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MEGT's Productivity Prospectus (2025)

Unlocking productivity and prosperity through Australia's Apprenticeship system

MEGT

Deloitte Access Economics

MEGT Foreword

We are pleased to present this first edition of MEGT's Productivity Prospectus.

For over four decades, MEGT has helped thousands of apprentices to kickstart meaningful careers. We've long understood that investing in people creates not only economic dividends but enduring social impact.

We are in a privileged position working daily with young people and employers to facilitate connections, develop skills and build communities.

Over the past ten years, we could see headwinds forming, including a 15 year decline in STEM scores compared to our OECD trading partners, and a growing number of school leavers finishing their education with low levels of literacy and numeracy. In addition to these factors, the impact and disruption caused by the COVID-19 pandemic in terms of schooling has yet to fully work through the system, and has contributed to a general sense of heightened anxiety among our young people.

These factors, coupled with higher inflation, post pandemic stimulus and global economic uncertainties, have created the perfect storm for a skills crisis.

That's why we commissioned Deloitte Access Economics to examine the full scope of the challenge.

We undertook this work because of our lived on-ground experiences. We understood there would be no quick fix. Developing higher skilled workers takes time, and mastery only comes from doing. It also requires sustained effort and bold policy reform.

This report offers both insight and a call to action. The longer we defer, the harder and costlier the road becomes.

This is a rare opportunity to achieve a material uplift in our nation's productivity – underpinning living standards of all Australians whilst also producing the required skilled workforce to build new homes, transition to clean energy and care for an ageing population.

Matthew Hick
Chief Executive Officer
MEGT (Australia) Ltd

Unlocking productivity and prosperity through Australia's Apprenticeship system

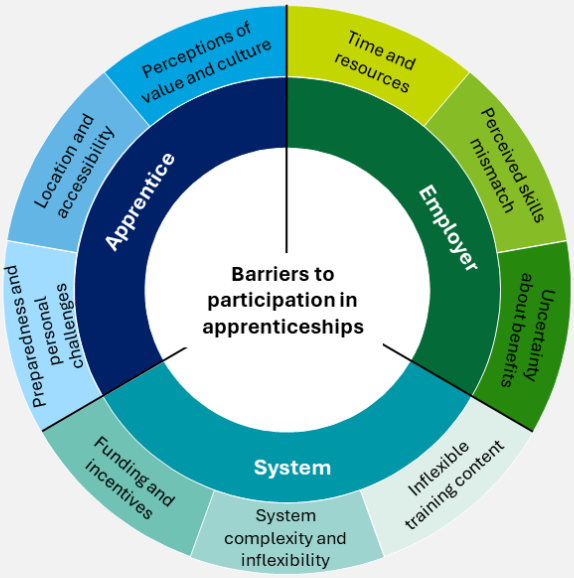
The Problem...

Australia needs a major boost to productivity and incomes.
Apprenticeships can support this, as a productivity enhancing, high value VET pathway.
However, Australian apprenticeship commencements are in major decline.

The Apprenticeship Value Proposition...

- 92% of apprentices are employed a year following completion, which is 16 percentage points higher than non-apprentices.
- Post training incomes are around 20% higher for apprenticeship completers compared to non-apprentices.
- Across the biggest apprenticeship fields and occupations, employment rates are higher under an apprenticeship pathway.
- 92% of apprentices securing a job post-completion do so in a role related to their training - 15 percentage points higher than non-apprentices.
- 63% of young people on income support exit the system within two years if they complete an apprenticeship.
- A higher share of apprenticeships are in occupations that address skills shortages (61%) compared to non-apprenticeships (43%).

The Barriers to Realisation...



The Cost of Inaction...

- Hampered ability to address Australia's productivity challenges.
- Lower incomes and employment for individuals and forgone taxation benefits for government.
- Limited ability to respond to the national housing shortage and address trades shortages.
- Lowered supply of the technical skills needed to support the clean energy transition.
- Diminished ability for some of Australia's most disadvantaged young people to gain sustained employment and increase their living standards.

The Solution...

- Implement material incentives that support a broad-base of apprenticeship qualifications and a wide range of occupations, accompanied by additional funding to reflect other economic and social priorities.
- Expand the set of engagement and support services available to employers – particularly among smaller employers and those new to the apprenticeship system – so they are better prepared and able to employ an apprentice for the duration of their training.
- Deepen the support model for apprentices – particularly related to learning gaps and personal support – to prepare them for commencement, completion, and to equip them for life beyond.
- Implement these actions as a **concurrent package**, as part of an apprenticeship system that also increasingly:
  - embeds flexibility and portability in pathways
  - ensures diversity and contestability in the mix of training options and providers
  - and is on equal footing with other VET and Higher Education options so not to unduly divert people away from apprenticeships.

A Policy Goal to Seek...

Unlocking economic and social benefits for the nation through Australia's apprenticeship system.

An achievable and sustainable uplift in apprenticeship activity over a decade resulting in **+ 320,000** completions.

+ 90,000 additional employers engaging with the apprenticeship system.

$11.8 billion in additional income for individuals through improved likelihood of employment and higher lifetime earnings.

$14.4 billion in broader benefits - from additional taxation revenue and productivity spillovers.

Contents

Executive summary

Australia's economic challenges have grown.

Australia is in need of a major boost to productivity and incomes.

Since its peak in March 2022, labour productivity in Australia has fallen by 5.7% (the equivalent of around $140 billion in foregone GDP), and in the non-market sector productivity now sits at a near 20-year low.

Real wages growth has been slow. Even before the recent inflation surge, real wages growth had been increasing by only 0.5% per year on average between 2011 and 2021 (Chart 0.1). High inflation deepened the problem, with real wages falling by 4.4% between March 2021 and December 2024 (Chart 0.2).

Over the same period, Australia's real gross household disposable income per capita has declined by 6.5%, while in contrast, the average level among our OECD trading partners has risen by 1.1%.

As widely acknowledged, addressing this problem is a priority for the nation.

At the same time, we are facing a critical need to increase the supply of housing to support our growing population, and labour shortages in key trades occupations are inhibiting these aims.

Similarly, 'green skills' are essential in delivering the transition to a lower carbon economy, shortages persist in all areas of the care sector, and demand for the skills required to support the defence manufacturing industry are increasingly coming to the fore.

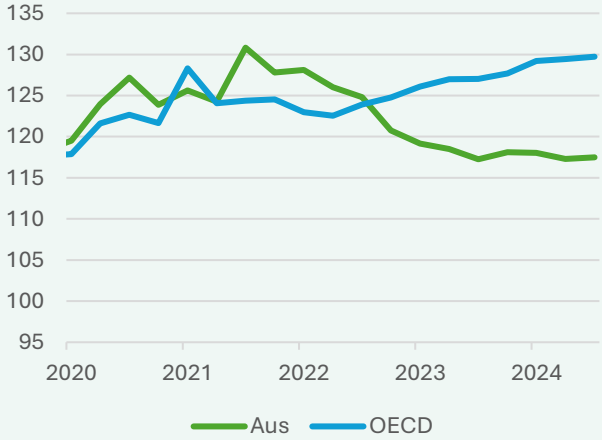
And finally, investing in the skills and human capital of all Australians will be the foundation for addressing economic and social disadvantage – delivering pathways to rectify many of the disparities experienced by individuals through their early life and schooling.

In facing these challenges, better investment in Australian apprenticeships is a critical part of the solution – enhancing labour productivity, growing real wages, addressing skills shortages and raising living standards for all.

Chart 0.1: GDP per capita – Index 2007=100

Source: OECD (2025)

Chart 0.2: Household Disposable Income per capita – Index 2007=100



Source: OECD (2025)

Apprenticeship numbers have fallen to around their lowest point on record.

Apprenticeship commencements declined between 2023 and 2024, and rates of apprenticeship commencement as a share of the population are at their lowest point on record.

At the end of 2024 there were 311,800 apprentices in training across the country. However, this is 28,100 (or -8%) less than a year ago. Apprenticeship commencements have also fallen nationally during 2024, declining by 16,100 (-10%) to 151,400. Over the second half of 2024, commencements were 21% lower than in the same period in 2023.

Both trade and non-trade apprenticeship commencements are lower than a year ago – falling by 4,600 (-14%) and 11,500 (-14%) respectively. Declines in apprenticeship numbers have been felt more strongly by some cohorts, for example female apprenticeship commencements fell by 7,800 (-13%) between 2023 and 2024, which is greater than the percentage decline for males.

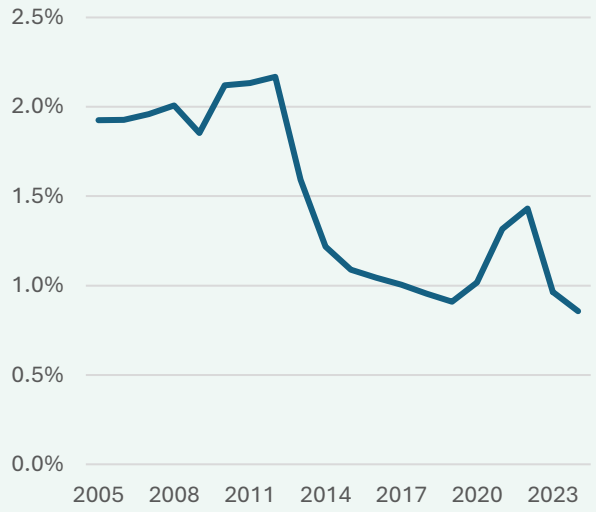
Figure 0.1: Apprenticeship activity over time

	Change: 2023 to 2024	Change: 2014 to 2024
Total commencements	▼ -16,100	▼ -38,700
Total apprentices in training	▼ -28,100	▲ 1,800
Total apprentice completions	▼ -600	▼ -58,600
Trade commencements	▼ -4,600	▼ -1,600
Non-trade commencements	▼ -11,500	▼ -37,200
Female commencements	▼ -7,800	▼ -18,100
Regional commencements	▼ -4,500	▼ -5,900

Source: Deloitte Access Economics Analysis of NCVER VOCSTATS (2025)

Over a longer-term horizon, time-limited COVID-related stimulus measures boosted apprenticeship activity between 2020 and 2022, but a persistent trend decline in apprenticeship numbers had been occurring for several years (Chart 0.3).

Chart 0.3: Apprenticeship commencements as a share of the working age population



Source: Deloitte Access Economics analysis of NCVER (2025), ABS, *Labour Force, Australia* (2025).

As a share of the working age population, apprenticeship commencements are at their lowest point on record. This rate of commencement is nearly 30% lower than 10 years ago. This decline over the decade equates to around 60,000 fewer commencements nationally each year.

This is despite evidence of unmet demand for apprenticeship places – ABS data suggests that in 2024 there were 33,100 people who applied for, but did not get an apprenticeship. The same data suggests that 10,300 of these individuals were unemployed or not in the labour force.

These significant declines have come despite the clear need for apprentices in Australia's workforce, and the ongoing value in apprenticeship pathways.

Apprenticeships are the most valuable vocational skilling pathway.

The significant decline in apprentices matters because of the value to the economy, to individuals and to society that comes from apprenticeships.

It is clear that post-training outcomes are consistently better for apprenticeships compared to non-apprenticeship VET qualifications.

92% of apprentices are employed a year following completion in 2024 (16 percentage points higher than non-apprenticeships).

Furthermore, across the most prominent apprenticeship occupations, employment rates are higher under an apprenticeship pathway compared to the non-apprenticeship pathway (Chart 0.4).

Post training incomes are around 20% higher for apprenticeship completers compared to non-apprentices.

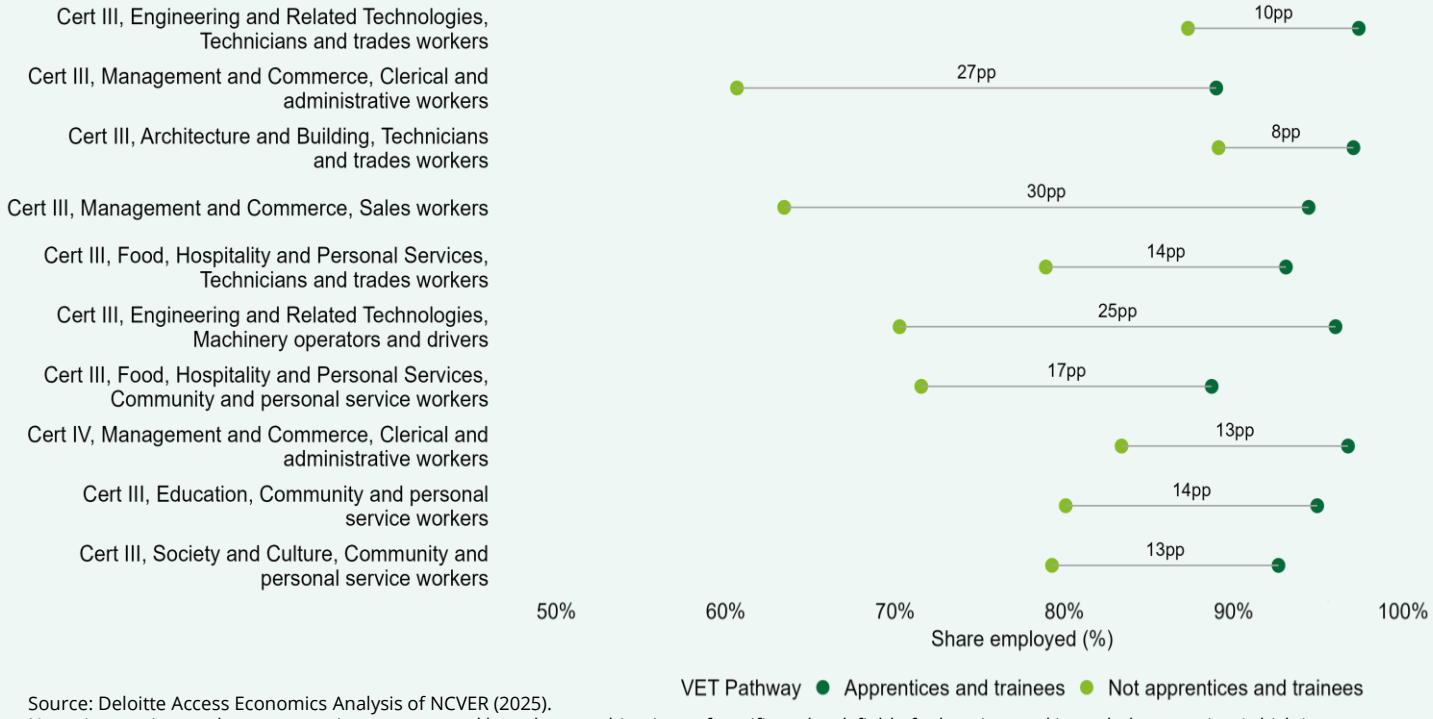
Further, 92% of completing apprentices secure jobs directly related to their studies. This is 15 percentage points higher than non-apprentices.

A higher share of apprenticeships are in occupations that address skills shortages compared to non-apprenticeships (61% versus 43%).

Also, Jobs and Skills Australia reports that 63% of young people on income support exit the system within two years if they complete an apprenticeship.

Given the above, it is critical now more than ever, that this value is realised at greater scale.

Chart 0.4: Employment outcomes for apprentices and non-apprentices, by level, field of education and occupation (2024)



Source: Deloitte Access Economics Analysis of NCVER (2025).
Note: Apprentices and non-apprentices are grouped based on combinations of certificate level, field of education, and intended occupation (which is the most detail available in the data). Certificate II combinations are excluded from the chart.

It's time to do more to encourage and maintain participation in the system.

This is an invitation for action, to support the way apprenticeship demand and supply connect at a point in time and in a place, as part of a cohesive apprenticeship system.

For employers:

1. Implement material incentives that support a broad-base of apprenticeship qualifications, accompanied by additional funding in priority occupations and circumstances.

Many factors influence employer demand for apprentices, and (material) employer financial incentives have historically been a key driver of changes in activity patterns and are one of the key policy levers available to influence skilling priorities, particularly in uncertain economic times.

This report shows that improved employment outcomes (generating both individual and public returns) from an apprenticeship occur broadly (across occupations), implying the value of a broad-based incentive system in producing higher commencement numbers.

Evidence of effectiveness also suggests this should be accompanied by additional funding in priority occupations to support economic imperatives, and for priority apprentices (e.g., by region or gender).

2. Expand the set of engagement and support services available to employers so they are more willing and able to employ an apprentice for the duration of their training.

Alongside financial incentives, a broader and deeper set of (triaged) engagement and support services should be available to employers. For example, access to quality workplace supervisor training, and mentoring for smaller employers without dedicated HR functions.

A critical feature should be that each year, new employers are attracted to and sustained in the system through funding for outreach and engagement, and through the availability of additional support services and resources that address their lack of familiarity with the system.

For apprentices:

3. Enhance and deepen the support model for apprentices to help prepare them pre-commencement, towards completion, and in their pathways beyond.

As is the case in all areas of contemporary education and training, apprentices now require an enhanced support model to help prepare them for commencement, to support completion, and to equip them for professional life.

Here, the resources available across a range of support services must recognise the diversity and depth of learning gaps, work-readiness and pastoral support needs. Bridging learning and other measures to close gaps from prior education need to be a bigger part of this new model, alongside deeper support for relationship building and more intensive, risk-based support for all apprentices where required.

A cohesive, enabling system:

To heighten effectiveness, these changes need to be implemented as a coherent, well designed (concurrent) package. This hasn't always been achieved historically and therefore *requires further co-design work* between governments, employers, and apprentices themselves.

It also needs to give some regard to other measures that stand to enhance the system – e.g., more flexibility and portability; diversity and contestability in the mix of training options and providers; and policy and funding for other VET and Higher Education pathways that do not unduly divert people away from apprenticeships.

To unlock improved incomes, economic output and other national priorities.

The opportunity

Unlocking economic and social benefits for the nation through Australia's apprenticeship system.

An achievable and sustainable uplift in apprenticeship activity over a decade resulting in **+ 320,000** completions.

+ 90,000 additional employers engaging with the apprenticeship system.

$11.8 billion in additional income for individuals through improved likelihood of employment and higher lifetime earnings.

$14.4 billion in broader benefits - from additional taxation revenue and productivity spillovers.

The upside to getting this right is substantial. Addressing the decline in apprenticeship commencements and sustainably growing the system, is a new policy goal to seek out.

We estimate that an achievable and sustainable uplift in apprenticeship and traineeships over the next decade would be 320,000 more apprenticeship completions.

The financial benefit of doing so is collectively estimated to be over $11.8 billion in additional income over these individuals' lifetimes (in net present value terms). This reflects both additional hourly earnings, and improved likelihood of employment from completion of the qualification.

In addition, these additional apprenticeship completions would be estimated to generate $14.4 billion in benefits to the broader economy – arising from additional taxation revenue and productivity spillovers.

A total of $26.2 billion in additional benefits over a decade.

If the uplift in completions described above could be achieved through an investment of $4-$5 billion over a decade (through, for example, the measures described earlier), this would represent around a three-fold return in terms of the public benefits arising from the completion of that training.

The cost of inaction on improving Australia's apprenticeship system:

- Hampered ability to address Australia's productivity challenges.
- Lower individual incomes and forgone taxation benefits.
- Limited ability to respond to the national housing shortage.
- Lowered supply of skills needed to support the clean energy transition.
- Diminished ability for some of Australia's most disadvantaged young people to gain sustained employment and increase their living standards.

Introduction

Introduction

This is the first edition of MEGT's Productivity Prospectus series. It brings forward new evidence on the barriers to unlocking productivity, and the opportunities that are missed as a result of this. It discusses the important role that apprenticeships play in skilling workers, and ideas for increasing employer and apprentice participation.

This edition of *MEGT's Productivity Prospectus - Unlocking productivity and prosperity through Australia's Apprenticeship system -* presents new and consolidated evidence on the significant economic and social returns that can be derived through the Australian apprenticeship system. It discusses the barriers to unlocking this value, for both apprentices and employers, and takes a macroeconomic view to understand implications for productivity and real wages.

It is the first edition of MEGT's Productivity Prospectus series, which intends to provide an annual snapshot of activity and trends influencing national education and training outcomes, and ultimately Australia's ability to address workforce shortages in areas with skills needs.

The evidence present within this report is derived from a range of sources, including:

- Data from the Australian Bureau of Statistics, including the Labour Force Survey and Data Explorer.
- Data from VOCSTATS, including on apprenticeship commencements and completions, training activity and qualifications.
- Data from NCVER, including on completion and attrition rates for apprentices and VET funding collection.
- Reports including The Strategic Review of the Australian Apprenticeship System (The Strategic Review) and Jobs and Skills occupational shortage list.
- Data from MEGT's recent survey to past apprentices.

The report has been prepared by Deloitte Access Economics on behalf of MEGT. It is structured by the following chapters:

- *Chapter 1: The macro economic and labour market context* provides a view of the economic and labour market factors influencing and influenced by Australia's apprenticeship system.

- *Chapter 2: Current state of the Australian apprenticeship system* provides a snapshot of historical and recent trends and analysis of the composition of apprentices, employers and training providers.
- *Chapter 3: Role and importance of apprenticeships* describes the critical role of apprenticeships in building Australia's skilled workforce and achieving key national priorities. It also explores the value of this pathway for individuals.
- *Chapter 4: Barriers to opportunity for potential apprentices* explores barriers associated with commencing and/or completing an apprenticeship program, and considers steps that can be taken to reduce and/or remove these barriers.
- *Chapter 5: Barriers to employer participation in the system* discusses the barriers that make it more challenging for employers to participate, and discusses their preferences to hire workers that are skilled workers, migrant workers, or apprentices completing training.

These chapters generate robust evidence base to support advancing the public policy discourse, and priorities to improve outcomes for the apprenticeship system. A series of next steps have been presented in the conclusions section of this report for immediate consideration.

What is an apprenticeship?

The Australian Government defines an 'Australian Apprenticeship' to include both apprenticeships and traineeships. [1] Typically, an apprenticeship delivers training in areas of skilled trades, with programs taking between 3-4 years to complete. [1] Traineeships are mostly non-trade occupations and can be completed in 1-2 years from commencement. [1]

Both of these pathways combine on-the-job learning, with structured classroom learning so that an individual is able to take theoretical content and apply this in practice. [1] This also enables an apprentice to earn a wage, as they are employed by a business as part of their workplace training.

Each state and territory government decides which qualifications are apprenticeships or traineeships in their jurisdiction, including how they are delivered (e.g., length). [1]

It is important to distinguish apprenticeship pathways from non-apprenticeship vocational qualifications. Non-apprenticeships do not require an employment relationship to exist and involve considerably less training in the workplace.

1. Department of Employment and Workplace Relations, *Strategic Review of the Australian Apprenticeship Incentive System* (February 2025) <https://www.dewr.gov.au/download/16795/strategic-review-australian-apprenticeship-incentive-system-final-report/39422/strategic-review-australian-apprenticeship-incentive-system-final-report/pdf>.

1

The macroeconomic and labour market context

Chapter 1: The macroeconomic and labour market context

This chapter provides an in-depth view of the economic and labour market factors influencing and influenced by Australia's apprenticeship system. It is a timely reminder that Australia needs to improve growth in productivity, real wages and living standards, and that investing in skills will be key.

Australia is in need of a major productivity boost. Since its peak in March 2022, labour productivity in Australia has fallen by 5.7%, and in the non-market sector productivity now sits at a near 20-year low.[1]

Australia's real gross household disposable income per capita declined by 6.5% between March 2021 and December 2024, while in contrast, the average level among our OECD trading partners has risen by 1.1%.

Real wages growth in Australia has been weak, increasing by just 0.5% per year on average between 2011 and 2021. Inflation has only deepened the problem, with real wages falling by 4.4% between March 2021 and December 2024.

Australia continues to face labour shortages, and these are most acute in the technicians and trades occupations, where roughly two-thirds of employers recruiting technicians and trades workers are reporting difficulty.

1.1 The macroeconomic backdrop

Australia's economic growth has been slowing in recent years, and has been largely supported by Government spending.

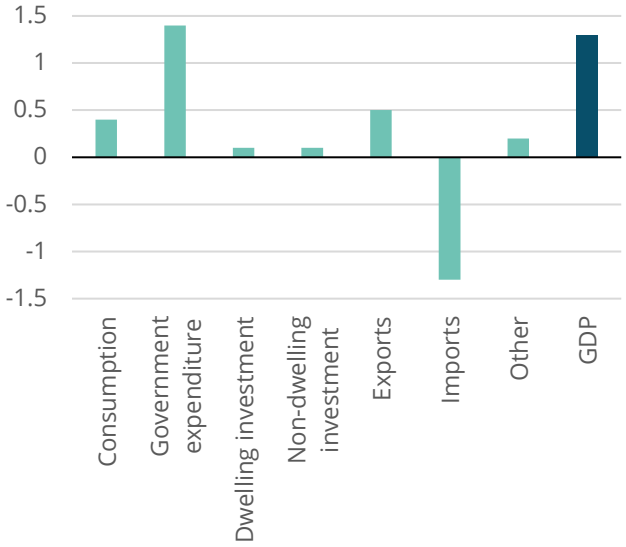
Persistent inflation in Australia has caused interest rates to remain high for an extended period, placing pressure on households and businesses alike. This is occurring at the same time as some areas of previous strength – such as net exports and population growth – are contributing less to economic growth. The result is a private sector that has largely ground to a halt.

Government spending has been mostly responsible for keeping economic growth in positive territory (supporting employment growth in industries like care, health and education), but the extent to which this is fiscally sustainable over the longer term is questionable (Chart 1.1).

GDP growth has been slowing, and in US dollar terms (a measure of the value of Australia's production in international terms), Australia's GDP has remained around the same level for the past decade (Chart 1.2).

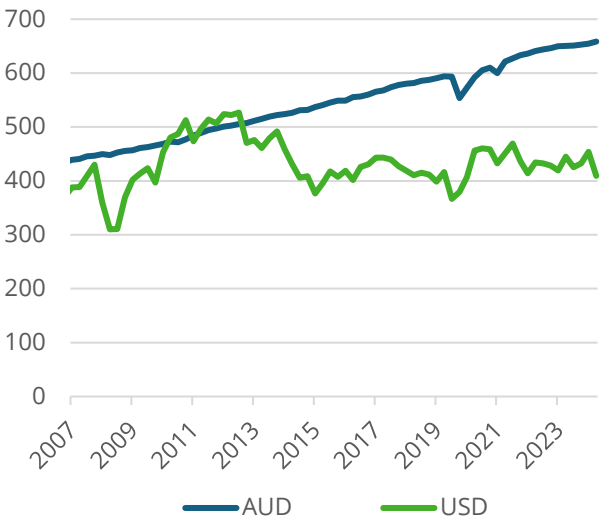
The weakness in the economy has opened the door for the Reserve Bank to cut interest rates in the first half of 2025.

Chart 1.1: Contributions to annual GDP growth – year to Dec Qtr 2024



There is increasing confidence that underlying inflation will remain sustainably within the RBA's target range of 2-3%. Yet the surprisingly resilient labour market is complicating the Reserve Bank's decision-making, even in the face of a stagnant economy and moderating inflation.

Chart 1.2: Australia's GDP ($billion), in Australian Dollars and US Dollars



Source: ABS, *National Income, Expenditure and Product* (2025) and Reserve Bank of Australia, *Exchange rates* (2025).

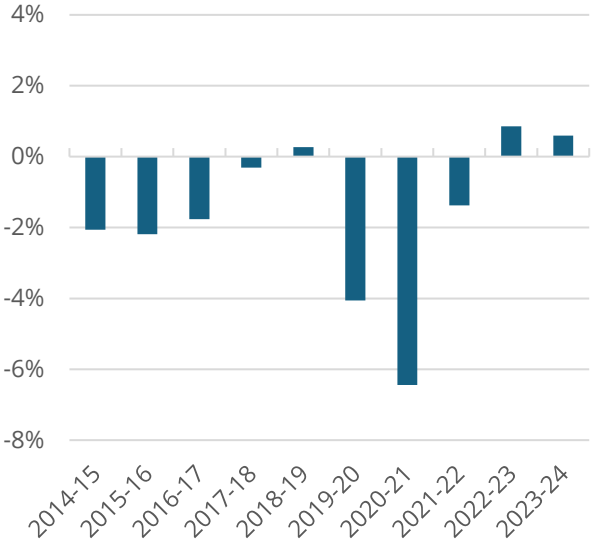
Source: ABS, *National Income, Expenditure and Product* (2025).

The public sector continues to grow. Government spending is expected to rise to its highest share of the economy – excluding the pandemic – since 1986.

The cost of the National Disability Insurance Scheme (NDIS) is expected to rise by almost 10% per year over the coming decade. Other fast-growing areas of spending include defence, health, childcare and aged care – all expected to see cost growth of around 5% per year over the next decade.

This is coming at the same time as the more temporary factors supporting government revenues – population growth, high commodity prices and inflation – are fading.

Chart 1.3: Australian Government budget balance - % nominal GDP



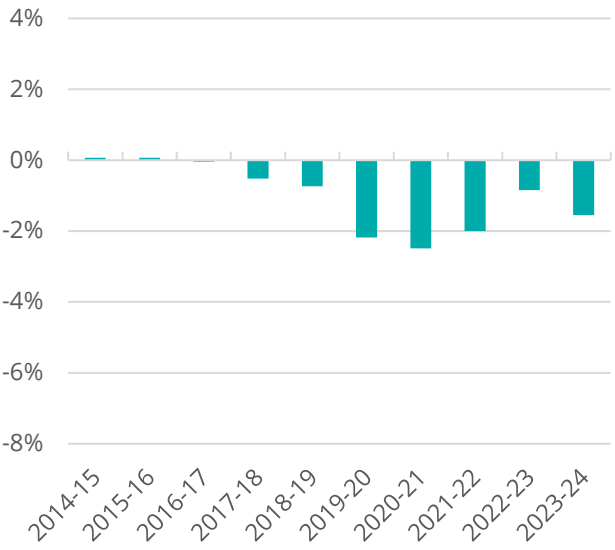
Source: ABS, *National Income, Expenditure and Product* (2025).

These structural spending pressures will support the economic recovery in the near term, though substantive changes to the tax system are needed to ensure government finances are resilient and sustainable over the medium term.

Of note is the low level of activity in dwelling investment, despite efforts by governments across the country to support residential construction activity. As a share of GDP, private dwelling investment is around an all time low in Australia (Chart 1.5).

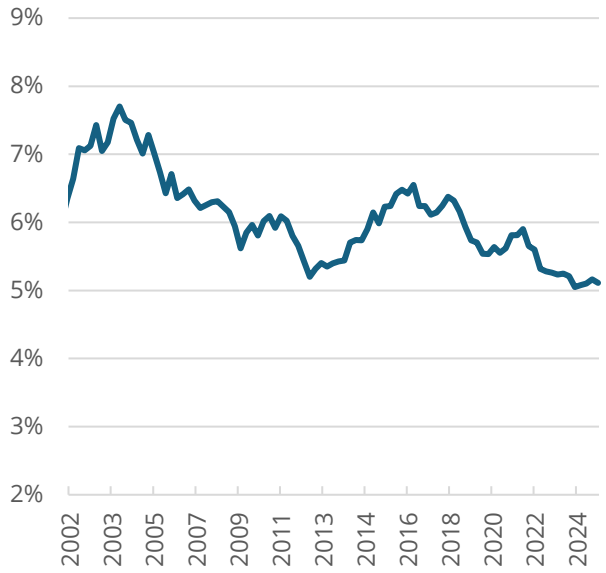
A recovery in dwelling investment has been expected for some time. However, a lack of workers, elevated costs of materials, higher financing costs, and difficulty obtaining necessary approvals are all combining to constrain new development.

Chart 1.4 Combined State Governments budget balance - % nominal GDP



Source: ABS, *National Income, Expenditure and Product* (2025).

Chart 1.5: Private dwelling investment (% GDP)



Source: ABS, *National Income, Expenditure and Product* (2025).

Economic activity has been somewhat divergent across the country. After experiencing stronger post-COVID growth than the rest of the country, more recently growth in NSW and Victoria has lagged (Chart 1.6).

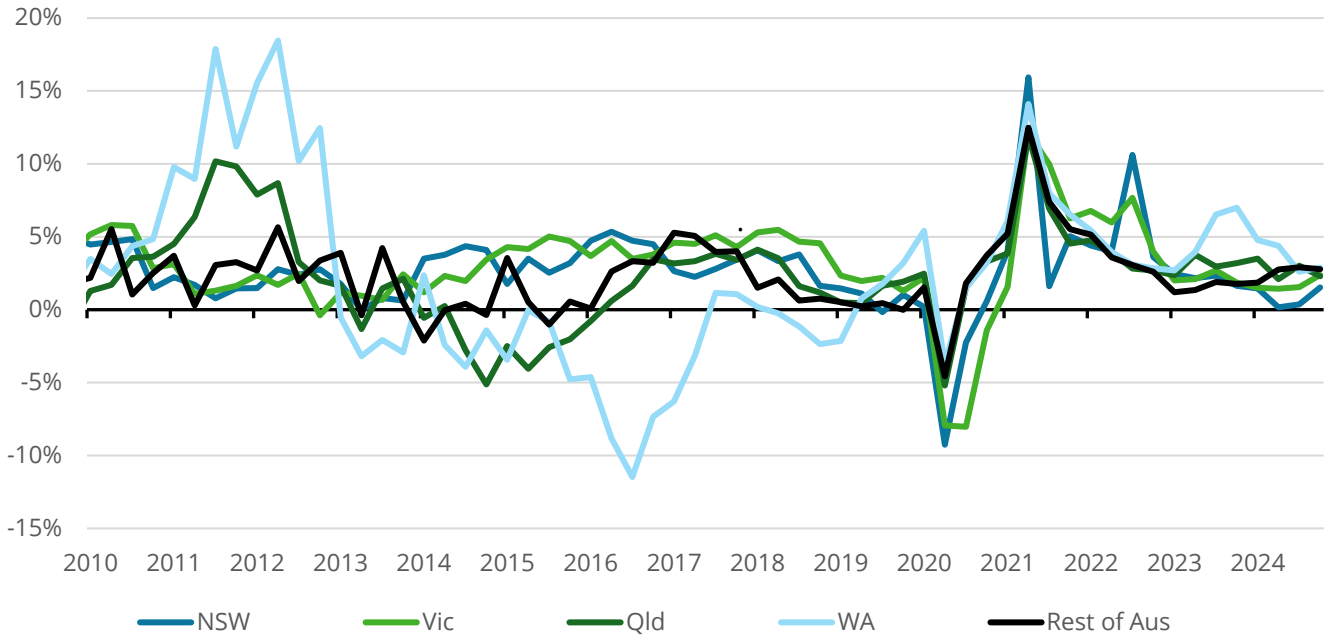
Across Australia's major trading partners, overall economic performance in the US was strong in 2024, with inflation abating, interest rate cuts, and resilient consumer spending.

In China, growth is being impacted by structural challenges – most notably in the property sector. China is also exposed to external challenges posed by a potential trade war with the US – impacting its exports.

Similar to Australia, growth has been relatively subdued in the Eurozone, the United Kingdom (UK), and Japan, while growth in India's economy continued at a healthy pace in 2024.

However, the recent imposition of tariffs internationally has the potential to significantly impact global growth, and differentially impact growth in Australia's major trading partners.

Chart 1.6: Gross State Product – Annual % change



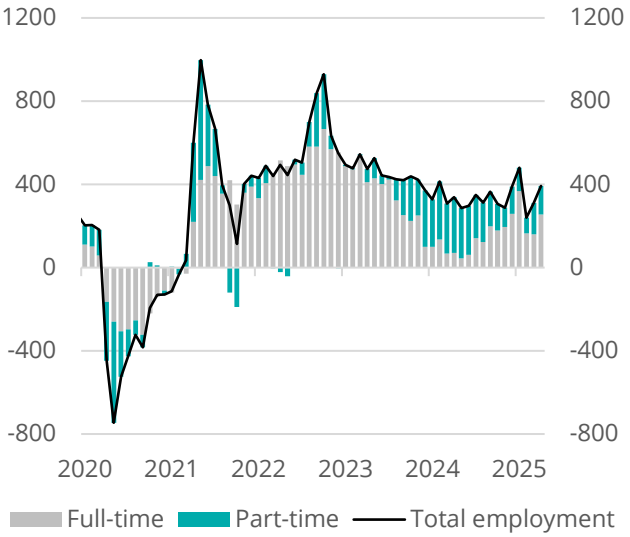
Source: ABS, *National Income, Expenditure and Product* (2025).

1.2 The labour market backdrop

Employment in Australia has been resilient, despite slowing economic growth, and there is now very little 'slack' in the labour market.

Employment growth was solid in 2024 and early 2025. Monthly job gains averaged well above pre-pandemic levels, while 444,000 Australians gained a job across 2024. Around two-thirds of these jobs were full-time, underscoring the strength in the labour market (Chart 1.7).

Chart 1.7: Employment growth by full- and part-time - Annual change (000s)

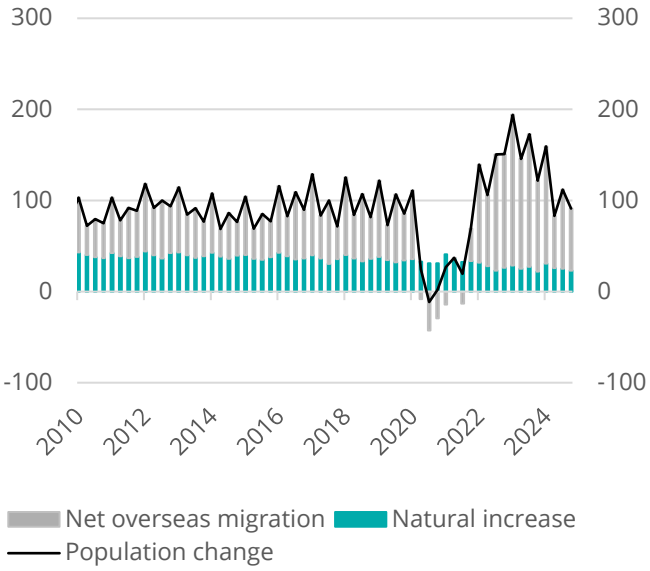


Source: ABS, *Labour Force, Australia* (2025).

However, Australia's population surge has passed its peak as net overseas migration trends downward. With fewer international arrivals and more departures, net overseas migration fell for the third consecutive quarter over the year to June 2024, while natural increase (births less deaths) has offered little support (Chart 1.8).

Elevated net overseas migration has provided Australia with young and typically skilled workers, which is a key reason why the labour market has continued to expand. In the past year, people aged 15 to 34 years old accounted for almost half of the increase in Australia's civilian population.

Chart 1.8: Population growth - Annual change (000s)

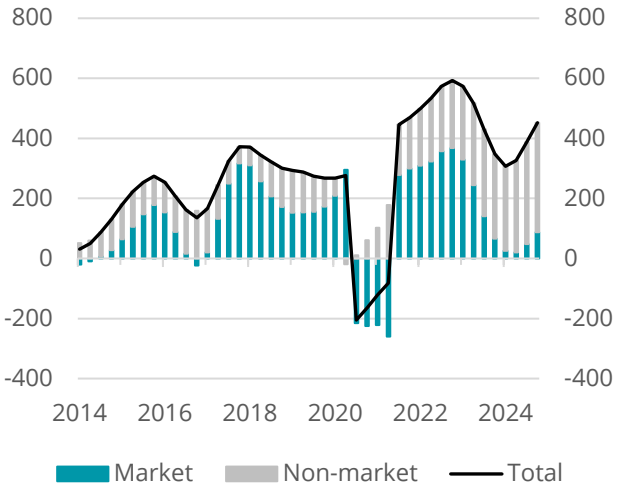


Source: ABS, *National, state and territory population* (2025).

