

# Australian Apprenticeships Incentive System

**Program Guidelines** 

Opening and closing date: 22 December 2025 to 31 December 2026

Commonwealth policy and Department of Employment and

administering entity: Workplace Relations

Date guidelines published: 22 December 2025

**Type of Grant opportunity:** Demand-driven (eligibility-based)

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#### Participating in the Australian Apprenticeships Incentive System

The Australian Apprenticeships Incentive System is designed to encourage employers to take on Australian Apprentices and to assist with the cost of training

This Grant program contributes to the Department of Employment and Workplace Relations, Outcome 2 which promotes growth in economic productivity and social wellbeing through access to quality skills and training.



#### The Australian Apprenticeships Incentive System Program Guidelines are published

The Department of Employment and Workplace Relations publishes the Australian Apprenticeships Incentive System Program Guidelines on <u>GrantConnect</u>, as well as on the Department's website and the Australian Apprenticeships website.



### An employer or potential Australian Apprentice liaises with an Apprentice Connect Australia Provider to enter into an Australian Apprenticeship arrangement

Apprentice Connect Australia Providers are engaged through a Deed with the Department of Employment and Workplace Relations to provide services. These providers are located across Australia and details can be found on the Australian Apprenticeships website at <a href="https://www.apprenticeships.gov.au/who-to-contact/search-for-an-apprentice-connect-australia-provider">www.apprenticeships.gov.au/who-to-contact/search-for-an-apprentice-connect-australia-provider</a>.



An Apprentice Connect Australia Provider facilitates the signing of a Training Contract between the employer and the Australian Apprentice; and undertakes a preliminary assessment to inform the employer, Australian Apprentice, and Registered Training Organisation's potential eligibility for relevant payments

The State or Territory Training Authority-approved Apprenticeship/Traineeship Training Contract is a legally binding agreement that underpins an Australian Apprenticeship. It is also used to identify potential eligibility for payments.



### The Australian Apprentice undertakes both on-the-job and off-the-job training delivered by the employer and the Registered Training Organisation

The commencement date specified on the Training Contract is the commencement date of the Australian Apprenticeship for that Employer. The Training Contract is signed by all parties and approved by the relevant State or Territory Training Authority, through the Apprenticeships Data Management System.



On the Effect date, the Department notifies the Claimant that the relevant payment (based on the preliminary assessment by the Apprentice Connect Australia Provider) is ready to be claimed

The Claimant completes and lodges the claim form in the Apprenticeships Data Management System.



Claim form details are assessed to determine whether eligibility requirements for the payment type are met

The eligibility requirements and Effect dates are dependent on the payment type. Specified requirements for claiming

payments must also be met.



If a claim is approved by the program delegate, the payment is made by direct credit to the Claimant's bank account

Payments may be used at the discretion of the Claimant, unless specified otherwise.



A Claimant may seek review of an eligibility or payment decision through their Apprentice Connect Australia Provider

Only the Department of Employment and Workplace Relations can review and make determinations on request to waive the Australian Apprenticeships Incentive System Program Guidelines.

#### Part A. Introduction

#### 1. Australian Apprenticeships Incentive System Overview

The Australian Apprenticeships Incentive System (Incentive System) plays a key role in building a more inclusive and sustainable economy, ensuring Australians receive quality training while in employment. It builds skills and talent in the Australian workforce, helping businesses to meet their current and future skills gaps and realise the opportunities of a recovering economy.

The Incentive System supports Australian Apprenticeships in priority occupations as listed on the Australian Apprenticeships Priority List (Priority List). Support includes a Priority Hiring Incentive and Key Apprenticeship Program Employer Incentive for employers and financial support to Australian Apprentices in priority occupations. The Incentive System also includes support for Australian Apprentices with disability and a Living Away from Home Allowance for those who are required to move away from home to take up their Australian Apprenticeship. Both the Disability Australian Apprentice Wage Support and the Living Away from Home Allowance have been carried over from the Australian Apprenticeships Incentive Program. The previous payments, the Priority Wage Subsidy and Hiring Incentive will not be available to apprenticeships that commenced or recommenced from 1 July 2024.

The Incentive System sits alongside a suite of other financial and non-financial supports that are designed to support apprenticeship commencements and completions. This includes support provided through Apprentice Connect Australia Providers for all people considering undertaking an apprenticeship, or considering hiring an apprentice, to help them understand and navigate the apprenticeship system. It also provides mentoring support for apprentices with flexible, wrap-around care to address individual barriers that might prevent the apprentice from completing their apprenticeship.

The Incentive System complements the Australian Apprenticeship Support Loans program, that provides access to loans for apprentices to help with the cost of living.

The Incentive System replaces the Australian Apprenticeships Incentive Program which included the Boosting Apprenticeship Commencements and Completing Apprenticeship Commencements measures, measures that were introduced as a time-limited response to the Covid-19 pandemic. The Australian Apprenticeships Incentive Program will continue to support Australian Apprentices who commenced prior to 1 July 2022 through grandfathering arrangements.

All references to time critical events are assessed in Australian Eastern Standard Time (AEST) or Australian Eastern Daylight Time (AEDT) relevant to the time zone active at the time of assessment.

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### 2. Purpose of Australian Apprenticeships Incentive System Program Guidelines and the Apprentice Connect Australia Providers

The Australian Apprenticeships Incentive System Program Guidelines (the Incentive System Guidelines) set out the requirements for the administration and delivery (Parts B, C and G) of the Incentive System, as well as the specific payments available (Parts D, E and F).

Apprentice Connect Australia Providers are engaged through a Deed with the Department of Employment and Workplace Relations to support the administration of the Incentive System, promote VET pathways and to provide services to Australian Apprentices, employers and interested stakeholders. These services include the provision of support to employers and Australian Apprentices to enter into a Training Contract, and provide advice in relation to eligibility for, and access to, financial assistance under the Incentive System.

Apprentice Connect Australia Providers also offer individualised and targeted pre-commencement advice to potential Australian Apprentices and employers through assessment services. This includes assessing the potential Australian Apprentice or employer and recommending the right training or employment pathway. A Training Contract forms a legally binding agreement between the employer and employee for the training of Australian Apprentices in a nationally recognised qualification which leads to a defined occupational outcome. In signing a Training Contract, the parties are bound by the obligations that are specified in the contract, and the legislation of a state or territory in which the Training Contract is to be registered. All Training Contracts are approved by the relevant State or Territory Training Authority.

#### 3. Australian Apprenticeships Incentive System Policies and Funding

#### 3.1. Interpreting Incentive System policies

The policy framework for the Incentive System was approved by the then Minister for Employment, on behalf of the Australian Government.

Departmental officers must not waive or amend the Guidelines in any way that would alter the policy intent of the payments detailed in the Guidelines without reference to the Minister or their delegate.

#### 3.2. Changes to requirements and funding

Payments under the Incentive System are available to employers, Australian Apprentices, Group Training Organisations (GTO), and Registered Training Organisations.

The requirements and payments available under the Incentive System, including eligibility, availability, and payment amount, may change during the term of an Australian Apprenticeship in line with Government priorities.

Payments are payable, subject to meeting the relevant eligibility requirements, at the date the payment is due to be claimed (referred to through the Incentive System Guidelines as the Effect date).

The qualification and occupational outcome listed on the Training Contract determines eligibility for payments linked to the Australian Apprenticeships Priority List.

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#### 3.3. Approval to spend public monies

The *Public Governance, Performance and Accountability Act 2013* (the PGPA Act) establishes the framework for the use and management of public resources by Commonwealth entities.

For the purposes of *Social Security Act 1991* as per Schedule 1062A and under the *Financial Framework* (Supplementary Power) Act 1997, the Secretary of the Department of Employment and Workplace Relations has delegated authority to make payments under the Incentive System to a Senior Executive Service Band 1 officer, currently the Assistant Secretary of Apprenticeship Operations Branch to approve the commitment and expenditure of relevant money to make payments to employers, Australian Apprentices and Registered Training Organisations in accordance with the eligibility requirements set out in the Guidelines.

The Commonwealth Grant Rules and Principles 2024 (CGRPs) are a legislative instrument under the PGPA Act and establish the Australian Government's overarching Grants policy framework. In accordance with paragraph 2.3 of the CGRPs, payments under the Incentive System are defined as a 'grant' and are subject to the provisions of the CGRPs.

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# Part B. Primary eligibility requirements and standard requirements for claiming payments

Participants must meet primary eligibility requirements and standard requirements to claim and receive payments under the Incentive System. Additional eligibility requirements must also be met for individual payment types.

Primary eligibility requirements include:

- the Australian Apprentice's citizenship or residency status; and
- employment and training arrangements; and
- whether the Australian Apprentice has previously completed a qualification.

To claim payments under the Incentive System, Claimants must meet standard requirements, including:

- meeting Effect dates; and
- lodging claim forms within specified time limits; and
- providing accurate documentary evidence where specified in the relevant claim form.

Where specified, eligibility for some payment types may be affected if an Australian Apprentice is:

- an Existing Worker; or
- part-time; or
- a Custodial Australian Apprentice.

#### 1. Primary eligibility requirements

#### 1.1. Citizenship or residency status

(a) Overview

The citizenship or residency status requirement supports the development of a skilled Australian workforce.

(b) Eligibility requirement

For an employer, Australian Apprentice, or Registered Training Organisation to be eligible for any payment under the Incentive System, the Australian Apprentice, at the date of commencement or recommencement must be:

- an Australian citizen; or
- a foreign national with permanent residency; or
- a New Zealand passport holder with at least six months' residence in Australia.

#### (c) Residency status for foreign nationals

The visa granted by the Australian Government Department of Home Affairs determines the residency status of foreign nationals.

#### 1.2. Employment and training arrangements

#### (a) Overview

Payments available under the Incentive System are payable in respect of an Australian Apprentice whose employment and training arrangements are formally approved as an Australian Apprenticeship by the relevant State or Territory Training Authority.

#### (b) Eligibility requirements

For an employer, Australian Apprentice, or Registered Training Organisation to be eligible for payments under the Incentive System, the Australian Apprentice must be:

- employed in an Australian Apprenticeship arrangement in an Australian state or territory; and
- employed under the terms and conditions of a Training Contract, which must:
  - o include a signed Training Plan; and
  - o be signed by the Australian Apprentice and the employer; and
  - be formally approved by the State or Territory Training Authority; and
- undertaking accredited training which includes both paid work and structured training.

#### (c) Ineligibility for any payment

The following employment arrangements are not eligible for any payment under the Incentive System:

- employment offered by a private household; or
- casual employment or sub-contracting arrangements; or
- commission-based positions, piece-rate work, or any other employment arrangement which does not guarantee a regular salary; or
- · contract or seasonal employment; or
- Supported Wage Arrangements (payment based on a productivity or competency-based arrangement as a proportion of wages set by an award).
  - (d) Ineligibility for employer incentives only

The following eligibility exclusions apply to employer payments only.

(i) Business arrangements

An employer is not eligible to attract employer payments under the Incentive System if:

they are also the Australian Apprentice themselves; or

• the Australian Apprentice has a financial interest in their employer's (or host employer's) business.

This includes, but is not limited to business arrangements:

- where the Australian Apprentice is:
  - o a partner or director in the employer's business; or
  - o the trustee of a trust; or
  - o a franchisee or a shareholder.
  - (ii) Australian Government departments and agencies

An employer is not eligible for any employer payments under the Incentive System for the duration that the Australian Apprentice is employed by an Australian Government department or agency, including:

- corporate Australian Government entities; or
- non-corporate Australian Government entities, such as departments of state and parliamentary departments

as provided for under the PGPA Act.

This applies to situations where an apprentice undertakes a placement with a non-government employer as part of the same apprenticeship journey.

(iii) State or territory government departments and agencies

An employer is not eligible for any employer payments under the Incentive System for the duration that the Australian Apprentice is employed by a:

- state or territory government department or agency; or
- department of state or a parliamentary department, and is seconded to a statutory authority, statutory body, body corporate or local government organisation.

However, an employer is eligible for employer payments for the duration that the Australian Apprentice is hosted by a:

- state or territory government body which is a statutory authority, statutory body, or body corporate; or
- local government organisation; or
- statutory authority, statutory body, body corporate or local government organisation and is seconded to a department of state or parliamentary department.
  - (iv) Foreign entities

An employer is not eligible for any employer payments under the Incentive System if they are a foreign entity.

(v) Organisations listed on the National Redress Scheme

An employer is not eligible for any employer payments under the Incentive System if they are an organisation included on the National Redress Scheme website on the list of 'Institutions that have not joined or signified their intent to join the Scheme' (<a href="https://www.nationalredress.gov.au">www.nationalredress.gov.au</a>).

#### 1.3. Previously completed and concurrent qualifications

#### (a) Overview

The Incentive System aims to increase the number of skilled workers available to participate in the Australian workforce by assisting and supporting workers to gain new and formally recognised qualifications relevant to Australia's current and future workforce requirements. Payments are intended to encourage increased employability and workforce participation.

Qualifications that the Australian Apprentice:

- has previously completed; or
- has commenced but not completed; or
- is undertaking concurrently,

may affect eligibility for payments, as specified below.

(b) Qualifications previously completed within the last seven years

Australian Apprentices and their employers are not eligible for payments under the Incentive System if the Australian Apprentice:

- has previously completed the same qualification within the last seven years from the date of commencement of the Australian Apprenticeship; or
- is undertaking a qualification that supersedes a qualification that was completed within the last seven years from the date of commencement of the Australian Apprenticeship Journey.
  - (c) Concurrent qualifications

Australian Apprentices undertaking two part-time Australian Apprenticeship Journeys concurrently, may attract payments for both Australian Apprenticeship Journeys, subject to all other eligibility criteria being met.

(d) Overseas qualifications

Where a qualification has been completed overseas, the Australian Apprenticeship is eligible for payments under the Incentive System.

If the overseas qualification aligns with a qualification on the Australian Qualifications Framework, the Australian Apprentice must obtain a comparable level Certificate that aligns with the Australian Qualifications Framework from the appropriate authority before eligibility for payments under the Incentive System can be assessed.

#### (e) Historical qualifications

Where a qualification has been previously completed more than seven years from the date of the commencement of the Australian Apprenticeship Journey, it is eligible to attract payments under the Incentive System.

#### 2. Standard requirements for claiming payments

#### 2.1. Waiting period

(a) Overview

All payment types are subject to a waiting period, unless otherwise specified.

