

SKILLS FIRST: FOR INDUSTRY

Through *Skills First*, skills and training will better align with industry needs, providing real training for real jobs

PROVIDING MORE THAN JUST TRAINING

From January 2017, Victoria's training and TAFE system will be overhauled. A new approach to training will be implemented, setting a high benchmark for training quality, and support the courses that are most likely to lead to employment.

Through *Skills First*, the Andrews Labor Government's vision is for a stable, trusted training and TAFE system built on quality and integrity, where training providers are drivers for jobs: partnering with industry to deliver apprenticeships and traineeships, and retraining workers with new skills for the jobs of today – and tomorrow.

A strong and stable training system with robust TAFEs is fundamental to building industry capability and developing Victoria's current and future workforce. Skilling Victorians will ultimately lead to improved productivity, greater investment, stronger economic activity, increased innovation and more jobs.

Skills First gives a real voice for industry in training. It will be managed through a refined funded course list that better aligns with industry needs and workforce demands.

Extensive regional and industry consultations facilitated by the Victorian Skills Commissioner found that a significant number of Government-funded courses did not meet industry or community needs and rarely led to jobs.

To address this issue, courses included on the funded course list will:

- Better align with industry needs and workforce demands.
- Represent Government priorities, including rolling out the National Disability Insurance Scheme (NDIS), responding to family violence, and completing Victoria's infrastructure projects.

- Have a strong jobs outcome, such as apprenticeships.
- Meet other social needs, such as foundation skill courses.

The funded course list will be regularly reviewed, and courses added as required by industry needs.

WHAT WE'VE ALREADY DONE

- ✓ TAFE Back to Work Fund, to create almost 10,000 new jobs and more than 7,000 apprenticeships and traineeships.
- ✓ Established the Office of the Victorian Skills Commissioner.
- ✓ \$14 million to set up a new Industry Engagement Framework.
- ✓ \$50 million to support TAFEs to grow their apprenticeships and traineeships.
- ✓ \$16 million for Skills and Jobs Centres to link job seekers with employers.
- ✓ \$9.3 million over three years to support 17,000 apprentices and trainees through Group Training Organisations.
- ✓ \$8.4 million South Eastern Automotive Transition initiative to help auto workers retrain or upskill.
- ✓ \$9 million quality blitz on dodgy providers.
- ✓ \$34 million for a Regional Skills Fund.

NEXT STEPS

- ✓ Annual funding for the Workforce Innovation Training Fund, starting with an initial \$40 million in 2017.
- ✓ Annual funding for the Regional and Specialist Training Fund to meet regional and niche industry needs, starting with an initial \$30 million in 2017.
- ✓ \$2.7 million to help up to 10,000 apprentices through the Apprenticeship Support Officer Program across TAFEs
- ✓ \$1 million to work with industry and employers to identify and tackle the issues behind why some apprentices do not complete training.

INDUSTRY AT THE FOREFRONT

Under *Skills First*, there will be even stronger links with industry.

Through substantial consultation during the independent *VET Funding Review* led by Bruce Mackenzie, through the work of the Skills Commissioner and surveys of over 100,000 employers, the Government understands what industry needs in Victoria, what is working and what isn't.

The **Workforce Training Innovation Fund** will foster partnerships between industry, TAFEs and other training providers to work together to drive innovative collaboration through new qualifications, approaches to the delivery of training and curriculum development. Initial funding of **\$40 million** will be provided for 2017.

It is vital Victoria's current and future industries are equipped with employees who have the skills to support continued productivity and economic prosperity, and that business and employers have confidence in the training system and the qualifications of their future employees.

SECURING REGIONAL JOBS

Regional industries benefit from locally trained workers. In many areas, there are not enough students to run viable training. *Skills First* will introduce targeted funding for regional and niche markets through a new **Regional and Specialist Training Fund**.

Funding will be provided annually, with an initial **\$30 million** in 2017 to ensure the training system responds to industry needs through Victoria's regional communities and niche occupations.



A CLEARER VOICE FOR INDUSTRY

Industry Advisory Groups (IAGs): Ten new IAGs will be established covering industries ranging from construction and health, to resources and manufacturing.

They will consist of representatives of industry, unions and employers.

IAGs will provide advice to the VSC on matters including skill demand pressures and future industry skills needs.

Regional Taskforces: taskforces to ensure that regional skill and location based demands are addressed, Skills Taskforces will also be established to capture intelligence and advice about the unique labour needs of Victoria's regions.

Industry Taskforces: will be limited and ensure that Government has the necessary information to respond to emerging issues within the training and TAFE system and economy.

SKILLS FIRST – AT A GLANCE A NEW TRAINING SYSTEM:

- ✓ New more accountable contracts for Government funded training
- ✓ Restored supplementary funding for TAFEs
- ✓ New industry-focused funded course list
- ✓ New subsidy rates for quality training
- ✓ New targeted funding streams
 - Workforce Training Innovation Fund
 - Regional and Specialist Training Fund
 - High Needs Learners funding

Real training, for real jobs for a growing Victorian economy.

To find out more about how *Skills First* will help industry training providers, visit www.skillsfirst.vic.gov.au