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

PRELIMINARIES

1. This implementation plan is made between the Commonwealth of Australia (Commonwealth) and Victoria under the 2024–2028 National Skills Agreement (the NSA) and should be read in conjunction with the NSA and the NSA Bilateral Implementation Plan Guidance.
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, Victoria will acknowledge the Commonwealth's contribution with the following statement Closing the Gap is a joint initiative between the Australian Government and Victorian Government.

REPORTING AND PAYMENTS

Reporting

1. Performance reporting will be due by 31 March and 30 September each year until the cessation of this Agreement, or the final payment is processed.
2. Victoria 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. After the initial payment, second and subsequent milestone payments will be assessed and processed in the following reporting period.
2. As part of the performance reporting, Victoria 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 (31 March and/or 30 September), Victoria 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 A92 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.

1. CLOSING THE GAP (Clause A93 to A103 of the NSA)

Approach to partnering with First Nations communities and organisations (clause A101 refers). This refers to Closing the Gap Priority Reform 1: Formal partnerships and shared decision making.

First Nations partnerships are embedded in Victoria's existing policy and governance arrangements for education and training — through the Yalca policy framework and the Marrung and Wurreker strategies — giving ongoing representation to the aspirations, needs, and priorities of First Peoples in relation to education and VET sectors.

Victoria has enhanced partnership arrangements with First Peoples for planning and implementation of the National Skills Agreement (NSA) — Closing the Gap. These arrangements are coordinated with broader whole-of-government First Peoples partnerships and consultations. On behalf of the Victorian Government, the Department of Jobs, Skills, Industry and Regions (the department) holds supplementary meetings and round table discussions with First Peoples partners, organisations and individuals across Victoria to ensure broad stakeholder engagement.

Victoria's Closing the Gap partners have co-developed and will monitor progress on NSA Closing the Gap commitments through VET sector forums. Whole-of-government engagement with the First Peoples' Assembly of Victoria is coordinated by the Department of Premier and Cabinet.

First Nations Partners, in progressing the priorities and policy aims of the NSA, include:

- The Victorian Aboriginal Education Association Incorporated (VAEAI), a state-wide Koorie Community organisation representing the Koorie Community in relation to education policy development and strategic programming which engages the community through 32 Local Aboriginal Education Consultative Groups (LAECGs) throughout the eight VAEAI regions.
- The Victorian First Nations VET Alliance (The Alliance), a grouping of Victorian Aboriginal Community Controlled Registered Training Organisations (ACC-RTO) who collectively seek an uplift for the Victorian ACC-RTO sector to sustainably provide training services to Community in a culturally safe environment. The Alliance has been established by Bubup Wilam Aboriginal Child and Family Centre, Victorian Aboriginal Community Controlled Health Organisation (VACCHO) and Victorian Aboriginal Community Services Association Ltd (VACSAL).
    - VACCHO, the peak organisation representing Aboriginal and Torres Strait Islander health and wellbeing in Victoria. Membership includes 33 Aboriginal Community Controlled organisations. The Centre of Excellence in Aboriginal Vocational Education and Training, 'Yagilaith Djerring' (woi-worrung for 'learning together'), is VACCHO's registered training organisation, the largest ACC-RTO in Victoria, and has been operating for 25 years.
    - VACSAL was established in 1984 and celebrates over 40 years of commitment to the advancement of Aboriginal people. VACSAL supports and manages many community support programs and has representation on over 85 reference committees to provide strategic advice to Aboriginal and broader community organisations and all levels of government. A key area of focus is education. VACSAL registered as an RTO in 2012 and a Learn Local in 2018. VACSAL prides itself on providing pathways into meaningful and sustained employment and for being seen by Community and the education sector as a place of excellence: VACSAL awards include Wurreker Teacher of the Year and Non-TAFE Provider of the Year, and the Victorian Training Awards (VTA) Victorian Koorie Student of the Year (multiple).