The waiting period ensures the employer, and the Australian Apprentice are committed to continuing the Australian Apprenticeship.

(b) Definition of waiting period

The waiting period is defined as the greater of:

- three calendar months from the date of commencement or recommencement (refer Part C. 1.1 Commencement and Recommencement); or
- the probationary period as specified by the relevant State or Territory Training Authority.

Where an extension to a probationary period has been approved by the relevant State or Territory Training Authority, the updated probationary period determines the waiting period.

#### 2.2. Effect dates and time limits for lodging a claim

(a) Effect dates

The Effect date is the day after the claim period end date and is when a claim becomes payable. Effect dates and claim period dates are specified under their respective payment type.

The Australian Apprentice must be employed by the employer as an Australian Apprentice for the full claim period to be eligible for an apprentice or employer payment, unless otherwise specified.

(b) Time limit for lodging a claim

Claimants have 12 calendar months from each Effect date to claim a payment, unless otherwise specified. Where an Australian Apprentice, Employer or Registered Training Organisation provides incomplete, insufficient or incorrect evidence when lodging an Incentive claim, it will be returned to the Australian Apprentice, Employer or Registered Training Organisation and must be resubmitted in the Apprenticeships Data Management System with the required additional evidence provided within 20 business days of the notification for additional evidence.

(c) Custodial Australian Apprentices

Payments are payable to Custodial Australian Apprentices and their employers if the Australian Apprenticeship is continued following release from custody. The Effect date will be the later of:

- the waiting period; or
- the Effect date of the claim; or
- the day after the Custodial Australian Apprentice was released from custody.

#### 2.3. Lodging claims using claim forms and evidence required

Payments must be claimed in the Apprenticeships Data Management System unless otherwise specified.

A claim cannot be lodged until:

- the Effect date has been reached; and
- the State or Territory Training Authority has approved the Training Contract; and
- training has commenced.

All claims must include accurate supporting evidence where specified.

(a) Standard evidence to show training has commenced

Training is deemed to have commenced when the employer, Australian Apprentice and Registered Training Organisation sign an agreed individual Training Plan for the Australian Apprenticeship. Claims must include evidence to show training has commenced if this has not already been provided for the same Australian Apprenticeship. This evidence must be in the form of:

- i. a copy of the signed Training Plan, or state or territory equivalent; or
- ii. RTO Declaration for Australian Government Australian Apprenticeships Employer Incentives (known and used for AAIP claims as Form 1237 RTO declaration); or
- iii. a letter from the RTO confirming enrolment; or
- iv. an enrolment letter or letter of confirmation of enrolment; or
- v. the apprentice's record of attendance at a training course; or
- vi. the apprentice's statement of attainment; or
- vii. a declaration within ADMS that includes:
  - a. the date the training has commenced; or
  - b. the date the training is due to commence; and
  - c. the name of the RTO;

#### 3. Additional eligibility considerations

Eligibility for some payments may be affected if an Australian Apprentice falls within any of the following categories. The applicability of these additional eligibility considerations is set out in each payment section.

#### 3.1. Existing Worker

(a) Definition of an Existing Worker

An Existing Worker is a person who has had an employment relationship with their employer for more than three full-time equivalent months, including approved leave, on the date of commencement of the Australian Apprenticeship.

To calculate the full-time equivalent period of employment, divide any period of part-time or casual employment (in months) by four, and add that to any full-time employment periods (in months) employed, or by using the following formula:

Part-time or casual employment periods worked 4 + Full-time employment periods worked

#### Periods worked do not include:

- any service prior to a break of six months or more in the employment relationship, which was prior to the commencement of the Australian Apprenticeship; and
- any periods of employment where the Australian Apprentice was:
  - o employed whilst attending a secondary school as a student; or
  - o undertaking a previous Australian Apprenticeship;
  - o participating in a Community Development Program (CDP) project; or
  - o participating in the Youth Jobs PaTH initiative.
  - (b) Change of circumstances and effect on Existing Worker status

For the purposes of assessing Existing Worker status:

- a change in business ownership does not reset the timeframe of the employment arrangement, any
  period of employment with a previous owner of a business is to be considered as prior employment;
- a Group Training Organisation and the host employer are regarded as the same employer.

#### 3.2. Custodial Australian Apprentices

Australian Apprentices who are serving a prison sentence and commence an Australian Apprenticeship in preparation for release into the community may be able to attract payments under the Incentive System. Custodial Australian Apprentices are those who:

- were in custody at the time of commencement or recommencement; and
- are released from custody on day release, or similar arrangements, in order to participate in an Australian Apprenticeship.

Australian Apprentices who are required to attend periodic detention that does not coincide with their employment under their Australian Apprenticeship are not considered to be Custodial Australian Apprentices for the purposes of the Incentive System.

#### 3.3. Australian Apprenticeships Priority List

The Incentive System aims to increase the national skills base relevant to the Australian economy now and into the future by focusing support for qualifications and occupations listed on the Australian Apprenticeships Priority List (Priority List). The Priority List includes eligible qualifications with an occupational outcome which is classified by the Australian Bureau of Statistics as either Technician and Trade Workers or Community and Personal Service Workers and assessed as being in national skills shortage.

The Priority List identifies a subset of these qualifications and occupations which apply to the Key Apprenticeship Program (see Part F, Section 2 of these Guidelines).

(a) Criteria for inclusion on the Australian Apprenticeships Priority List

The Priority List of eligible qualifications and occupations is included in *Appendix A – Australian Apprenticeships Priority List*. The Priority List will be updated regularly to reflect updated skills forecasting. Any updates to the Priority List will be appended to revised Incentive System Guidelines.

The Priority List includes:

- occupations assessed by Jobs and Skills Australia as in shortage with a future demand; and
- classified by the Australian Bureau of Statistics Occupation Standard Classification for Australia (OSCA)
  as either Technician and Trade Workers (Major Group 3) or Community and Personal Service Workers
  (Major Group 4); and
- concordant qualifications at Certificate Level III, Certificate Level IV, Diploma or Advanced Diploma.

The Priority List also provides a subset of occupations that have been identified as being relevant to clean energy and housing construction sector roles. To be included in these subsets, the occupation and qualification must meet the criteria for inclusion on the Priority List, as well as present skills in demand that align to the needs of these sectors as identified through consultation and feedback from industry.

For an Australian Apprenticeship to be eligible for any of the following Incentives:

- Priority Hiring Incentive;
- Key Apprenticeship Program Employer Incentive;
- Australian Apprentice Training Support Payment;
- Key Apprenticeship Program Apprentice Incentive;

the qualification being undertaken must map to an occupation, resulting in a valid combination, as listed on the Priority List.

# Part C. Apprenticeship administration for the purposes of the Incentive System

#### 1. Overview

Unless otherwise specified, eligibility rules for employer payments are determined by the relationship between the employer and the Australian Apprentice as reflected in the Training Contract. A relationship between an employer and an Australian Apprentice can have more than one Training Contract where the Australian Apprentice commences with the same employer in the same qualification/occupation following a period of suspension or cancellation.

Unless otherwise specified, eligibility rules for apprentice payments are determined by the Australian Apprenticeship Journey as reflected in the Training Contract. An Australian Apprenticeship Journey can involve more than one employer and more than one Training Contract.

To participate in the Incentive System:

- an Australian Apprentice must commence or recommence an Australian Apprenticeship under a new Training Contract with a new employer on or after 1 July 2022; or
  - an Australian Apprentice must recommence an Australian Apprenticeship on or after 1 July 2022 under a new Training Contract with the same employer after a period of cancellation or suspension where the break is greater than six months if commencement date was prior to 1 July 2022.
- Commencements and recommencements must occur on or after 1 January 2023 for an Australian Apprentice to meet the eligibility requirements for the New Energy Apprentice Support Payment.
- Commencements and recommencements must occur on or after 1 July 2024 for an employer of an Australian Apprentice to meet the eligibility requirements for the Priority Hiring Incentive.
- Commencements and recommencements must occur on or after 1 July 2025 for an Australian Apprentice to meet the eligibility requirements for the Key Apprenticeship Program.
- Commencements and recommencements must occur on or after 1 January 2026 for an employer of an Australian Apprentice to meet the eligibility requirement for the Key Apprenticeship Program Employer Incentive

Australian Apprenticeships which commenced or recommenced prior to 1 July 2022 will continue to attract support under the Australian Apprenticeships Incentive Program (AAIP).

Australian Apprenticeships which commenced or recommenced between 1 July 2022 and 31 December 2026 will continue to attract support under the Australian Apprenticeships Incentive System (Incentive System).

**Note**: the below definitions of a commencement and a recommencement are for the purposes of the Incentive System only and may differ from the definitions used by a State Training Authority. For the purposes of the Incentive System, the date registered on the Training Contract is the commencement or recommencement date of the Australian Apprenticeship.

#### 1.1. Definition of a commencement

A commencement occurs where an Australian Apprentice starts a qualification in an occupation that they have not previously commenced – that is, a new Australian Apprenticeship Journey. The assessment is completed against the Priority List published as at the date of assessment at commencement. Future changes to the Priority List do not impact eligibility.

#### 1.2. Definition of a recommencement

A recommencement occurs where an Australian Apprentice continues an Australian Apprenticeship Journey that they have previously commenced and not completed.

#### 1.3. Determining the Cancellation or Suspension Breaks

**AAIP** - The 6-month break rule is used to determine when the apprenticeship journey ceases to be eligible for AAIP payments and becomes eligible for Incentive System payments. An apprentice under AAIP who breaks for more than six months is therefore no longer eligible under AAIP. They are considered a new commencement for eligibility through the Incentive System.

**Incentive System** - Once in the Incentive System, to be considered as though the Australian Apprentice is a new commencement, the Australian Apprentice needs to have had a break of 12 months or more.

## 2. Changes in an employer or Australian Apprentice's circumstances and impact on eligibility

#### 2.1. Change of business ownership

(a) Definition

For the purposes of the Incentive System, a change of ownership is defined as where a business:

- changes its legal name; or
- · changes its ownership; or
- changes its Australian Company Number (ACN); or
- takes over the functions or employees of another business, including through an outsourcing or contracting arrangement,

in such a way that does not affect the status of the employment relationship between the new business entity and existing or former employees.

#### (b) Eligibility under the Incentive System

Where there is a change of ownership, eligibility for all payments under the Incentive System are assessed as if a continuous employment relationship has been maintained.

#### (c) Payments due prior to change of ownership

For the purposes of the payments made under the Incentive System, and unless specifically stated as part of the bill of sale, payments should be paid to the legal entity at the time of the Effect date.

Unless otherwise specified, where a Claim period overlaps with the change of ownership, the payment should be shared between the parties. In this instance, each entity should submit a claim form for the relevant period.

#### 2.2. Group Training Organisations and host employers

(a) Transfers between host employers

Unless otherwise specified, Group Training Organisations and the Australian Apprentice's host employer are to be treated as the same employer, including where an Australian Apprentice is hosted by more than one host employer over the course of the Australian Apprenticeship.

(b) Transfers between Group Training Organisation and direct employment with a host employer

Where an Australian Apprentice transfers from a Group Training Organisation to direct employment by a host employer, the employer's eligibility is assessed the same as a commencement.

#### Part D. Payments to Employers of Australian Apprentices

#### 1. Priority Hiring Incentive

#### 1.1. Overview

The Priority Hiring Incentive aims to maintain strong Australian Apprenticeship commencement levels and improve retention and completion rates in priority occupations experiencing national skills shortage.

Eligible employers who commence a new or an Existing Worker Australian Apprentice in a qualification and occupation listed on *Appendix A - Australian Apprenticeships Priority List*, including those identified as leading to a clean energy or housing construction apprenticeship pathway, can claim a Priority Hiring Incentive payment at six and 12 months from the commencement or recommencement of an Australian Apprenticeship to help offset the cost of taking on an Australian Apprentice.

#### 1.2. Eligibility requirements

For an employer or Group Training Organisation to be eligible for the Priority Hiring Incentive:

- all primary eligibility requirements must be met, and
- the Australian Apprentice must have commenced or recommenced their Australian Apprenticeship as per Part C, Section 1; and
- the Australian Apprentice must, at the date of commencement or recommencement of the Australian Apprenticeship, be undertaking:
  - a qualification at the Certificate III, Certificate IV, Diploma or Advanced Diploma level listed on *Appendix A - Australian Apprenticeships Priority List*; including those identified as leading to a clean energy or housing construction apprenticeship pathway; and
  - o an Australian Apprenticeship with an occupational outcome listed on *Appendix A Australian Apprenticeships Priority List*, including those identified as leading to a clean energy or housing construction apprenticeship pathway. The qualification and occupation must be a valid combination on *Appendix A Australian Apprenticeships Priority list*.
- the Australian Apprentice must:
  - o be in-training with their employer on the claim period end date.

In addition to the above requirements, employers must not be in receipt of the Disability Australian Apprentice Wage Support, the Key Apprenticeship Program Employer Incentive or any other form of Australian Government assistance for the same Australian Apprenticeship. If the employer is a GTO, then they can also receive the GTO Reimbursement Payments.

#### (a) Part-time Apprenticeships

Where an Australian Apprentice undertakes an Australian Apprenticeship part-time, the employer will be able to claim the Priority Hiring Incentive payment at the part-time rate, calculated as a flat rate for all part-time employment and training arrangements.

Where an Australian Apprentice changes their employment and training arrangements during any Claim period, the claim rate will be assessed based on the employment and training arrangements at the Claim period end date.

#### (b) Concurrent Apprenticeships

Where an Australian Apprentice is undertaking two Australian Apprenticeship Journeys (with qualifications and occupations listed on *Appendix A – Australian Apprenticeships Priority List*) concurrently with the same employer both Australian Apprenticeships may be eligible to attract the Priority Hiring Incentive at the part-time rate.

Where an Australian Apprentice is undertaking two part-time Australian Apprenticeship Journeys concurrently with different employers, both Australian Apprenticeships may be eligible to attract the Priority Hiring Incentive at the part-time rate.

#### 1.3. Payment schedule and rates

For commencements and recommencements on or before 31 December 2025 the Priority Hiring Incentive is paid according to the following schedule and rates:

Claim Period	Full-time Rate	Part-time Rate
Six months from commencement or	\$2,000	\$1,000
recommencement		
12 months from commencement or	\$3,000	\$1,500
recommencement		

For commencements and recommencements on or after 1 January 2026 the Priority Hiring Incentive is paid according to the following schedule and rates:

Claim Period	Full-time Rate	Part-time Rate
Six months from commencement or	\$1,000	\$500
recommencement		
12 months from commencement or	\$1,500	\$750
recommencement		

The part-time payment rate is applied as a flat rate regardless of part-time hours worked in any given Claim period.

