



Summary

of the Australian Government Australian Apprenticeships Incentives Program

From 12 May 2010

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.

Australian Apprenticeships Centres

Australian Apprenticeships Centres provide a free service to employers and Australian Apprentices. For more information or assistance on the Australian Apprenticeships Incentives Program, you should contact an Australian Apprenticeships Centre in your region. Contact details can be obtained by calling 13 38 73 or visiting australianapprenticeships.gov.au.

Waiting periods

There is a three month waiting period before an employer can apply for an Australian Government Commencement Incentive for an Australian Apprentice in which time the Australian Apprentice must still be employed by the same employer and must have commenced training in accordance with the approved training contract. The employer should submit a claim to the Australian Apprenticeships Centre at the end of the three month waiting period, and within the required time limit. Further information on waiting periods and time limits can be obtained from your Australian Apprenticeships Centre.

National Skills Needs List

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

This list is used to determine eligibility for the following Australian Government initiatives: Support for Adult Australian Apprentices payment; Tools For Your Trade payment, Rural and Regional Skills Shortage incentive and the Securing Australian Apprenticeships initiative.

Summary information on the Australian Apprenticeships Incentives Program

The following summarises the Australian Apprenticeships Incentives Program for all Australian Apprentices (apprentices and trainees). Payment of incentives is subject to employers and their Australian Apprentices satisfying eligibility criteria as set out in the Australian Apprenticeships Incentives Program Guidelines.



Australian Government

**Department of Education, Employment
and Workplace Relations**

Standard Commencement, Recommencement and Completion Incentives

\$1,250 incentive for an employer who commences an Australian Apprentice in Certificate II training; or \$1,500 incentive for an employer who commences an Australian Apprentice in Certificate III, IV or Diploma or Advanced Diploma qualifications.

\$750 incentive for employers recommencing Australian Apprentices at the Certificate III, IV or Diploma or Advanced Diploma level.

Employers of Australian Apprentices who successfully complete a Certificate III, IV or Diploma or Advanced Diploma qualification may be eligible to receive the \$2,500 completion incentive.

Innovation

This incentive ceased on 12 May 2010.

- Special Commencement

\$1,100 special incentive for an employer who employs an Australian Apprentice in an eligible innovation Training Package qualification at the Certificate III or IV level.

Rural and Regional Incentive

\$1,000 special incentive for Rural and Regional Australian Apprenticeships where the Australian Apprentice commences a Certificate III or IV qualification in a National Skill Needs List occupation in a non-metropolitan area.

- Special Commencement

Australian School-based Apprenticeships

\$750 additional incentive for an employer who employs an Australian Apprentice in an endorsed Australian School-based Apprenticeship at the Certificate II to IV level or in a Diploma or Advanced Diploma qualification.

- Additional Commencement and Retention

\$750 for an employer who continues to employ a Certificate II to IV level or Diploma or Advanced Diploma Australian School-based Apprentice after the student has completed Year 12.

Declared Drought Areas

\$1,500 additional incentive for employers of eligible Certificate II Australian Apprentices who have a current Exceptional Circumstances Drought Area certificate.

- Additional Commencement and Special Completion

\$1,500 special incentive for employers on the successful completion of eligible Certificate II Australian Apprentices who attracted a Declared Drought Areas additional commencement incentive.

Mature Aged Worker

\$750 special incentive for an employer who commences an eligible Certificate II or higher level Australian Apprentice who is a disadvantaged person aged 45 years or more.

- Special Commencement and Special Completion

\$750 special incentive for an employer on the successful completion of a Certificate II or higher level Australian Apprentice who attracted a Mature Aged Worker special commencement incentive.

Group Training Organisations

\$1,000 special incentive for Group Training Organisations that support Australian Apprentices to complete a Certificate II Australian Apprenticeship.

- Special Completion

Assistance for Australian Apprentices with Disability

The Program provides additional assistance to eligible employers who employ a Certificate II or higher level Australian Apprentice with disability. Assistance may include a wage support payment or tutorial, interpreter and mentor services.



