Providers ensures that STPs are positioned to manage their operational requirements in an efficient and effective manner while Ministerial approval is still required for certain functions where there is considerable risk exposure.</p> <p>For example, borrowings by STPs are</p>

Proposed project elements	Existing reforms or projects	Complementary nature of activities
	<p>governance are:</p> <ul style="list-style-type: none"> • A financial management framework is in place which adheres to the Treasurer's Instructions • Business Plans and Financial Management policy are in place • An agreed reporting structure is in place to monitor performance and to report internally to the Department's Corporate Executive and the Governing Council; and externally to the Office of the Auditor General • Risk management strategies are in place • Managing Directors are responsible for ensuring that they are aware of, and comply with, all mandatory governance requirements • Managing Directors, by signing the Governance Charter, agree and commit that they will meet the Governance Framework requirements, remain financially viable and meet the State Government's training priorities. <p>STPs' resilience in Western Australia in an open market is evidenced by the fact that over the last three years, although STPs' market share decreased by 8%, total STP delivery actually increased by 15%.</p> <p>STPs play a crucial role in ensuring access to training for disadvantaged populations including regional and remote communities.</p> <p>The Department of Training and Workforce Development is also involved in a comprehensive annual assessment of the outputs and financial statements as published in the STPS' annual reports on behalf of the Minister.</p> <p>This process provides government the opportunity to assess any risks to STP operations and where necessary put in place interventions to ensure the ongoing viability of STP operations and services to the community.</p> <p>The recently developed Governance</p>	<p>subject to the Treasurer's approval. The power to enter into a joint venture remains with the Minister subject to the Treasurer's approval and this has not been delegated to STPs. The Minister's approval is also required for the execution of contracts in relation to acquiring, holding, improving, developing or disposing of property where the value of the contract is over a set threshold.</p> <p>Overseas activities by STPs need to be captured in the business plans submitted for the Minister's endorsement. Any overseas commercial activity exceeding a set threshold and not captured in the business plan must be endorsed by the Minister separately. Currently, the Department's Education and Training International directorate manages the international education and training business for the STP network and functions as a single desk for all overseas student enrolments on behalf of all STPs. This provides the opportunity to efficiently manage the STPs' risks due to changes in overseas student markets.</p> <p>These measures will continue to support STPs to effectively operate in an open and competitive market. The Governance Framework will be further strengthened through monitoring, evaluation and review as necessary and rewarding high standard of governance with greater autonomy which supports clause 29 (b) of the NP.</p> <p>The requirements to recognise the important function of public providers in servicing the training needs of industry, regions and local communities (as per clause</p>

Proposed project elements	Existing reforms or projects	Complementary nature of activities
	<p>Framework for State Training Providers and the State Training Provider Governing Council Handbook will be available for download from the www.trainingwa.wa.gov.au website.</p> <p>Ministerial Guidelines relating to commercial activities by public training providers 2009 can be downloaded from http://www.dtwd.wa.gov.au/dtwd/detcms/apprenticeships-and-training/trainingwa/binary-files/ministerial-guidelines-relating-to-commercial-activities-by-public-training-providers-2009.en?oid=com.arsdigita.cms.contenttypes.FileStorageItem-id-12362165</p> <p><u>Improved government to government information</u> A comprehensive range of career, policy and training delivery information is available on the Department of Training and Workforce Development's website. This information includes the VET Fees and Charges Policy, which is reviewed annually for the benefit of all stakeholders.</p>	<p>29 (b)) will also be met through appropriate risk management strategies such as annual assessments by the Department of Training and Workforce Development of the outputs and financial statements as published in the STPs' annual reports on behalf of the Minister.</p>
Access and Equity	<p>Western Australia recognises the diversity of its population and the need for the training sector to respond to the range of individual backgrounds and circumstances impacting on participation in training and the workforce. These factors are considered in service provision, planning, funding, delivery, monitoring and evaluation of programs and services.</p> <p>The State Training Authority supports foundation programs aimed at addressing differing levels of literacy and numeracy among VET cohorts and Underpinning Skills for Industry Qualifications providing additional resources to enable specialist teaching and additional time for students undertaking VET qualifications where they have been identified as having additional educational support needs.</p>	<p>Western Australia currently has a student centred demand driven entitlement model that provides access to employment based training programs and training in priority skills areas.</p> <p>Western Australia's current VET Fees and Charges Policy supports and provides fee concessions and exemptions as applicable to eligible student groups. This Policy is designed to eliminate barriers to entry to education and training for disadvantaged students.</p> <p>Further work being undertaken to support clause 28 of the Skills Reform NP is outlined in Table 1: Project Descriptions and</p>

