

Australian Apprenticeships Incentive System

Factsheet

Last Updated 1 July 2026

Apprenticeships help build a stronger, more inclusive and more sustainable economy. They give people the chance to earn while they learn and gain quality training on the job.

The Australian Apprenticeships Incentive System focuses on supporting apprenticeships in priority occupations including housing construction and new energy. Support is available for eligible occupations listed on the [Australian Apprenticeships Priority List](#) (Priority List).

Overview of the Incentive System

Government support under the Incentive System is aimed at priority occupations, so help goes to areas where skills are most needed. These occupations are listed on the [Priority List](#), which is updated each January. The list is based on current skills shortages and expected demand over the next five years. Use the [Priority List Explorer](#) to check whether an occupation or qualification is eligible for support.

Australian Apprentice Payments

Key Apprenticeship Program (KAP) Apprentice Incentive

The KAP has two streams:

- New Energy Apprenticeship stream; and
- Housing Construction Apprenticeship stream.

The KAP Apprentice Incentive is available to eligible apprentices working towards New Energy and/or Housing Construction occupations and a linked qualification on the [Priority List](#). To qualify, the employer must be able to give the apprentice real experience and work in the clean energy or housing construction sector.

This incentive provides up to \$10,000 for a full-time apprenticeship and up to \$5,000 for a part-time apprenticeship over the life of the apprenticeship. Payments are made at these points:

- \$2,000 at 6, 12, 24 and 36 months and on completion (full-time)
- \$1,000 at 6, 12, 24 and 36 months and on completion (part-time)

Important: the KAP Apprentice Incentive does not replace the New Energy Apprentice Support Payment (NEASP). Apprentices already receiving NEASP from 1 July 2025 will continue to receive their remaining payments under that program unless they need to be reassessed.

Australian Apprentice Training Support Payment (AATSP)

The **AATSP** provides up to \$2,500 for eligible apprentices training in an occupation and linked qualification on the [Priority List](#). The payment is made in 4 instalments:

- \$625 at 6, 12, 18 and 24 months (full-time)
- \$315 at 6 and 12 months and \$310 at 18 and 24 months (part time)

Australian Apprenticeship Support Loans (AASL)

The **AASL** is available to apprentices and trainees in occupations on the [Priority List](#). It provides income contingent loans of up to \$27,048 in 2026–27 to help with day-to-day costs while they train.

Payments can be backdated to the start of the apprenticeship or traineeship to provide support sooner. Apprentices do not need to start repaying the loan until their income is above the minimum repayment threshold (\$69,528 for 2026–27).

Australian Apprentices who complete their apprenticeship will receive a 20% discount on the loan amount. In order to maintain the real value of the loan, the loan amount will be indexed according to the lower of the Wage Price Index or the Consumer Price Index annually on 1 June.

Living Away From Home Allowance (LAFHA)

The **LAFHA** helps eligible apprentices who need to move away from their parent's or guardian's home to start or stay in an apprenticeship, or who are homeless. It is available to eligible full-time and part-time apprentices during the first 3 years of their apprenticeship. Payments are made in arrears at the following rates:

- First 12-month period from the date of commencement: \$125.52 per week
- Second 12-month period: \$94.14 per week
- Third 12-month period: \$47.07 per week

Employer Payments

Key Apprenticeship Program Employer Incentive

The KAP has two streams:

- New Energy Apprenticeship stream; and
- Housing Construction Apprenticeship stream.

The **Key Apprenticeship Program Employer Incentive** is for employers of apprentices doing a Certificate III or higher that leads to a New Energy or Housing Construction occupation on the [Priority List](#). To qualify, the employer must be able to give the apprentice real experience and work in the clean energy or housing construction sector. Use the [Priority List Explorer](#) to check which occupations and qualifications are eligible.

Eligible employers may receive up to \$5,000 in the first year of an apprenticeship, paid in 2 instalments:

- \$2,000 at 6 months and \$3,000 at 12 months (full- time)
- \$1,000 at 6 months and \$1,500 at 12 months (part-time)

Priority Hiring Incentive

The **Priority Hiring Incentive** is for employers of apprentices training towards a Certificate III or higher qualification linked to an occupation on the [Priority List](#). Use the [Priority List Explorer](#) to check which occupations and qualifications are eligible.

