



## Essential Skills Training & Recruitment

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### Opening Statement: Inquiry into vocational education and training in New South Wales

Essential Skills Training & Recruitment is a private RTO specialising in Community Services; Aged Care, Disability & Home and Community Care. We have been in operation since 2010 & we have recently had our registration renewed by ASQA.

Many of our staff have been in the Vocational Education and Training for a number of years and the last 2-3 years has seen considerable changes in the industry.

We believe both private and public RTO's have their part to play in the VET sector but the inequity between the two in regards to funding opportunities is hard to ignore. We pride ourselves on delivering quality training and assessment to the community services sector and should be given the same opportunities as TAFE to offer our customers access to funded training places. We have recently been informed of a funding allocation granted to TAFE to provide free training places in 2016 to bring new staff to the community services industry in response to the NDIS. We have had customers calling us asking if we have access to this funding as they wish to train with us as this is our speciality, private RTO's were not even given the opportunity to tender for this funding. If the government want to get the outcomes they desire why not look at the completion and placement outcomes of RTO's both public and private before decided where to allocate funds.

We have had a lot of consultation with our customers over the last 2 years in regards to the changes in the traineeship landscape. Community Services organisations do not have big budgets for training and the reduction in employer incentives and the increase in fees has had a major effect on traineeships in the industry. In the past employers received up to \$4000 per trainee and paid around \$500 administration fee. Employers would use this money to cover wages for staff to attend training, to provide on the job mentoring & to bring new employees into their organisations. Now employer incentives are \$1500 and average fees are \$1440, employers cannot afford the fees and see no benefit in the traineeship system as it stands. It is costly to train new staff and upskill current staff and their budgets don't allow for this without financial support in the community services sector.

The information given to RTO's before the implementation of Smart and Skilled sounded like a positive change to the sector. Allowing for a more competitive market place for both public and private RTO's based on quality not price and a greater choice for students. What was actually rolled out did absolutely the opposite, it blocked a lot of quality performing, smaller specialist RTO's out of the program. It gave smaller useless allocations to a majority of other RTO's and then large allocations to a select number of TAFE's and private RTO's. Our RTO is based in Newcastle and we were allocated \$30,000 in the Riverina Region and that was it! The entire program was been mismanaged from the start and it has been detrimental to the VET industry in NSW.

Data has shown that investment in VET in NSW has going backwards, schools and higher education funding has increased but VET has decreased. To allow NSW to meet the demand for a skilled workforce we need a bigger investment into VET in NSW.

Leisa Harrison  
Senior Manager