



Submission

to the
Department of Employment and Workplace Relations
in response to the discussion paper
**A revised methodology for the Australian Apprenticeship
Priority List.**
from the
Federal Council
of
The Isolated Children's Parents' Association of Australia Inc.

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A revised methodology for the Australian Apprenticeship Priority List

A Discussion Paper on recommendations to support a more targeted apprenticeship gateway to improve economic and social outcomes.

The Isolated Children's Parents' Association of Australia, ICPA (Aust), welcomes the opportunity to continue our contribution to the Strategic Review of the Australian Apprenticeship Incentive System in light of Recommendation 2.1

The Strategic Review of the Australian Apprenticeship Incentive System (the Strategic Review) recommended transitioning to an incentives gateway that is aligned with the government's economic priorities and social equity objectives, and is transparent, and informed by evidence-backed advice from JSA

Our response outlines the needs of rural and remote students in relation to recommendations beyond the Priority list - as incentive supports within the apprenticeship system that will support and encourage take-up and completion of apprenticeships and traineeships by rural and remote Apprentices.

ICPA (Aust) is a voluntary, apolitical, national parent organisation, which advocates on behalf of our members for equity of access to an appropriate education for all geographically isolated children and students, from early childhood through to tertiary and training. The majority of member families of the Association reside in geographically isolated areas of Australia, and all share a common goal of achieving equitable access to education for their children and the provision of services required to achieve this. Students whose family home is in rural and remote Australia, often live great distances from their nearest employer and post-school training providers.

ICPA (Aust) believes engaging in Australia's workforce through Australian Apprenticeships 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.

Australian Apprenticeship/ Traineeships - Data Snapshot

As at 31 December 2024, there were 311,760 apprentices in training nationwide.

Of those 39 % are located as follows, based on the apprentice's residential address, not home address.

- 74,935 were in inner regional areas
- 37,860 were in outer regional areas
- 6,390 were in remote areas
- 2,660 were in very remote areas

This breakdown of location is based on the ARIA+ index of remoteness (2021 version) (which has been adopted as the ABS standard for measuring remoteness)

<https://storymaps.arcgis.com/stories/3e64dfb19529465dbcc09ed838da6557>

In the 12 months ending 31 December 2024, there were 98,665 Apprentice or Traineeship completions.

Of those:

- 25,220 were in inner regional areas
- 12,400 were in outer regional areas
- 2,000 were in remote areas
- 935 were in very remote areas

In the January-March 2025 quarter there were 55,845 commencing apprentices. Of those:

- 14,160 were in inner regional areas
- 7,770 were in outer regional areas
- 1,295 were in remote areas
- 805 were in very remote areas

National Centre for Vocational Education Research, and is available

here: <https://www.ncver.edu.au/research-and-statistics/data/databuilder#>

As the data above highlights regional, remote and very remote provide a significant representation of the Australian wide Apprenticeship engagement, and yet this data does not include those who have relocated from their home and family to engage in the Apprenticeship.

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. The incentives and provisions for apprentices and trainees, such as the Commonwealth Living Away from Home Allowance (LAFHA) do not reflect the real cost of living and the gap between financial assistance and the actual cost borne by rural and remote Australian Apprentices living away from home is substantial and continues to widen.

Department of Employment Workplace Relations - Questions from the Discussion Paper

1. *What, in your view, should be the core purpose and scope of the Priority List?*

The Priority List is supportive of recognised occupations in regional and urban settings where population mass allows for vast numbers of opportunities to exist and for Industry focused model to be foremost in the policy as opposed to community or employer focused models. It is less relevant in rural, remote and very remote regions of Australia where industry cluster are not so prevalent and opportunities of apprenticeships are limited.

2. ***How should Australia's economic and social equity objectives be defined?***
 - ***What is the best option to articulate Australia's economic and social equity objectives to guide the Priority List? E.g. NSA, the National Agreement on Closing the Gap, Employment White Paper or other?***
 - ***Is it feasible to consider macro-economic conditions in determining eligibility?***
 - ***Would it be appropriate to remove eligibility for occupations with low wage premiums and /or persistent levels of non-compliance with workplace laws? Would there be any perverse outcomes as a result?***
3. ***To what extent should the Incentive System be able to flex up and down (i.e. quantum and eligibility) in response to shifting economic conditions and how might this be balanced with ensuring objectivity and certainty?***
 - ***If the Incentive System is able to flex up and down, how often should settings be reviewed to ensure appropriate adjustments are made?***

Incentives established to assist remote, very remote and rural candidates to undertake Apprenticeships needs to me made a priority, within the Apprenticeship Incentives Schemes. As the system stands many member families of ICPA(Aust) find that their apprentice must relocate considerable distances to participate in some or indeed all aspects of their apprenticeship.

The increase and indexing of the Living Away from Home Allowance (LAFHA) as recommended by the review and actioned in July 2025 is very much appreciated. Yet there remains considerable disparity between a relocated Apprentice and Tertiary student.

Including Australian Apprentices in the Tertiary Access Payment (TAP) or the implementation of a parallel Australian Apprentice Access Payment (AAAP) would work towards alleviating the substantial costs associated with relocating. Many rural and remote apprentices experience immense financial hardship during their relocation to establish themselves in locations that allow them daily access to their employment and training on an apprentice wage. For many this relocation is either unsustainable or prohibitive in the absence of adequate financial support.

