

## **MEDIA STATEMENT**

### **Enterprise Based Productivity Places Program**

#### *'A watershed in skilling Australia's workforce'*

A partnership between Government and Australian enterprises to up-skill existing workers and lift enterprise productivity has been hailed as a watershed by the nation's 11 Industry Skills Councils (ISCs).

In strained economic times, one of the first areas of expenditure to come under scrutiny is often an organisation's training budget. However early results from the Australian Government's *'Enterprise Based Productivity Places Program'* (EBPPP) are showing that where policy settings empower individual businesses to drive the 'what, when and how' of training, companies from right across the economy will secure their intentions and strongly invest.

ISCs are the industry led, not for profit bodies charged with driving the skills and workforce development agenda for their respective industries in Australia. In addition to developing and maintaining the nation's vocational qualifications, ISCs also work on the ground with individual enterprises to build their capabilities in workforce development and planning. As coordinators of EBPPP, the ISCs commissioned ACIL Tasman to look into the early stage impact of EBPPP.

*"We were getting lots of good news stories but needed to test the anecdotes sooner rather than later so that if its working as well as enterprises suggest, the successful aspects can be mainstreamed into our training system to benefit industry more broadly"* said Chris O'Brien, Chair of the Community Services and Health ISC.

The program works on the notion of co-investment with a sliding scale of support from Government according to business size. Focused on upskilling existing workers in priority occupations to Certificate III and above, the ACIL Tasman study confirmed EBPPP is delivering impressive results. As at 30 June, enterprises had contributed \$18.9m to the cost of training places for existing workers with Government contributing a further \$36.9m. Of the 13,715 workers enrolled since the program began, over 13,000 are either continuing in their training or have already completed their qualification.

One of the critical features of EBPPP is the funding model which puts employers in the driving seat of negotiations on training and its price. ACIL Tasman found that this empowerment had delivered significant value for money with training places negotiated for less than 87% of the program's capped value (on average). *"Enterprises negotiate value for money every day of the week with suppliers, this is no different. It simply means that nearly 3,000 businesses have been able to*

*drive absolute relevance and maximum value on behalf of their workers and Government” commented Ray Barker, Chair of Skills DMC.*

As a program that has responded to all industry sectors, locations and with 48 per cent of learners being from small business, ISCs are keen to see its key features adopted systemically for the training of Australia’s existing workforce:

1. **A demand-driven funding model which puts enterprises in the driving seat of negotiations** with training providers;
2. **A sliding scale of Government/ enterprise co-investment** commensurate with enterprise size;
3. **A broader workforce development context** which enables holistic, evidence based solutions within an enterprise;
4. **Recognition of Prior Learning** which recognises workers’ existing skills and eliminates wastage of employees’ productive time and financial resources;
5. **The role of ISCs as trusted, expert intermediaries;**
6. **The extensive goodwill and flexibility demonstrated by the Department of Education, Employment and Workplace Relations** in response to the evolving nature of enterprise requirements.

*“In what’s still a harsh economic climate, its testament to the policy settings that enterprises have invested heavily in EBPPP and snapped up the available training places. As the economy picks up and if we get the system to mirror these settings, it’ll be the step change industry and our enterprises have long needed to keep our existing workforce skilled to world-class standards”* said Jon Northorpe, Chair of the Transport and Logistics ISC .

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### **Australia’s 11 Industry Skills Councils**

Industry Skills Councils are industry led, not-for-profit, autonomous bodies established and funded by the Australian Government to drive the skills and workforce development agendas within their respective industries.

**AgriFood Skills Australia** – [www.agrifoodskills.net.au](http://www.agrifoodskills.net.au)

**Community Services and Health Industry Skills Council** – [www.cshisc.com.au](http://www.cshisc.com.au)

**Construction and Property Services Industry Skills Council** - [www.cpsisc.com.au](http://www.cpsisc.com.au)

**EE Oz Training Standards** - [www.ee-oz.com.au](http://www.ee-oz.com.au)

**ForestWorks Industry Skills Council** - [www.forestworks.com.au](http://www.forestworks.com.au)

**Government Skills Australia** - [www.governmentskills.com.au](http://www.governmentskills.com.au)

**Innovation and Business Skills Australia** - [www.ibsa.org.au](http://www.ibsa.org.au)

**Manufacturing Skills Australia** - [www.mskills.com.au](http://www.mskills.com.au)

**Skills DMC** - [www.skillsdmc.com.au](http://www.skillsdmc.com.au)

**Service Skills Australia** - [www.serviceskills.com.au](http://www.serviceskills.com.au)

**Transport and Logistics Industry Skills Council** - [www.tlisc.com.au](http://www.tlisc.com.au)