No single employer can claim more than one years' worth of the Priority Hiring Incentive for one Australian Apprenticeship.

#### 1.4. Claiming payments

For an employer to claim the Priority Hiring Incentive:

• all standard requirements for claiming payments must be met; and

- the employer must:
  - lodge their claim through the Apprenticeships Data Management System, unless otherwise specified

#### Effect date and time limit for lodging a claim

The Effect date is the day after the claim period end date and is when the claim becomes payable. E.g. if an apprenticeship commenced on 1 January, then 30 June is the Claim period end date for the first payment. The effect date would subsequently be 1 July.

Payment	Effect date
First payment	Day after claim period end date of six months from the date of commencement or recommencement
Second payment	Day after claim period end date of 12 months from the date of commencement or recommencement

The time limit for lodging a claim is 12 months from each Effect date.

#### (a) Claim form and lodgement

Eligible employers must claim the Priority Hiring Incentive using the Apprenticeships Data Management System, unless otherwise specified.

Employers must provide evidence through an upload of documentation to the Apprenticeships Data Management System with the claim form to confirm that the Australian Apprentice was employed on the claim period end date.

This evidence can be in the form of a payroll print out, time and wages sheet, payslip, or payroll summaries which must be able to confirm:

- the legal name or Australian Business Number (ABN) of the employer making the Hiring Incentive claim
- apprentice name
- a date range covering the claim period end date

#### 1.5. Apprenticeship administration for the purposes of the Priority Hiring Incentive

#### (a) Suspensions and cancellations

An employer is not eligible to claim the Priority Hiring Incentive payment while their Australian Apprentice is in a period of suspension or if their Australian Apprentice cancels their Training Contract prior to the claim period end date.

Where an Australian Apprentice has commenced under the Incentive System, and following a period of suspension or cancellation, returns to the same employer within a 12-month period, the Effect date will be extended by the number of days the Australian Apprentice was in suspension.

#### (b) Early successful completions

Where an Australian Apprentice successfully completes the Australian Apprenticeship prior to the claim period end date, the employer will not be eligible to claim the Priority Hiring Incentive payment for that six-month period.

#### 2. Group Training Organisation Reimbursement Pilot Program

#### 2.1. Overview

The Group Training Organisation Reimbursement Pilot Program (GTO Reimbursement Program) is intended to reimburse some or all of the cost of Group Training Organisation (GTO) services for Small and Medium Enterprises (SMEs) that host an Australian Apprentice training towards a qualification and occupation listed on the *Australian Apprenticeships Priority List*, where the SME has not directly engaged an Australian Apprentice or hosted an Australian Apprentice through a GTO arrangement within the last two years.

From 1 January 2025, the GTO Reimbursement Program will operate on a demand driven basis, capped at 400 reimbursed placements nationally. Placements under this program will be available until 30 April 2026 or until the cap of 400 reimbursed placements is reached—whichever occurs first. This means that if the cap is met before the closing date, eligibility applications will no longer be accepted for program participation.

Twenty per cent of reimbursed placements will be reserved for women Australian Apprentices. Each reimbursed placement offers a payment valued at \$100 per week, and up to \$5,200 (GST inclusive) over 52 weeks, paid to the GTO to reimburse for a commensurate reduction in the usual GTO service fee, or charge-out rate, charged to an eligible SME in respect of an eligible Australian Apprenticeship placement.

#### 2.2. Eligibility requirements

**Group Training Organisation** 

For a GTO to be eligible to participate in the GTO Reimbursement Program, the GTO must adhere to the following primary eligibility requirements:

- meet primary eligibility requirements (Part B of these Guidelines).
- be listed on the Group Training National Register and adhere to the National Standards.
- be compliant with the National Standards for GTOs in the relevant State or Territory as of 1 January 2025 (refer Group Training Organisation National Standards | Australian Apprenticeships).

Each GTO (identified by Australian Business Number (ABN)) can access up to 20 reimbursed placements in the first instance, with any additional reimbursed placements subject to a compliance check to affirm the quality and integrity of the placements. Twenty per cent of reimbursed placements (per GTO) will be reserved for women Australian Apprentices.

GTOs are responsible for selecting suitable SMEs to participate in the GTO Reimbursement Program, consistent with the eligibility criteria and the program's policy objectives. Apprentice Connect Australia Providers are responsible for determining whether the GTO and proposed placement meet eligibility criteria for the GTO Reimbursement Program.

A GTO must submit an eligibility application in the Apprenticeships Data Management System for assessment by an Apprentice Connect Australia Provider. Where an Apprentice Connect Australia Provider determines that the GTO and proposed placement meets eligibility criteria for the GTO Reimbursement Program, the Provider will allocate a reimbursed placement in respect of the eligible Australian Apprenticeship placement.

#### SME and Australian Apprentice

For an Australian Apprenticeship placement to be allocated a reimbursed placement, an eligible GTO must complete the eligibility application in the Apprenticeships Data Management System declaring that the following criteria have been met.

#### • the Australian Apprentice:

- o has commenced or recommenced their Australian Apprenticeship as per Part C, Section 1.
- must have started a new hosting arrangement with an eligible SME through a GTO on or after 1
   January 2025.
- o is undertaking a qualification and occupational outcome listed on Appendix A Apprenticeships Priority List, including those identified as leading to a clean energy apprenticeship pathway.

#### The SME:

- o is a Small or Medium Enterprise (199 or less employees).
- has not directly engaged an Australian Apprentice, or hosted an Australian Apprentice through a GTO arrangement, within the last two years.
- o is not accessing any other equivalent Commonwealth or state or territory government initiatives in respect of the same Australian Apprenticeship placement (I.e. financial supports aimed at offsetting or reducing GTO service fees or charge-out rates).

#### 2.3. Payment schedule and rates

The GTO Reimbursement Program payment provides \$5,200 over a 52 week period starting from the date when the reimbursed placement with the eligible SME begins. This date is recorded on the eligibility application, marking the commencement of the first payment period. Payments will be pro-rated at the rate of \$100 per week, rounded up to the nearest full week and claimed retrospectively for each 13 week payment period.

Eligible GTOs can claim the GTO Reimbursement Program payment in respect of an eligible reimbursed placement according to the following schedule and rate/s:

Claim Period/Effect date	<u>Payment</u>
<b>13 weeks</b> from the first date of the reimbursed placement, as recorded in the eligibility application.	<u>\$1,300</u>
26 weeks from the first date of the reimbursed placement, as recorded in the	<u>\$1,300</u>
eligibility application.	
<b>39 weeks</b> from the first date of the reimbursed placement, as recorded in the	<u>\$1,300</u>
eligibility application.	
<b>52 weeks</b> from the first date of the reimbursed placement, as recorded in the	<u>\$1,300</u>
eligibility application.	

#### 2.4. Claiming payments

For a GTO to claim the GTO Reimbursement Program payment (reimbursement payment) in respect of an eligible reimbursed placement, the GTO must:

- be registered with an active Australian Business Number
- meet all standard requirements for claiming payments (Part B Guidelines)
- lodge the claim through the Apprenticeships Data Management System, unless otherwise specified.

GTOs are required to first reduce their service fees before claiming the reimbursement payment. The reimbursement payment must be passed on as a direct reduction in the usual GTO service fee, or charge-out rate, charged to the eligible SME. This reduction applies to all fees charged in respect of recruitment, placement, training, mentoring, and quality assurance activities conducted in relation to the eligible Australian Apprenticeship placement. The reimbursement payment must not be used to subsidise the wage costs of the Australian Apprentice or to reimburse costs unrelated to the eligible Australian Apprenticeship placement (for example, capital costs or general office expenses). The GTO is not expected to provide additional services at an extra cost.

GTOs are not eligible to claim the reimbursement payment if they are accessing any other equivalent Commonwealth, State or Territory government initiatives aimed at reducing the GTO service fees.

GTOs may receive the reimbursement payment alongside either the Disability Australian Apprentice Wage Support or the Priority Hiring Incentive or the Key Apprenticeship Program Employer Incentive. These payments can be claimed concurrently, provided all eligibility criteria is met.

Where an apprenticeship has been withdrawn under probation following the approval of a reimbursed placement, payments may be made up to the date in which the apprenticeship was withdrawn.

A GTO (identified by ABN) can only access one payment in respect of each eligible reimbursement placement for each 13 week period. Multiple businesses operating under a single ABN are only eligible for one payment. GTOs operating under multiple ABNs cannot access payment in respect of the same eligible reimbursement placement.

#### (a) Payment period, Effect date, and time limit for lodging a claim

The Payment period refers to the duration of time within which a payment is officially applied. Specifically, it corresponds to a 52 week period starting from the first date of the reimbursed placement (i.e. the date the placement begins with the eligible SME begins). This must be recorded in the eligibility application and marks the commencement of the first Payment period.

The first Effect date is the date 13 weeks from the first date of the reimbursed placement as recorded on the eligibility application. Subsequent Effect dates follow on the dates 26, 39 and 52 weeks from the first date of the reimbursed placement. For example, if the reimbursed placement begins 1 January 2025, the first Effect date would be 13 weeks from this date (approximately 26 March 2025). The next Effect date would be 26 weeks from 1 January 2025, and so on. These are outlined in the table above.

The time limit for lodging claims is 12 months from the relevant Effect date.

#### (b) Claim lodgement

#### Claim forms must be:

- signed and dated on or after the last day of the Claim period; and
- lodged through ADMS, unless otherwise specified.
- signed by the GTO.

GTOs must upload evidence that the GTO reimbursement payment has been passed on as a commensurate reduction in the usual GTO service fee charged to the eligible SME. GTOs must also upload evidence substantiating that the eligible SME has received a discount equivalent to the value of GTO reimbursement payment claimed.

This evidence can be in the form of an invoice or receipt provided to the SME, demonstrating the typical GTO service fees (without any discount applied), the value of the discount applied, and the value of GTO service fees (if any) as charged to the eligible SME.

(c) Time limits to provide additional evidence.

When submitting a claim, GTOs must ensure that all information provided is complete and correct. Where a GTO initially provides incomplete, insufficient, or incorrect information when claiming the Reimbursement payment, the Apprentice Connect Australia Provider will return the claim to the GTO. The GTO must correct the noted deficiencies or errors and resubmit the claim in the ADMS within twenty business days from the date of the request for additional information. Failure to meet this deadline may result in the claim being rejected for that claim period.

#### 2.5. Apprenticeship administration for the purposes of the GTO Reimbursement Program

(a) Separation from a host employer

In cases where a reimbursed placement comes to an end within a Payment period, the GTO Reimbursement Program payment will be pro-rated to reflect the actual duration of the reimbursed placement within the Payment period, rounded up to the nearest full week. The payment amount will be calculated at the time the claim application is submitted.

The following examples illustrate the proportional distribution of payments based on the duration of active arrangements:

- i. Where a reimbursed placement is active for the full claim period (13 weeks), payment will be calculated as follows:
  - a. Duration of placement within 13 week Payment period: 13 weeks.
  - b. Pro-rated payment period:  $(13/13) \times $1,300 = $1,300$
- ii. Where a reimbursed placement concludes at 3 weeks, payment will be calculated as follows:
  - a. Duration of placement within 13 week Payment period: 3 weeks.
  - b. Pro-rated payment period:  $(3/13) \times $1,300 = $300$ .

- iii. Where a placement concludes after 3 weeks + 2 days, payment will be rounded up to the nearest full week, and calculated as follows:
  - a. Duration of placement within 13 week Payment period: 4 weeks (3 weeks + 2 days rounded up)
  - b. Pro-rated payment period: (4/13) \* \$1,300 = \$ 400
- iv. If a reimbursed placement was active for 4 weeks, then suspends for 3 weeks then resumes for 6 weeks, the payment will be calculated as follows:
  - a. Duration of placement within 13 week Payment period: 10 weeks (6 weeks + 4 weeks)
  - b. Pro-rated payment period: (10/13) \* \$1,300 = \$1,000

In all cases, the GTO Reimbursement Program payment will be calculated based on the actual number of complete weeks the reimbursed placement was active within the quarter, rounded up to the nearest full week.

#### (b) Suspensions and cancellations

A GTO is not eligible to claim the GTO Reimbursement Program payment in respect of periods where the Australian Apprentice is in a period of suspension, or for any period after the Australian Apprentice cancels their Training Contract.

#### (c) Early successful completions

Where an Australian Apprentice successfully completes the Australian Apprenticeship prior to an Effect date, the GTO will not be eligible to claim the GTO Reimbursement Program payment for any dates after the Australian Apprentice successfully completes.

#### 3. Key Apprenticeship Program Employer Incentive

#### 3.1. Overview

The Key Apprenticeship Program (KAP) aims to grow Australia's skilled workforce and expand the pipeline of apprentices training towards critical occupations in priority sectors. Through targeted support streams, KAP seeks to boost participation, improve retention, and increase completion rates in occupations of national importance. The Key Apprenticeship Employer Incentive is designed to complement the Key Apprenticeship Program Apprentice Incentive.

The Key Apprenticeship Program (KAP) contains two streams. The:

- 1. New Energy Apprenticeship stream; and
- 2. Housing Construction Apprenticeship stream.

From 1 January 2026 eligible employers who commence a new or an Existing Worker Australian Apprentice in a qualification that maps to an occupation as listed on *Appendix A - Australian Apprenticeships Priority List* and is identified as leading to a clean energy or housing construction apprenticeship pathway, can claim a Key Apprenticeship Program Employer Incentive payment at six and 12 months from the commencement or recommencement of an Australian Apprenticeship to help offset the cost of taking on an Australian Apprentice.

The **Key Apprenticeship Program: New Energy Apprenticeship stream** in respect of the Key Apprenticeship Program Employer Incentive is for eligible employers who commence eligible Australian Apprentices undertaking a Certificate III, Certificate IV, Diploma or Advanced Diploma level qualification with a mapped occupational outcome listed on Appendix A - Australian Apprenticeships Priority List and identified as a clean energy occupation.

The **Key Apprenticeship Program: Housing Construction Apprenticeship stream** in respect of the Key Apprenticeship Program Employer Incentive is for eligible employers who commence eligible Australian Apprentices undertaking a Certificate III, Certificate IV, Diploma or Advanced Diploma level qualification with a mapped occupational outcome listed on Appendix A - Australian Apprenticeships Priority List and identified as a housing construction occupation.

