



# OUR PLAN FOR Apprenticeships and a Skilled Workforce

# Key points

**The Coalition Government has a strong plan for skilling Australians in the right jobs to get ahead.**

During the pandemic, that meant ensuring **apprentices were protected** with our wage subsidy measures, and **setting up job seekers and young people for the jobs of the future** with low or fee-free training through the \$2.1 billion JobTrainer Fund.

JobTrainer has created around 478,000 training places in areas of skills need. This includes 48,000 places in aged care training.

The Coalition has committed over \$13 billion to the skills sector since the pandemic began, including a record \$7.8 billion this financial year.

Our strong economic management has shielded the nation – including the jobs of Australians – from the biggest economic shock since the Great Depression.

On almost every measure – economic growth, jobs growth, debt levels, fatality rates and vaccine rates – **Australia's recovery is leading the world.**

Treasury predicted unemployment could reach 15 per cent.

**It is now just 4 per cent – the lowest in 48 years – and is expected to fall even further.** When Labor left office, it was 5.7 per cent.

We've **out-performed all the major advanced economies**, and are one of the few countries to maintain a AAA credit rating from the three major ratings agencies.

Since our Government was first elected in 2013, we have created over **1.9 million new jobs.**

As our pandemic recovery continues, there's much more to do.

A big part of our plan is to keep strongly investing in skills, building on the record numbers of Australians undertaking trade apprenticeships.

**Only the Coalition is equipping our workforce with the skills needed for the jobs of today and tomorrow.**

**A re-elected Coalition Government will:**

- **Create another 1.3 million jobs** over the next five years, including **450,000 jobs in regional Australia.**
- **Back small businesses with tax incentives** to embrace the digital economy and upskill and train their employees.
- Ensure Australians have the skills they need through **an additional \$3.7 billion to support 800,000 new training positions.**

- Provide \$2.8 billion in additional incentives **to train the next generation of apprentices and trainees.**
  - **Help disadvantaged younger Australians** into work through the ReBoot program to build life and employment skills.
  - Invest \$482 million to improve women's economic security and build on record female participation in the workforce, including enhanced paid parental leave and incentives for **women to take up non-traditional trade apprenticeships.**
  - **Back our best researchers, build tighter links between universities and industry, and create new jobs** with our \$2.2 billion University Research Commercialisation Action Plan.
  - **Expand our successful Defence Industry Pathways Program** for school leavers to develop a nationwide pipeline of work-ready trainees. Our **\$108.5 million investment over the next four years** will build on the Morrison Government's \$10 million pilot program in 2021.
- Invest \$5 million to develop a **technology skills passport**, opening pathways to jobs in the fast-growing technology sector.

In uncertain times, Australia needs the **experience and proven economic management of the Coalition to create jobs.**

**Labor has no economic plan.**

Over the last 30 years, Labor governments have, on average, delivered **higher unemployment and higher interest rates.**

And not a single balanced budget.

**Labor can't manage money.** They would have spent \$81 billion more during the pandemic, and have another \$302 billion earmarked for vague and unfunded "aspirational" policies.

Australians always end up paying with Labor's higher taxes and deficits.

**In uncertain times, Australia can't risk Labor.**

# Our Plan

## 1. Creating 1.3 million jobs over the next five years

Our Government has a strong track record of creating jobs.

Despite the pandemic, under the Coalition over 1.9 million more Australians are in work. Around two-thirds of these new jobs are full-time.

A re-elected Coalition Government will:

- **Create another 1.3 million jobs over the next five years.**
  - This includes **450,000 jobs in regional Australia.**
  - Our plan will achieve this by keeping the economy strong, skilling Australia's workforce and keeping taxes low for workers and small businesses.
  - We'll also invest in our regions, including \$7.1 billion in transformative infrastructure projects and \$2 billion to drive growth and productivity through our Regional Accelerator Program.
  - We will transform our manufacturing sector to create even more jobs with our Modern Manufacturing Strategy.

## 2. Backing Australian apprentices

Only the Coalition has strongly backed apprentices and trainees. We've delivered record levels of support to save a generation of skilled Australians, and prioritised retention and growth in trade and non-trade apprenticeships and traineeships.

