

# Skills Shortages in NSW

Legislative Assembly of New South Wales

Economic Development Committee

Report 2/55 – March 2014

**NSW Government Response**

**September 2014**

## Introduction

The NSW Government welcomes the report of the Legislative Assembly inquiry into Skills Shortages in NSW and notes the work of the Economic Development Committee in examining this important policy area.

Responding to skill shortages is a priority for the NSW Government and several of the recommendations are already being implemented. For example, the NSW Government:

- supports regionally-based training, committing to an additional 43,100 training commencements for regional and remote students between 2012 and 2016 under the National Partnership Agreement on Skills Reform
- markets trade training and apprenticeships through regional careers markets and information sessions conducted within schools and the NSW Training Awards
- provides assistance through a travel and accommodation allowance to apprentices and new entrant trainees who have to travel over 120 kilometres round trip to attend training and since 2009 has awarded Country Apprentice Scholarships to apprentices from country NSW who experience hardship
- has supported competency based apprenticeship training since 2001 under the *Apprenticeship and Traineeship Act*.

The NSW Government is implementing Smart and Skilled, a major reform of the training system in NSW. Smart and Skilled is the NSW response to the National Partnership Agreement on Skills Reform which aims to ensure high quality, responsive, equitable and efficient training. These reforms are about improving the economic productivity of NSW and the participation of individuals in the workforce.

Central to Smart and Skilled is quality training that leads to jobs for students. The NSW Skills List will ensure resources are allocated to the areas which best support economic growth, and where there are strong employment prospects for students. The NSW Smart and Skilled Quality Framework will provide confidence for Government and consumers that we are getting value for money and the high quality qualifications and skills needed for economic growth.

## Summary of Response to Recommendations

<p>1. <i>The Committee recommends that the NSW Government formulate an enhanced regime of skills auditing to be undertaken in a consistent and integrated way across all NSW government agencies.</i></p>	<p><b>Noted</b></p>
<p>2. <i>The Committee recommends that the NSW Government establish a NSW Centre for Regional Statistics and Research, based in regional NSW, to provide information and advice to regions to support planning, and to research the capacity of skilled migration and other measures to address skill shortages.</i></p>	<p><b>Not supported</b></p>
<p>3. <i>The Committee recommends that the NSW Government recommend to the Commonwealth Government changes to the migration system which ensure decisions on the granting of visas are more timely and better service the needs of employers when the local demand cannot be met.</i></p>	<p><b>Supported in principle</b></p>
<p>4. <i>The Committee recommends that the NSW Government recommend to the Commonwealth Government that the Regional Development Australia network implement measures which increase liaison and information sharing between regions with a view to better matching job vacancies and workers.</i></p>	<p><b>Supported in principle</b></p>
<p>5. <i>The Committee recommends that the NSW Government recommend to the Commonwealth Government that it review the role and responsibilities of the Regional Development Australia network to enhance and streamline the migration system. The Committee found that Regional Development Australia needs to be more regionally and sub-regionally responsive. The skills list should include semi-skilled level 4 work with application to the agriculture and hospitality industries amongst others.</i></p>	<p><b>Supported in principle</b></p>
<p>6. <i>The Committee recommends that the NSW Government recommend to the Commonwealth Government that it change working holiday and student visas to allow for the granting of visas for periods which reflect the needs of employers, especially in agriculture and tourism, for workers who can serve for entire harvesting, picking and holiday seasons without interruption.</i></p>	<p><b>Supported</b></p>
<p>7. <i>The Committee recommends that the NSW Government recommend to the Commonwealth Government the introduction of an organised work experience and workplace advice program for skilled migrants as a stepping stone to finding full employment.</i></p>	<p><b>Supported</b></p>