Even with the level of net overseas migration in retreat, it continues to play a key role in supporting population growth, accounting for more than 80% of Australia's total population increase over the past year.

Australia's migration intake continues to be strengthened by temporary visa holders. In the December quarter of 2024 there was almost 2.9 million temporary visa holders in Australia, an increase of more than 116,000 people compared to the December quarter of 2023.

Chart 1.9: Employment growth by sector - Annual change (000s)



Source: ABS, *Labour Force, Australia, Detailed* (2025).

While employment growth has been strong in aggregate, it has also been inconsistent. The non-market sector (health care, education, and public admin) drove most of the growth in the past year. An ageing population has boosted demand for aged care and health services, while the expansion of the $49 billion NDIS has increased jobs in social services.

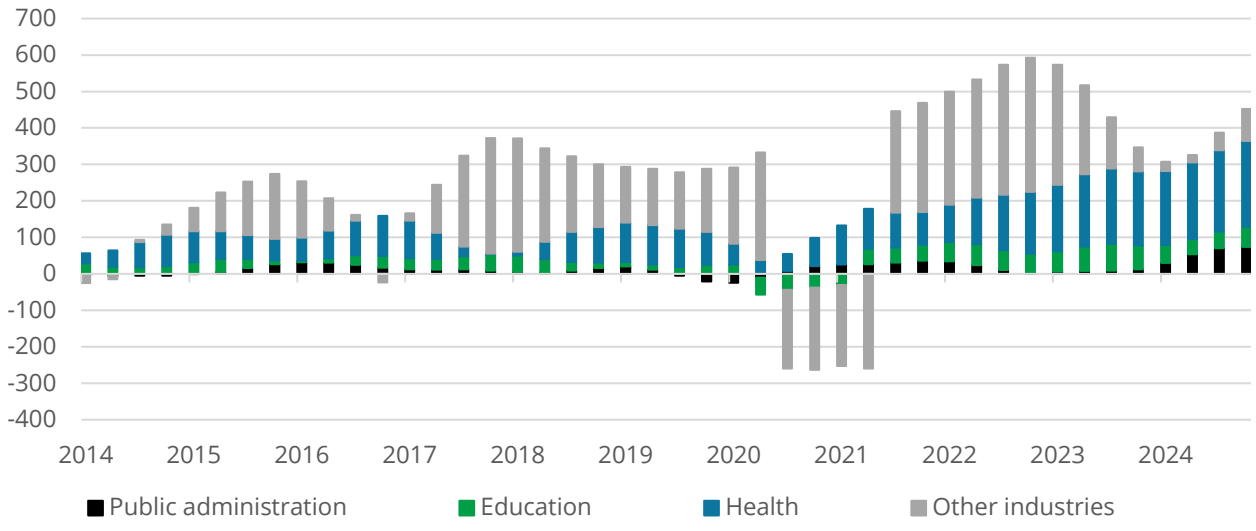
The non-market sector's expansion reflects shifting priorities in the Australian economy. It also poses a risk to future job growth should public spending slow sharply – without a significant improvement in macroeconomic conditions.

The private sector doesn't yet appear to be in a position to resume large-scale hiring. Jobs and Skills Australia data (2025) shows the proportion of employers expecting to increase staffing levels over the next three months sits at a near series low.[1]

Since a post pandemic low, approximately 117,000 people have joined those looking for work, though that has only lifted the unemployment rate to 4.0%, still well below the historical average.

The youth unemployment rate has fallen since the end of 2023, and employees are generally satisfied with their hours worked in the labour market.

Chart 1.10: Employment growth industry - Annual change (000s)



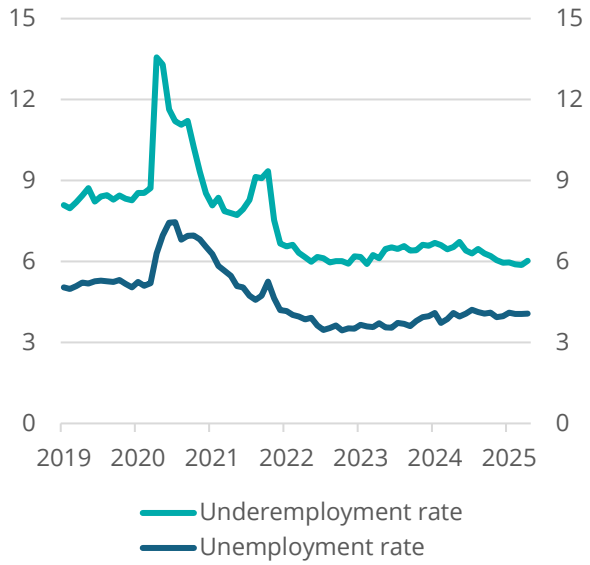
Source: ABS, *Labour Force, Australia, Detailed* (2025).

1. Jobs and Skills Australia, *Recruitment Experiences and Outlook Survey* (March 2025) <https://www.jobsandskills.gov.au/sites/default/files/2025-05/reos_spotlight_-_march_quarter_2025_results.pdf>

The underemployment rate has trended downward since the end of 2023, with early career workers (aged 15 to 24 years) experiencing the largest decline. This suggests there is still minimal spare capacity in the labour market (Chart 1.11).

The strength in the participation rate is even more remarkable given the elevated pace of population growth. Australia's working-age population is now 1.2 million people above pre-pandemic levels. Yet, the growing population continues to be absorbed by the labour market, with the employment-to-population ratio at a record high.

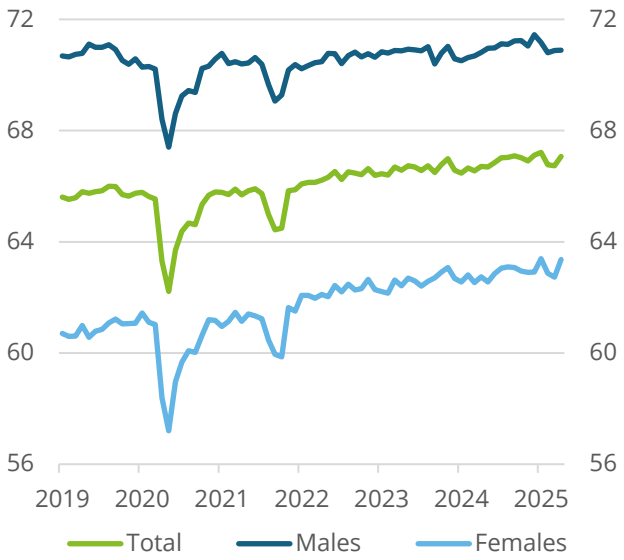
Chart 1.11: Unemployment and underemployment - % of labour force



Source: ABS, *Labour Force, Australia* (2025).

One key to maintaining strong labour force participation is ongoing employment opportunities. Elevated job vacancies have helped to prevent widespread job losses, as existing demand is being absorbed by the labour market (Chart 1.12).

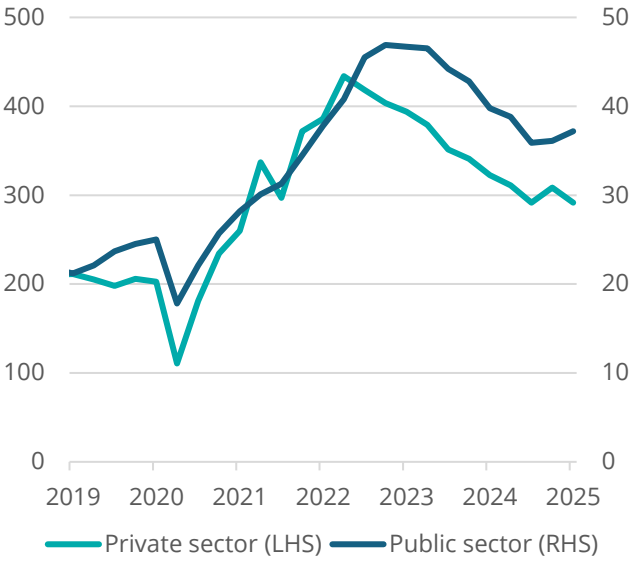
Chart 1.12: Labour force participation rate



Source: ABS, *Labour Force, Australia* (2025).

Through 2024 there has broadly been a decline in job vacancies from both the public and private sectors. However, it is also true that in historic terms job vacancies remain elevated, with the vacancy-to-unemployment ratio above pre-pandemic levels (Chart 1.13).

Chart 1.13: Job vacancies by sector (000s)



Source: ABS, *Job Vacancies, Australia* (2025).

The widening Australian jobs gap (a measure used to assess the spare capacity in the labour market) appears to have plateaued. The gap approached zero towards the end of 2022 – when the competition for talent was at its peak – and has since fallen alongside the decline in job vacancies (1.14).

Chart 1.14: Jobs gap (% of labour force)

Source: Deloitte Access Economics analysis and calculations using ABS, *Labour Force, Australia* (2025).

Recently, the levelling off in job vacancies alongside strong employment growth, has seen the gap steady at around half its pre-pandemic size. This suggests the labour market remains tight by historical standards, and that there is little prospect of growth in economic activity being driven by a closure in the output gap.

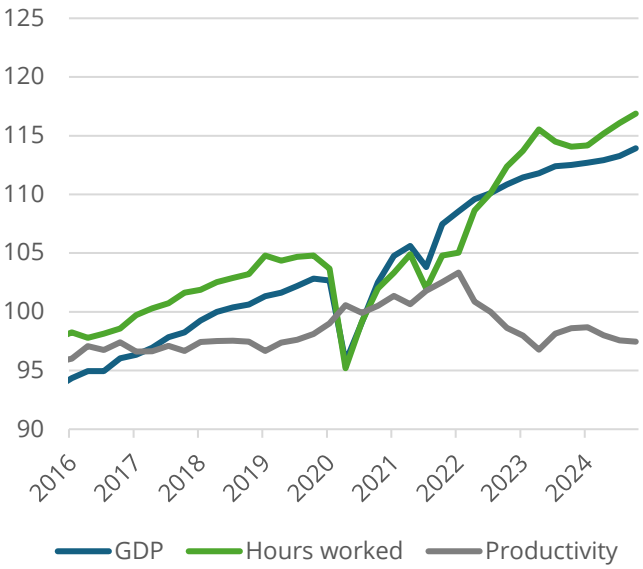
1.3 Labour productivity and living standards

Generating productivity growth, higher living standards, and increases in real wages represents key challenge for the country.

In 2024, Australia's growth in economic output did not keep pace with jobs growth, which has seen a stark divergence in labour productivity growth in Australia.

Since its peak in March 2022, Australia's labour productivity has fallen by 5.7%, which comprises a 3.1% fall in market sector productivity, and a 9.0% reduction in non-market labour productivity (Chart 1.15). Labour productivity in the non-market sector now sits at a near 20-year low.

Chart 1.15: GDP and productivity – Index 2020=100



Source: Deloitte Access Economics analysis and calculations using ABS, *Labour Force, Australia* (2025) and ABS, *National Income, Expenditure and Product* (2025).

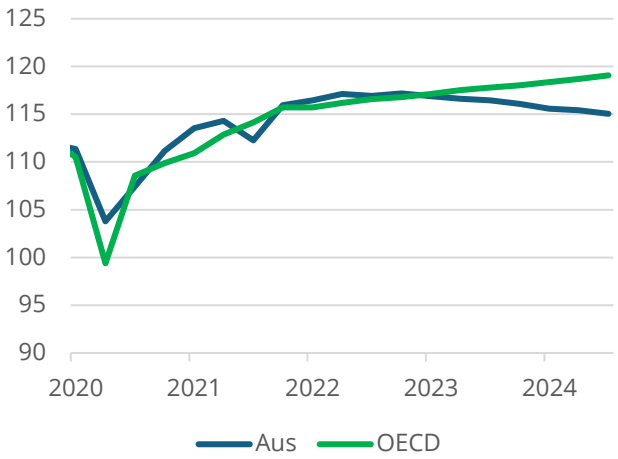
Traditionally the non-market sector has experienced lower levels of labour productivity growth relative to the market sector owing to its higher labour intensity. And given that labour productivity is a key determinant of economic growth and overall living standards, three years of declines is a concern.

Indicators of living standards have also been weak. Even before the latest inflation surge, real wage growth had been sluggish — increasing by just 0.5% per year on average between 2011 and 2021.

Inflation has only deepened the problem, with real wages falling by 4.4% between March 2021 and December 2024 (Chart 1.16).

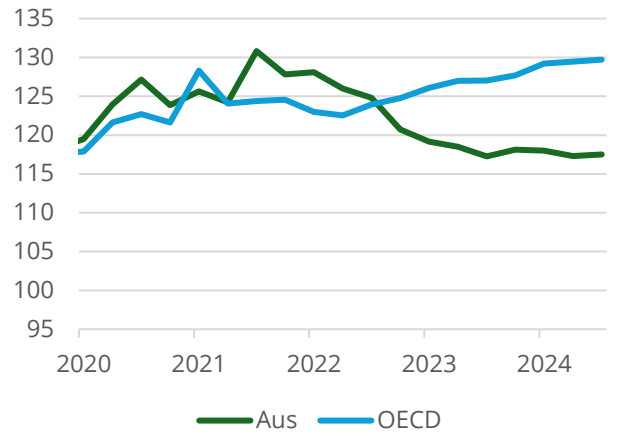
Over the same period, Australia's real gross household disposable income per capita has declined by 6.5%, while in contrast, the average level among our OECD trading partners has risen by 1.1% (Chart 1.17 and Chart 1.18).

Chart 1.16: GDP per capita – Index 2007=100



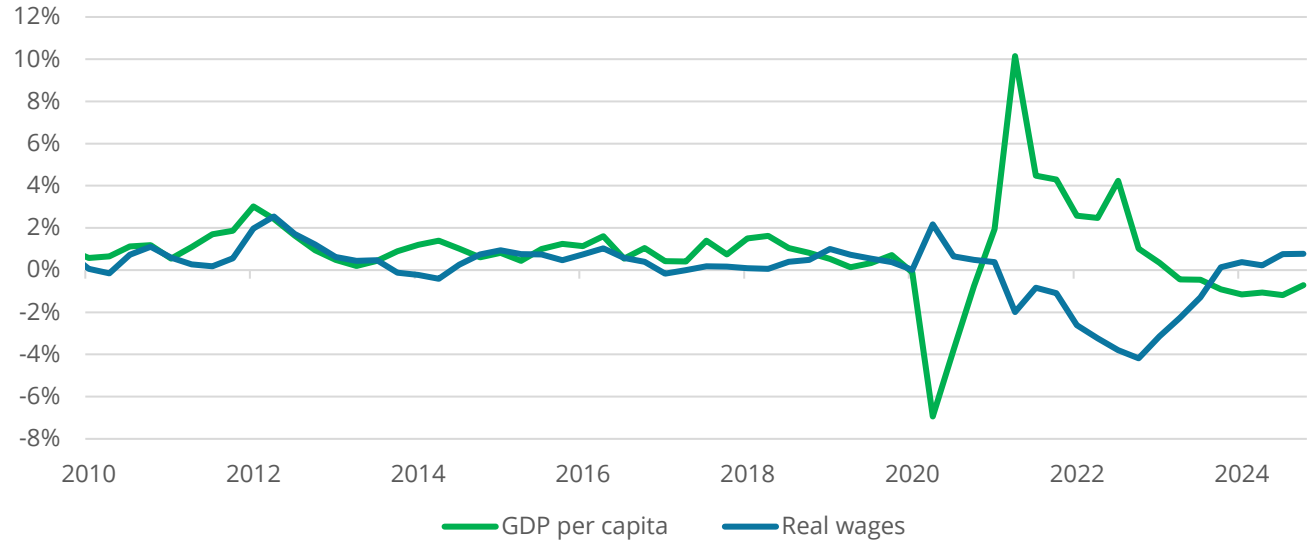
Source: OECD Data Explorer (2025).

Chart 1.17: Household Disposable Income per capita – Index 2007=100



Source: OECD Data Explorer (2025).

Chart 1.16: Indicators of living standards – Annual % change



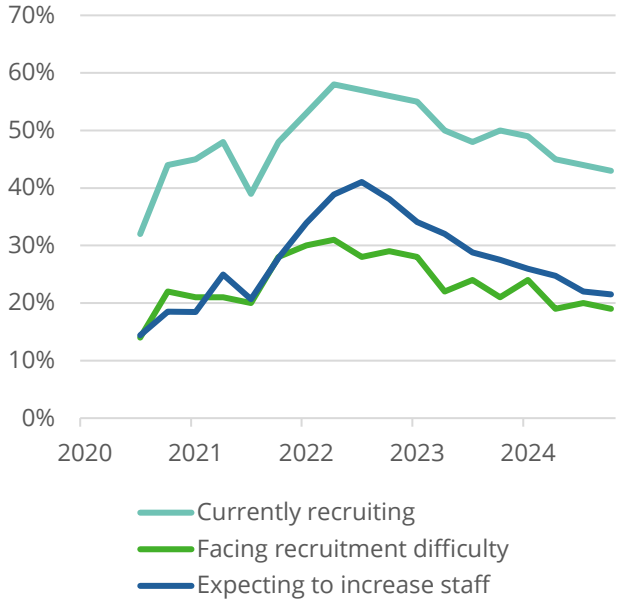
Source: Deloitte Access Economics analysis and calculations using ABS, *Labour Force, Australia* (2025) and ABS, *National Income, Expenditure and Product* (2025).

1.4 Labour shortages and skills demand

Australian businesses continue to report serious skills shortages, inhibiting plans for business transformation, growth and investment.

Jobs and Skills Australia (2025) data shows that at the end of 2024 – despite some recent easing – roughly half of employers report facing difficulty when recruiting new staff compared to those currently recruiting (Chart 1.18). At the same time, the 2024 Occupational Shortage List (OSL) suggests that one-third of occupations are experiencing national levels of shortage.[1] This means employers across Australia are unable to fill and/or have difficulty filling positions.

Chart 1.18: Employer recruitment difficulty – Share of employers



Source: JSA, *Recruitment Experiences and Outlook Survey* (2025).

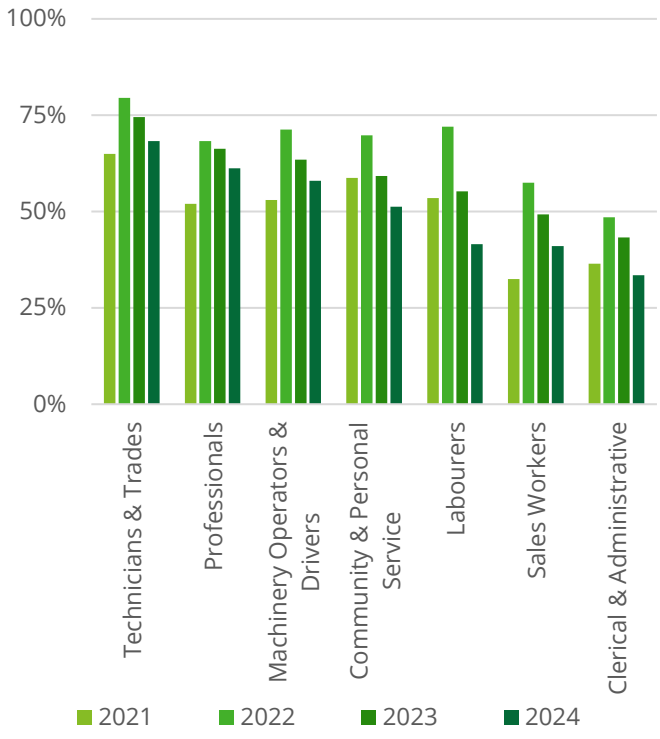
This is a total of 295 occupations across Australia, with many of these in areas such as health, education, technology and construction.

Shortages are most acute in the technicians and trades occupations. The JSA recruitment difficulty data also shows that recruitment difficulty is highest among technical and trades workers, where roughly two-thirds of employers recruiting these workers report difficulty (Chart 1.19).

It is not surprising then that Construction has one of the highest rates of recruitment difficulty across all reported industries.

Moreover, 43 out of the 70 technicians and trades worker occupations that primarily rely on VET pathways are facing shortages according to the OSL.[1]

Chart 1.19: Recruitment difficulty by occupation



Source: JSA, *Recruitment Experiences and Outlook Survey* (2025).

1. Jobs and Skills Australia, *Occupation Shortage List* (2024) <https://www.jobsandskills.gov.au/data/occupation-shortages-analysis/occupation-shortage-list>.

1.5 Conclusions

To enhance productivity, real wages and living standards, sensibly and sustainably building human capital is essential.

Given our stalling productivity, it is little surprise that despite the tight labour market in Australia, real wages growth has been weak – extending a period of low real wages growth dating back over a decade.

Indicators of labour market tightness also suggest that limited support for economic expansion is likely to come from addressing 'slack' in the labour market, with the labour force participation rate around record highs.

So, a key driver of productivity growth in the future will be our ability to effectively deliver skills and human capital to its highest and best use, including as that changes with our national priorities.

The need for technical and trades workers to support the planned uplift in residential construction (for example), emphasises the centrality of apprenticeships in developing human capital, driving productivity and economic prosperity.

Australian businesses continue to report acute skills shortages, and most strongly in the technical and trades occupations, inhibiting plans for business transformation, growth and investment.

Employers also indicate that while skills development will be key to future growth and investment plans, in many instances the skills aren't being sufficiently produced through the tertiary education system as currently configured.

Skilled migration has a role to play, but historically skilled migrants haven't been a solution to skills gaps in many key trades-based occupations with an apprenticeship pathway.

Analysis presented in the following chapters show that there is strong alignment between apprenticeships and occupations facing skill shortages. For example, 60% of apprentice completions in the 12 months to September 2024 were in occupations facing skill shortages.[1]

In this context, the role of Apprenticeships in helping delivering on the skills needs of the nation are clear.

1. Deloitte Access Economics analysis and calculations using Jobs and Skills Australia, *Occupation Shortage List* (2024) <https://www.jobsandskills.gov.au/data/occupation-shortages-analysis/occupation-shortage-list> and NCVER, *Apprentices and trainees* (2025).

2

The current state of the Australian Apprenticeship System

Chapter 2: Current state of the Australian Apprenticeship System

This chapter provides a snapshot of Australia's Apprenticeship system covering the historical and recent trends, and analysis of the composition of apprentices, employers and training providers. It also considers the impact of financial incentives on the apprenticeship system over time.

There were 311,760 apprentices engaged in training at the end of December 2024. Over 2024, there were 151,450 new apprenticeship commencements. Over the same period, 98,665 apprentices completed their qualification, while 98,465 cancelled or withdrew from their apprenticeship.

Rates of apprenticeship commencement are currently at their lowest point on record. In 2024, commencements as a share of the population were around 30% lower than 10 years earlier. Both trade and non-trade apprenticeship commencements are lower – falling by 2% and 34% respectively over that period.

Over time, the major driver of changes in apprenticeship numbers has been policy changes affecting financial incentives provided to employers who hire an apprentice. This system of financial incentives is a key lever available to government in influencing apprenticeship activity.

Declines in apprenticeship numbers have been felt more strongly by some cohorts. For example, the rate of female apprenticeship commencement fell by 25% over the last decade - 7 percentage points more than the decline for males.

2.1 Activity and recent trends in Australia's apprenticeship system

The Australian apprenticeship system has changed significantly over the past two decades. Prior to 2012, annual commencement numbers averaged in excess of 250,000 per year, and were growing strongly over time (Chart 2.1). Annual completions were also experiencing strong growth, and reached a high of 194,000 in 2012.

Following a number of changes to the apprenticeship incentive scheme, most notably the removal of employer financial incentives for a range of existing employees, commencements (and resultantly completions) fell markedly. Over the several years that followed, the number of annual commencements gradually declined, reaching a low of 151,000 in 2019.

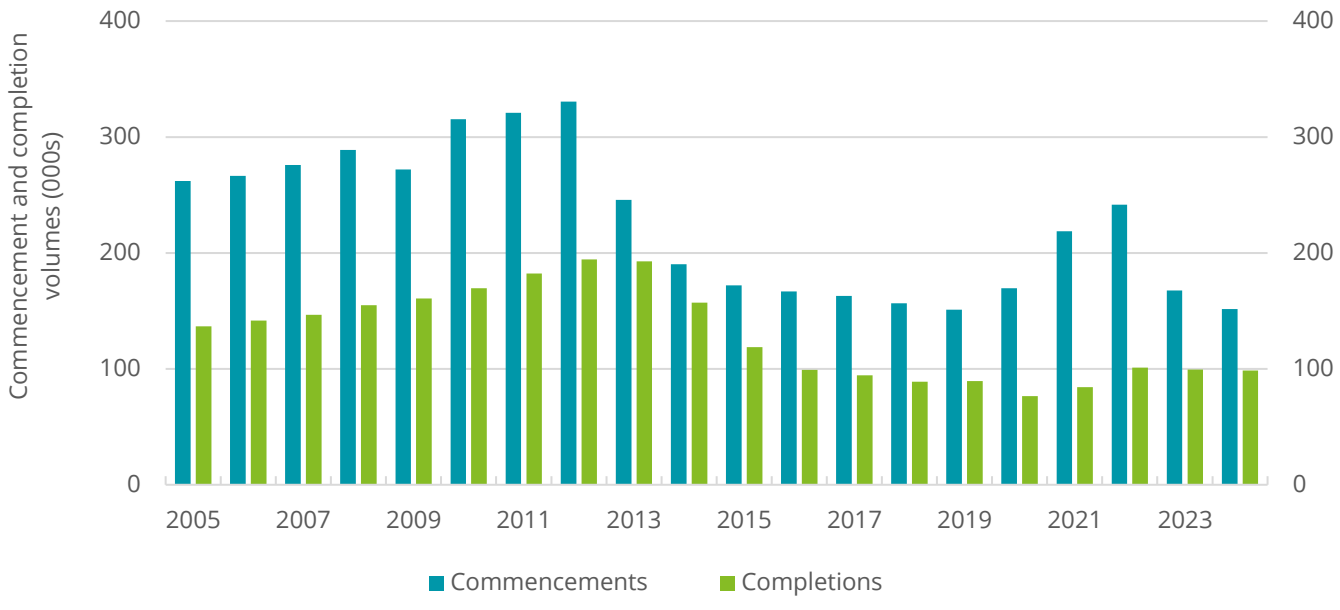
This trend decline was broken during the COVID-19 period when major time-limited Federal Government financial incentives for businesses employing apprentices were put in place to support both commencements and completions (namely via the Boosting Apprenticeship Commencements (BAC) and Completing Apprenticeship Commencements (CAC) programs).

These additional employer incentives boosted commencements over the period of the pandemic. However, since ceasing these initiatives, commencement volumes have returned to pre-pandemic low levels.

Over 2024, commencements declined by 10 percentage points compared to 2023, to 151,450, very close to the 2019 historical low.

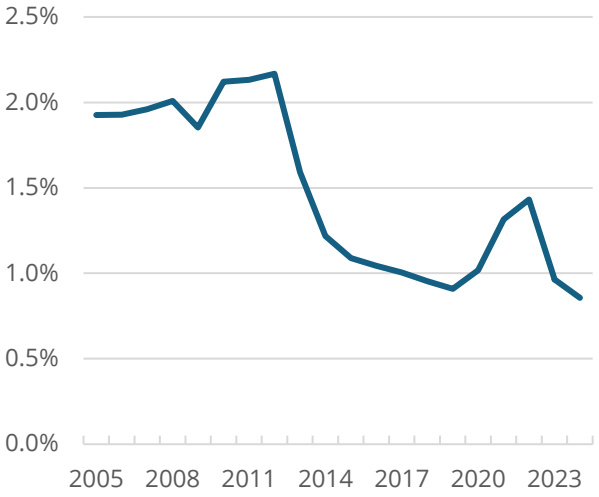
As a share of the working age population (that is, taking into account growth in the population), the number of annual commencements is at its historic low (Chart 2.2 overleaf).

Chart 2.1: Apprenticeship and traineeship commencements and completions (2005-2024)



Source: Deloitte Access Economics Analysis of NCVER, *Apprentices and trainees* (2024).

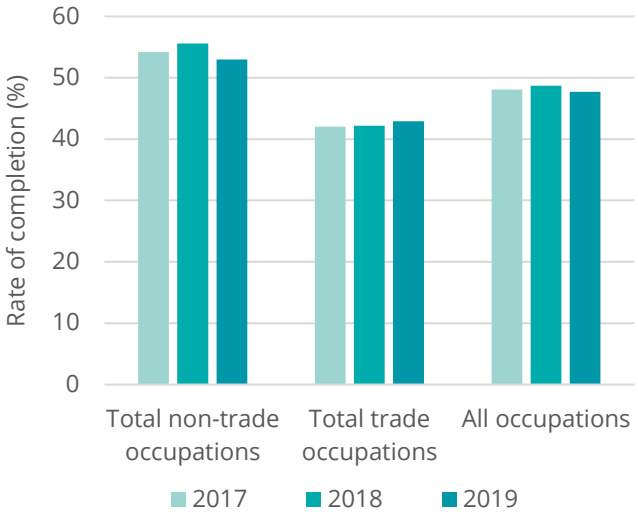
Chart 2.2: Apprenticeship commencements as a share of the working age population



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024), ABS, *Labour Force, Australia* (2025).

Roughly half of all apprentices complete their qualification within four years following commencement (Chart 2.3). The four-year completion rate is higher for non-trade occupations (53% for those who commenced in 2019), compared to trade occupations (42.9% for those who commenced in 2019).

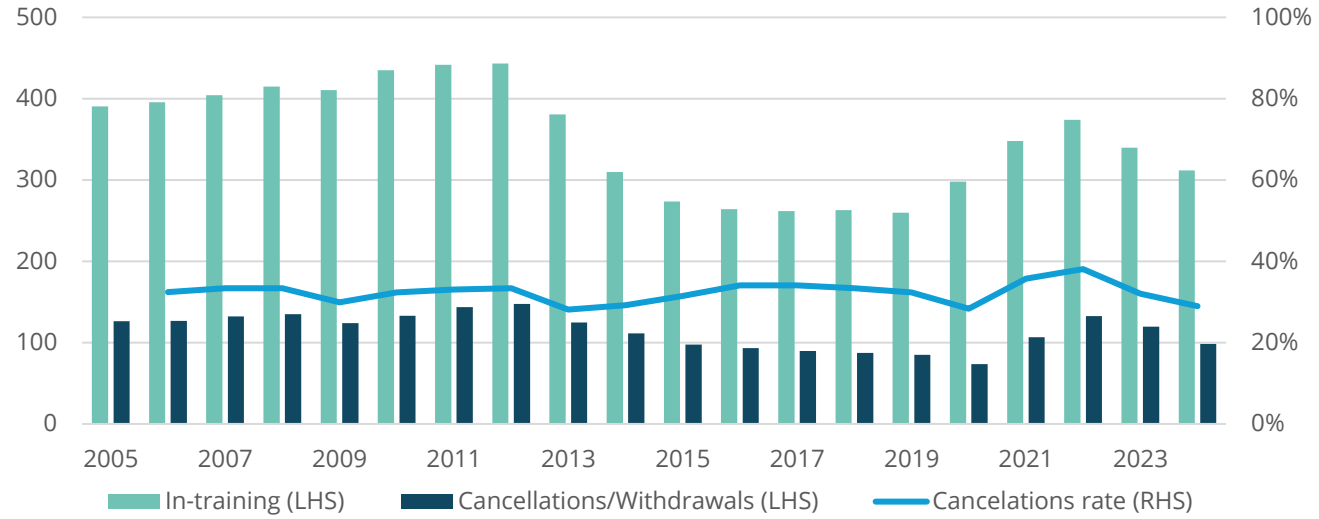
Chart 2.3: Rate of apprenticeship completion 4 years after commencement



Source: NCVER, *Completion and attrition rates for apprentices and trainees* (2023).

This difference in completion rates is due, in part to the differing lengths of trade versus non-trade apprenticeships, where longer trade apprenticeship durations have an impact on overall likelihood of completion. Data also shows that compared to non-trades, trade apprentices are more likely to cancel for personal reasons or because they lost their job (See Chapter 4 for further detail).

Chart 2.4: Apprenticeship cancelations and withdrawals (000s)



Source: Deloitte Access Economics Analysis of NCVER, *Apprentices and trainees* (2024).
Notes: The cancelation rate is a different concept to the completion rate. The cancellation rate is calculated as the number of apprenticeship cancellations and withdrawals that occurred over the course of a year, as a proportion of the number of apprentices in training at the beginning of that year.

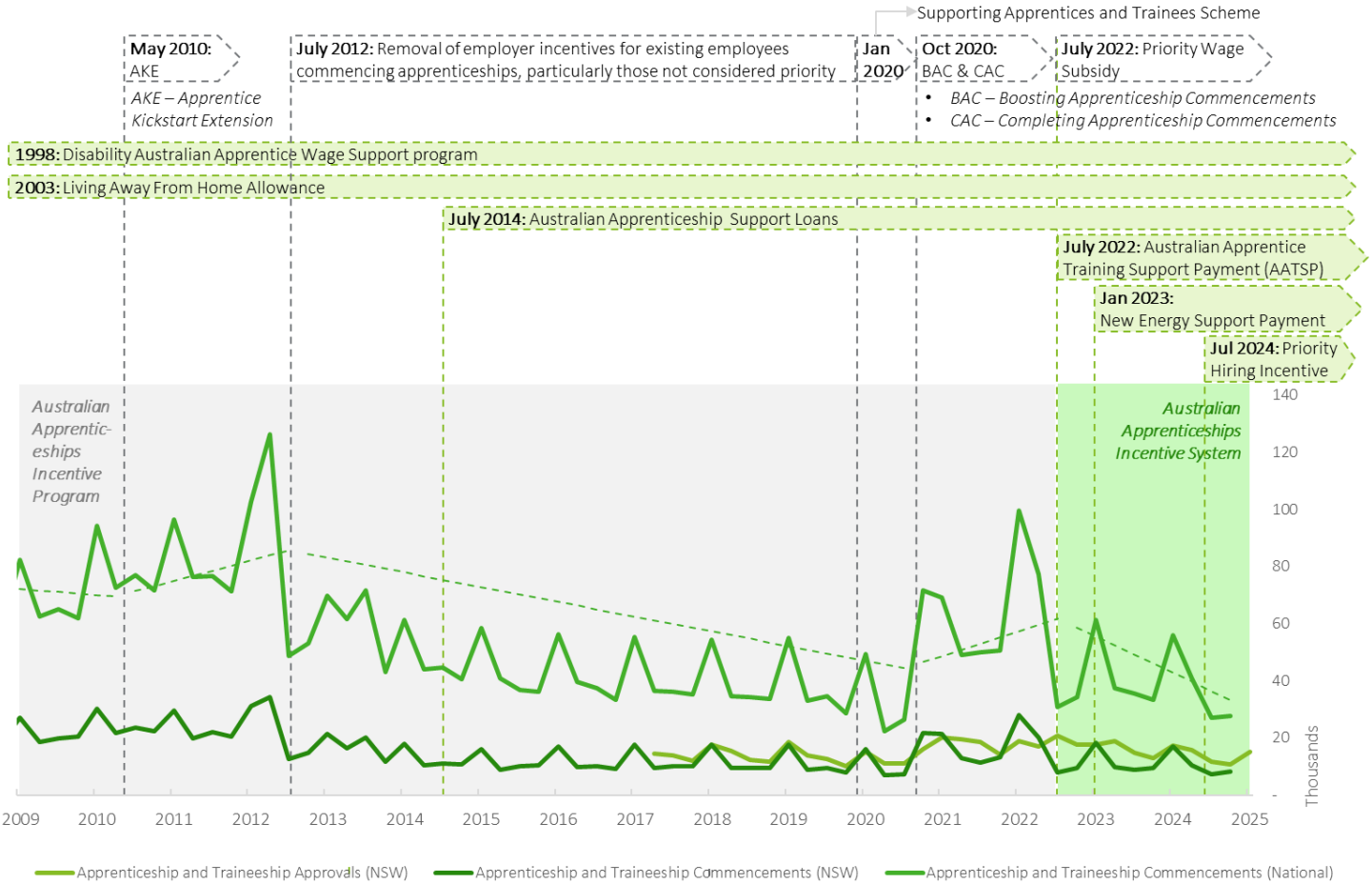
2.2 The apprenticeships policy and funding landscape

While apprenticeship commencement volumes are largely a product of underlying supply and demand factors, prominent changes to commencement and completion volumes have been a result of government policy and incentive announcements as seen in Chart 2.5.

Over the past two decades, this was primarily witnessed in 2012, with a sudden increase and subsequent decline in commencements following the **removal of employer incentives** for existing employees commencing apprenticeships. The introduction of the employer incentives led to commencements peaking at 126,000 in the second quarter of 2012 before falling to 48,000 in the third quarter. This was followed by a period of steady decline in apprenticeship commencements until the introduction of pandemic related incentives (Boosting Apprenticeship Commencements – BAC and Completing Apprenticeship Commencements – CAC).

BAC and CAC boosted commencements over the pandemic period to reach 1.43% of the total working age population in 2022. However, there has been a decline in commencements since the ceasing of these initiatives, declining to the lowest level on record, with commencements representing 0.86% of the working age population in 2024.

Chart 2.5: Apprenticeship and traineeship commencements and policy landscape.



Source: Deloitte Access Economics Analysis of NCVER, *Apprentice and trainees* (2024) and NSW Government (2025).

Of further note is the elasticity of **non-trade commencements** which tend to be heavily impacted by incentive changes relative to trade commencements. This was particularly apparent between 2012 and 2013 following the removal of employer incentives, where non-trade apprenticeship commencements fell by 60% whilst trade commencements increased by 3.5%.

Additionally, following the cessation of BAC and CAC, non-trade commencements fell by 65% between 2022 and 2023 while trade commencements only fell by 24%.

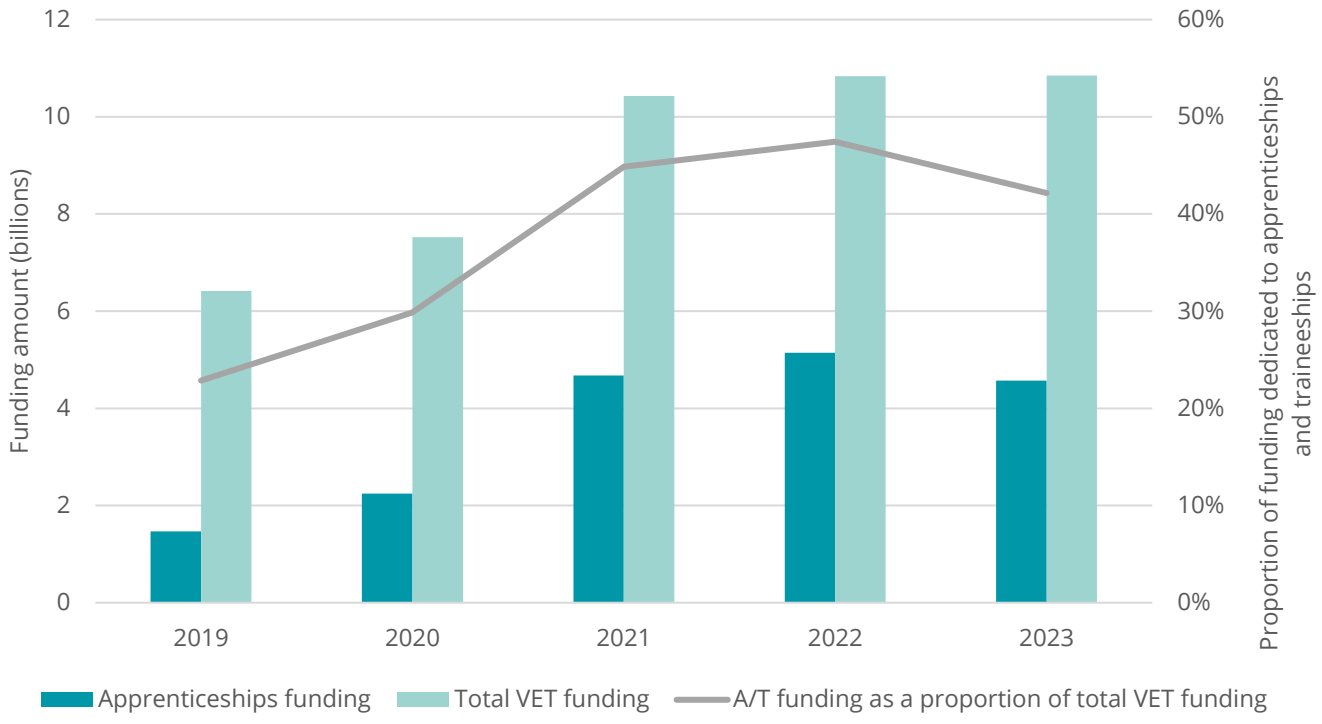
Similar to commencements, **completions** have declined since 2012 reaching a low of 76,400 in 2020 prior to picking up during and following pandemic years.

