Appendix A: Bilateral Implementation Plan – National Skills Agreement Policy Initiatives

PRELIMINARIES

- 1. This implementation plan is made between the Commonwealth of Australia (Commonwealth) and Western Australia under the 2024–2028 National Skills Agreement (the NSA) and should be read in conjunction with the NSA.
- 2. Once executed, this implementation plan and any updates agreed with the Commonwealth, will be appended to the NSA and will be published on the Commonwealth's Federal Financial Relations website (https://federalfinancialrelations.gov.au).
- 3. This implementation plan is expected to expire on 31 December 2028 (in line with the NSA), or on completion of the initiative, including final performance reporting and processing of final payments against milestones.
- 4. In all public materials relating to the policy initiatives, Western Australia will acknowledge the Commonwealth's contribution with the following statement: *Improved Completions* is a joint initiative between the Australian Government and the Western Australian Government.

REPORTING AND PAYMENTS

Reporting

- 1. Performance reporting will be due each year until the cessation of this Agreement, or the final payment is processed.
- 2. Western Australia will provide to the Commonwealth a traffic light status and activity summary on all policy initiatives.
- 3. The Commonwealth will provide templates for the purposes of reporting.

Payments

- 1. The Commonwealth will make payment subject to performance reporting demonstrating the relevant milestone has been met.
- 2. As part of the performance reporting, Western Australia will provide evidence of what has been delivered in the reporting period. Payments will be processed once performance reports have been assessed and accepted.
- 3. Where a payment is due at a reporting period, Western Australia will complete the relevant section of the reporting template and provide the evidence required as agreed in the Milestones and Payments associated with this Implementation Plan.
- 4. Under Ag2 of the NSA, if a State is unable to expend any Commonwealth funding provided for policy initiative milestone payments, the Commonwealth may reduce a future payment by an amount equivalent to the unspent funds.

IMPROVED COMPLETIONS – ESPECIALLY FOR PRIORITY GROUPS (Clause A141 to A150 of the NSA)

• Outline actions to improve completions and which element of clause A145 will be addressed.

Building the trades workforce is critical to achieving *Made in WA* commitments and the national priorities under the NSA including the net zero transformation and delivering housing supply. This will require a significant uplift in apprenticeship commencements and completions.

There are growing opportunities for women, First Nations people and people with disability to support workforce diversification in strategic industry areas and regional locations, including clean energy, housing, defence, construction and advanced manufacturing. However, systemic reform is required to gather data, examples of best practice and insights to address the factors that limit enrolments, engagement, and completions among these cohorts, and better support employers to attract and retain workers within these cohorts.

The National VET Completions Taskforce and the recent Strategic Review of the Australian Apprenticeship Incentive System both highlighted the complexity of the apprenticeship system and that it is confusing and challenging to navigate, resulting in disengagement and poor outcomes, including for employers.

To improve attraction and retention, an apprentice ¹ centred model is required that is easy to navigate, offers person-centred supports to apprentices, is risk based and uses early identification to support retention, supports small to medium enterprises (SMEs), and attracts and retains women and First Nations apprentices.

This proposal will address the NSA's shared commitment to improve student outcomes through the implementation of new, scalable initiatives, and by extending and evaluating existing initiatives designed to improve completions for priority groups, including First Nations students and women.

End-to-end service model for apprenticeship support

Through this proposal Western Australia will:

i. Develop a simplified approach to apprenticeship system navigation through apprenticeship 'one-stop-shop' support services.

<u>Indicative budget allocation \$17,200,000 (subject to further consultation)</u>

An integrated 'one-stop-shop' model within Western Australia's Jobs and Skills Centre (JSC) network will deliver just-in-time information and access to practical, professional, and pastoral supports. By leveraging local expertise and deep knowledge of the VET system, this model will build the capability of SMEs to better support apprentices throughout their training journey.

Western Australia's JSCs provide free career, training (including apprenticeship and traineeship) information and employment advice and assistance to individuals and businesses. The 19 JSCs are part of the TAFE network, co-located with TAFE colleges, and with additional outreach locations for regional areas. The network includes specialist centres and staff dedicated to supporting Aboriginal people, individuals exiting the justice system, and people from culturally and linguistically diverse backgrounds.