The Morrison Government is investing a **record \$7.8 billion** this financial year to keep apprentices and trainees in jobs and help Australians re-skill. This follows our rapid and unprecedented action during the pandemic to save jobs: our Supporting Apprentices and Trainees wage subsidy **helped apprentices and trainees to keep going and see their apprenticeships through.**

Our support has paid off, with a record 220,000 trade apprentices in training – **the most since 1963.**

More than 530,000 apprentices and trainees will be supported by wage subsidies announced since the pandemic hit, with total pandemic apprentice wage subsidy support reaching over \$7.9 billion.

A re-elected Coalition Government will continue to back Australian apprentices through:

- **Extending the highly-successful Boosting Apprenticeship Commencements Program** for three months to 30 June 2022, providing employers with a 50 per cent wage

subsidy for taking on a new apprentice or trainee. This takes our commitment to \$5 billion, expected to support 385,000 apprentices.

- The **Completing Apprenticeship Commencements** program, providing a 10 per cent wage subsidy in the second year and a 5 per cent wage subsidy in the third year. This ensures the highest level of in-training trades apprenticeships in decades will continue. It also creates a pipeline of skilled workers to support Australia's economic recovery.
- **Investing a further \$2.4 billion from 1 July 2022 to upskill apprentices** in a streamlined Australian Apprenticeships Incentive System. We're providing support to employers and apprentices in areas of skills need identified by the National Skills Commission. Employers will be eligible for 10 per cent wage subsidies in the first two years of hiring a new apprentice and a further 5 per cent in the third year. Apprentices will be eligible for up to \$5,000 in support payments.
- Enabling eligible apprentices to access the expanded **Australian Apprenticeship Support Loans** scheme to help with everyday costs of up to \$21,542 over the life of the apprenticeship. This includes aged care and child care workers for the first time.
- Committing \$2.8 million to increase In-Training Support, with **an extra 2,500 places for young Australians**.
- Continuing the transformation of the apprenticeship system with \$91.6 million for the Apprenticeships Data Management System (ADMS). This will better support apprentices and employers in the pandemic recovery, helping to get more people into apprenticeships and back to work.

### 3. Skilling Australians

The Morrison Government is reforming vocational education and training (VET), ensuring greater transparency, quality and increased funding for a re-designed industry-led approach.

We're investing strongly to ensure the training system is delivering the skills Australians need for high-paying jobs – and the skilled workforce businesses need to thrive and grow.

Our Government is also translating great Australian research into new products and jobs and building tighter collaboration between universities and industry with our \$2.2 billion University Research Commercialisation Action Plan.

The Morrison Government established the National Skills Commission to provide expert advice and national leadership on the labour market, current and future skills needs and workforce development. It will be critical to piloting our successful VET reform.

Our Government has secured agreement from the states and territories to overhaul Australia's VET system. Our \$292.5 million investment in the new Industry Clusters model – as groups of aligned industries – will replace the 67 Industry Reference Committees and six Skills Service Organisations, and is expected to be fully running by 1 January 2023. The

reforms will ensure courses and qualifications are driven by, and better meet the needs of, industry and students.

To support these reforms, the Coalition established three Skills Organisation Pilots to trial innovative ways to shape a national training system that responds better to skills needs. This includes improving the way we identify skills needs, design and develop qualifications, and train and assess people. Three Skills Organisation Pilots in Digital Technology, Human Services Care and Mining are currently testing end-to-end training solutions.

We also created the National Careers Institute (NCI) in 2020 to improve career advice across tertiary education. The NCI provides career information on the Your Career website, personalised career advice for school leavers and digital job seekers, and works closely with community partners through its Partnerships Grants program.

During the last term, we established the 10 Industry Training Hubs we promised at the 2019 election to create more jobs for young people. Hundreds of local stakeholders have connected, developing projects to meet local needs and create jobs. This is all about getting local kids into in-demand, high-quality local jobs.

The hubs are in Alice Springs (NT), Burnie (Tas), Townsville (Qld), Maryborough (Qld), Port Pirie (SA), Shepparton (Vic), Armadale (WA), Gosford (NSW), Wanneroo (WA) and Grafton (NSW).

Young people in the Industry Training Hub regions can also access the Commonwealth Scholarships Program for Young Australians, which includes up to \$13,000 to undertake an eligible VET qualification in targeted occupations.

We're also revitalising TAFE campuses across Australia, with a \$50 million investment in partnership with states and territories to improve infrastructure. TAFEs need to be equipped to deliver training to the standards expected by industry and students.