While completions follow similar peaks and troughs to commencements (see Chart 2.1), they have remained consistently lower, on average accounting for 57% of commencements from the same year. This may indicate higher withdrawal rates in certain periods.

Government spending on the apprenticeship and traineeship system (covering both Commonwealth financial incentives and state and territory apprenticeship subsidies) more than doubled between 2019 and 2023 to reach over 40% *of total government funding in the VET system (see Chart 2.6).*

As a result of this funding increase, apprenticeship commencements increased considerably, though notably funding rose by more in percentage terms than the increase in commencements.

Chart 2.6: Apprenticeships and total VET funding



Source: Deloitte Access Economics Analysis of NCVER, *VET Funding Collection* (2024).

Apprenticeships as part of the broader tertiary education system

Despite its importance to skills and the economy, the apprenticeship system represents a relatively small portion of the total 'Tertiary Education' sector by enrolment volumes.

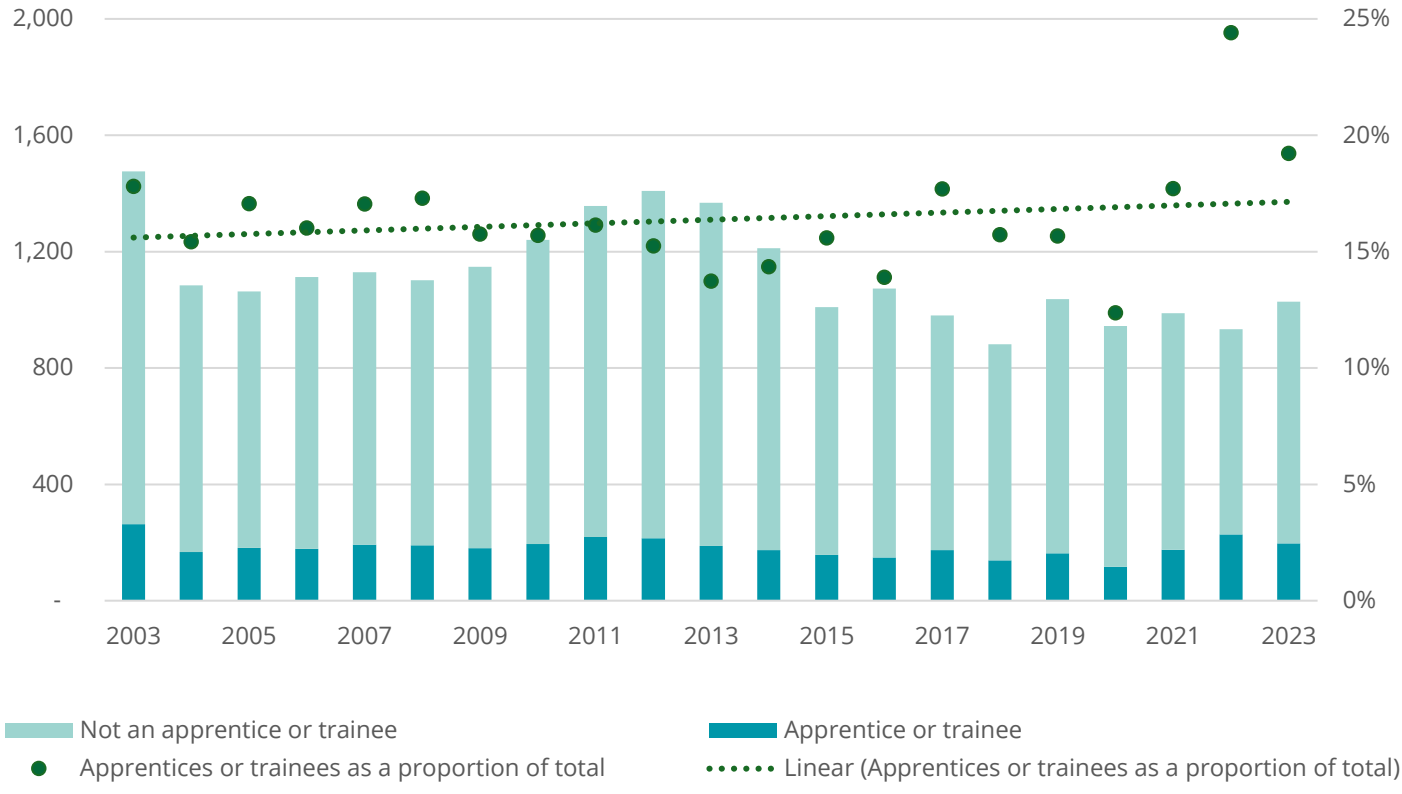
In relation to overall VET activity, annual apprenticeship enrolment volumes account for roughly 16% of government funded VET activity on average (as shown in Chart 2.7) and a smaller proportion of total VET activity – around 10% on average. This share reached an historical high in 2022 in line with the increase in financial incentives through the BAC and CAC programs.

In comparison to Higher Education, apprenticeship enrolment volumes are on average just over one-quarter of the volume of annual higher education enrolments, noting this rose to roughly 40% during the pandemic.

Apprenticeship activity by location

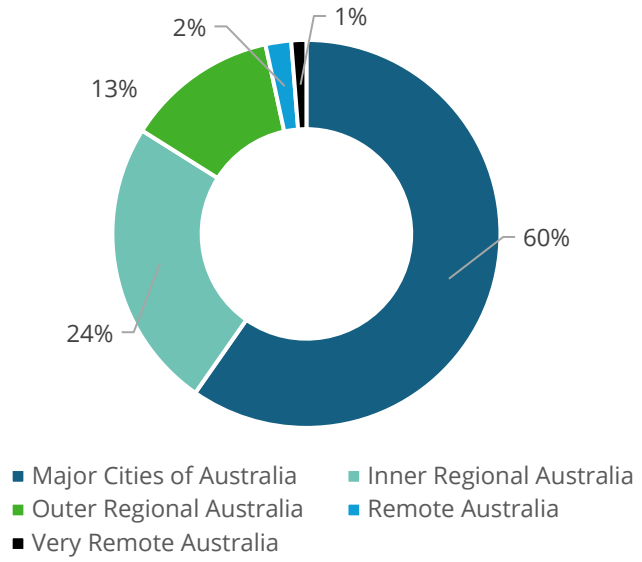
By geographical remoteness, it is no surprise that the majority of apprenticeship commencements occur in Australia's major cities (Chart 2.8). However, inner regional, outer regional and remote areas of Australia tend to exhibit higher rates of apprenticeship commencement as a share of the working age population compared to major cities and very remote areas (Chart 2.9 overleaf).

Chart 2.7: Apprenticeship training activity compared to other VET (000s)



Source: Deloitte Access Economics Analysis of NCVER, *Total VET students and courses* (2023).

Chart 2.8: Apprenticeship commencements by geographical region (share of total, 2024)



Source: Deloitte Access Economics Analysis of NCVER, *Apprentices and trainees* (2024).

This pattern of higher rates of commencement outside the major cities represents the differing industry and occupational structures that exist between those types of location (Chart 2.9). In major cities for example, there is a higher share of industries which rely on professional workers – who are typically educated through the Higher Education system.

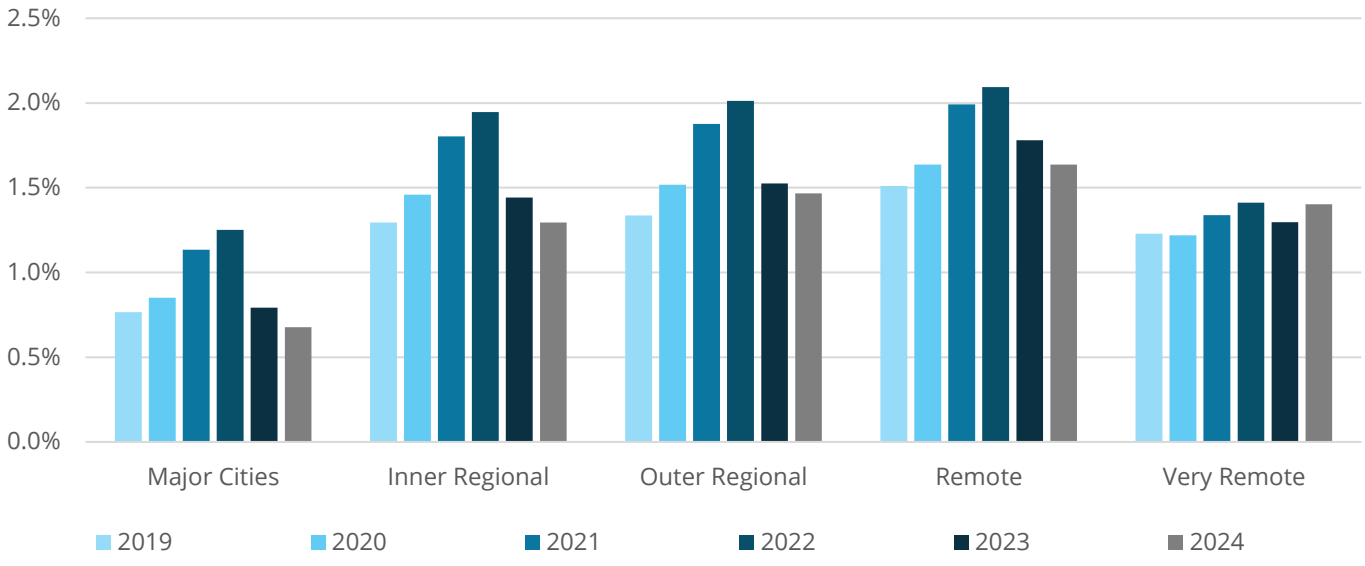
Notably, however, the increase in commencements resulting from the pandemic era incentive changes was strongest in the major cities, suggesting that additional constraints apply for employers and apprentices in regional and remote Australia.

Apprenticeship activity by qualification

By qualification, the highest number of commencements are in the Certificate III in Electrotechnology, followed by the Certificate III in Early Childhood Education and Care, and the Certificate III in Carpentry (Chart 2.10 overleaf).

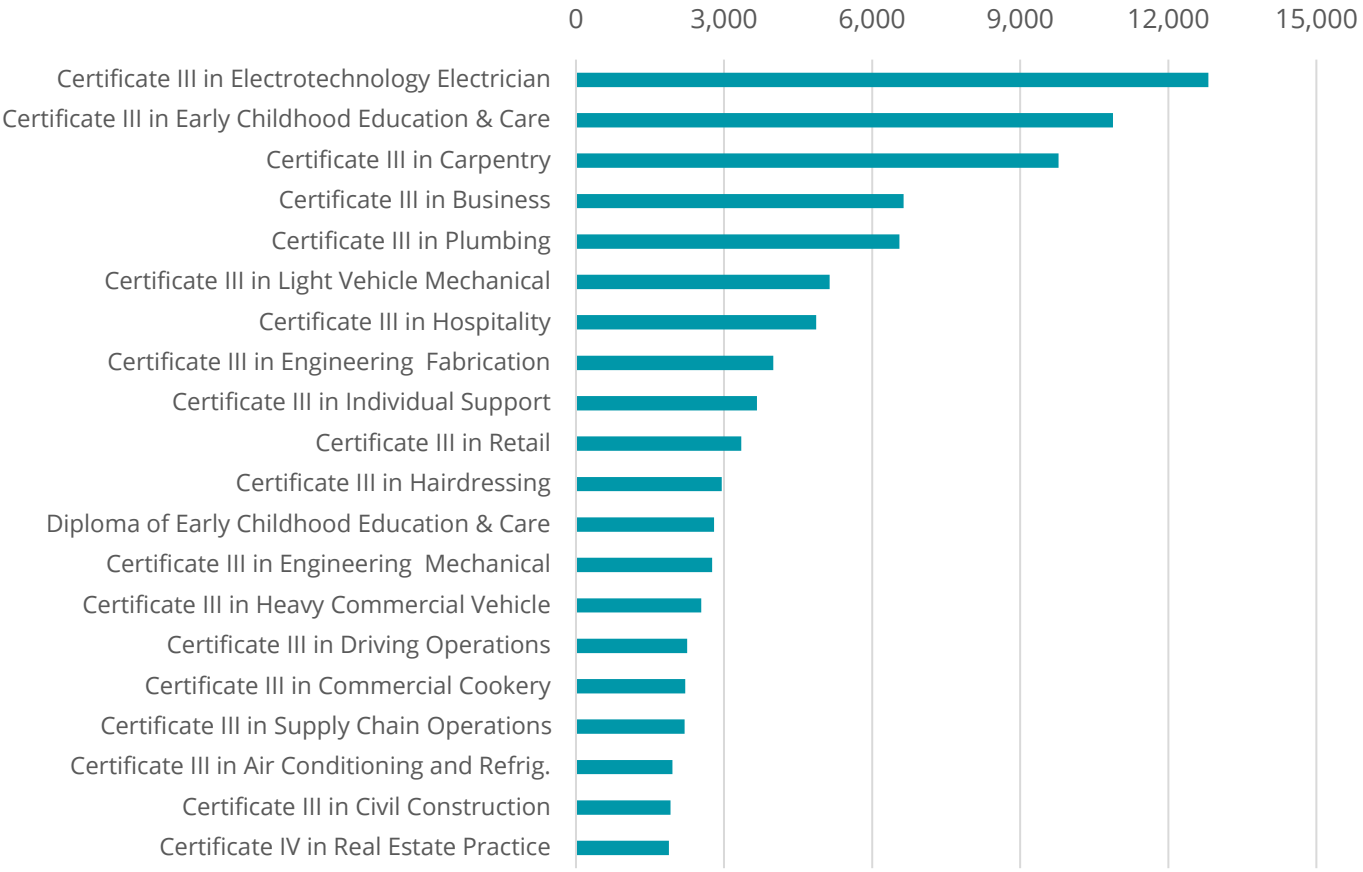
Apprenticeship activity is concentrated in a relatively small number of qualifications. The top 20 qualifications account for nearly 60% of commencements, with the remaining 416 qualifications accounting for the remainder. In fact, the smallest 300 qualifications account for less than 10% of apprenticeship commencements.

Chart 2.9: Apprenticeship commencements by region (% working age population aged 15-64)



Source: Deloitte Access Economics Analysis of NCVER, *Apprentices and trainees* (2024) and ABS, *Regional population* (2025).

Chart 2.10: Top 20 apprenticeship and traineeship qualifications by annual commencements (2024)



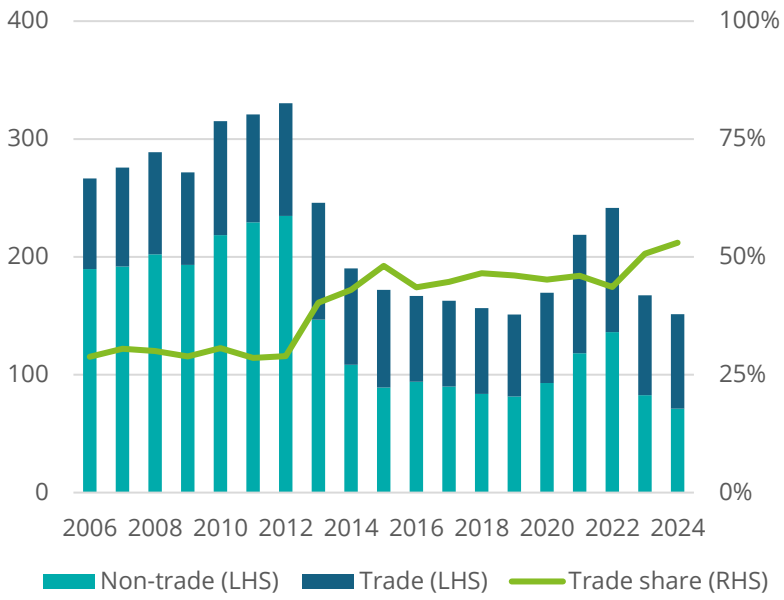
Source: Deloitte Access Economics Analysis of NCVER, *Apprentices and trainees* (2024).

Across trade and non-trade qualifications, activity in trade apprenticeships has been more stable over time (Chart 2.11)

In contrast, non-trade apprenticeship activity has been more affected by policy changes, and is at its lowest point, both in levels and as a share of total.

By broad field of education, the past two years have seen commencements in management and commerce aligned qualifications roughly halve (shown in Chart 2.11 overleaf).

Chart 2.11: Apprenticeship commencements by trade/non-trade ('000s)



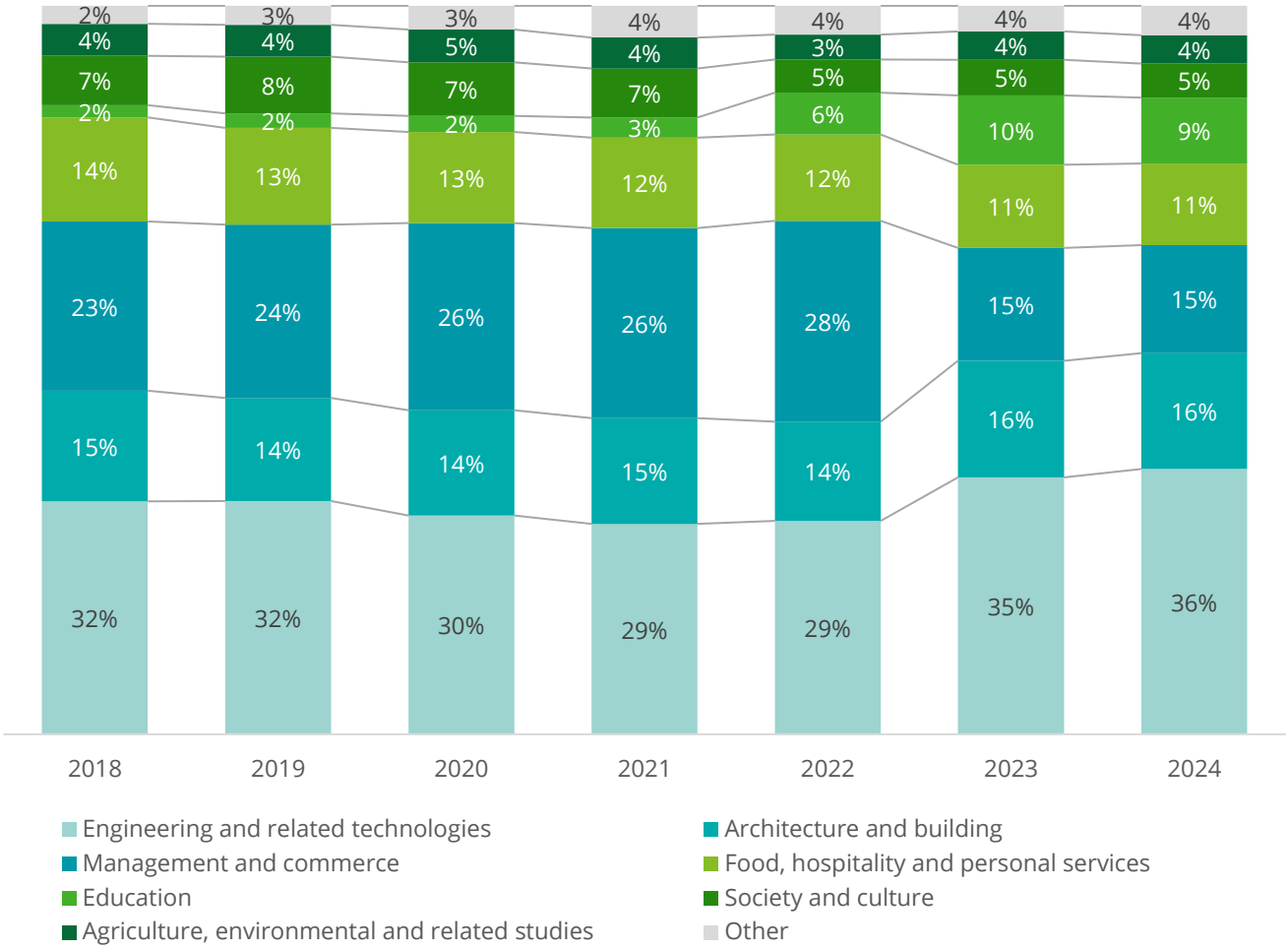
Source: Deloitte Access Economics Analysis of NCVER, *Apprentices and trainees* (2024).

The sharp decline is largely driven by a strong decrease in the volume of commencements for the two most popular qualifications within the field – Certificate III in Retail and Certificate III in Business. Commencements in the Management and Commerce field of education are now considerably lower than pre-pandemic levels (around 26,000 in 2023 compared to 36,000 in 2019), raising the prospect of future shortages in these occupations if enrolment levels do not recover over time.

Simultaneously the volume of commencements in engineering and related technologies, (and many other fields of study including education) have remained stable or increased overtime, appearing to maintain some momentum following the pandemic years.

This suggests that the government focus on shortage skills and occupations (and subsequent lack of focus on other – ie management, retail etc) is a key driver behind commencement volumes overtime.

Chart 2.11: Apprenticeship commencement proportions by field of study over time



Source: Deloitte Access Economics Analysis of NCVER, *Apprentices and trainees* (2024).
Notes: "Other" includes Health, Natural and physical sciences, Information technology, Creative arts and Mixed field programmes.

Apprenticeship activity by gender

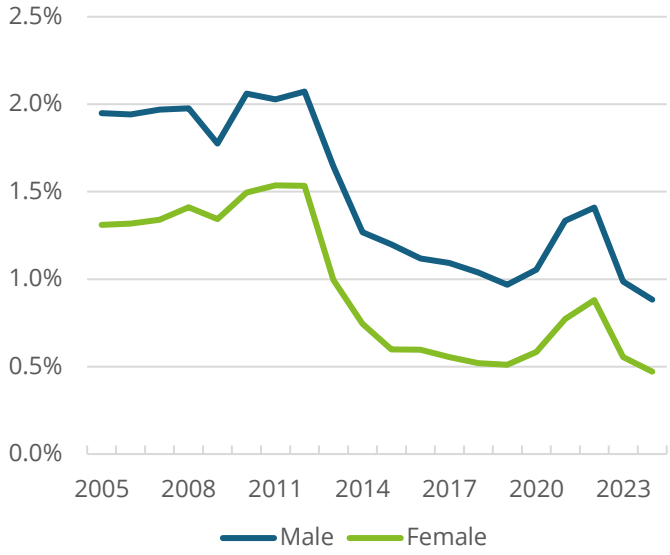
By gender, the number of commencements among female apprentices has tended to track activity in non-trade apprenticeship qualifications.

As a result, female participation in the apprenticeship system was at its highest, both in absolute terms and as a share of total, prior to the 2012 changes that limited access to financial incentives for existing employees in non-trade qualifications, such as retail and business (Chart 2.12).

After 2012, the share and number of female apprentices declined, but increased over the COVID-19 period. Since then, activity patterns appear to have returned to the levels seen during the 2013-2019 period.

The decline in commencements as a share of the working age population in recent years has been more significant among females (Chart 2.13).

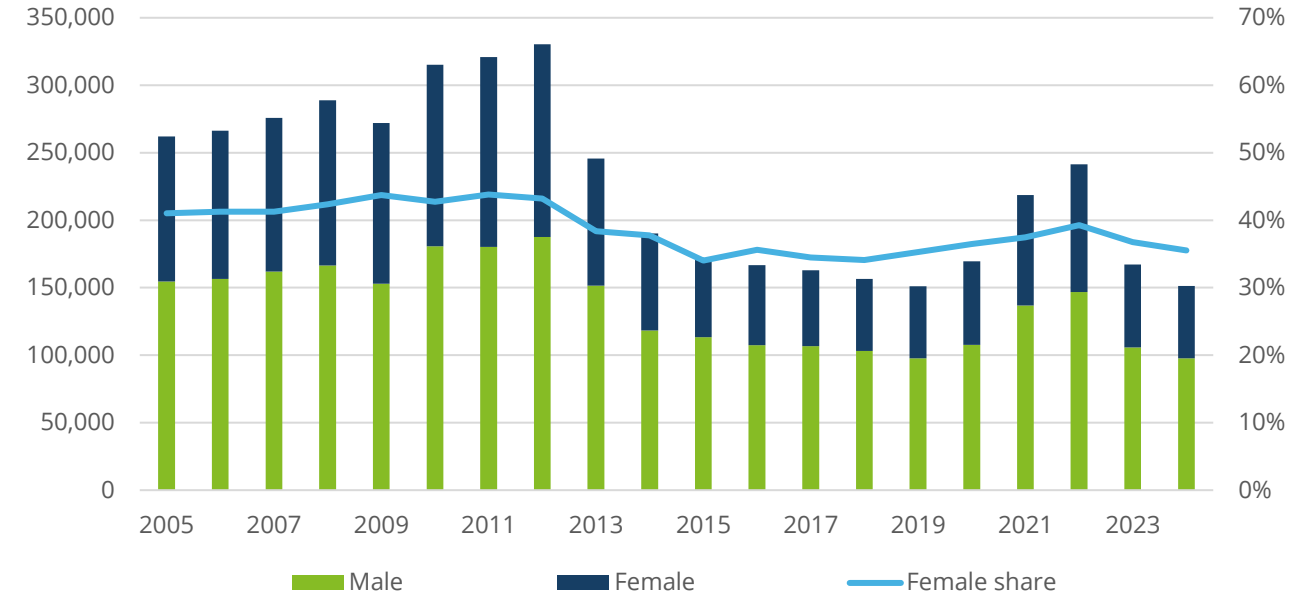
Chart 2.12: Apprenticeship commencements by gender (Share of working age population)



Source: Deloitte Access Economics Analysis of *Apprentices and trainees* (2024) and ABS, *Regional population* (2025).

The number of female apprenticeship and traineeship commencements have fallen by 62% since its peak in 2012 and by 25% between 2014 and 2024, compared to 48% and 18% (respectively) for males. The drivers behind this trend decline are multilayered and complex, and a comprise combination of supply and demand factors.

Chart 2.13: Apprenticeship commencements by gender (Total – LHS, and as a percentage – RHS)



Source: Deloitte Access Economics Analysis of NCVER, *Apprentices and trainees* (2024).

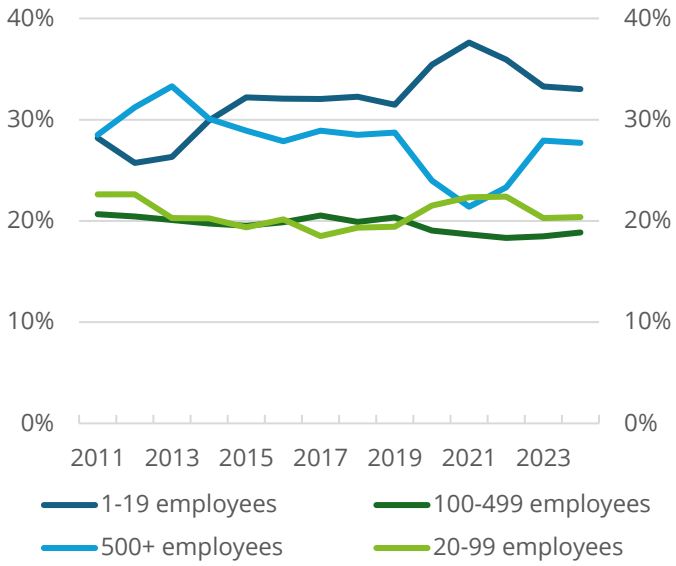
Apprenticeship activity by employer size

The mix of employers involved in the apprenticeship system is diverse. On the one hand, very small businesses engage in the system, in particular in trades and the construction industry. While at the same time, very large employers are engaged, both large corporates and government owned enterprises.

Notably, around one third of apprenticeship commencements are with employers that have fewer than 20 employees in total (Chart 2.14). Large employers (that is, those with more than 500 employees) have typically represented slightly above one quarter of commencements.

It is also noteworthy that smaller employers responded more strongly to the financial incentives put in place during the COVID-19 period (namely BAC and CAC), whereas the response from larger employers was more muted (Chart 2.15).

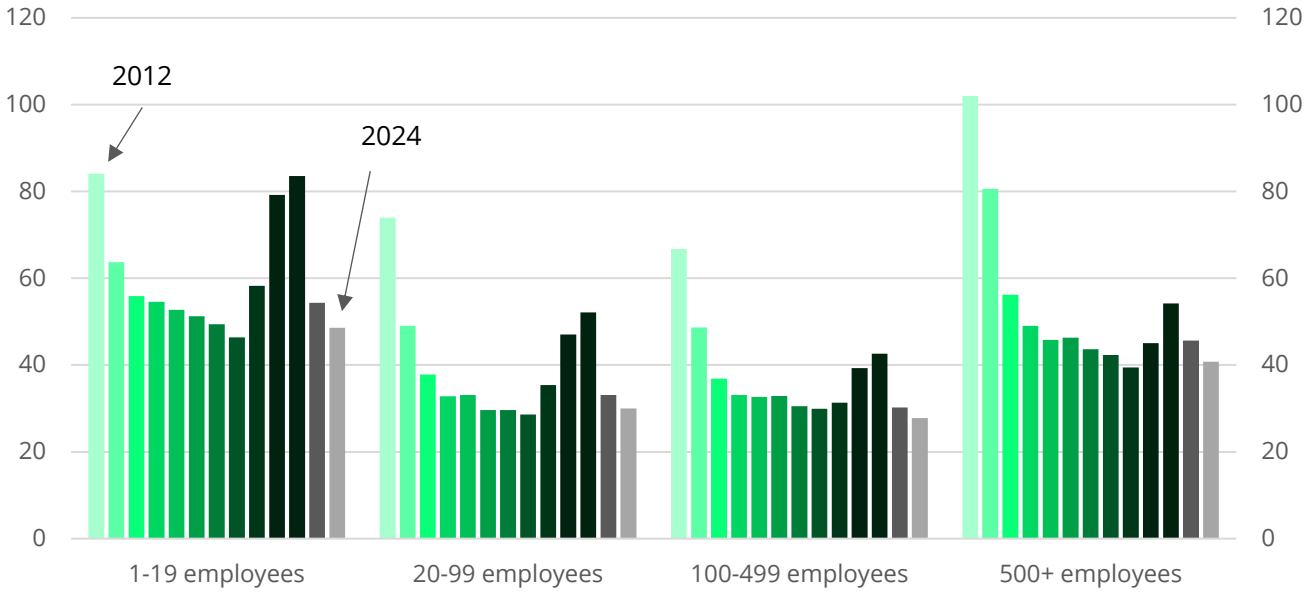
Chart 2.14: Apprenticeship commencements by employer size (% of total)



Source: Deloitte Access Economics Analysis of NCVER, *Apprentices and trainees* (2024).

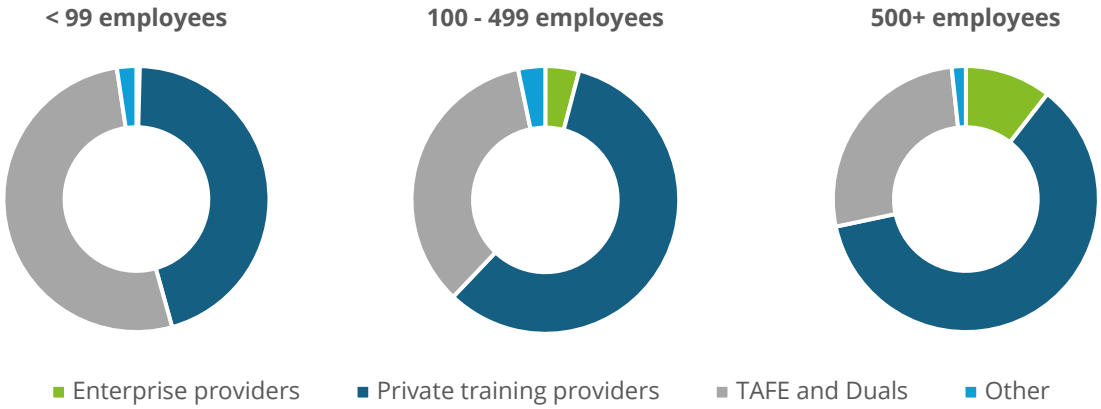
While the circumstances of the pandemic make it difficult to draw strong conclusions from this episode, it does suggest that there exist smaller employers who would be willing to participate in the system, but who require additional encouragement and support to do so.

Chart 2.15: Apprenticeship commencements by employer size over time



Source: Deloitte Access Economics Analysis of NCVER, *Apprentices and trainees* (2024).

Chart 2.16: Apprenticeship commencements by provider type and employer size



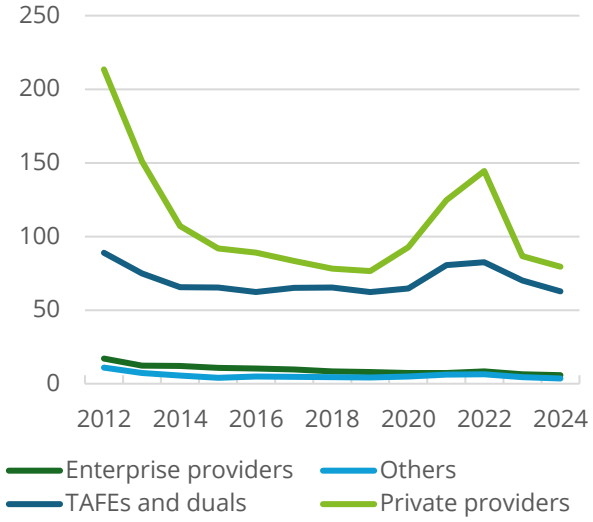
Source: Deloitte Access Economics Analysis of NCVER (2025).

Apprenticeship activity by provider type

By provider type, TAFEs and dual sector providers represent a higher share of commencements at smaller employers and in engineering and construction occupations (Chart 2.16). Conversely, private providers represent a higher share of larger employers and tend to dominate commencements in fields like management and commerce, hospitality and education.

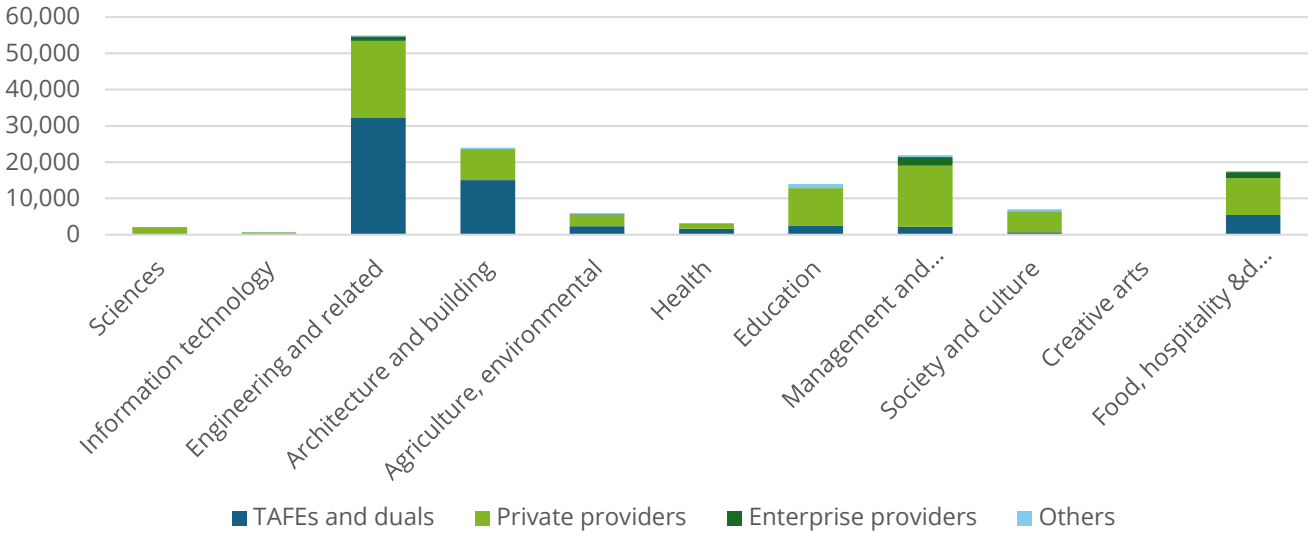
Private providers appear more responsive to changes in training demand from employers arising from changes in financial incentives (Chart 2.17), noting this may be associated with the industries and occupations (typically non-trades) that respond more to these incentive changes (Chart 2.18).

Chart 2.17: Apprenticeship commencements by provider type (000s)



Source: Deloitte Access Economics Analysis of NCVER, *Apprentices and trainees* (2024).

Chart 2.18: Apprenticeship commencements by provider type and field of education



Source: Deloitte Access Economics Analysis of NCVER, *Apprentices and trainees* (2024).

2.3 Conclusions

The current system of employer incentives (and support services) does not appear to be supporting growth in apprenticeships, nor growth in the number of businesses employing apprentices.

The number of commencements and completions of apprenticeships has experienced a trend decline over the past decade – and there is little reason to expect this to materially change without significant attention from Australian public and private sectors.

The notable exception to this trend decline was seen during the COVID-19 period when major time-limited Federal Government financial incentives for businesses employing apprentices were put in place to support both commencements and completions. Since the removal of these pandemic related incentive programs, the longer-term trend of declining apprenticeship activity continues.

The trend decline has been broadly based across both trade, and non-trade apprenticeships. The decline has been more significant among females, with the number of female apprenticeship and traineeship commencements falling by 25% between 2014 and 2024.

Change is therefore required to better unlock the value that Apprenticeships offer.

3

Role and value of apprenticeships

Chapter 3: Role and importance of apprenticeships

This chapter emphasises that expanding apprenticeships is essential to addressing Australia's critical skill shortages – helping to meet local workforce needs and national priorities, thereby delivering significant economic and social benefits.

Australia is grappling with severe skill shortages, with 32% of occupations in 'national shortage' as of late 2024. These gaps threaten key national priorities, including building more homes, transitioning to a net-zero economy, and boosting productivity. Addressing these shortages is vital to meeting future workforce demands and driving economic growth.

Apprenticeships deliver significant economic value to individuals, with 92% of 2024 graduates employed in the year after completion, 16 percentage points higher than non-apprentice VET graduates.

Apprenticeships are key to overcoming skill shortages and fuelling Australia's economy, with strong alignment with workforce needs. In 2023, 61% of completions were in shortage occupations, 18 percentage points higher than non-apprentice VET graduates.

A sustained and achievable increase in apprenticeship uptake over the next decade could deliver $11.8 billion in additional lifetime earnings for individuals (in net present value terms) and generate $14.4 billion in broader economic benefits – totalling $26.2 billion in value to the economy.

