



Australian Apprenticeships Incentive System

Factsheet

Updated: 23 August 2022

Apprenticeships play a critical role in supporting Australians to access secure, well-paid jobs. They create a pipeline of skills and talent in the Australian workforce, helping businesses to meet their current and future skills needs and realise the opportunities of a recovering economy.

From 1 July 2022, the Australian Apprenticeships Incentive System (Incentives System) supports a more inclusive and sustainable economy, ensuring Australians receive quality training while in paid employment.

Overview of the Incentives System

The **\$2.4 billion** Incentives System helps get apprentices working in secure jobs that are in demand, filling skills shortages. It helps increase completions, providing financial and non-financial support at the time the apprentice needs it the most.

Government support under the Incentives System focuses on priority occupations, ensuring support is targeted to the skills in demand in the Australian economy. Priority occupations are listed on the [Australian Apprenticeships Priority List](#) (Priority List), which will be updated regularly. The Priority List is based on analysis of the occupations in current shortage and future demand over the next five years, that are most likely to involve an Australian Apprenticeship entry pathway.

Support will also be available to employers taking on Australian Apprentices in occupations not listed on the Priority List.

Support for Women in Trades

The Australian Government is investing **\$38.6 million** over four years to provide additional support for women who commence in eligible trade occupations on the Priority List. The eligible trade occupations are occupations that have historically had a low level of female participation.

This measure will provide these women with access to comprehensive wraparound support through the Australian Apprenticeship Support Network, including personalised advice and information on career options and apprenticeship pathways, pastoral care, career and industry mentoring, access to professional networks and entrepreneurship training. These non-financial supports will help to support more women to complete their apprenticeship and go on to have successful careers.

Australian Apprenticeship Support Loans

The Australian Government is renaming and expanding the Trade Support Loans scheme which will make loans available to Australian Apprentices in the care sector for the first time. Subject to the passage of legislation, the new Australian Apprenticeship Support Loans scheme will be available for all apprentices and trainees in occupations on the Priority List. It will provide income contingent loans of up to \$22,890, to help recipients meet day to day costs while undertaking their studies. The measure will also enable backdating of payments to provide immediate support to recipients.

Support for Young Australian Apprentices

From 1 July 2022, young apprentices aged 15 to 20 years will receive additional support to complete their Australian Apprenticeship. All newly commencing young Australian Apprentices will receive a follow-up call three months from commencement to ensure any issues are identified early.

In addition, an extra 2,500 in-training support places will be made available in 2022-23 for young Australian Apprentices from 1 July 2022. This comes on top of the almost 30,000 in training support places already funded for delivery to Australian Apprentices in 2022.

Living Away From Home Allowance and Disability Australian Apprenticeship Wage Support

There will continue to be support available for students who need to travel to undertake their apprenticeship, through a continuation of the Living Away From Home Allowance. There will also continue to be additional supports for apprentices with disability, through the Disability Australian Apprenticeship Wage Support.

List of incentives available

From 1 July 2022 until 30 June 2024		
For employers:		
Priority Wage Subsidy: Wage subsidy for employers of Australian Apprentices in occupations on the Priority List	10 per cent of wages for first and second year apprentices (up to \$1,500 per quarter) and 5 per cent of wages for the third year apprentices (up to \$750 per quarter).	For employers of new or recommencing Australian Apprentices undertaking a Certificate III or higher qualification in a priority occupation on the Priority List.
Hiring Incentive: for employers of Australian Apprentices in an occupation <u>not</u> listed on the Priority List	<p>\$3,500 paid in two equal six-monthly instalments for full time apprentices (\$1,750 each instalment).</p> <p>\$1,750 paid in two equal six-monthly instalments for part time apprentices (\$875 each instalment)</p>	For employers of new or recommencing Australian Apprentices undertaking a Certificate II or higher level qualification in an occupation that is <u>not</u> on the Priority List or in a Certificate II qualification in an occupation on the Priority List.
For Australian Apprentices:		
Australian Apprentice Training Support Payment	<p>\$1,250 every six months over the first two years of the Australian Apprenticeship for full-time apprentices (up to \$5,000 in total).</p> <p>\$625 every six months over the first two years of the Australian Apprenticeship for part-time apprentices (up to \$2,500 in total).</p>	Direct financial assistance for Australian Apprentices undertaking a Certificate III or higher qualification in a priority occupation on the Priority List to support them to complete their training.
Living Away From Home Allowance (LAFHA)	Up to 12 months of support at the first year rate of \$77.17 per week; a further 12 months assistance at the second year rate of \$38.59 per week; and a further	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

	12 months assistance at the third year rate of \$25 per week.	time to commence or remain in an Australian Apprenticeship, or are homeless.
Trade Support Loans* <i>* The Government is pursuing amendments to the Trade Support Loans Act 2014 in order to expand access to all Australian Apprentices in occupations on the Priority List.</i>	Loans of up to \$22,890 (2022-23) over the course of the Australian Apprenticeship.	Australian Apprentices may be eligible to receive financial support to assist with everyday costs while they undertake their training.
Disability Australian Apprentice Wage Support (DAAWS)	\$104.30 per week for a full time Australian Apprentice, and on a pro-rata scale according to hours worked for a part-time Australian Apprentice.	Provides additional assistance to employers who employ an Australian Apprentice with disability in a Certificate II or higher level qualification.
Off-the-job Tutorial, Mentor and Interpreter Assistance	\$38.50 per hour (up to a maximum of \$5,500 per year)	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.

For further information on the incentives available, including information on eligibility, contact an [Australian Apprenticeship Support Network provider](#).