



# Training Portfolio

## 2024 Conference Report

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ICPA (Aust) believes engaging in Australia's workforce through Australian Apprenticeships and traineeships<sup>1</sup> should be an option for any young Australians who have the ability, ambition and motivation to succeed in these vocations, regardless of their socio-economic status or geographic location. However, for many students living in rural and remote areas, it is proving difficult to undertake apprenticeship and training opportunities.

Access to further education, qualifications and credentials can be life-changing for an individual and their families. There is also potential for rural and remote young people to stay in, or return to a rural setting post training, growing their skillset in small communities, thereby enhancing economic and social sustainability in rural and remote Australia. In reference to the *Australian Apprenticeship Services and Supports Discussion Paper*, regional and remote apprentices in training equated to 36.7% of the total number of Australian Apprentices, as of 31 March 2022. This is a significant representation which needs to be harnessed by appropriate support services with a view to increasing the completion rates for this cohort.

*The Working Future: The Australian Government's White Paper on Jobs and Opportunities, 25 September 2023 predicts that "Over the next 10 years, more than 9 out of 10 newly created jobs will require post-secondary qualifications. Addressing skills shortages and proactively building a strong and skilled workforce will be fundamental to achieving full employment and productivity growth. To do this will require substantial growth in the high-skilled workforce."*

Post-school qualifications are beneficial in today's jobs market.

- Almost 90% of jobs currently being advertised require post-school qualifications.
- Almost 40% of jobs currently being advertised require a Bachelor's degree or higher.
- Around half of jobs currently being advertised require a Vocational Education and Training (VET) qualification.

In 2022, 70% of Australians aged 20–64 years had a non-school qualification – a certificate, diploma, or a degree (this has increased from 57% in 2005). Employment outcomes improve for those that have completed further post-school education.

Within the midst of a National Skills shortage, we still have alarmingly low completion rates of both Apprenticeships and Higher Education especially in rural and remote Australia.

In Australia, in the 12 months ending 30 June 2023, compared with the 12 months ending 30 June 2022:

- there were 377,715 apprentices and trainees in-training, a decrease of 12%
- commencements decreased by 40.1%, to 166,375
- completions increased by 13.6%, to 101,580
- cancellations and withdrawals increased by 7.4%, to 130,470.

Yet amongst the data, reviews and apparent assistance schemes ICPA (Aust) still receives case studies from our members of challenging experiences.

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<sup>1</sup> Throughout the 2024 Training Report please note the term Apprentice will cover Australian Apprentices and Trainees.



### Case Study 1

December 2023 - an employer on Australia’s eastern seaboard informed a Bourke branch family that although a very skilled and capable candidate, their son was not going to be offered an apprenticeship with the company, as the employers knew that the cost of the applicant relocating and then living independently 900km from his family would be unviable.

This raises the question of how it can be that employers can see the barriers rural and remote students face when undertaking post school pathways in apprenticeships, yet structures within government do not offset this with supports that enable access for rural and remote students to these opportunities.

ICPA (Aust) families continue to witness the recurring disparity between rural and urban opportunities for apprenticeships and other study forms undertaken in the post-school pathway space. Our members’ children who undertake apprenticeships do so in one of two ways as outlined in Table 1. For the majority of students living in rural and remote areas, it is necessary to relocate to larger centres to access off-the-job training centres and businesses with the capacity to provide on-the-job training throughout an apprenticeship. This can be a barrier for rural and remote students commencing or indeed completing an apprenticeship.

*Table 1 – Full-Time Australian Apprentice delivery modes, within the ICPA (Aust) membership.*

<b>Australian Apprentice from a Rural and Remote location*</b>	<b>Type A Off-the-Job Training</b>	<b>Type B Off-the-Job Training</b>	<b>Considerations</b>
<b>Group 1</b> <b>On-the-Job Training</b> Secure an apprenticeship with an employer in a rural and remote location. NB – reported in NCVER as rural apprentices due to the on-the-job training location.	Local delivery - (near the employer’s location and apprentice’s home or residence) – face to face, – a visiting RTO or – online from another location but completed at work or at home.	– Require travel more than 90km for day or block training in another location.  – Accommodation may also be required.	– Still able to live at home, in a known and supported environment.
<b>Group 2</b> <b>On-the-Job Training</b> In order to secure an apprenticeship, the apprentice needs to relocate to a larger regional or metropolitan area, that is too far to commute from home. NB – Not reported in NCVER as rural apprentices due to the on-the-job training location.	Relocated delivery (near the employers’ location) – face to face, – a visiting RTO or – online from another location but completed at work or at home.	– Require travel more than 90km for day or block training in another location.  – Accommodation may also be required.	– Relocation costs. – Ineligible for Tertiary Access Payment (TAP) – Excluded from the Relocation Scholarship even if apprentice is eligible for dependent Youth Allowance. – The only relocation assistance available is when an apprentice must ‘relocate’ to another employer to continue an apprenticeship.