3.1 Supporting Australia's current and emerging skill needs

Australia faces persistent and widespread skill shortages, with 32% of occupations in national shortage as of late 2024.[1] Apprenticeships are a key part of the solution – 51% of in-shortage occupations rely on the VET system, and demand is rising, with 44% of new jobs by 2034 expected to require VET qualifications.[1,2] These shortages challenge progress on three key national priorities:

Building 1.2 million homes by 2029

In late 2023, National Cabinet committed to building 1.2 million homes by July 2029.[3] Progress is lagging – only 160,000 dwellings were commenced in 2023–24, well below the 240,000 needed annually to stay on track.[4] As of March 2025, 42% of construction employers reported difficulty filling roles, with persistent trade worker shortages continuing to delay projects and inflate costs.[5]

Transition to a net zero economy

Achieving Australia's net zero emissions target by 2050 – including a 43% reduction from 2005 levels by 2030 – will require a skilled clean energy workforce to build, operate, and maintain the necessary transmission and renewable energy infrastructure.[6] JSA estimates the sector will need 213,000 additional workers by 2033, a 30% increase.[7] Yet shortages are already emerging, particularly in key roles like engineers and electricians, which are vital to the transition.

Lifting Australia's productivity

Weak productivity has long challenged Australia's economic performance. Since peaking in March 2022, labour productivity has dropped 5.7%, to the lowest level in nearly 20 years. Skills shortages are a major driver, cited by 57% of employers.[8] In response, the government is prioritising reform that supports improved productivity and economic growth, with skills and training at the centre.

The role of apprenticeships in addressing skill shortages

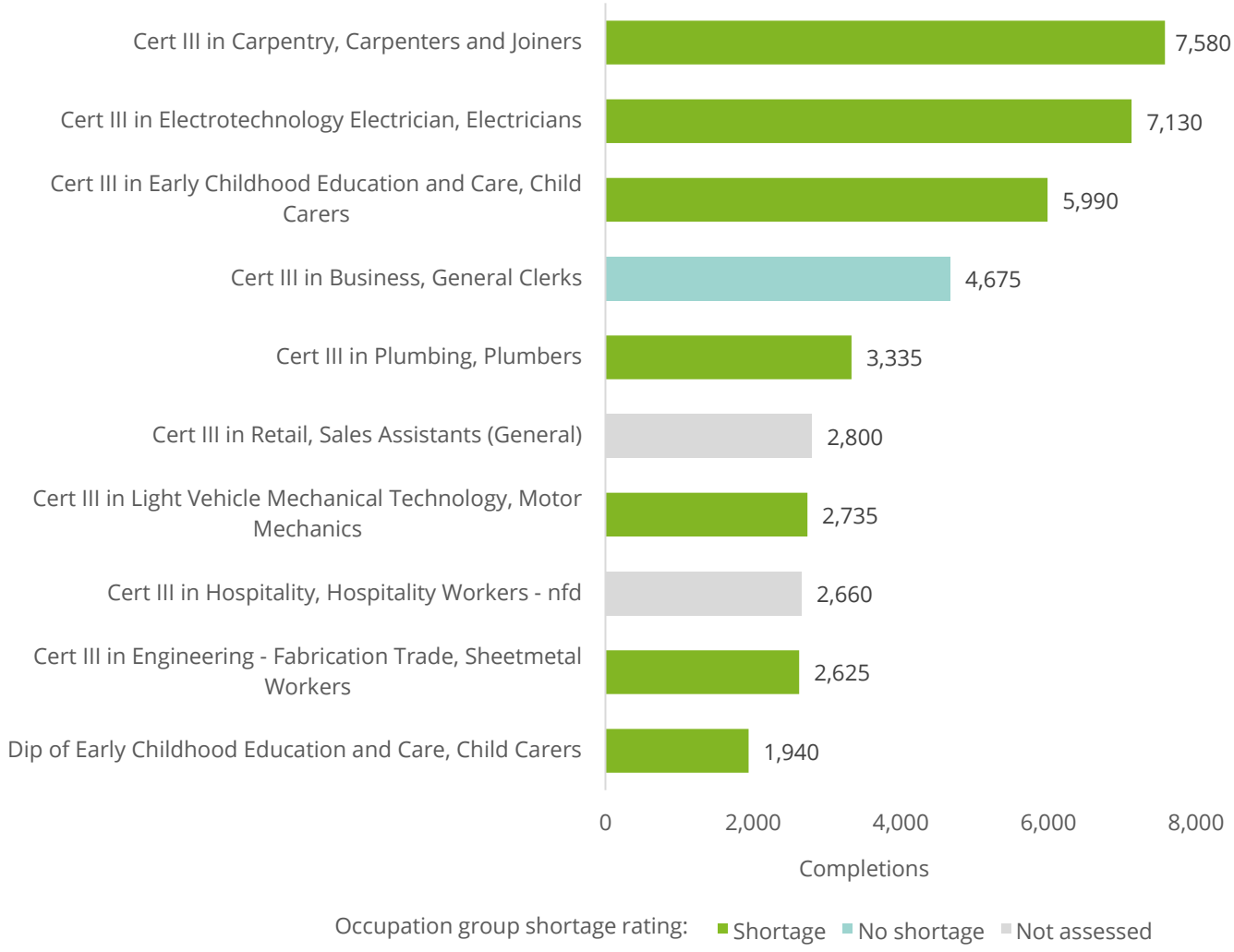
Apprenticeship are highly effective in addressing skill shortages, combining formal education with paid, on-the-job experience aligned to industry needs. By the end of 2023, 61% of apprenticeship completions were aligned with occupations in national shortage. In comparison, only 43% of non-apprentice VET completions were aligned with occupations in shortage.[9]

1. Jobs and Skills Australia, *Occupation Shortage List* (2024) <https://www.jobsandskills.gov.au/data/occupation-shortages-analysis/occupation-shortage-list>.
2. Jobs and Skills Australia, *Employment projections* (2023) <https://www.jobsandskills.gov.au/data/employment-projections>.
3. Treasury, *Delivering the National Housing Accord* (2024) <https://treasury.gov.au/policy-topics/housing/accord>.
4. Australian Bureau of Statistics, 'Home building through the pandemic' (November 2024) <https://www.abs.gov.au/articles/home-building-through-pandemic>.
5. Jobs and Skills Australia, *Recruitment Experiences and Outlook Survey* (March 2025) <https://www.jobsandskills.gov.au/sites/default/files/2025-05/reos_spotlight_-_march_quarter_2025_results.pdf>; Australian Bureau of Statistics, 'Insights into Output of Building construction prices' (August 2024) <https://www.abs.gov.au/articles/insights-output-building-construction-prices>.
6. Department of Climate Change, Energy, the Environment and Water, *Net Zero* (January 2025) <https://www.dcceew.gov.au/climate-change/emissions-reduction/net-zero>.
7. Treasury, *Working Future: The Australian Government's White Paper on Jobs and Opportunities* (September 2023) <https://treasury.gov.au/employment-whitepaper/final-report>.
8. Australian HR Institute, *The Evolving Skills Landscape: Anticipating current and future requirements* (June 2024) <https://www.ahri.com.au/wp-content/uploads/22477-AHR-Skills-Report-DD3-digital.pdf>.
9. Note that occupation refers to ANZSCO unit groups. This analysis only looks at occupations which are assessed by JSA and excludes completions in non-assessed occupations such as skill level 5. Completions are informed by NCVER, *Total VET students and courses* (2023) <https://vocstats.ncver.edu.au/>.

In 2024, 7 of the top 10 completed qualifications were aligned with occupations experiencing shortages (Chart 3.1). Four of the five most common apprenticeship qualifications are linked to occupations currently in shortage, including carpenters and joiners, electricians, and plumbers, all of which are expected to see significant demand in the future.

The most acute shortages are concentrated in the technician and trade workforce, with 49% of occupations experiencing ongoing shortages from 2021 to 2024.[1] By late 2024, over half (102 out of 205) of occupations were in 'national shortage', the highest rate across all occupation groups.[1] Recruitment data confirms these roles as the hardest to fill, with two-thirds of employers reporting challenges.[2]

Chart 3.1: Alignment of apprenticeship and traineeship completions with occupation group shortage ratings for the top 10 qualifications (by completion size) (2024)



Source: Deloitte Access Economics Analysis of NCVER, *Apprentices and trainees* (2024) and JSA, *Occupation Shortage List* (2024).
Notes: Occupation refers to ANZSCO unit groups. "Shortage" includes occupation groups assessed nationally by JSA as either in shortage or experiencing a regional shortage. "Not assessed" refers to occupations not assessed by JSA.

1. Jobs and Skills Australia, *Occupation Shortage List* (2024) <https://www.jobsandskills.gov.au/data/occupation-shortages-analysis/occupation-shortage-list>.
2. Jobs and Skills Australia, *Recruitment Experiences and Outlook Survey* (December 2024) <https://www.jobsandskills.gov.au/sites/default/files/2025-02/reos_spotlight_-_december_quarter_2024_results.pdf>.

The technician and trade workforce is heavily reliant on the VET system, with 64% of workers holding their highest qualification from VET, the highest across all occupation groups.[1] Apprenticeships are crucial in filling these roles, combining hands-on training with formal education, enabling workers to meet licensing requirements and enter the workforce efficiently.

In 2024, over half (51%) of all apprenticeship completions were in technician and trade-related qualifications. Among the largest employing occupations in this group, where more than 75% of the workforce holds their highest qualification in VET, 50% of 2023 VET completions came through apprenticeship pathways. These occupations are all experiencing shortages and are projected to grow strongly through to 2034 (Table 3.1).

The key driver of current shortages is the insufficient number of apprentices starting and completing training. Long training periods further delay workforce entry, highlighting the need to grow and accelerate the apprenticeship pipeline. In response, the South Australian Government has launched the Industry Accelerated Apprenticeship Pilot (IAAP) aimed at shortening training times in high-demand trades like carpentry and civil construction, to fast-track skilled worker supply.[2]

Table 3.1: Key metrics for the top employing occupations within the technician and trade workforce

	Employed in occupation (2025)	Share of workers with VET as their highest level of education (2021)	Apprentice and trainee share of VET completions (2023)	Shortage rating (2024)	Projected growth (2024 to 2034)
Electricians	191,000	79%	71%	Shortage	24,220 (13%)
Carpenters and joiners	157,500	72%	50%	Shortage	16,000 (11%)
Metal fitters and machinists	126,800	82%	37%	Shortage	6,300 (5%)
Motor mechanics	112,800	76%	30%	Shortage	8,000 (7%)
Structural steel and welding trade workers	77,200	72%	29%	Shortage	2,500 (3%)
Plumbers	95,600	76%	68%	Shortage	10,400 (11%)

Source: Deloitte Access economics Analysis of ABS, *Labour Force, Australia, Detailed* (2025), ABS, *Census of Population and Housing* (2021), NCVER, *Total VET students and courses* (2023), JSA, *Occupation Shortage List* (2024), JSA, *Employment Projections (2023).*
Notes: "Shortage" includes occupation groups assessed nationally by JSA as either in shortage or experiencing a regional shortage. "Not assessed" refers to occupations not assessed by JSA.

1. Australian Bureau of Statistics, *Census of Population and Housing* (2021) [Census Tablebuilder].
2. Government of South Australia, 'New accelerated apprenticeships to help build loans faster' (2025) <https://www.premier.sa.gov.au/media-releases/news-items/new-accelerated-apprenticeships-to-help-build-homes-faster>.

Supporting Australia's housing goals

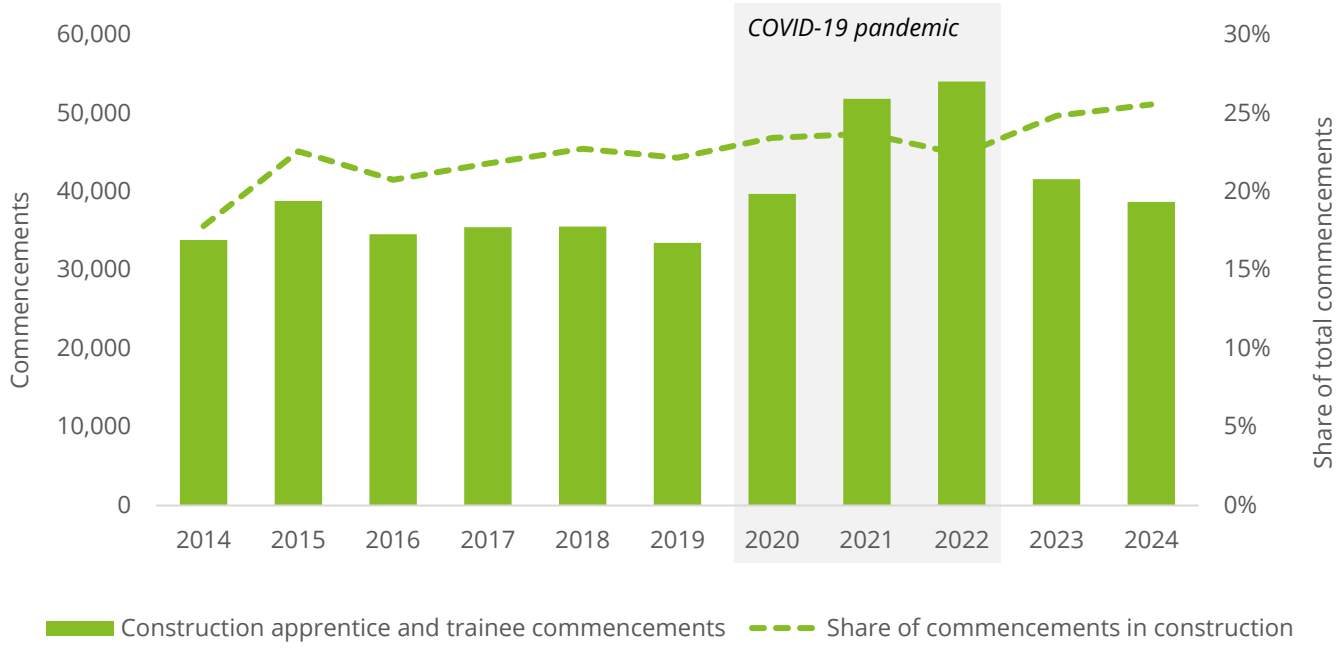
National Cabinet's target to build 1.2 million homes by 2029 is threatened by a shortage of skilled construction workers.[1] The construction sector, which employs 1.4 million people (9.6% of the workforce as of February 2025), is projected to grow by 12% from 2024 to 2034, requiring an additional 163,000 workers.[2,3] However, 42% of employers report difficulties in filling roles, contributing to higher costs and project delays.[4]

Over half of the construction workforce (54%) holds their highest qualification from VET, rising to 64% in the top 10 employing occupations within the sector (as at the 2021 Census).[5]

Apprenticeships are key entry pathways, with construction accounting for 25% (24,300) of all completions in 2024. In key trades such as carpentry, electrical, and plumbing, where over 70% of workers hold a VET qualification, apprenticeships make up more than half of VET completions.[5,6]

Despite a general decline in apprenticeship commencements, those in construction have grown steadily over the past decade. Between 2014 and 2024, annual commencements in construction trades rose from 33,900 to 38,700, increasing their share of total apprenticeship starts from 18% to 26%. (Chart 3.2).

Chart 3.2: Total and construction sector apprentice and trainee commencements (2014-2024)



Source: Deloitte Access Economics Analysis of NCVER, *Apprentices and trainees* (2024).

1. Treasury, *Delivering the National Housing Accord* (2024) <https://treasury.gov.au/policy-topics/housing/accord>.
2. Australian Bureau of Statistics, *Labour Force, Australia, Detailed, Quarterly, February 2025* (released April 2025) <https://www.abs.gov.au/statistics/labour/employment-and-unemployment/labour-force-australia-detailed/latest-release>.
3. Jobs and Skills Australia, *Employment projections* (2023) <https://www.jobsandskills.gov.au/data/employment-projections>.
4. Jobs and Skills Australia, *Recruitment Experiences and Outlook Survey* (March 2025) <https://www.jobsandskills.gov.au/sites/default/files/2025-05/reos_spotlight_-_march_quarter_2025_results.pdf>
5. Australian Bureau of Statistics, *Census of Population and Housing* (2021) [Census Tablebuilder].
6. NCVER, *Total VET students and courses* (2023) <https://vocstats.ncver.edu.au/>.

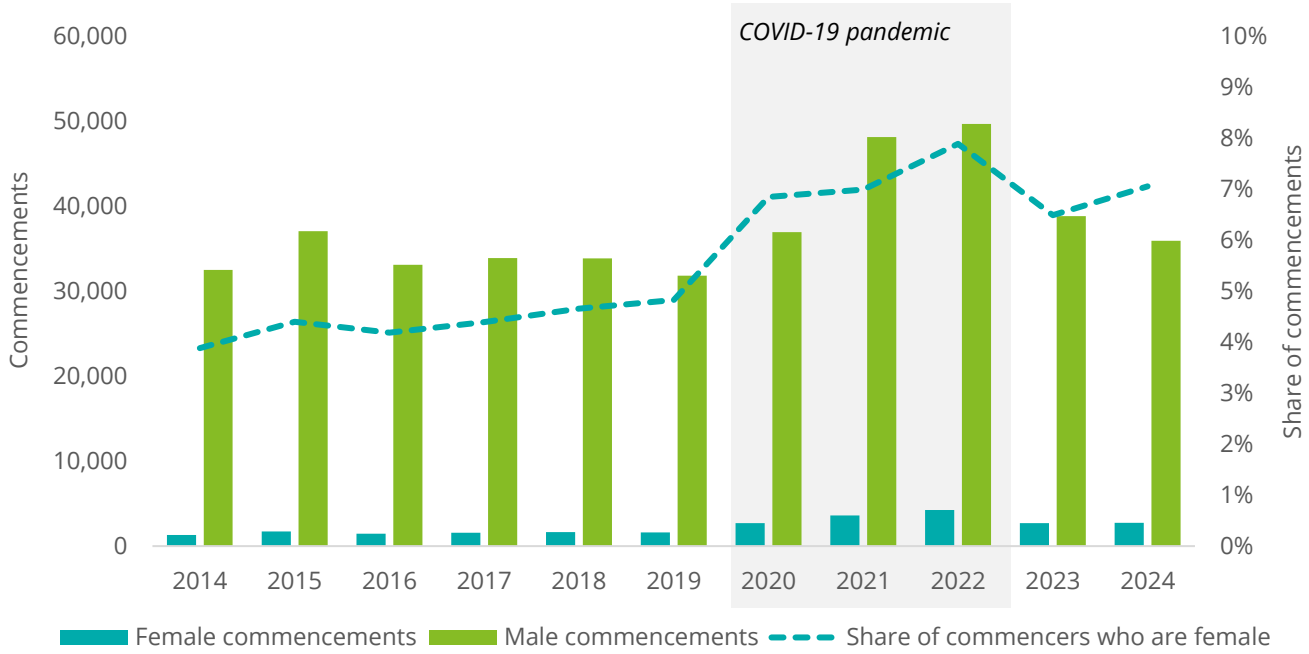
However, the construction workforce remains predominantly male, with women comprising only 9% of full-time workers as of February 2025.[1] Although women's participation in construction apprenticeships has risen over the past decade, with an increase in female apprenticeships from 1,300 in 2014 to 2,700 in 2024, they still account for only 7% of construction commencements (Chart 3.3).

Retention of female apprentices remains a challenge, with fewer than half of women who began trades apprenticeships in 2019 completing, 9 percentage points lower than males.[2] In 2024, 16% of female apprentices who discontinued their training cited work placement issues as the primary reason.[3]

Reports of bullying and harassment are prevalent, with women experiencing higher rates and longer durations of bullying compared to men.[4]

Creating a more inclusive workplace may therefore contribute to an increase in female participation in male-dominated trades. Research has suggested measures including mentorship programs, safer working conditions, and gender-equitable training opportunities.[5] Addressing these factors may improve retention and completion rates for women, helping to build a more diverse, resilient construction workforce, supporting Australia's housing goals.

Chart 3.3: Construction sector apprentice and trainee commencements by gender (2014-2024)



Source: Deloitte Access Economics Analysis of NCVER, *Apprentices and trainees* (2024).

1. Australian Bureau of Statistics, *Labour Force, Australia, Detailed, Quarterly, February 2025* (released April 2025) <https://www.abs.gov.au/statistics/labour/employment-and-unemployment/labour-force-australia-detailed/latest-release>.
2. NCVER, *Completion and attrition rates for apprentices and trainees* (2023) <https://www.ncver.edu.au/research-and-statistics/data/all-data/completion-and-attrition-rates-for-apprentices-and-trainees-2023-data-slicer>.
3. NCVER, *VET student outcomes* (2024) <https://vocstats.ncver.edu.au/>.
4. Jobs Queensland, *Apprenticeship, women and workplace culture: a literature review* (October 2021) <https://jobsqueensland.qld.gov.au/_resources/files/pdf/Apprenticeship-women-and-workplace-culture-Literature-review-October-2021-1.pdf>.
5. Holdsworth, S., Turner, M., Scott-Young, C.M., & Sandri, K, 'Women in Construction: Exploring the Barriers and Supportive Enablers of Wellbeing in the Workplace' (2020) *RMIT University;* Jobs and Skills Australia, *Labour Market Update* (March 2024) <https://www.jobsandskills.gov.au/download/19570/labour-market-update-march-2024/2413/labour-market-update-march-2024/pdf>.

Progressing the net zero transition

Achieving Australia's net zero targets will require a significant expansion of the skilled workforce who build, operate, and maintain clean energy infrastructure. Jobs in the clean economy are projected to grow 30% by 2033, requiring an additional 213,000 workers to support the transition.[1]

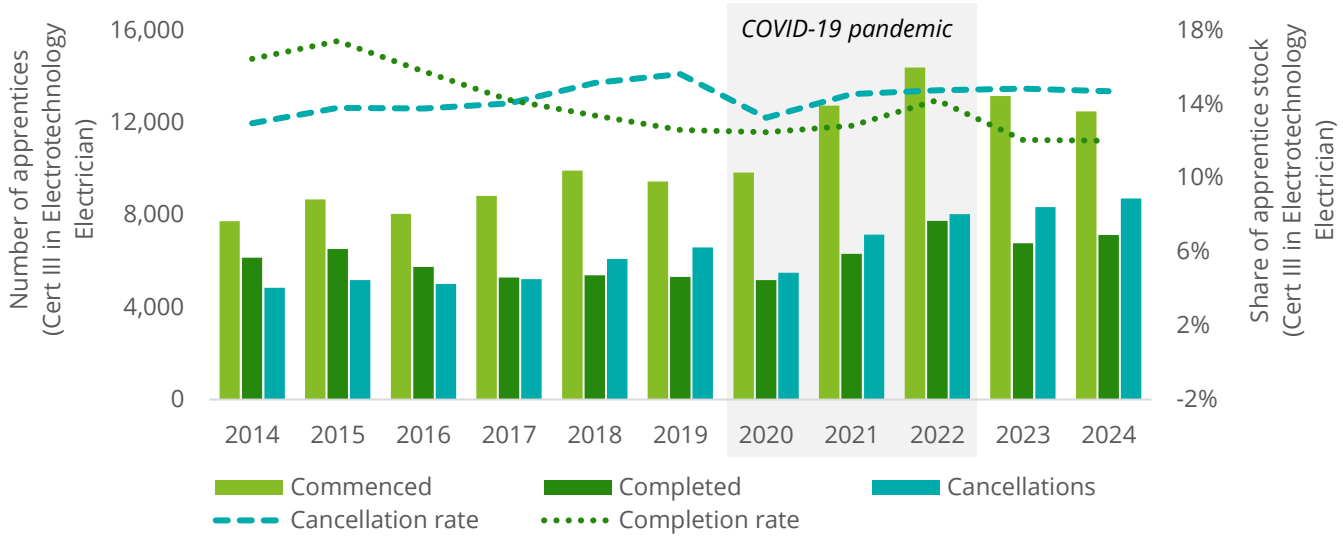
Apprenticeships, especially in technician and trade roles, are key to meeting this demand, particularly given many of these occupations have long training periods and licensing requirements that hinder rapid scaling. In 2024, 23% of apprenticeship completions (22,700 new skilled workers) were in qualifications aligned with technician and trade roles identified by JSA as the most critical to the clean energy workforce.[2]

Electricians are especially vital, with an estimated 32,200 more needed by 2031.[1] However, the Strategic Review warns that slow workforce growth, driven by stagnant completion rates and an ageing workforce, could widen the skills gap and slow progress.[3]

As at the 2021 Census, 78% of electricians had VET as their highest qualification, primarily via the Certificate III in Electrotechnology Electrician.[4] In 2023, 91% of VET completions in this qualification were through apprenticeships.[5]

In 2024, this qualification accounted for 8% of all apprenticeship commencements, up 61% over the decade. However, completions rose just 16%, and cancellations surged by 80% over the same period (Chart 3.4).

Chart 3.4: Trends in apprentice and trainee commencements, completions and cancellations in the Certificate III in Electrotechnology Electrician (2014-2024)

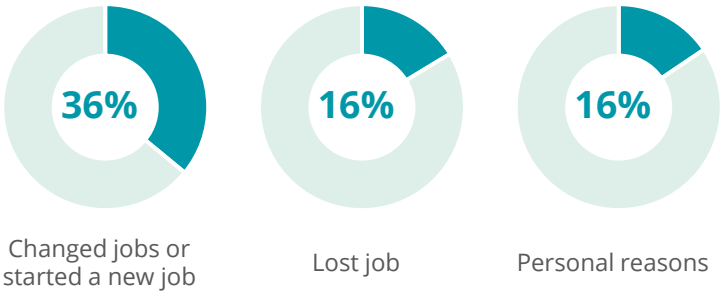


Source: Deloitte Access Economics Analysis of NCVER, *Apprentices and trainees* (2024).
Notes: Cancellations refers to training contracts that are terminated before the apprentice or trainee successfully completes the program. Completion and cancellation rates are calculated as the number of completions or cancellations as a proportion of apprentices and trainees who were in training, commenced, or completed during the reference period.

1. Jobs and Skills Australia, *Clean Energy Capacity Study* (October 2023) <https://www.jobsandskills.gov.au/research/studies/clean-energy-capacity-study>.
2. Occupations critical to the clean energy sector are identified through JSA's Clean Energy Capacity Study; NCVER, *Apprentices and trainees* (2024),
3. Department of Employment and Workplace Relations, *Strategic Review of the Australian Apprenticeship Incentive System* (February 2025) <https://www.dewr.gov.au/download/16795/strategic-review-australian-apprenticeship-incentive-system-final-report/39422/strategic-review-australian-apprenticeship-incentive-system-final-report/pdf>.
4. Australian Bureau of Statistics, *Census of Population and Housing* (2021) [Census Tablebuilder].
5. NCVER, *Total VET students and courses* (2023) <https://vocstats.ncver.edu.au/>.

In 2024, the leading reason apprentices in technician and trade-related engineering occupations discontinued their training was job changes, cited by 36% of those who did not complete their programs (Figure 3.1).

Figure 3.1: Key reasons for discontinuing apprenticeships in technician and trade-related engineering occupations



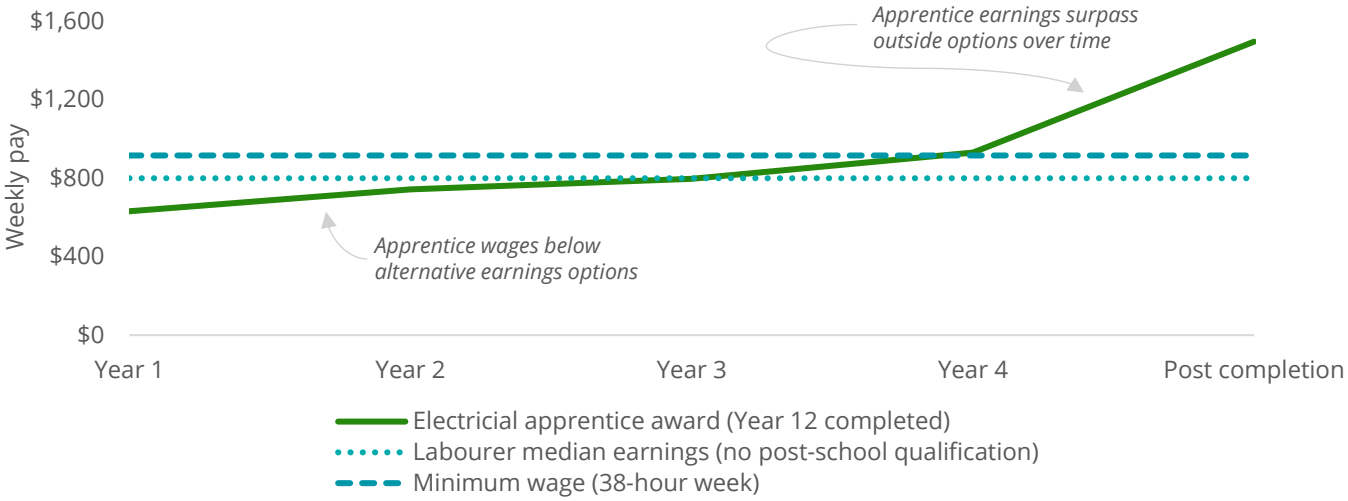
Source: Deloitte Access Economics analysis of NCVER, *VET student outcomes* (2024).

As highlighted in the Strategic Review, low wages are a significant contributing factor.[2] For example, electrician apprentices earn less than the minimum wage and below the median earnings of unskilled labourers for the first three years (Chart 3.5).

Apprentices in trades such as electrical, carpentry, and plumbing also face high upfront costs for tools and equipment, which can compound their financial stress.[1] While supports like the Australian Apprenticeship Support Loan, an interest-free loan designed to assist with these expenses, are available, the combination of these upfront costs and rising living expenses may be driving more apprentices to leave for better-paying work.

To address this, the Strategic Review has recommended introducing targeted payments to support apprentices in high-priority trades with significant tool-related costs.[1]

Chart 3.5: Earning trade-offs during and after electrical apprenticeship



Source: Deloitte Access Economics (2025).
Notes: Labourer median earnings are sourced from ABS, *Employee earnings* (August 2024). The minimum wage is calculated based on 38 ordinary hours per week at $24.10 per hour. The electrical apprentice award reflects the weekly pay for an apprentice who has completed year 12, as specified in the Electrical Award (MA000025).

1. Department of Employment and Workplace Relations, *Strategic Review of the Australian Apprenticeship Incentive System* (February 2025) <https://www.dewr.gov.au/download/16795/strategic-review-australian-apprenticeship-incentive-system-final-report/39422/strategic-review-australian-apprenticeship-incentive-system-final-report/pdf>.

Enhancing the provision of care

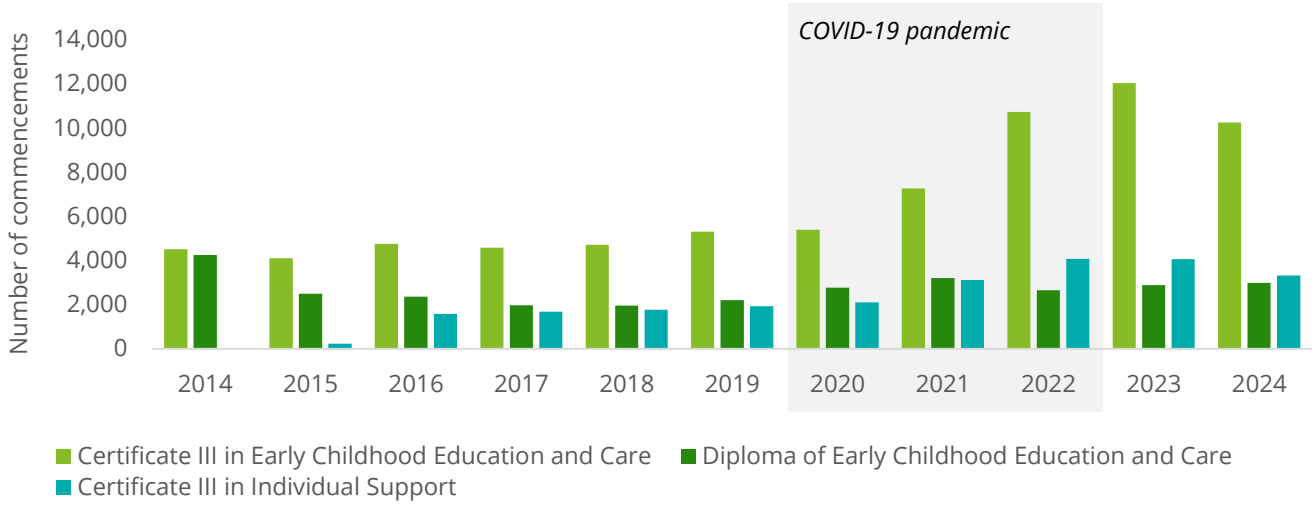
The care and support sector is one of Australia's largest and fastest-growing industries, driven by an aging population, rising demand for early childhood education, and the expansion of the NDIS.[1] By February 2025, it employed 2.3 million people, or 15.8% of the national workforce.[2] However, significant skill shortages are straining the sector, with a projected shortfall of 285,000 workers by 2050, particularly in aged care, disability support, and nursing.[1]

Around 50% of the workforce in these areas attained their highest qualification through VET (as at the 2021 Census).[3] Key pathways include the Certificate III in Early Childhood Education and Care (ECEC), the Diploma of Early Childhood Education and Care (ECEC), and the Certificate III in Individual Support.

In 2023, 15% of VET enrolments in these qualifications were through apprenticeships, up from 11% in 2015.[4] Apprenticeship commencements have grown significantly, rising 88% over the past decade, from 8,800 commencements in 2014 to 16,600 in 2024 (Chart 3.6).

The Certificate III in ECEC saw the largest increase, with 5,700 more commencements in 2024 compared to 2014, followed by the Certificate III in Individual Support (3,300). In contrast, commencements in the Diploma of ECEC have declined, with JSA attributing this to new entry requirements mandating a completed Certificate III, and the limited pay increase the higher qualification offers.[5]

Chart 3.6: Trends in apprentice and trainee commencements in related care and support sector qualifications (2014-2024)

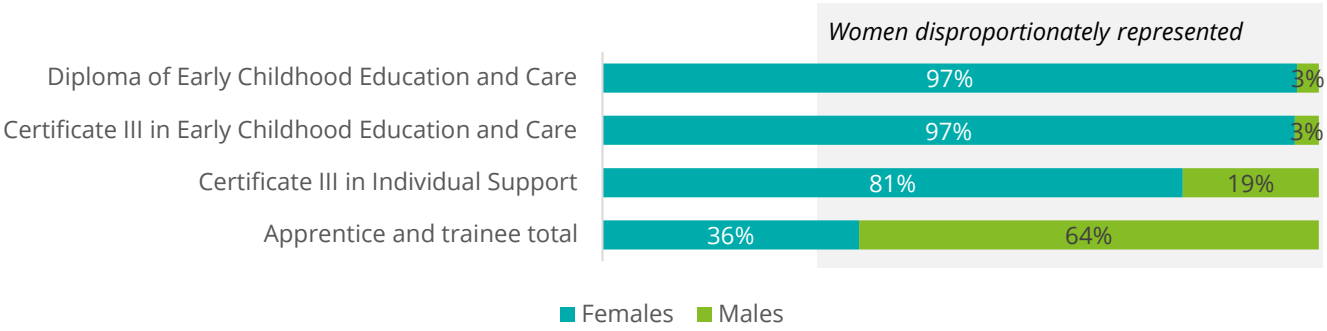


Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

1. Department of Employment and Workplace Relations, *Strategic Review of the Australian Apprenticeship Incentive System* (February 2025) <https://www.dewr.gov.au/download/16795/strategic-review-australian-apprenticeship-incentive-system-final-report/39422/strategic-review-australian-apprenticeship-incentive-system-final-report/pdf>.
2. Australian Bureau of Statistics, *Labour Force, Australia, Detailed, Quarterly, February 2025* (released April 2025) <https://www.abs.gov.au/statistics/labour/employment-and-unemployment/labour-force-australia-detailed/latest-release>.
3. Australian Bureau of Statistics, *Census of Population and Housing* (2021) [Census Tablebuilder].
4. NCVER, *Total VET students and courses* (2023) <https://vocstats.ncver.edu.au/>.
5. Jobs and Skills Australia, *The Future of the Early Childhood Education Profession – Early Childhood Education and Care Workforce Capacity Study* (September 2024) <https://www.jobsandskills.gov.au/sites/default/files/2024-09/the_future_of_the_early_childhood_education_profession_-_extended_report.pdf>.

Women make up the majority of the care workforce, representing 72% of aged and disabled carers and 93% of childcare workers.[1] This gender pattern is reflected in apprenticeship pathways, where women account for over 90% of commencements in the key care-related qualifications. The Certificate III in ECEC is the most popular qualification among female apprentices, accounting for 18% of all female commencements in 2024 (Chart 3.7).

Chart 3.7: Apprentice and trainee commencements by gender in related care and support sector qualifications (2024)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

A sustainable First Nations care workforce is critical for culturally safe service delivery.[2] In 2024, Indigenous learners made up 9% of commencements in the key care and support pathways, up from 6% a decade ago. The Certificate III in ECEC was the most common qualification, accounting for 8% of Indigenous commencements.[3]

Despite these gains, non-completion rates remain higher among Indigenous learners, particularly in regional and remote areas. Barriers such as training not being delivered in First Nations languages, inflexible training models, cultural insensitivity, racism, and historical trauma continue to impact outcomes.[4,5] The Strategic Review calls for flexible, culturally responsive training delivered by local educators to help close the gap.[5]

Care qualifications, such as the Certificate III in ECEC, which includes 160 hours of practical experience, are ideally suited to the apprenticeship model.[5] However, as the Strategic Review highlights, growth in apprenticeship enrolments is constrained by funding gaps, particularly the lack of support for supervision and shadowing costs. As a result, some employers opt for non-apprenticeship VET pathways, which provide greater flexibility but may reduce overall engagement in the apprenticeship system.[4,5] Addressing these funding challenges is critical to strengthening the care workforce and meeting Australia's growing demand for skilled professionals.

1. Australian Bureau of Statistics, *Labour Force, Australia, Detailed, Quarterly, February 2025* (released April 2025) <https://www.abs.gov.au/statistics/labour/employment-and-unemployment/labour-force-australia-detailed/latest-release>.
2. Department of Prime Minister and Cabinet, 'Building a capable, skilled and sufficiently large workforce' <https://www.pmc.gov.au/resources/draft-national-strategy-care-and-support-economy/goal-1-quality-care-and-support/building-capable-skilled-sufficiently-large-workforce>.
3. NCVER, *Apprentices and trainees* (2024).
4. Department of Employment and Workplace Relations, *Strategic Review of the Australian Apprenticeship Incentive System* (February 2025) <https://www.dewr.gov.au/download/16795/strategic-review-australian-apprenticeship-incentive-system-final-report/39422/strategic-review-australian-apprenticeship-incentive-system-final-report/pdf>.
5. Jobs and Skills Australia, *The Future of the Early Childhood Education Profession – Early Childhood Education and Care Workforce Capacity Study* (September 2024) <https://www.jobsandskills.gov.au/sites/default/files/2024-09/the_future_of_the_early_childhood_education_profession_-_extended_report.pdf>.

3.2 Contribution of apprenticeships and traineeships to individual outcomes

It is well established that apprenticeships deliver strong economic value for individuals. By combining paid work experience with formal education, they offer a hands-on learning model that develops both general and job-specific skills. This dual approach supports a smoother transition from training to sustained employment.

