

11 APR 2012

Department of
Education and Training

Mr Tim Watling
Committee Secretary
Senate Standing Committees on Education,
Employment and Workplace Relations
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Mr Watling

Thank you for your letter dated 28 March 2012 and the opportunity to provide a submission to the Senate Standing Committee on Education, Employment and Workplace Relations on the Skills Australia (Australian Workforce and Productivity Agency) Bill 2012 (the Bill).

The Queensland Department of Education, Training and Employment supports the underpinning objectives of the Bill to place industry at the centre of the national training system and to strengthen industry's voice on policy and industry skills funding.

The Department does not have any specific comments on the name change, size of the new Australian Workforce and Productivity Agency or consequential and transitional amendments proposed in the Bill.

In relation to the proposal to extend the objects of the *Skills Australia Act 2008*, and therefore the functions of the new Australian Workforce and Productivity Agency to include provision of advice on allocation of Commonwealth industry skills and workforce development funding, it is important to ensure that the fundamental elements of Australia's national training system are maintained and balanced.

States and territories provide the greater part of investment in skills and training (65 per cent in Queensland's case) and a unique strength of our national training system is that co-funded training delivery is administered primarily by states and territories. This arrangement supports a cohesive national system and targets the available funding efficiently to complementary local, state and national objectives.

Having significant training delivery administered nationally risks duplication of training effort on the ground and potential misalignment of training with local skill needs and industry requirements. Put simply, there is already evidence that the purchasing of training by the States and State industry bodies, the Commonwealth and Commonwealth industry bodies is fragmenting skills investment. A far more effective system would be for the funds to be allocated to the States, with clear performance benchmarks on how the funds were to be invested to support an industry led system.

The Queensland Government has recently committed to reforming the State's skills commission, Skills Queensland, to create a truly independent, industry-led statutory authority to improve the system's focus on the needs of industry and the economy. This commitment will ensure that industry has a clear voice on policy and funding issues in Queensland and that funding is directed towards local economic needs.

I invite you to contact Ms Gabrielle Sinclair, Assistant Director-General Strategic Policy and Research on telephone _____ or email _____ ! should you require further information in relation to this matter.

Yours sincerely

Julie Grantham
Director-General

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