

Question on Notice

No. 1465

Asked on 8 October 2009

MRS ATTWOOD ASKED THE TREASURER AND MINISTER FOR EMPLOYMENT AND ECONOMIC DEVELOPMENT (MR FRASER)—

Will the Treasurer outline the measures that the government has introduced to assist businesses retain apprentices and trainees?

ANSWER:

The Queensland Government has made jobs its number one priority. That is why we have committed to creating 100,000 additional jobs for Queensland over the next three years. On 28 August 2009 the Premier launched *Jobs First* the Queensland Government's plan for delivering jobs for Queensland to support this commitment.

Delivering jobs means:

- Building infrastructure to keep our record building program going.
- Developing skills for the future to ensure we are prepared for recovery.
- Supporting new and traditional industries to enable industries to emerge, grow and transform.
- Developing new job creation programs to assist unemployed Queenslanders to get back into work.

The apprentices of today are Queensland's skilled workforce of tomorrow and we need to protect their positions to keep Queensland strong. The Queensland Government is committed to investing in the skills our economy will need for the future by implementing a training guarantee to ensure that at least 10 per cent of all jobs on state and federal infrastructure projects are apprentices and trainees. This will include works carried out by government owned corporations, alliance contracts, special vehicle contracts and public private partnerships.

The downturn in apprenticeship and traineeship commencements presents significant challenges in ensuring that we have the skills necessary for recovery. That is why the Queensland Government has developed a new institutional training model to give individuals a head start at a time when fewer businesses can take on an apprentice. It will also guarantee investment in skills that employers will need when the economy recovers. Up to 2000 places will be provided next year for young Queenslanders to undertake institutional training or other short term pre-vocational programs.

This investment will provide young Queenslanders with an alternative to waiting until an on-the-job apprenticeship becomes available – a crucial, short-term intervention at a time of labour market uncertainty.

To further cement job certainty and safeguard skills for tomorrow's Queensland, the Queensland Government has increased the payroll tax exemption for apprentices and

trainees to 125 per cent for 2009/10. The incentive means businesses will not pay any payroll tax on their apprentice wages and, further, they will now receive a rebate on 25 per cent of their total apprentice wage bill.

For a business with a \$1.1 million wage bill which is employing five apprentices this could mean a 55 per cent saving in their payroll tax. This rebate will help business to retain and create full time staff positions and will apply to over 16,500 businesses in Queensland.

The Queensland Government will also contribute \$1M from the *Skilling Queenslanders for Work* initiative to the Federal Government's \$1.4M Jobs Fund project to assist out-of-trade apprentices under the "Australian Apprenticeship Intervention Project".

The "Australian Apprenticeship Intervention Project" is managed by Group Training Association of Queensland and Northern Territory Incorporated and Construction Skills Queensland to provide work for out-of-trade apprentices to assist in retaining them in the industry.

DEEDI has agreed to form a collaborative partnership with Construction Skills Queensland and the Group Training Association of Queensland and Northern Territory Incorporated to deliver the "Australian Apprenticeship Intervention Project". The department considers the project a very worthwhile response to the plight of out-of-trade apprentices in the current economic situation.

My colleague, the Minister for Education and Training can also provide details on further assistance for apprentices.