Apprentices are more likely to:

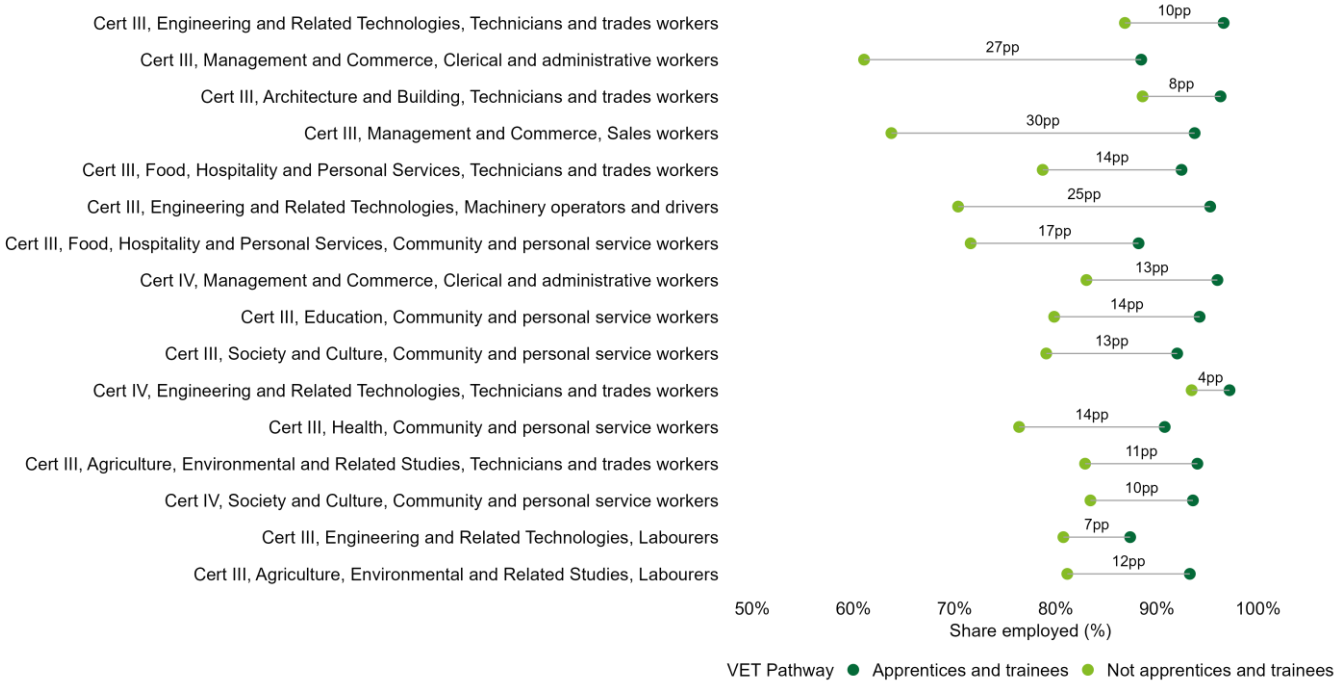
- Be employed
- Earn higher incomes
- Rely less on welfare
- Work in roles aligned with their training

Stronger employment outcomes

In 2024, 92% of apprenticeship graduates were employed after completing their training, 16 percentage points higher than non-apprenticeship VET graduates. This employment advantage holds when comparing individuals within similar education levels, fields of study, and intended occupations.

Apprentices had better employment outcomes in 17 of the 18 pathways examined, with an average advantage of 13 percentage points (Chart 3.8). For example, 97% of apprentices who completed a Certificate III in Engineering and Related Technologies with the intended occupation group of technicians and trades workers (19% of all apprentices) were employed post-completion, 10 percentage points higher than their non-apprentice peers.

Chart 3.8: Employment outcomes for apprentices and trainees compared to non-apprentices and trainees, categorised by level and field of education, and intended occupation (2024)



Source: Deloitte Access Economics analysis of NCVER, *VET student outcomes* (2024).
Notes: Apprentices and non-apprentices are grouped based on combinations of certificate level, field of education, and intended occupation (which is the most detail available). Pathways are ordered by the number of apprentices who completed each pathway. Only pathways representing at least 1% of total completions are included. Certificate II combinations are excluded from the chart.

Earnings advantages of apprenticeships

Apprentices also report greater financial returns from their training. Among employed VET graduates, 20% of apprentices cited increased earnings as a benefit of their training, compared to just 11% of non-apprentices. This earnings advantage held across 16 of the 18 pathways examined.[1]

Analysis by JSA reinforces this trend. Shortly after completing their training, apprenticeship graduates reported a median income of $55,000, compared to $46,300 for non-apprentice VET graduates. Average wage gains were also substantially higher, $25,800 for apprentices compared to $9,400 for their non-apprentice peers.[2]

In some cases, the advantages of apprenticeships extend beyond VET, outperforming university outcomes. Research from the Grattan Institute shows that for men with lower academic entry scores, apprenticeships in fields such as construction, engineering, and commerce can lead to higher lifetime earnings than a university degree.[3]

Improved transitions off income support

Apprenticeships also help reduce reliance on welfare. JSA research shows that 63% of apprentice graduates who had previously received income support exited the system within two years of completing their training, compared to just 39% of all VET graduates.[3]

This is likely linked to their stronger employment outcomes. Among those who were not employed prior to training, 76% of apprentice graduates gained employment, compared to only 44% of non-apprentice VET graduates. This pattern held across all 18 pathways examined, with an average difference of 29 percentage points.[1]

Training that matches the job

Apprenticeships demonstrate a more efficient and impactful use of training. In addition to strong employment rates, they are far more likely to lead to jobs directly related to the skills gained during training.

In 2024, 92% of employed apprentices were working in jobs directly related to their training, either in the same occupation or in a closely related field. This is 15 percentage points higher than for non-apprentice VET graduates. The trend holds across 16 of the 18 pathways examined, with an average difference of 12 percentage points across those pathways.[1]

Apprentices are more likely to report achieving their main reason for training. In 2024, 95% met their primary goal, compared to 87% of non-apprenticeship VET graduates. The difference was greatest among those training for employment-related reasons, such as gaining a job, upskilling, changing careers, or starting a business, while outcomes were similar for those training for study or personal reasons.[1]

1. NCVER, *VET student outcomes* (2024) <vocstats.ncver.edu.au>.
2. Jobs and Skills Australia, *Strong and Responsive VET Pathways* (November 2024) <https://www.jobsandskills.gov.au/publications/strong-and-responsive-vet-pathways>.
3. Norton, A., Cherastidtham, I., and Mackey, W, 'Risks and rewards: when is vocational education a good alternative to higher education?' (2019) *Grattan Institute* <https://grattan.edu.au/report/risks-and-rewards-when-is-vocational-education-a-good-alternative-to-higher-education/>.

Sizing the economic opportunity associated with an uplift in apprenticeships.

Concluding this chapter, we Illustrate the potential value of an uplift in the number of apprentices in the economy by modelling a scenario where higher completions leads to additional individual incomes and broader public benefits.

This is not intended to form a prediction, but rather provide an indication of the relative scale of benefits if the system could be improved, based on the information currently available.

As described earlier in this report, the share of Australia's working age population engaging in the apprenticeship system has decreased over the last decade (see Chart 3.9), and appears set to continue to decline.

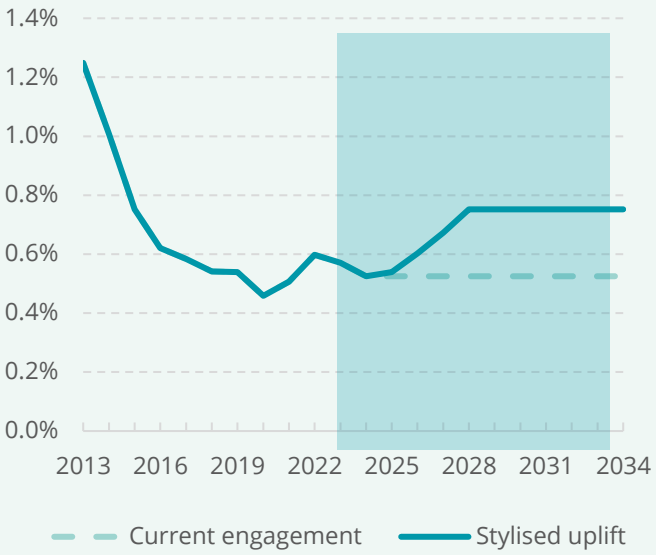
Chart 3.9: Apprentice and trainee completions, share of working age population

Source: Deloitte Access Economics Analysis of NCVER, *Apprentices and trainees* (2024) and ABS, *Labour Force, Australia* (2025).

Based on the level of participation observed over the past decade, an achievable uplift in apprenticeship and traineeship completions should see a return to 0.75% of the working age population completing an apprenticeship or traineeship in a given year.

Completions in broader VET have also declined over this time. It is therefore assumed that this uplift does not displace the rate of engagement in alternative (VET) pathways.

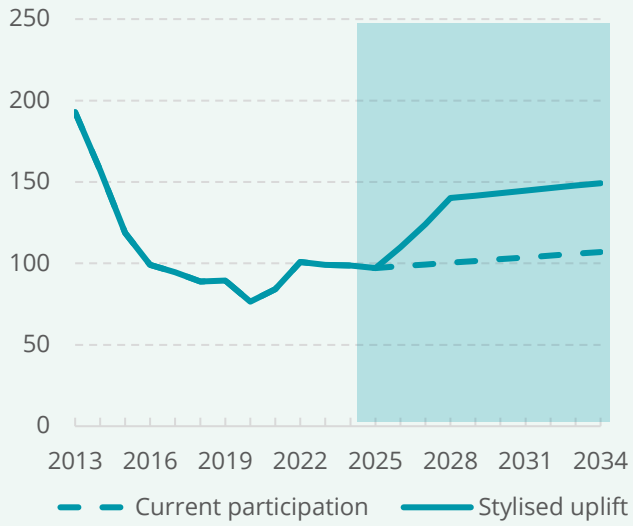
Chart 3.10: Uplift scenario in the share of working age population completing an apprenticeship



Source: Deloitte Access Economics (2025).

Based on a gradual transition, estimated as a share of the population, this would lead to an uplift in apprenticeship and traineeship completions of 320,000 over a decade (Chart 3.11).

Chart 3.11: Apprenticeship commencement uplift scenario ('000s)



Source: Deloitte Access Economics (2025).

If these additional completions could be achieved, the financial benefit is collectively estimated to be over $11.8 billion in additional income over these individuals' lifetimes (in net present value terms).

This calculation is based on both additional earnings and improved likelihood of employment from completion of a Certificate III or IV qualification, using existing research on the returns to different types of education in an Australian context.[1]

Beyond the employment and income benefits to an individual from completion, research also shows that there are broader benefits which accrue to public and broader economy, through for example additional taxation revenue and productivity spillovers generated over a person's working career.

Based on this research, the uplift in apprenticeship completions described here is estimated to generate a further $14.4 billion in public benefits.[2]

Under the right circumstances, the government taxation benefits from the higher incomes achieved by apprenticeship completers could produce fiscal benefits that well outweigh the additional expenditure on financial incentives and support services.

As an illustration, if the uplift in completions described above could be achieved through an investment of $4-$5 billion over a decade, this would still represent around a three-fold return in terms of the public benefits arising from the completion of that training – when, compared to the estimated $14.4 billion in public benefits described above.

In achieving this uplift in commencements, the number of employers engaging in the Apprenticeship system would need to increase over time. We estimate that the number of employing businesses engaging in the apprenticeship system at any point in time would need to increase by around 90,000 over the next decade, from around 115,000 presently.

1. The returns to completion are compared to that of schooling to year 9 to 11, and adjusted for the applicable composition of the apprenticeship cohort by prior education. See Leigh, A, 'Returns to Education in Australia 2001-2022' (2024) No. 11146 *CESifo Working Paper* <https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4868725>.
2. Deloitte Access Economics, *Estimating the public and private benefits of higher education* (report prepared for the Department of Education and Training, November 2016) <https://www.education.gov.au/higher-education-reviews-and-consultations/resources/estimating-public-and-private-benefits-higher-education>.

4

Barriers to opportunity for potential apprentices

Chapter 4: Barriers to opportunity for potential apprentices

This chapter explores barriers associated with commencing and completing apprenticeships, and considers steps that can be taken to reduce these barriers. Barriers explored include preparedness, locational factors, perceptions, and other conditions that impact training and workplace experiences.

In 2024, the youth unemployment rate was more than double the national rate – at 9% - and has historically been more sensitive to economic conditions. The proportion of youth not in employment, education or training (NEET) has also been increasing since 2022.

A survey by MEGT (2025) found that 38% of respondents who had cancelled and not re-engaged in an apprenticeship program did this due to an unsupportive training or work environment. 25% of those not having completed their training also raised problems with the training provider, and 15% raised challenges due to an overwhelming workload.

76% of young people surveyed by the Department of Education's Behavioural Insights Team shared that they "go to their parents for career advice". But 79% of Australian parents were found to preference university more than vocational education and training, including apprenticeships.

Targeted support is needed to help young people re-engage in education, training, or employment. A recent MEGT (2025) survey found that those who re-engaged and successfully completed training showed higher levels of 'grit' – a trait linked to resilience and persistence.

4.1 Youth engagement in employment, education and training

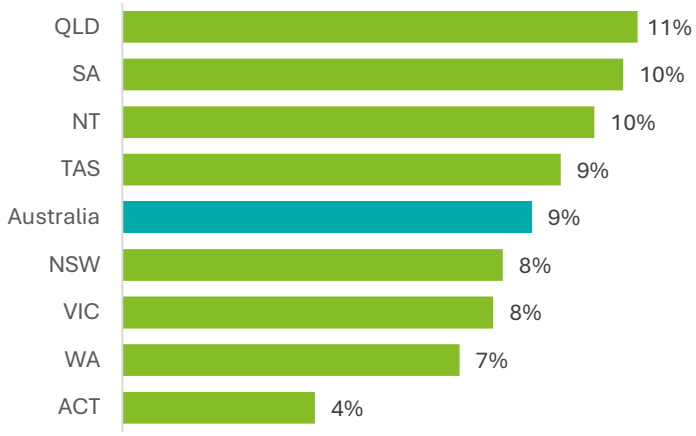
It is widely accepted that education and training are key to driving economic and social mobility. The skills developed through these systems create pathways to productive and sustainable work that enable young people to raise their living standards. This translates to higher economic engagement for young people across the economy – boosting income and consumption, and reducing burden on the social support system (or other resources).

However, Australia has a youth engagement challenge. In 2024, the youth unemployment rate was more than double the national rate – at 9% - and has historically been more sensitive to economic conditions.[1] The proportion of youth not in employment, education or training (NEET) has also been increasing since 2022 (Chart 4.1), following a brief period of post-COVID recovery.[2] Young people with low skills have been found to be more likely to become NEET.[2]

The OECD reported, using 2012 PIAAC data, that 36% of lower skilled adults are not in the labour force compared to 18% of higher skilled adults.[3] This emphasises the importance of a young person's participation in post-school training, such as apprenticeships.

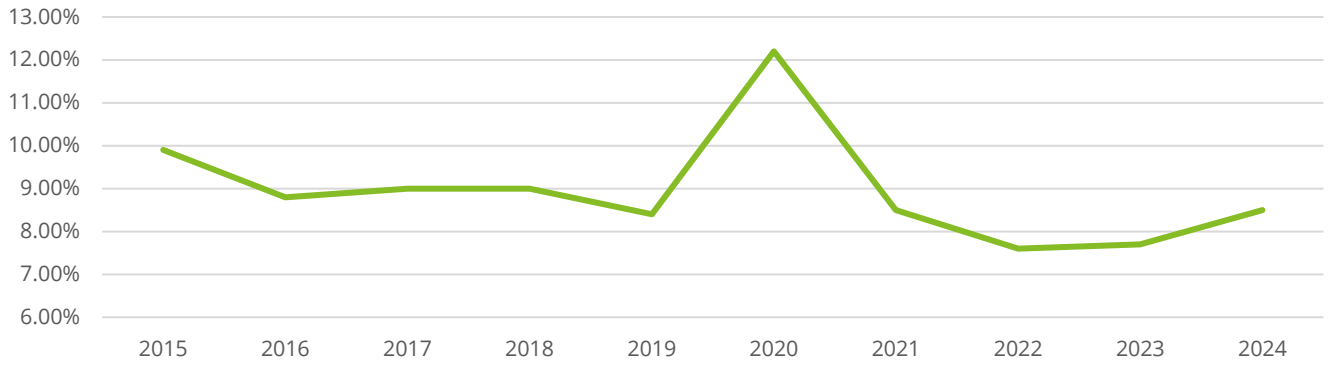
Regionality also plays a factor, as outlined in Chart 4.2, with the share of NEET youth particularly high in parts of Queensland (11%), South Australia (10%) and the Northern Territory (10%).[2]

Chart 4.2: Share of youth who are NEET by state and territory 2024



Source: Deloitte Access Economics using ABS Education and Work (2024)

Chart 4.1: Share of youth who are NEET over time (2015 – 2024)



Source: Deloitte Access Economics using ABS, *Education and Work* (2024)

1. Jobs and Skills Australia, 'New research reveals trends in youth employment' (March 2025) <https://www.jobsandskills.gov.au/news/new-research-reveals-trends-youth-employment>.
2. Australian Bureau of Statistics, *Education and Work* (2024) <https://www.abs.gov.au/statistics/people/education/education-and-work-australia/latest-release>.
3. OECD, *Building Skills for All in Australia* (2017) <https://www.oecd.org/content/dam/oecd/en/publications/reports/2017/09/building-skills-for-all-in-australia_g1g806ce/9789264281110-en.pdf>

In Queensland, 47% of young people are living outside of a capital city, with 18% in South Australia and 16% in the Northern Territory.[1]

This indicates there may be regional disparities in how young people are engaging in employment, education and training, particularly in parts of Australia that are more geographically spread and have large populations living in regional / remote locations.

It is also important to raise that different cohorts of young people, for example Indigenous students, have higher rates of disengagement. For example, 10% of Indigenous youth aged between 15 to 24 were NEET in 2021.[2] Students from lower socioeconomic backgrounds, also tend to have higher rates of disengagement, and are at risk of engaging in less socially and economically constructive past times.[3]

As outlined in Chapter 3, the dual approach of apprenticeships support smoother transitions for young people from training to sustained employment.[4] Focus on supporting young people who are disengaged and/or experiencing disadvantage into these pathways is expected to lead to increases in outcomes for these individuals (and the economy at large).

4.2 Factors influencing economic and social opportunities

There are a range of factors that influence an individual's ability to engage in education and training and effectively participate in the labour market. According to the Productivity Commission, several of these factors emerge early in life, and can influence a young person's transition to adulthood.[5]

Box 1: Re-engaging youth in the justice system through structured training[6]

In 2023, a partnership between Youth Justice NSW and Training Services NSW helped young people transition back into the community through a structured training and employment program.

The 'Try a Trade' program involved workshops at youth justice centres across a range of trades including carpentry, bricklaying and plumbing. While engagement was initially a barrier for these individuals, support from the system enabled them to participate in different trades and build community connections. When these individuals leave the Youth Justice centre, they already have employment through their training program.

1. Australian Bureau of Statistics, *Education and Work* (2024) <https://www.abs.gov.au/statistics/people/education/education-and-work-australia/latest-release>.
2. Australian Bureau of Statistics, *Census of Employment, Income and Education* (2001) [Census TableBuilder].
3. Victorian Department of Education and Training , *Insights for early action research project literature review* (2018) <https://www.academy.vic.gov.au/sites/default/files/2019-09/IfEA-Literature-Review-Final-17Sept2018.pdf>
4. Jobs and Skills Australia, *Strong and Responsive VET Pathways* (November 2024) <https://www.jobsandskills.gov.au/publications/strong-and-responsive-vet-pathways>; NCVER, *VET student outcomes* (2024).
5. Productivity Commission, *Fairly Equal? Economic mobility in Australia* (2024) <https://www.pc.gov.au/research/completed/fairly-equal-mobility/fairly-equal-mobility.pdf>.
6. NSW Government, *Try a Trade giving young people in custody a chance for transition* (2023) <https://www.nsw.gov.au/media-releases/youth-justice-try-a-trade>.

For example, location may influence a family's ability to access employment, education or training.[1] Similarly, family circumstances can also influence a young person's ability to access resources to successfully participate at school and/or in transitioning to post-school employment and training.[1]

Other factors, as outlined in Figure 4.1, may also influence an individual's economic (and social) mobility. These factors can impact an individual later in life and often occur unexpectedly. For example, the loss of a job may impact economic mobility, or an unexpected health condition that requires an individual to take a long period of leave from work. It is when an individual has increasing exposure to multiple factors, and in a negative way, that they tend to experience more disadvantage and/or disengagement than others.[1]

Australia will not be able to raise the living standards for its most disadvantaged or disengaged young people if systemic and generational barriers to participating in and completing post-school training and employment, such as apprenticeships, are not addressed.

As outlined in Chapter 3, there are superior outcomes for those who complete apprenticeship pathways as they relate to gaining employment, increased earnings, reduced reliance on welfare and developing skills directly relating to the apprentice's job.

This chapter highlights barriers to participation and completion preventing some young people from making this successful transition to the workplace and highlights the economic and social benefits that come with apprenticeships that provide structured training and employment programs.

Figure 4.1: Factors that influence economic mobility[1]

01
Economic and social conditions during childhood

Conditions such as location and social networks, that influence quality and access to medical, education, and financial services.

02
Life events influenced by parental income

Events such as educational attainment, housing stability, employment and health outcomes.

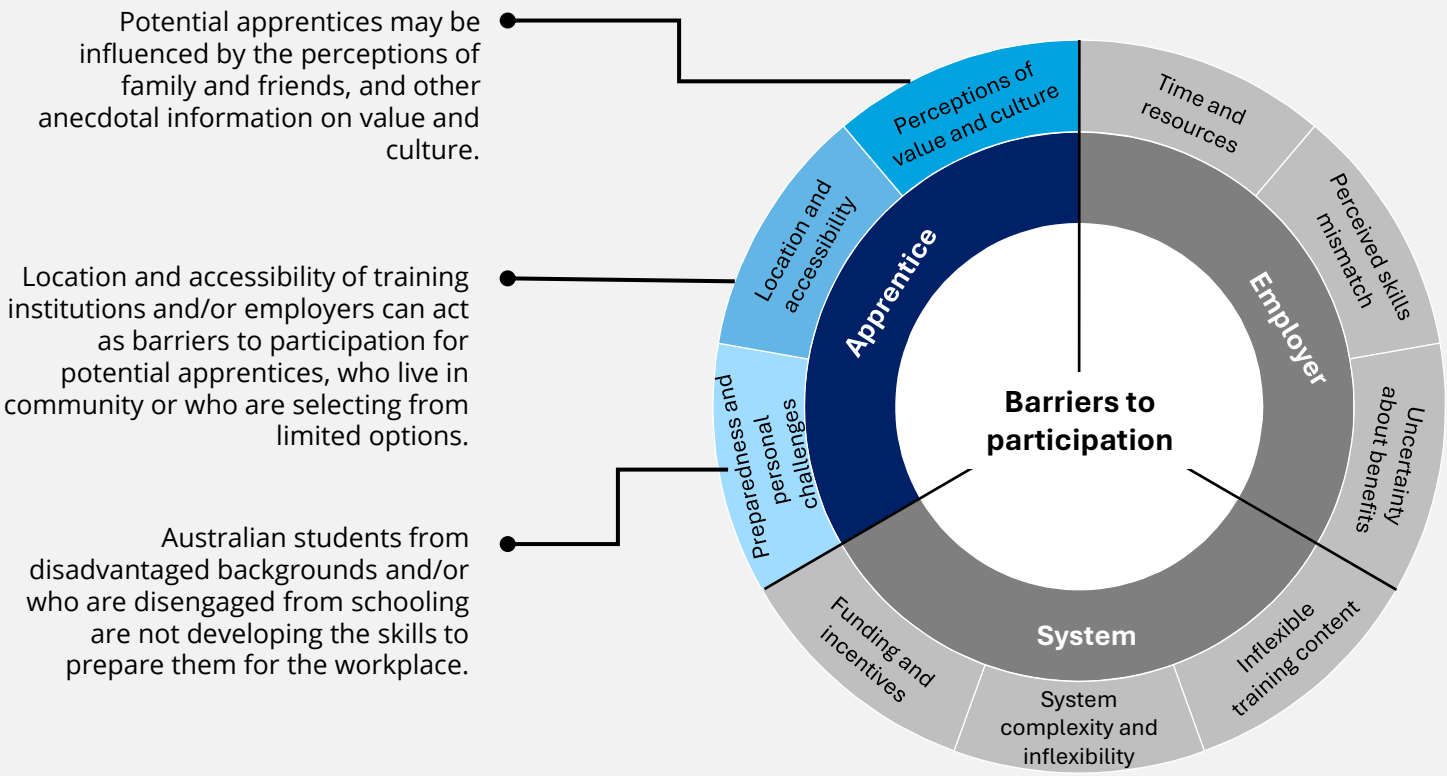
03
Other life events

Events such as family separation, unexpected health conditions, and economic cycles that influence individuals' income.

Source: Productivity Commission, *Fairly Equal? Economic mobility in Australia*, 2024
Note: This figure excludes several important factors such as individual preferences, ability and effort

1. Productivity Commission, *Fairly Equal? Economic mobility in Australia* (2024) <https://www.pc.gov.au/research/completed/fairly-equal-mobility/fairly-equal-mobility.pdf>.

Figure 4.2: Barriers to apprentice participation



4.3 Barriers to participation for potential apprentices

Research indicates several barriers that make it challenging for people to participate in apprenticeship programs – particularly young people who are disengaged in schooling and/or facing disadvantage. This section discusses three of these barriers, specifically:

- the preparedness and personal challenges faced by potential apprentices
- the location and accessibility of training institutions and/or employers
- the perceptions of families and/or friends that may deter potential apprentices from considering an apprenticeship program.

Preparedness and personal challenges

Engagement in primary and secondary schooling is important for student learning and development. When a student is disengaged at school (or not attending) it impacts their academic outcomes and can lead to a range of social challenges and/or behavioural issues that make them less prepared to enter the workplace.[1]

According to ACARA, in 2024 the national student attendance rate was at 88.3% (Years 1-10). [5] The rate was significantly lower for the Northern Territory, at 76.7%, compared to other states and territories that sat between approximately 86-88%.[2]

1. Victorian Department of Education and Training, *Insights for early action research project literature review* (2018) <https://www.academy.vic.gov.au/sites/default/files/2019-09/IfEA-Literature-Review-Final-17Sept2018.pdf>.
2. ACARA, *Student attendance* (2024) <https://www.acara.edu.au/reporting/national-report-on-schooling-in-australia/student-attendance>.

Internationally, school attendance is seen as problematic if it falls below a 90% attendance rate. A recent paper published by the British Education Research Journal examined long-term associations between school attendance and further study and employment outcomes.[1] The research found that disengagement and absences while at school did increase the likelihood of that individual 'acquiring no qualifications and being non-employed'.[1]

This is consistent with research that has found a lower school qualification can impact a young person's educational and economic outcomes[2], which in turn impacts their earning potential and how they contribute to the broader labour market.

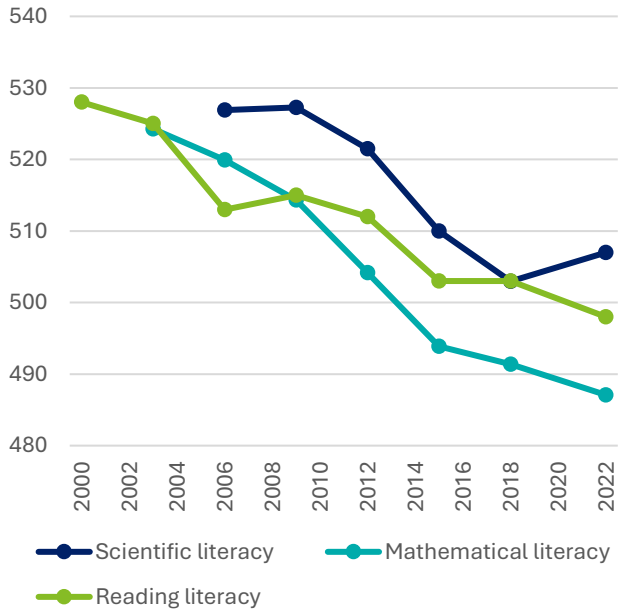
These youth engagement and attendance challenges in schooling may be impacting the school to work transition, with a growing perception among employers that students are not developing the skills they need to prepare them to enter the workforce.

For example, employers in NSW, as part of the Department of Education's Behavioural Insights Team report (2020), expressed that young people do not 'understand workplace requirements such as punctuality, and don't have a willingness to accept authority or critical feedback'.[3] The paper noted that this statement was seen by employers as particularly true for young people experiencing disadvantage (e.g., lower socio-economic backgrounds).

In states like Western Australia, the report shared employers perceive young people applying for apprenticeships as having 'poor communication, social and interview skills", and in South Australia employers expressing concerns that young people 'lack language, literacy and numeracy skills' as well as other soft skills that are important for the workplace.[3] These perceptions of preparedness are impacting participation outcomes for potential apprentices.

PISA results over time for Australian students continue to be a decline, particularly in mathematical literacy and reading literacy between 2018 and 2022 (Chart 4.3).

Chart 4.3: PISA mean scores for Australian students



Source: Deloitte Access Economics using PISA data (2022)

1. Drager, Klein and Sosu, 'The long-term consequences of early school absences for educational attainment and labour market outcomes' (2024) 50(4) *British Education Research Journal* p1636.
2. Ansari, Hofkens and Pianta, 'Absenteeism in the first decade of education forecasts civic engagement and educational and socioeconomic prospects in young adulthood' (2020) 49(4) *Journal of Youth and Adolescence* p1835.
3. The Behavioural Insights Team, *Perceptions of Apprenticeships* (report commissioned by the Department of Education, February 2020) <https://www.education.gov.au/recurrent-funding-schools/resources/perceptions-apprenticeships-behavioural-insights-evidence-review-february-2020>.

The OECD discusses the PISA scores indicated that students experiencing a form of disadvantage in Australia were outperformed in areas such as mathematics by those students from high socio-economic backgrounds (e.g., by 101 score points). And those students who identified as immigrant (born in another country but living in Australia) performed, on average, 24 score points higher in mathematics, compared to non-immigrant Australian students.[1]

More targeted supports can be introduced to support young people to re-engage in education, training and/or employment. Particularly for those who are experiencing disadvantage and are struggling to prepare themselves for the workplace, post schooling.

Location and accessibility

Location is another barrier that could impact a young person's ability to commence education and training. This could emerge as a barrier in several ways, including:

- Location could become a barrier to commencement when there is no RTO within reasonable distance/travel time of a young person's home.
- It could also become a barrier when there are limited opportunities locally to work with businesses as part of the apprenticeship program.

The Strategic Review of the Australian Apprenticeship System Final Report (The Strategic Review) acknowledges that these barriers are particularly pronounced for First Nations people who live in community.[2] These potential apprentices may be required to travel long distances to access training as there could be limited courses available in rural and remote locations.[2] This would require them to leave their community and/or drive for significant periods of time [2].

More generally, The Strategic Review also raised that there are barriers to those living in rural and remote areas as choices (course or employer) are often limited. [2] While this can be advantageous for apprentices as they gain a range of technical skills in high priority areas (e.g., in the mining industry), the lack of choice in certain locations can 'reduce whole of life outcomes'.[2]

Perceptions of value and culture

Perceptions of the relative value of vocational education and training can act as a barrier to a young person participating in an apprenticeship program. The Department of Education's Behavioural Insights Team report (2020) shares that parents are one of the greatest influences on a young person's career decisions.[3]

1. OECD, *Australia student performance (PISA 2022)* <https://gpseducation.oecd.org/CountryProfile?primaryCountry=AUS&treshold=10&topic=PI>.
2. Department of Employment and Workplace Relations, *Strategic Review of the Australian Apprenticeship Incentive System* (February 2025) <https://www.dewr.gov.au/download/16795/strategic-review-australian-apprenticeship-incentive-system-final-report/39422/strategic-review-australian-apprenticeship-incentive-system-final-report/pdf>.
3. The Behavioural Insights Team, *Perceptions of Apprenticeships* (report commissioned by the Department of Education, February 2020) <https://www.education.gov.au/recurrent-funding-schools/resources/perceptions-apprenticeships-behavioural-insights-evidence-review-february-2020>.

76% of young people reported that they 'go to their parents for career advice' and 'believe their parents have their best interests at heart'.[1]

However, the same report shares that a national survey of Australians found that:

79% of parents prefer university education over vocational education and training, including apprenticeships.[1]

The recent parliamentary inquiry into the Perceptions and Status of Vocational Education and Training found that school students also tend to hold more negative perceptions of VET, including that it is 'easier and less academically rigorous', a 'last resort for students' and may 'lead to lower-paid careers with fewer prospects of career advancement'.[2] These perceptions can be informed by friends and peers, and can impact student willingness to consider VET pathways post schooling.[2]

Perceptions of value are impacting young people's decisions to participate in the apprenticeship system, but perceptions of culture are also having an impact. A recent paper examining factors impacting the attractiveness of apprenticeship programs discussed literature that raised several factors related to culture[3]:

- perceptions of manual labour
- male-dominant occupations,
- hours of work
- exploitation of workers

Each of these perceptions – anecdotal or otherwise - make these programs less attractive for potential apprentices.

1. The Behavioural Insights Team, *Perceptions of Apprenticeships* (report commissioned by the Department of Education, February 2020) <https://www.education.gov.au/recurrent-funding-schools/resources/perceptions-apprenticeships-behavioural-insights-evidence-review-february-2020>.
2. Parliament of Australia, *Inquiry into the Perceptions and Status of Vocational Education and Training* (2023) <https://www.aph.gov.au/Parliamentary_Business/Committees/House/Employment_Education_and_Training/VETInquiry>.
3. Smith, E, 'Apprenticeships: The problem of attractiveness and the hindrance of heterogeneity' (2023) 27 *International Journal of Training and Development.*

4.4 Barriers to completion for existing apprentices

More than 1 in 5 apprentices who either commenced or were in training 2023, decided to either cancel or withdraw from their training.[1] The reasons for these withdrawals are varied across sectors, and fields of study. Some of the main reasons for discontinuing training have been outlined in Chart 4.3 below.

Chart 4.3: Main reason for discontinuing training

Source: Deloitte Access Economics Analysis of VOCSTATS (2025).

Changing jobs or starting a new job (41%) was the main reason that apprentices discontinued their training, followed by personal reasons (12%), job loss (12%) and problems with work placement (9%).

Box 2: MEGT Survey Findings

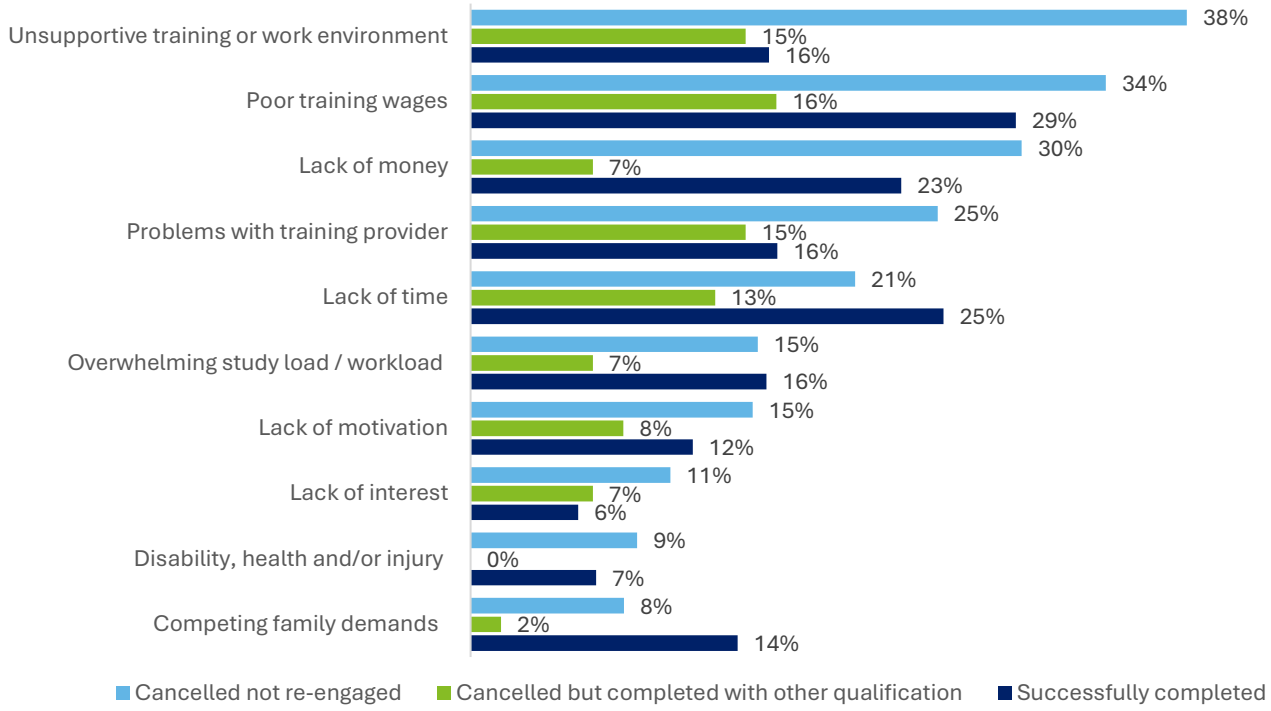
A recent survey fielded by MEGT explored challenges faced by apprentices/trainees when completing their program. This survey received responses from apprentices who had successfully completed their program (53%), cancelled and not re-engaged (44%), and cancelled but completed with a different qualification (2%).[2]

Of those apprentices who discontinued training, an unsupportive training or work environment (38%), poor training wages (34%), lack of money (30%), problems with the training provider (30%), lack of time (21%), and overwhelming study load/ workload (15%) were key challenges.[2]

Chart 4.4 overleaf provides the breakdown of challenges faced by apprentices. Some of the key challenges raised by these individuals may provide an explanation for the reasons apprentices discontinue training (Chart 4.3) . For example, a lack of time or lack of money may explain why an apprentice would change their job or start a new job. If an apprentice was finding it challenging to complete their program due to disability, health or injury, they would discontinue due to personal reasons.

1. NCVER, *Apprentices and Trainees collection* (2024) <https://www.ncver.edu.au/research-and-statistics/publications/all-publications/apprentices-and-trainees-2024-september-quarter>.
2. MEGT Australia, *MEGT apprenticeship survey* (2025)

Chart 4.4 MEGT survey responses to "what challenges did you face in completing your apprenticeship/traineeship program?"