4. ***What is the most effective process for identifying and making updates to the Priority List, and at what frequency?***
5. ***Should occupations with viable non-apprenticeship pathways have access to incentives?***
6. ***How can the Priority List capture and support new and emerging occupations or apprenticeship pathways?***

As outlined in our response to Question 3

7. ***Should the Priority List have a jurisdictional or regional element to it?***

Recognition and support of Australian Apprentices who relocate to undertake an apprenticeship – irrespective of their occupation sitting within a priority cohort or not. Recognition of this unique group (as outlined in Table 1) of Apprentices is one of the recommendations made in the Strategic Review of the Australian Apprenticeship Incentive System.

“All Governments work together to provide more financial support to apprentices through subsidies for their travel and accommodation expenses, purchasing tools, and reforms to apprentice support payment to increase the amount and frequency of payment.”

The table below outlines the common situation for many Australian Apprentices who are from Regional, Rural, Remote and Very Remote locations within Australia.

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

Australian Apprentice from a Rural and Remote location*	Type A Off-the-Job Training	Type B Off-the-Job Training	Considerations
Group 1 On-the-Job Training 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.
Group 2 On-the-Job Training In order to secure an apprenticeship, the apprentices 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, due to their employers address 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.*

As outlined in Table 1, many rural and remote students can undertake an apprenticeship without one or all of the stakeholders (ACAP, Employer and/or RTO) knowing they have relocated away from family and supports. The process of relocating away from family and community support, often for the first time, can lead to well-being and mental health challenges. These young people need to set up a place of residence, live independently including being responsible for budgeting, shopping, meal preparation and household tasks for the first time while commencing a new occupation in a new location, all without the physical and close emotional support of their families. Coupled with this, the huge relocation and on-going living costs and the fact that apprentices receive very low wages, often with minimal financial assistance, frequently means that sport and recreation are sacrificed. It is crucial that support services are aware of these underlying tribulations.

8. ***Should government take a narrower approach to the Priority List to better target incentives to the most critical priorities and shortages?***

To extend the services available to RRR apprentices

- a. Implement The Review's recommendation " *All Governments work together to provide more financial support to apprentices through subsidies for their travel and accommodation expenses, purchasing tools, and reforms to apprentice support payment to increase the amount and frequency of payment.*"

Table 2

Australian Apprentice Travel Assistance for Training and Assessment as of May 2024.

Location and Scheme Name	Travel Rates per Kilometre	Accommodation Rates per Night
South Australia Travel and Accommodation Allowance (TAA)	30c	\$60
Queensland Travel and Accommodation Allowance (TAA)	32c	\$55
New South Wales Vocational Training Assistance Scheme (VTAS)	33c	\$56
Western Australia Travel and accommodation Allowance (TAA)	40c	\$100
Tasmania Travel and Accommodation Allowance (TAA)	41-45c *zone variation within the state	\$55
Northern Territory Apprenticeship travel and accommodation subsidy scheme (ATASS)	50c	\$100

Rural and remote apprentices, as outlined in Table 1, have mandated attendance for scheduled training and assessment to complete their off-the-job component of an Australian Apprenticeship. Due to the sparse nature of training facilities and services across Australia this frequently involves travel and at times accommodation. State bodies provide remuneration after the travel has occurred. The variance in rates for travel and accommodation is staggering and the out-of-pocket expense for apprentices and their employers, if they can provide a vehicle, is substantial and is frequently seen as a barrier to the acceptance of an apprenticeship. With the current ATO rate for use of a private vehicle for business travel at 85c per km (that allows for fuel and running costs of a vehicle) it seems to be questionable that training staff would be compensated at the ATO rate whilst apprentices across the country are receiving between 35% -53% of that rate to attend the same block or day sessions. See Table 2 for 2024 State to State comparisons)

Rural and remote apprentices within our membership families frequently experience significant disadvantage and barriers in their efforts to pursue and complete apprenticeships and their Trade Certification

- b. Data capturing through the MEANS system – regardless of the working address -it is imperative that data be captured on the Apprentices recording their home and residential locations.
 - c. Increased non-financial supports for rural and remote Australian Apprentices through the Apprentice Connect Australia Providers (ACAP's)
 - Specialist support staff within the ACAP's for rural and remote Australian Apprentices through the recognition of Rural and Remote Apprentices as a fourth Service Specialisation.
 - Recognition of Rural and Remote Apprentices who have relocated to a larger centre or an urban community to undertake an Apprenticeship as rural and remote, not just due to the employer's address.
 - The assurance of comprehensive and timely audits of ACAP services.
9. ***Should the Priority List identify different types of occupation shortages (i.e., attraction, completion or retention gaps) so that incentives can be tailored accordingly?***
10. ***The current Priority List methodology is focused on OSCA Major Groups 3 (Trades and Technicians) and 4 (Community and Personal Service Workers), should this be expanded to other Major Groups and on what basis?***

ICPA(Aust) appreciates the opportunity to present to the final review of the Strategic Review and look forward to the opportunity to discuss with you the concerns and recommendations put forth above.