*\*Both of these apprentices are rural and remote but only one is recorded by NCVER as such, and as a result we are concerned there is a disparity between the financial and non-financial supports available to both the employer and the apprentice as a result.*

### 2023 MOTION ACTIONS

The 2023-24 Council year has been focused on current and previous motions, which continue to highlight the difficulties rural and remote students face when choosing to continue with their post school education as apprentices and trainees.



### **Tertiary Access Payment (TAP)**

ICPA (Aust) wrote to the Minister for Education, the Hon Jason Clare MP with recommendations for the expansion of the TAP criteria to include apprentices who must relocate from a rural or remote location to access their apprenticeship. Apprentices relocating to undertake training face similar relocation and set up costs (travel, bond/rent, uniforms) as students relocating to undertake tertiary study. It is imperative that apprentices are well supported financially to attract rural and remote students to take up apprenticeships and to increase retention and completion rates.

Our letter was forwarded to the Assistant Minister for Education and the Assistant Minister for Regional Development the Hon Anthony Chisholm to reply.

In a response the Assistant Minister cited the government's commitment to a 12-month review of Australia's higher education system, the Australian Universities Accord (the Accord). Further that one of the Terms of Reference for this review focused specifically on supporting greater access and participation for students from underrepresented backgrounds, including students from regional and remote areas.

The Accord Panel held a consultation facilitated by the Regional Education Commissioner, the Hon Fiona Nash to hear directly from regional voices on the unique challenges of regional higher education delivery. ICPA (Aust) participated and highlighted that the eligibility criteria of the TAP can be a barrier to some regional students, specifically, flagging that eligibility for TAP should not include parental income, and should extend to students who choose to take a gap year, and who are undertaking an apprenticeship.

The TAP for apprentices remained unaddressed in the Assistant Minister's response but has continued to be raised by ICPA (Aust) at every opportunity.

It was pleasing to see in the February 2024 release of the Australian Universities Accord Final Report that many of the unique needs of rural and remote students have been considered in the recommendations, although it did not address the eligibility of apprentices to the TAP.

### **Australian Apprenticeship Support Network (AASN)**

Following the 2023 Conference, ICPA (Aust) also detailed Australian Apprenticeship Support Network (AASN) issues in a letter to the Minister for Skills and Training, the Hon Brendan O'Connor MP, making the following recommendations:

- The implementation of regular comprehensive audits of AASNs to ensure that the delivery and support intended by the Department of Employment and Workplace Relations (DEWR) is actually received by rural and remote apprentices/trainees
- That DEWR mandate specialist support structures for regional, remote and rural apprentices/trainees from within the AASNs.

It was also requested that there be trained rural and remote specialist support staff within the AASNs who are contactable by employers, trainers and apprentices/trainees (and their families if the contract is signed before the apprentice is 18 years of age) in rural and remote areas, and for those who must relocate and live independently from their family to undertake their on and off-the-job training.

ICPA (Aust) has recommended that assistance for the rural and remote apprentice requires mandatory actions from the AASNs including (but not limited to):

- visits to the workplace and/or training facility to check that the apprentices are being suitably trained, educated and supported
- documented semester reviews on all parties involved
- knowledge and assistance with state and federal support programs
- knowledge and assistance with state and federal financial supports such as the Living Away From Home Allowance (LAFHA)



- follow-up contact and interviews should the apprentice/trainee or employer terminate the contract prior to its completion
- knowledge and documentation of the residential addresses of apprentices - it is concerning that some employers and trainers do not know and subsequently do not support apprentices who have relocated vast distances from family and supports to undertake the working and training aspects of the Australian Apprenticeship.

ICPA (Aust) members expressed concerns that in their rural communities there are many examples of minimal AASN support, contact or follow-up for apprentices, trainees and their employers once they commence a training contract. To date, ICPA (Aust) has not received a response from the Minister.

On the back of the 2022 Skills Summit the government reviewed the non-financial supports available to apprentices during 2023, focusing on apprenticeship supports from contracted AASNs. It is pleasing to see the 2024-2026 contracts which commence on July 1, focus on four new key client groups, (but fell short of targeting rural and remote apprenticeship support as a specialisation):

1. Women in male-dominated trades
2. First Nations Australian Apprentices
3. Australian Apprentices with disability
4. Australian Apprentices located in remote Australia.

