



Senator the Hon Simon Birmingham

Assistant Minister for Education and Training

Senator for South Australia

Dear <<Name>>

This week's [Budget](#) delivers on the Australian Government's plan to build jobs, growth and opportunity for all Australians.

Since coming to office the Coalition has supported up to 250,000 new jobs. The outlook for our economy remains positive and Australia remains one of the fastest growing economies in the world.

The Budget includes the biggest [small business package](#) in Australia's history - \$5.5 billion in tax cuts and immediate asset deductions for small businesses that will benefit small training providers and the small businesses that employ millions of apprentices and trainees across Australia every year.

The Australian Government is also targeting youth unemployment, with a \$330 million Youth Employment Strategy which provides support for young people who have disengaged from work and study and who are at risk of long-term welfare dependence to find and keep a job, or take up an apprenticeship or traineeship.

In the training portfolio, supporting Australians to have a go means investing in high quality training that delivers real skills for real jobs.

The Government is [investing around \\$6 billion this year to support vocational education](#) and training and to implement our significant VET reform agenda which is focused on jobs, quality and status.

This includes:

- Supporting up to 250,000 training places and support services under the \$664 million [Industry Skills Fund](#) which supports businesses to train their workers and provides independent skills advice, to help businesses take advantage of growth opportunities.
 - This includes providing 10,500 places under the Government's \$44 million innovative [Training for Employment Scholarships](#), and the [Youth Employment Pathways](#) pilots, supporting employers to engage and deliver job-specific training to unemployed 18-24 year olds; and assistance for community service organisations to help disengaged 15-18 year olds to return to school, start VET or move into the workforce.
- Funding a pilot of the innovative [P-TECH model](#) for schools in areas of high youth unemployment to allow students to undertake a vocational pathway while at school and support them to gain a post-school science, technology, engineering and maths (STEM) related qualification.
- Establishing a new [Australian Apprenticeship Support Network](#) to provide more help to employers, particularly small business employers, to recruit, train and retain apprentices.
- Abolishing Labor's hidden plan to make employers responsible for the administration of apprenticeships – a plan that would have added \$46 million in red tape costs to businesses every year.
- More support to help apprentices with the costs of living through [Trade Support Loans](#) of up to \$20,000, with the greatest support available in the early years when apprenticeship wages are lowest.
- Providing financial support to almost 80,000 employers this year to help with the costs of employing an apprentice through the [Australian Apprenticeship Incentives Program](#).

- \$1.8 billion this financial year paid to the States and Territories to support their training systems and reduce the costs to students of training.
- Putting industry at the heart of the training system to ensure training delivers students the skills they need for real jobs including:
 - A [new model](#) for the development and maintenance of Training Packages to ensure they are driven by the needs of modern Australian workplaces.
 - Replacing more than a dozen of Labor's bureaucratic advisory committees and bodies with a single, industry-led Australian Industry and Skills Council.
- Investing more than \$1.7 billion over the next four years in Foundation Skills programmes which support around 85,000 people each year to improve their language, literacy and numeracy skills.

The Budget also delivers on my commitment to significantly improve the quality of training in vocational education and training, and ensure that it is focused on outcomes for students.

- \$18.2 million has been provided to strengthen VET FEE-HELP compliance to enforce the [reforms I announced earlier this year](#) to protect students, taxpayers and the reputation of the wider VET sector from the actions of a minority of unscrupulous providers or brokers.
- The Budget implements the \$68 million commitment the Government has provided to the national training regulator, the Australian Skills Quality Authority, to enforce the tough [new Standards for Registered Training Organisations](#) which came into effect on 1 April. Without this funding, ASQA would have been forced to focus on revenue raising, rather than tackling poor practice, and RTOs would be paying around 120% more in annual fees.

Other initiatives to boost quality include: implementing [ASQA's new infringement notice scheme](#), to enable the national regulator to impose immediate fines on training providers for breaches of the *National Vocational Education and Training Regulator Act 2011*; ASQA's special [audit of VET FEE-HELP providers](#) to address quality concerns; supporting the [Australian Competition and Consumer Commission's investigation](#) into unscrupulous operators targeting vulnerable people with courses and loans they don't need or want; and establishing the [National Training Complaints Hotline \(13 38 73\)](#) to make it easier for complaints about training to be heard and actioned.

These measures are part of a significant reform agenda for the VET sector. I look forward to continuing to work with you on these exciting initiatives to ensure our vocational education and training system remains world class and works hand in hand with other Government policies to build jobs, growth and opportunity for all Australians.

Yours sincerely,



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