As well, over \$16 million is being invested to train a skilled workforce for the energy sector and support the Battery of the Nation initiative. Our Energising Tasmania initiative is providing fee-free training in priority skills areas that will equip Tasmania's workforce with the expertise to build and maintain pumped hydroelectricity, and the electrical and engineering skills to build the interconnection infrastructure with the National Electricity Market.

A re-elected Coalition Government will:

- Negotiate a new National Skills Agreement with the states and territories, which would provide each jurisdiction with a major funding boost to skills training in priority areas. The Coalition is committing **an extra \$3.7 billion for skills training that could support an additional 800,000 training places.**
- **Drive reforms to improve the skills system**, including increasing fee transparency, strengthening the role of industry, supporting higher quality training delivery, extending the scope, reach and effectiveness of foundation skills programs, and strengthening apprenticeships. The Coalition is prepared to invest more in a better training system. In return, we are asking the states and territories to target training funding to help

Australians get into work; help employers recruit the skilled workers they need to grow, and ensure every Australian who needs literacy and numeracy help gets it.

- Continue the **JobTrainer program**, in partnership with the states and territories, which has been highly successful in skilling Australians throughout the pandemic. The \$2.1 billion program has created around **478,000 free or low-fee training places** in areas of skills need. This includes 48,000 places in aged care training.
- Encourage small businesses to invest in the skills of their employees and train new ones through **the Skills and Training Boost**. Small businesses with annual turnover less than \$50 million can access a new bonus 20 per cent deduction for the cost of external training courses delivered by registered training providers. This will apply to expenditure incurred from Budget night (29 March 2022) until 30 June 2024, providing \$550 million in tax relief.
- **Invest \$2.2 billion over the next decade through our Government's University Research Commercialisation Action Plan** to forge closer links between our best university researchers and industry and focus research power on Australia's National Manufacturing Priorities. This includes our Trailblazer Universities program.

#### 4. Supporting women into work, including in non-traditional trades

Under the Coalition Government, female employment has reached record highs. Of the 1.9 million jobs created under our Government, over 1.1 million are filled by women. Female participation rates have never been higher, while female unemployment is at its lowest since 1974.

A re-elected Coalition Government will:

- Commit \$38.6 million to encourage **more women to undertake non-traditional trade apprenticeships** through in-training support and targeted mentoring services. These additional services will help encourage more women to complete apprenticeships in male-dominated trades such as carpentry and construction.
- Invest \$346.1 million to support families and support women in the workforce by **creating Enhanced Paid Parental Leave**. Up to 20 weeks of fully flexible leave will be available for eligible working families to provide increased choice in how they manage work and care. The Government is also adjusting the income test to increase eligibility and further support workforce participation.
- Invest \$4.7 million over five years from 2022-23 to encourage **women into the manufacturing industry** through networking events in metropolitan and regional areas, and a mentorship program for women at all stages of their manufacturing career.



- Provide \$3.9 million to support **more women into digitally skilled roles**. In partnership with industry, we're providing mentoring and coaching to facilitate a mid-career transition into the tech workforce.

## 5. Employment programs

The Morrison Government continues to invest in ways to put more Australians into jobs.

Our employment systems, including our mutual obligation requirements, have moved people from unemployment and into jobs and, prior to the pandemic hitting, had **reduced Australia's level of welfare dependency to the lowest in 30 years**.

**Workforce Australia** will launch from 1 July this year to deliver a simple and connected service to find the best employment services pathway for job seekers. It will include a digital platform as a single front door for all government employment and skills programs. Job seekers with greater needs will be supported with individualised services.

Workforce Australia will also support business and industry with tailored recruitment and workforce planning. The new service will streamline how businesses find and hire the right people, with the right skills at the right time. Business and industry can access extra support – through Workforce Specialists – for specific projects to connect job seekers to large employers, key industries and occupations with high worker demand.

The Coalition Government remains committed to supporting young people with the successful Youth Jobs PaTH program, investing \$449.7 million over five years from 2021-2022. By the end of February 2022, over 139,300 young people had participated in at least one element of Youth Jobs PaTH, with over 88,900 (63.8 per cent) obtaining a job placement.

A re-elected Coalition Government will:

- Establish **ReBoot, to build life and employment skills for disadvantaged young Australians**. This new pre-employment program for young people aged 15-24 will help increase the capacity of disadvantaged youth to connect with and benefit from existing youth employment programs, ensuring they are part of the economic recovery.
- **Invest \$249.1 million to address workforce pressures** as part of its National Care and Support Workforce Strategy.

