

EDUCATION, SCIENCE AND TRAINING

SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE 2006-2007 SUPPLEMENTARY BUDGET ESTIMATES HEARING

Outcome: 2
Output Group: 2.2 – Australian Apprenticeships

DEST Question No. E617_07

Senator Wong provided in writing.

Question:

Under what circumstances would an employer be ineligible to attract an incentive payment?

Answer:

Australian Apprenticeships Incentives Programme.

To be eligible for incentive payments, employers must satisfy the Programme's primary and secondary eligibility criteria.

Primary Criteria

The Australian Apprentice must be:

- an Australian Citizen, permanent resident, a New Zealand citizen who has been resident in Australia for at least 6 months or a foreign national with a Trade Skills Training Visa;
- undertaking taking employment within Australia;
- employed under an appropriate industrial arrangement in an Australian Apprenticeship at the Certificate II, III, IV level or in a select Diploma or Advanced Diploma qualification; and
- covered by a Training Contract formally approved by the State or Territory Training Authority.

There are a number of specific exclusions to eligibility:

- employment by a private household;
- structured vocational training positions such as articulated clerk or cadetships outside the intended scope of Australian Apprenticeships;
- employment which does not guarantee the employee a regular wage or salary such as commission-based positions, sub-contracting, or piece-rate work;
- an extension of a pre-existing business arrangement between the employer and employee;
- where the Australian Apprentice is a person currently serving a sentence of imprisonment, in either a publicly or privately operated prisons;
- employment of a primary school student who is an Australian Apprentice;
- Australian Government departments and agencies under the Financial Management and Accountability Act 1997 (FMA Act);
- employment arrangements which specify contract or seasonal employment; or
- employees who are participating in a Supported Wage Arrangement where they are paid according to a productivity/competency based arrangement as a proportion of the parent award are not eligible to attract standard incentives or assistance under the DAAWS element.

Secondary criteria

Generally employers are excluded from attracting incentives where:

- the Australian Apprentice has already attained a qualification at the Certificate III or higher level; or
- the Australian Apprentice is an existing worker (has been employed by that employer for a full-time equivalent period of three months or longer), except where the Australian Apprenticeship qualification is at the Certificate III level or higher and that qualification requires a significant period of training and/or experience to acquire.

However, from 1 January 2007, employers of Australian Apprentices undertaking selected Diploma and Advanced Diploma Australian Apprenticeships will not be disqualified from claiming employer incentives where the Australian Apprentice is an existing worker or holds a prior qualification at the Certificate III or IV level.