Payments are available for eligible employers of an Australian Apprentice through the Key Apprenticeship Program Employer Incentive, rather than each individual stream. That is, up to \$5,000 (full time) per Australian Apprenticeship, not across each stream of KAP.

#### 3.2. Eligibility Requirements

For an employer or Group Training Organisation to be eligible for the Key Apprenticeship Program Employer Incentive:

- all <u>primary eligibility requirements</u> must be met, and
- the Australian Apprentice must have commenced or recommenced their Australian Apprenticeship as per Part C, Section 1; and
- the Australian Apprentice must, at the date of commencement or recommencement of the Australian Apprenticeship, be undertaking:

- a qualification at the Certificate III, Certificate IV, Diploma or Advanced Diploma level listed on *Appendix A - Australian Apprenticeships Priority List* and identified as a clean energy or housing construction qualification; and
- an Australian Apprenticeship with an occupational outcome listed on Appendix A Australian
   Apprenticeships Priority List and identified as a clean energy or housing construction
   occupation. The qualification and occupation must be a valid combination on Appendix A –
   Australian Apprenticeships Priority list; and
- the employer must declare, and be able to demonstrate if required:
  - o business engagement and operation with the relevant KAP sector; and
  - o the Australian Apprentice will be provided with meaningful<sup>1</sup> exposure<sup>2</sup> experience<sup>3</sup>, and work<sup>4</sup> in the relevant KAP sector, appropriate to skill level and/or off-the-job training; and
  - Group Training Organisations are eligible to participate in the Key Apprenticeship Program
     Employer Incentive and must demonstrate they will provide the Australian Apprentice with
     meaningful exposure, experience, and work in the relevant KAP sector, appropriate to their
     skill level and/or off-the-job training.
- a signed declaration must be received from:
  - the Australian Apprentice stating their commitment to build skills in the relevant KAP sector, including selecting relevant electives in their training, where available and appropriate: and
  - the employer stating their commitment to provide ongoing exposure, experience and work in the relevant KAP sector; and
- the Australian Apprentice must:
  - o be in-training with their employer on the claim period end date.

In addition to the above requirements, employers must not be in receipt of the Disability Australian Apprentice Wage Support, the Priority Hiring Incentive or any other form of Australian Government assistance for the same Australian Apprenticeship. If the employer is a GTO, then they can also receive the GTO reimbursement pilot program payments.

#### (a) Part-time Apprenticeships

Where an Australian Apprentice undertakes an Australian Apprenticeship part-time, the employer will be able to claim the Key Apprenticeship Program Employer Incentive payment at the part-time rate, calculated as a flat rate for all part-time employment and training arrangements.

Where an Australian Apprentice changes their employment and training arrangements during any Claim period, the claim rate will be assessed based on the employment and training arrangements at the Claim period end date.

<sup>&</sup>lt;sup>1</sup> Useful and relevant engagement that must develop the skills required to work in the KAP sector at the completion of their apprenticeship and/or in the future.

<sup>&</sup>lt;sup>2</sup> Access to a range of KAP sector tools, technology, methods and worksites, including demonstration by skilled tradespeople.

<sup>&</sup>lt;sup>3</sup> Access to education, instruction, training or industry knowledge of the KAP sector, combined with a VET qualification specified on the Australian Apprenticeship Priority List. By the final year, an apprentice will be able to show they have gained specific skills and knowledge in the relevant KAP industry.

<sup>&</sup>lt;sup>4</sup> Undertake paid activities based on the occupation the apprentice is undertaking in the relevant KAP sector.

#### (b) Concurrent Apprenticeships

Where an Australian Apprentice is undertaking two Australian Apprenticeship Journeys (with qualifications and occupations listed on *Appendix A – Australian Apprenticeships Priority List*) concurrently with the same employer both Australian Apprenticeships may be eligible to attract the Key Apprenticeship Program Employer Incentive at the part-time rate.

Where an Australian Apprentice is undertaking two part-time Australian Apprenticeship Journeys concurrently with different employers, both Australian Apprenticeships may be eligible to attract the Key Apprenticeship Program Employer Incentive at the part-time rate.

#### 3.3. Payment schedule and rates

The Key Apprenticeship Program Employer Incentive is paid according to the following schedule and rates:

Claim Period	Full-time Rate	Part-time Rate
Six months from commencement or	\$2,000	\$1,000
recommencement		
12 months from commencement or	\$3,000	\$1,500
recommencement		

The part-time payment rate is applied as a flat rate regardless of part-time hours worked in any given Claim period.

No single employer can claim more than one years' worth of the Key Apprenticeship Program Employer Incentive for one Australian Apprenticeship.

#### 3.4. Claiming payments

For an employer to claim the Key Apprenticeship Program Employer Incentive:

- all <u>standard requirements for claiming payments</u> must be met; and
- the employer must:
  - lodge their claim through the Apprenticeships Data Management System, unless otherwise specified.

#### Effect date and time limit for lodging a claim

The Effect date is the day after the claim period end date and is when the claim becomes payable. E.g. if an apprenticeship commenced on 1 January, then 30 June is the Claim period end date for the first payment. The effect date would subsequently be 1 July.

Payment	Effect date
First payment	Day after claim period end date of six months from the date of commencement or recommencement
Second payment	Day after claim period end date of 12 months from the date of commencement or recommencement

The time limit for lodging a claim is 12 months from each Effect date.

#### (a) Claim form and lodgement

Eligible employers must claim the Key Apprenticeship Program Employer Incentive using the Apprenticeships Data Management System, unless otherwise specified.

Employers must provide evidence through an upload of documentation to the Apprenticeships Data Management System with the claim form to confirm that the Australian Apprentice was employed on the claim period end date.

This evidence can be in the form of a payroll print out, time and wages sheet, payslip, or payroll summaries which must be able to confirm:

- the legal name or Australian Business Number (ABN) of the employer making the Key Apprenticeship Program Employer Incentive claim
- apprentice name
- a date range covering the claim period end date

### 3.5. Apprenticeship administration for the purposes of the Key Apprenticeship Program Employer Incentive

#### (a) Suspensions and cancellations

An employer is not eligible to claim the Key Apprenticeship Program Employer Incentive payment while their Australian Apprentice is in a period of suspension or if their Australian Apprentice cancels their Training Contract prior to the claim period end date.

Where an Australian Apprentice has commenced under the Incentive System, and following a period of suspension or cancellation, returns to the same employer within a 12-month period, the Effect date will be extended by the number of days the Australian Apprentice was in suspension.

#### (b) Early successful completions

Where an Australian Apprentice successfully completes the Australian Apprenticeship prior to the claim period end date, the employer will not be eligible to claim the Key Apprenticeship Program Employer Incentive payment for that period.

#### Part E. Assistance for Australian Apprentices with Disability

#### 1. Disability Australian Apprentice Wage Support

#### 1.1. Overview

Disability Australian Apprentice Wage Support aims to encourage employers to provide Australian Apprenticeships to people with disability who are able to participate in open employment with suitable support and training.

#### 1.2. Eligibility requirements

(a) Eligibility assessment

For an employer to be eligible for the Disability Australian Apprentice Wage Support:

- all <u>primary eligibility requirements</u> must be met; and
- the employer must:
  - be paying a suitable wage of at least \$216.07 per week, or its part-time equivalent for the duration they are receiving the Disability Australian Apprentice Wage Support; and
  - not be receiving any other form of Australian Government wage subsidy or equivalent assistance for the same Australian Apprentice; and
  - o not be in receipt of any of the employer incentives set out in Part D; and
- the Apprenticeships Data Management System Claim Form must be approved; and
- the disability is not described as a lack of language, literacy, or numeracy skills.

Employers must not be in receipt of the Priority Hiring Incentive or the Key Apprenticeship Program Employer Incentive. If the employer is a GTO, then they can also receive the GTO Reimbursement Payments.

Employers of Australian Apprentices who have been diagnosed with Attention Deficit Disorder (ADD) or Attention Deficit Hyperactive Disorder (ADHD) are eligible to apply for the Disability Australian Apprentice Wage Support.

In addition to the above requirements:

- the Australian Apprentice's capacity to work must be assessed as per the requirements outlined below in section 1.2 (i); and
- if the Australian Apprentice is an Existing Worker, the relevant requirements outlined below in section 1.2 (ii) must be met.
  - (i) Assessment of Australian Apprentice's capacity to work

The Australian Apprentice's capacity to work must be assessed and confirmed through the completion of *Form 608 (Occupational Assessment for an Australian Apprentice with Disability)*. In completing the form, the assessment must be undertaken by a registered medical practitioner or registered psychologist.

The registered medical practitioner or registered psychologist must be qualified to make a diagnosis of disability. This cannot be a school counsellor. The assessment of the apprentice's needs must be genuine and

not based on third party advice, or as part of a bulk assessment. Where the apprentice is under 18, they must be accompanied by their parent or guardian.

At the time of application, *Form 608 or Form 608a* in conjunction with the form in the Apprenticeships Data Management System (ADMS) must have been completed less than:

- six months earlier for Australian Apprentices with a permanent or long-term disability; or
- three months earlier for Australian Apprentices with a temporary disability.

Where the Australian Apprentice has:

- a current and valid Job Capacity Assessment; or
- an Employment Services Assessment.

A completed Form 608a (Evidence of Completion of a Job Capacity Assessment or an Employment Services Assessment for an Australian Apprentice with Disability) may be submitted in conjunction with Form 608, in place of a medical assessment by a medical practitioner or registered psychologist.

The completed Form 608 or Form 608a, must indicate that:

- the Australian Apprentice has a disability or disabilities which will impact upon their capacity to perform the employment-based duties of the Australian Apprenticeship position; and
- the Australian Apprentice's medication or basic self-management strategies have been assessed and it
  has been determined that they do not overcome the impact of the disability on the performance of the
  employment-based duties of the Australian Apprenticeship position; and
- the Australian Apprentice will be able to carry out the duties of the occupation if they are provided suitable support by the employer.
  - (ii) Existing Workers

If the Australian Apprentice is an Existing Worker, the Australian Apprentice must have:

- commenced or recommenced a qualification at the Certificate III or Certificate IV level and meet one of the following:
  - the nominal full-time duration of the Training Contract, as declared by the relevant State or Territory Training Authority, is two years or more (pro-rata for part-time Australian Apprenticeships); or
  - the Australian Apprentice commenced within 12 months of successfully completing a qualification at the Certificate II level with the same employer; or
- commenced or recommenced a qualification at the Diploma or Advanced Diploma level.
  - (b) Ongoing eligibility assessment for Australian Apprentices with a temporary disability

At the expiration of the approved disability period, employers of Australian Apprentices with a temporary disability must have their eligibility reassessed by submitting:

- A new application form in the Apprenticeships Data Management System; and either
  - o A new Form 608, completed by a medical practitioner or register psychologist; or

• A new Form 608a, completed by an Employment Services Provider, if the Australian Apprentice has a current and valid Job Capacity Assessment or Employment Services Assessment.

Note: Form 608a may be submitted in place of Form 608 only when a valid Job Capacity Assessment or Employment Services Assessment is available.

(c) Circumstances where an employer is eligible for the Disability Australian Apprentice Wage Support for a second Australian Apprenticeship Journey

An employer may receive the Disability Australian Apprentice Wage Support for a second Australian Apprenticeship for the same Australian Apprentice Journey where:

- the Australian Apprentice is undertaking a Certificate III, IV, Diploma or Advanced Diploma level
  qualification that maps to an occupation listed on Appendix A Australian Apprenticeships Priority List;
  or
- the previous eligibility period of the Disability Australian Apprentice Wage Support occurred while the Australian Apprenticeship was being undertaken while at school and the employer did not continue to receive the Disability Australian Apprentice Wage Support after leaving school; or
- the previous eligibility period of the Disability Australian Apprentice Wage Support was for a qualification at the Certificate II level and the Australian Apprentice:
  - o successfully completed the qualification at the Certificate II level; and
  - o is currently undertaking the qualification at the Certificate III level or higher which was commenced within 12 months of completing the Certificate II level qualification.

If the Australian Apprentice previously attracted the Disability Australian Apprentice Wage Support for an Australian Apprenticeship that was cancelled or withdrawn around the time of the conclusion of the waiting period, the Apprentice Connect Australia Provider should consult with their State Deed Manager for a determination.

(d) Circumstances where an Australian Apprentice experiences disability, or their disability becomes apparent during their Australian Apprenticeship Journey

The Australian Government recognises that an Australian Apprentice may experience circumstances that lead to disability during their Australian Apprenticeship Journey or that a disability may become apparent as the work duties become difficult. In these cases, an employer may apply for the Disability Australian Apprentice Wage Support after the Australian Apprenticeship Journey has commenced or recommenced. The application process is the same as that outlined above.

In these cases, an employer's Priority Hiring Incentive or Key Apprenticeship Program Employer Incentive may have been paid before the disability occurred or became apparent. If an employer successfully applies for the Disability Australian Apprentice Wage Support, it is not the intention of the Australian Government to recover any incentives that the employer had claimed in good faith before the Disability Australian Apprentice Wage Support eligibility was assessed. The Disability Australian Apprentice Wage Support can be claimed from the date the Apprentice Connect Australia Provider assesses eligibility for the Disability Australian Apprentice Wage Support and will not be backdated to the date of commencement.

#### 1.3. Payment rate

Payment type	Rate
Disability Australian Apprentice Wage Support	\$216.07 per week in arrears

On 1 July each year, the Disability Australian Apprentice Wage Support Rate will be indexed in line with the March quarter CPI rate as published by Australian Bureau of Statistics.

The Disability Australian Apprentice Wage Support is paid for the following time periods:

- 12 months in the case of a long-term or permanent disability; or
- a specific period in the case of temporary disability,

for a full-time Australian Apprentice, or on a pro-rata basis, according to the hours worked for a part-time Australian Apprentice. Claim amounts cannot exceed the wages paid for the corresponding claim period.

#### 1.4. Claiming payments

For an employer to claim the Disability Australian Apprentice Wage Support payment, the Apprenticeships Data Management System Application Form must be approved.

Where the Training Contract has not yet been approved by the State or Territory Training Authority, payments may only be made for up to three months from the date of commencement or recommencement pending approval of the Training Contract from the State or Territory Training Authority.

Claims can only be made in respect of Australian Apprentices who were employed as an Australian Apprentice during the Claim period and are not payable if the Australian Apprentice is on worker's compensation for one week or more.

