



Summary

of the Australian Government Australian Apprenticeships Incentives Program

From 11 May 2011

Overview of the Australian Apprenticeships Incentives Program

The objective of the Australian Apprenticeships Incentives Program is to develop a more skilled Australian workforce that delivers long-term benefits for our nation and our international competitiveness.

This is achieved by encouraging employers to open up genuine opportunities for skills-based training of their employees, through provision by the Australian Government of financial incentives to employers who employ and train an Australian Apprentice (apprentice or trainee). The Australian Government also funds a range of personal benefits for Australian Apprentices to encourage retention in, and completion of, their Australian Apprenticeship.

The Australian Apprenticeships Incentives Program contains a range of incentives and personal benefits, including:

- standard incentives;
- special and additional incentives and personal benefits where the Australian Apprentice is undertaking an Australian Apprenticeship leading to an occupation listed on the National Skills Needs List; and
- other special and additional incentives and personal benefits.

Payment of incentives and personal benefits is subject to employers and Australian Apprentices satisfying eligibility criteria as set out in the Australian Apprenticeships Incentives Program Guidelines.

National Skills Needs List

The National Skills Needs List identifies trades that are deemed to be in national skill shortage based on research conducted by the Department of Education, Employment and Workplace Relations.

The National Skills Needs List is used to determine eligibility for the following incentives and personal benefits available under the Australian Apprenticeships Incentives Program:

- Rural and Regional Skills Shortage incentive;
- Tools For Your Trade payment initiative; and
- Support for Adult Australian Apprentices.

Australian Apprenticeships Centres

Australian Apprenticeships Centres are contracted by the Australian Government to deliver Australian Apprenticeships Support Services, which includes providing information and assistance to employers, Australian Apprentices and other interested people, marketing and promoting Australian Apprenticeships and administering the Australian Apprenticeships Incentives Program. Australian Apprenticeships Centres provide a free service to employers and Australian Apprentices.

For more information and assistance regarding Australian Apprenticeships, including eligibility advice on payments available under the Australian Apprenticeships Incentives Program, contact an Australian Apprenticeships Centre. Contact details can be obtained by calling **13 38 73** or visiting www.australianapprenticeships.gov.au.

Standard incentives

Standard Commencement

- \$1,250 incentive for an employer who commences an Australian Apprentice in a nominated equity group in a Certificate II qualification; or
- \$1,500 incentive for an employer who commences an Australian Apprentice in a Certificate III, IV, Diploma or Advanced Diploma qualification.

Standard Recommencement

- \$750 incentive for employers who recommence an Australian Apprentice in a Certificate III, IV, Diploma or Advanced Diploma qualification.

Standard Completion

- \$2,500 incentive for employers of Australian Apprentices who successfully complete a Certificate III, IV, Diploma or Advanced Diploma qualification.

Special and additional incentives and personal benefits available where the Australian Apprentice is undertaking an Australian Apprenticeship leading to an occupation listed on the National Skills Needs List

Special Rural and Regional Skills Shortages Commencement

- \$1,000 incentive for rural and regional employers who commence an Australian Apprentice in a Certificate III or IV qualification leading to an occupation listed on the National Skills Needs List in a non-metropolitan area.

Support for Adult Australian Apprentices

- Australian Government financial support is available for adult workers (aged 25 years or over) to upgrade their skills through an Australian Apprenticeship at the Certificate III or IV level in an occupation listed on the National Skills Needs List.
- The payment is made to either the employer or the Australian Apprentice depending on the actual wage paid to the Australian Apprentice.
- Payment rates for full-time Australian Apprentices are as follows:
 - \$150 per week (up to a maximum of \$7,800 per annum) for the first 12 months of the Australian Apprenticeship; and
 - \$100 per week (up to a maximum of \$5,200 per annum) for the second 12 months of the Australian Apprenticeship.
- Payment rates for part-time Australian Apprentices are as follows:
 - \$75 per week for the first 24 months of the Australian Apprenticeship; and
 - \$50 per week for the second 24 months of the Australian Apprenticeship.

