



**National Australian
Apprenticeship Association**

Press Release

Review of VET and SAAA

The Prime Minister has announced two important initiatives today, both of which are welcomed by the Association.

A review of VET will focus on how the Australian Governments investment in Vocational Education and Training can more effectively provide people with the skills they need to be successful throughout their working life. It will also ensure that businesses have the skills they need to support business growth.

The review is crucial after a period of declining investment in VET by both State and Federal Governments, falling from \$7bn in 2012 to \$5.7bn in 2016¹. Declining investment has led to a weakening of the overall VET system and has contributed to lower Australian Apprenticeship commencements.

The Association welcomes the opportunity to consult with Hon. Steven Joyce on the practical steps that can be taken to improve the VET sector, particularly if they can feed into the April Federal Budget process.

The Prime Minister also announced the lowering of the age threshold for Support for Adult Australian Apprentices (SAAA). It will now be aligned to 21 years old when Adult wage levels cut in under Modern Awards. This removes the disincentive effect to employ people between 21 and 24 years old that has occurred since the introduction of Modern Awards.

This is a measure the Association has advocated strongly for over a number of years and we congratulate the Morrison Government on making this change. The Association expects that this will increase commencements in apprenticeships for this age cohort.

End.

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¹ Source: Mitchell Institute analysis of ABS data 2017