(a) Claim periods and time limit for lodging a claim

The time limit for lodging claims is 12 months from the first day of the Claim period.

(b) Claim forms

An eligible employer must claim the Disability Australian Apprentice Wage Support using the Apprenticeships Data Management System Claim Form.

Evidence to be uploaded would be wage slips showing pay at least the \$216.07 per week rate.

#### 2. Off-the-job Tutorial, Mentor, and Interpreter Assistance

#### 2.1. Overview

The Off-the-job Tutorial, Mentor, and Interpreter Assistance is to **provide** tutorial, mentor and interpreter assistance to apprentices with a disability who are experiencing difficulties with the off-the-job component of their Australian Apprenticeship.

Type of assistance	Description
Tutorial assistance	Provided to an Australian Apprentice by a tutor in addition to the individual
	delivering the standard off-the-job training for an Australian Apprenticeship.
	Tutorial assistance must be delivered in small groups of no more than five
	participants to ensure the apprentice's learning needs are met.
Mentor assistance	Provided to an Australian Apprentice to assist with organisational or personal
	issues which impact upon the ability of the Australian Apprentice to undertake
	their off-the-job training.
	Mentoring may take place on or off-the-job but should address difficulties
	experienced with the off-the-job component of the training.
	Mentor assistance must be delivered on a one-on-one basis to ensure the apprentice's needs are met.
Interpreter assistance	Provided by an interpreter to assist an Australian Apprentice to understand
	aspects of the off-the-job training and is in most cases provided to Australian
	Apprentices with disability such as visual or hearing impairment.
	Interpreter assistance must be delivered on a one-on-one basis to ensure the
	apprentice's needs are met.

# 2.2. Eligibility requirements

For a Registered Training Organisation to be eligible for the Tutorial, Mentor, and Interpreter Assistance:

- the employer of the Australian Apprentice must apply for and be assessed as eligible for the Disability Australian Apprentice Wage Support for the duration of the apprenticeship, even if the employer chooses not to claim it; and
- the Australian Apprentice must have experienced difficulties with previous education or be experiencing difficulties with the off-the-job training component of their Australian Apprenticeship;
- an occupational assessment must have been undertaken through the completion of:
  - o Form 608 (Occupational Assessment for an Australian Apprentice with Disability); or
  - Form 608a (Evidence of Completion of a Job Capacity Assessment or an Employment Services
     Assessment for an Australian Apprentice with Disability), in conjunction with Form 608; and
- the Australian Apprentice must not be in receipt of assistance for tutorial, mentor or interpreter services funded by another source.
- The Registered Training Organisation is expected to provide one-to-one assistance to an apprentice for Mentor and Interpreter services, and small groups of not more than five participants for Tutorial services.

# 2.3. Payment rates

The Tutorial, Mentor, and Interpreter Assistance is paid in arrears as follows, and are inclusive of the Goods and Services Tax:

Type of service	Payment rate
Tutorial services	\$38.50 per hour, up to a maximum of \$5,500 per year
	<ul> <li>The number of hours of tutorial assistance provided each week must not exceed the total number of hours of off-the-job training.</li> <li>Tutorial hours must be additional to the hours of the individual delivering the off-the-job training.</li> <li>Evidence of services delivered is required prior to payment.</li> </ul>
Mentor or	\$38.50 per hour, up to a maximum of \$5,500 per year
interpreter services	<ul> <li>The combined number of hours of mentor and interpreter services provided each week must not exceed the total number of hours that the Australian Apprentice spends in off-the-job training.</li> <li>Evidence of services delivered is required prior to payment.</li> </ul>

For the purposes of the Tutorial, Mentor, and Interpreter Assistance, a year commences on the date deemed by the Apprentice Connect Australia Provider to be the commencement date of eligibility for disability assistance. The eligible commencement date cannot be prior to the commencement of Off-the-Job Training as the support is directly linked to identifying the apprentice is experiencing difficulties with the off the job component of the apprenticeship.

Prior to the eligibility assessment date, the Registered Training Organisation may be notified of an apprentice, who anticipates they will experience difficulties with the off-the-job training component to allow the opportunity for earlier identification of services, however the Registered Training Organisation will only be eligible to claim for services delivered on/after the eligibility assessment date.

If the Registered Training Organisation makes a case proposing financial assistance of more than the stipulated hourly rate or yearly maximum, the proposal must be referred to the Department of Employment and Workplace Relations' State Deed Manager for determination.

# 2.4. Claiming payments

For a Registered Training Organisation to claim the Tutorial, Mentor, and Interpreter Assistance, the Application Form in the Apprenticeships Data Management System must be approved. Claims for services delivered prior to the Application approval of the Tutorial, Mentor and Interpreter Assistance are not payable.

Where the Training Contract has not yet been approved by the State or Territory Training Authority, payments may only be made for up to three months from the date of commencement or recommencement pending approval of the Training Contract from the State or Territory Training Authority, and only where off-the-job training has commenced prior to the approval of the Training Contract.

In cases where the application is approved and the approval is backdated, the eligible start date for claiming cannot be prior to the commencement of off-the-job training.

(a) Claim periods and time limit for lodging a claim

The time limit for lodging claims is 12 months from the first day of the Claim period.

# (b) Claim method/mechanism

An eligible Registered Training Organisation must claim the Tutorial, Mentor, and Interpreter Assistance using the form in the Apprenticeships Data Management System.

Claim forms must be signed and dated after the Claim period end date.

Evidence to be uploaded to support a claim would be:

- attendance records and a log detailing the breakdown of services provided
- an invoice for externally sourced services with supporting attendance records and log of hours detailing the breakdown of services provided
- evidence of the number of participants in delivering the Tutorial services.

## Claims cannot be made where:

- assistance has not been provided;
- the Australian Apprentice was absent;
- the standard off-the-job training did not occur;
- the number of hours of assistance exceeds the number of hours of off-the-job training during the week; and
- the claim period for tutorial assistance includes any time the RTO has spent providing the standard off-the-job training, assessments or on-the-job training.

# Part F. Payments to Australian Apprentices

# 1. Australian Apprentice Training Support Payment

# 1.1. Overview

The Australian Apprentice Training Support Payment provides up to a maximum of two years of direct financial support to Australian Apprentices commencing an Australian Apprenticeship Journey in priority occupations experiencing national skills shortage.

Eligible Australian Apprentices undertaking a Certificate III, Certificate IV, Diploma or Advanced Diploma qualification with an occupational outcome listed on *Appendix A - Australian Apprenticeships Priority List* can claim up to four six-monthly payments over two years of the Australian Apprenticeship Journey.

# 1.2. Eligibility requirements

For an Australian Apprentice to be eligible for the Australian Apprentice Training Support Payment:

- all <u>primary eligibility requirements</u> must be met; and
- the Australian Apprentice must have commenced or recommenced their Australian Apprenticeship journey as per Part C, Section 1; and
- the Australian Apprentice must, at the date of commencement or recommencement, be undertaking:
  - o a qualification at the Certificate III, Certificate IV, Diploma or Advanced Diploma level listed on Appendix A - Australian Apprenticeships Priority List; and
  - o an Australian Apprenticeship with an occupational outcome listed on *Appendix A Australian Apprenticeships Priority List*. The qualification and occupation must be a valid combination on *Appendix A Australian Apprenticeships Priority list*.; and
- the Australian Apprentice must be in-training with their employer on the claim period end date.

In addition to the above requirements, the Australian Apprentice must not be in receipt of payments under the Key Apprenticeship Program.

Eligibility for the Australian Apprentice Training Support Payment is determined at the Commencement or Recommencement of an Australian Apprenticeship journey. Once determined, eligibility cannot be transferred to the New Energy Apprentice Support Payment due to changes within the apprenticeship.

# (a) Part-time Apprenticeships

Where an Australian Apprentice undertakes an Australian Apprenticeship part-time, they will be able to claim the Australian Apprentice Training Support Payment at the part-time rate, calculated as a flat rate for all part-time Australian Apprenticeships.

Where an Australian Apprentice changes their employment status, the claim rate will be assessed based on the employment status on the Claim period end date.

# (b) Concurrent Apprenticeships

Where an Australian Apprentice undertakes two part-time Australian Apprenticeship Journeys concurrently either with the same or with a different employer, they can claim the part time rate on each Australian Apprenticeship Journey. I.e. the Australian Apprentice can receive up to the maximum full time rate identified in Part F 1.3 across multiple part time Apprenticeship Journeys.

# 1.3. Payment schedule and rates

For commencements and recommencements on or before 31 December 2025 eligible Australian Apprentices can claim up to four six-monthly payments over the first two years of the Australian Apprenticeship according to the following schedule and rate:

Claim Period	Full-time Rate	Part-time Rate
6 months from commencement or	\$1,750	\$875
recommencement		
12 months from commencement or	\$1,750	\$875
recommencement		
18 months from commencement or	\$750	\$375
recommencement		
24 months from the commencement or	\$750	\$375
recommencement		

For commencements and recommencements on or after 1 January 2026 eligible Australian Apprentices can claim up to four six-monthly payments over the first two years of the Australian Apprenticeship according to the following schedule and rate:

Claim Period	Full-time Rate	Part-time Rate
6 months from commencement or	\$625	\$315
recommencement		
12 months from commencement or	\$625	\$315
recommencement		
18 months from commencement or	\$625	\$310
recommencement		
24 months from the commencement or	\$625	\$310
recommencement		

The part-time payment rate is applied as a flat rate regardless of part-time hours worked in any given Claim period.

# (a) Tax File Number Declaration

The Australian Apprentice Training Support Payment is treated as taxable income.

A Tax File Number Declaration must be provided to avoid tax being withheld at the highest marginal rate, as required by the Australian Taxation Office. Apply for a TFN | Australian Taxation Office (ato.gov.au)

For more information on taxation and tax rates see Part G section 5.

# 1.4. Claiming payments

For an Australian Apprentice to claim the Australian Apprentice Training Support Payment:

- all standard requirements for claiming payments must be met; and
- the Australian Apprentice must lodge their claim through the Apprenticeships Data Management System.
  - (a) Effect date and time limit for lodging a claim

The Effect date is the day after the claim period end date and is when the claim becomes payable.

The first Effect date corresponds to six months from the date of commencement or recommencement (excluding periods of suspension). Effect dates thereafter are the 12, 18 and 24 month points (excluding periods of suspension).

The time limit for lodging a claim is 12 months from each Effect date.

(b) Claim form and lodgement

Eligible Australian Apprentices must claim the Australian Apprentice Training Support Payment in the Apprenticeships Data Management System, unless otherwise specified.

The Australian Apprentice must provide evidence through an upload of documentation to the Apprenticeships Data Management System with the claim form to confirm that they were employed on the claim period end date.

This evidence can be in the form of a payroll print out, time and wages sheet, payslip, or payroll summaries which must be able to confirm at a minimum:

- the legal name or Australian Business Number (ABN) of the business the apprentice is employed by; and
- apprentice name; and
- a date range aligning with the claim period end date.

# 1.5. Apprenticeship administration for the purposes of the Australian Apprentice Training Support Payment

(a) Suspensions and cancellations

An Australian Apprentice is not eligible to claim an Australian Apprentice Training Support Payment while they are in a period of suspension or have cancelled their Australian Apprenticeship.

Where an Australian Apprentice, following a period of suspension or cancellation of less than 12 months, recommences their Australian Apprenticeship Journey with either the same or a different employer, the Effect date for the next available claim will be extended by the number of days the Australian Apprentice was in suspension or cancelled.

For commencements and recommencements on or before 31 December 2025 an Australian Apprentice can claim a maximum of up to \$5,000 for each Australian Apprenticeship Journey, regardless of the number of Training Contracts (or returns from suspension or cancellation), where there is no change to the qualification or occupation.

For commencements and recommencements on or after 1 January 2026 an Australian Apprentice can claim a maximum of up to \$2,500 for each Australian Apprenticeship Journey, regardless of the number of Training Contracts (or returns from suspension or cancellation), where there is no change to the qualification or occupation.

# (b) Early completions

Where an Australian Apprentice successfully completes the Australian Apprenticeship prior to the claim period end date, the Australian Apprentice will not be eligible for that Australian Apprentice Training Support Payment.

# 2. Key Apprenticeship Program Apprentice Incentive

# 2.1. Overview

The Key Apprenticeship Program (KAP) aims to grow Australia's skilled workforce and expand the pipeline of apprentices training towards critical occupations in priority sectors. Through targeted support streams, KAP seeks to boost participation, improve retention, and increase completion rates in occupations of national importance.

The KAP contains two streams. The:

- 1. New Energy Apprenticeship stream; and
- 2. Housing Construction Apprenticeship stream.

The **Key Apprenticeship Program: New Energy Apprenticeship** stream is designed to encourage apprentices to choose clean energy careers, improve retention rates and deliver more successful completions by providing direct financial support to Australian Apprentices commencing an Australian Apprenticeship Journey in a clean energy occupation.

The New Energy Apprenticeship stream is available to eligible Australian Apprentices undertaking a Certificate III, Certificate IV, Diploma or Advanced Diploma level qualification that maps to an occupational outcome listed on *Appendix A - Australian Apprenticeships Priority List* and identified as a clean energy occupation.

The **Key Apprenticeship Program: Housing Construction Apprenticeship** stream is designed to encourage the growth of this critical workforce and expand the pipeline of workers training towards occupations supporting the housing and construction industry.

The Housing Construction Apprenticeship stream is available to eligible Australian Apprentices undertaking a Certificate III, Certificate IV, Diploma or Advanced Diploma level qualification that maps to an occupational outcome listed on *Appendix A - Australian Apprenticeships Priority List* and identified as a housing construction occupation.

Payments are available for an Australian Apprentice through the KAP, rather than each individual stream. That is, up to \$10,000 (full time) per Australian Apprenticeship Journey, not across each stream of KAP.

The KAP does not supersede the New Energy Apprentice Support Payment (NEASP). From 1 July 2025 any Australian Apprentice receiving support through the NEASP will continue to have their remaining eligibility paid through the NEASP. Any new commencements or recommencements from 1 July 2025 will receive payment through the KAP: New Energy Apprenticeship stream rather than NEASP.

