

CHANGES TO APPRENTICE INCENTIVES



More automotive apprentices are eligible to claim the New Energy Apprentice Support Payment

SNAPSHOT

- > On 3 May 2024, the Australian Government announced changes to the New Energy Apprenticeships Program (NEAP) to support more EV ready apprentices
- > The changes will assist industry prepare for the over two million EVs due on Australian roads by 2030
- > Previously businesses needed to demonstrate their apprentice trained a significant proportion of their time on an EV, however now they will only need to provide their apprentice with meaningful exposure, experience and work in EVs
- > The changes commenced from 1 June 2024 for new apprentices only, with further information available [here](#)

WHY ARE THESE CHANGES BEING MADE?

- > The announcement forms part of the Government's response to supporting the auto sector transition in the face of the imminent New Vehicle Efficiency Scheme (NVES) which is expected to accelerate EV uptake
- > The MTAA and state/territory MTAs have been advocating strongly for a wide-ranging package of support for the past 12 months and this announcement is a win for the retail auto sector
- > The announcement complements the \$60m dealer and repairer charging fund announced in March 2024 and is expected to form part of a suite of further support measures yet to be announced

HOW MUCH FUNDING IS AVAILABLE?

- > Apprentice support: If eligible, an apprentice can receive up to **\$10,000 during their apprenticeship**
- > Employer support: Until 1 July 2024 an eligible business can receive a wage subsidy of:
 - **10% of apprentice wages** for the first 24 months (up to \$1500 per quarter)
 - **5% of apprentice wages** for the third 12 month period (up to \$750 per quarter)
- > From 1 July 2024, the Australian Apprenticeship Incentive System (Incentive System) will move to Phase 2
- > New employers that engage an apprentice from 1 July 2024 are able to claim:
 - Priority Hiring Incentive of up to \$5,000 over 1 year in two instalments of \$2,000 at 6 months and \$3,000 at 12 months

WHAT APPRENTICESHIPS ARE ELIGIBLE?

AUTOMOTIVE ELECTRICIAN
FITTER (GENERAL)
FITTER AND TURNER
FITTER-WELDER
METAL FABRICATOR
METAL MACHINIST (FIRST CLASS)
MOTOR MECHANIC (GENERAL)
SHEETMETAL TRADES WORKER
SMALL ENGINE MECHANIC
VEHICLE BODY BUILDER
WELDER (FIRST CLASS)
<u>ELIGIBLE PROFESSIONS LIST</u> (professions highlighted in green)

WHICH BUSINESSES ARE ELIGIBLE?

The business must demonstrate the following:

- > It is engaging and operating with the **“clean energy sector”**

AND

- > It will provide its apprentice with **meaningful exposure experience, and work in the clean energy sector**, appropriate to skill level and/or off-the-job

CONTACT

To learn more about the New Energy Apprenticeships Program, get in touch.



Collin Jennings
Head of Advocacy & Government Relations
collin.jennings@mtansw.com.au

DEFINITIONS

What is the “Clean Energy Sector”?

While the government’s definition is wide-ranging, for automotive it entails:

- > Installing and maintaining the technology that uses clean energy rather than fossil fuels. This may include the electrification of machines, equipment, processes, and vehicles.

For example: **Deploying and maintaining zero or low emissions vehicles** and supporting infrastructure, including chargers.

What does “Experience” mean

Access to education, instruction, training or industry knowledge of the clean energy sector, combined with a VET qualification specified on the Australian Apprenticeship Priority List.

What does “Exposure” mean

Access to a range of clean energy sector tools, technology, methods and worksites, including demonstration by skilled tradespeople.

What does “Meaningful” mean?

Useful and relevant engagement that must develop the skills required to work in the clean energy sector at the completion of their apprenticeship and/or in the future.

What does “Work” mean?

Undertake paid activities based on the occupation the apprentice is undertaking in the clean energy sector.

WHAT’S NEXT

If your business is interested in accessing the New Energy Apprenticeships Program contact your MTA or [local AASN Provider](#).