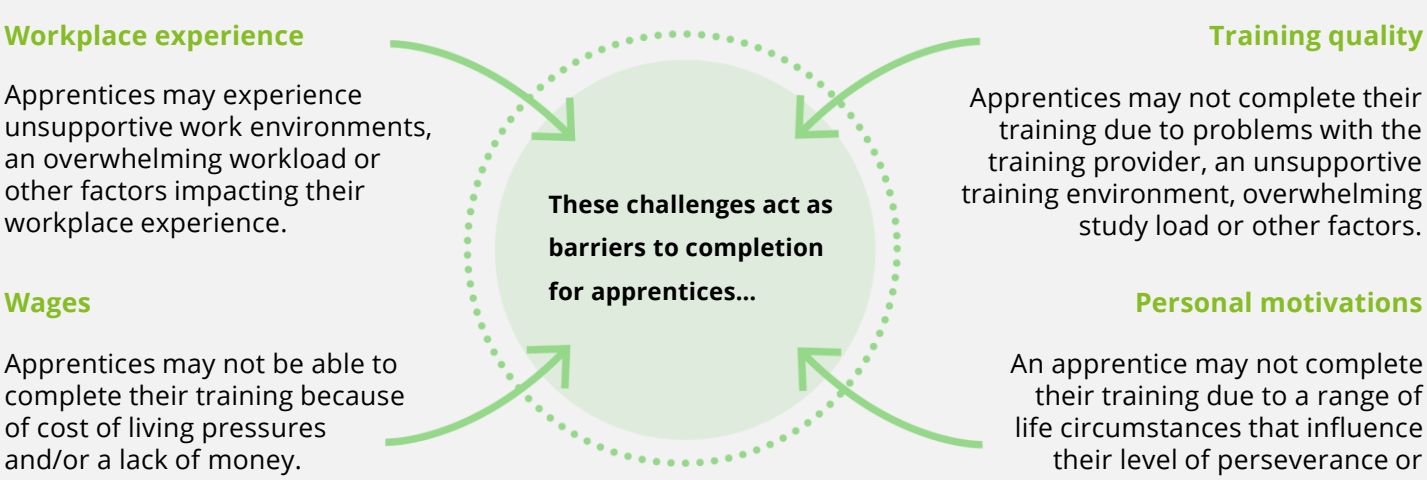


Source: Deloitte Access Economics Analysis of MEGT survey (2025).
Notes: Chart is ordered by the reasons selected by the cohort who cancelled and did not re-engage. Top 10 reasons are shown. 'Other' and 'Limited access to transportation' have been excluded for clarity and relevance.

While there are few direct matches between the datasets, the 'challenges' that had higher responses could be linked to those reasons for discontinuing that also had higher responses.

Key challenges, including poor workplace experience, low wages, training quality and personal motivations are discussed overleaf and outlined in Figure 4. 3 below.

Figure 4.3: Barriers to apprenticeship completion



Workplace experience

The Department of Education's Behavioural Insights Team report (2020) acknowledges that an apprenticeship is not suited to all young people.[1] Those who are leaving the system as a result of taking on a new job may have commenced an apprenticeship that was not well aligned to their interests and/or capability.[1] In other circumstances, apprentices may be leaving their programs due to unsupportive work environments.

The survey fielded by MEGT found that for those who had cancelled and did not re-engage in their program, unsupportive training or work environment, and an overwhelming workload, were key barriers.

Workplace culture has been raised in The Strategic Review as the 'tipping factor in commitment'.[2] Where apprentices perceive their workplace culture as negative, or had feelings of being undervalued, they were likely to consider and/or find other employment.[2]

A range of perspectives were provided from apprentices as part of The Strategic Review's consultation process. While the majority of apprentices felt that their program met their expectations.[2] There were some who felt it did not meet expectations, often due to poor workplace experiences or limited support through supervision[2] which may also be contributing factors causing apprentices to find new employment.

Wages

Information provided through The Strategic Review also indicated that, with cost of living pressures, wages are another challenge for apprentices, causing them to change jobs and/or not complete their apprenticeship.[2] As part of this report, the Electrical Trades Union shared that cost of living pressures were impacting their apprentice members, stating[2] :

'Apprentice members are now frequently reporting to the [Electrical Trades Union] that they are taking on a second job or doing more overtime than they would prefer, just to meet basic living expenses.'

The MEGT survey results (Chart 5.3) support these statements, with 30% of those who cancelled and did not re-engage in their apprenticeship saying this was due to a lack of money. Individual apprentices, through the Australian Industry Group (focus group) also shared their views on wages[2]:

'Pay is low, I'm lucky to have support from my family but others are affected'.

'A liveable wage [would assist me to thrive in my apprenticeship]. The only way I'm existing is through my savings'.

1. The Behavioural Insights Team, *Perceptions of Apprenticeships* (report commissioned by the Department of Education, February 2020) <https://www.education.gov.au/recurrent-funding-schools/resources/perceptions-apprenticeships-behavioural-insights-evidence-review-february-2020>.
2. Department of Employment and Workplace Relations, *Strategic Review of the Australian Apprenticeship Incentive System* (February 2025) <https://www.dewr.gov.au/download/16795/strategic-review-australian-apprenticeship-incentive-system-final-report/39422/strategic-review-australian-apprenticeship-incentive-system-final-report/pdf>.

Training quality

Training related reasons, as outlined in Chart 4.3, were reported as barriers to apprentices completing their program. These training related reasons include:

- Training was not as expected (8%)
- Training no longer related to plans (7%)
- Started other training (4%).

In the survey fielded by MEGT, 25% of apprentices who cancelled and did not re-engage in training said it was due to problems with the training provider, while 38% said it was due to an unsupportive training or work environment, and 15% due to an overwhelming study load/workload.

The Strategic Review listed several challenges with training, including[1]:

Shortage and/or capacity of trainers

Old training / classroom content

Limited industry experience (of some trainers)

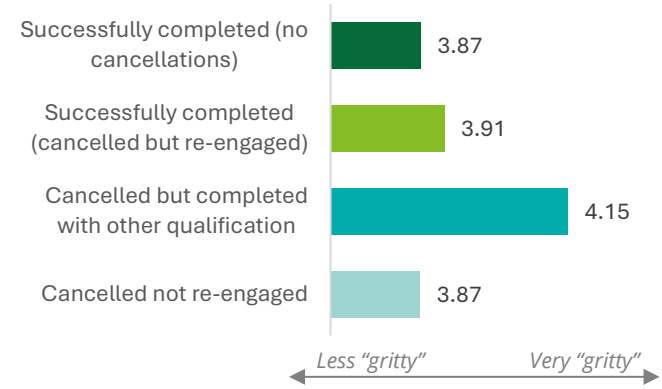
A previous paper from the OECD asked the question "how to ensure a good learning experience at work?".[2] It highlighted the need to ensure that classroom training and exams are more than 'tests for theoretical and technical knowledge'.[2] And that trainers should consider ways to simulate how skills are applied by the apprentice in their work context.

Personal motivations / factors

Personal reasons, such as changing goals, evolving interests, or life circumstances, are common drivers of apprenticeship non-completion, particularly among younger learners still exploring their direction. Apprenticeships are often seen as linear, but disruptions are a natural part of many learners' development rather than failures.

A 2025 MEGT survey on "grit", defined as perseverance and passion for long-term goals, found that apprenticeships who re-engaged and completed their training (whether in the same or a different qualification) showed higher levels of grit than those who cancelled without returning, or those who completed without disruption.

Chart 4.5 MEGT survey responses on grit



Source: Deloitte Access Economics analysis of MEGT survey (2025).

These re-engaged learners were more likely to agree with statements such as "I usually rebound after difficulties," and less likely to agree with "many problems seem unsolvable to me", highlighting that the ability to recover from setbacks, not just to persist without disruption, supports their success.

1. Department of Employment and Workplace Relations, *Strategic Review of the Australian Apprenticeship Incentive System* (February 2025) <https://www.dewr.gov.au/download/16795/strategic-review-australian-apprenticeship-incentive-system-final-report/39422/strategic-review-australian-apprenticeship-incentive-system-final-report/pdf>.
2. OECD, *Seven Questions about Apprenticeships* (2018) <https://www.oecd.org/en/publications/2018/10/seven-questions-about-apprenticeships_g1g95a30.html>.

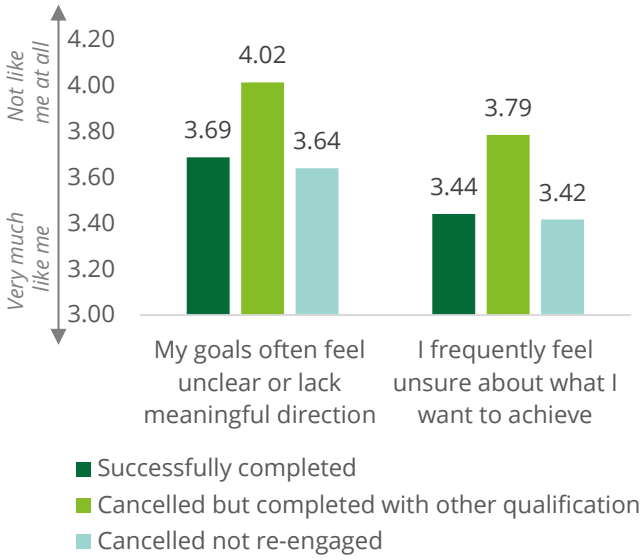
Since grit is not fixed, the apprenticeship system can actively nurture it through wraparound supports like mentoring, mental health services, and timely outreach. Rather than expecting all learners to cope independently, systems should anticipate disruptions and help build resilience needed for sustained engagement.

Some learners disengage due to unclear or evolving goals. MEGT's survey found that those who cancelled without re-engaging feel uncertain about their direction, agreeing with statements like "My goals often feel unclear" and "I frequently feel unsure about what I want to achieve" (Chart 4.6). While this signals a need for improved goal-setting support, it also reflects a natural exploratory phase, especially among younger learners shaping their vocational identity.

Internal MEGT data shows that of the around 80,000 trainees and apprentices who successfully completed their qualification over 2022 to 2024, around 4% had multiple training contracts, meaning they cancelled their training contract and then recommenced at a later stage. For some, successful completion took multiple attempts (Table 4.1)

The current apprenticeship model often assumes fixed goals from the start and doesn't fully support changing interests. Cancellations can be seen as part of career development, not necessarily failure.

Chart 4.6 MEGT survey responses on approaches to various life aspects, including learning and challenges



Source: Deloitte Access Economics Analysis of MEGT survey (2025).
Notes: "Successfully completed" includes both individuals who completed without cancellation and those who cancelled but later re-engaged and completed their training.

The system can be more flexible and learner-centred, allowing movement between qualifications, recognising transferable skills, and avoiding punitive responses, to reduce stigma and better reflect learners' realities.

Table 4.1 Number of training contracts for successfully re-commencing apprentices

	Number of Training Contracts Registered								
	2	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**
Number of re-commencing apprentices and trainees	1,957	703	206	71	16	5	1	0	1

Source: Deloitte Access Economics analysis of MEGT data
Notes: Cancelled but recommenced and went on to successfully complete in the same qualification = 2,873, Successful Completions = 76,733; Initially cancelled and then subsequently successfully completed in a different qualification area = 260.

Learners who cancelled and did not re-engage showed lower motivation and persistence, alongside a limited growth mindset.

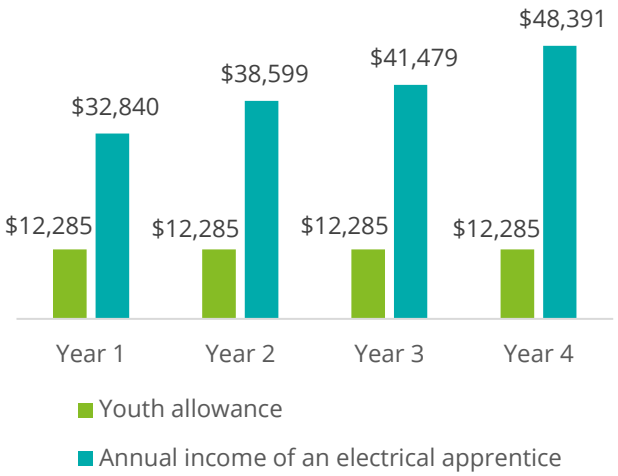
They were more likely to agree with statements like "I find it hard to stay committed to my goals," less likely to agree with "I usually persist with learning," and less confident in their ability to improve, as shown by disagreement with "I can improve my capabilities with effort." Research by the NSW Government shows apprentices lacking confidence are more likely to drop out than seek help.[1]

To better support these learners, programs must build resilience, foster a growth mindset, and strengthen commitment through targeted coaching and encouragement. Beyond attendance or completion rates, the system needs to focus more deeply on learner mindset and engagement. Emphasising feedback, continuous improvement, and self-efficacy can equip learners with the internal resources to not just stay engaged, but thrive.

4.5 The opportunities

If these barriers to participation and completion can be reduced and/or resolved, there are benefits to be felt for individuals and the economy. More specifically, the benefits felt by young people include higher wages and increased probability of employment. For the economy, the benefits lead to less reliance on government supports (e.g., youth allowance) and increasing productivity with more skilled young people entering the workforce.

Chart 4.7 Annual income for an individual training as an Electrical apprentice and an individual receiving youth allowance



Source: Deloitte Access Economics, using information from Services Australia and Fair work.

Youth allowance is available for students under the age of 24 studying full time or completing an apprenticeship. It is also available to people aged 21 or below looking for employment.[2]

A first-year electrical apprentice could earn a wage that is more than 2.5 times the amount of a student studying at university who is only accessing the youth allowance. This income gap widens over time as an apprentice's wage increases each year that they remain in training.

By the 4th year of training, an electrical apprentice could earn nearly 4 times the amount of a young person accessing youth allowance.

1. New South Wales Government, *Increasing completion of apprenticeships and traineeships using behaviourally informed messages* (March 2021) <https://www.nsw.gov.au/sites/default/files/2021-06/Increasing_Completion_of_Apprenticeships_and_Traineeships_using_Behaviourally_informed_Messages.pdf>
2. Services Australia, *Youth Allowance for students and Australian Apprentices* (2024) <https://www.servicesaustralia.gov.au/youth-allowance-for-students-and-australian-apprentices>

4.6 Conclusions

Strengthening pathways to successful apprenticeships requires consideration of:

Support services for apprentices

More support services can be funded to support apprentices to commence and complete their program. These services can focus on supporting students to navigate the system, including which pathways are best suited to their interests and abilities.

Services may also be introduced to more deeply support apprentices who face challenges with completing their program due to personal reasons (e.g., mental health, disability). These pastoral supports can underpin apprentices as they move towards completing their training, where they face a range of barriers due to life circumstances.

New services will be particularly important in bridging learning gaps post-schooling, and in reducing any episodic risks that may impact an apprentice's ability to complete their program. Both of these conditions appear to be increasingly prevalent in contemporary education and training settings across Australia and beyond.

Flexibility and portability in training

The apprenticeship system could allow for increasing flexibility and portability, so that young people (in particular) are able to change their program and still have the value of prior training recognised (complete or not complete).

Work could also be done to support employers to take on apprentices who have partially completed their program, so that they can still transition to employment in instances where finishing their qualification is not desirable or possible.

Greater consideration could be given to options for accelerated apprentices, so that these are more available. These pathways could be options for more experienced workers who have completed relevant training and/or have relevant work experience.

These opportunities can encourage more people to give apprenticeships a go, reducing the pressure on them to complete their program if it's not the right pathway and/or if personal motivations change, due to life circumstances.

Career guidance and promotion

There is an opportunity to consider how schools and others can support students to better understand their options (and the benefits of these options) when it comes commencing and completing an apprenticeship.

Career advice provided in school could focus on communicating a range of diverse apprenticeship pathways – to all students – and the evidence of outcomes that are achieved by those undertaking these programs (e.g., earning potential and job opportunities).

This could extend to communicating this guidance to parents, who are key in supporting young people to make decisions around their engagement in education, training and employment.

Career planning and guidance will be important to shift perceptions of students, peers and families as it relates to apprenticeship programs. If the value of an apprenticeship is clear, and pathways for students are well communicated, it is expected that more will consider these programs and commence training.

Story-telling, and clarity of outcomes, are increasingly essential in a noisy and sometimes narrow world of communications.

'Grow your own' training models

Government could work with local businesses and training providers to introduce structured place-based programs that focus on increasing access to training and employment opportunities in more regional areas.

These types of models are expected to address specific skills gaps faced by businesses, building a local pipeline of soon to be qualified workers.[1]

Targeted funding support could be provided to ensure that these programs are equipped with the required capabilities to deliver ongoing, positive experiences locally. With this more structured training and employment support, youth may be more likely to work and learn locally rather than commute to larger cities. This reduces challenges faced by local businesses to attract people to these areas.

This opportunity has the potential to remove several barriers for young people, through increasing apprenticeship options locally, and also through increasing the supports to complete these programs locally (e.g., supervision and mentorship).

1. New South Wales Government, *Grow Your Own* (2025) <https://education.nsw.gov.au/teach-nsw/get-paid-to-study/grow-your-own>

5

Barriers to employer participation in the system

Chapter 5: Barriers to employer participation in the system

This chapter explores challenges for employers participating in the apprenticeship system. It examines their preferences across skilled workers, migrant workers and apprentices. It also raises key barriers that deter employers from participating in the system, and initiatives that may make small and new employers (in particular) more willing and able.

Technicians and Trades occupations remain the most difficult for employers to hire. In 2024, recruitment difficulty for Technicians and Trades was at approximately 68%. This is compared to professionals and labourers that are 61% and 42% respectively.

Many smaller businesses do not have human resources departments and struggle to navigate the plethora of information to recruit apprentices . They would benefit from expanded engagement and support services that provide them with mentoring on how to employ an apprentice, so that this does not become a costly exercise.

Two key reasons for why employers may not hire an apprentice were reported as (1) employers not understanding the apprenticeship system – therefore they may not fully understand the benefits of hiring an apprentice, and (2) employers having concerns that the cost to their business would be more than the benefits – therefore they are deciding not to invest.

5.1 Skills shortages are impacting business growth and transformation

Australia continues to face complex challenges as a result of acute skills shortages. According to JSA, the 2024 Occupational Shortage List (OSL) shows that 32% of occupations were in national shortage.[1]

This is a total of 295 occupations still in shortage across Australia, with many of these in areas such as health, education, technology and construction.[1] This is having a direct and negative impact on the economy, as these skills shortages translate to decreasing productivity and create challenges with fully capitalising on opportunities within impacted sectors.

The Australian Government, in its 2025-26 Budget, continues to prioritise investments in healthcare, housing, education and the clean economy. Some key investments include[2]:

- $17.1 billion to deliver transport infrastructure (road and rail) over 10 years
- $54 million in 'modern methods' to build homes faster
- $7.9 billion to increase bulk billing services in healthcare
- $3 billion towards investment in green materials
- $5 billion to expand access to early education and care services.

These investments are intended to enable Australia to meet local needs, create jobs and support a growing population. However, when investments are focused on specific sectors already experiencing acute skills shortages, it can exacerbate the gap between supply and demand of workers.

For example, Chapter 3 refers to the substantial expansion of the skilled workforce needed to deliver on Australia's net zero goals, noting an additional 213,000 workers will be required by 2033.[3] In the care and support sector, there continue to be significant skills shortages, despite in 2025 having employed 15.8% of the national workforce. The projected shortfall, by 2050, is 285,000 workers across areas such as aged care, disability support and nursing.[4]

Many employers may feel pressure to capitalise on these opportunities. However, persistent skills shortages (and gaps) continue as a barrier to business transformation and growth. According to the WEF Future Jobs Report, 63% of employers globally see skills gaps being a major barrier for their business in the next 5 years.[5] These employers surveyed (globally) anticipate that 39% of the workforce's 'core skills' will change during that period.[5] As a result, 85% of employers surveyed are looking to prioritise upskilling, and 70% are looking to hire staff with new skill sets.[5]

1. Jobs and Skills Australia, *Occupation Shortage List* (2024) <https://www.jobsandskills.gov.au/data/occupation-shortages-analysis/occupation-shortage-list>.
2. Australian Government, *Budget 2025-26* (2025) <https://budget.gov.au/content/overview/download/budget-overview.pdf>
3. Jobs and Skills Australia, *Clean Energy Capacity Study* (October 2023) <https://www.jobsandskills.gov.au/research/studies/clean-energy-capacity-study>.
4. Department of Employment and Workplace Relations, *Strategic Review of the Australian Apprenticeship Incentive System* (February 2025) <https://www.dewr.gov.au/download/16795/strategic-review-australian-apprenticeship-incentive-system-final-report/39422/strategic-review-australian-apprenticeship-incentive-system-final-report/pdf>.
5. World Economic Forum, *The Future Jobs Report 2025* (January 2025) <https://www.weforum.org/publications/the-future-of-jobs-report-2025/digest/>

Hiring new staff

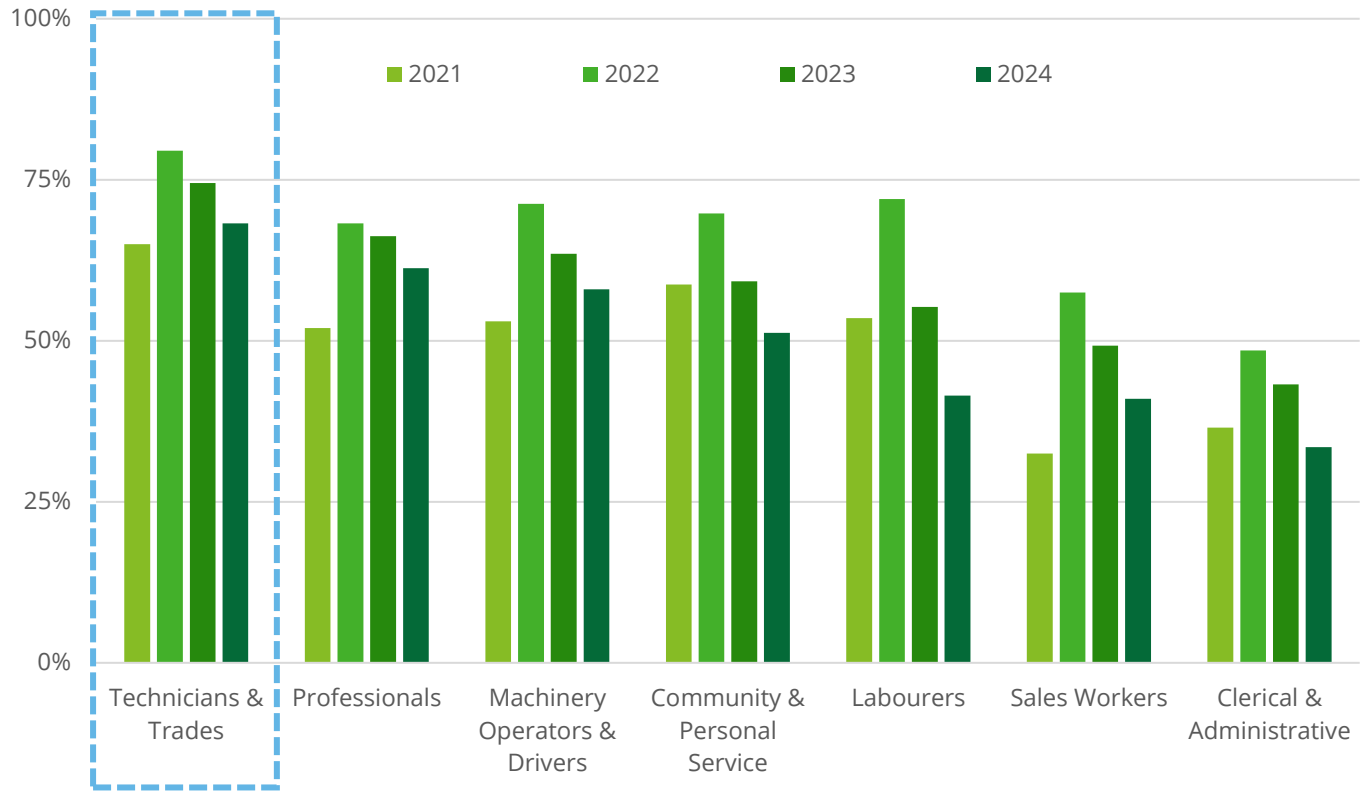
According to JSA, the recruitment difficulty rate is, sitting at 43% in February 2025.[1] While recruitment difficulty is trending downwards, Technicians and Trades occupations remain the most difficult for employers to hire. Chart 5.2 shows that in 2024, recruitment difficulty for Technicians and Trades was at approximately 68%. This is compared to professionals and labourers that are 61% and 42% respectively.

Key reasons for recruitment difficulty have been reported as a[2]:

- lack of suitable applicants
- lack of experience
- lack of technical skills
- general lack of applicants.

As a result, 4 in 10 Australian employers are leveraging migration - hiring overseas skills [2].

Chart 5.2: Recruitment difficulty by occupation (% of employers reporting difficulty when recruiting)



Source: Jobs and Skills Australia, Deloitte Access Economics

1. Jobs and Skills Australia, *Recruitment Experiences and Outlook Survey* (February 2025) <https://www.jobsandskills.gov.au/sites/default/files/2025-03/reos_recruitment_insights_report_february_2025.pdf>.
2. Australian HR Institute, *The Evolving Skills Landscape: Anticipating current and future requirements* (June 2024) <https://www.ahri.com.au/wp-content/uploads/22477-AHR-Skills-Report-DD3-digital.pdf>.

Table 5.1: Percentage of workers by occupation who have completed an apprenticeship, are temporary migrants or permanent migrants

Occupation	Apprentice completion (%) 2024	Temporary Migrant (%) 2021	Permanent Migrant (%) 2021
Child care	4.34%	8.20%	24.36%
Nursing support	2.24%	17.00%	28.23%
Motor Mechanics	6.06%	9.67%	11.83%
Electricians	5.26%	3.42%	8.85%
Plumbers	5.22%	3.31%	5.67%

Source: ABS Census data, Deloitte Access Economics

Table 5.1 indicates that migrant workers are being utilised across a range of occupations that are aligned to Apprenticeships. This may be due to immediate increasing demands across relevant sectors and the more immediate need for experienced workers (e.g., in child care and in health care).

However, the extent to which migrant workers are being utilised across these occupations is mixed, and there may be scope to increase the utilisation of apprentices in some of these areas.

Upskilling the workforce

In Australia, while many employers recognise that upskilling the existing workforce will be critical, very few are willing to invest more in education and training. The 2024 evolving skills landscape report produced by the Australian HR Institute (AHRI) indicates that only 37% of employers surveyed (out of approximately 600) plan to increase their investment in training (their current workforce) in the next 12 months.[1]

This is despite the fact that, across the 607 employers, 19% of employees are not seen as 'proficient' in their role.[1]

Some of the perceived reasons (by these employers) for suboptimal proficiency were due to[1]:

- Evolving business needs (44%)
- Constant changes to skills needs (42%)
- Employees not being fully trained or experienced in their role (39%)
- Employees being reluctant to develop new skills (30%)
- Under-investment in training and development (25%)

Without investment in upskilling workers, through training, it will be difficult for many businesses to lift organisational-level productivity.

1. Australian HR Institute, *The Evolving Skills Landscape: Anticipating current and future requirements* (June 2024) <https://www.ahri.com.au/wp-content/uploads/22477-AHR-Skills-Report-DD3-digital.pdf>.

A survey, by AiGroup (Chart 5.1), reported that 79% of businesses surveyed find it challenging to find or train – specifically –Technicians and Trades occupations. When asking these businesses how they plan to address these skills needs over the next 12 months, nearly 80% of those surveyed plan to focus their efforts on reskilling existing staff on the job, and nearly 50% on employing apprentices and trainees.

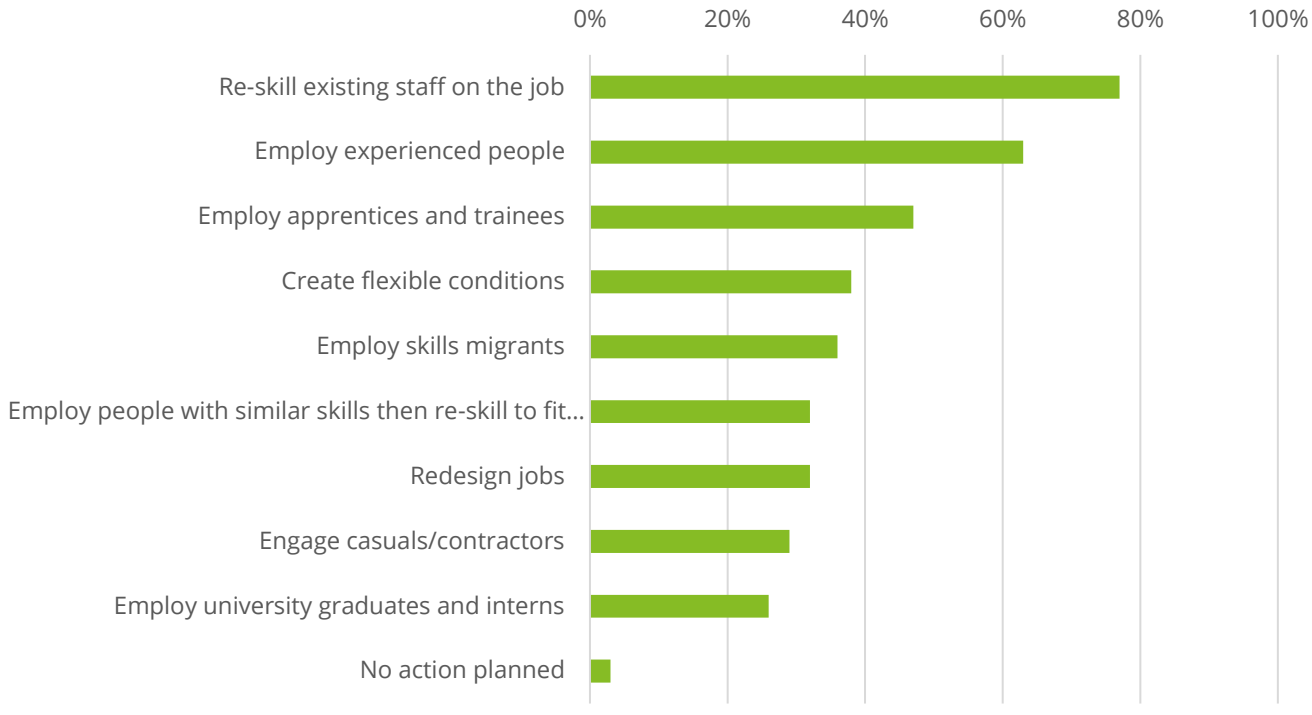
Generally speaking, those surveyed by AHRI perceived apprenticeships as a cost-effective way to access skilled workers, with these programs combining training and work experience to build future pipelines.[1]

5.2 There are barriers impacting employer participation in the apprenticeship system

While there are many ways that employers can access skilled workers, there are clear benefits that come with investing in apprentices. A study by NCVER looked to understand patterns of cost for employers who hired apprentices in the electrical industry.[2] It considered costs to employers, from supervision, to materials, apprenticeship wages and for administration.

It was agreed among participating employers that supervision was the most expensive cost to their businesses (apart from wages).[2] At year 1 of an apprenticeship, wages paid were seen as being slightly more than the perceived productivity of the apprentice.[2]

Chart 5.1: AiGroup Skills Survey (Planned actions to address skills needs over next 12 months)



Source: AiGroup Skills in Demand Report – June 2024

1. Australian HR Institute, *The Evolving Skills Landscape: Anticipating current and future requirements* (June 2024) <https://www.ahri.com.au/wp-content/uploads/22477-AHR-Skills-Report-DD3-digital.pdf>.
2. NCVER, *The cost of training apprentices* (2009) <https://www.ncver.edu.au/__data/assets/file/0019/16723/cp05070.pdf>

At years 2, 3 and 4 apprentices were perceived to be slightly more productive or just as productive as their wages – allowing employers to see the return on their investment.[1]

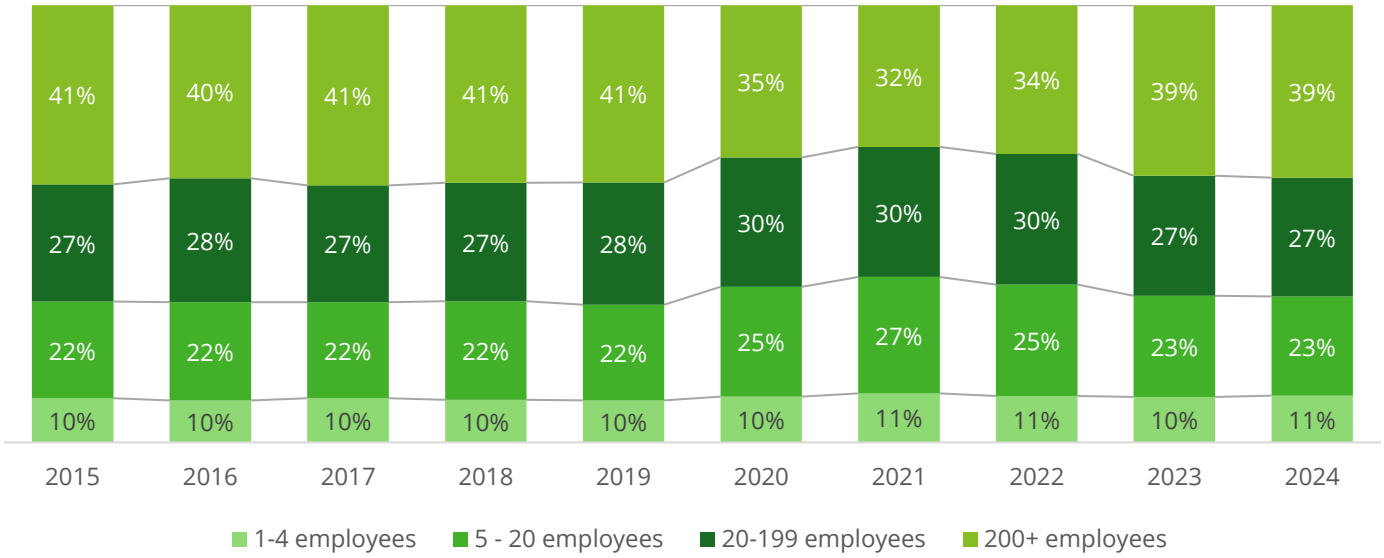
Despite the longer-term productivity gains to be expected by employers supporting apprentices (and the gains for individual apprentices), many businesses, particularly those small and medium enterprises (SMEs) or those new to the apprenticeship system, can be reluctant to participate given the upfront costs, and no guarantee an apprentice will remain employed for those later years.

As seen in Chart 5.3, very small businesses (1-4 employees) consistently represent 10% of the employer population participating in the apprenticeship system, while small businesses (5-20) account for one third of employers. While the proportion of small businesses increased during the pandemic, this has since returned to pre-pandemic levels.

This increase during the COVID-19 period indicates that small employers are relatively responsive to incentive changes that support them to access apprentices – at least in the shorter term when these incentives are first made available.

The majority of employers participating in the apprenticeship system are also located in major cities, with less than 8% in inner regional/outer regional or remote locations. The participation of very small and small employers is less than large and medium employers in inner regional and outer regional areas (Chart 5.4), which illustrates the missed opportunity to support more of these businesses to build local pools of workers in often hard to fill locations.

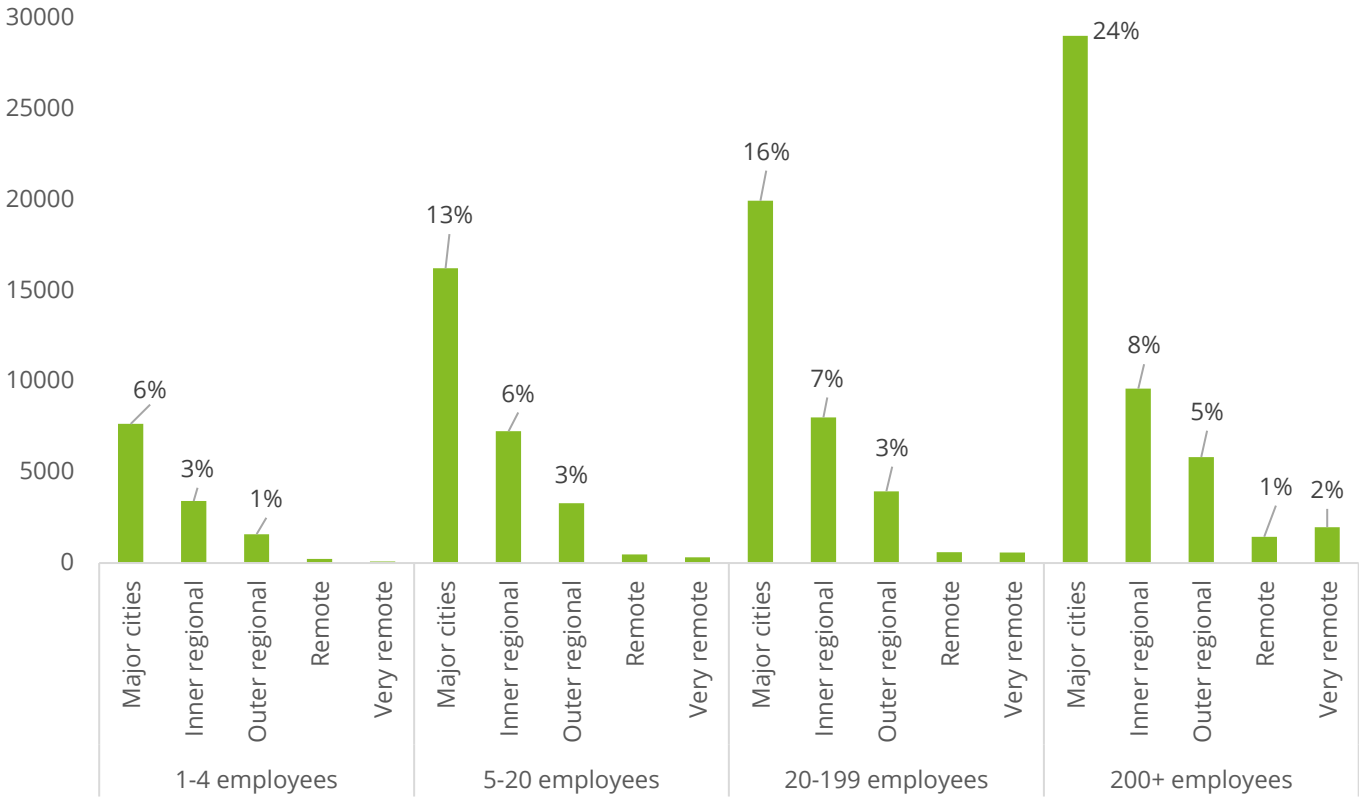
Chart 5.3: Breakdown of apprenticeship and traineeship commencements by employer size



Note: 2024 data only captures Q1 - Q3; Source: Deloitte Access Economics Analysis of VOCSTATS (2025).

1. NCVER, *The cost of training apprentices* (2009) <https://www.ncver.edu.au/__data/assets/file/0019/16723/cp05070.pdf>

Chart 5.4: Breakdown of employers participating in the apprenticeship and traineeship system by size and regionality, 2024.



Note: 2024 data only captures Q1 - Q3; Source: Deloitte Access Economics Analysis of VOCSTATS (2025).