# 2.2. Key Apprenticeship Program eligibility requirements

These eligibility requirements are consistent across both KAP streams. The following conditions must apply for an Australian Apprentice to be eligible for the KAP payment:

- all primary eligibility requirements must be met; and
- the Australian Apprentice must have commenced or recommenced their Australian Apprenticeship as per Part C, Section 1; and
- the Australian Apprentice, at the date of commencement or recommencement, must be undertaking:
  - a qualification at the Certificate III, Certificate IV, Diploma or Advanced Diploma level listed on Appendix A - Australian Apprenticeships Priority List and identified as a clean energy or housing construction qualification; and
  - o an Australian Apprenticeship with an occupational outcome listed on *Appendix A Australian Apprenticeships Priority List* and identified as a clean energy or housing construction occupation. The qualification and occupation must be a valid combination on *Appendix A Australian Apprenticeships Priority list*; and
- the employer must declare, and be able to demonstrate if required:
  - o business engagement and operation with the relevant KAP sector; and
  - o the Australian Apprentice will be provided with meaningful<sup>5</sup> exposure<sup>6</sup> experience<sup>7</sup>, and work<sup>8</sup> in the relevant KAP sector, appropriate to skill level and/or off-the-job training; and
  - Group Training Organisations are eligible to participate in the KAP and must demonstrate they
    will provide the Australian Apprentice with meaningful exposure, experience, and work in the
    relevant KAP sector, appropriate to their skill level and/or off-the-job training.

<sup>&</sup>lt;sup>5</sup> Useful and relevant engagement that must develop the skills required to work in the KAP sector at the completion of their apprenticeship and/or in the future.

<sup>&</sup>lt;sup>6</sup> Access to a range of KAP sector tools, technology, methods and worksites, including demonstration by skilled tradespeople.

<sup>&</sup>lt;sup>7</sup> Access to education, instruction, training or industry knowledge of the KAP sector, combined with a VET qualification specified on the Australian Apprenticeship Priority List. By the final year, an apprentice will be able to show they have gained specific skills and knowledge in the relevant KAP industry.

 $<sup>^{8}</sup>$  Undertake paid activities based on the occupation the apprentice is undertaking in the relevant KAP sector.

- a signed declaration must be received from:
  - the Australian Apprentice stating their commitment to build skills in the relevant KAP sector, including selecting relevant electives in their training, where available and appropriate: and
  - their employer stating their commitment to provide ongoing exposure, experience and work in the relevant KAP sector; and
- the Australian Apprentice must be in-training with their employer on the claim period end date.

In addition to the above requirements, the Australian Apprentice must not be in receipt of the Australian Apprentice Training Support Payment for the same Australian Apprenticeship.

Eligibility for the KAP is determined at the assessment or reassessment point. Once determined, an Australian Apprentice may be eligible to receive the Australian Apprentice Training Support Payment instead of the Key Apprenticeship Program payment only where a reassessment of eligibility has occurred. An Australian Apprentice may move between receiving the Australian Apprentice Training Support Payment or the Key Apprenticeship Program payment throughout their Australian Apprenticeship Journey, however, an Australian Apprentice cannot receive both types of payments concurrently.

# (a) Part-time Apprenticeships

Where an Australian Apprentice undertakes an Australian Apprenticeship part-time, they will be able to claim the KAP payments at the part-time rate, calculated as a flat rate for all part-time Australian Apprenticeships.

Where an Australian Apprentice changes their employment status, the claim rate will be assessed based on the employment status on the Claim period end date.

# (b) Concurrent Apprenticeships

Where an Australian Apprentice undertakes two part-time Australian Apprenticeship journeys concurrently with either the same or with a different employer, they can claim the part time rate on each Australian Apprenticeship journey. I.e. the Australian Apprentice can receive up to the maximum full time rate identified in Part F 2.3 across multiple part time Apprenticeship journeys.

If the Australian Apprentice is employed by different employers in their KAP apprenticeships, both employers will be required to sign declarations.

# 2.3. Payment schedule and rates

Eligible apprentices can claim **up to** \$10,000 for a full-time apprenticeship and **up to** \$5,000 for a part-time apprenticeship over the life of the Australian Apprenticeship journey, according to the following schedule and rates:

Claim Period	Full-time Rate	Part-time Rate
6 months from commencement or recommencement	\$2,000	\$1,000
12 months from commencement or recommencement	\$2,000	\$1,000

24 months from commencement or	\$2,000	\$1,000
recommencement		
36 months from commencement or	\$2,000	\$1,000
recommencement		
Completion date	\$2,000	\$1,000

The part-time payment rate is applied as a flat rate regardless of part-time hours worked.

A completion payment is only made when the Australian Apprenticeship journey has been successfully completed. This payment may coincide with another payment if the Australian Apprentice happens to complete their Australian Apprenticeship **on** the last day of a Claim period.

# (a) Tax File Number Declaration

The KAP is treated as taxable income.

A Tax File Number Declaration must be provided to avoid tax being withheld at the highest marginal rate, as required by the Australian Taxation Office. Apply for a TFN | Australian Taxation Office (ato.gov.au)

For more information on taxation and tax rates see Part G section 5.

# 2.4. Claiming payments

For an Australian Apprentice to claim the KAP payment:

- all standard requirements for claiming payments must be met; and
- the Australian Apprentice must lodge their claim through the Apprenticeships Data Management System, unless otherwise specified.

# 2.5. Effect date and time limit for lodging a claim

The Effect date is the day after the claim period end date and is when the claim becomes payable as per the following table.

Payment	Timing
6 month	6 elapsed calendar months from the date of commencement or recommencement (excluding periods of suspension).
	e.g. if commencement date is 1 January 2023, the Effect date for this payment is 1 July 2023.
12 month	12 elapsed calendar months from the date of commencement or recommencement (excluding periods of suspension).
	e.g. if the commencement date is 1 January 2023, the Effect date for this payment is 1 January 2024.
24 month	24 elapsed calendar months from the date of commencement or recommencement (excluding periods of suspension).

	e.g. if the commencement date is 1 January 2023, the Effect date for this payment is 1 January 2025.
36 month	36 elapsed calendar months from the date of commencement or recommencement (excluding periods of suspension).  e.g. if is the commencement date is 1 January 2023, the Effect date for this
	payment is 1 January 2026.
Completion	The date the Australian Apprenticeship journey is successfully completed.

The time limit for lodging a claim is 12 months from each Effect date.

# 2.6. Claim form and lodgement

Eligible Australian Apprentices must claim the KAP payments in the Apprenticeships Data Management System, unless otherwise specified.

The Australian Apprentice must provide evidence with the claim form that they were employed on the claim period end date.

This evidence can be in the form of a payroll print out, time and wages sheet, payslip, or payroll summaries which must be able to confirm:

- the legal name or Australian Business Number (ABN) of the business the apprentice is employed by; and
- apprentice name; and
- a date range aligning with the claim period end date.

# 2.7. Apprenticeship administration for the purposes of the KAP

# (a) Suspensions and cancellations

An Australian Apprentice is not eligible to claim a KAP payment while they are in a period of suspension or have cancelled their Australian Apprenticeship Journey.

Where an Australian Apprentice, following a period of suspension or cancellation, recommences their Australian Apprenticeship Journey, the Effect date for the next available claim will be extended by the number of days the Australian Apprentice was in suspension or cancelled.

An Australian Apprentice can claim up to a maximum of \$10,000 for one Australian Apprenticeship Journey, regardless of the number of Australian Apprenticeships (or returns from suspension or cancellation) within that journey.

# (b) Early completions

Where an Australian Apprentice successfully completes the Australian Apprenticeship Journey prior to the claim period end date, the Australian Apprentice will not be eligible for the next scheduled instalment of the KAP, they will however be eligible for the completion claim. For example, if an Australian Apprentice

successfully completed prior to the 36 month claim period end date they would not be eligible for the 36 month payment but would still receive the completion payment.

A completion payment is made when the Australian Apprenticeship Journey has been successfully completed. This payment may coincide with another payment instalment if the Australian Apprentice happens to complete their Australian Apprenticeship Journey on the last day of a Claim period.

# 3. Living Away From Home Allowance

## 3.1. Overview

The Living Away From Home Allowance provides assistance to Australian Apprentices who are required to move away from their parent's or guardian's residence to take up or remain in their Australian Apprenticeship Journey. The Living Away From Home Allowance is available during the first three years of an Australian Apprenticeship Journey.

# 3.2. Eligibility requirements

For an Australian Apprentice to be eligible for the Living Away From Home Allowance payment:

- all <u>primary eligibility requirements</u> must be met; and
- the Australian Apprentice must:
  - o be undertaking a qualification at the Certificate II level or above; and
  - be within 36 months of the commencement date of their Australian Apprenticeship (whether full-time or part-time); and
- the Australian Apprentice must:
  - o not have a current claim for Youth Allowance, Austudy, or ABSTUDY; or
  - o not receive rental or accommodation assistance from Services Australia or free or subsidised quarters or board from their employer; or
  - o not move away from home to:
    - attend block release off-the-job training, as state and territory governments may provide assistance in these circumstances; or
    - undertake a course initiated by their employer that is not part of the Australian Apprenticeship; or
    - attend boarding school.

In addition to the above requirements, the Australian Apprentice must meet the residential criteria outlined below.

#### (a) Residential criteria

An Australian Apprentice meets the residential criteria if they:

- move from their parent or guardian's home for the first time:
  - o within three months before commencing or recommencing an Australian Apprenticeship; or
  - o to remain in an Australian Apprenticeship; or
  - o to pursue essential supplementary on-the-job training with another employer; and

- demonstrate that if they had not moved, one of the following criteria would have applied:
  - o more than 90 minutes travel time each way between work and home; or
  - o unreasonable travel delays; or
  - o limited or unsuitable transport arrangements; or
  - o prohibitive transport costs.

For Australian School-based Apprentices, moving to boarding school does not satisfy the residential criteria.

Where a Group Training Organisation is the employer, the host employer's workplace address is to be used when considering residential criteria.

#### (i) Homelessness

An Australian Apprentice who is homeless may be eligible for the Living Away From Home Allowance as it is recognised that the lack of stable housing is a major impediment to completion of an Australian Apprenticeship Journey.

## (ii) Custodial Australian Apprentices

Australian Apprentices who have been released from a Custodial sentence may become eligible for the Living Away From Home Allowance if they meet the homelessness criteria. (see Section 2.4 (a) (i))

(b) Australian School-based Apprentices post-boarding school

Australian School-based Apprentices who commenced their Australian Apprenticeship while at boarding school will be eligible to receive the balance of the remaining Living Away From Home Allowance from the date they establish a new residence which is away from their parent's or guardian's home, when they continue with the qualification leading to the same occupational outcome post-school.

- (c) Eligibility for the Living Away From Home Allowance for more than one registration
- (i) Progression from a Certificate II to a Certificate III or IV

An Australian Apprentice is eligible for the balance of the 36-month Living Away From Home Allowance entitlement if they commence an Australian Apprenticeship Journey at the Certificate III or IV level with the same employer within 12 months of successfully completing an Australian Apprenticeship Journey at the Certificate II level, for which they were eligible for the Living Away From Home Allowance.

(ii) Commencement of a second Australian Apprenticeship Journey after a withdrawal or cancellation

An Australian Apprentice is eligible for the Living Away From Home Allowance for a further 36 months from the commencement of the subsequent Australian Apprenticeship Journey if they withdrew or cancelled the previous Australian Apprenticeship Journey prior to the end of the three month probation period. In these instances, the subsequent Australian Apprenticeship Journey is deemed to be the first Australian Apprenticeship Journey.

## (iii) Post-Australian School-based Apprenticeships

Australian Apprentices who received the Living Away From Home Allowance while undertaking an Australian School-based Apprenticeship will be eligible to receive the Living Away From Home Allowance for a further 36 months if they:

- completed at least three calendar months of the Australian School-based Apprenticeship prior to leaving school; and
- did not continue the same occupational outcome after leaving school; and
- commence an Australian Apprenticeship Journey in a different occupational outcome or at a higher level.

# 3.3. Payment rates

The Living Away From Home Allowance is paid in arrears at the following rates:

Time period	Rate
First 12-month period from the date of commencement	\$120.00 per week
Second 12-month period	\$90.00 per week
Third 12-month period	\$45.00 per week

On 1 July each year, The Living Away From Home Allowance Rate will be indexed in line with the March quarter CPI rate as published by Australian Bureau of Statistics.

Where an Australian Apprentice moves away from their parent or guardian's home after commencing the Australian Apprenticeship Journey, they will be eligible for the Living Away From Home Allowance from the date of establishing the new residence until 36 months from the date of commencement of the Australian Apprenticeship Journey, or completion of the Australian Apprenticeship Journey (whichever comes first).

# (a) Applying for the Living Away From Home Allowance

To apply for the Living Away From Home Allowance, an Australian Apprentice must:

- complete an Application for Living Away From Home Allowance through the Apprenticeships Data Management System; and
- attach the evidence specified below.

An application should be received within 12 months of the date the Australian Apprentice became eligible for the Living Away From Home Allowance.

An application form received more than 12 months from the date an Australian Apprentice became eligible for the Living Away From Home Allowance may be approved subject to meeting the eligibility requirements.

Consistent with the time limits for lodging claims, the eligibility period can only be backdated 12 months from the date the application was received.

# (b) Evidence required

An Australian Apprentice must attach the following evidence to their application to support their claim:

- a statutory declaration from the parent or legal guardian stating:
  - o their residential address; and
  - that the Australian Apprentice resided at that address immediately prior to moving to take up the Australian Apprenticeship Journey; and
  - o this is the first time the Australian Apprentice has moved away from home; and
  - o the date the Australian Apprentice moved from the parental or legal guardian home.
- proof of their current residential address which may be in the form of:
  - o a rental receipt or
  - o any local government or statutory authority document; or
  - o a statutory declaration from the owner of the residential premises; or
  - o a document from the real estate agent from whom the Australian Apprentice is renting the property.

If an Australian Apprentice is applying for the Living Away From Home Allowance on the grounds of homelessness, they must attach the following information to their application:

- a personal statement of their circumstances, including all details of other support received; and
- a statement containing an objective, independently investigated account verifying the Australian Apprentice's homelessness status from one of the following:
  - o a social worker; or
  - o a medical practitioner or other professional health worker; or
  - o a police worker; or
  - o a trained youth counsellor employed by a government-registered agency; or
  - o a minister of religion; or
  - o an appropriate Services Australia delegate; or
  - o a Services Australia Placement, Employment and Training provider.

# 3.4. Claiming payments

Where the Training Contract has not been approved by the State or Territory Training Authority, the Living Away From Home Allowance can be paid for three months from the date of commencement, or recommencement.