<p><b>8.</b> <i>The Committee recommends that the NSW Government implement an international apprenticeship scheme as an additional education marketing opportunity.</i></p>	<p><b>Noted</b></p>
<p><b>9.</b> <i>The Committee recommends that the NSW Minister for Education adopt work readiness as a goal for secondary school leavers.</i></p>	<p><b>Supported in principle</b></p>
<p><b>10.</b> <i>The Committee recommends that the NSW Government make mathematics a compulsory subject for the awarding of the NSW Higher School Certificate</i></p>	<p><b>Noted</b></p>
<p><b>11.</b> <i>The Committee recommends that the NSW Minister for Education undertake a review of other subjects which may be vital to ensuring the work readiness of school leavers.</i></p>	<p><b>Supported in principle</b></p>
<p><b>12.</b> <i>The Committee recommends that the NSW Minister for Education identify and implement programs which assist students to set and work towards the work readiness goal.</i></p>	<p><b>Supported</b></p>
<p><b>13.</b> <i>The Committee recommends that the NSW Government review the efficacy of careers advice offered in secondary schools.</i></p>	<p><b>Supported in principle</b></p>
<p><b>14.</b> <i>The Committee recommends that the NSW Minister for Education adopt regionally-based training as a goal and ensure that opportunities for regional training are maximised.</i></p>	<p><b>Supported</b></p>
<p><b>15.</b> <i>The Committee recommends that the NSW Government market trade training and apprenticeships to improve their attractiveness to young people and their parents.</i></p>	<p><b>Supported</b></p>
<p><b>16.</b> <i>The Committee recommends that the NSW Government identify and implement programs to encourage apprentices to complete their apprenticeship studies, including the application of financial rewards for completion.</i></p>	<p><b>Providing state-funded financial rewards for completion is not supported; implementing programs to encourage completion is supported</b></p>
<p><b>17.</b> <i>The Committee recommends that the NSW Government provide assistance to regional employers and apprentices to compensate for the additional costs incurred by regional apprenticeships.</i></p>	<p><b>Supported</b></p>
<p><b>18.</b> <i>The Committee recommends that the NSW Government introduce competency-based apprenticeship training.</i></p>	<p><b>Supported</b></p>
<p><b>19.</b> <i>The Committee recommends that the NSW Government recommend to the Commonwealth Government that technical and trade qualifications, including relevant work experience, be recognised automatically as prior learning for advanced standing</i></p>	<p><b>Supported in principle</b></p>

<i>for entry to relevant university courses.</i>	
<b>20.</b> <i>The Committee recommends that the NSW Government support TAFE NSW to develop a formal mentoring program that can be implemented across workplaces.</i>	<b>Supported in principle</b>
<b>21.</b> <i>The Committee recommends that the NSW Government implement programs to streamline business succession planning, and skills transfer from retired workers.</i>	<b>Supported in principle</b>
<b>22.</b> <i>The NSW Government implements programs to provide greater cultural and social support to skilled migrants relocating to regional communities.</i>	<b>Supported</b>

## Response to Recommendations

- The Committee recommends that the NSW Government formulate an enhanced regime of skills auditing to be undertaken in a consistent and integrated way across all NSW government agencies.*

### **NSW Government response: Noted**

This proposal would duplicate work that has already been done to establish the NSW Skills List.

The Department of Education and Communities has already undertaken a rigorous and transparent process involving labour market analysis, industry consultation and modelling in order to develop the NSW Skills List which will underpin the Smart and Skilled training reforms. The aim of the Skills List is to encourage enrolments in areas that meet the current and future skill needs of the NSW economy and industry. It will enable the needs of the NSW economy to be met and guide students towards qualifications with good job prospects.

As part of the process, industry profiles were developed based on the 19 ABS industries in NSW and analysis was undertaken of 358 occupations in NSW. Occupational employment projections, data from the Australian Bureau of Statistics, the former Department of Education, Employment and Workplace Relations and the former Australian Workforce and Productivity Agency, and NSW Government priorities were considered.

NSW Trade & Investment has commissioned research to help develop a more robust methodology for determining the NSW State Occupation List for skilled State-nominated migration. The methodology will incorporate a strong evidence base.

2. *The Committee recommends that the NSW Government establish a NSW Centre for Regional Statistics and Research, based in regional NSW, to provide information and advice to regions to support planning, and to research the capacity of skilled migration and other measures to address skill shortages.*

**NSW Government response: Not supported**

The NSW Government supports the provision of information and advice to regions to underpin planning and supports research into skill shortages. However, the NSW Government does not support the recommendation to establish of a Centre for Regional Statistics and Research which may duplicate work already being undertaken.

The report provides limited information on the roles and functions of the recommended Centre, nor does it identify specific knowledge or research gaps.

In the absence of this information it is difficult to determine how the proposed Centre would add value to the work currently undertaken by the Centre for Education Statistics and Evaluation in the Office of Education, or by TAFE NSW, the Australian Bureau of Statistics, the National Centre for Vocational Education Research and academic institutions.

It is unclear, for example, how the Centre would improve the quality of labour market data for regional areas, what sorts of research projects the Centre might undertake and what investment of resources would be required to achieve these outcomes.

Before the NSW Government could give further consideration to this recommendation, the proposed roles and functions of the Centre would need to be identified, and a cost-benefit analysis carried out to identify whether the investment would provide value for money.