Under the NSA, Western Australia will enhance the visibility and capacity of the existing JSC network and TAFE colleges to provide fully integrated activities. JSCs are not resourced to provide advisory and system navigation services for apprentices and their employers, which is a service gap experienced by new entrants and small to medium enterprises in particular. Across the system, the level of expertise regarding training contracts, completion risks, and employer need is based on local experience and relationships, rather than a systemic approach.

The enhanced network will ensure seamless support across the apprenticeship lifecycle. Leveraging the strong brand recognition and regional reach of JSCs presents a valuable

¹ The use of the term 'apprentice' in this document includes apprentices and trainees, i.e. employment-based training.

opportunity to establish specialised, local apprenticeship hubs. These hubs will offer person-centred support, an approach strongly associated with improved retention and completion outcomes.

ii. Expand data collection and monitoring applications to respond to completion risks. <u>Indicative budget allocation \$10,651,250 (subject to further consultation)</u>

A data-driven and risk-based approach to monitoring and responding to apprentices at risk of dropping out enables early and proactive responses rather than at the point of disengagement.² Through this initiative Western Australia will:

- Increase functionality of the Western Australian Apprenticeship Management System (WAAMS) to identify trend data in relation to high-risk apprenticeship pathways and employers, enabling early provision of targeted wrap-around support services to increase completion rates.
- Enhance data connections between WAAMS and the WA TAFE Student Management System (SMS) to provide critical intelligence enabling the tracking of apprentice progress, regular 'health checks', and the identification of at-risk apprentices early in the learner journey.
- Enhance the WAAMS online client portal to establish regular communication with apprentices, employers and RTOs to provide real time information that enables tracking, monitoring and management of training contracts.
- Utilise the WAAMS portal, TAFE SMS systems, and the Jobs and Skills WA jobs board to connect completing pre-apprentices with prospective employers, including re-engaging past users of the apprenticeship system, to improve outcomes for pre-apprentices and address the skills shortage of critical trades.

iii. Roll out an apprentice-centred wrap-around support package.

Indicative budget allocation \$11,949,750 (subject to further consultation)

It is well understood that apprentices often disengage due to personal challenges and issues related to their employment. Strengthening direct support for apprentices particularly in preparing them for the workplace will ensure they have access to timely, wrap-around assistance and the foundational skills necessary for their trade. This support is essential for fostering progression, building confidence and promoting successful completions.

Western Australia does not have a centralised dataset that provides insights into the foundation skills and personal support requirements of apprentices, however a review of foundation skills policy settings completed by the Department of Training and Workforce Development found that these are significant factors that affect engagement in training. In contrast, the South Australian Government established an Upfront Assessment of Need (UAN) which assesses foundation skills and personal support requirements as part of the enrolment process in subsidised courses, which provides a rich dataset for assessing the effectiveness of program delivery and targeting of supports.

This package introduces a systemic approach to identifying the personal and foundational skills needs of apprentices, and to developing person-centred plans that support their progress and completion through:

Skills for Trades - a new program that builds upon Western Australia's long history of
delivering in-class team teaching and responds to the findings of the recent review of
foundation skills policy settings. It will target trade apprenticeships and pre-apprenticeships
through a range of strategies that may include:

²Government of South Australia (2023), *National Vocational Education and Training Completions: A report produced through the Secretariat of the National VET Completions Taskforce*, Skills SA, pp. 35-6. Available from: Skills-SA National-VET-Completions-report (1).pdf.

- establishing a standardised evidence base for the assessment of foundation skills competencies among trades apprentices;
- o establishing an evidence base focused on the personal support needs of apprentices;
- identifying optimal pedagogical approaches to immersive preparatory programs and team-teaching responses to identified learning needs suited to the diversity of apprentices;
- establishing a community of practice for trades foundation skills lecturers to develop shared resources for assessments of learning needs that target trades; and
- o developing contextualised foundation skills curriculum suited to the trades.
- Financial planning and support for apprentices is particularly crucial for regional and remote apprentices to improve completion rates. Key financial supports for the apprentice journey may include a range of programs such as:
 - o an apprenticeship financial counselling service to provide prospective and existing apprentices and employers with navigation support to access subsidies and financial supports and assist apprentices to develop financial management plans; and
 - scaling up the travel and accommodation allowance to support apprentices to meet off-the-job training requirements, acknowledging costs for regional students are a major barrier. By addressing these cost pressures, particularly those linked to off-the-job training, retention rates and equity of access are expected to improve.

iv. Clean Energy Industry Pathway Program

Indicative budget \$6,659,000 (subject to further consultation)

A Clean Energy Industry Pathway Program (CEIPP) will be developed based on the successful <u>Defence Industry Pathway Program</u> (DIPP). Over six intakes the DIPP demonstrated high levels of workforce retention with 69 per cent of graduates remaining in defence related work beyond the completion of the traineeship and 19 per cent pursuing future education and training in related fields of study (Engineering).

