

APPRENTICES AND TRAINEES

**861. Hon ROBIN SCOTT to the Minister for Education and Training:**

- (1) Is the minister aware of a recent report by the National Centre for Vocational Education Research to the effect that in Western Australia the number of trainees and apprentices in training declined by 7.4 per cent in the year to March 2018?
- (2) Is the minister aware of a statement by the chief executive officer of the Chamber of Commerce and Industry of Western Australia to the effect that training commencements for existing workers have declined by 24 per cent following the government's removal of the trainee exemption for payroll tax?
- (3) Is the minister aware of a statement by Apprenticeship Support Australia that in the first half of 2018, traineeships for existing workers fell by 44.4 per cent compared with the first half of 2017?
- (4) What is the current state of negotiations with the federal government in respect of the Skilling Australians Fund?

**Hon SUE ELLERY replied:**

I thank the honourable member for some notice of the question.

- (1) The Department of Training and Workforce Development advises that the National Centre for Vocational Education Research figure quoted is correct.
- (2)–(3) The government removed the payroll tax exemptions for existing worker trainees—that is, not apprentices but trainees—effective 1 December 2017, in response to concerns that many businesses were registering existing staff as trainees primarily to avoid payroll tax and that the training was not targeted at meeting skill gaps or future priority training needs for the state. At the same time, the government was facing a shortfall of \$54 million in annual training funding as a consequence of the commonwealth government ceasing the previous national partnership on 30 June 2017. To address these issues, the state government has redirected the savings from the removal of payroll tax exemptions for existing worker trainees, worth around \$96 million, to pay for approximately 43 000 training places across the forward estimates.  
The department has advised it cannot reconcile the figures quoted by Apprenticeship Support Australia that in the first half of 2018, traineeships for existing workers fell by 44.4 per cent compared with the first half of 2017.
- (4) The state has been negotiating a new national partnership on the Skilling Australians Fund for over a year. The commonwealth government's offer presented a number of risks to the state. Negotiations are continuing in good faith and I am optimistic that the state can come to a mutually agreeable arrangement in the near future.