Proposed project elements	Existing reforms or projects	Complementary nature of activities
	Western Australia currently supports a broad and diverse range of VET options to enhance accessible learning and career pathways. Concessions and subsidies associated with fees and charges are provided to eligible students to minimise barriers to entry to training programs. Also, targeted funding of programs and services is supported for the benefit of those groups under-represented in the workforce.	Attachment A: Project Milestones of this IP.

Estimated Costs

13. The maximum financial contribution to be provided by the Commonwealth for structural reform projects to Western Australia is \$118.4 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.
14. Western Australia's financial contributions to skills training and reform are set out in the State budget papers.
15. The Commonwealth's estimated financial contribution to Western Australia'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 Western Australia retains the flexibility to move funds between components as long as outcomes are not affected.

Table3: Estimated Commonwealth financial contributions

Administered Item Expenses (\$millions)		2012-13	2013-14	2014-15	2015-16	2016-17	Totals
National Partnership							
65%	In advance payments 20%	18.23	18.23	0.00	0.00	0.00	36.45
	Structural reform milestones 45%	6.63	6.63	39.35	14.71	14.71	82.02
	Total structural reform payments	24.86	24.86	39.35	14.71	14.71	118.47
35%	Training outcomes 35%	0.00	0.00	0.00	24.65	39.14	63.79
Total Reform National Partnership		24.86	24.86	39.35	39.35	53.85	182.27

16. Table 4 represents the estimated Commonwealth financial contribution 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

Outputs	2012-13	2013-14	2014-15	2015-16	2016-17	Total
	\$m	\$m	\$m	\$m	\$m	\$m
Quality (20%)						
<ul style="list-style-type: none"> State criteria for access to public subsidy funding and/or complementary strategies External validation of RTO assessment practices Publication of RTO quality measures through My Skills (under improved consumer information below) 						
Completion of one project (40%)	0.53	0.53	3.15	1.18	1.18	16.40
Completion of two projects (100%)	1.33	1.33	7.87	2.94	2.94	
Transparency (10%)						
<ul style="list-style-type: none"> Enhanced National data collections Improved and agreed timelines Improved consumer information Unique Student Identifier 						
Completion of one project (20%)	0.13	0.13	0.79	0.29	0.29	8.20
Completion of two projects (40%)	0.27	0.27	1.57	0.59	0.59	
Completion of three projects (60%)	0.40	0.40	2.36	0.88	0.88	
Completion of four projects (100%)	0.66	0.66	3.93	1.47	1.47	
Efficiency (10%)						
<ul style="list-style-type: none"> Improved government to government information sharing Support public training providers Review 						
Completion of one project (40%)	0.27	0.27	1.57	0.59	0.59	8.20
Completion of two projects (60%)	0.40	0.40	2.36	0.88	0.88	
Completion of three projects (100%)	0.66	0.66	3.93	1.47	1.47	
Access and equity (60%)						
<ul style="list-style-type: none"> National Entitlement Increase access to ICLs 						
Completion of one project (40%)	1.59	1.59	9.44	3.53	3.53	49.21
Completion of two projects (100%)	3.98	3.98	23.61	8.82	8.82	
Total Structural Reform Payment	6.63	6.63	39.35	14.71	14.71	82.02

17. In accordance with Clause 49 of the NP, and in the event a structural reform project annual milestone is not completed, 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

