



**National Australian
Apprenticeship Association**

Press Release

Strategic Review of Australian Apprenticeships and Incentives

The Association welcomes the release of the Terms of Reference for the Strategic Review of Australian Apprenticeships and Incentives. The terms foreshadow a comprehensive deep dive into incentive system efficiency and effectiveness as well as considering cost of living pressures in the current economic context.

The review complements the recently concluded review of non-financial supports for Australian Apprenticeships which led to the development of the new support services model to commence on July 1st this year.

The Association looks forward to providing input into the Strategic Review. Current AASN providers have unparalleled understanding of how the systems work in each jurisdiction and how they can be improved. The Association members have been delivering apprenticeship support services for many years some since the inception of the national support arrangements in 1998.

Over that time completion levels have gradually declined as:

- The minimum school leaving age has been raised,
- The Federal Minimum Wage has been introduced,
- Apprentices and trainees are commencing their apprenticeship at an older age, increasing cost of living pressures for apprentices that live outside the family home,
- The system expanded during the pandemic – with in-training numbers almost doubling, but also record levels of suspension during periods of lockdown,
- The recent tight labour market has seen record levels of job switching as better paid employment options become more widespread.

These among many other issues will be canvassed in the Association's response to the review.

In the interim the Association encourages the federal government to consider additional financial supports to apprentices and trainees in the upcoming federal budget. Under current policy settings introduced under the previous Coalition government financial supports are due to be reduced on July 1st.

Similarly, the "step down" in the Hiring Incentive should be paused whilst the Strategic Review undertakes its work and the long term incentive arrangements can be recalibrated.

End.

For further information contact: Ben Bardon 0408 656 928