- Bubup Wilam Aboriginal Child and Family Centre, an Aboriginal early years' educational centre involved in training its workforce for 10 years, registered as an RTO in 2024. It is a Centre of Excellence, as rated by the Australian Children's Education and Care Quality Authority. Bubup Wilam, meaning 'Children's Place' in Woi Wurrung language provides Aboriginal children, families and community with programs to strengthen children's Aboriginal identity, esteem and foundations for lifelong learning, health and wellbeing.

- Yuma Yirramboi Council focusing on equality and economic empowerment among Aboriginal Victorians within a generation.
- Ngaweeyan Maar-oo, the Koorie Caucus of the Partnership Forum on Closing the Gap, which includes 14 elected sector representatives from 13 Aboriginal Community Controlled Organisations and 9 delegates from the Aboriginal Caucuses of Victorian Aboriginal Governance Forums.
- The First Peoples' Assembly of Victoria is the democratically elected Aboriginal Representative Body in Victoria's Treaty process.

The department's formal partnerships and shared decision making with First Nations' organisations in relation to VET are longstanding and have been enhanced and extended as part of NSA Closing the Gap planning. Both VAEAI and the Alliance are, and will continue to be, regular partners for departmental consultation, strategy development, reforms, and like activities involving the skills and training sector.

The department is working to arrange ongoing seats on Marrung committees and working groups, along with VAEAI, for all Alliance members. This includes regular meetings facilitating direct and genuine Community consultation with government, and brings together key stakeholders from the VET Workforce, Koorie Outcomes Division, Victorian Skills Authority, and the department.

Marrung governing committees are co-chaired at executive levels of both government and Aboriginal Controlled Organisations — giving effect to shared decision making. These arrangements ensure the participating partners have access to government data relevant to their Community, such as data routinely collected from Skills First providers. Any new data, if requested, is subject to data sovereignty principles and agreements, with the recognition that data provided by a partner belongs to them, they have continued access and use of their data, and their data is intended for use in programs, reforms or strategies of relevance or benefit to them.

Activities for expanding investment in the capability, sustainability, and growth of the Aboriginal Community Controlled (ACC) and First Nations owned (FNO) training sector (clause A102a refers), delivered in partnership with First Nations Peoples. This refers to Closing the Gap Priority Reform 2: Building the Community-Controlled sector.

Victoria's Aboriginal Community Controlled Organisations (ACCO) are uniquely placed to promote relevant training to First Peoples in culturally safe and supportive environments, with appropriate connections to culture and Community.

Through their training delivery, ACC-RTOs play an additional pivotal role in skilling and building the workforce, especially in priority areas such as health, community services, and early childhood education and care. ACC-RTOs deliver a range of training options directly, while also providing their expertise and resources to work in partnership with other organisations to ensure that training is responsive to Community needs and broader community requirements.

In recognition of the important and unique role Skills First-contracted ACC-RTOs provide, Victoria supports the adoption of new and revised RTO classifications by national bodies such as ASQA and NCVER, and once agreed, will work with regulators to adopt and operationalise new classifications.

The ACC-RTO sector operates on a representative model that ensures ACC-RTO are a voice for Community in Victorian, their aspirations and needs. The ACC-RTO partners have developed the new initiatives proposed in this plan according to our priorities for closing the gap in opportunity and outcomes for our people in the VET sector.

Initiatives are responsive to the fact that Victoria's population of First Peoples has a higher proportion of youth in the age group 15-24 years, more distributed across regional areas, and growing. It is projected by the Australian Bureau of Statistics to be increasing at a rate of 2-2.5% per year. Acknowledging the emerging demographic, many First Nations peoples engage in lifelong learning. In particular, many students at ACC-RTOs enrol and have their first experience of success in education later in life.

Victoria will continue putting measures in place to support the capability, sustainability, and growth of Victorian ACC-RTOs, including:

- **$9 million to pilot and evaluate ACC-RTO training models supporting over 700 priority learners per year when operating at full capacity**

  The initiative drives sector-wide capability-building and long-term growth of ACC-RTOs by piloting tailored, strength-based training models. These models delivered by Bubup Wilam, VACCHO and VACSAL prioritise and integrate wrap-around support, culturally contextualised learning, and peer-supported education, ensuring accessibility for learners in both metropolitan and regional areas.