The NSW Centre for Education Statistics and Evaluation is currently undertaking a comprehensive review into the NSW Government's Rural and Remote Blueprint, the Connected Communities Strategy and Great Teaching, Inspired Learning. This evaluation will provide a strong evidence base for how the education policies are working in NSW.

3. *The Committee recommends that the NSW Government recommend to the Commonwealth Government changes to the migration system which ensure decisions on the granting of visas are more timely and better service the needs of employers when the local demand cannot be met.*

**NSW Government response: Supported in principle**

The NSW Government, including through the NSW Economic Development Framework, supports increasing the supply of international short to medium term labour, and has undertaken a number of reform initiatives aimed at boosting the share of skilled migration where it helps to address identified skill shortages.

NSW plays an active part in national and inter-jurisdictional forums on skilled migration issues. NSW officials advocate changes to migration policies and legislation which streamline skilled visa application and assessment.

4. *The Committee recommends that the NSW Government recommend to the Commonwealth Government that the Regional Development Australia network implement measures which increase liaison and information sharing between regions with a view to better matching job vacancies and workers.*

**NSW Government response: Supported in principle**

The Commonwealth has advised that the Regional Development Advisory (RDA) network is currently under review. NSW Trade & Investment is liaising with the Commonwealth and will be consulted by the Commonwealth on the review.

Currently, the NSW Regional Development Advisory Council (RDAC) provides a forum for liaison and information sharing between the 14 Regional Development Australia (RDAs) Committees in NSW. NSW Trade & Investment provides secretariat support to the Council.

The Government is represented at the Tourism Ministers' Meetings, the Skilled Migration Officer's Group, and the COAG Industry & Skills Council, all of which provide forums for exchange of information on regional skill needs.

There are also several existing information channels which facilitate information sharing on regional job vacancies, including the Harvest Trail page on the Australian Government JobSearch website, which links jobseekers with seasonal harvesting jobs throughout Australia.

5. *The Committee recommends the NSW Government recommend to the Commonwealth Government that it review the role and responsibilities of the Regional Development Australia network to enhance and streamline the migration system. The Committee found that Regional Development Australia needs to be more regionally and sub-regionally responsive. The skills list should include semi-skilled level 4 work with application to the agriculture and hospitality industries amongst others.*

**NSW Government response: Supported in principle**

Currently, six of the 14 Regional Development Australia (RDA) committees in NSW act as Regional Certifying Bodies (RCBs) for regional skilled visas, providing advice to the Commonwealth Department of Immigration & Border Protection on employer-nominated direct entry visa applications under the Regional Sponsored Migration Scheme (subclass 187) and they assess applications for Skilled Regional Provisional (subclass 489) state-nominated visas. They also undertake research into skill needs in their regions and maintain Regional Skilled Occupation Lists for skilled migrants to their regions that they adjust according to labour market conditions.

As part of the Commonwealth review of the role of the RDA network, NSW Trade & Investment has requested consideration of skilled and business migration in the regions.

The NSW Government regularly reviews the NSW State Occupation List for NSW skilled visa nominations (the NSW SOL) to ensure occupations in need are reflected. The NSW SOL was updated last year to list visitor economy-related occupations, including occupations from the tourism and hospitality industry (such as chefs, cooks, and hotel managers). The NSW Government supports the development of skills lists for migration that include work classified as semi-skilled where there is unmet employer demand for lower-skilled labour.

The NSW Government appreciates the need and demand for skilled migrants to address regional skills shortages. However, this should not replace the effort of training local people, especially in regional areas. Smart and Skilled is designed to increase the skills base of NSW. The NSW Skills List includes many qualifications for the agriculture and hospitality industries.

NSW recently had a Review into Agricultural Education and Training. The Government is committed to ensuring that the industry has a workforce with the right skills.

6. *The Committee recommends the NSW Government recommend to the Commonwealth Government that it change working holiday and student visas to allow for the granting of visas for periods which reflect the needs of employers, especially in agriculture and tourism, for workers who can serve for entire harvesting, picking and holiday seasons without interruption.*

**NSW Government response: Supported**

In the NSW Visitor Economy Industry Action Plan, the NSW Government has called on the Commonwealth to change migration policies and legislation, including changes to the Working Holiday Maker (WHM) program, to maximise the opportunities for an increase in the supply of international short-term labour to the NSW visitor economy to meet short-term needs.

NSW supports the expansion of the scope, flexibility and duration of working holiday visa programs and the Seasonal Worker Program to address identified labour shortfalls in industry sectors such as agriculture and tourism. NSW will continue to advocate for expansion of these programs to better meet the labour and skill needs of industry.

