



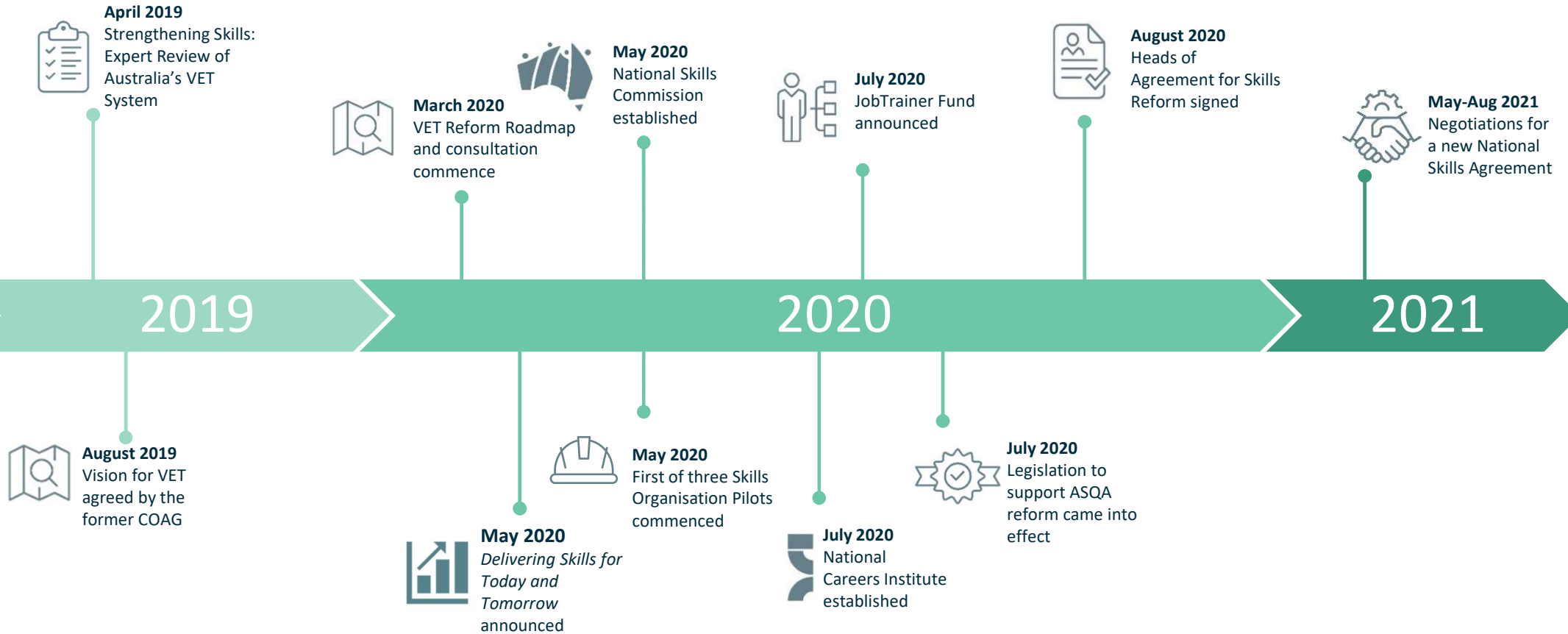
Australian Government

Skills Reform

Skills and Training 2021-22 Budget presentation

May 2021

VET reform journey



Vision for VET

Governments, industry and other key stakeholders are working together to create a VET system that:

- is **relevant** and responsive to the job market, employers, industry and learners.
- supports public confidence in the **quality** and value of VET for students throughout their lives.
- ensures all prospective students and employers can **access** suitable information and training.



Budget 2021–22 Overview

The Government is continuing its significant investment in skills and training, by funding initiatives that:

- continue to build on the **structural long term reform** already underway in the VET sector in line with the **national vision for VET**.
- support key government priorities, including **growing jobs; improving economic security and opportunities for women; and positioning Australia as a leading digital economy**.

Budget 2021-22 measures are building on the foundations of VET reforms and making a down payment on the future National Skills Agreement

New industry engagement arrangements

The Government will provide an additional \$149.2 million over four years to establish and support a new model for industry engagement in the VET system.

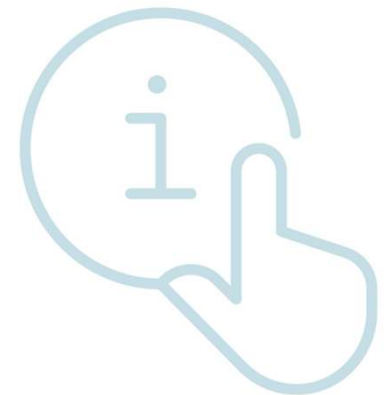
- The establishment of **industry clusters** will ensure a strong, strategic industry voice, drive collaboration across sectors by breaking down silos, address strategic workforce challenges and improve the speed to market of qualifications to meet evolving industry needs.
- Strengthening the role of industry in the VET system will mean qualifications are **aligned to the skills that are in demand, increase workforce productivity** and get **more learners into jobs**.



Better access to information

The Government will invest \$7.6 million to expand the NCI services and \$30.9 million to deliver a new National Training Register.