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Living Away From Home Allowance (LAFHA)

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 if the Certificate II or higher level Australian Apprentice had to move away from their parental/guardian home to commence or remain in an Australian Apprenticeship, or is homeless.

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. From 1 January 2010, Australian Apprentices aged 25 years or more at commencement or who previously attracted Support for Mid-Career Apprentices payments may be eligible to attract Support for Adult Australian Apprentices.

The payment is made to either the employer or the Australian Apprentice depending on the actual wage paid to the Australian Apprentice and is set at \$150 per week (up to a maximum of \$7,800 per annum) in the first year and \$100 per week (up to a maximum of \$5,200 per annum) in the second year. The weekly rate for part-time Australian Apprentices is \$75 per week for the first 24 months and \$50 per week for the second 24 months.

Tools For Your Trade Payment

From 1 January 2010, the Tools For Your Trade payment initiative is available to eligible Australian Apprentices in selected trade occupations on the National Skills Needs List, agricultural occupations, and, if in rural and regional Australia, horticulture occupations. This payment comprises of five tax exempt cash payments totalling \$3,800, paid over the life of the Australian Apprenticeship. Payments of \$800 are paid at the three, 12 and 24 month points and \$700 at the 36 month point and on completion.

Further Australian Government Assistance available for Australian Apprentices

Australian Apprentices may be eligible for income support through Youth Allowance, Austudy or ABSTUDY. More information is available from Centrelink on 13 36 33.

Securing Australian Apprenticeships Initiative

The Securing Australian Apprenticeships initiative provides financial support to employers who create new opportunities for eligible Australian Apprentices to continue their incomplete (but formally STA approved) training, or who successfully complete Australian Apprentices, at the Certificate III or IV level in skill shortage trades, or in Diploma or Advanced Diploma level qualifications.

-Recommencement Bonus and Completion Bonus

Up to \$2,800 for employers of eligible Australian Apprentices undertaking an occupation listed on the National Skills Needs List or Diploma and Advanced Diploma level qualifications.

This consists of:

- Recommencement Bonus of \$1,800 payable 12 weeks after recommencement where the recommencements occur on or after 1 January 2009.
- Completion Bonus of \$1,000 payable upon successful completion in respect of Australian Apprentices who successfully complete on or after 1 January 2009.

Payments will be made through Australian Apprenticeships Centres and will be available until 31 December 2010.



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Securing Australian Apprenticeships through Registered Training Organisations

This initiative ceased on 12 May 2010.

Registered Training Organisations (RTOs) receive either \$1,250 or \$2,500 to assist eligible out-of-trade Australian Apprentices to continue the off-the-job training component of their Australian Apprenticeship. Training must commence between 1 July 2009 and 11 May 2010. This is available for all Certificate III, IV and Diploma and Advanced Diploma qualifications. RTOs must apply for funding before commencing the training.

Apprentice Kickstart Bonus

Employers who take on a young person aged 19 years and under as an Australian Apprentice in a qualification leading to an occupation listed on the National Skills Needs List between 1 December 2009 and 28 February 2010 may be eligible for the Apprentice Kickstart Bonus totalling \$3,350. The Apprentice Kickstart Bonus is paid in instalments of \$850 paid at the three month point of the Australian Apprenticeship; and \$2,500 paid at the nine month point of the Australian Apprenticeship.

Apprentice Kickstart Extension

Small or medium enterprises (including eligible Group Training Organisations) who take on a young person aged 19 years and under as an Australian Apprentice in a qualification leading to an occupation listed on the National Skills Needs List between 12 May 2010 and 12 November 2010 (inclusive) may be eligible for the Apprentice Kickstart Extension totalling \$3,350. The Apprentice Kickstart Extension is paid in instalments of \$850 paid at the three month point of the Australian Apprenticeship; and \$2,500 paid at the nine month point of the Australian Apprenticeship.



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