Tools For Your Trade payment

- The Tools For Your Trade payment initiative is available to eligible Australian Apprentices undertaking a Certificate III or IV Australian Apprenticeship leading to an occupation listed on the National Skills Needs List, a Certificate II, III or IV Australian Apprenticeship in an agricultural occupation, and, if in rural and regional Australia, a horticultural occupation.
- This payment comprises of five tax exempt cash payments paid over the life of the Australian Apprenticeship.
- From 1 January 2011, eligible Australian Apprentices who commence or recommence their Australian Apprenticeship on or after 1 January 2009 may be eligible for payments of \$800 at the three month point, \$1000 at the 12 and 24 month points, \$1200 at the 36 month point and \$1500 on successful completion of the Australian Apprenticeship.
- Eligible Australian Apprentices who commence or recommence their Australian Apprenticeship on or before 31 December 2008 may be eligible for payments of \$800 at the three, 12 and 24 month points and \$700 at the 36 month point and on successful completion of the Australian Apprenticeship.

Other special and additional incentives and personal benefits

Special Group Training Organisations Completion

- \$1,000 incentive for Group Training Organisations that support Australian Apprentices in a nominated equity group to complete a Certificate II Australian Apprenticeship.

Declared Drought Areas Commencement and Completion

- \$1,500 incentive for employers of eligible Certificate II Australian Apprentices who have a current Exceptional Circumstances Drought Area certificate; and
- \$1,500 incentive for employers of eligible Australian Apprentices who successfully complete a Certificate II qualification and who attracted a Declared Drought Areas commencement incentive.

Mature Aged Workers Commencement and Completion

- \$750 incentive for an employer who commences an eligible Australian Apprentice in a Certificate II or higher level qualification who is a disadvantaged person aged 45 years or more; and
- \$750 incentive for an employer of an Australian Apprentice who successfully completes a Certificate II or higher level qualification and who attracted a Mature Aged Worker commencement incentive.

Australian School-based Apprenticeships Commencement and Retention

- \$750 incentive for an employer who commences an Australian Apprentice in an endorsed Australian School-based Apprenticeship in a Certificate II or higher level qualification.
- \$750 for an employer who continues to employ a Certificate II or higher level Australian School-based Apprentice after the student has completed secondary school.

Assistance for Australian Apprentices with Disability

- Disabled Australian Apprentice Wage Support provides additional assistance to employers who employ an Australian Apprentice with disability in a Certificate II or higher level qualification.
- Disabled Australian Apprentice Wage Support is paid at a rate of \$104.30 per week for a full-time Australian Apprentice, and on a pro-rata scale according to the hours worked for a part-time Australian Apprentice.
- Assistance for Tutorial, Mentor and Interpreter Services is available to Registered Training Organisations to support Australian Apprentices with disability who are experiencing difficulty with the off-the-job component of their Australian Apprenticeship because of their disability.
- Assistance for Tutorial, Mentor and Interpreter Services is paid at a rate of \$38.50 per hour (up to a maximum of \$5,500 per annum).

Living Away From Home Allowance

- Australian Apprentices undertaking a Certificate II or higher level qualification may be eligible for the Living Away From Home Allowance if they have to move away from their parental/guardian home for the first time to commence or remain in an Australian Apprenticeship, or are homeless.
- Australian Apprentices may be eligible for up to twelve months of LAFHA at the first year rate of \$77.17 per week, a further twelve months assistance at the second year rate of \$38.59 per week, and a further twelve months assistance at the third year rate of \$25 per week.

Further Australian Government assistance available for Australian Apprentices

Youth Allowance, Austudy or ABSTUDY

- Australian Apprentices may also be eligible to access fortnightly payments delivered by Centrelink:
 - Youth Allowance for Australian Apprentices aged 16-24;
 - Austudy for Australian Apprentices aged 25 and over;
 - ABSTUDY for Australian Apprentices of any age and who are Indigenous Australians.
- Further information about these payments is available from Centrelink on **13 36 33** or www.centrelink.gov.au.