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

Structural reform

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

Training outcomes

20. Western Australia is committed to improving training outcomes in the VET sector. Western Australia's specific objectives under the NP are to deliver increases in:
- qualification completions, to contribute to the national target of 375 000 additional completions nationally over the life of the agreement;
 - higher level qualification completions;
 - Indigenous Australians qualification completions;
 - qualification completions by people with a disability; and
 - regional and remote area qualification completions.
21. Attachment B includes the agreed training outcomes targets for Western Australia and technical specifications.
22. 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%	3.70	5.87	9.57
Higher level qualification completions (Cert III and above)	40%	9.86	15.66	25.52
Indigenous qualification completions (Cert II and above)	15%	3.70	5.87	9.57
Disability qualification completions (Cert II and above)	15%	3.70	5.87	9.57
Regional and Remote area qualification completions (Cert III and above)	15%	3.70	5.87	9.57
Total	100%	24.65	39.14	63.79

Reporting

23. Western Australia 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.
24. Western Australia agrees to provide an annual performance report to the Commonwealth based on the agreed template.

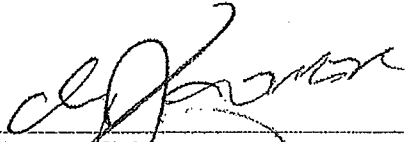
25. The final annual performance report will include achievements against milestones over the life of the Agreement.
26. Circumstances may give rise to additional reporting being sought from Western Australia. Such requests should be kept to the minimum for the effective assessment of the project or reform. Requests should not place an undue reporting burden on jurisdictions and portfolio agencies.

Review and Evaluation

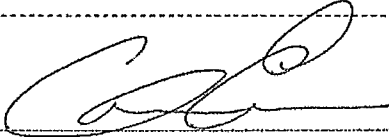
27. The Implementation Plan will be reviewed in conjunction with the review of the NP by 31 December 2015 about progress made by the Parties in respect of achieving the agreed outcomes.

Sign off

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

Signature  Date 30.12.2012

Hon Murray Cowper MLA
Minister for Training and Workforce Development; Corrective Services

Signature  Date 22/1/13

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

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 MILESTONES
Quality: Implementation of criteria specific to each state for access to public subsidy funding and complementary strategies	Commencement of internal processes for the establishment of an audit and education team.	Confirmation of the commencement of internal processes for the establishment of the audit and education team reported to DIISRTE through the Annual Report for the NP.	
Quality: Development and piloting of independent validation of RTO assessment practices	External validation pilot project for publicly funded VET delivery with timeline for implementation.	External validation Pilot Project for publicly funded VET delivery developed with timeline for implementation and reported to DIISRTE through the Annual Report for the NP.	
Access & Equity: Introducing and strengthening a national entitlement to a government subsidised training place	Completion of internal modelling for the introduction of a training entitlement for further consultation with central agencies.	Confirmation of the completion of internal modelling for the introduction of a training entitlement reported to DIISRTE through the Annual Report for the NP.	

<p>Access & Equity: Supporting the expansion of the Commonwealth's ICLs scheme</p>	<p>Commencement of internal modelling on impact of ICLs as part of the entitlement design for further consultations with central agencies.</p>	<p>Confirmation of the commencement of internal modelling on impact of ICLs for the development of ICL policy framework reported to DIISRTE through the Annual Report for the NP.</p>	
<p>Efficiency: Improvements in government to government information exchange</p>	<p>Structure of information sharing model agreed by National Senior Officials Committee (NSOC).</p>	<p>Information sharing model scope agreed and developed with timeline for implementation. Progress to be reported to DIISRTE through the Annual Report for the NP.</p>	
<p>Efficiency: Strategies which enable public providers to operate effectively in an environment of greater competition, recognising their important functions</p>	<p>Evaluation of the Governance Framework for State Training Providers completed.</p>	<p>Evaluation of the Governance Framework for State Training Providers completed and reported to DIISRTE through the Annual Report for the NP.</p>	