The barriers to employer participation, particularly for very small and small employers, and those new to the system are discussed overleaf. These include barriers relating to:

- Time and resources
- Perceived skills mismatch
- Uncertainty about benefits

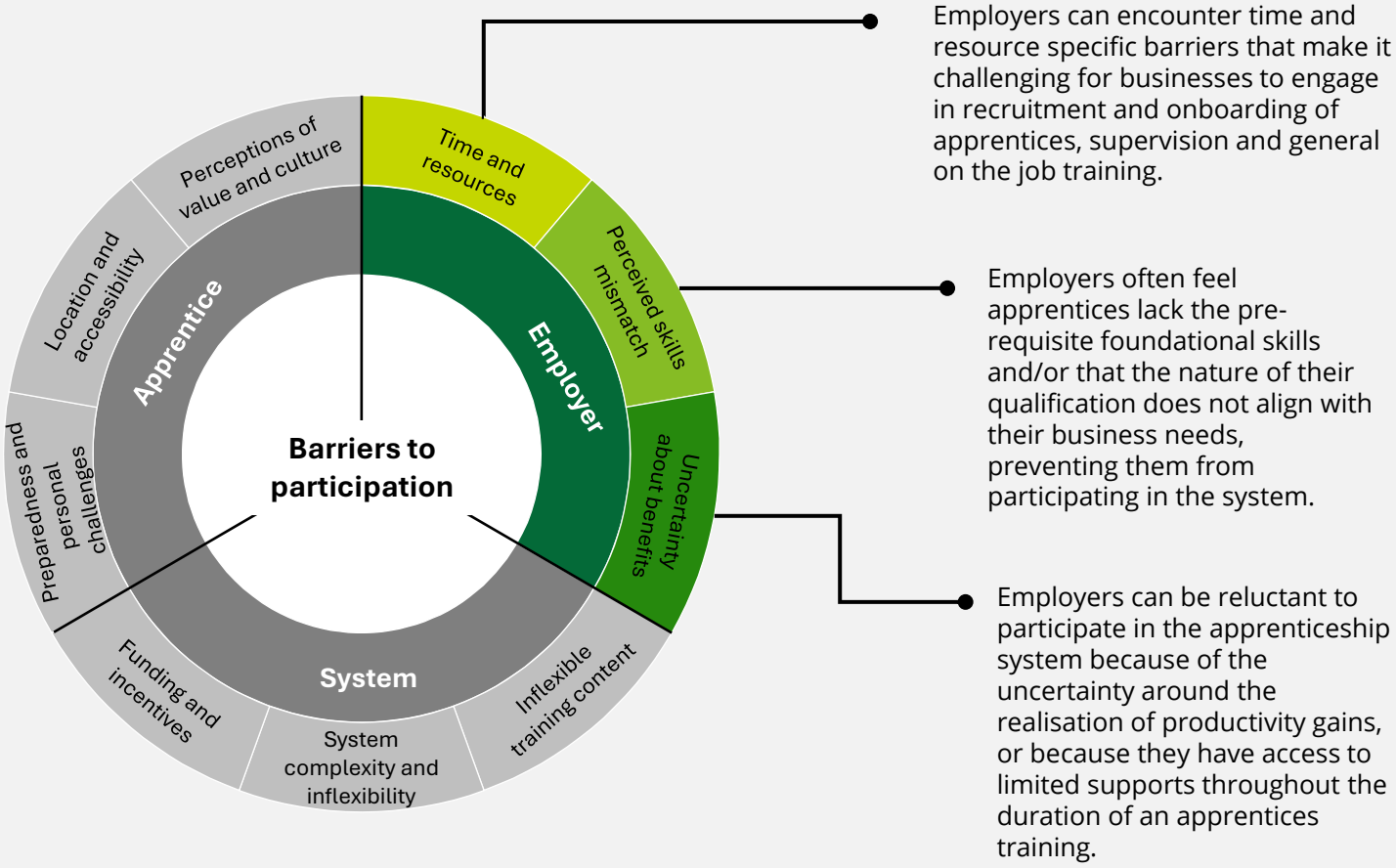
Each of which, if resolved, has the potential to increase the number of employers engaging in the apprenticeship system.

Time and resource barriers

Smaller businesses often have less time, resources and money than larger businesses, which can act as barriers to them participating in apprenticeship programs – particularly if they are not guaranteed to provide them with their desired outcomes. The Department of Education's Behavioural Insights Team report (2020) highlighted that employers in WA were 'frustrated with trying to navigate the numerous bodies and websites to obtain up to date and relevant information on rules, regulations, availability of courses, government subsidies/financial support and the costs of hiring an apprentice or trainee'.[1]

1. The Behavioural Insights Team, *Perceptions of Apprenticeships* (report commissioned by the Department of Education, February 2020) <https://www.education.gov.au/recurrent-funding-schools/resources/perceptions-apprenticeships-behavioural-insights-evidence-review-february-2020>.

Figure 5.1: Barriers to employer participation



Many smaller businesses do not have human resources departments who are able to navigate the plethora of information and distil this into the most efficient next steps for the organisation.[1] They would benefit from expanded engagement and support services that provide them with mentoring on how to employ an apprentice. These same businesses are also often less likely to have the time and resources needed to find and recruit suitable apprentices that are well aligned with their industry and business needs.

Time and resource constraints of new employers and small employers also create barriers to participating in the apprenticeship system, as it limits their ability to provide supervision and mentorship.

Businesses are already operating in a tight labour market, struggling to meet demands with their available workforce. It can be a large ask to add additional duties to train an apprentice without an expanded set of engagement and support services they can access to better enable this.

In The Strategic Review a small business owner, via Master Builders Association (submission) said[2]':

"I run a small business; apprentices are time consuming. I don't have time to teach, I need qualified trades people".

1. The Behavioural Insights Team, *Perceptions of Apprenticeships* (report commissioned by the Department of Education, February 2020) <https://www.education.gov.au/recurrent-funding-schools/resources/perceptions-apprenticeships-behavioural-insights-evidence-review-february-2020>.
2. Department of Employment and Workplace Relations, *Strategic Review of the Australian Apprenticeship Incentive System* (February 2025) <https://www.dewr.gov.au/download/16795/strategic-review-australian-apprenticeship-incentive-system-final-report/39422/strategic-review-australian-apprenticeship-incentive-system-final-report/pdf>.

The Strategic Review raised several industries and jurisdictions that are introducing more supports to 'tackle' employer capacity and resource barriers, for example[1]:

- offering half-day workshops for apprentice supervision
- creating supervisor videos and guides.

However, more can be done through expanded engagement and support services, to help navigate the process to employ an apprentice and establish positive workplace experiences, without adding additional burden to already time constrained skilled workers/business.

It is also critical that there is adequate choice across a range of quality training providers for employers and apprentices to contract with to deliver the formal training components of the qualification.

An employer survey facilitated by NCVER in 2023 revealed that 12% of employers who had apprentices and trainees were dissatisfied with the skills they were getting from training providers.[2] The reasons for this were that:

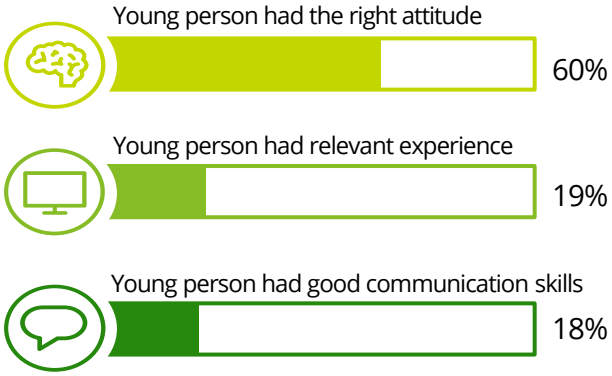
- training was perceived to be low quality
- employers felt there was insufficient communication between their business and the training provider.

Other reasons for dissatisfaction, cited in The Strategic Review, include (1) skills being taught to apprentices are not relevant to businesses, (2) training is too general, (3) lack of practical skills focus and (4) training instructor lacks industry experience.[1]

Choice better enable employers and apprentices to engage in training that suits their circumstances, and contestability in provision generally supports innovation and efficiency. As shown in Chapter 2 of this report, the share of training delivered by different provider types varies by field of education, suggesting more contestability is likely required in certain fields.

Perceived skills mismatch

The perception of skills mismatch often acts as a significant barrier to employer participation in the apprenticeship system. The JSA May 2025 Recruitment Experiences and Outlook Survey raised that of employers (2,502) surveyed, the following three skills/values from young jobseekers were seen as most valuable[3]:



1. Department of Employment and Workplace Relations, *Strategic Review of the Australian Apprenticeship Incentive System* (February 2025) <https://www.dewr.gov.au/download/16795/strategic-review-australian-apprenticeship-incentive-system-final-report/39422/strategic-review-australian-apprenticeship-incentive-system-final-report/pdf>.
2. NCVER, *Employers' use and views of the VET system* (2023) <https://www.ncver.edu.au/research-and-statistics/publications/all-publications/employers-use-and-views-of-the-vet-system-2023>
3. Jobs and Skills Australia, Recruitment experiences and outlook survey (May, 2025) <https://www.jobsandskills.gov.au/data/recruitment-experiences-and-outlook-survey>

However, there is a general perception among employers that it is difficult to find suitable apprentices who understand workplace requirements, can act professionally in the workplace and have the right skillsets.[1]

The Department of Education's Behavioural Insights Team report (2020) raised that several employers (possibly as a result) are seeking to 'hire apprentices who are over 25 years of age, because they would be more likely to have previous experience in the workforce'.[2] Another employer quoted within the report said that 'older apprentices are more mature, learn quicker and are more driven to complete their apprenticeship'.[2] However, this is significantly limiting these employers as they are not accessing a wider pool of resources who are entering the workforce.

The removal of employer incentives (mentioned in Chapter 2) for existing employees commencing their apprentices, to focus on specific occupations on the priority list, also creates barriers for employers in accessing skills that meet their business needs and with financial support to do this. Employer incentives for a broad-based set of apprenticeship qualifications, accompanied by additional funding in priority occupations, can help increase the number willing to engage (or remain) in the system.

Uncertainty about the benefits

There is uncertainty among many employers on the benefits to be gained from investing in apprenticeship programs, particularly if they will receive a return on their investment (time and money) where limited engagement and support are available to them when employing an apprentice for the duration of their training.

The 2023 Employers' use and views of the VET system report by NCVER surveyed 6290 Australian employers. The survey found that of these employers, only 31.3% had apprentices and trainees[3], and noting it may be that an employer is more likely to respond to this survey if they have contact with the VET system, and an apprentice.

Two key reasons for why employers may not hire an apprentice were reported as:

- employers not understanding the apprenticeship system – therefore they may not fully understand the benefits of hiring an apprentice.
- employers having concerns that the cost to their business would be more than the benefits – therefore they are deciding not to invest.

In several recent reports it was raised that employers want more assurance that their investments in supporting apprentices will produce productivity gains – in the long term.[4]

1. Jobs and Skills Australia, Recruitment experiences and outlook survey (May 2025) <https://www.jobsandskills.gov.au/data/recruitment-experiences-and-outlook-survey>
2. The Behavioural Insights Team, *Perceptions of Apprenticeships* (report commissioned by the Department of Education, February 2020) <https://www.education.gov.au/recurrent-funding-schools/resources/perceptions-apprenticeships-behavioural-insights-evidence-review-february-2020>.
3. NCVER, Employers' use and views of the VET system (2023) https://www.ncver.edu.au/research-and-statistics/publications/all-publications/employers-use-and-views-of-the-vet-system-2023
4. Department of Employment and Workplace Relations, *Skills for tomorrow: Shaping the future of Australian apprenticeships - Strategic Review of the Australian Apprenticeship Incentive System 2024 Final Report* (February 2025) <https://www.dewr.gov.au/download/16795/strategic-review-australian-apprenticeship-incentive-system-final-report/39422/strategic-review-australian-apprenticeship-incentive-system-final-report/pdf>.

The costs to an employers is perceived as high if an apprentice decides to discontinue their training and/or complete their program with another business.

This is as the first year is more costly due to supervision required as the apprentice builds its productive skillset. Therefore, employers may be uncertain about whether they will receive benefits if the apprentice leaves before their reach their productive years of training / workplace experience.

Supports that consider ways to provide this assurance and equip employers to create workplaces where apprentices want to stay longer-term is expected to encourage increasing participation. Other supports that include mentoring for smaller employers without dedicated HR functions could also be of benefit, in helping them see the benefits and how to access them (e.g., the right apprentice for their business).

5.3 Conclusions

More effort should be channeled into initiatives that support businesses to unlock the value of apprenticeships.

This warrants consideration of initiatives – both financial and non-financial – that encourage employers to play a more central role in post-school, workplace-based training. If these initiatives are introduced successfully, it is expected that more employers, particularly smaller and/or newer businesses, will participate.

This requires consideration of:

Employer incentives

Employer incentives could be expanded to encourage the hiring of apprentices by both new and existing employers. These incentives have been shown to be a key driver of commencements, and influence areas that are a priority for government (in terms of skills development). Incentives that support a broad-based set of apprenticeship qualifications, accompanied by additional funding in priority occupations, will support more employers to participate in the system and access apprentices in occupations aligned to their business needs (and with the funding to do this).

For example, an evaluation of the *Back to Work* program by Deloitte Access Economics found that from each dollar spent ($1) on that program, there is an estimated return of up to $2.24 to businesses and individuals. [1]

Characterising the success of Back to Work is both the materiality of the incentive for the employer, and the opportunity to give the employer a different experience with a worker where they previously may have been uncertain about the benefits they would gain.

Knowledge supports for employers

Engagement and support mechanisms for employers should be funded and available so that businesses are able (and prepared) to employ an apprentice for the duration of their training.

For example, access to quality workplace supervisor training, and mentoring for smaller employers without dedicated HR functions can be introduced.

A critical feature of these supports should be targeting new employers so that they are able to participate in the system, through funding for outreach and engagement, and access to other supports that address their lack of familiarity with the system.

Promotion of pathways

There has always been value in having industry and providers work together to better communicate pathways and evidence of outcomes from these pathways to students leaving secondary schooling. Financial supports and resources could be provided to employers so that they are willing to partner to promote these opportunities to students, particularly in areas of national shortage (where the public benefits of growth are high).

1. Minister for Employment and Small Business, Minster for Training and Skills Development and Minister for Youth Justice, *Back to Work program delivering good jobs for Queensland's youth* (2023) <https://statements.qld.gov.au/statements/99141#:~:text=An%20independent%20evaluation%20of%20the%20program%20by%20Deloitte,of%20up%20to%20%242.24%20to%20businesses%20and%20individuals.>

Employer/industry co-design and program facilitation

There is an opportunity to increase autonomy in the design of VET qualifications to provide employers and industry with license to contribute to the design of workplace-based training programs.

This will enable employers to see increasing value in apprenticeships and other forms of workplace-based training, as they have direct input into the classroom content that is being taught to apprentices and therefore should see improvements in the skills that are brought into the workplace.

Facilitation programs (and funding to support this) can also be established to enable industry stakeholders and/or businesses to be actively involved in all aspects of workplace-based / apprenticeship programs. This funding may increase an employer's ability to participate in and engage with the classroom content.

This has the ability to uplift classroom teaching, through a partnership between industry stakeholders and providers who can combine classroom content with practical examples. It also fosters connections between employers and students which can increase their future pipeline.

6. Conclusion

Where are we today?

It has never been more important to ensure Australia has a highly skilled and adaptable workforce that can meet the demands of our current and future, economy and society.

The prosperity of our nation and growth in living standards requires greater productivity than we have seen in recent years, and a key driving force will be human capital. In turn, greater labour productivity would translate into higher real wages and help relieve cost-of-living pressures.

We are also facing a critical need to increase the supply of housing to support our growing population, but labour shortages in key trades occupations are inhibiting these aims. Similarly, more green skills will be essential in delivering the transition to a lower carbon economy, skills shortages persist in the care sector, and demand for skills to support the defence manufacturing industry are increasingly coming to the fore.

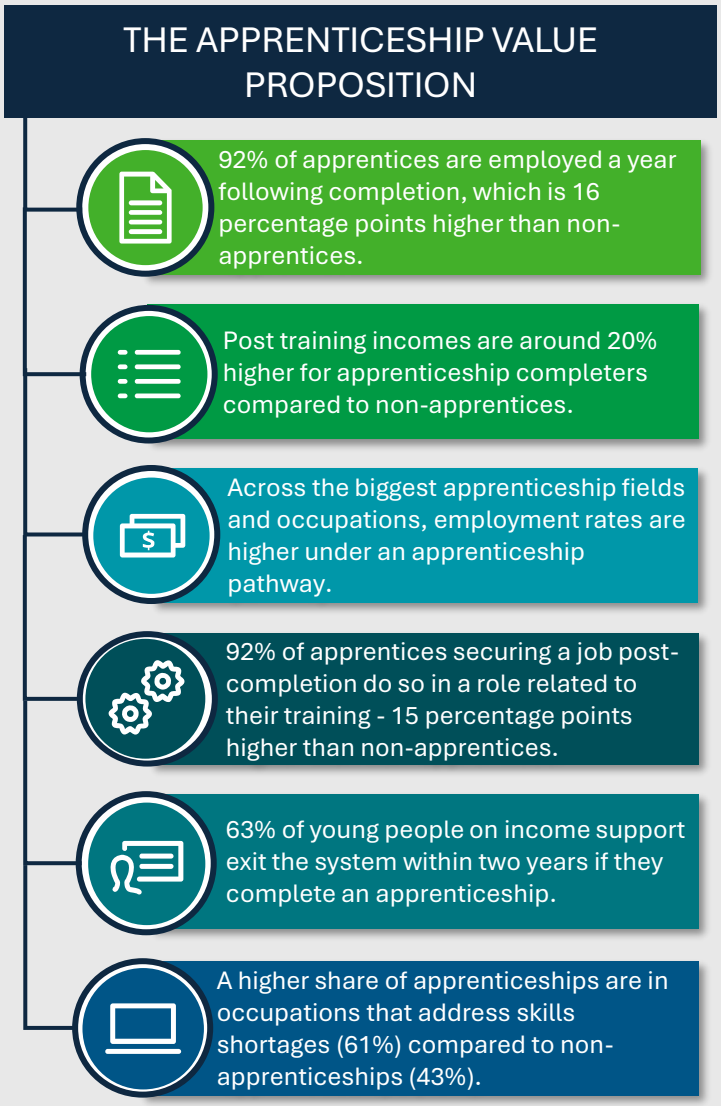
Finally, investing in the skills and human capital of all Australians will be the foundation for addressing economic and social disadvantage – delivering pathways to rectify many of the disparities experienced by individuals starting in their early life and schooling.

Together, these trends underscore the importance of an effective, responsive and competitive VET system that is able to deliver the right skills, to the right people, at the right time.

Apprenticeships are a key pillar in delivering on this skills imperative.

The evidence is clear that work-integrated training through a formal apprenticeship is a highly effective model for developing both technical and general workplace skills. In short, apprenticeships deliver better post-completion outcomes compared to non-apprenticeship pathways (Figure 6.1).

Figure 6.1: Apprenticeship outcomes summary



Source: Deloitte Access Economics

However, the number of apprenticeship commencements and completions declined in 2024, alongside a longer-term trend decline over the past decade

There were 151,400 apprenticeship commencements nationally during 2024, which is 10% lower than 2023. Declines in apprenticeship numbers have been felt more strongly by some cohorts, for example the rate of female apprenticeship and traineeship commencement fell by 13% between 2023 and 2024 - 5 percentage points more than the decline for males.

Over the longer term, as a share of the working-age population, commencements in apprenticeships and traineeships have declined by around 30 percent.

The lower rate of apprenticeship take up between 2014 and 2024 represents nearly 60,000 fewer commencements per year – and equates to around $2.7 billion in foregone potential public and private benefits per year.

The notable exception to this trend decline was seen during the COVID-19 period when major time-limited Federal Government financial incentives for businesses employing apprentices were put in place to support both commencements and completions (namely via the BAC and CAC programs).

However, since the removal of these pandemic related incentive programs, the longer-term trend of declining apprenticeship activity appears to have continued.

Figure 6.2: Apprenticeship activity over time

	Change: 2023 to 2024		Change: 2014 to 2024	
Total commencements	▼ -16,100	(-10%)	▼ -38,700	(-20%)
Total apprentices in training	▼ -28,100	(-8%)	▲ 1,800	(1%)
Total apprentice completions	▼ -600	(-1%)	▼ -58,600	(-37%)
Trade commencements	▼ -4,600	(-5%)	▼ -1,600	(-2%)
Non-trade commencements	▼ -11,500	(-14%)	▼ -37,200	(-34%)
Female commencements	▼ -7,800	(-13%)	▼ -18,100	(-25%)
Regional commencements	▼ -4,500	(-7%)	▼ -5,900	(-9%)

Source: Deloitte Access Economics Analysis of NCVER VOCSTATS (2025)

A range of barriers have led to the declines in apprenticeship numbers.

Additional support around apprentices is required owing to a range of barriers faced by apprentices and their employers (Figure 6.3).

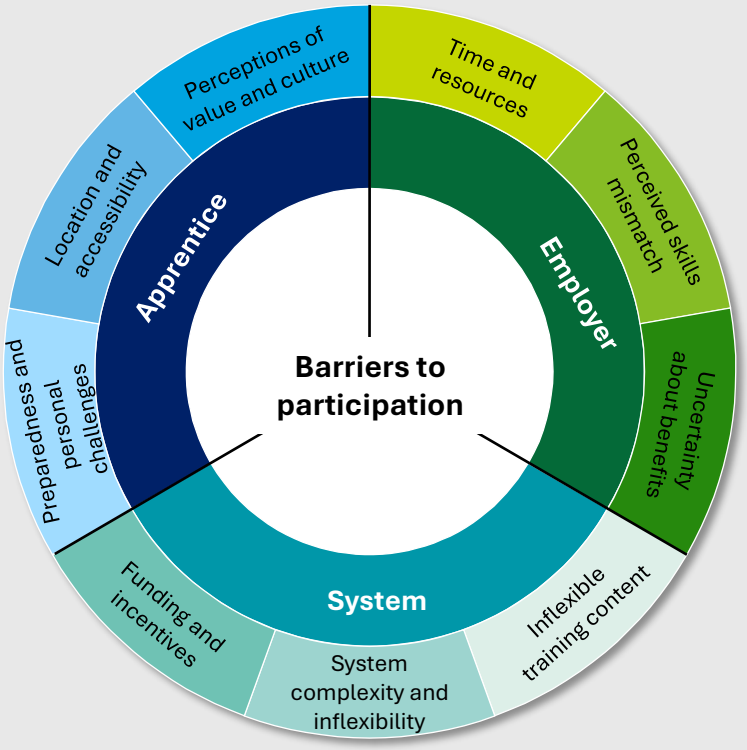
Only around 10 per cent of employing Australian businesses participate in the apprenticeship system, and this share has declined markedly over time. Barriers to employers participating in the apprenticeship system include:

- Employers having resources available to supervise and support less experienced or at-risk apprentices - especially important for smaller employers
- Complexity and a lack of flexibility in aspects of the apprenticeship system (from a regulatory, industrial and training provision standpoint) – which is especially important for businesses new to the apprenticeship system
- The availability of short-term substitutes to employing an apprentice in some occupations, e.g., through migration
- Perceptions around the preparedness for the workplace of potential apprentices.

In terms of the supply of apprentices, barriers include:

- Societal perceptions of the apprenticeship model
- Reluctance among young people to commit to a single vocation or course of study early in their career
- Funding policies aimed at expanding higher education, attracting some students who would traditionally have undertaken VET
- Short-term financial attractiveness of unskilled work, especially in areas like construction.

Figure 6.3: Summary of barriers in the apprenticeship system.



Source: Deloitte Access Economics

Why does it matter?

Better supporting Australia's apprenticeship system will unlock significant economic and social returns, and help address some of the nation's greatest challenges.

Addressing the decline in apprenticeship commencements and sustainably growing the system, is a priority for a range of critical reasons.

We estimate that an achievable and sustainable uplift in apprenticeships and traineeships over the next decade could result in 320,000 more apprenticeship completions.

The financial benefit of doing so is collectively estimated to be over $11.8 billion in additional income over these individuals' lifetimes (in net present value terms). This reflects both additional earnings and improved likelihood of employment from completion of the qualification.

In addition, these additional apprenticeship completions would be estimated to generate $14.4 billion in benefits to the broader economy – arising from additional taxation revenue and productivity spillovers. A total of $26.2 billion in additional benefits over a decade.

The government taxation benefits from higher incomes achieved by apprenticeship completers has the potential to produce fiscal benefits that well outweigh the additional expenditure on financial incentives and support services.

As an illustration, if the uplift in completions described above could be achieved through an investment $4-$5 billion over a decade, this would still represent around a three-fold return in terms of the public benefits arising from the completion of that training.

In addition to this, the construction of more houses is a major priority across the country, but achieving this will be challenging without additional apprenticeship commencements and completions.

The opportunity

Unlocking economic and social benefits for the nation through Australia's apprenticeship system.

An achievable and sustainable uplift in apprenticeship activity over a decade resulting in **+ 320,000** completions.

+ 90,000 additional employers engaging with the apprenticeship system.

$11.8 billion in additional income for individuals through improved likelihood of employment and higher lifetime earnings.

$14.4 billion in broader benefits - from additional taxation revenue and productivity spillovers.

In late 2023, Australia's National Cabinet committed to building 1.2 million homes by July 2029. However, current construction rates are falling short of this target, with dwelling commencements in 2023-24 reaching just 160,000—well below the required level to meet the goal.

At the end of 2024, 61% of employers in the construction industry reported difficulties filling positions. Beyond this, the supply of skills required to support the clean energy transition would be diminished without more skills produced through the apprenticeship system.

To meet emissions targets, JSA predicts that the clean energy workforce would need to grow by 30% over the next decade, requiring an additional 213,000 workers by 2033. Electricians have been identified as a role critical to the transition, which is expected to experience critical shortages.

The growing demand for quality care will also require a significant increase in skilled workers, which can be met through the apprenticeship system.

Finally, with youth unemployment and disengaged youth a perpetual concern, the apprenticeship 'earn and learn' model, combined with the appropriate mentoring and supports, has transformative economic and social potential for disengaged or disadvantaged young people.

What can be done to grow apprentice numbers?

More can be done to encourage greater employer and apprentice participation in the system.

1. Implement material employer incentives that support a broad-based set of apprenticeship qualifications, accompanied by additional funding in priority areas.

Many factors influence employers in this decision, but historically, employer financial incentives have been a key driver of changes in activity patterns and are one of the key policy levers available to influence skilling priorities.

The analysis in this report also shows the consistently strong outcomes of an apprenticeship pathway across a range of occupations, so to ensure equitable access to these benefits (e.g., by region and gender) incentives should be available across a wide set of pathways.

This should be accompanied by additional funding in priority occupations to support economic imperatives, and for employing priority apprentices (e.g., by region and gender).

It is also clear that smaller employers are more sensitive to financial conditions and stand to respond well to incentives, especially if new to the apprenticeship system and/or at the margins of the system and needing a 'nudge' to recruit an apprentice/an additional apprentice.

2. Expand the set of engagement and support services available to employers so they are better prepared to employ an apprentice for the duration of their training.

Taking on an apprentice can be a complex and involved task, especially for employers new to the system. And with some of the challenges around encouraging greater participation and new entrants, it is essential that willing employers are equipped for this.

For example, access to quality workplace supervisor training, and mentoring for smaller employers without dedicated HR functions.

A critical feature should be that new employers are attracted and sustained in the system through funding for outreach and engagement, and through the availability of additional support services and resources for those entering for the first time.

An effective system of support services and targeted mentoring for employers (especially new employers) would ensure employers understand their obligations and the expectations around supporting an apprentice in the workplace.

3. Enhance and deepen the support model for apprentices to prepare them for commencement, completion, and help equip them for life beyond.

The issues faced by young people are complex and diverse, and the understanding of career pathways and options is often unclear.

This report has highlighted personal reasons are often cited as key in apprenticeship non-completion, suggesting a need for greater pastoral supports and referrals.

Similarly, issues between an apprentice and their employer are often cited as reasons for non-completion, highlighting the value of an intermediary being available to mediate and help navigate workplace issues.

The level of funding for the range of support services needs to recognise the diversity of additional learning, work-readiness and pastoral support needs.

Bridging learning and other measures to close gaps from prior education need to be a part of this model, as does support for relationship building and resources for intensive, and risk based support for apprentices when required.

Access to the right support services is particularly important in enabling commencement and completion among underrepresented cohorts.

4. Implement these actions as a coherent package, as part of an increasingly flexible, contestable and innovative training system.

In support of an effective training system, diversity in the mix of training options and providers in the apprenticeship system needs to be available. Choice across flexible training options allows employers and apprentices to engage in training that suits their circumstances and supports innovation and efficiency.

Appendix

A0. State and territory labour market snapshot

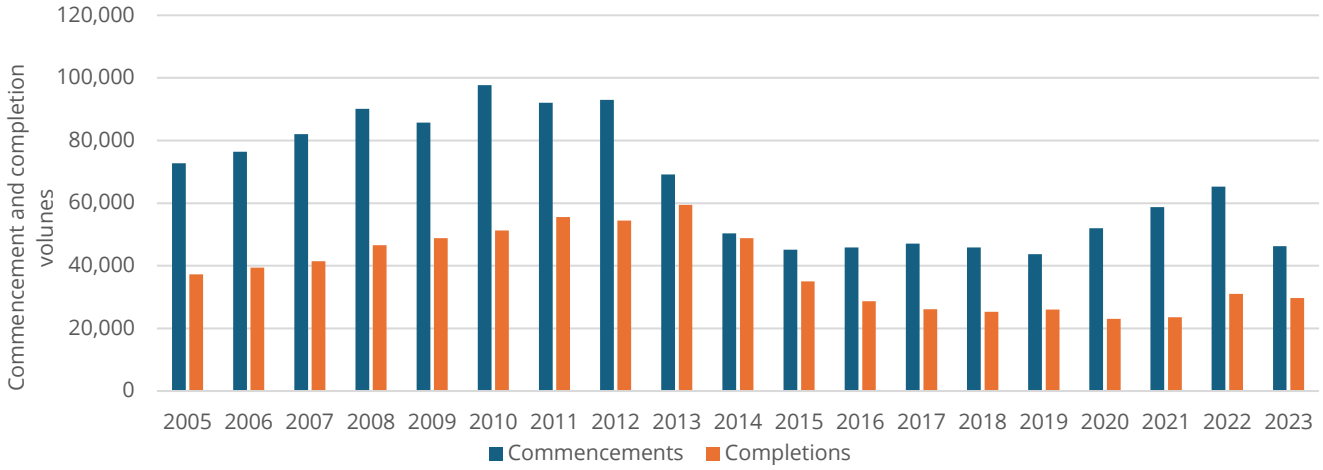
Table A0.1: State and territory labour market snapshot

Employment			Unemployment			Unemployment rate		Participation rate		Youth unemployment rate	
Apr-25 ('000s)	Apr-24 ('000s)	Change (%)	Apr-25 ('000s)	Apr-24 ('000s)	Change (%)	Apr-25 (%)	Apr-24 (%)	Apr-25 (%)	Apr-24 (%)	Apr-25 (%)	Apr-24 (%)
Australia											
14642.7	14252.9	2.7%	621.1	607.5	2.2%	4.1	4.1	67.1	66.7	8.8	9.8
New South Wales (NSW)											
4523.9	4398.9	2.8%	181.9	183.5	-0.9%	3.9	4.0	66.4	65.8	8.6	7.9
Victoria (VIC)											
3824.3	3707.8	3.1%	169.0	167.3	1.0%	4.2	4.3	68.0	67.5	10.6	9.5
Queensland (QLD)											
3009.0	2940.3	2.3%	131.0	123.5	6.1%	4.2	4.0	67.5	67.4	8.9	9.3
South Australia (SA)											
960.7	938.2	2.4%	39.4	40.7	-3.1%	3.9	4.2	63.2	62.8	9.4	9.1
Western Australia (WA)											
1638.2	1586.5	3.3%	71.0	64.6	9.9%	4.2	3.9	69.0	68.5	8.3	9.4
Tasmania (TAS)											
281.5	282.2	-0.3%	11.0	12.1	-9.5%	3.8	4.1	60.2	61.0	9.8	10.9
Northern Territory (NT)											
139.7	139.2	0.4%	5.9	6.0	-1.1%	4.0	4.1	72.4	72.9	9.7	10.5
Australian Capital Territory (ACT)											
274.9	267.9	2.7%	10.8	10.3	4.9%	3.8	3.7	73.0	72.4	8.4	8.6

Source: Jobs and Skills Australia, *Monthly Labour Market Dashboards* (2025).

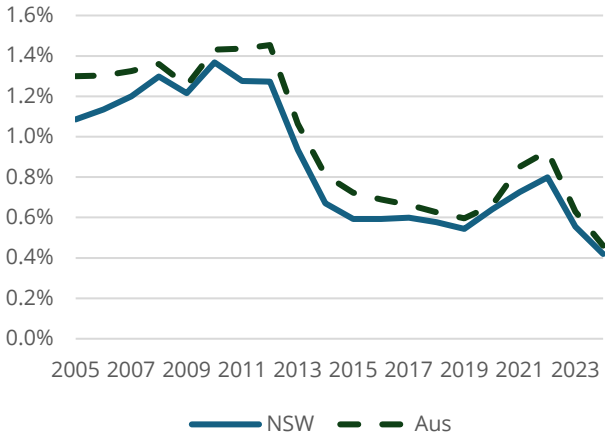
A1. NSW data snapshot

Chart A1.1: Apprenticeship and traineeship commencements and completions over time (NSW)



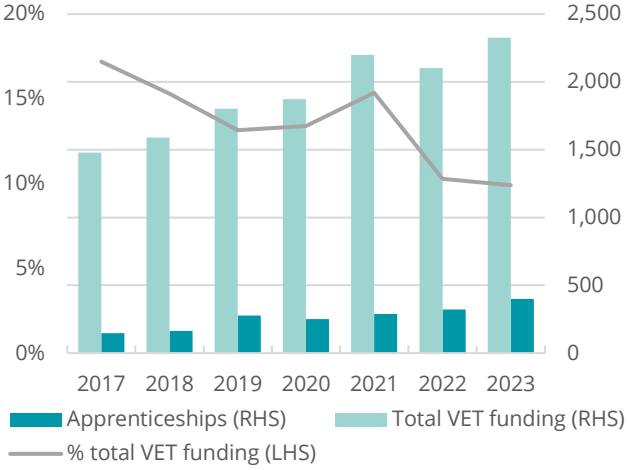
Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

Chart A1.2: Apprenticeship commencements (share of the working age population; NSW)



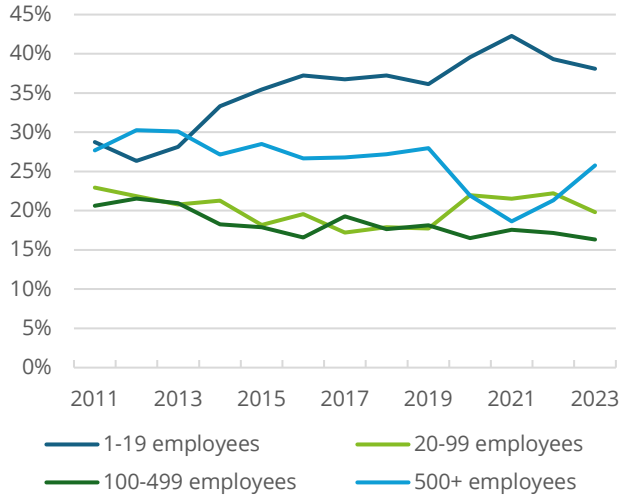
Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024) and ABS, *Regional Population* (2025).

Chart A1.3: Apprenticeships and total VET funding (NSW)



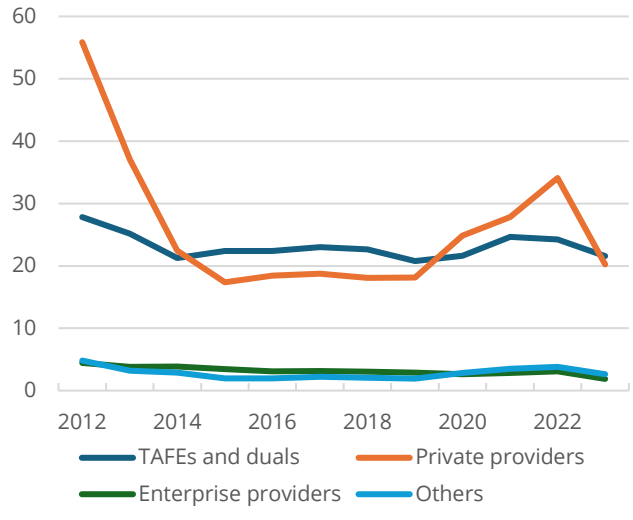
Source: NCVER VET Funding Collection (2024).

Chart A1.4: Apprenticeship commencements by employer size (NSW; share of total)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

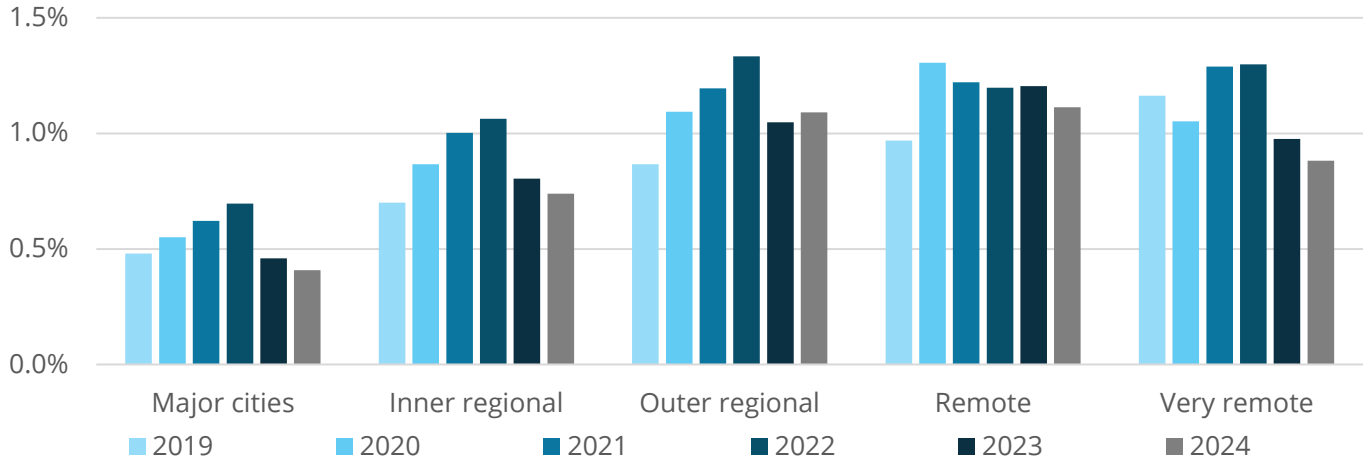
Chart A1.5: Apprenticeship commencements by provider type (NSW; 000s)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

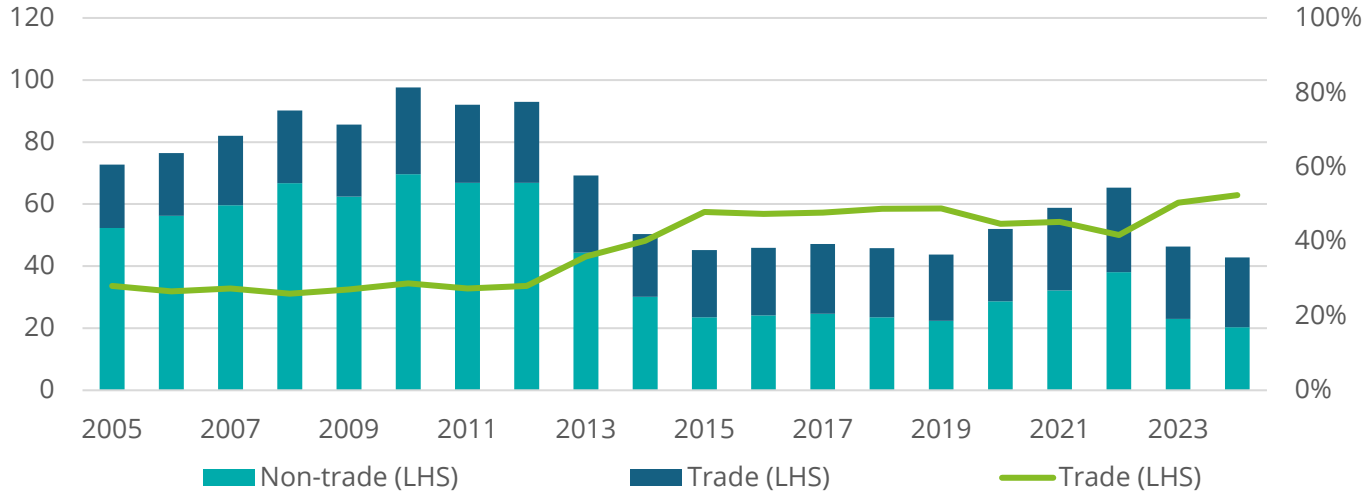
A1. NSW data snapshot

Chart A1.6: Apprenticeship commencements by region (share of working age population; NSW)



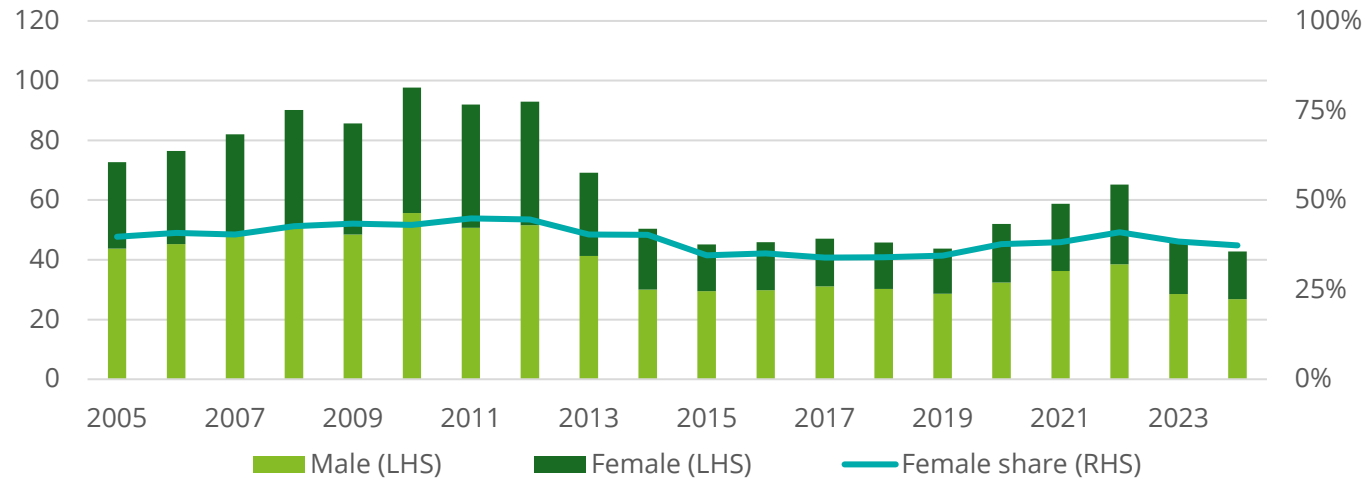
Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024) and ABS, *Regional Population* (2025).

