

## Australian Apprenticeships - Removal of universal access to Certificate II incentives Q & A

### What are the changes to incentives for Certificate II qualifications?

The 2011 Budget announced an amendment to payments under the Australian Apprenticeships Incentive Program. This amendment results in the removal of universal access to the standard commencement and Group Training Organisation completion payments for Certificate II level qualifications but the retention of these payments for nominated equity groups.

### Which incentives are affected by this reduction?

- \$1 250 commencement incentive for Certificate II level qualifications; and
- \$1 000 completion incentive for Group Training Organisations for Certificate II level qualifications.

### Who are the nominated equity groups who will still attract these incentives?

- Indigenous Australians;
- Australian Apprentices with a disability;
- Australian School-based Apprentices;
- Mature aged Australian Apprentices (aged 45 and over);
- Australian Apprentices working in a rural or remote area; and
- Job seekers with severe barriers to employment (Job Services Australia stream 4 clients\*).

\* From 19 December 2011, Job Services Australia stream 3 clients are also eligible.

### When will these changes come into effect?

- From 11 May 2011.

#### Commencement Incentive

The \$1 250 commencement incentive for Certificate II level qualifications will be paid as follows:

- For Australian Apprentices who commenced **prior to 11 May 2011**, payments will be available to all eligible Australian Apprentices and not limited to nominated equity groups.
- Australian Apprentices who commence **on or after 11 May 2011** will only attract a commencement incentive if they belong to at least one of the nominated equity groups.

#### Completion incentive for Group Training Organisations

The \$1 000 completion incentive for Group Training Organisations for Certificate II level qualifications will be paid to GTOs as follows:

- For all Australian Apprentices who successfully complete **prior to 11 May 2011**, payments will be available to all eligible Australian Apprentices and not limited to nominated equity groups.
- Australian Apprentices who successfully complete **on or after 11 May 2011** will only attract the completion incentive for Group Training Organisations if they belong to at least one of the nominated equity groups.

### Why is universal access to these incentives being removed for Certificate II level qualifications?

- The *Apprenticeships for the 21<sup>st</sup> Century Expert Panel* emphasised the need for better targeting of the subsidies additional support to priority groups who may experience barriers to participation to facilitate increased participation from both a social justice perspective and to boost national productivity and address skills shortages. Their full report can be found at [www.australianapprenticeships.com.au/FAQ/Documents/Apprenticeshipsforthe21stCenturyExpertPanel.pdf](http://www.australianapprenticeships.com.au/FAQ/Documents/Apprenticeshipsforthe21stCenturyExpertPanel.pdf)

- It is recognised, that the Certificate II qualification stream is a valuable pathway for many disadvantaged Australians to enter into a training and employment arrangement that will allow them to participate in the economy. The retention of support for these qualifications therefore has a social value for the equity group cohorts and is consistent with the Expert Panel's recommendation to better target the subsidies made available under this program.
- Vulnerable groups are often underrepresented in the Australian Apprenticeship system or may not be sufficiently equipped with the necessary skills to successfully undertake an Apprenticeship thus support for Certificate II level qualifications in these instances is appropriate.
- The Panel has a firm view that those with barriers to participation in the Australian Apprenticeships system need to be appropriately supported. Without equity in the Australian Apprenticeships system, Australia simply cannot obtain the high level skills needed to compete with the most successful economies of the world.