2013 milestones

OUTPUT	MILESTONE	EVIDENCE OF COMPLETION	INTERIM MILESTONES
<p>Quality: Implementation of criteria specific to each state for access to public subsidy funding and complementary strategies</p>	<p>Audit and education team established.</p>	<p>Confirmation of the Terms of Reference and establishment of the audit and education team reported to DIISRTE through the Annual Report for the NP.</p>	
<p>Quality: Development and piloting of independent validation of RTO assessment practices</p>	<p>Implementation of the external validation pilot project for publicly funded VET delivery.</p>	<p>The implementation of the external validation project for publicly funded VET delivery reported to DIISRTE through the Annual Report for the NP.</p>	
<p>Access & Equity: Introducing and strengthening a national entitlement to a government subsidised training place</p>	<p>Implementation requirements finalised for the commencement of the training entitlement model.</p>	<p>Cabinet approval obtained and implementation requirements finalised for the commencement of the entitlement model. Progress to be measured against minimum national entitlement criteria as in Schedule 3 of the NP and reported to DIISRTE through the Annual Report for the NP.</p>	<p>Secure Cabinet approval for the entitlement model.</p>
<p>Access & Equity: Supporting the expansion of the Commonwealth's ICLs scheme</p>	<p>Ensure communication strategy and administrative processes are in place ready for implementation of ICLs as part of the training entitlement.</p>	<p>ICL Policy Framework, communication strategy and administrative processes finalised and reported to DIISRTE through the Annual Report for the NP.</p>	<p>Finalise arrangements for ICLs including ICL Policy Framework as part of the training entitlement.</p>

<p>Efficiency: Improvements in government to government information exchange</p>	<p>Western Australia and Commonwealth collect data, analyse and exchange data as agreed in the model.</p>	<p>Progress reported to DIIRTE through the Annual Report for the National Partnership.</p>	
<p>Efficiency: Strategies which enable public providers to operate effectively in an environment of greater competition, recognising their important functions</p>	<p>State Training Provider Audit and Monitoring framework developed and Governance Assessment Model reviewed.</p>	<p>Development of the STP Audit and Monitoring framework and completion of the review of the Governance Assessment model reported to DIIRTE through the Annual Report for the NP.</p>	
<p>Review</p>	<p>Terms of Reference to the review of the National Partnership to be agreed by all jurisdictions by 30 April 2013 as per clause 57 of the NP.</p>		

2014 milestones

OUTPUT	MILESTONE	EVIDENCE OF COMPLETION	INTERIM MILESTONES
<p>Quality: Implementation of criteria specific to each state for access to public subsidy funding and complementary strategies</p>	<p>Implementation of new quality performance measures including development of key performance indicators for RTOs by the audit and education team.</p>	<p>The introduction of new quality performance measures and KPIs for RTOs finalised and reported to DIISRTE through the Annual Report for the NP.</p>	
<p>Quality: Development and piloting of independent validation of RTO assessment practices</p>	<p>Implementation of the external validation pilot project for publicly funded VET delivery.</p>	<p>The implementation of the external validation project for publicly funded VET delivery reported to DIISRTE through the Annual Report for the NP.</p>	
<p>Access & Equity: Introducing and strengthening a national entitlement to a government subsidised training place</p>	<p>Commencement of the training entitlement implementation.</p>	<p>Entitlement model in place and integrated into the VET System. Progress to be measured against minimum national entitlement criteria as in Schedule 3 of the NP and reported to DIISRTE through the Annual Report for the NP.</p>	
<p>Access & Equity: Supporting the expansion of the Commonwealth's ICLs scheme</p>	<p>Continue communication strategy and ensuring access to ICLs is facilitated.</p>	<p>ICL access available to students and integrated into the VET System. Progress to be measured against Schedule 4 of the NP and reported to DIISRTE through the Annual Report for the NP.</p>	

<p>Efficiency: Improvements in government to government information exchange</p>	<p>Western Australia and Commonwealth collect data, analyse and exchange data as agreed in the model.</p> <p>Continuous review of information exchange in conjunction with the Commonwealth.</p>	<p>Results of the review of information exchange to be reported to DIISRTE through the Annual Report for the NP.</p>	
<p>Efficiency: Strategies which enable public providers to operate effectively in an environment of greater competition, recognising their important functions</p>	<p>Commencement of the implementation of the State Training Provider monitoring framework and audit program.</p>	<p>Implementation of the monitoring framework and audit program reported to DIISRTE through the Annual Report for the NP.</p>	
<p>Review</p> <p>Participation in consultations to contribute to the review of the National Partnership as outlined in Part 6 of the NP.</p>			

