



**THE HON KAREN ANDREWS MP**

ASSISTANT MINISTER FOR VOCATIONAL EDUCATION AND SKILLS

Our Ref MS17-900194

Mr Don Perlgut  
Chief Executive Officer  
Community Colleges Australia  
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Dear Mr Perlgut *Don*

Tonight, the Australian Government made an ongoing commitment to skilling Australians. From 1 July 2017, we'll have a new Skilling Australians Fund that is permanent and commits an estimated \$1.5 billion over four years.

The Skilling Australians Fund supersedes funding provided under the National Partnership Agreement on Skills Reform, which expires on 30 June 2017, and re-engineers the relationship between the Commonwealth and the states and territories.

Spending from the Skilling Australians Fund will be prioritised towards apprenticeships and traineeships, occupations in high demand and areas with identified future growth, as well as rural and regional Australia. States and territories will have the opportunity to bid for funding to deliver projects that will arrest the decline in apprenticeships and traineeships, and which support pre-apprenticeships, and higher-level apprenticeships.

The Government's approach will differ from the previous National Partnership Agreement on Skills Reform. Under the new arrangements, there will be an emphasis on strong accountability, transparency and the delivery of clear outcomes for skills training and the broader economy.

I will be working with industry alongside state and territory governments to ensure that the decline in apprenticeships and traineeships that has occurred over the life of the previous agreement will come to an end. Together, we can begin to grow the numbers of apprentices and trainees in-training back to, and ultimately beyond, peak levels by jointly supporting 300,000 more apprentices and trainees over the next four years.

I am also pleased to advise that in addition to the Skilling Australians Fund, the Government will invest \$60 million in Industry Specialist Mentoring for Australian Apprentices over two years. This measure will increase the support available to apprentices and trainees and forge new linkages with industry. Industry collaboration is key to the quality and relevance of training.

I share your commitment to building our skills and training system and I look forward to continuing to engage with you on the roll-out of the Skilling Australians Fund and Industry Specialist Mentoring for Australian Apprentices.

Yours sincerely

A handwritten signature in black ink that reads 'Karen Andrews'.

Karen Andrews MP