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Australian Apprenticeships Incentive System Factsheet

Last Updated 1 July 2024

Apprenticeships play a key role in building a more inclusive and sustainable economy, ensuring Australians receive quality training while in employment.

From 1 July 2024 the Incentive System will move to Phase 2 and provide financial supports towards Australian Apprenticeships in priority occupations as listed on the Australian Apprenticeships Priority List (Priority List).

Overview of the Incentive System

Government financial support under the Incentive System focuses on priority occupations, ensuring support is targeted to the skills in demand in the Australian economy. Priority occupations are listed on the [Australian Apprenticeships Priority List](#) (Priority List), which is updated in January each year. The Priority List is based on analysis of the occupations in current shortage and future demand over the next five years and, which are most likely to involve an Australian Apprenticeship entry pathway.

Payments available under the Incentives System

Employer Payments

The **Priority Hiring Incentive** provides up to \$5,000 for eligible priority occupation employers of Australian Apprentices undertaking an apprenticeship towards an occupation listed on the [Australian Apprenticeships Priority List](#). In the first year of an apprenticeship, the Priority Hiring Incentive is paid over two instalments of:

- \$2,000 at 6 months and \$3,000 at 12 months (full-time)
- \$1,000 at 6 months and \$1,500 at 12 months (part-time)



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Australian Apprentice Payments

The **Australian Apprentice Training Support Payment** provides up to \$5,000 for eligible Australian Apprentices in an occupation listed on the [Australian Apprenticeship Priority List](#) paid over 4 instalments:

- \$1,750 at 6 & 12 months and \$750 at 18 & 24 months (full-time)
- \$875 at 6 & 12 months and \$375 at 18 & 24 months (part time)

The **New Energy Apprentice Support Payment** will be available to eligible Australian Apprentices, where their employer can provide **meaningful exposure, experience, and work** in a clean energy sector role, of 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. Payments are made according to the following schedule and rates:

- \$2,000 at 6,12,24 and 36 months and on completion (full-time)
- \$1,000 at 6,12,24 and 36 months and on completion (part-time)

Australian Apprenticeship Support Loans

The Australian Apprenticeship Support Loans will be available for all apprentices and trainees in occupations on the Priority List. It will provide income contingent loans of up to \$25,643 in 2024-25, to help recipients meet day to day costs while undertaking their studies. The measure will also enable backdating of payments to provide immediate support to recipients. You will start repaying your Australian Apprenticeship Support Loan once you have reached the compulsory repayment threshold of \$54,435 (for 2024-25). Repayments are made through the income tax system (like a university HELP loan).



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Living Away From Home Allowance and Disability Australian Apprentice Wage Support

There will be continued support available to Apprentices who are required to move away from home to take up or remain in an apprenticeship, through a continuation of the Living Away From Home Allowance. There will also continue to be additional support for apprentices with disability, through the Disability Australian Apprenticeship Wage Support.

Apprentices and Employers who commenced or recommenced prior to 30 June 2024 will continue to receive the support through grandfathering arrangements as below:

- The Priority Wage Subsidy provides up to 3 years of assistance to employers. Eligible employers can be reimbursed a percentage of wages paid on a quarterly basis.
- The Hiring Incentive is available to eligible employers of Australian Apprentices in occupations not listed on the Priority List. It is paid in two instalments at 6 and 12 months after commencement.

Further information can be found in the [Incentive System Guidelines](#). To determine your eligibility and information about applying, contact an Apprentice Connect Australia Provider.