

2 August 2013 – Changes to the Australian Apprenticeships Incentives Program

1. Overview

Question:	Answer:
What changes are being made to the Australian Apprenticeships Incentives Program?	<p>Changes to completion payments for Non- NSNL existing workers effective 3 August 2013 are as follows:</p> <ul style="list-style-type: none"> Employers of existing workers undertaking a non-priority qualification who commence or recommence on or after 3 August 2013 are no longer eligible to claim any standard incentives. No other payments available under the Program are affected. Existing worker Australian Apprentices who commence or recommence prior to 3 August 2013 are not affected by this change. <p>Disability care workers will be included on the priority occupations list at all levels, effective 1 July 2013.</p>

2. Changes to existing worker eligibility

Question:	Answer:
What are the changes to eligibility for non-priority existing worker Australian Apprentices	This measure removes access to the completion incentive for employers of non-priority existing workers who commence or recommence an Australian Apprenticeship on or after 3 August 2013.
What is an existing worker?	<p>An existing worker is an employee who has a three month or more full-time equivalent employment relationship with their employer.</p> <p>The working relationship can be built up through full-time, part-time or casual employment or engagement as a seasonal or contract worker and includes periods of approved leave.</p> <p>This excludes periods where the Australian Apprentice was employed and attending a secondary school as a student, is undertaking a previous Australian Apprenticeship or is participating in a Community Development Employment Project.</p>
What is a priority area?	<p>An Australian Apprenticeship is deemed to be in a priority area where the qualification being undertaken is at:</p> <ul style="list-style-type: none"> the certificate III or IV level and leads to an occupation on the National Skills Needs List; or the certificate III, IV, Diploma or Advanced Diploma level and leads to the Aged Care, Childcare, Enrolled Nursing or Disability Care Worker.
When does this change take effect from?	<p>Existing worker Australian Apprentices who commence or recommence an Australian Apprenticeship on or after 3 August 2013 will be assessed under the new rules.</p> <p>Existing worker Australian Apprentices who commenced prior to 3 August 2013 are not affected by this change.</p>
What is the reason for the	The Government has oriented employer incentives to encourage

change?	<p>employers to take on new workers via an apprenticeship or traineeship, recognising the risk they carry in bringing on an untrained new worker. Use of equivalent incentives to employers to train their existing, and therefore, known workers (in non-priority occupations) is no longer the focus of this investment.</p> <p>Growth in traineeships for existing workers in non-priority areas has been significant in the past, but this is unsustainable in fiscal terms and does not focus Australia's skills development on new workers and workers in industries important to Australia's economic growth.</p> <p>Recent data also indicate that existing workers may have crowded out opportunities for young people and new entrants to the workforce and that the focus and intent of the Australian Apprenticeships system has moved away from supporting entry level training.</p> <p>With these new changes in place, the Australian Apprenticeships system will specifically support those employers who invest in new workers and training relating to priority occupations for the economy.</p>
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3. Disability care worker exemption

Question:	Answer:
What is the disability care worker change?	This measure provides an exemption to allow Australian Apprentices to attract incentive payments for their employer where they are undertaking a certificate III and above that leads to a disability care worker occupation (subject to meeting the eligibility criteria).
Which payments does the exemption apply to?	The exemption applies to the Commencement, Recommencement and Completion incentives available under the Program.
When does this change take effect from?	The exemption will be applied to Australian Apprentices who commence or recommence an Australian Apprenticeship on or after 1 July 2013.
What is the reason for this change?	The inclusion of disability care workers in the priority areas list is consistent with exemptions for other care workers announced as part of MYEFO and aligns with the introduction of the National Disability Insurance Scheme on 1 July 2013. The intention is to continue support for workers in the disability sector where it is expected there will be increased demand.