  The pilot and evaluation of training models at the 3 ACC-RTOs provides a strong foundation for capability-building and future growth in the ACC-RTO and broader ACCO training sector through the sharing of expertise and adoption of valuable insights. For example, other Skills First providers enrolling First Nations students may adopt learning from the models and the non-Aboriginal qualified trainers who gain bi-cultural skills will be able to apply them in all VET training settings. The fully developed ACC-RTO training model has the potential to directly benefit up to 700 students per year.

  The initiative contributes significantly to sustainability of the ACC-RTO sector after the period of the NSA agreement. Within 4 years, the training model will expand VET sector training capacity by increasing the number of TAE-qualified trainers and building capability in provision of student services. The sector will be working towards a position, by the end of the agreement, to secure improved access to student accommodation and accommodation services (noting this is outside the scope of the NSA) – a key priority that would increase access for regional students to metro courses and address training barriers related to insecure housing and family violence. The developments in training capability, resources for students, and operating systems underpinning wrap around support will deliver efficiencies, supporting growth and sustainability of the ACC-RTOs. A strong ACC-RTO sector supports First Nations student numbers and completion rates.

  To ensure the long-term sustainability and growth of the sector, investment is required to strengthen workforce capability, operational efficiency, and regulatory compliance. There are significant costs in developing robust compliance systems for registration, reporting, auditing, and program re-scoping. Investment through the NSA will have a lasting impact on professional and organisational capability by putting in place the systems and knowledge that support individual and organisational success over time.

The Partners' preferred funding approach for this activity is outcomes-focused block funding with flexible payment periods appropriate to organisational size. This approach to funding administration supports ACC-RTO sustainability. The funding will be split equitably amongst the 3 ACC-RTOs to deliver their training models.

Commonwealth Investment ($)	State Investment ($)	Planned Start Date	Planned End Date
9 million	Victoria will meet its matched funding obligations through committed expenditure, consistent with clause A91 of the NSA. See details below	1 January 2024	31 December 2028

Approach for contributing to activities to grow the First Nations VET workforce and boost cultural competency of mainstream RTOs (refer clause A102b). This refers to Closing the Gap Priority Reform 3: Transforming government organisations.

In Victoria, most Koorie learners undertake training in settings such as a TAFE or private RTOs. These settings provide the widest access to training opportunities and career pathways. Therefore, building the First Nations VET workforce and cultural competency of 'mainstream' RTOs has been, and continues to be, a key focus for Victoria.

In line with the National VET Workforce Blueprint, Victoria is committed to developing a localised strategy to grow the First Peoples VET workforce and ensure opportunity across the full range of

professional roles. This approach is guided by self-determined Koorie initiatives, tailored to the Victorian VET sector.

Initiatives have been designed by a Koorie Community Controlled Organisation to strengthen the cultural capabilities of RTOs, GTOs and TAFEs. The 'mainstream' VET workforce will develop a deeper understanding of the social and cultural contexts of Koorie students and staff and engage in the inclusive practices that enable First Nations students and staff to thrive and excel. The initiatives prioritise system change that engages and influences VET leadership to recognise and accelerate best practice across the VET sector.

Victoria will continue putting measures in place to grow the First Nations VET workforce and boost cultural competency of mainstream RTOs, including:

- **$2.85 million to boost the cultural competency of mainstream RTOs and advance the Koorie (First Nations) VET workforce**

  Koorie (First Nations) cultural inclusion and engagement tools and resources to ensure high-quality cultural awareness and competence for service leaders and practitioners across the VET sector, including TAFEs, RTOs, and GTOs. As the largest employers of Koorie VET workforce, mainstream settings need Koorie knowledge to uplift the quality and accessibility of engagement protocols, recruitment, induction modules, and cultural auditing to promote a more inclusive environment where Koorie students and staff can thrive.

