

2 July 2020

National Agreement for Skills and Workforce Development Review
Productivity Commission
GPO Box 1428
Canberra City, ACT 2601

Dear Commissioners Coppel and Roberts,

The Industry Skills Advisory Council NT welcomes the opportunity to respond to the Productivity Commission's Interim report on the National Agreement for Skills and Workforce Development.

In this response we would like to briefly address the reference attributed to ISACNT in the Interim report on page 210, under the Chapter 7.2 Support Services for Apprentices, sub-heading - Other supports for apprenticeships.

The specific reference is copied below.

First, the scope of services the Commonwealth contracts AASN providers to perform could be more transparent (Industry Skills Advisory Council NT, sub. 57).

This reference has been attributed to ISACNT which is not included in our submission.

We want to also comment on the way the report reads in this section where ISACNT is referenced.

We note that the flow of information in this part of the report appears to group information and comments from other submissions with ISACNT's response.

For example, it is noted in the Interim Report that the NT operates a dual contract for AASN services with the commonwealth. Nonetheless the following text in this paragraph, indicates that issues that apply to individual contracts are inherent in the Dual NT contract. ISACNT have not noted these issues in our submission. We understand the intention but it could be improved in the way it is presented.

The Commonwealth enters into individual contracts with providers, based on tenders, but State and Territory governments are unable to see these contracts. The Commission understands that this has led to some service duplication with STA field officers and registered training organisations (RTOs).

The Industry Skills Advisory Council NT noted that:

Mentoring and related apprenticeship support services within the Australian Apprenticeships Support Network lack accountability to the key stakeholders. Employers are able to terminate an employment relationship with an apprentice, bypassing mediation or support processes being accessed. (sub. 57, p. 11)

As an immediate step, the Australian Government could publish more information on the scope of services it contracts AASN providers to deliver. This would assist States, Territories, GTOs and RTOs to better plan their services and avoid duplication.

Second, and in the medium term, the Australian Government could conduct an evaluation on the new AASN contracts to examine how well the new performance measures and feedback mechanisms affect the efficiency of service provision and outcomes for users.

Finally, and over the longer term, the Australian, State and Territory governments could jointly contract AASN providers to align their services with local needs.

This would follow the example of the Northern Territory, where the Australian Government and the Northern Territory Government jointly contract an AASN to service that jurisdiction. Both governments set the scope of the AASN provider's services, assess the tenders and manage the contract. The Northern Territory does not administer separate support services (DESSFB 2019c).

Improving the quality and integrity of the apprenticeship support services underpins the context of our submission in relation to the attraction and retention of apprentices.

There is scope for a better integration of support services when apprentices are at risk of losing their employment relationship. Without the AASN provider being informed by the employer, prior to the severance of employment, the support system is not effectively informed and does not recognise that a problem exists until it is too late.

Thank you for the Interim Report and the opportunity to respond.

Sincerely

Debbie Paylor
GENERAL MANAGER
Industry Skills Advisory Council NT