7. *The Committee recommends the NSW Government recommend to the Commonwealth Government the introduction of an organised work experience and workplace advice program for skilled migrants as a stepping stone to finding full employment.*

**NSW Government response: Supported**

Skilled migration is a significant part of Australia's immigration program, with more than two-thirds in the 2013-14 immigration program allocated to this cohort. NSW attracts the majority of migrants arriving in Australia, many of whom are highly skilled, proficient in English and selected according to areas of skills shortage.

NSW has much to gain in the successful settlement and integration of this cohort into the life of the State. However, research undertaken by the NSW Community Relations Commission (CRC) for the NSW Ministerial Roundtable on Workplace Diversity has identified barriers for particular groups of migrants entering the labour market, and opportunities for NSW to foster skills recognition and improve employment outcomes for these groups through work placement and mentoring.

The CRC is initiating an interagency working group to support the transition of migrants into the NSW labour force. The working group will focus on enhancing access to information, possible customisation of Skillmax courses for particular migrant groups, barriers to professional recognition and increasing collaboration between agencies, NGOs and industry.

Currently, the NSW Government funds the Skillmax program for skilled migrants seeking employment in their chosen profession. The program is delivered by the NSW Adult Migrant English Service.

8. *The Committee recommends that the NSW Government implement an international apprenticeship scheme as an additional education marketing opportunity.*

**NSW Government response: Noted**

The NSW Government believes that an international apprenticeship scheme could provide a structured employment and training framework for migrants. The Department of Education and Communities is in the process of establishing a scheme.

The scheme would require changes to existing policy and revised eligibility criteria. Students would need to be residing and working in NSW, making it an attractive option for international students who wish to acquire an Australian trade qualification. Fee and funding arrangements for the scheme, including any government subsidies, would need to be determined.

New arrangements to be introduced under national apprenticeship harmonisation, will allow any individual with a visa permitting paid work and of sufficient duration to be registered as an apprentice.

NSW also offers trade recognition and access to trade testing for individuals who have partial or full trade qualifications from overseas.

The Department of Immigration & Border Protection would need to make changes to current visa arrangements to support this opportunity to address skill shortages.

9. *The Committee recommends that the NSW Minister for Education adopt work readiness as a goal for secondary school leavers.*

### **NSW Government response: Supported in principle**

The NSW Government supports this recommendation in principle, noting the Board of Studies, Teaching and Educational Standards (BOSTES) is responsible for the development and review of the NSW syllabus.

Significant effort to encourage and support work readiness in school students is already occurring in government. Examples of existing programs are included in the response to recommendation 12. Work readiness is a goal for students undertaking work experience or work placement.

The Department has developed a range of resources for government students, parents, teachers, schools and employers to assist in delivering workplace learning, an important component of work readiness.

The Board of Studies, Teaching and Educational Standards (BOSTES) is responsible for monitoring curriculum development and implementation in NSW schools. Curriculum vehicles for work readiness include the BOSTES' Years 7-10 Work Education syllabus and BOSTES' Years 11-12 Work Studies syllabus.

The TAFE NSW Trade Readiness program gives people the opportunity to discover the skills and competencies needed to excel in an apprenticeship. It comprises of four days of intensive hands-on training and assessment, with a fifth day involving literacy and numeracy screening, exit interviews, career advice and counselling.

The Trade Readiness program was developed and piloted in TAFE NSW - South Western Sydney Institute in 2013. Trade Readiness programs were delivered by all TAFE NSW Institutes during 2014 to people in NSW interested in an apprenticeship including carpentry, plumbing, electrical and other construction trades, hospitality, automotive and engineering trades. Many programs were targeted at school leavers.

Work readiness is not formally mandated as part of an exit credential in NSW as work readiness (or work/life readiness) is a broad term. The work readiness skill set required by employers would need to be agreed upon by business and industry and a range of other stakeholders, before it could be mandated as a goal for all secondary school leavers.

Opportunities for students to learn about the work, employment and enterprise are embedded in all NSW Years 7–10 syllabuses through learning across the curriculum content. This content includes developing work related key skills for effective participation in the work environments, including literacy, acquiring,

analysing and communicating information, working individually and collaboratively, rights and responsibilities in the contemporary work place, and safe working practices.

Potential issues include a determination of how best to assess work readiness and the costs and commitment involved in assessment.

