

LABOR'S PLAN TO SKILLUP AUSTRALIA AND INVEST IN APPRENTICES

Australia's economy is changing fast. As a result, the skills Australians need to get well-paid and secure jobs are changing too.

For many, these changes have not been easy. Underemployment is at record highs and unemployment is far too common – particularly among younger Australians, in the regions and for retrenched workers.

At the same time, more than one in three employers report difficulty filling jobs. It's clear the jobs exist, we just need to ensure Australians have the skills they need to get them.

Australia needs to invest in education, skills and training more than ever. But in this year's budget, Malcolm Turnbull has:

- Cut \$22 billion from Australian schools
- Cut \$3.8 billion from Australian universities
- Cut \$600 million from TAFE, training and apprentices.

Malcolm Turnbull is also overseeing a dramatic reduction in the number of apprentices – and he has no plan to reverse the decline.

Labor will fight Malcolm Turnbull's cuts to TAFE and apprentices, and ensure we have a skills and training sector that prepares Australians for quality jobs, today and into the future.

Malcolm Turnbull has neglected TAFE and vocational education

At the same time as Malcolm Turnbull is cutting money from schools and universities, the Liberals have also cut more than \$2.8 billion from TAFE, skills and training.

In his 2016-17 Budget, Malcolm Turnbull cut a further \$600 million from TAFE, skills and training over the next four years, compared to current arrangements.

Australia now has 130,000 fewer apprentices and trainees than it did when this government was elected.

In Australia today, TAFE and vocational education funding – as well as the number of supported students – are lower than they were a decade ago. This is despite an increasing number of jobs requiring vocational skills.

In too many towns and regional centres across Australia, TAFE campuses have closed, courses have been scaled back and fees have increased. Between 2013 and 2015:

- Employer dissatisfaction with the availability of vocational education in regional and rural areas has more than doubled

- Investment in TAFE and vocational education capital infrastructure fell by almost 75 per cent
- The hours of training delivered by TAFE fell by over 25 per cent

To make matters worse, in this year's Budget Malcolm Turnbull is walking away from the National Partnership on Skills Reform and cutting a further \$600 million of federal funding for TAFE and apprentices.

Unless this funding is restored, TAFE and vocational education will continue to decline, and ordinary Australians will pay the price by missing out on quality jobs.

Apprentices are in decline

For generations Australians have followed the trusted path into decent work through an apprenticeship. They provide young people with the opportunity to build prosperous working lives, as well as re-training for experienced workers seeking to reskill throughout their career.

Despite this, apprenticeship numbers are in decline, including in areas of skill shortages. There are more than 130,000 fewer apprentices and trainees today than when the Liberals entered government and less than half of the young people who start an apprenticeship finish.

The Turnbull/Abbott Governments have presided over seven consecutive quarters of decline in trade apprentices. There are 41,000 fewer trade apprentices in training while employer groups are reporting shortages in trades and technical occupations - in construction and engineering in particular.

In 2015-16 alone 10,403 temporary migration (457) visas were granted to fill trades and technician jobs; the very occupations where apprenticeships are in decline.

Labor's Plan

Labor will fight Malcolm Turnbull's cuts and invest in skills and apprenticeships by:

1. Investing an additional \$637.6 million into TAFE and vocational education – reversing the government's 2017 budget cuts in full
2. Guaranteeing at least two thirds of public vocational education funding for TAFE
3. Investing in a new TAFE revitalisation **Building TAFE for the Future Fund**, to revitalise TAFE campuses and facilities in regional and outer metropolitan areas
4. Setting a target of one in ten apprentices on all Commonwealth priority projects, including major Government Business Enterprise projects
5. Expanding pre-apprentice programs for young jobseekers
6. Investing in Advanced Adult Apprenticeships for workers in transition

This is just the start of Labor's plan to SkillUp Australia and invest in apprentices.

No More Cuts to Skills and Apprentices

Labor will reverse Malcolm Turnbull's \$600 million in cuts to TAFE, training and apprenticeships.

