



National Australian Apprenticeship Association

2024-25 Federal Budget

Press Release

The Association welcomes the investment of an additional \$600 million in Skills and Training to support apprentices and their employers, break down barriers for women in male dominated industries and bolster skills growth and development in the clean energy, construction, and manufacturing sectors.

The Australian Apprenticeships Incentives System (AAIS) is to receive \$265m of the allocation over four years to soften the impact of the previous Coalition Government's "step down" in AAIS payments.

The 12 month enhancements to the Hiring Incentive for priority occupations will allow time for the findings of the Strategic Review to inform future incentive settings. The front end loading and increase in apprentice payments are particularly welcome and will ease cost of living pressures in the crucial first year when wages are at their lowest.

The \$5,000 hiring incentive for employers, whilst slightly lower than the maximum wage subsidy previously available, will actually benefit more employers by also being front end loaded and recognising that only very few apprentices were paid highly enough for their employer to reach the previous maximum cap. These measures are thoughtful and targeted, and we welcome them.

Persisting with the Coalition government's cessation of long standing financial supports for employers of trainees and other apprentices in "non-priority" occupations we argue is short sighted and will result in lower commencements in important industries such as Agriculture and Meat processing, as well as lower aggregate completion rates for apprentices and trainees. These measures are a false economy.

More broadly there are many highly commendable elements of the skills and training package. These include:

- Apprenticeship Support Loan relief with new lower indexation arrangements backdated to 2023.
- Expanding the eligibility settings for the New Energy Apprenticeships program to focus on the wider clean energy workforce.

- \$55m for the Building Women's' Careers program to augment Australian Skills Guarantee and Specialist Mentoring arrangements in the upcoming AASS contract.
- \$30 million to rapidly increase the clean energy teacher trainer and assessor workforce.
- \$1,500 per year to reimburse Group Training Organisations that lower their service fees by this amount for small and medium organisations in target industries.
- 5,000 pre-apprenticeship places
- Supporting the expansion of Jobs and Skills Australia and the 10 Jobs and Skills Councils.

Overall, the government is to be commended for its continued investment in Skills and Training and its laser like focus on easing cost of living pressures for apprentices in priority occupations.

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