## 6. Regional skills

The Coalition Government's \$2 billion Regional Accelerator Program will continue to help develop a skilled workforce in regional Australia.

We have partnered with the Tasmanian Government through the North West Tasmania Job Ready Generation Package to support training, workforce planning and job matching initiatives in the region for agriculture, mining, manufacturing, building and construction.



A re-elected Coalition Government will:

- Provide a **boost to regional apprentices** with an additional 5 per cent wage subsidy in their first year. This will be on top of the 10 per cent support provided through the streamlined Australian Apprenticeships Incentive System.
- Provide \$22.6 million for more than 29,000 additional in-training support places to ensure regional apprentices have the support they need.

## 7. Defence industry workforce

The Coalition's record investment in the Australian defence industry needs skilled Australian workers to do the job. We're implementing a range of dynamic initiatives to attract, train and retain the workers we need now and into the future.

A re-elected Coalition Government will:

- **Expand our successful Defence Industry Pathways Program** for school leavers to develop a nationwide pipeline of work-ready trainees for defence industry, with a **\$108.5 million investment over the next four years** that will build on the Morrison Government's \$10 million pilot program in 2021. The program fully funds trainee wages and expenses such as personal protective equipment. Trainee numbers will be boosted to up to 500 a year, for a total of 1,500 trainees by 2025-26.
- **Extend our successful Defence Industry Internship Program**, placing third and fourth year engineering students in small and medium defence industry businesses.

## 8. Digital skills

Part of our Digital Economy Strategy to position Australia as a top 10 data and digital economy by 2030 is ensuring we have the skilled workforce to support this growing sector. Last year, the National Skills Commission confirmed that data and digital skills were among the fastest growing emerging skills.

As part of the Morrison Government's \$2.1 billion JobTrainer program, 10,000 places were provided for digital skills training. We have also created the Skill Finder platform to help connect job seekers to free online courses.

The Next Generation Emerging Technology Graduates Program and Next Generation Artificial Intelligence Graduates Program will fund at least 480 nationally competitive scholarships to increase the supply of job-ready technology specialists.

A re-elected Coalition Government will:

- Invest \$5 million in seed funding to **develop a technology skills passport** in partnership with the Australian Technology Network of Universities, opening pathways to jobs in the fast-growing technology sector. This aligns with work already underway to achieve the longer-term vision of creating an integrated tertiary system, and provide a single entry point to 'rack and stack' credentials across the university and VET sectors. The micro-credentials on offer will span the best of VET and higher education in digital skills, to enable choice in the technical, practical and transferable skills needed to succeed.
- Continue rolling out our \$10 million **Digital Skills Cadetship Trial** (a new pilot program for work-based digital cadetships that offers workers the flexibility to build digital skills), **scholarships for emerging technology graduates**, and the additional \$43.8 million to expand the **Cyber Security Skills Partnership Innovation Fund** for industry and education providers to deliver more projects that meet local requirements to quickly improve the quality and quantity of cyber security professionals.

## 9. Skilled migrants

While the Coalition Government remains focused on getting as many Australians into work as possible, skilled migration has a role to play – particularly to support the international education and tourism sectors and to address workforce shortages.

A re-elected Coalition Government will:

- Ensure that skilled stream places account for around 70 per cent of Australia's migration program in 2022-23, increasing the number of skilled workers to around 110,000.
- Continue to deliver faster, cheaper skills assessments that will acknowledge the valuable skills migrants have brought with them, and their ability to contribute to the workforce.

# Our Record

The Coalition has a strong record of backing apprentices and trainees. We have delivered record levels of support to save a generation of skilled Australians and prioritised retention, growth and completions in trade and non-trade apprenticeships and traineeships.

The Morrison Government is investing a record \$7.8 billion this financial year to keep apprentices and trainees in jobs and help Australians re-skill. This follows unprecedented support to apprentices throughout the pandemic including programs such as Supporting Apprentices and Trainees, Boosting Apprenticeship Commencements and Completing Apprenticeship Commencements. All of these have supported employers and helped apprentices and trainees to keep their jobs.

Over 530,000 apprentices and trainees will be supported by the wage subsidies we have announced since the pandemic hit, with total pandemic apprentice wage subsidy support now reaching over \$7.9 billion.