10. *The Committee recommends that the NSW Government makes mathematics a compulsory subject for the awarding of the NSW Higher School Certificate.*

**NSW Government response: Noted**

Currently mathematics is compulsory for all NSW students up to and including Year 10. This comprises a minimum 400 hours of study in Years 7 to 10. The DEC requires a minimum of 500 hours. 400 hours is regarded as a satisfactory foundation for participation in society, management of personal finances etc., as well as for progressing to one of the HSC mathematics courses.

In Years 11 and 12, while English is the only compulsory HSC subject, 83 per cent of students choose to study one or more of the range of mathematics courses offered (Mathematics Life Skills, Mathematics General 1, Mathematics General 2, Mathematics '2 Unit', Mathematics Extension 1 and Mathematics Extension 2).

It is recognised that students attain a suitable level of mathematics for the general work place by the end of Year 10, though industry and employer groups have made clear a preference for increased mathematical skills of its newest workforce entrants. Strategies for increasing enrolments in senior secondary years mathematics courses include a targeted approach to mathematics learning in Years 9 and 10, with support for teachers to differentiate curriculum and increased resources for raising student achievement. These include the NSW Government's Rural and Remote Education initiative to create virtual secondary schools providing curriculum extension for gifted and talented students.

The impact of such strategies and the advice from employing authorities, BOSTES and universities regarding increasing the number of trained mathematics teachers and any unintended consequences of mandating mathematics in Stage 6 (years 11 and 12) will be critical.

11. *The Committee recommends that the NSW Minister for Education undertake a review of other subjects which may be vital to ensuring the work readiness of school leavers.*

**NSW Government response: Supported in principle**

The NSW Government supports this recommendation in principle, noting the Board of Studies, Teaching and Educational Standards (BOSTES) is responsible for the development and review of NSW syllabuses.

Any review of subjects which may be vital to ensuring the work readiness of school leavers would be initiated by the BOSTES through its established syllabus development cycle. All school sectors as well as industry and parent groups have the opportunity to provide input during the consultation process of syllabus reviews.

The Human Society and Its Environment (HSIE) Key Learning Area has two syllabuses relevant to preparing young people for the workforce:

- Work Education Year 7-10 syllabus
- Work Studies Stage 6 syllabus (reviewed and updated September 2012).

School based apprenticeships incorporate a BOSTES Industry Based Learning course recognised in the HSC.

The Australian Curriculum, Assessment and Reporting Authority (ACARA) is finalising the Australian Curriculum: Work Studies for Year 9-10 while NSW understands that ACARA has paused work on the National Trade Cadetship Curriculum for Years 11 and 12.

Vocational education courses are also being constantly updated, including their aspects related to work readiness.

12. *The Committee recommends that the NSW Minister for Education identify and implement programs which assist students to set and work towards the work readiness goal.*

### **NSW Government response: Supported**

A range of programs which assist students to set and work towards the work readiness goal already exist.

The Board of Studies, Teaching and Educational Standards is responsible for initiatives such as the *up2now – my ongoing learning portfolio* that enables students to record, organise and share evidence of their extracurricular activities, such as first-aid qualifications or volunteer work.

Examples of programs or initiatives already promoted by the Department of Education and Communities include:

- The *Real Game Series* <http://www.curriculumpress.edu.au/the-real-game>
- *Australian Youth Mentoring Network*
- *Worlds of Work* - developed by the Foundation for Young Australians, poses the question, 'What does it take to be successful in life and work?'
- *Work Inspiration* - an employer-led initiative that aims to make work experience more meaningful and inspiring:  
<http://www.workinspiration.com.au/whats-involved/>
- *Girls in Trades* initiative with Women NSW.

Examples of external programs that help students develop their work readiness include the following:

- *Beacon Foundation* <http://beaconfoundation.com.au/>
- *Clontarf Foundation* <http://www.clontarf.org.au/>

13. *The Committee recommends that the NSW Government review the efficacy of careers advice offered in secondary schools.*

**NSW Government response: Supported in principle**

In NSW government schools, careers advisers and transition advisors work closely with students to support their transition from school and inform students of possible career pathways in line with individual student's aspirations.

Transition advisors in government schools work intensively with groups of targeted students in their school who are at risk of disengaging. These students are supported to get back on track and develop a transition plan to post-school training and employment.

The Department of Education and Communities on behalf of the then Board of Vocational Education and Training commissioned the University of Melbourne to conduct the 2013 Expectations and Destinations of NSW Senior Secondary Students survey. This survey included students from all three NSW school sectors. The survey collected information on student's access to a range of different types of career advice. However, it did not collect information on student's perceptions of the quality and appropriateness of the career advice received nor on whether the advice had any impact on their career planning, decision-making, aspirations and expectations.