(a) Claim periods and time limits for lodging a claim

The Claim periods are determined by the Australian Apprentice (that is, the regularity in which claim forms are lodged). The first day of the Claim period is the later of the:

- date of commencement; or
- date the Australian Apprentice meets all eligibility requirements; or
- day after the submission date of the Australian Apprentices last claim.

The time limit for lodging claims is 12 months from the first day of the Claim period.

Late claims (that is, claims received more than 12 months after the Australian Apprentice became eligible for the Living Away From Home Allowance) may be approved subject to meeting eligibility criteria. The claim can only be backdated 12 months from the date it was received.

# (b) Claim forms

An eligible Australian Apprentice must claim the Living Away From Home Allowance through the Apprenticeships Data Management System. Claim forms must be:

- signed and dated on or after the last day of the Claim period; and
- lodged in the Apprenticeships Data Management System within 12 months of the first day of the Claim period.

Where the employer is a Group Training Organisation, either the host employer or the Group Training Organisation can sign the claim form.

# 3.5. Apprenticeship Administration for the purposes of the Living Away From Home Allowance

# (a) Suspensions and cancellation rules

The Living Away From Home Allowance may continue to be paid for three months from the date of suspension or cancellation provided that the Australian Apprentice:

- maintains their Living Away From Home residence; and
- does not resume living at their parent's or guardian's home on an ongoing basis; and
- has not lodged a claim for Youth Allowance, Austudy, or ABSTUDY.

Where an Australian Apprenticeship has been cancelled, the Australian Apprentice must also be registered with Services Australia as a job seeker.

# (b) Receipt of other allowances

An Australian Apprentice may not receive the Living Away From Home Allowance and the following support at the same time:

- · Youth Allowance; or
- Austudy; or
- ABSTUDY.

Any existing claims for Youth Allowance, Austudy, or ABSTUDY must be cancelled prior to making a claim for the Living Away From Home Allowance.

An Australian Apprentice who wishes to make a claim for Youth Allowance, Austudy, ABSTUDY must cancel their Living Away From Home Allowance prior to doing so.

## Part G. General administrative matters

# 1. How payments are made

Once the claim end date has been reached, the Department of Employment and Workplace Relations will provide the claim form to the Claimant on the Effect Date for all claim types.

If all eligibility requirements and requirements to claim payments are met, payments will be made by direct credit to the Claimant's bank account as identified on the claim form.

Payments may be used at the discretion of the Claimant, unless otherwise specified.

# 2. Withholding or refusing payment and suspect claims

The Guidelines establish processes for withholding or refusing payments, as well as managing suspect claims.

# 2.1. Right to withhold or refuse payment

The Department reserves the right to withhold or refuse payment, or require return of payments made in situations including, but not limited to, where:

- it is considered that the Australian Apprenticeship does not provide a valid or genuine employment and training opportunity for the Australian Apprentice; or
- fraud or manipulation of the Guidelines has occurred to maximise payments which would otherwise not have been payable, such as:
  - releasing an Australian Apprentice and re-engaging the same or a new Australian Apprentice;
     or
  - o coercing or directing an employee to commence an Australian Apprenticeship; or
- the employer or Australian Apprentice has engaged in abusive or criminal conduct during the Australian Apprenticeship.

# 2.2. Suspect claims

Apprentice Connect Australia Providers are required to advise the Department of Employment and Workplace Relations, as soon as practicable, if they become aware of:

- allegations of fraudulent activities or attempts to manipulate the Incentive System by an employer,
   Australian Apprentice or Registered Training Organisation to maximise payments that would otherwise not have been payable; or
- employer recruitment and retrenchment patterns that suggest possible abuse of the system; or
- suspected breaches of the provisions of the Training Contract; or
- any investigations of an employer or Australian Apprentice by the State or Territory Training Authority;
   or
- any instance where an Australian Apprentice, or person acting on their behalf, makes an allegation or complaint against an employer, including claims of harassment or non-payment of wages.

# 3. Debt recovery

# 3.1. Departmental responsibilities

Where a payment has been made under the Incentive System to an ineligible Claimant, including where the payment type has since lapsed, the Department of Employment and Workplace Relations will make every reasonable effort to recover the overpaid amount.

# 3.2. Apprentice Connect Australia Provider responsibilities

Apprentice Connect Australian Providers are required to notify their State Deed Manager as soon as practicable once they become aware that an overpayment has occurred.

Apprentice Connect Australia Providers are not authorised to recover payments on behalf of the Australian Government.

## 4. Waivers and review of decisions

#### 4.1. Overview

The Department of Employment and Workplace Relations is committed to procedural fairness in the administration of the Incentive System. It is intended that all decisions are consistent, equitable and transparent within the limits and constraints of the approved policies for the Incentive System.

In the interests of procedural fairness, a Claimant can seek review of a decision by the Department of Employment and Workplace Relations.

The Claimant can also seek investigation of the decision by the Commonwealth Ombudsman.

# 4.2. Notification of ineligibility

Where a Claimant is assessed as not eligible to claim a payment, their Apprentice Connect Australia Provider must provide advice in writing, which must:

- include a clear and concise explanation of the decision, with reference to the relevant section of the Guidelines and outline of the intent of the policy; and
- explain that the only basis for a review is where:
  - the Claimant considers that an incorrect decision has been made; or
  - o the Claimant considers that there have been exceptional circumstances; and
- specify that a Claimant must submit a request for review within three months of receiving notification that they are not eligible to claim and / or receive the payment.

#### 4.3. Process for the review of a decision

## (a) Claimant requests a review of a decision

If a Claimant requests a review of a decision regarding a claim for payment, this must be made in writing directly to the Apprentice Connect Australia Provider in the first instance.

All requests for a review of decision must:

- outline:
  - o why the Claimant considers the decision to be incorrect; or
  - o what the exceptional circumstances are; and
- provide any additional evidence that may support a review of the case; and
- be submitted within 3 months of receiving the decision regarding the rejected claim.

A top up payment is a review of decision and as such a request for a Manual claim to top up a previously paid claim, must be made within 3 months of the payment date. The employer or apprentice will have 3 months to return the completed form to the Apprentice Connect Australia Provider for processing.

# (b) Review by the Apprentice Connect Australia Providers

Where the Claimant considers that an incorrect decision has been made, the Apprentice Connect Australia Provider must re-examine the decision based on the policies and procedures of the Incentive System, taking into account the reasons that the Claimant has put forward for review of the decision as well as any additional information provided.

If the Apprentice Connect Australia Provider:

- identifies an error in their original decision, they must correct the error and notify the person requesting the review in writing of their decision with a full explanation; or
- upholds the original decision, the decision must be reviewed by the Department of Employment and Workplace Relations; or
- receives a request for review on the basis of exceptional circumstances, refer the matter to the Department of Employment and Workplace Relations for review.
  - (c) Review by the Department of Employment and Workplace Relations

The decision must be reviewed by the Department of Employment and Workplace Relations where:

- the original decision is upheld by the Apprentice Connect Australia Provider; or
- the Claimant has put forward exceptional circumstances as the basis for the review.

Where relevant, the Apprentice Connect Australia Provider must forward the evidence provided by the Claimant, as well as all relevant documentation to the relevant State Deed Manager.

In reviewing the decision, the Department of Employment and Workplace Relations must take into account the policies and intent of the Incentive System. The Department of Employment and Workplace Relations has an overarching obligation to ensure the policy intent of the Incentive System is achieved. To this end, the

Department of Employment and Workplace Relations has some scope to waive the Incentive System rules in line with exceptional circumstances provisions only, to determine if a Claimant would have been eligible if it were not for the exceptional circumstances highlighted.

The Department of Employment and Workplace Relations must notify the Claimant of the reviewed decision, in writing, as soon as possible after an assessment is complete and a decision has been made.

If unsuccessful, the notification must provide:

- a clear and concise explanation of the reason(s) that the request for review was unsuccessful, outlining the intent of the policy and referring to the Guidelines; and
- advise the Claimant if they are dissatisfied with the outcome, they have the right to ask the Commonwealth Ombudsman to investigate the decision.

# (d) Review by the Commonwealth Ombudsman

The Commonwealth Ombudsman can investigate complaints about the actions and decisions of Australian Government agencies.

Where a complaint is investigated by the Commonwealth Ombudsman, they can make a recommendation to the Department of Employment and Workplace Relations that it reconsider its action or decision. The Commonwealth Ombudsman cannot compel the Department of Employment and Workplace Relations to comply with those recommendations, but the Department of Employment and Workplace Relations will take recommendations into consideration when making a further determination of a claim.

The Commonwealth Ombudsman can be contacted on:

Phone (Toll free): 1300 362 072

Email: ombudsman@ombudsman.gov.au

Website: www.ombudsman.gov.au

# 4.4. Consideration of exceptional circumstances

The Department of Employment and Workplace Relations is the only entity that has the capacity to consider exceptional circumstances when reviewing a decision. Exceptional circumstances are circumstances that are unusual, uncommon, or unexpected, including:

- an unexpected event that has affected the Claimant, such as a natural disaster or other serious unforeseen disruption to the business; or
- circumstances which mean requirements under the Incentive System cannot be met, such as an Australian Apprentice being affected by illness, injury, or trauma.

The Department of Employment and Workplace Relations must consider all declarations and supporting documentation when reviewing a decision and balance the rights of the Claimant with the prudent use of public monies and Incentive System administration. When considering a request for a waiver of the Incentive System Guidelines the following issues are to be taken into account:

- Has the claim been disrupted by unusual, uncommon, or unexpected events that have impacted the ability to provide supporting evidence or take necessary actions within the required time limits? If yes, then exceptional circumstances may be in play.
- Would the Claimant be eligible for the payment if the claimed exceptional circumstances had not occurred? This determines the Claimant's eligibility for the payments in dispute.
- Are the exceptional circumstances out of the control of the Claimant? If yes, then exceptional circumstances may be in play.
- Could the Claimant have reasonably been expected to do more to ensure that the claim was approved? If not, then exceptional circumstances may be in play.
- Did the Apprentice Connect Australia Provider, the Department of Employment and Workplace Relations or any of its agents provide timely and appropriate advice, information, and service to enable the Claimant to meet the requirements for the approval of the claim? If not, then exceptional circumstances may be in play.

#### Example of an exceptional circumstance

An employer lodges a claim for the Hiring Incentive 16 months after the claim Effect date. The claim is denied as it must be lodged within 12 months of the Effect date. The employer requests a review of the decision stating that the reason the claim was lodged out of time is that there was a fire in their office six months ago which destroyed their records. Provided that no other claims from that employer were received during this period, it is likely that this would be considered exceptional circumstances and the claim would be accepted by the Department of Employment and Workplace Relations.

## Example of a circumstance that is not an exceptional circumstance

An Australian Apprentice applied for the Living Away From Home Allowance 15 months after the commencement date and would like the payments paid from commencement. The Guidelines do not allow for payments to be backdated beyond 12 months from the claim date. The apprentice has asked for the claim to be reviewed so that it can be backdated for the full 15-month period. The reason that the claim was not submitted within the required timeframe was that she had misplaced the forms and forgot to make the claim. This situation should not be considered an exceptional circumstance and the original decision would be upheld.

## 5. Taxation

# 5.1. Goods and Services Tax

The Goods and Services Tax (GST) does not apply to payments made to employers and Australian Apprentices under the Incentive System. However, GST does apply to Registered Training Organisations who are in receipt of the Tutorial, Mentor, and Interpreter Services payment.

A New Tax System (Goods and Services Tax) Act 1999 (the GST Act) imposes an obligation on the part of the payment Claimant to remit GST to the Australian Taxation Office (ATO) in respect of payments received under the Incentive System (where GST is applicable to the payment), as 'entering into an obligation' represents a taxable supply in cases where the Claimant of the payment is registered for GST.

For the purposes of the GST Act, a connection between the payment and the supply is established once a claim form is completed for each payment. Payments under the Incentive System are made in response to the payment Claimant (not including Australian Apprentices in receipt of the Living Away From Home Allowance) entering into an obligation with the Australian Government.

Registered Training Organisations claiming payments under the Incentive System must complete a claim form which constitutes a tax invoice for the purposes of the GST Act once signed by an authorised representative.

# 5.2. Australian Business Number of an employer

Employers or Registered Training Organisations making a claim for any payment under the Incentive System are asked to provide their current Australian Business Number (ABN). The ABN should be the ABN of the legal entity.

Legal entities include:

- an individual
- a company
- a trustee of a trust
- a cooperative
- partners of a partnership
- an authority established as a body corporate by legislation

A trading name, business name, unincorporated association, partnership name or trust name is not a legal entity.

Where the employer is employing an Australian Apprentice as part of its function as trustee of a trust, partner of a partnership, member of an unincorporated association, or manager of a superannuation fund, the ABN provided should be the ABN of the relevant trust, partnership, unincorporated association or superannuation fund. These entities are given ABNs even though they are not legal entities.

The use of an ABN has tax consequences but does not affect the legal obligations of the legal entity under the contract or its entitlement to receive incentive.

# 5.3. Tax withholding

# (a) Employers

Where an ABN is not provided, the full payment will be divided into two parts – a payment to the employer, and tax withheld and remitted to the ATO. The full payment will be divided as follows:

- 53 per cent of the claimed amount paid to the employer or other entity; and
- 47 per cent withheld and remitted to the ATO.

# (b) Australian Apprentices

The Australian Apprentice Training Support Payment and the Key Apprenticeship Program payments are treated as taxable income.

A Tax File Number Declaration must be provided to avoid tax being withheld at the highest marginal rate, as required by the ATO.

There are four taxation withholding rates applicable to the Incentive System and these amounts are:

- 18.0 per cent where the Australian Apprentice declares that their annual income does not exceed \$45,000; or
- 32 per cent where the Australian Apprentice declares that their annual income exceeds \$45,000; or
- 47.0 per cent where the Australia Apprentice has not provided their TFN; or
- at a rate agreed by the ATO.

Taxation treatment for payments to Australian Apprentices under the Australian Apprenticeships Incentive System are detailed in the TFN declaration Handling Strategy available through Apprentice Connect Australia Providers.

# 5.4. Tax-exempt payments

The Living Away From Home Allowance paid to Australian Apprentices is tax-exempt and is therefore not treated as taxable income.

# 6. Conflicts of interest

Conflicts of interest for Australian Government staff are handled as set out in the Australian Public Service Code of Conduct (Section 13 (7)) of the *Public Service Act 1999*.