2015 milestones

OUTPUT	MILESTONE	EVIDENCE OF COMPLETION	INTERIM MILESTONES
<p>Quality: Implementation of criteria specific to each state for access to public subsidy funding and complementary strategies</p>	<p>Implementation of the procurement and preferred provider contracting frameworks</p>	<p>Confirmation of the implementation of the procurement and preferred provider contracting frameworks reported to DIISRTE through the Annual Report for the NP.</p>	
<p>Quality: Development and piloting of independent validation of RTO assessment practices</p>	<p>Review and evaluate the external validation pilot for publicly funded VET delivery.</p>	<p>Confirmation of the review and evaluation of the external validation pilot for publicly funded delivery reported to DIISRTE through the Annual Report for the NP.</p>	
<p>Access & Equity: Introducing and strengthening a national entitlement to a government subsidised training place</p>	<p>Ongoing monitoring and review of the training entitlement implementation.</p>	<p>Entitlement model in place and integrated into the VET System. Progress to be measured against minimum national entitlement criteria as in Schedule 3 of the NP and reported to DIISRTE through the Annual Report for the NP.</p>	
<p>Access & Equity: Supporting the expansion of the Commonwealth's ICLs scheme</p>	<p>Ongoing monitoring of access to ICLs.</p>	<p>Access to ICLs available to students and integrated into the VET System. Progress to be measured against Schedule 4 of the NP and reported to DIISRTE through the Annual Report for the NP.</p>	

<p>Efficiency: Improvements in government to government information exchange</p>	<p>Western Australia and Commonwealth collect data, analyse and exchange data as agreed in the model, including any refinements.</p> <p>Continuous review of information exchange in conjunction with the Commonwealth.</p>	<p>Evidence of improvements in the quality and quantity of government to government information exchange to be reported to DIISRTE through the Annual Report for the NP.</p>	
<p>Efficiency: Strategies which enable public providers to operate effectively in an environment of greater competition, recognising their important functions</p>	<p>STP Maturity Model developed.</p>	<p>Confirmation of the development of the STP Maturity Model reported to DIISRTE through the Annual Report for the NP.</p>	
<p>Review</p>	<p>Timely provision of data and other relevant information agreed under this National Partnership to contribute towards the review to be completed by 31 December 2015.</p>		

2016 milestones

OUTPUT	MILESTONE	EVIDENCE OF COMPLETION	INTERIM MILESTONE/S
<p>Quality: Implementation of criteria specific to each state for access to public subsidy funding and complementary strategies</p>	<p>Review and refine procurement and preferred provider contracting framework.</p>	<p>The review of the procurement and preferred provider contracting frameworks and outcomes reported to DIIS RTE through the Annual Report for the NP.</p>	
<p>Quality: Development and piloting of independent validation of RTO assessment practices</p>	<p>Identification of good practices to be embedded in mainstream and/or national validation mechanisms. Subject to outcome of pilots, participate in design of potential national external validation assessment framework and evaluation processes.</p>	<p>Identified best practices from the pilot project and enhancements to existing validation mechanisms reported to DIIS RTE through the Annual Report for the NP.</p>	
<p>Access & Equity: Introducing and strengthening a national entitlement to a government subsidised training place</p>	<p>Ongoing monitoring and review of the training entitlement implementation.</p>	<p>Entitlement model in place (subject to any modifications based on review outcomes) and integrated into the VET System. Progress to be measured against minimum national entitlement criteria as in Schedule 3 of the NP and reported to DIIS RTE through the Annual Report for the NP</p>	

