

Question on Notice

No. 1019

Asked on Friday 6 June 2008

MRS PRATT ASKED THE MINISTER FOR EDUCATION AND TRAINING, MINISTER FOR THE ARTS (MR WELFORD)—

QUESTION:

With reference to the Government's changes to the Youth Training Incentive, which pays subsidies to employers of school-based apprentices and trainees and as employers used to receive \$4000 at commencement but will now only receive \$1000 after 18 months –

Why has the incentive drastically decreased when Queensland is in need of more apprentices and trainees?

ANSWER:

The State Government has been providing employer incentives to apprentices and trainees since 1998, when the Government inherited an 8.5% unemployment rate. The labour market has changed significantly since that time when additional incentives were introduced by the State Government to encourage employers to train young people. Queensland now has a buoyant economy, resulting in record low unemployment rates and a strong demand for skilled labour. For these reasons, changes to the Government's Youth Training Incentive program came into effect from 1 January 2008.

The new program has shifted away from specific geographic locations in preference for a focus on trade level skill shortages across the entire state. My Department acknowledges that despite strong economic growth, there are still specific groups where workforce participation rates remain particularly low, and for this reason the new program also includes Aboriginal and Torres Strait Islanders and Australian South Sea Islanders, who enter any school-based apprenticeship or traineeship regardless of the vocational area or level. Under the revised program, employers of eligible school-based apprentices and trainees receive a subsidy of \$1000 from the State Government.