Through the program, VAEAI will provide and deliver inclusion expertise, relay Community lived experience and embed cultural knowledge within TAFEs, RTOs and GTOs. VAEAI will foster capability in the VET sector to implement improvements in the adoption of culturally inclusive practices, resources and tools. VAEAI, as an instrument of the Community will drive, shape and lead behavioural change at a systemic level. The resources, tools and engagement will uplift expectations and strengthen the sector to boost cultural competency across TAFEs, GTOs and RTOs.

Advance the Koorie (First Nations) VET Workforce

Koorie staff who are already working in the 'mainstream' VET workforce need professional and cultural supports to foster attraction, retention, professional development and career advancement. Koorie staff are over-represented in entry-level roles and under-represented in post-entry and senior VET roles. Professional development modules tailored to the needs of the Koorie VET workforce will be developed in consultation with the Community and relevant stakeholders. Development courses will be designed for the advancement of the current Koorie VET workforce and made available through a widely accessible platform such as the VET Development Centre, a centre funded through the Victorian Skills Authority.

Commonwealth Investment ($)	State Investment ($)	Planned Start Date	Planned End Date
2.85 million	Victoria will meet its matched funding obligations through committed expenditure, consistent with clause A91 of the NSA. See details below.	1 January 2024	31 December 2028

Performance Indicators

THE ALLIANCE

In alignment with Priority Reform 4 in the National Closing the Gap agreement, data provided is subject to data sovereignty principles and agreements. These include recognition that data provided by a partner belongs to them, they have continued access and use of their data, and their data is intended for use in programs, reforms or strategies of relevance or benefit to them.

This approach ensures that collection of evidence for reporting processes is led by First Nations partners, aligns with appropriate cultural values and serves self-determined priorities. It ensures reporting is community owned and controlled, culturally relevant, ethically collected and managed, and shared in meaningful way to First Nations people.

Measures in line with the data sovereignty approach outlined above are agreed by all ACC-RTO partners:

- Participation in VET programs at ACC-RTOs, (including Skills First enrolments, commencements and completions)
- Engagement in student support services
- Students and/or trainers supported through delivery of this BIP
- Other qualitative and quantitative information such as case studies

VAEAI

VAEAI is committed to data sovereignty in alignment with Priority Reform 4 in the National Closing the Gap agreement. Data collection, processing and delivery are critical functions of self-determination Koorie research and reporting. Performance indicators agreed by VAEAI include:

- Production and delivery of cultural awareness resources in VET sector
- Production delivery of professional development in Koorie VET workforce
- Qualitative measures (e.g. case studies, attitude surveys, stakeholder feedback etc.).

Evaluation arrangements

Victoria will undertake evaluation of current and new Closing the Gap initiatives over the remainder of the NSA. This will be done through both quantitative and qualitative measures to assess their effectiveness in achieving Closing the Gap outcomes.

The evaluation findings will guide future decisions on scaling and refining these initiatives, ensuring a robust and evidence-based framework for improving Closing the Gap targets in VET. Details of evaluation arrangements will be incorporated into the reporting milestones for Victoria's Closing the Gap initiatives.

All reporting requirements will be agreed with the relevant First Nations partners in alignment with data sovereignty principles.

Closing the Gap - approach to matched funding arrangements (clauses A97 and A102 refers)

Victoria has made considerable proactive investments to support Closing the Gap including measures to grow the First Nations VET workforce and boost cultural competency of mainstream RTOs.

Victoria will meet its matched funding obligations through committed expenditure towards two key Closing the Gap initiatives, as per the details below. **The funding is neither the full funding for these programs nor the full funding Victoria invests in Closing the Gap initiatives. More information is available in Victoria's Jurisdictional Action Plan.**

Details of Vic matched funding	**2025-26**	**2026-27**	**2027-28**	**2028-29**	**Total**
Aboriginal Languages program	$1,431,000	$681,000	$681,000	$681,000	$3,474,000
Skills First Aboriginal Access Fee Waiver	$2,161,000	$2,161,000	$2,161,000	$1,894,000	$8,377,000
Total	**$3,592,000**	**$2,842,000**	**$2,842,000**	**$2,575,000**	**$11,851,000**

Aboriginal Languages Program

This program builds on cultural competence in the Victorian VET sector. Aboriginal languages training contributes to meaningful employment options for more First Peoples in education and training. The purpose of the Aboriginal Languages program is to expand cultural competence, cultural connection and safety through a suite of First Nations Languages courses, following a permissions process with Traditional Owner groups. Consistent with Closing the Gap policy objectives, the program complements broader reforms in the NSA and the Closing the Gap Agreement to reduce entrenched inequality faced by First Nations people, with a particular focus on overcoming barriers to cultural and linguistic preservation (A93).