The CEIPP will provide participants with a broad introduction to the electrical and energy and transmission trades and build a pipeline for the emerging clean energy and net zero transition workforce. The 12-month paid preparation program will provide a 'taster' of core clean energy related electrical work to build skills and support transition into an electrical/clean energy trade apprenticeship.

Participants will receive a combination of on-the-job training with a host employer and off-the-job study blocks to complete a Certificate II qualification that provides a pathway to an electrical/clean energy trade apprenticeship. Participants will also have access to dedicated coaching support to assist with navigating classes, supporting learning difficulties and addressing workplace issues.

TAFE colleges will lead the coordination of the program, oversee scheduling, communication, and stakeholder engagement and deliver the training content. Group Training Organisations (GTO) will play a central role in managing student placements, supervising trainees in the workplace, and maintaining links between host employers, trainees, schools and TAFE.

This model removes financial barriers and supports inclusive participation by providing a training wage, covering all training costs for participants and providing educational and other wraparound supports to facilitate completion and transition into an apprenticeship.

Outline how this proposal addresses clause A146, including links to recommendations of the National VET Completions Taskforce.

The measures Western Australia will take to improve completions respond to the following recommendations of the National VET Completions Taskforce.

Taskforce Recommendation	Detail
2 Enrolment practice	Improve enrolment practices to support better alignment to student interests, motivations, capabilities and needs.
3 Employer capability	Increase industry and employer capability to support learners (before and during training) (including training plans).
8 Learning practice	Offer flexible, innovative, and bespoke training and learning practices which are learner focussed and meet learner needs.
12 Identify at-risk learners	Improve identification of learners at risk of non-completion based on known risk factors.
13 Wrap-around support	Improve identification and implementation of wrap-around student supports.
14 Employment relationship	Ensure regular communication, engagement, and support for all parties of the employment relationship (including improvements to training plans).
15 Support for at-risk learners	Enhanced advice and support for learners who are at risk of dropping out.
17 VET Workforce	Upskill the VET workforce, course counsellors and employers to better support learners with additional and complex needs.

Western Australia's transition to an end-to-end service model for apprenticeship support is expected to increase commencements among a more diverse range of learners and improve completion rates. While financial incentives such as employer wage subsidies and milestone payments remain important levers, they must be complemented by efforts to build culturally safe, gender-equitable workplaces and ensure apprentices have access to person-centred supports. These elements are critical to improving retention and successful program completion.

The employment relationship is central to an apprentice's likelihood of completing their training and remaining in the industry. Establishing a 'one-stop shop' for SMEs offering simplified, just-in-time information and problem resolution via in-person and virtual help desks directly responds to the National VET Completions Taskforce's recommendation for regular communication, engagement and support across all parties in the employment relationship.

Optimising the Western Australian Government's existing systems WAAMS and SMS through technical upgrades, alongside the introduction of dedicated resources to monitor and report on atrisk cohorts, will enable more targeted and timely interventions. This includes deploying Jobs and Skills Centre (JSC) staff with local knowledge and strong connections to TAFE student support services. These enhancements will support both cohort-level insights and individual risk profiling at the apprentice and employer level.

This holistic, data-driven, and person-centred approach aligns with the National VET Completions Taskforce's recommendation to improve the identification of at-risk learners. As highlighted in the 2023 Foundation Skills Policy (FSP) Review, apprentices with poor foundation skills often disengage and shift between trades, gravitating toward those requiring less advanced numeracy—such as tiling or painting and decorating. This pattern increases the risk of attrition and limits long-term career development.

The Skills for Trades initiative aims to address this by collecting and analysing data to identify foundation skills needs and track progress in delivering contextualised learning, including team-

teaching models tailored to specific trades. Through this initiative, the introduction of a standardised assessment of learning needs—alongside referral pathways to local wrap-around supports—will build system capacity to identify and respond to learner needs more effectively. This will ensure services are well-matched to the level and nature of support required.