Australia cannot afford more cuts to skills and training.

A Shorten Labor Government will maintain funding for TAFE, skills and training. We will not stand by and watch Malcolm Turnbull cut skills and training even further.

Backing TAFE

A skilled workforce is a national economic priority, and TAFE is the backbone of our skills and training system.

After years of stories of dodgy private providers, investing in our trusted and high-quality TAFE sector is more important than ever.

A Shorten Labor Government will invest in more and better jobs for Australians by guaranteeing two thirds of public vocational education funding will go to TAFE. This will secure the future of TAFE across the country.

As part of this investment, states and territories will be required to:

- Prioritise training in areas of industry skills demand identified by the independent Australian Skills Authority
- Ensure TAFE receives at least two thirds of public funding for vocational education
- Maintain their current funding effort for TAFE and vocational education
- Keep quality regional campuses open to support industry and the community

The two thirds funding guarantee will reverse the decline of TAFE and restore it to the backbone of our vocational education system. A strong TAFE system is the only way to make sure quality vocational training is available across all parts of the country.

Labor will also ensure that quality providers, particularly in the not-for-profit and community education sector are supported.

Building TAFE for the Future

Labor will commit \$100 million towards a new Building TAFE for the Future Fund, to reverse the decline in TAFE facilities, and revitalise TAFE campuses across Australia. The Building TAFE for the Future Fund will help to:

- Re-establish TAFE facilities in regional communities that have lost campuses or course facilities
- Establish new facilities in areas of transition, population growth and industry expansion
- Provide facilities and equipment to support up-to-date teaching in the digital economy and technology

- Support expanded course offerings and new areas of study that meet the needs of the local community and industry

Investments in TAFE infrastructure will be prioritised to address skills shortages, future industry skills demands and community need.

Jobs for Apprentices

A Shorten Labor Government will boost apprentice numbers across the country by ensuring Commonwealth funded projects prioritise Australian jobs.

Labor will set a target that at least one in ten jobs on major projects will be filled by apprentices. On the basis of the commitments Labor took to the election, this would have resulted in at least an additional 2,600 apprenticeship placements from this initiative.

Successful contracts and funding agreements with state and territory governments will be contingent on major contractors being part of Apprenticeship and Training Plans. Apprenticeship and Training Plans will link with local TAFEs and upskill workers in the local area.

Labor will also work to meet this target on priority projects and in Government Business Enterprises, including:

- The future rollout of the National Broadband Network
- Future defence procurements
- Australian Rail Track Corporation

Apprentice Ready

One of the drivers of high non-completion rates for young apprentices is choosing an occupation they are ill-suited to. Good quality pre-apprenticeships, where young people can try out a range of work options, have been shown to lead to better choices and better completion rates.

This program will smooth the transition of 10,000 young job seekers into workplaces by providing them with nationally recognised, industry endorsed 20 week pre-apprenticeship training.

Places will be available to young people who have been unemployed for six months or more and will be delivered through TAFE's in areas where job demand is demonstrated and local employers are on board.

The skills, capabilities and jobs that apprenticeships provide are central to our national prosperity. Labor is committed to giving Australian workers opportunities to have their skills recognised and give them access to quality apprenticeships.

Advanced Entry Adult Apprenticeships

A trade apprenticeship takes between three and four years to complete. Time spent on reduced wages creates a barrier to adult workers seeking to reskill or upskill into technical and trade positions within firms and into new jobs.

This program will fast-track quality trade apprenticeships for up to 20,000 adults facing redundancy or already displaced from their jobs.

Workers will be given advanced standing for their existing skills and provided with gap training at TAFE in shorter duration apprenticeships to fill skilled trade jobs in areas of demand.

Financial Implications

2017-18	2018-19	2019-20	2020-21	Total
-176.9	-166.9	-136.9	-156.9	-637.6*

**This funding is in addition to the \$1.5 billion in the Skilling Australia Fund*