It is proposed that a follow up study be undertaken to examine career information and advice in government schools including its impact from the student's perspective. The focus of a review should include:

1. How can quality career advice be fostered in NSW senior secondary schools?
2. How widespread is the provision of quality careers advice in NSW secondary schools?
3. What factor (e.g. school, family, attitudinal, demographic variables) influence students' capacity to access and act upon quality career advice?
4. What are the implications at the system level for maximising the quality of career advice provided to NSW students?

14. *The Committee recommends that the NSW Minister for Education adopt regionally-based training as a goal and ensure that opportunities for regional training are maximised.*

**NSW Government response: Supported**

The NSW Government supports regionally-based training. Through the National Partnership Agreement on Skills Reform, the NSW Government has a commitment to achieving an additional 43,100 training commencements for regional and remote students.

Regional training is a priority under Smart and Skilled. Loadings will be available for training rural and remote students and community service obligations (CSO) will apply in thin training markets.

TAFE NSW is required by *The Minister's Statement of Owner Expectations: NSW TAFE Commission (TAFE NSW)* to provide access to essential training services across NSW regions. TAFE NSW is expected to compete in a competitive market and deliver specialist training in industry and labour market priority areas, particularly in thin markets or high cost areas including regional and rural communities.

ACE providers will also receive CSO funding to guarantee vocational education and training in regional and remote areas. The funding will help students gain access to quality training where *Smart and Skilled* entitlements cannot effectively be accessed by eligible students in regional and remote areas.

The Regional Training and Employment Strategy, in operation since 2009, is designed to increase economic development in NSW through targeted training and related assistance.

15. *The Committee recommends that the NSW Government market trade training and apprenticeships to improve their attractiveness to young people and their parents.*

**NSW Government response: Supported**

The NSW Government supports marketing of trade training and apprenticeships. Currently a range of avenues are used for marketing including regional careers markets, information sessions conducted within schools and the NSW Training Awards.

The NSW Government is working with industry and education/training institutions to further promote both the existence of and the access to industry-led and Government-led training programs. The Sydney Tourism Employment Plan (TEP), a joint Australian and NSW initiative, includes specific strategies focused on Indigenous employment opportunities, careers promotion and enhancement, and workforce and skills development. Actions under the strategies increase awareness of training and support programs, to encourage

their uptake and stimulate greater student interest in the tourism and hospitality sectors.

The NSW Government is undertaking a Hospitality Careers Initiative, a 2014 priority identified in the NSW Economic Development Framework. The initiative is aimed at encouraging and persuading young people to consider and pursue a career in hospitality as a means of addressing the labour and skills shortages being experienced in the industry. The initiative includes a communications strategy targeted at careers advisors and providing career resources to encourage stronger interest in tourism and hospitality career opportunities.

16. *The Committee recommends that the NSW Government identify and implement programs to encourage apprentices to complete their apprenticeship studies, including the application of financial rewards for completion.*

**NSW Government response: Providing state-funded financial rewards for completion is not supported; implementing programs to encourage completion is supported**

NSW does not support providing state-funded financial rewards for the completion of apprenticeships as it is not clear that greater financial rewards would achieve higher completion rates. The Commonwealth currently provides incentives to employers and apprentices. From 1 July, the Commonwealth is providing Trade Support Loans for a maximum of \$20,000 interest free and paid back at the same threshold as university students' HECS-HELP loans. Apprentices who complete their training get a 20 per cent discount on the amount to be repaid.

Other strategies have been developed to improve completion rates of apprentices and trainees in NSW. For instance, rates for early completion have risen significantly since the completion process was simplified in NSW in July 2013. At the end of June 2014, over 59,000 apprentices and trainees had completed their training contracts in the past 12 months with 61 per cent completing early. Of these learners, 13,500 apprentices completed their apprenticeship with nearly 50 per cent through early completion.

Early indications suggest programs such as pre-apprenticeship courses and the TAFE-delivered Trade Readiness initiative enable students to make more informed decisions about taking up an apprenticeship, leading to better completions.

Attrition rates for apprentices and trainees in NSW have improved by 2 per cent in the past 12 months. Strategies include more targeted workshops for workplace supervisors, better information for employers recruiting apprentices, and tools to help field staff identify high risk employers and learners so that resources can be made available to them.