The above-mentioned changes to Australian Apprenticeship Support Service (AASS) are explained fully further in the report.

### **Trade Support Loan Scheme**

ICPA (Aust) wrote to the Minister for Skills and Training recommending an increase to the discount of Trade Support Loans on trade completion from 20% to 30% for rural and remote-based apprentices. This adjustment to the criteria would not only be of benefit to apprentices but would also assist in the attraction and retention of apprentices in rural and remote areas thus boosting local economies.

Minister O'Connor responded that there is no change to the 20% discount being considered but indicated upcoming legislation changes to the Trade Support Loan will provide access to additional cost-of-living support (up to \$5000) to apprentices including those in rural and remote areas  
*OR end quote at locations"*

As pre-empted by Minister O'Connor in his communications, the government did follow through with changes to reduce the indexation that is applied to Australian Apprenticeship Support Loans within the 2024-25 Budget.

### **Recent Changes Within The National Apprenticeship Space.**

[Australian Apprenticeships Information website](#)

The Department of Employment and Workplace Relations (DEWR) is transitioning information from the Australian Apprenticeships and Traineeships Information Service to a new website, [apprenticeships.gov.au](https://www.apprenticeships.gov.au)  
<https://www.apprenticeships.gov.au/>.

The website has further details on available supports for apprentices including:

- Trade Support Loans
- The New Energy Apprenticeship Support Payment
- The Australian Apprentice Training Support Payment
- The Living Away From Home Allowance
- In-Training Support Services.



We recommend rural and remote apprentices, trainees and their families familiarise themselves with the Apprenticeship Support Provider (ASP) changes and introduction of specialisations along with the Australian Apprenticeship Priority List and the updated Incentives System.

#### New contracts and service areas for Apprenticeship Support Providers (ASPs)

On 1 July 2024 the Australian Apprenticeship Support Service (AASS) which replaced the Australian Apprenticeship Support Network (AASN) providers, commenced. The federally funded AASS is a free national service tasked with apprenticeship commencement, retention and completion processes providing information including available assistance/incentives to the apprentice and employer. Supports available specific to rural and remote potentially need highlighting to the AASS.

The *Apprenticeship Support Services Outcomes Factsheet* outlines the new services available to improve apprenticeship support services and outcomes for apprentices. Apprentices in remote Australia have been identified as a Key Client Group for the provision of greater support intended to “increase the diversity of the apprentice workforce and service offer to increase participation rates and provide tailored wraparound support.” Remote Australian Apprentices have not been identified as one of the three Service Specialisations. The full factsheet can be read here:

[www.dewr.gov.au/australian-apprenticeships/resources/apprenticeship-support-services-outcomes-factsheet](http://www.dewr.gov.au/australian-apprenticeships/resources/apprenticeship-support-services-outcomes-factsheet)

#### **School Leavers Information Kit (SLIK)**

The National Careers Institute (NCI) has developed the SLIK which contains information on the education, training and employment options available for school leavers including gap years, volunteering, short-term work placements and courses and starting a business with localised support in each state and territory.

It also includes access to tailored guides to suit needs and circumstance, including:

- support for young people with disability
- support for students in regional, rural and remote areas
- support for Aboriginal and Torres Strait Islander people

The SLIK can be found on the Your Career website [www.yourcareer.gov.au/school-leavers-support/school-leavers-information-kit](http://www.yourcareer.gov.au/school-leavers-support/school-leavers-information-kit)

A *Parents and Guardians Guide* has also been developed and has been designed to help carers understand options available to support and assist their young person in making their choice after they leave school. Whether they choose to start working straight away, continue education and training or take an alternative pathway such as a gap year, this guide sits alongside the SLIK and includes information on financial assistance and other support available. The guide is available at: [www.yourcareer.gov.au/school-leavers-support/school-leavers-information-kit](http://www.yourcareer.gov.au/school-leavers-support/school-leavers-information-kit)

#### **Budget News**

<https://www.apprenticeships.gov.au/Australian-Apprenticeship-budget-2024-25>

#### **Australian Apprenticeship Incentives System**

From 1 July 2024 the Australian Apprenticeship Incentive System (Incentive System) guidelines will be updated to reflect the following changes in financial support for new employers and apprentices that take up an apprenticeship from 1 July 2024 are able to claim:

- Priority Occupation Employers – Priority Hiring Incentive of up to \$5000 over 1 year in two instalments of \$2,000 at 6 months and \$3,000 at 12 months and a part-time rate of \$1,000 at 6 months and \$1,500 at 12 months
- Priority Occupation Apprentices – Australian Apprenticeship Training Support Payment of up to \$5000 over 2 years, paid over four instalments, with \$1,750 paid at 6 months and 12 months, and \$750 paid at 18 and 24 months and a part-time rate of \$875 each paid at 6 months and 12 months, and \$375 each paid at 18 and 24 months.



