

EDUCATION, SCIENCE AND TRAINING

SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE 2003-2004 BUDGET ESTIMATES HEARING

Outcome: 2
Output Group 2.2 – New Apprenticeships

DEST Question No. E163_04 and E297_04

Senator Campbell tabled and asked on 4 June 2003, EWRE Hansard page 392

Question:

What is the breakdown of total Commonwealth incentive payments to employers who employed trainees and apprentices, including the number of trainees and apprentices during the 2002-03 financial year in comparison to the 2001-02 financial year for the following incentive, and at what AQF level was the training undertaken:

- (i) the general \$1,375 incentive;
- (ii) the innovation program;
- (iii) school-based apprenticeships;
- (iv) the rural and regional incentive;
- (v) for indigenous Australians under the wage assistance program; and
- (vi) for people with a disability under the support of people with disabilities incentive.

Answer:

Breakdown of incentive payments

(i) There is a three month waiting period before an employer can apply for a commencement incentive in respect of a New Apprentice. In addition, the Apprenticeship/Traineeship Training Contract must be formally approved by the relevant State Training Authority; the New Apprentice must still be employed by the same employer and must have commenced training in accordance with the approved Training Program. The employer is to submit a claim to the New Apprenticeships Centre at the end of the three month waiting period, and within 12 months of the commencement of training. As a result of these conditions, the amount paid for the 2002/03 financial year is indicative only as the total cannot be finalised at this point in time.

The following table shows the breakdown of the commencement payments (\$1,375) for the last two financial years by training type and Australian Qualifications Framework (AQF) level.

	2001/02					
	Apprentice		Trainee		Total	
	NAs	Incentives	NAs	Incentives	NAs	Incentives
AQF2	33	\$45,375	46,374	\$63,742,250	46,407	\$63,787,625
AQF3	28,380	\$38,926,800	60,794	\$83,540,325	89,174	\$122,467,125
AQF4	299	\$410,625	9,052	\$12,443,875	9,351	\$12,854,500
Total	28,712	\$39,382,800	116,220	\$159,726,450	144,932	\$199,109,250

	2002/03					
	Apprentice		Trainee		Total	
	NAs	Incentives	NAs	Incentives	NAs	Incentives
AQF2	29	\$39,875	48,607	\$66,831,000	48,636	\$66,870,875
AQF3	31,091	\$42,730,325	75,115	\$103,276,700	106,206	\$146,007,025
AQF4	315	\$433,125	10,293	\$14,152,875	10,608	\$14,586,000
Total	31,435	\$43,203,325	134,015	\$184,260,575	165,450	\$227,463,900

(ii) Incentives for Innovation came into effect from 1 January 2003.

The incentive is available to employers in innovative and emerging industries such as Aeroskills, Telecommunications, Laboratory Operations, Information Technology, and Electrotechnology.

	2002/03					
	Apprentice		Trainee		Total	
	NAs	Incentives	NAs	Incentives	NAs	Incentives
AQF3	350	\$423,500	1,137	\$1,375,770	1,487	\$1,799,270
AQF4	25	\$30,250	31	\$37,510	56	\$67,760
Total	375	\$453,750	1,168	\$1,413,280	1,543	\$1,867,030

(iii) From 1 January 2003, and in addition to existing incentives that employers may be eligible to apply for, employers may receive an incentive for taking on a School-Based New Apprentice, and a bonus payment if they continue to employ the New Apprentice after they complete Year 12.

	2002/03					
	Apprentice		Trainee		Total	
	NAs	Incentives	NAs	Incentives	NAs	Incentives
AQF2			604	\$498,300	604	\$498,300
AQF3	126	\$103,950	36	\$29,700	162	\$133,650
AQF4			1	\$825	1	\$825
Total	126	\$103,950	641	\$528,825	767	\$632,775

(iv) The Rural and Regional New Apprenticeships initiative provides employers of Certificate III and IV New Apprentices in non-metropolitan areas an additional incentive for training in an occupation that is identified as being in skill shortage.

	2001/02					
	Apprentice		Trainee		Total	
	NAs	Incentives	NAs	Incentives	NAs	Incentives
AQF3	5,841	\$6,400,300	1,149	\$1,261,500	6,990	\$7,661,800
AQF4	104	\$111,700	114	\$125,000	218	\$236,700
Total	5,945	\$6,512,000	1,263	\$1,386,500	7,208	\$7,898,500

	2002/03					
	Apprentice		Trainee		Total	
	NAs	Incentives	NAs	Incentives	NAs	Incentives
AQF3	8,031	\$8,830,025	1,819	\$2,001,075	9,850	\$10,831,100
AQF4	54	\$59,000	274	\$301,400	328	\$360,400
Total	8,085	\$8,889,025	2,093	\$2,302,475	10,178	\$11,191,500

(v) The New Apprenticeships Incentive Programme does not include wage assistance or targeted incentives for Indigenous Australians.

(vi) The Disabled New Apprentice Wage Support Programme provides additional assistance to employers who recruit a New Apprentice with a disability. Assistance may include a wage support payment, tutorial, interpreter and mentor services. Assistance may also be available for leasing or purchasing essential equipment or modifying the workplace to accommodate a disabled New Apprentice.

	2001/02					
	Apprentice		Trainee		Total	
	NAs	Incentives	NAs	Incentives	NAs	Incentives
AQF3	2,410	\$2,629,644	11	\$15,046	2,421	\$2,644,690
AQF4	75	\$98,825			75	\$98,825
Total	2,485	\$2,728,470	11	\$15,046	2,496	\$2,743,516

	2002/03					
	Apprentice		Trainee		Total	
	NAs	Incentives	NAs	Incentives	NAs	Incentives
AQF3	2,486	\$2,653,935	26	\$35,238	2,512	\$2,689,174
AQF4	22	\$24,826	2	\$3,016	24	\$27,842
Total	2,508	\$2,678,762	28	\$38,254	2,536	\$2,717,016