<p>Access & Equity: Supporting the expansion of the Commonwealth's ICLs scheme</p>	<p>Ongoing monitoring of access to ICLs.</p>	<p>Access to ICLs available to students and integrated into the VET System. Progress to be measured against Schedule 4 of the NP and reported to DIISRTE through the Annual Report for the NP.</p>	
<p>Efficiency: Improvements in government to government information exchange</p>	<p>Subject to mutual agreement between Western Australia and the Commonwealth, implement recommendations of the Review of the National Partnership which may impact on the usefulness of the information sharing model.</p> <p>Western Australia and Commonwealth collect data, analyse and exchange data as agreed in the model, including any refinements.</p>	<p>Evidence of improvements in the quality and quantity of government to government information exchange to be reported to DIISRTE through the Annual Report for the NP.</p>	
<p>Efficiency: Strategies which enable public providers to operate effectively in an environment of greater competition, recognising their important functions</p>	<p>Piloting and review of Governance Maturity Assessment Model.</p>	<p>Development and piloting of Governance Maturity Assessment Model and completion of its review reported to DIISRTE through the Annual Report for the NP.</p>	

ATTACHMENT B: TRAINING OUTCOMES TARGETS

This Attachment specifies the training outcomes targets for Western Australia under the NP.

Training outcome 1: Aggregate qualification completions

	Aggregate completions	Completions above baseline	Target (cumulative above baseline)
Baseline (average 2008 and 2009)	40 520		
2012	43 510	2 990	2 990
2013	44 582	4 062	7 052
2014	45 693	5 173	12 225
2015	46 845	6 326	18 552
2016	48 041	7 521	26 073

Training outcome 2: Higher level qualification completions (Certificate III and above)

	Aggregate completions	Completions above baseline	Target (cumulative above baseline)
Baseline	27 486	-	-
2012	29 567	2 081	2 081
2013	30 295	2 809	4 889
2014	31 040	3 554	8 444
2015	31 805	4 319	12 762
2016	32 588	5 102	17 864

Training outcome 3: Indigenous Australians qualification completions (Certificate II and above)

	Aggregate completions	Completions above baseline	Target (cumulative above baseline)
Baseline	1 095	-	-
2012	1 178	83	83
2013	1 207	112	195
2014	1 237	142	337
2015	1 267	172	509
2016	1 298	203	712

Training outcome 4: Qualification completions by people with a disability (Certificate II and above)

	Aggregate completions	Completions above baseline	Target (cumulative above baseline)
Baseline	1 219	-	-
2012	1 311	92	92
2013	1 344	125	217
2014	1 377	158	375
2015	1 411	192	567
2016	1 445	226	793

Training outcome 5: Regional and remote area qualification completions (Certificate III and above)

	Aggregate completions	Completions above baseline	Target (cumulative above baseline)
Baseline	9 107	-	-
2012	9 796	689	689
2013	10 038	931	1 620
2014	10 285	1 178	2 798
2015	10 538	1 431	4 229
2016	10 797	1 690	5 919

Technical specifications

	AVETMISS specifications	Primary data source	Secondary data source (if primary unavailable)
Target 1	Cwlth/NCVER completion scope – see Notes for details	AVETMISS (NCVER)	AVETMISS (DTWD)
Target 2	Cwlth/NCVER completion scope – see Notes for details	AVETMISS (NCVER)	AVETMISS (DTWD)
Target 3	Cwlth/NCVER completion scope – see Notes for details	AVETMISS (NCVER)	AVETMISS (DTWD)
Target 4	Cwlth/NCVER completion scope – see Notes for details	AVETMISS (NCVER)	AVETMISS (DTWD)
Target 5	Cwlth/NCVER completion scope – see Notes for details	AVETMISS (NCVER)	AVETMISS (DTWD)

ATTACHMENT B1: PROCEDURE FOR REPORTING ON NCVER COMPLETIONS

This document sets out the process of reporting on the number of qualifications completed as reported by NCVER for the purposes of the National Partnership on Skills Reform.

Note: WA provides two separate data collections to NCVER annually - the *400 VET Provider Collection* and the *480 Curriculum Council VET in Schools Collection*. This document is concerned exclusively with the *400 Collection*. The process set out herein is applicable to the WA AVETMISS data and may not apply across all jurisdictions.

