PDR: MB25-000003

AUSTRALIAN PUBLIC SERVICE COMMISSION

APS Commissioner
s. 47F

To: Minister for the Public Service

CC: Assistant Minister for the Public Service

AUSTRALIAN GOVERNMENT DIGITAL TRAINEESHIP PROGRAM RECOMMENDATIONS

MO
s. 47F

AMO
s. 47F
DLO Gorman

Recommendations that you:

1. **Note** the high level summary of the findings from the APSC's internal review of Digital Traineeship Program at Attachment A.

Noted / Please Discuss

2. **Approve** the closure of the program, with further advice to be provided on the closure implementation.

Agreed / Not Agreed / Please Discuss

K. Gallagher 27/10/25

Katy Gallagher

Comments:

Key Points:

1. On 9 Sep 2025, the APSC verbally briefed you on the findings of its internal review of the APS Digital Traineeship Program, that had the original objective of meeting a commitment of 1000 digital traineeships over 4 years.

2. As shown in Attachment A, the internal review found the main challenge faced by the program was the uptake of trainees by agencies and a redesign of the program could address this key issue along with other subsidiary issues.

3. You noted the redesign considerations in the verbal briefing and indicated a disposition to close the program on the basis of low returns for the efforts so far and the residual high risk that the redesign may still not deliver desired levels of improvements that broadly meet the program objective.

4. Accordingly, the APSC is now preparing to close the program and seeking your formal approval to proceed with the closure.

5. In readiness to implement the program closure, the APSC is preparing a closure implementation plan that details:

   a. program closure timeline;

   b. stakeholders communication plan; and

   c. an overall trajectory of actions to support the smooth transition of both the current participants and agencies in the program and candidates on current merit lists.

6. The APSC has identified the program as a lower priority activity as part of the recent whole of Government de-prioritisation process.

Risks and Sensitivities

7. The closure of this program may appear as a reduction in the number of entry level pathways, especially to a large number of candidates in the merit pool and to a very small number of agencies who derive value from digital trainees.

8. The APSC's continuing work with the DTA to strengthen entry level pathways to meet digital skills needs of the APS, including through apprentices, cadets and graduates is expected to address the above risk and sensitivity.

Dr Subho Banerjee
Deputy Commissioner
APS Academy and Capability
23 September 2025

Policy Officer: s. 47F
Phone no: s. 47F
Consultation: Digital Transformation Agency

Document 2

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Digital Traineeship Program Redesign

Digital skills shortages provide a strong rationale for entry-level pathways portfolio

- ***APS Data, Digital & Cyber Workforce Plan*** highlights critical skills shortages
  - 71% of agencies reporting digital skills shortages.
  - Digital external labour accounting for $1.92 billion (over 6,000 FTE).
  - Digital job family is top-heavy (including contractors), with entry-level APS roles underrepresented
- **Strong policy rationale** for a portfolio of digital entry pathways, including for career change or reskilling



Digital Graduates: Open to people who graduated university with a Bachelor degree or higher in the last 5 years



Digital Cadets: Open to university students studying digital degree with 12 months study completed and remaining.



Digital Traineeship: Open to people returning to the workforce, re-skilling or career changers with a focus on First Nations peoples, women, 45+ years and veterans.

But previous Digital Traineeship Program has had very low take up

- Digital Traineeship program was an initiative from the Jobs and Skills Summit in 2022, aiming to place 1,000 digital trainees over 4 years
- Program is cost-recovered on a per placement basis from agencies.
  s. 47C, s. 47E(d) [redacted]
- **Strong applicant pool,** including priority cohorts (First Nations peoples, women, 45+ years and veterans)
- **But very low take-up from agencies**, despite repeated rounds of co-design, refinement and expressions of in-principle support (<60 placements)

Some positives:

- Building talent pipeline and attracting diverse range of people
- High quality participants, who have integrated well
- Foundations and Fundamentals program, and Mentorship program are highly valued

But need to address placement issues directly to make the program viable:

Agencies not increasing entry-level numbers enough to generate sufficient demand for this pathway: As a result, many candidates found suitable remain on merit lists without placement.

Capability building is seen as too time & resource intensive from the ground up: Agencies are feeling immediate delivery pressures, and reluctant to invest in longer-term development

Program name and qualifications path is confusing: The term "traineeship" has caused some confusion, with the perception that the program is intended for lower-level roles or guarantees a formal RTO qualification

Program is seen as expensive compared to other entry pathways: The cost of the Traineeship program ($8.8k) is higher than other programs such as Graduates ($5k) or Cadets ($6k)

Program is no sufficiently targeted to skills shortages: agencies want closer targeting to specific skills needs

Program could be better aligned to timing of other entry pathways: agencies say they are looking to make integrated workforce panning decisions on an annual basis

Potential redesign, with a particular focus on addressing the placement issue:

1. Building more confidence in candidate pool, with more assurance on base professional skills and option to reskill existing agency staff

- Provide more assurance regarding base professional skills, by narrowing the program entry requirement from APS1-6 to APS3-6.
- Open up an explicit reskilling option within the APS, including as a pro-active response to building AI skills – enables agencies to work with existing staff and existing ASL allocation.

2. Better matching to skills needs and clearer training pathways, using AI

- Work with agencies on targeting forecast skills-based needs, in the context of the *APS Data, Digital & Cyber Workforce Plan*
- Use AI tools to design specific training pathway, using widely applicable professional development modules
- Assistance with training costs through a proposed APS Critical Skills Fund

3. Consistent application of APS skills guarantee for major ICT projects

- Agencies to show how major ICT projects (over $10m) will build and sustain digital capability, including use of entry-level pathways, as part of the Digital Investment Oversight Framework.
- Ensure the Australian Skills Guarantee (ASG) is consistently applied to APS digital and ICT-enabled projects that fall within its scope (procurements over $10m), in line with the updated Procurement Connected Policy requirements that comes into effect from October 2025.
- Extend the ASG policy to include agency ICT projects under management, not just procurement contacts.

4. Program rebrand

- Rename program, for example to 'Digital Skills Uplift'.
- Refine program administration including agency engagement approach and timing of recruitment cycles

5. Re-baseline participant numbers and costs

- Redesigned program is estimated to achieve ~50 placements per year, which would be consistent with long-term average for this pathway
- Base expectation is to continue full cost recovery from agencies, estimated ~$1.3m pa
- Further decision as above as to whether any training costs are covered centrally