

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry Portfolio
Budget Estimates Hearing 2014-15
2-3 June 2014

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY

TOPIC: Industry Skills Fund

REFERENCE: Written Question – Senator Carr

QUESTION NO.: BI-210

1. Under the Industry Skills Fund, will companies be able to apply for funding for training that is only Language, Literacy and Numeracy Training?
2. CEO of the Australian Chamber of Commerce and Industry, Kate Carnell has expressed concern about budget cuts and advised that she will express concerns to government. Has Ms Carnell expressed any concerns to the government about the operation of the Industry Skills Fund or the \$1 billion in skills programs that have been cut?
3. How will foundation skills needs of existing workers linked to business needs be addressed in the future?
4. CEO, Graham Wolfe, of the Housing Industry Association have criticised the narrow focus of the ISF in terms of sectors covered (health and biomedical products; mining, oil and gas equipment technology and services; and advanced manufacturing, including defence and aerospace) of which construction is not one. (<http://www.fcta.com.au/apprenticeship-funding-changes-announced-federal-budget/>)
 - a. Why isn't construction included?
5. Will new industries be added through time?
6. What is the process for adding new industries? Can this be done by way of nomination by individual businesses or industry bodies?
7. How will the co-contribution by business for grants under the Industry Skills Fund be calculated?
8. On what basis will the "sliding scale" be determined? Employment, turnover, other?
9. Will the sliding scale vary by industry? Will there be flexibility for negotiation by individual enterprises, if so how will that be managed and will that be publicly available?
10. In total, how much is expected to be contributed by small and medium enterprises to the Industry Skills Fund?
11. Can you explain what is to be covered under the term in the Budget 'health and biomedical products'? Does the term "health" cover the entire health sector?
12. If it doesn't include health generally, this is a significant and growing sector with workforce development needs. Will this sector be excluded from applying for ISF grants?
13. Will the child care, aged care and disability sector industries which also have growing workforce development needs. Will they be eligible to apply for funding under ISF?
14. The Budget description of the ISF seems to exclude significant sectors, particularly in the service industry (e.g.: tourism and ICT). Is there are reason for these sectors not being included?

ANSWER

1. The Industry Skills Fund will offer training and/or support services, including language, literacy and numeracy.
2. The Department has not received any correspondence from Ms Kate Carnell in relation to the Industry Skills Fund or Skills Programmes.
3. Companies that meet the Industry Skills Fund merit criteria and are awarded funding will be able to access a range of training solutions to assist them to improve their competitiveness and productivity.
4. The list of sectors designated as an initial focus of the Fund is not an exclusive list.
5. The focus of the Fund will depend on the Government's priorities and changing market opportunities.
6. This will be determined following consultation with industry and stakeholders.
7. This will be determined following consultation with industry and stakeholders.
8. This will be determined following consultation with industry and stakeholders.
9. Please refer to the answer to question 8.
10. Please refer to the answer to question 8.
11. The list of sectors, including sector coverage, will be determined following consultation with industry and stakeholders.
12. Please refer to the answer to question 11.
13. Please refer to the answer to question 11.
14. Please refer to the answer to question 11.