Apprentices and employers who have financial assistance under the Incentives System approved prior to 30 June 2024 will continue to receive the support through grandfathering arrangements. A full copy of the updated guidelines will be published on 1 July 2024.

Apprentices, employers and Registered Training Organisations (RTOs) will also still be able to access the following:

- Commonwealth Living Away From Home Allowance (LAFHA)
- Disability Australian Apprentice Wage Support (DAAWS)

### **New Energy Apprentice Support Payment**

Apprentices who sign up from 1 June 2024 will be eligible for the New Energy Apprenticeship Program if their employer can demonstrate that they will undertake or are transitioning to clean energy work and can provide meaningful exposure, experience and work for apprentices in clean energy. Apprentices employed by Group Training Organisations (GTOs) who meet the revised definition will also be eligible to apply.

### **Australian Apprenticeship Support Loan**

The government is proposing changes to reduce the indexation that is applied to HELP and other student loan schemes, including Australian Apprenticeship Support Loans.

- The proposed change to indexation is to apply the lower of the Consumer Price Index or the Wage Price Index, with effect from 1 June 2023.
- After the passage of the relevant legislation, the revised indexation rates will be automatically applied by the Australian Taxation Office to a student loan.
- This means that it is likely that you will receive an indexation credit that will reduce your outstanding loan. The indexation rate applied on 1 June 2023 was 7.1 per cent and under the proposal, this would be reduced to 3.2 per cent.
- The indexation rate to be applied on 1 June 2024 is projected to be 4.7 per cent and under the proposal, this would be reduced to 4.0 per cent.

### **2023-24 Submissions**

ICPA (Aust) continues to take motion issues forward through advocacy, consultation and submission opportunities. During 2023-24 the Training Portfolio contributed to the following national submissions:

#### National Skills Passport

Early in 2024 ICPA (Aust) collaborated with the National Rural Women's Coalition to prepare a joint Submission in response to the Proposal of a National Skills Passport. Consequences of a National Skills Passport system were outlined including the challenges rural, remote and regional individuals face when accessing the following :

- Training services to obtain qualifications
- Secure and stable telecommunications and internet
- Support to complete their 'National Skills Passport' (including ECEC services to care for children if they return to work or upskill their current vocations).

#### Strategic Review of the Australian Apprenticeship Incentive System

A much-awaited Strategic Review of the Australian Apprenticeship Incentive System was conducted during 2024. ICPA (Aust) participated in online consultations and contributed a submission with the following 10 recommendations. Preliminary reports are to be released on the review findings Mid- 2024. The submission can be read here: [www.icpa.com.au/au/2024-icpa-aust-submissions](http://www.icpa.com.au/au/2024-icpa-aust-submissions)

Recommendations:

1. Extend employer incentives to ensure apprenticeship positions are available for rural and remote apprentices.



2. Maintain Australian Apprentice Training Supports Payment.
3. Training and ongoing support to employers.
  - a) Increase to the Commonwealth Living Away from Home Allowance (LAFHA) to better reflect and adequately assist with living costs for apprentices .
  - b) The indexation of the LAFHA to the CPI to ensure the allowance keeps pace with the rising cost of living.
4. Review and create guidelines that provide a national increase in travel and accommodation schemes across Australia for required Vocational Training and Assessment participation by apprentices.
5. Create an Access Payment for apprentices– Australian Apprenticeship Access Payment
6. Eligibility to the Relocation Scholarship for VET students and apprentices who receive dependent Youth Allowance.
7. Increase the discount of Trade Support Loans on completion from 20% to 30% for rural and remote based apprentices.
8. Australian Apprenticeship Support Service (AASS) providers to ensure rural and remote apprentices are fully supported by each provider and are recognised as a Service Specialisation. Clarification of the variances of a rural and remote apprentices due to their frequent need to relocate.

All issues within the Training Portfolio continue to be raised through every avenue available to ensure all rural and remote young Australians have the opportunity to pursue a VET pathway, apprenticeship or traineeship of their choice, regardless of their geographical location.