Eligible employers may receive up to \$2,500 in the first year of an apprenticeship, paid in 2 instalments:

- \$1,000 at 6 months and \$1,500 at 12 months (full-time)
- \$500 at 6 months and \$750 at 12 months (part-time)

Disability Australian Apprentice Wage Support (DAAWS)

The **Disability Australian Apprentice Wage Support (DAAWS)** is paid to employers who hire an apprentice who meets the disability eligibility criteria. It aims to encourage more apprenticeship opportunities for people with disability in open employment with the right support and training. It also helps apprentices with disability access services such as tutoring, interpreting and mentoring. The payment rate is:

- \$226.01 per week in arrears

Grandfathering arrangements

Some apprentices and employers who started earlier will keep receiving support under older arrangements. The following grandfathering arrangements apply to apprenticeships that started before the dates below.

Apprentices and Employers who commenced or recommenced prior to 30 June 2024:

- The **Priority Wage Subsidy** provides up to 3 years of assistance to employers. Eligible employers can be reimbursed a percentage of wages paid on a quarterly basis.
- The **Hiring Incentive** is available to eligible employers of Australian Apprentices in occupations not listed on the Priority List. It is paid in two instalments at 6 and 12 months after commencement.

Apprentices who commenced or recommenced before 1 July 2025 will continue to receive support under the earlier arrangements below:

- The **New Energy Apprentice Support Payment (NEASP)** provides financial support of up to \$10,000 for a full-time apprenticeship and up to \$5,000 for a part-time apprenticeship over the life of the Australian Apprenticeship. Payments are made according to the following schedule and rates:
 - \$2,000 at 6,12,24 and 36 months and on completion (full-time)
 - \$1,000 at 6,12,24 and 36 months and on completion (part-time)

Apprentices and employers who commenced or recommenced before 1 January 2026 will continue to receive support under the earlier arrangements below:

- The **Priority Hiring Incentive** for commencements or recommencements on or before 31 December 2025, will continue to provide employers of Australian Apprentices training towards

an occupation and qualification at a Certificate level III or above listed on the [Priority List](#) with \$5,000 in the first year of an apprenticeship paid over two instalments of:

- \$2,000 at 6 months and \$3,000 at 12 months (full- time)
 - \$1,000 at 6 months and \$1,500 at 12 months (part-time)
- The **AATSP** for commencement or recommencements on or before 31 December 2025, will continue to provide up to \$5,000 for eligible Australian Apprentices in an occupation and linked qualification listed on the [Priority List](#) paid over 4 instalments:
 - \$1,750 at 6 and 12 months and \$750 at 18 and 24 months (full-time)
 - \$875 at 6 and 12 months and \$375 at 18 and 24 months (part time)

The GTO Reimbursement Pilot Program (GTO Program) closed to new entrants on 30 April 2026.

- The GTO Program was designed to reimburse some or all of the cost of Group Training Organisation (GTO) services for Small and Medium Enterprises (SMEs) that host an Australian Apprentice training towards a qualification and occupation listed on the Priority List, where the SME has not directly engaged an Australian Apprentice or hosted an Australian Apprentice through a GTO arrangement within the last two years.
- The GTO Program operated on a demand driven basis and was capped at 400 reimbursed placements nationally. Each reimbursed placement provided a payment valued at \$100 per week, and up to \$5,200 (GST inclusive) over 52 weeks, paid to the GTO to reimburse for a commensurate reduction in the usual GTO service fee, or charge-out rate, charged to an eligible SME in respect of an eligible Australian Apprenticeship placement.

For more information

For more detail, read the [Incentive System Guidelines](#). To check your eligibility or find out how to apply, contact an Apprentice Connect Australia Provider.

To find a provider near you, visit [Apprentice Connect Australia Provider | Australian Apprenticeships](#).