Apprentice Connect Australia Provider conflict of interest management plans are approved by the Department of Employment and Workplace Relations as part of the tender process and are included as part of the Deed between the Department and Apprentice Connect Australia Providers.

# 7. Privacy

#### 7.1. Overview

Apprentice Connect Australia Providers and Services Australia may collect, disclose, make a record, or otherwise use personal information for the purposes of administering the Incentive System. The *Privacy Act 1988* and the Australian Privacy Principles (APPs) govern how personal information is collected, used, disclosed, and stored. The Department of Employment and Workplace Relations' Deeds with Apprentice Connect Australia Providers, and the Memorandum of Understanding with Services Australia contain further obligations regarding privacy.

The Information Commissioner has powers to investigate possible interferences with privacy, either following a complaint by the individual or on the Commissioner's own initiative.

# 7.2. Use and disclosure of personal information

An individual's personal information can be collected, disclosed, or otherwise used if the recording, disclosure or use of that information is made for the purposes of the Incentive System or with the express or implied authorisation of the person to whom the personal information relates.

Personal information may be used for research, statistical analysis, and policy development where use of this information is reasonably necessary.

Personal information may be disclosed to third parties for the purposes of administering and carrying out the functions of the Incentive System. Third parties include, but are not limited to:

- the Department of Employment and Workplace Relations and other Australian Government departments and agencies, such as the ATO or Services Australia; or
- state or territory government departments and agencies; or
- staff of the minister's office; or
- Apprentice Connect Australia Providers; or
- Registered Training Organisations; or
- the contractors or agents of these organisations, departments, and agencies.

Personal information will not be used or disclosed without consent other than as described in these Guidelines, or unless required or authorised by Australian law.

# 7.3. Possible interferences with privacy

The Information Commissioner has powers to investigate possible interferences with privacy, either following a complaint by the individual or of the Commissioner's own initiative.

# 8. Freedom of Information

All documents in the possession of the Australian Government are subject to the *Freedom of Information Act* 1982 (FOI Act).

The purpose of the FOI Act is to give members of the public rights of access to information held by the Australian Government and its entities. Under the FOI Act, members of the public can seek access to documents held by the Australian Government. This right of access is limited only by the exceptions and exemptions necessary to protect essential public interests and private and business affairs of persons in respect of whom the information relates.

All Freedom of Information requests must be referred to the Freedom of Information Coordinator in writing to <a href="mailto:foi@dewr.gov.au">foi@dewr.gov.au</a>

# Part H. Glossary

## **Australian Apprentice**

A person who is:

- employed under a Training Contract that has been registered with, and validated by, their State or Territory Training Authority; and
- undertaking paid work and structured training which commonly comprises both on and off-the-job training; and
- undertaking a negotiated training program that involves obtaining a nationally recognised qualification.

In some states and territories, Australian Apprentices may be referred to as apprentices or trainees.

## **Australian Apprenticeship**

The contracted employment and training arrangement between an Australian Apprentice and an employer.

In some states and territories, Australian Apprenticeships may be referred to as apprenticeships or traineeships. In the Apprenticeships Data Management System this may be referred to as a Service Period.

## **Australian Apprenticeship Journey**

An Australian Apprenticeship Journey is the period of time between the commencement and completion of an Australian Apprenticeship occupation. An Australian Apprenticeship Journey can involve multiple Australian Apprenticeships.

## **Apprenticeships Data Management System (ADMS)**

A modern and secure platform supporting the delivery of Australian Apprenticeship programs.

#### Australian Apprenticeships Priority List (Priority List)

The Australian Apprenticeships Priority List identifies Certificate III, Certificate IV, Diploma and Advanced Diploma qualifications and occupations classified by the Australian Bureau of Statistics on the Occupation Standard Classification for Australia (OSCA) as Technician and Trade Workers (Major Group 3) and Community and Personal Service Workers (Major Group 4) and assessed by Jobs and Skills Australia as being in national skills shortage. The qualification being undertaken must directly map to an occupation, resulting in a valid combination, as listed on the Priority List. See Appendix A: Australian Apprenticeships Priority List.

## **Australian Apprenticeship Support Services Deed**

The Deed between the Department of Employment and Workplace Relations and Apprentice Connect Australia Providers that stipulates the conditions under which Australian Apprenticeship Support Services are delivered.

# **Apprentice Connect Australia Providers**

Organisations engaged through a Deed with the Department of Employment and Workplace Relations <u>to provide Australian Apprenticeship Support Services</u>. The Australian Apprenticeship Support Services Operating Guidelines outline the operating processes for providers.

#### Australian Qualifications Framework (AQF)

The national policy for regulated qualifications in Australian education and training. It incorporates the qualifications from each education and training sector into a single comprehensive national qualifications framework. Further information can be found on the Australian Qualifications Framework website – <a href="https://www.agf.edu.au">www.agf.edu.au</a>.

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#### **Actual wage**

The ordinary weekly wage calculated at a weekly or hourly rate before tax, and excluding:

- overtime; and
- allowances; and
- penalty rates; and
- leave loading; and
- superannuation.

This differs from 'gross wage'

#### Claimant

The person or entity making the claim, which may include:

- employers
- Australian Apprentices
- Registered Training Organisations

## Claim period

The period of time that the approved Australian Apprenticeship must be in place to meet the claim milestone. E.g. six months.

## **Clean Energy Sector**

- Clean energy sector includes activities involved in designing, developing, constructing, and operating the infrastructure for generating, storing, transmitting, and distributing energy from renewable, zero or low emissions energy sources. In addition to renewable electricity, zero and low-emission energy sources include low carbon liquid fuels such as hydrogen and biomethane.
  - For example: hydroelectricity, rooftop solar, large-scale solar, wind turbines, home, and grid scale batteries as well as transmission and distribution infrastructure.
- reducing or managing energy use. This may include increasing residential, commercial, and industrial
  energy efficiency. Energy-efficient homes and buildings use less energy to heat, cool, and run
  appliances and electronics. Energy-efficient manufacturing facilities use less energy to produce goods.
  - For example: installing insulation, glazing and more efficient appliances and machinery including heating and cooling as well as measuring and assessing energy efficiency.
- installing and maintaining the technology that uses clean energy rather than fossil fuels. This may include the electrification of machines, equipment, processes, and vehicles.
- For example: Replacing or altering heavy machinery and equipment (such as an industrial furnace) to
  use electricity rather than coal/gas. Replacing gas heating and cooking equipment in homes and
  businesses. Deploying and maintaining zero or low emissions vehicles and supporting infrastructure,
  including chargers.

## Commonwealth entity

A Department of State, or a Parliamentary Department, or a listed entity or body corporate established by a law of the Commonwealth. See section 10 of the *Public Governance, Performance and Accountability Act 2013*.

## **Commonwealth Grants Rules and Principles**

The Commonwealth Grants Rules and Principles 2024 (CGRPs) establish the overarching Commonwealth grants policy framework and articulate the expectations for all non-corporate Commonwealth entities in relation to grants administration. Under this framework, non-corporate Commonwealth entities undertake grants administration based on the mandatory requirements and key principles of grants administration.

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## **Completion payment**

A completion payment is dependent on the Australian Apprentice successfully completing their Australian Apprenticeship journey.

#### **Custodial Australian Apprentice**

Is an Australian Apprentice who is in custody at the time of commencement and is released from custody on day release or similar arrangements in order to participate in an Australian Apprenticeship.

An Australian Apprentice who is required to attend periodic detention that does not coincide with their employment under their Australian Apprenticeship is not considered to be a Custodial Australian Apprentice for the purposes of the Incentive System.

#### **Department**

Refers to the Australian Government Department of Employment and Workplace Relations, or any of its successor departments.

#### **Effect date**

The date that a claim becomes payable following the claim period end date subject to the completion of the waiting period, where applicable.

An Effect date is dependent on the commencement date of the Australian Apprenticeship Journey, and the time spent in the Australian Apprenticeship, thereafter, excluding periods of suspension.

## **Experience**

Access to education, instruction, training or industry knowledge of the clean energy or housing and construction sectors, combined with a VET qualification specified on the Australian Apprenticeship Priority List. By the final year, an apprentice will be able to show they have gained specific skills and knowledge in the clean energy or housing and construction industry.

# **Eligibility requirements**

Mandatory requirements which must be met to qualify for payment. Assessment requirements may apply in addition to eligibility requirements.

#### **Existing Worker**

An Existing Worker is a person who has had an employment relationship with their employer for more than three full-time equivalent months, including approved leave, on the date of commencement of the Australian Apprenticeship.

#### **Exposure**

Access to a range of relevant clean energy or housing and construction sector tools, technology, methods and worksites, including demonstration by skilled tradespeople.

#### **Formally Approved**

Where the relevant State or Territory Training Authority has approved the Training Contract. For Australian Apprentices in New South Wales, this is the date of approval of the Training Contract, not its date of registration.

# Full-time equivalent

The calculated full-time equivalent duration of employment or training that was completed on a non-full-time basis, or a combination of full-time and non-full-time employment.

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#### Grant

For the purposes of the CGRPs, a 'grant' is an agreement for the provision of financial assistance by the Commonwealth or on behalf of the Commonwealth:

- under which relevant money or other Consolidated Revenue Fund money is to be paid to a grantee other than the Commonwealth; and
- which is intended to help address one or more of the Australian Government's policy outcomes while assisting the grantee achieve its objectives.

#### GrantConnect

GrantConnect is the Australian Government's whole-of-government grants information system, which centralised the publication and reporting of Commonwealth grants in accordance with the CGRPs.

## **Group Training National Register**

Identifies all Group Training Organisations which have complied with national standard set by State and Territory Vocational Education and Training Ministers and are eligible to use the Group Training National logo.

All Group Training Organisations listed on this National Register have been recognised as compliant against the National Standards for Group Training Organisations, by State or Territory Training Authorities.

The Register can be accessed from the Australian Apprenticeships website.

## **Group Training Organisation (GTO)**

An organisation that employs Australian Apprentices under a Training Contract and places them with host employers. The Group Training Organisation undertakes the employer responsibilities for the quality and continuation of the Australian Apprentices' employment and training, including payment of Australian Apprentices' wages. The Group Training Organisation also manages the additional care and support necessary to achieve the successful completion of the Training Contract.

A Group Training Organisation is not the same as a labour hire company.

## Guidelines

The Australian Apprenticeships Incentive System Guidelines.

#### **Gross wage**

The total amount an employer pays an Australian Apprentice before deductions are made, including:

- allowances; and
- overtime; and
- penalty rates; and
- any other amount.

This differs from 'actual wage'.

# **Housing Construction sector**

The Housing construction sector involves building, repairing and remodelling structures that are intended to operate as a fixed dwelling. Fixed dwellings may include, but are not limited to, houses, apartments and nursing homes.

#### Meaningful

Useful and relevant engagement that must develop the skills required to work in the clean energy or housing and construction sector at the completion of their apprenticeship and/or in the future.

#### **Medical Practitioner**

A person registered or licensed as a medical practitioner under a law of a state or territory that provides for the registration or licensing of medical practitioners but does not include a person so registered or licensed:

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- a. whose registration, or license to practise, as a medical practitioner in any state or territory has been suspended, or cancelled, following an inquiry relating to his or her conduct; and
- b. who has not, after that suspension or cancellation, again been authorised to register or practise as a medical practitioner in that state or territory.

#### **National Redress Scheme**

The Australian Government set up the National Redress Scheme to provide redress to people who experienced institutional child sexual abuse. The offer of redress can include access to counselling, a redress payment and a direct personal response.

## Occupation Standard Classification for Australia (OSCA)

List of standard classifications for occupations developed for use in Australia. Further information is on the Australian Bureau of Statistics website – <a href="https://www.abs.gov.au/classifications">www.abs.gov.au/classifications</a>.

## **Occupational outcome**

The occupation (as defined by the Australian Bureau of Statistics on the OSCA) which the Australian Apprentice is working towards and will achieve upon the successful completion of their Australian Apprenticeship journey.

Further information can be found on the Australian Bureau of Statistics website - www.abs.gov.au.

#### Part-time

Part-time provisions vary across Australia and across occupations. For the purposes of the Guidelines, the relevant State or Territory Training Authority's definition should be used. All Australian School-based Apprenticeships are undertaken on a part-time basis.

## **Payment Rate Period**

The period of time that a payment rate is applied for Priority Wage Subsidy payments.

#### **Registered Training Organisation (RTO)**

An organisation that is registered by the appropriate registering body to deliver training, conduct assessments and issue nationally recognised qualifications in accordance with the vocational education and training (VET) Quality Framework.

## **Secondary School**

For the purposes of the Incentive System, 'secondary school' generally encompasses years 7-12. In general, the completion of 'secondary school' refers to the student attaining a year 12 certificate or equivalent. In some States and Territories, students can complete secondary school (or year 12) in more than 12 years.

#### **Services Australia**

Services Australia is a Government body who verifies wage evidence for wage subsidy claims on behalf of the Department of Employment and Workplace Relations.

## Small and Medium Enterprises (SME)

Small and Medium Enterprises are defined as businesses with 199 or fewer employees. This category includes micro-enterprises (up to 10 employees), small businesses (up to 50 employees), and medium-sized businesses (up to 199 employees).

#### **State Deed Manager**

The employee of the Department's state offices responsible for the day-to-day administration of the Australian Apprenticeship Support Services Deeds.

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## **State or Territory Training Authority**

The State or Territory Government body responsible for the operation of the vocational education and training system, including Australian Apprenticeships, within that state or territory.

## **Successful completion**

Successful completion occurs when the State Training Authority recognises that the Australian Apprentice has successfully completed both the on-the-job and off-the-job training and acquired the competencies required for the Australian Apprenticeship Journey.

## **Training Contract**

A formal contract approved by the relevant State or Territory Training Authority that established the terms and conditions of the Australian Apprenticeship. Each Australian Apprentice and employer must enter into a Training Contract to be eligible for payments under the Incentive System. The Training Contract is a state or territory requirement.

## **Training Plan**

A plan entered into between an Australian Apprentice, their employer and the Registered Training Organisation delivering the off-the-job training component of the Australian Apprenticeship. The Training Plan outlines how, when, where and by whom training will be delivered and how assessments will occur.

## Upskill

Where an Australian Apprentice undertakes an additional qualification/s to advance or widen their skillset.

#### Work

Undertake paid activities in the relevant clean energy or housing construction occupation, as identified under the Key Apprenticeship Program Employer Incentive and Key Apprenticeship Program Apprentice Incentive.

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