



Budget October 2022-23



Skills and training

Giving Australians the skills they need for higher-wage jobs

The Government is creating more opportunities to upskill, with fee-free TAFE and extra university places

Making skills affordable

The Government is providing **480,000 fee-free TAFE and community-based vocational education places** to ensure that Australians have access to the skills they need for the jobs of the future. Fee-free places will be targeted to priority groups including First Nations people, young people, job seekers, unpaid carers, women in non-traditional fields of study and people with disability.

As a first step, the Government and all states and territories have committed to develop a \$1 billion one-year National Skills Agreement. The agreement will commence on 1 January 2023 and deliver 180,000 fee-free TAFE and community-based vocational education places throughout 2023. At least 15,000 of these places will be dedicated to courses in aged care to help relieve pressure in this sector.

While the interim agreement operates throughout 2023, the Government and all states and territories will work together to improve the VET sector, including by delivering a further 300,000 fee-free places from 2024.

Interested students will be able to explore suitable training opportunities through their state or territory education and training departments as they become available.

Further information will be made available on the Department of Employment and Workplace Relations website at www.dewr.gov.au.



McKenzie is a recent school leaver who is working at her local supermarket and looking for a change. After hearing about the Government's plan for fee-free TAFE, McKenzie decided to enrol in a Certificate III Aged Care course to become an aged care worker. By taking the opportunity to upskill, McKenzie will become part of a growing industry and help fill a critical skills gap.

More university places to boost productivity

The Government is investing \$485.5 million to provide up to **20,000 additional university places** to tackle skills shortages and give more students from under-represented backgrounds the chance to go to university.

The additional places will be allocated over two years from the start of 2023 and will be targeted at areas of skills shortage like education, health, engineering, and technology.

Places will be allocated to people from low socio-economic backgrounds, rural and remote areas, First Nations people, those who are first-in-family to attend university and people with disability.

Promoting quality teaching

The Government is expanding the **High Achieving Teachers program** to attract 1,500 more of the best and brightest mid-career professionals into teaching. Further, 5,000 high quality candidates will be able to access **bursaries worth up to \$40,000** each to encourage them to study teaching.

Guaranteeing a pipeline of skilled workers

The **Australians Skills Guarantee** will ensure that one in 10 workers on major Commonwealth-funded projects is an apprentice, trainee or a paid cadet.

To make sure the guarantee is effective, the Government is undertaking extensive consultation on its design and implementation, and will establish targets for participation of women. This will be followed by phase two: implementing the guarantee.

Quality TAFE facilities

To help modernise TAFEs and training facilities, the Government is establishing a \$50 million **TAFE Technology Fund**. The fund will help deliver on significant items such as IT infrastructure, modern workshops, laboratories and telehealth simulators.

Supporting the workforce through the transition to clean energy



Richard is going to be an apprentice electrician (General) and will have a starting salary of \$30,040 per year. In 2023, he will begin to study a 4 year long Certificate III in Electrotechnology Electrician, and work in rooftop solar installation.

As an apprentice in the New Energy sector, Richard will now receive \$10,000 in New Energy Apprenticeship support payments (\$2,000 on commencement, \$2,000 after his first, second and third years and \$2,000 on completion of his apprenticeship). Richard will also have access to personalised non-financial support services, including industry-specific mentoring, peer support and networking opportunities during his apprenticeship.

This is on top of existing support for employers. As electrician (General) is an occupation on the Australian Apprenticeships Priority List, Richard's employer will receive around \$8,430 in wage subsidies (equivalent to 10 per cent of wages paid in the first and second year, and 5 per cent in the third year).

Richard is also eligible for additional financial support through an income contingent loan, as part of the trade support loan program.

Note: Wages are for a non-adult apprentice that completed Year 12 under the Electrical, Electronic and Communications Contracting Award (MA000025)

New Energy Skills Program

Phase one of the **New Energy Skills Program** will support the development of fit-for-purpose training pathways for clean energy industry jobs. The program will also provide mentoring so that new energy apprentices are trained and supported by experienced workers.

To inform phase two of the Government's support for new energy skills, Jobs and Skills Australia will undertake a capacity study to evaluate Australia's workforce needs as we transform to a clean energy economy.

10,000 New Energy Apprenticeships

The **New Energy Apprenticeships program** will deliver 10,000 New Energy Apprentices. Eligible apprentices will be able to claim a New Energy Apprentice Support Payment of up to \$10,000 over the duration of their apprenticeship. This includes \$2,000 on commencement, \$2,000 per year for up to three years, and \$2,000 on completion.

New Energy Apprentices will also be eligible for additional in-training support places, with further support for priority groups.

Australia's workforce needs are changing. This Government is ensuring Australia's future workforce is ready to support a strong, productive economy.

A collaborative approach

September's **Jobs and Skills Summit** brought Australians together to work constructively on the challenges and opportunities facing the labour market. The summit delivered 36 concrete outcomes to build a bigger, better trained and more productive workforce, and laid out priorities for further work.

The 2022–23 Budget delivers on the summit outcomes, including:

- A **Digital and Tech Skills Compact**, implemented in partnership with businesses, unions and training providers, that will develop options for a 'digital apprenticeships' model to support entry level tech workers to earn while they learn.
- The **APS Digital Traineeship Program** will support new digital career opportunities in the Australian Public Service. Priority groups such as First Nations people will be supported to undertake a Certificate IV qualification in digital or technology related fields.

Planning for the workforce of the future

To strengthen workforce planning, the Government is establishing **Jobs and Skills Australia (JSA)**, a consultative independent body. JSA will work with states and territories, employers, unions, and training providers to undertake detailed labour market analysis and workforce planning to combat workforce shortages.

Encouraging innovation

The **Startup Year Program** will support the next generation of young entrepreneurs in Australia. The Government will provide income-contingent loans to up to 2,000 eligible students per year to encourage their participation in a university accelerator program and support Australia's startup community.

Consultation is now open on the development of Startup Year. Interested parties can contribute their views via the Department of Education's website: www.education.gov.au. Consultation closes on 15 November 2022. The Startup Year program is anticipated to commence in July 2023.

Securing the long-term skills vision

To ensure vocational education and training is supported over the long-term, the Government is negotiating a new long-term **National Skills Agreement** with states and territories. Commencing in 2024, the new agreement will ensure Australians benefit from a VET system that supports training providers to deliver quality courses, strengthens the skills pipeline in critical sectors and provides lifelong learning opportunities.

Strengthening our higher education sector

The Government is committed to delivering a high quality, affordable and inclusive higher education system. An expert panel will review Australia's higher education system through the **Australian Universities Accord**. It will deliver recommendations to drive accessibility, affordability, quality, certainty and sustainability in the higher education sector.