- **NCI services** will be expanded to support young Australians who have been disproportionately impacted by COVID-19, including:
 - extending the NCI 1800 CAREER Information Service.
 - holding face-to-face events and online outreach
 - running an additional round of the NCI's Partnership Grants Program targeted at the needs of young people.
- The new **National Training Register** will rebuild the training.gov.au platform to better support students, industry and employers and the future readiness of the VET sector.
- The NCI will also receive an additional \$2.7 million to **improve understanding and perceptions of job opportunities in modern agriculture.**



Building foundation skills

The Government will provide \$23.6 million to support access to foundation skills for Australians with low levels of language, literacy, numeracy and digital literacy.

- \$20.6 million for the **Skills for Education and Employment program** to assist more job seekers to access the program and achieve meaningful outcomes.
- \$2.0 million to expand the role of the **Reading Writing Hotline**.
- \$1.0 million for **research activities** to support foundation skills policy.



Increasing apprenticeship commencements

The Government is investing in a range of measures to support employers and apprentices.

- \$2.7 billion extension of the **Boosting Apprenticeship Commencements wage subsidy** to support the apprenticeships sector return to business as usual and ensures a pipeline of skills necessary for economic recovery is maintained.
- \$12.1 million to **modernise the Australian Apprenticeship system** and create **nationally consistent and accessible** subsidy and apprenticeship information, by:
 - consolidating and streamlining subsidy and incentives information into a single source “Incentives Estimator”.
 - negotiating with states and territories governments to put in place more consistent definitions, Training Contract durations and other factors within the apprenticeship system.
 - creating greater consistency for licensed occupations between jurisdictions.
- Extending the **Australian Apprenticeship Incentives Program (AAIP)** until the **Incentives for Australian Apprenticeships (IAA) Program** commences on 1 October 2021 to ensure uninterrupted support for apprentices and employers.

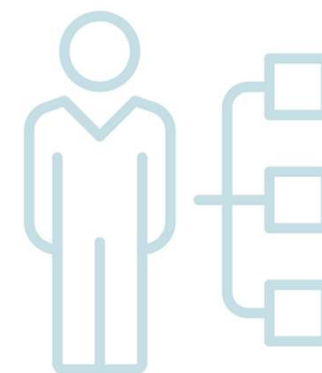


*Budget 2021-22 skills and training initiatives focus on
key priority sectors and cohorts most affected by COVID-19
to consolidate our recovery and secure our future
economic prosperity*

Extension of JobTrainer

The Government will offer an additional \$500 million in matched funding to jurisdictions to extend the JobTrainer Fund to 31 December 2022.

- The JobTrainer Fund extension will support around **163,000 additional low-fee and free training places** in areas of identified skills need, including:
 - around 33,000 places in **aged care qualifications**
 - around 10,000 **digital skills training places** to help grow Australia's digital workforce.
- This measure also provides an additional \$6.3 million in 2021– 22 for an advertising campaign to increase the take-up of training.



Additional measures focused on women, youth and digital skills

Women and youth

- \$12.2 million for a new round of the **National Careers Institute Partnership Grants Program** to support career opportunities for women..
- Expansion of **Mid-Career Checkpoint program** to a larger cohort with a continual focus on supporting women aged 30 to 45.
- \$2.6 million for the **Australian Apprenticeship Support Network** to enhance support for women.
- \$2.9 million redirected to expand the **Commonwealth Scholarships Program for Young Australians**.

Digital skills

- \$10.7 million to fund the **Digital Skills Cadetship trial** to support emerging and priority digital fields, including: cybersecurity; advanced manufacturing; data analytics; game design; and animation.



Further support for education providers

The Government is investing \$53.6 million to support international education providers and providers most affected by COVID-19.

- Extend **regulatory fee relief** for CRICOS, TEQSA and ASQA.
- Establish an **Innovation Fund** for private higher education and private ELICOS providers.
- Extend **FEE-HELP loan fee exemption** granted to private higher education providers.
- Offer an extra **5,000 short course places** at non-university higher education providers.
- **Reduce reporting requirements** for private international education.
- The Government is also investing \$4.6 million to make remaining **Trade Recognition Australia (TRA) skills assessment pathway** programs demand driven and move to **full cost recovery** of TRA services.



Complementary employment budget measures

The Government is also investing in employment measures to foster a strong, more competitive and resilient economy

- Delivering the **New Employment Services Model (NESM)** and **broader support for job seekers** to return to employment, including:
 - \$37.4 million to connect job seekers with key industries and large employers.
 - \$80.8 million for the NESM Digital Services Contact Centre.
 - \$15.6 million to increase wage subsidies available through jobactive, Transition to Work and ParentsNext.
 - \$481.2 million to expand Transition to Work to be a dedicated NESM youth employment services.
 - \$213.5 million to extend and expand the Local Jobs Program.



Next steps

The Government will continue to work with stakeholders, including state and territory governments to:

- Progress the immediate priority reforms under the Heads of Agreement.
- Consult on implementation of new measures to support Australia's skills and training sector.
- Finalise the new National Skills Agreement - a new agreement is now critical to build on the platform that has been established over the past 18 months.

For more information visit: www.dese.gov.au/skills-reform