17. *The Committee recommends that the NSW Government provide assistance to regional employers and apprentices to compensate for the additional costs incurred by regional apprenticeships.*

**NSW Government response: Supported**

The NSW Government currently provides a travel and accommodation allowance to apprentices and new entrant trainees who have to travel over 120 kilometres round trip to attend training.

Country Apprentice Scholarships are awarded to a group of apprentices from country NSW who are experiencing hardship but showing potential in their apprenticeships. Since its inception in 2009, 86 scholarships have been awarded, 23 of which were for apprentices of Aboriginal and Torres Strait Islander background. Many of these apprentices comment that the costs associated with long distances to get to work and training, without access to public transport, contribute to their hardship. At least 10 Scholarships are awarded each year. At least two of these are awarded to apprentices of Aboriginal or Torres Strait Islander background. The apprentice receives \$5,000 for each year spent in training to a maximum of \$15,000.

From 2014 the NSW Government will also be awarding Bert Evans Apprentice Scholarships to 40 first, second and third year apprentices who have a disability, or are Aboriginal or are females in non-traditional trades for women. The scholarships will be awarded to apprentices across the state.

The NSW Government provides exemption from workers compensation premiums for employers of apprentices and payroll tax rebates for employers and a car registration rebate for first and second year apprentices.

18. *The Committee recommends that the NSW Government introduce competency-based apprenticeship training.*

**NSW Government response: Supported**

The NSW Government supports competency-based progression and completion. NSW has had competency-based apprenticeship training since 2001 under the *Apprenticeship and Traineeship Act* and has worked with industry to promote and develop Vocational Training Orders and guidelines to assist employers with the provision of competency-based wage progression as it has become available in industrial instruments.

19. *The Committee recommends the NSW Government recommend to the Commonwealth Government that technical and trade qualifications, including relevant work experience, be recognised automatically as prior learning for advanced standing for entry to relevant university courses.*

**NSW Government response: Supported in principle**

The NSW Government supports maximising credit transfer in pathways from vocational education to university study, in order to increase qualification levels across the population in line with *NSW 2021* targets.

However, it should be noted universities are largely autonomous institutions with full control over entry and the courses of study they offer.

Transition to university study with advanced standing has been a longstanding issue, with previous attempts to implement block credit arrangements across all universities being unsuccessful.

While many local arrangements have been made by individual institutions, it has not been possible to agree on automatic credit arrangements applying across all institutions and areas of study. This is because of the different orientation of many degree programs with strong theoretical components, and the fact that degree programs in the same field can differ significantly in content across universities.

The most successful programs for credit transfer from vocational education and training to universities have been those jointly developed by the providers at the local level. For example, integrated tertiary pathways programs support the transition from VET to higher education through curriculum design that better integrates the VET competency-based model with the graduate capability orientation of degree programs.

Work towards establishing standardised quality arrangements for VET provision will also provide a stronger basis for credit transfer and Recognition of Prior Learning (RPL) arrangements to apply. It is also important that VET students know about the possibility of negotiating credit into university degree programs. As relatively few students use their VET qualifications to gain appropriate credit into university programs an effective communication strategy would support this, for example, a one-stop-shop approach with up-to-date advice on credit transfer and RPL opportunities.

As the Australian Qualifications Framework Pathways Policy notes, issuing organisations such as universities have the responsibility to make decisions on admission, prerequisites or programs of study, and the student's likely successful completion of the qualification.

20. *The Committee recommends that the NSW Government support TAFE NSW to develop a formal mentoring program that can be implemented across workplaces.*

**NSW Government response: Supported in principle**

The NSW Government supports mentoring programs but does not believe they should be limited to TAFE NSW to provide this service. Providers across the whole of the VET sector should be free to design and deliver in accordance with the area of study/industry.

The role of the mentor is to support and encourage the participants in both their academic program and their work placement. The mentor arranges work placement and promotes and encourages traineeships for the participants.

As the public provider, TAFE NSW currently has a number of mentoring programs that are being delivered by TAFE NSW Institutes:

- North Coast TAFE has accessed Strategic Skills Program funding to deliver skills sets in Mentoring for Supervisors and Interpersonal Communications for Northern Co-operative Meats at Casino. The skills sets will be delivered onsite at the meatworks starting in May 2014.
- North Coast TAFE has accessed Strategic Skills Program funding to deliver 4-part qualifications to employers who are supporting workers with disabilities. The part qualifications include Demonstrate Inclusive Communication Skills for Mentoring for Taree employers and Provide Work Skill Instruction for Richmond Valley employers. The part qualifications are being delivered at Taree and Wollongbar Campuses and started in mid-March 2014.
- TAFE Illawarra offers the Young at Heart program. This is a six week introductory course to the aged care industry for people aged 17-35 years and includes mentoring in both the training program and work placement components.

