



Senator the Hon Simon Birmingham
Assistant Minister for Education and Training
Liberal Senator for South Australia

MEDIA RELEASE

27 May 2015

Government committed to training and apprenticeships

Data released today by the National Centre for Vocational Education Research (NCVER) underscores the importance of the Australian Government's significant reforms to support for apprentices and their employers.

The *Apprentices and trainees 2014 December quarter* report shows that the decline in the number of people in training that started under Labor in 2012, has continued, although the rate of decline has slowed.

Assistant Minister for Education and Training, Senator Simon Birmingham, said the Government was investing around \$6 billion this year to support people undertaking vocational education and training (VET), including more than 300,000 apprentices.

“Our Government is supporting apprentices and their employers by:

- Cutting the small business company tax rate to the lowest in almost 50 years and for two years, giving all small businesses an immediate tax deduction on any asset they buy costing up to \$20,000. This will benefit more than 95% of all Australian businesses, including the many small businesses and tradespeople who employ an apprentice;
- Providing up to \$200 million a year for the new Australian Apprenticeship Support Network to provide more help to employers, particularly small business employers, to recruit, train and retain apprentices;
- Abolishing Labor's secret plan to make employers responsible for the administration of apprenticeships – a plan that would have added \$46 million in red tape costs to businesses every year;
- Supporting more than 24,000 apprentices with the costs of living through Trade Support Loans of up to \$20,000, with the greatest support available in the early years when apprenticeship wages are lowest; and
- Providing financial support to almost 80,000 employers this year to help with the costs of employing an apprentice through the Australian Apprenticeship Incentives Program.

“In contrast, Labor thinks only universities can deliver a valued career. Labor cut more than a billion dollars from apprenticeships between the 2011-12 Budget and the 2013 Federal Election, including millions of dollars in incentives taken out overnight on the eve of the election. This triggered the downward spiral in apprenticeship and trainee activity that continues today.

“Bill Shorten’s recent budget reply demonstrated Labor’s continued university-centric approach, completely ignoring vocational education and training.

“In the 12 months after Labor discontinued the \$1500 standard employer commencement incentive for existing worker apprentice and trainees in non-National Skills Needs List occupations, apprentice and trainee commencements halved from 126,200 in the June 2012 before the cut, to 61,600 in the June quarter after the cut. The number of apprentices and trainees in training dropped by more than 100,000 over the same period.

“By first increasing, and then removing, completion incentives, Labor encouraged employers and apprentices to finish an apprenticeship earlier in a rush to benefit from the short-term spike in funding.

“The data released today demonstrates the trend that commenced under Labor is of continuing concern. Our policies are focussed on making apprenticeships more attractive to both employers and apprentices.

“I am also closely monitoring the impact of certain Fair Work Commission decisions in recent years, which have been raised with me by numerous employers, on apprenticeship commencement. I would encourage the Commission to take this data into account when making future decisions.

“Our ambition is to empower small businesses to invest, grow and generate jobs. An apprenticeship is a proven earning and learning pathway to a rewarding career, and provides vital skills to boost Australia’s economic growth, competitiveness and productivity,” Senator Birmingham said.

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