The ongoing development of the program is being carried out in collaboration with the VAEAI, following a permissions process with Traditional Owner groups. This ensures consistency with the Closing the Gap objectives requiring policy initiatives to be delivered in partnership with First Nations partner organisations and aligned with their needs and priorities (A94).

The key focus of the course in Learning Australian First Nations Languages is on cultural preservation and on reclaiming and reviving First Nations languages. Courses in Teaching Australian First Nations Language aim to develop a team of specialist teachers to revive languages and providing better employment opportunities to First Nations people in education and training. Courses are currently accessible for delivery by TAFEs and moving forward, approved programs can be added to the scope of ACC-RTOs to be delivered.

Together, these programs contribute to the achievement of NSA's population and system level outcomes by addressing diverse student needs, delivering responsive courses and focusing on high quality, responsive VET training (A19, A20).

The Language Program also closely aligns to the NSA policy objectives through its focus on cultural connection and preservation, enhancing cultural competence and improving employment opportunities for First Peoples. The Victorian co-contribution is funding for the delivery of the qualifications after the commencement of the NSA. There was previous funding for developing the programs in the 2022-23 Victorian State Budget. The funding for the delivery of the qualifications will continue for the life of the NSA, and will be considered part of Victoria's co-contribution.

Skills First Aboriginal Access Fee Waiver

Victorian Government subsidised VET courses can be accessed through subsidised *Skills First* training providers. There are also fee waivers available for priority cohorts. The Aboriginal Access Fee Waiver has a direct and positive impact on the financial sustainability of Victorian Aboriginal Community Controlled RTOs (ACC-RTOs). It relieves ACC-RTOs of independently resourcing financial support for its diverse and frequently disadvantaged First Nations cohort. The waiver in turn increases the funding stability of ACC-RTOs, allowing them greater certainty in making operational decisions to meet current demand, build capacity, and ultimately become more sustainable.

Funding detailed below is a proportion of the available funding over the next four years for the Aboriginal Languages Program and the Fee Waiver. Reporting on this funding will acquit Victoria's co-contribution to the Closing the Gap Bilateral Implementation Plan. This expenditure is separate to funding for First Nations learners under the Free TAFE program.

Details of matched funding	**2025-26 $**	**2026-27 $**	**2027-28 $**	**2028-29 $**	**Total $**
Vic contribution	3,592,000	2,842,000	2,842,000	2,575,000	**11,851,000**
Cwth contribution	5,130,000	2,760,000	2,760,000	1,201,000	**11.851,000**
Total $m	**8,722,000**	**5,602,000**	**5,602,000**	**3,774,000**	**23,702,000**

The Victorian Government will provide details of its matched funding contributions, including number of Skills First enrolments, commencements and completions in the Languages programs, and for the Aboriginal Access Fee Waiver at the end of each financial year, commencing 1 July 2025 until 31 December 2028. Final payments under this implementation plan may be reduced where the total contribution by the Victorian Government over the life of the project does not align with the Commonwealth contribution.

