

EDUCATION, SCIENCE AND TRAINING

SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE 2005-2006 BUDGET ESTIMATES HEARING

Outcome: 2

Output Group: 2.2 – New Apprenticeship Workforce Development

DEST Question No. E163_06

Senator Carr provided in writing.

Question:

What is the unit cost to the Commonwealth of the Budget initiative to provide 4,500 pre-vocational training places over the next four years through group training arrangements?

What information is this assumption based upon?

Answer:

Group Training in the Trades Programme – Pre-vocational training in the trades component.

Under the Group Training in the Trades Programme Pre-vocational Training in the Trades component, \$4,000 (GST excl.) per participant will be paid for each pre-vocational training place over the four years of the programme to contracted Brokers.

The unit cost was derived on the average cost of providing pre-vocational training and support required for articulation into a New Apprenticeship in the trades. The rate between training providers varies and depends on the industry it is targeted towards. For example, the average cost of providing hands on training in automotive repairs is significantly more than the average cost of providing classroom training in office administration. Given that this policy targets trades and taking into account the Department's experience in funding pre-vocational training under the New Apprenticeships Access Programme, it is expected that the average cost of the training per participant will be \$1,000.

The additional \$3,000 on top of the training costs will fund Brokers to:

- identify New Apprenticeship opportunities where a lack of basic skills is an issue for employers;
- market opportunities to potential participants interested in obtaining a New Apprenticeship in the trades; and
- employ them under group training arrangements – that is placing participants with host employers and providing them with mentoring and support for the duration of their New Apprenticeship.

This additional \$3,000 is consistent with the average cost of the similarly targeted New Apprenticeships Targeted Initiatives Programme which funds Group Training Organisations to create New Apprenticeships in priority areas that would not otherwise happen.