Commonwealth Investment (\$)	State Investment (\$)	Planned Start Date	Planned End Date
23.23 million	23.23 million	1 November 2025	31 December 2028

Improved completions - approach to matched funding arrangements (clause A144 refers) – to be reconciled over the life of the NSA.

Details of matched funding	2025-26	2026-27	2027-28	2028-29	Total
WA contribution	\$2,323,000	\$7,000,000	\$7,000,000	\$6,907,000	\$23,230,000
Commonwealth contribution	\$2,323,000	\$7,000,000	\$7,000,000	\$6,907,000	\$23,230,000
Total	\$4,646,000	\$14,000,000	\$14,000,000	\$13,814,000	\$46,460,000

The Western Australian Government will provide details of its matched funding contributions at the end of each financial year, commencing 1 November 2025 until 31 December 2028. Final payments under this implementation plan may be reduced where the total contribution by the Western Australian Government over the life of the project does not align with the Commonwealth contribution.

Performance Indicators

Reporting completions data is not the only indicator of the effectiveness of initiatives. There are many complex and interacting factors that can contribute to an individual's decision not to complete training. Further, the duration of apprenticeship training and the length of time an individual takes to achieve competency may not align with reporting periods and within the duration of this Implementation Plan.

Qualitative and quantitative indicators will be used to help monitor the influence and effectiveness of the mechanisms and strategies designed to improve completions. WA will report the following indicators at least annually (once implemented in line with milestone timing):

- Case studies showcasing implementation
- Samples of frameworks, strategies, resources developed
- Qualitative data, including demographics if relevant and/or available, such as:
 - o number of apprentices supported through programs,
 - o number of SME's supported through programs
 - o number of pre-apprentices supported through programs.

Evaluation arrangements

Western Australia will establish a developmental evaluation strategy. This approach will support the continuous refinement and improvement of the activities and strategies being delivered under this initiative to ensure the best outcomes possible for apprentices and employers. A formative evaluation report that considers the implementation components of this initiative will be provided to the Commonwealth in 2027-28, while the summative evaluation report will be provided to the Commonwealth in late 2028. Consideration will be given to issues such as privacy, confidentiality, data sovereignty, and anonymity in reporting against all measures of success.

MILESTONES AND PAYMENTS - IMPROVED COMPLETIONS - ESPECIALLY FOR PRIORITY GROUPS

Milestone	Evidence	Payment Value Up To (Commonwealth funded)	Commonwealth reporting period
Milestone 1: Initial payment on agreement of bilateral implementation plan	Bilateral implementation plan agreed with Commonwealth	\$2,323,000	N/A
Milestone 2: Commonwealth acceptance that WA has commenced implementation of initiatives to improve completions, to be demonstrated by: Development of a project plan Development of a stakeholder engagement plan Establishing resourcing arrangements	period of 1 November 2025 – 30 September 2026 and includes evidence	\$7,000,000	30 September 2026
Milestone 3: Commonwealth acceptance that WA has continued implementation of initiatives to improve completions, to be demonstrated by: • an update report on the project status of each initiative, including any early data or other outcomes.	period of 1 October 2026 - 30 September 2027 and includes evidence of early indicators for all initiatives. • Formative evaluation report, including early learnings, for the	\$7,000,000	30 September 2027

Milestone 4:	Report signed by WA senior official with responsibility for skills that	\$6,907,000	31 December 2028
WA has implemented initiatives to	outlines the key activities undertaken for this initiative in the reporting period of 1 October 2027 to 31 December 2028 and includes evidence of:		
improve completions, to be demonstrated by:	 Final report and acquittal. Data reporting will be in alignment with data sovereignty principles agreed with partners. Final report will 		
 Finalisation of formal evaluation report. 	include evaluation outcomes.		
	Total	\$23,230,000	

The Parties have confirmed their commitment to this implementation plan as follows:

Signed for and on behalf of the Commonwealth of Australia by

The Honovrable Andrew Giles MP

Minister for Skills and Training

1711112025

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

The Honourable Amber-Jade Sanderson BA

MLA

Minister for Energy and Decarbonisation; Manufacturing; Skills and TAFE; Pilbara

1 1

2 8 OCT 2025