MILESTONES AND PAYMENTS – CLOSING THE GAP

Milestone	Evidence	Payment Value Up To (Commonwealth funded)	Commonwealth reporting period
Milestone 1: Agreement of Bilateral Implementation Plan (BIP).	1: Bilateral Implementation Plan agreed with the Commonwealth	$1,185,000 To be provided in 2025-26 financial year.	N/A
Milestone 2. Commonwealth acceptance of interim 2025-2026 progress report on initiatives to Close the Gap.	2. Completed progress report signed by relevant Victorian senior official providing status of implementation of all initiatives with performance indicators for agreed measures. • This will include performance indicators for agreed measures, timelines and sequencing of future initiatives as well as evaluation arrangements over the remainder of the NSA. Data reporting will be in alignment with data sovereignty principles agreed with partners. For Alliance: • Participation rate in VET programs via ACC-RTOs, • Engagement in student support services • Students and/or trainers supported through delivery of this BIP For VAEAI: • A project plan for initiatives to develop Koorie (First Nations) cultural inclusion and engagement tools and resources and activities to advance the Koorie (First Nations) VET Workforce • Agreed VAEAI performance measures will be reported on implementation of the project plan at M3.	$2,565,000 To be provided in 2025-26 financial year.	September 2025

Milestone	Evidence	Payment Value Up To (Commonwealth funded)	Commonwealth reporting period
Milestone 3. Commonwealth acceptance of interim 2025-2026 progress report on initiatives to Close the Gap, including the agreed measures for each activity.	3. Completed progress report signed by relevant Victorian senior official providing status of implementation of all initiatives with performance indicators for agreed measures. This will include performance indicators for agreed measures, timelines and sequencing of future initiatives as well as evaluation arrangements over the remainder of the NSA. Data reporting will be in alignment with data sovereignty principles agreed with partners. The agreed Alliance measures: • Participation rate in VET programs via ACC-RTOs, • Engagement in student support services • Students and/or trainers supported through delivery of this BIP The agreed VAEAI measures: • Production and delivery of cultural awareness resources in VET sector • Production delivery of professional development in Koorie VET workforce	$1,380,000 To be provided in 2025-26 financial year.	March 2026
Milestone 4: Commonwealth acceptance of final 2025-2026 progress report on initiatives to Close the Gap, including the agreed measures for each activity as per Milestone 3	4 Completed progress report signed by relevant Victorian senior official providing status of implementation of all initiatives with performance indicators for agreed measures. Data reporting will be in alignment with data sovereignty principles agreed with partners.	$1,380,000 To be provided in 2026-27 financial year.	September 2026
Milestone 5: Commonwealth acceptance of interim 2026-2027 progress report on initiatives to Close the Gap, including the agreed measures for each activity as per Milestone 3	5 Completed progress report signed by relevant Victorian senior official providing status of implementation of all initiatives with performance indicators for agreed measures. Data reporting will be in alignment with data sovereignty principles agreed with partners.	$1,380,000 To be provided in 2026-27 financial year.	March 2027

Milestone	Evidence	Payment Value Up To (Commonwealth funded)	Commonwealth reporting period
Milestone 6: Commonwealth acceptance of final 2026-2027 progress report on initiatives to Close the Gap, including the agreed measures for each activity as per Milestone 3	6 Completed progress report signed by relevant Victorian senior official providing status of implementation of all initiatives with performance indicators for agreed measures. Data reporting will be in alignment with data sovereignty principles agreed with partners.	$1,380,000 To be provided in 2027-28 financial year.	September 2027
Milestone 7: Commonwealth acceptance of interim 2027-2028 progress report on initiatives to Close the Gap, including the agreed measures for each activity as per Milestone 3	7 Completed progress report signed by relevant Victorian senior official providing status of implementation of all initiatives with performance indicators for agreed measures. Data reporting will be in alignment with data sovereignty principles agreed with partners.	$1,380,000 To be provided in 2027-28 financial year.	March 2028
Milestone 8: Commonwealth acceptance of final report including evaluation of initiatives to Close the Gap and financial acquittal.	8 Completed final report and acquittal signed by relevant Victorian senior official providing status of implementation of all initiatives with performance indicators for agreed measures, including financial expenditure information to allow final reconciliation of matched funding. Data reporting will be in alignment with data sovereignty principles agreed with partners.	$1,201,000 To be provided in 2028-29 financial year.	December 2028
	Total	**$11,851,000**	

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

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

The Honourable Andrew Giles MP

Minister for Skills and Training

19/3/2025

Signed *for and on behalf of the State of Victoria by*

The Honourable Gayle Tierney MP

Minister for Skills and TAFE

11/3/25.