Our support lifted the number of trade apprentices in training to 220,000 – the most since records began in 1963.

According to Labor's shadow treasurer Jim Chalmers, "the most important test of this Government's management of the recession and its aftermath is what happens to jobs".

There are currently **394,400 more Australians in work than before the pandemic**.

Despite the pandemic, **unemployment is at its lowest since 1974**, with record participation rates. We have the lowest youth unemployment in over 13 years.

The Coalition established the \$2.1 billion JobTrainer Fund with the states and territories, providing **478,000 free or low-fee training places in areas of skills need**. This includes 48,000 aged care training places.

The economy is stronger now than when Labor left office.

Over 1.9 million jobs have been created, and the unemployment rate has dropped to 4 per cent, and falling. The underemployment rate is also at its lowest in over 13 years.

**Wages growth is forecast to rise** at the fastest pace in almost a decade, and the Government is providing **cost-of-living relief to households**.

**Our plan for an even stronger economy continues this record of strong economic and jobs growth.**

# The Risk of Labor

There is a clear choice at this election.

A choice between the Coalition that is delivering a strong economy or Labor's weak leadership that would weaken our economy.

A choice between the Coalition's strong economic management or Labor's inability to manage money.

A choice between the Coalition that can afford to pay for the infrastructure and services Australians need or Labor's higher taxes and deficits, threatening our AAA credit rating.

In uncertain global and economic times, Australia can't afford Labor.

Neither Labor leader Albanese nor his shadow treasurer or shadow finance minister have delivered a federal Budget.

## Labor cannot be trusted on skills

Labor cannot be trusted with VET and skills.

**The last time Labor was in government, the VET sector was in chaos:**

- **Labor's failed VET FEE-HELP scheme opened the sector to rorting by dodgy and unscrupulous providers**, leaving hundreds of thousands of students with debts for training that they would either never undertake or never benefit from.
- The Coalition is still cleaning up Labor's mess. With student debt re-credits of \$3.3 billion to over 180,000 students since 2016, the final bill could reach as high as \$4.6 billion. The courts have ordered the recovery of over \$700 million from unscrupulous providers.
- From 2011 to 2013, **cuts of \$1.2 billion were made to employer incentives for businesses employing apprentices**.
- Albanese was part of the Labor government that oversaw the number of apprentices and trainees in training collapse by 22 per cent or 110,000 workers – **the biggest annual decline ever recorded**.

## Labor means fewer jobs

In just the last six years, the Coalition created more than 50 per cent more jobs than Labor's Rudd/Gillard/Rudd government, despite an economic crisis 30 times bigger than the Global Financial Crisis.

In the next five years, **a re-elected Coalition Government will help create another 1.3 million jobs**. Only the Coalition has a proven record in job creation.

When Labor last came to office, the jobless rate was 4.4 per cent and the youth unemployment rate was 10 per cent. Six years later, unemployment was 5.7 per cent and

rising and the youth unemployment rate was 12.7 per cent. And there were 54,300 fewer young people with jobs.

This is **Labor's record of job destruction** – not job creation.

**In uncertain times, Australia can't risk Labor.**

COALITION	LABOR
<b>Unemployment rate</b> 4.0 per cent (Mar-22)	<b>Unemployment rate</b> 5.7 per cent (Sep-13)
<b>Youth unemployment rate</b> 8.3 per cent (Mar-22)	<b>Youth unemployment rate</b> 12.7 per cent (Sep-13)
<b>Underemployment rate</b> 6.3 per cent (Mar-22)	<b>Underemployment rate</b> 7.4 per cent (Sep-13)
<b>Apprentices</b> A record 220,000 trade apprentices in training.	<b>Apprentices</b> In 2012-13, the number of apprentices and trainees in training collapsed by 110,000 – the largest decline on record.
<b>Skills funding</b> \$7.8 billion (2021-22)	<b>Skills funding</b> \$3.8 billion (2012-2013)

# Cost

As part of our Plan for Apprenticeships and a Skilled Workforce, the Coalition will invest a further \$5.0 million to develop a technology skills passport.

The Coalition's Plan for Apprenticeships and a Skilled Workforce also includes funding for previously announced election commitments.

Funding for all other policies in the Coalition's Plan for Apprenticeships and a Skilled Workforce is already provided for within Budget estimates.



For further details of the CLP's Plan go to: **[www.clp.org.au](http://www.clp.org.au)**