To produce figures on a given year, data is drawn from both the year of the data collection and from the following year's data collection. There are two types of year classification that are relevant to this exercise:

- The year of the data collection – the 'collection year'
- The year in which a qualification is completed – the 'completion year'

Not all qualifications for a completion year are reported in the corresponding collection year. For example, most but not all awards where the completion year is 2009 were reported in the 2009 data collection. The 2010 data collection also reported a significant number of awards with a completion year of 2009. This is due to a lag in reporting. In fact this lag typically continues over several collection years, but NCVER policy is to count only the awards found in the collection year that corresponds to the year of completion (in this case 2009) and the following year's data collection. Any 2009 qualifications reported in the 2011 data collection are excluded.

Query 1: *In-scope students*

NCVER has a number of rules regarding the students who are eligible to have their qualifications counted. Qualifications are excluded for the following categories of student:

- Students who have enrolments in a non VET course OR
- Students who have enrolments where the fund source is domestic or international fee for service and the training organisation is classified as one of the following:
 - o Enterprise – Government
 - o Enterprise - Non-Government
 - o Education/training business or centre: Privately operated registered training organisation
 - o Professional association
 - o Equipment and /or product manufacturer or supplier
 - o Other - not elsewhere classified OR
- Students who have enrolments where the fund source is *80 - Revenue earned from another RTO* OR
- The student has had enrolments where the training delivery location is overseas OR
- The student has had credit transfer enrolments.

In order to exclude qualifications for the above group of students, a query is used which produces a list of eligible student IDs – the 'in scope' students. The above 'OR' criteria are combined in a single IIF or CASE statement and a criterion of 'false' is applied. This query is applied to each collection year and affects the counting of all qualifications in that collection regardless of the year of completion of the qualification. This *In-scope students* query is used as a subquery in the next query and is joined with an equal join so that any students not on the list are not included in awards calculation.

Query 2: Awards for in-scope students

The second query which calculates awards for this set of students is called the *Awards for in-scope students* query. It queries the *Nat130_Awards* table with an equal join to the *In-scope students* query on client ID. Three criteria are applied:

- The qualification year completed must be either the year of the data collection or the previous year. For example a query on the 2010 data collection filters on the 2010 and 2009 years completed. NCVET does not count any qualifications achieved earlier.
- The Qualification Level of Education must be at least Certificate I (cseQualLoEId <= 534)
- The Qualification must be classified as VET (cseVetFlg = Y)

Note: the last two criteria above require a join to the *Nat030_Course* table

This query counts the number of records in the *Nat130_Awards* table and results in figures for two completion years. The results relating to the previous year completed must be added to the results from the previous collection year. For example, to produce a completions figure for 2009, the 2009 year completed figure found in the 2010 data collection must be added to the 2009 year completed figure found in the 2009 data collection.

Query 3: Awards for awards only students

The number of awards for students who did not have any enrolments in the data collection are calculated at this point. These are called *awards only students*.

The *awards for awards only students* query involves joining the *Nat130_Awards* table to the *Nat120_Enrolments* table with an outer join and setting a filter where the student ID in the latter table is null. In addition, the same criteria as in the *Awards for in-scope students* query are applied:

- The qualification year completed must be either the year of the data collection or the previous year.
- The Qualification Level of Education must be at least Certificate I (cseQualLoEId <= 534)
- The Qualification must be classified as VET (cseVetFlg = Y)

Note: the last two criteria above require a join to the *Nat030_Course* table

Again, any results for the previous completion year must be added to the total for that completion year. For example, to produce a completions figure for 2009, the 2009 year completed figure from the *awards for awards only students* query in the 2010 data collection must be added to the 2009 year completed figure found in the 2009 data collection.

Summary

The total number of awards for a given completion year consists of four components:

- Results from the *Awards for in-scope students* query from the corresponding data collection e.g. 2009 year completed from the 2009 data collection.
- Results from the *Awards for in-scope students* query from the following year data collection e.g. 2009 year completed from the 2010 data collection.
- Results from the *Awards for awards only students* query from the corresponding data collection e.g. 2009 year completed from the 2009 data collection
- Results from the *Awards for awards only students* query from the following year data collection e.g. 2009 year completed from the 2010 data collection.