The program consists of four weeks of training where students complete six units from the Certificate III in Aged Care and two weeks of work placement in an aged care facility. The program is delivered at Shellharbour Campus and utilises local aged care facilities.

This program is funded through the Community Services & Health industry Skills Council with Regional Workforce Innovation Network (WIN) and in-kind contributions from TAFE Illawarra, Local Employment Coordinators, Employment Pathway and Employment Service Providers.

- TAFE NSW – Western Sydney Institute has a mentoring program for women in non-traditional trades and technical programs. The program matches women in non-traditional trades and technical programs with female trade or technical Head Teachers, Managers and Counsellors.

- Under the Disabled Australian Apprenticeship Wage Subsidy Support Program (DAAWS) TAFE NSW – Western Sydney Institute currently has 28 students with disabilities receiving mentoring support in work-based apprenticeships and traineeships in Plumbing, Commercial Cookery, Bakery, Automotive Mechanical, Automotive Body, Engineering Mechanical, Engineering Fabrication, Carpentry and Business Administration.
- TAFE NSW – Western Sydney Institute’s Aboriginal Education and Training Unit (AETU) currently offers mentoring for Aboriginal students enrolled in the Indigenous Police Recruitment Our Way Delivery (IPROWD) program in partnership with NSW Police Force, Department of the Prime Minister and Cabinet and Charles Sturt University where the NSW Police Force Aboriginal Community Liaison Officer works alongside the TAFE mentors.
- Riverina Institute’s Digital Enterprise Program will provide mentoring and coaching support to up to 180 individuals over a two-year period (2014-2015). The scope of the work relates to developing the capability of business owners (SME) and their staff to leverage digital technologies and use them to create business opportunities. The project is confined to the Wagga Wagga LGA.
- Riverina Institute’s Apprentice to Business Owner (A to B program) delivers education and training to small business owners and sole traders who are qualified in a trade area. The program is centred on the Certificate IV in Small Business Management and it includes structured mentoring support as part of the training. This program is delivered out of the Wagga Wagga campus.

**21.** *The Committee recommends that the NSW Government implement programs to streamline business succession planning, and skills transfer from retired workers.*

**NSW Government response: Supported in principle**

NSW Trade & Investment supports streamlined business succession planning and all types of skills transfer. For example, through the creative industries Industry Action Plan (IAP), the NSW Government has provided emerging businesses in this field with access to business advisors who, among other things, help businesses to develop strong succession plans and skills transfer.

Succession planning has also emerged as an issue for discussion as part of the consultation process for the Agriculture IAP, which is still under development. The NSW Government currently supports the development of skills relating to succession planning through its joint funding with the Commonwealth of the Rural Financial Counselling Service. This service provides financial planning information and referral to specialist advisors where appropriate.

Similarly, within the tourism industry in NSW there is a strong understanding of the need to harness the skills and experience of mature employees. This is reflected in the industry-led Sydney Tourism Employment Plan (TEP), which proposes actions to increase awareness of workforce planning benefits, including succession planning and mentoring and training mature aged workers.

- 22.** *That the NSW Government implements programs to provide greater cultural and social support to skilled migrants relocating to regional communities.*

**NSW Government response: Supported**

The NSW Community Relations Commission (CRC) has a number of programs which support community engagement and community harmony in regional areas:

- Ten Regional Advisory Councils (RACs) provide advice to the Community Relations Commission on matters affecting community relations in rural and regional areas. The RACs allow for active participation across the state in the promotion of cultural diversity and are an effective forum for raising issues that affect local communities and identifying opportunities for new initiatives in rural and regional areas
- Under the Multicultural Policies and Services Program the CRC holds Regional Multicultural Coordinators Forums in Wagga Wagga and Lismore/Coffs Harbour. Based on the Multicultural Coordinators Forum held in Sydney, these forums provide an opportunity for senior public officials from regional areas to coordinate multicultural policy and planning issues in regional areas.
- The CRC provides interpreting and translation services in over 100 languages and dialects, including Auslan (the Australian sign language). The provision of interpreting services by government agencies assists immigrants to access information and services. This in turn supports their successful settlement in regional and rural areas, and is fundamental to promoting community harmony.
- Communities that are geographically or socially isolated are a priority for funding under the CRC Community Inclusion Grants Program. These grants support community building through partnership with not-for-profit organisations, State and Commonwealth government agencies and private sector organisations or industry groups.