Chart A1.7: Apprenticeship commencements by trade/non-trade ('000s; NSW)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

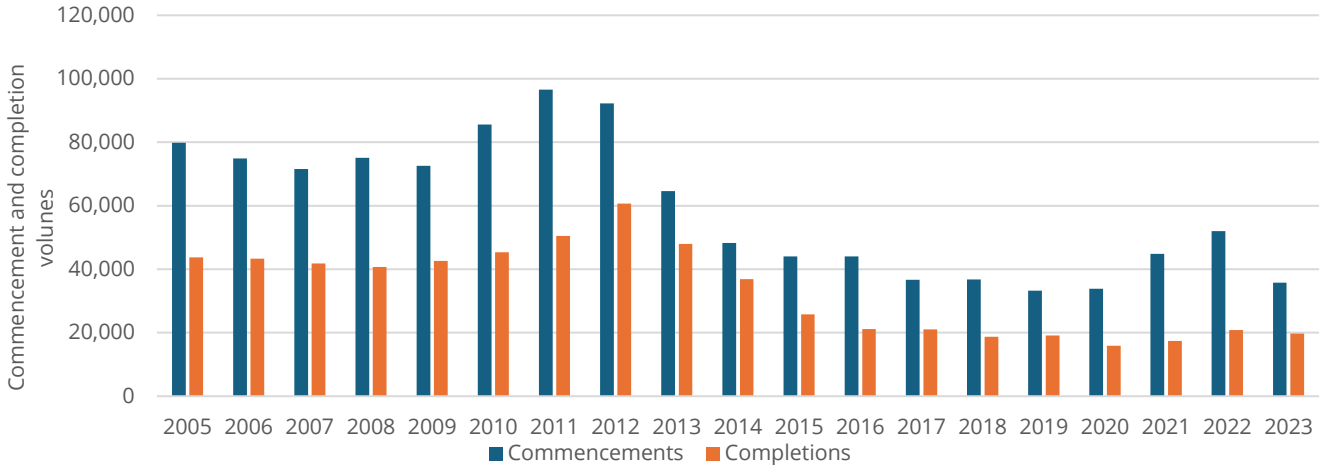
Chart A1.8: Apprenticeship commencements by gender (NSW)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

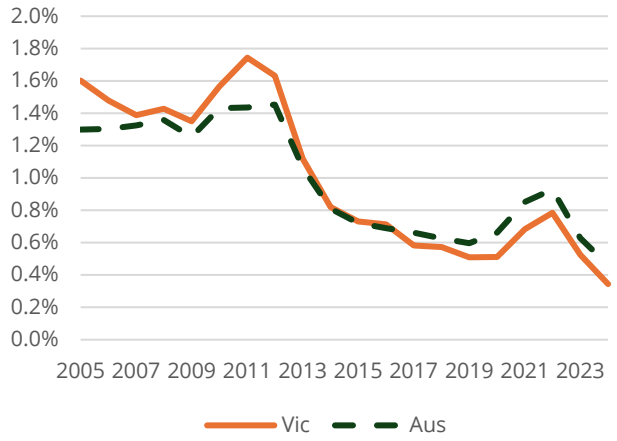
A2. Victoria data snapshot

Chart A2.1: Apprenticeship and traineeship commencements and completions over time (VIC)



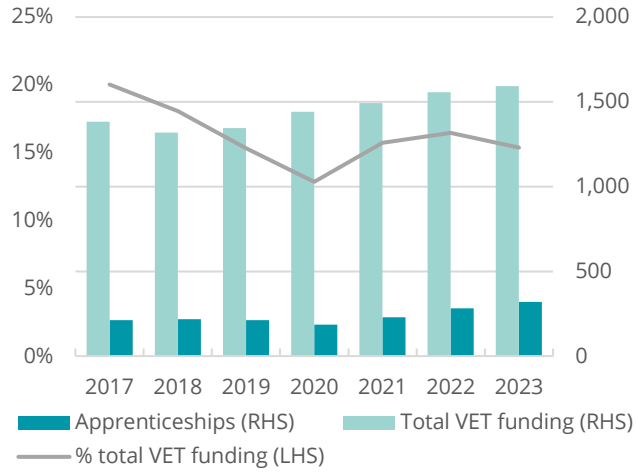
Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

Chart A2.2: Apprenticeship commencements (share of the working age population; VIC)



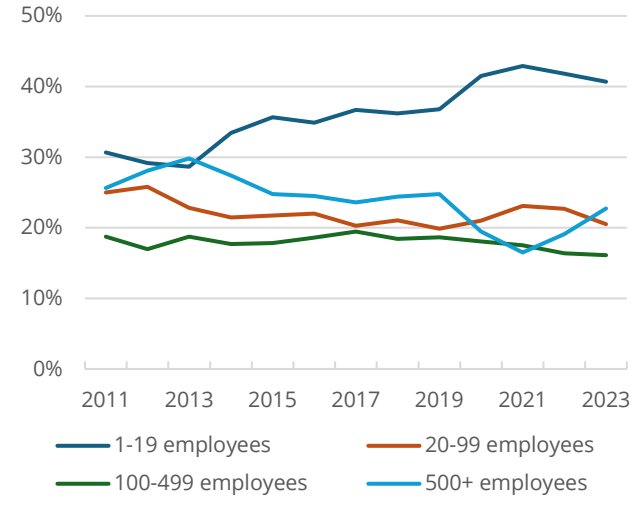
Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024) and ABS, *Regional Population* (2025).

Chart A2.3: Apprenticeships and total VET funding (VIC)



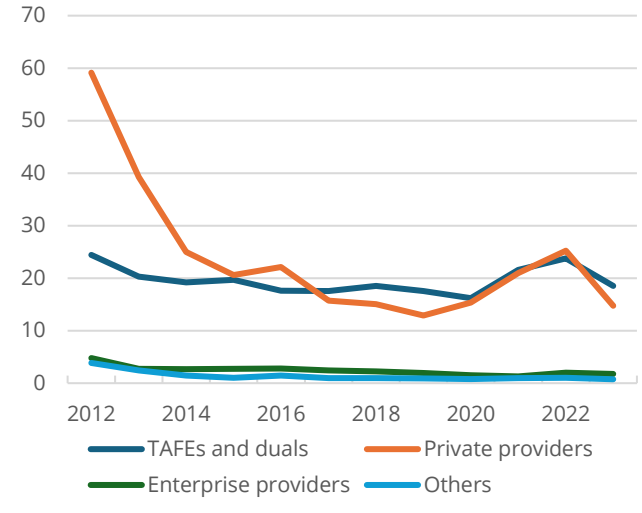
Source: NCVER VET Funding Collection (2024).

Chart A2.4: Apprenticeship commencements by employer size (VIC; share of total)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

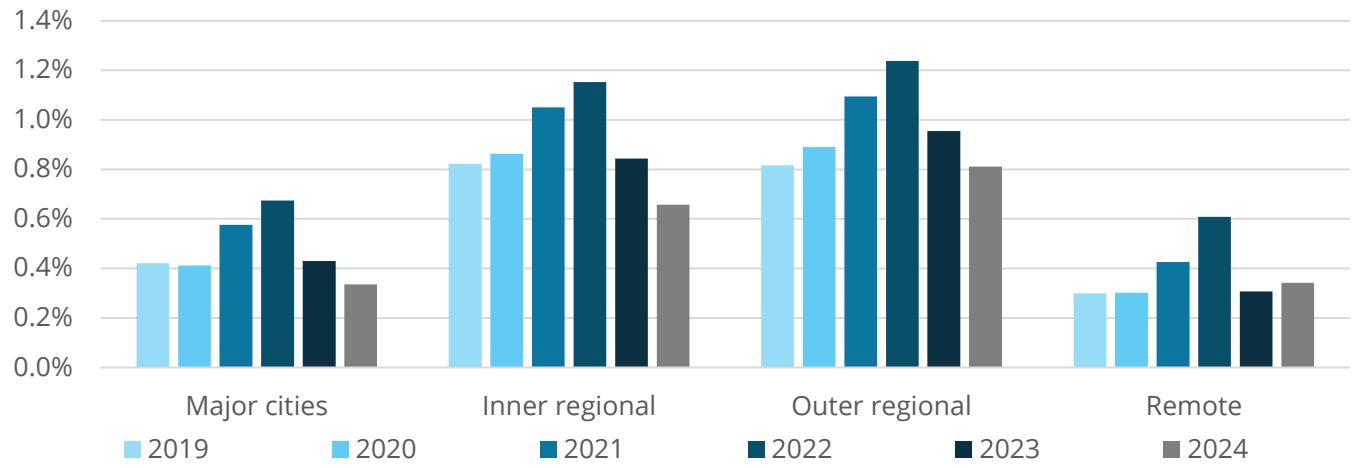
Chart A2.5: Apprenticeship commencements by provider type (VIC; 000s)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

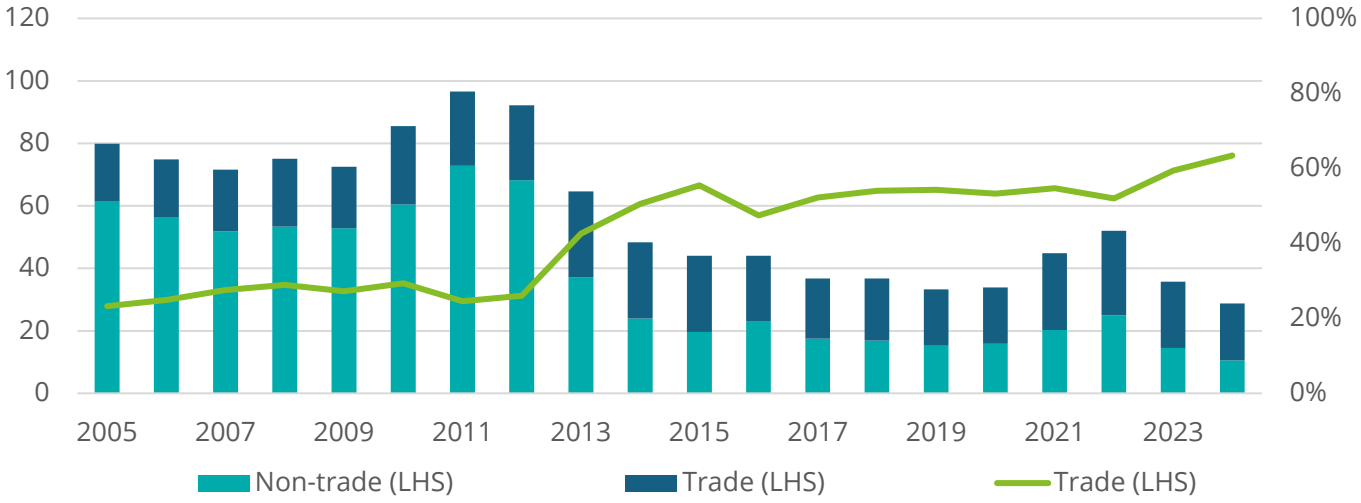
A2. Victoria data snapshot

Chart A2.6: Apprenticeship commencements by region (share of working age population; VIC)



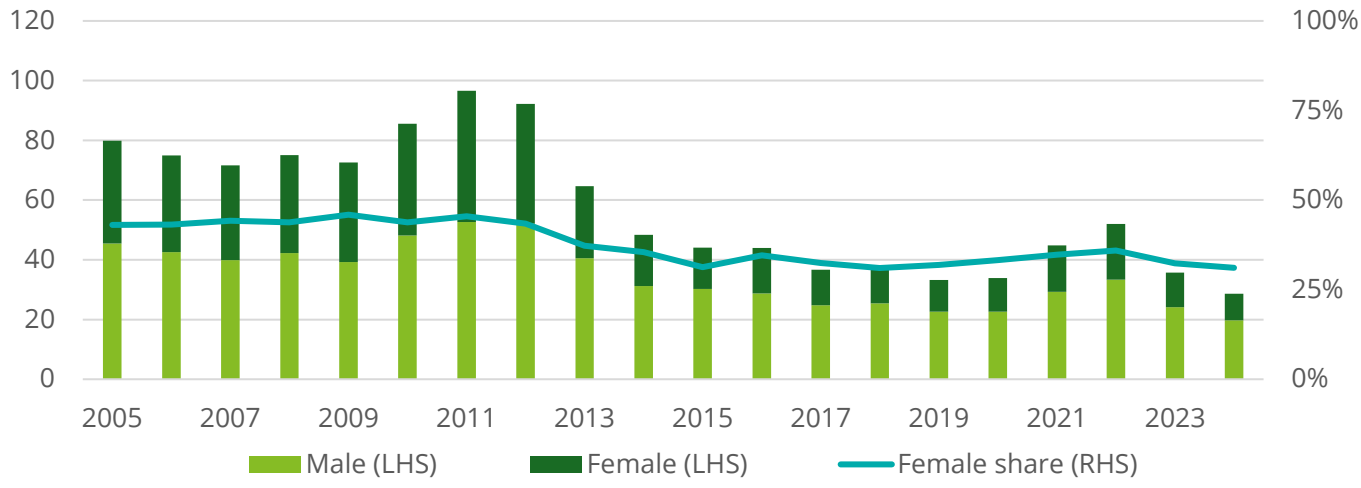
Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024) and ABS, *Regional Population* (2025).

Chart A2.7: Apprenticeship commencements by trade/non-trade ('000s; VIC)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

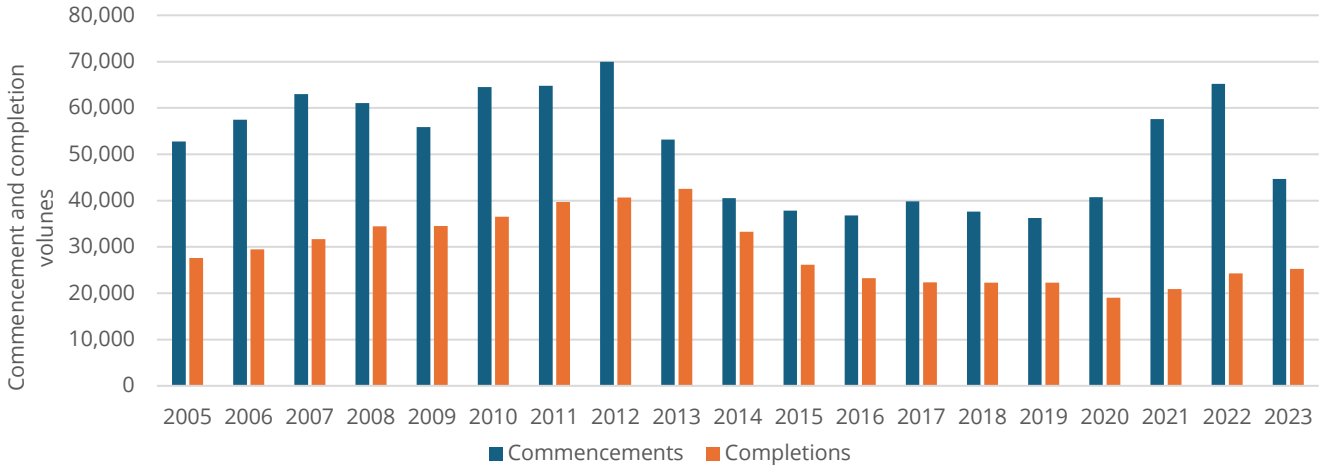
Chart A2.8: Apprenticeship commencements by gender (VIC)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

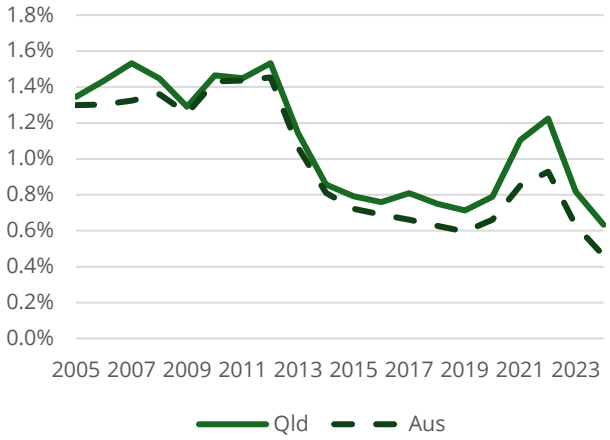
A3. Queensland data snapshot

Chart A3.1: Apprenticeship and traineeship commencements and completions over time (QLD)



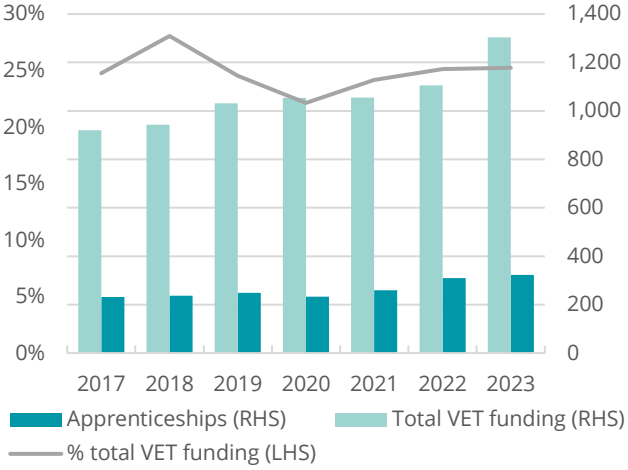
Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

Chart A3.2: Apprenticeship commencements (share of the working age population; QLD)



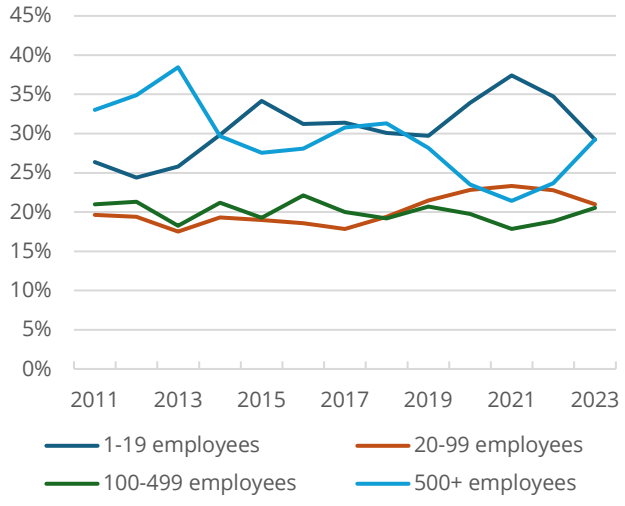
Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024) and ABS, *Regional Population* (2025).

Chart A3.3: Apprenticeships and total VET funding (QLD)



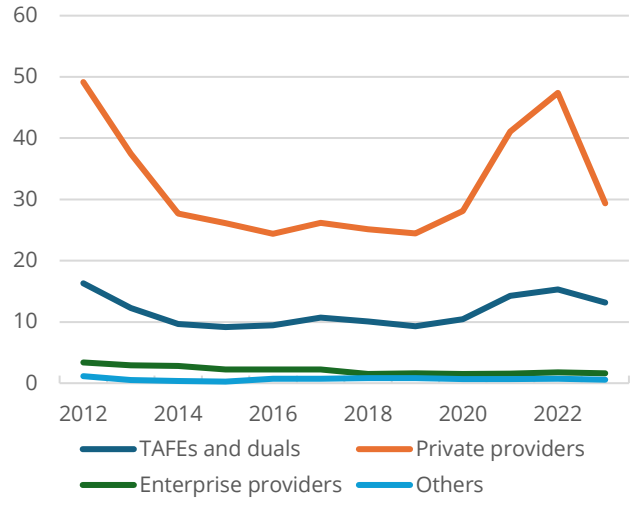
Source: NCVER VET Funding Collection (2024).

Chart A3.4: Apprenticeship commencements by employer size (QLD; share of total)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

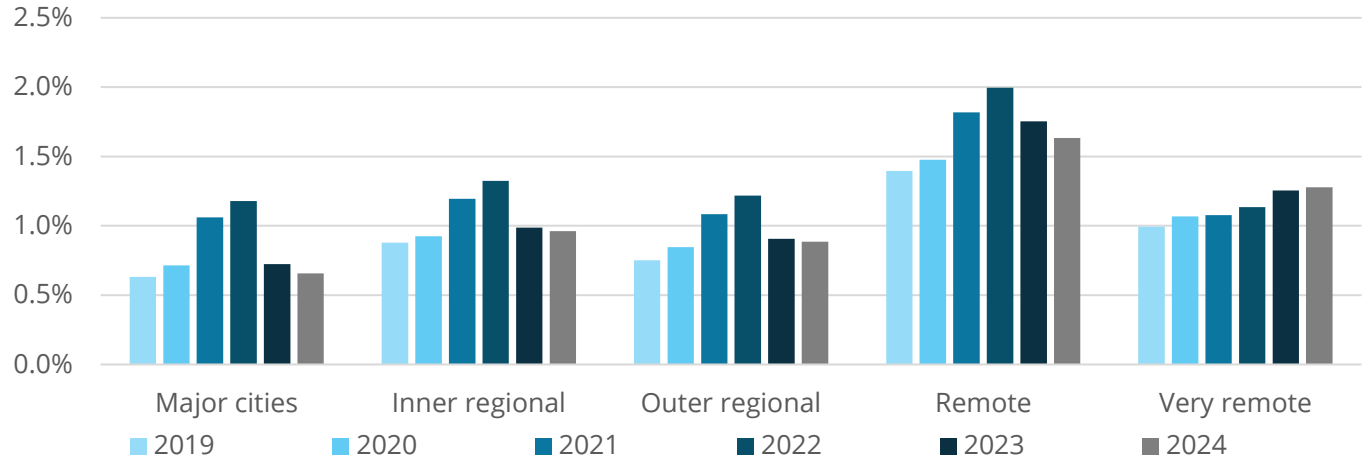
Chart A3.5: Apprenticeship commencements by provider type (QLD; 000s)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

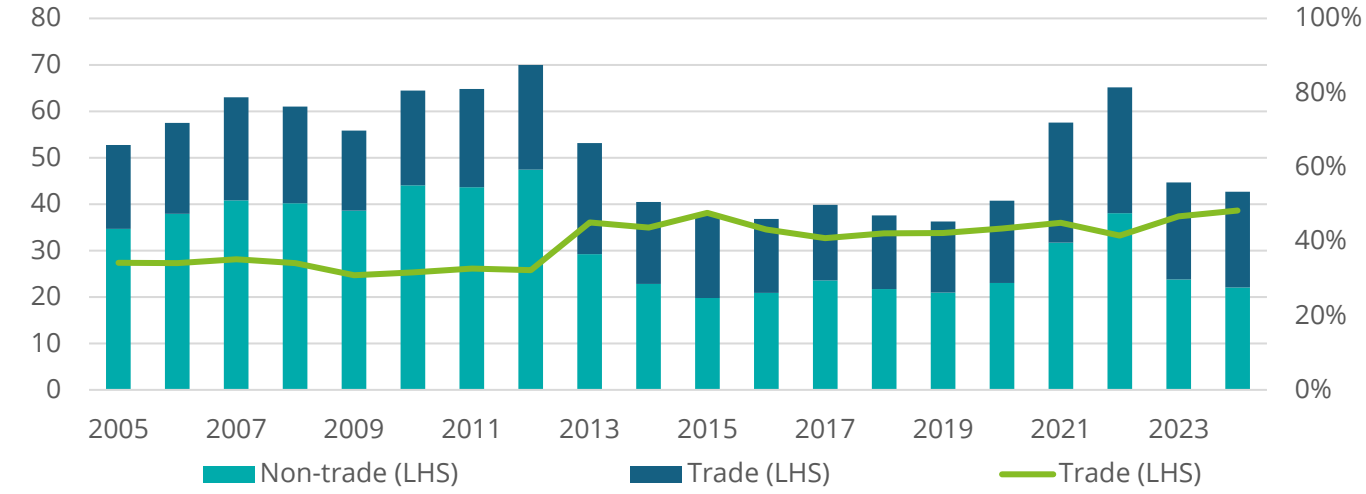
A3. Queensland data snapshot

Chart A3.6: Apprenticeship commencements by region (share of working age population; QLD)



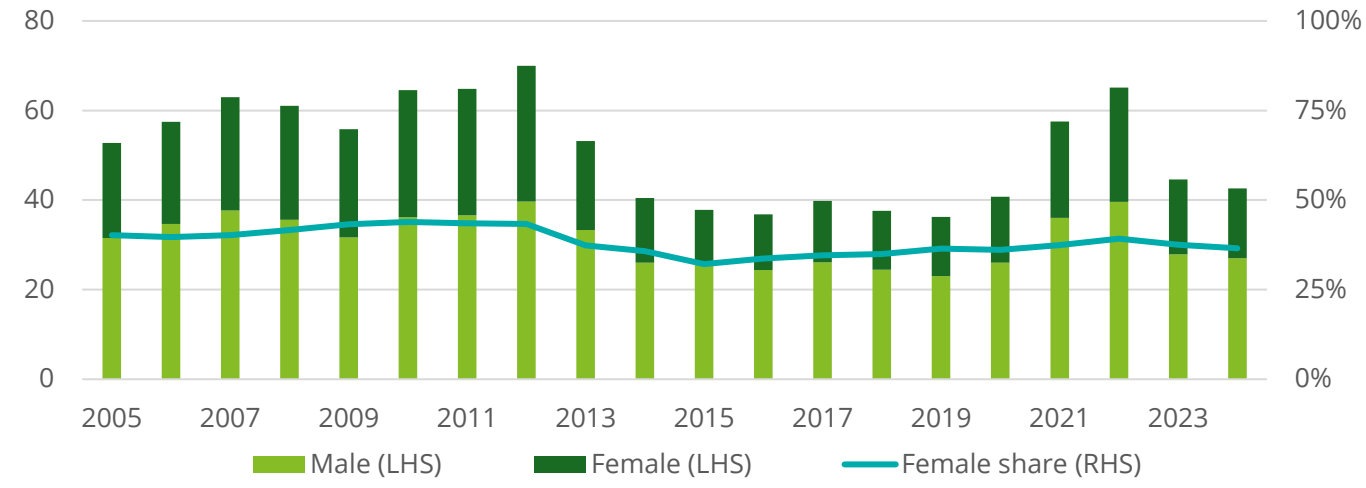
Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024) and ABS, *Regional Population* (2025).

Chart A3.7: Apprenticeship commencements by trade/non-trade ('000s; QLD)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

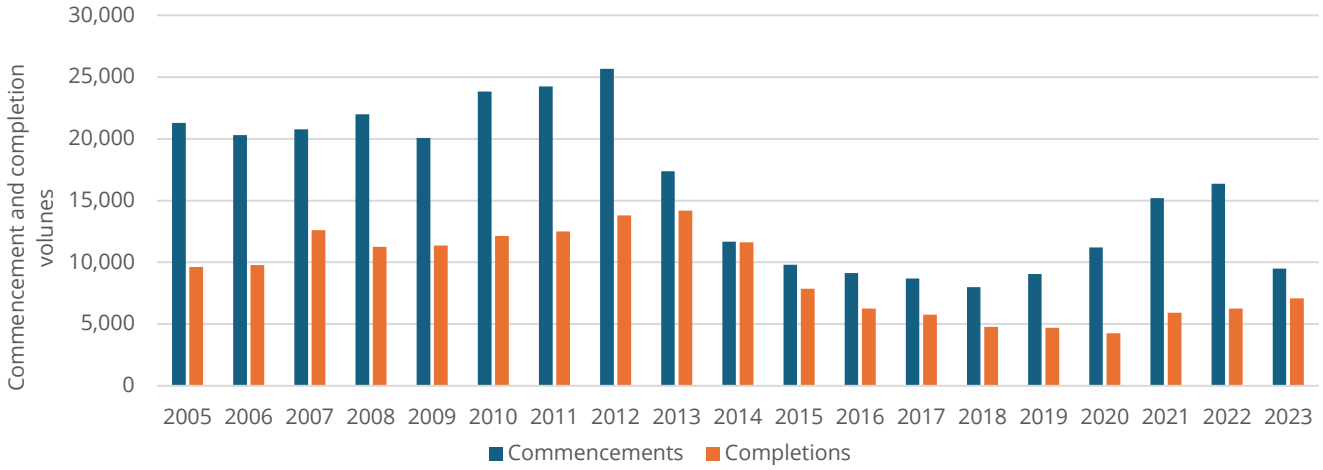
Chart A3.8: Apprenticeship commencements by gender (QLD)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

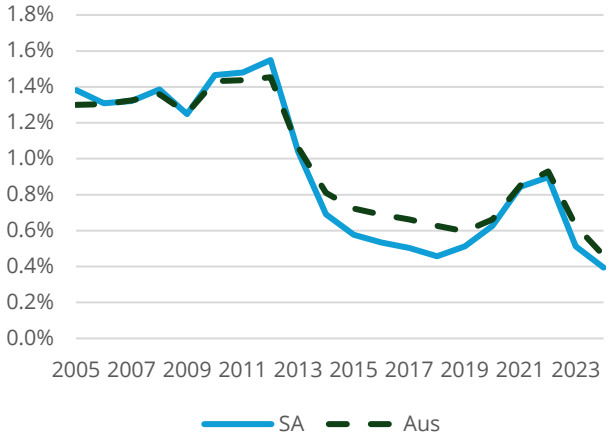
A4. South Australia data snapshot

Chart A4.1: Apprenticeship and traineeship commencements and completions over time (SA)



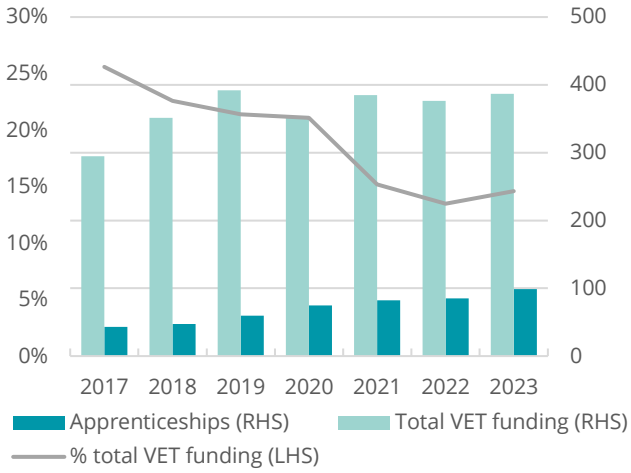
Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

Chart A4.2: Apprenticeship commencements (share of the working age population; SA)



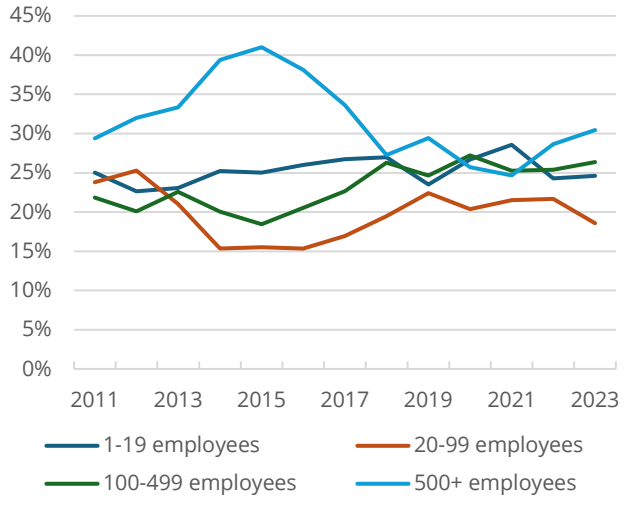
Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024) and ABS, *Regional Population* (2025).

Chart A4.3: Apprenticeships and total VET funding (SA)



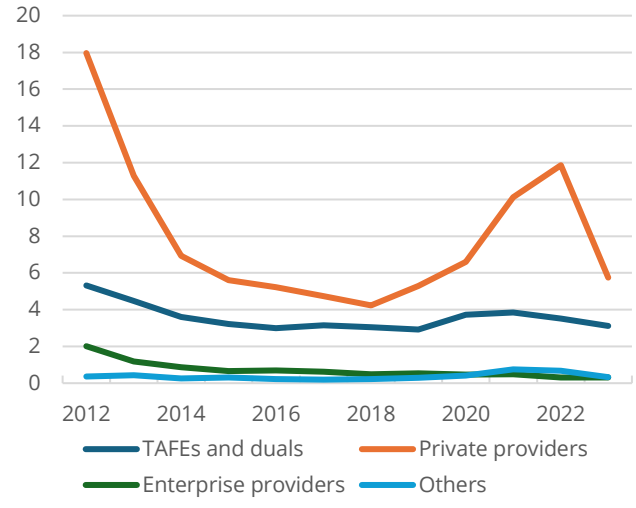
Source: NCVER VET Funding Collection (2024).

Chart A4.4: Apprenticeship commencements by employer size (SA; share of total)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

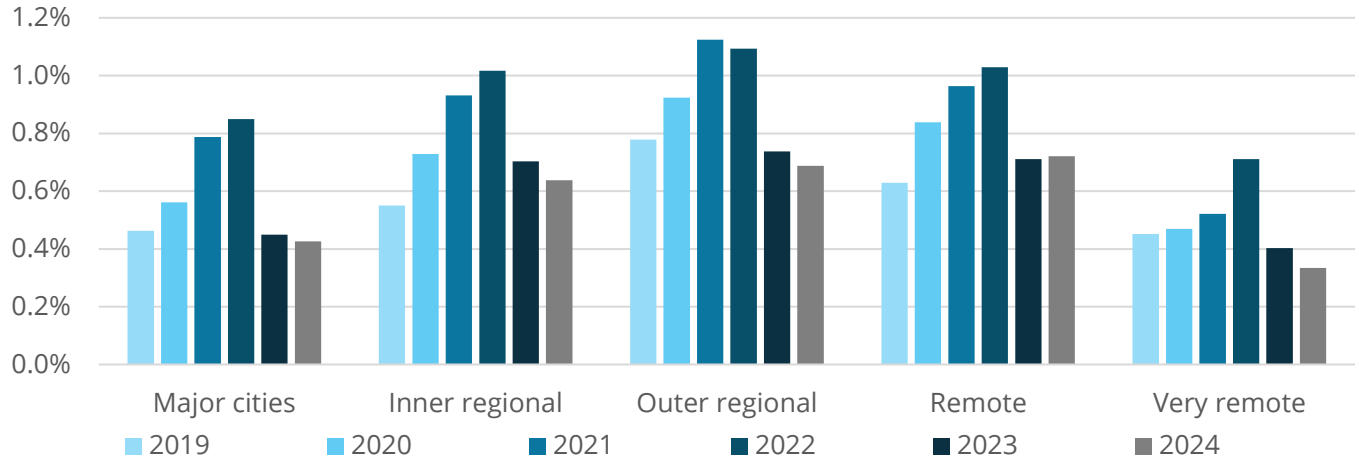
Chart A4.5: Apprenticeship commencements by provider type (SA; 000s)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

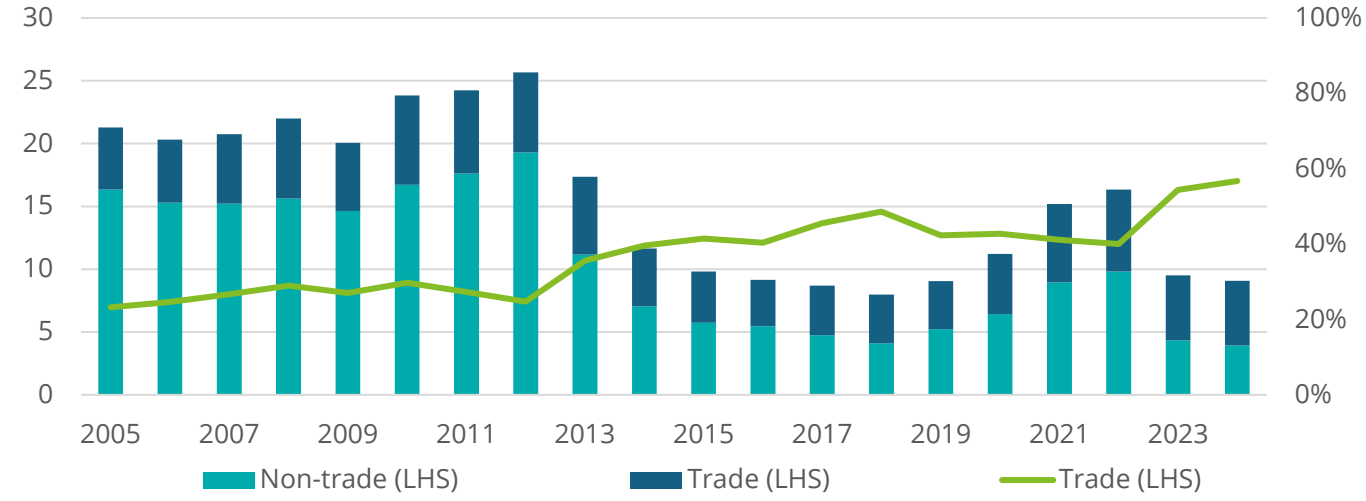
A4. South Australia data snapshot

Chart A4.6: Apprenticeship commencements by region (share of working age population; SA)



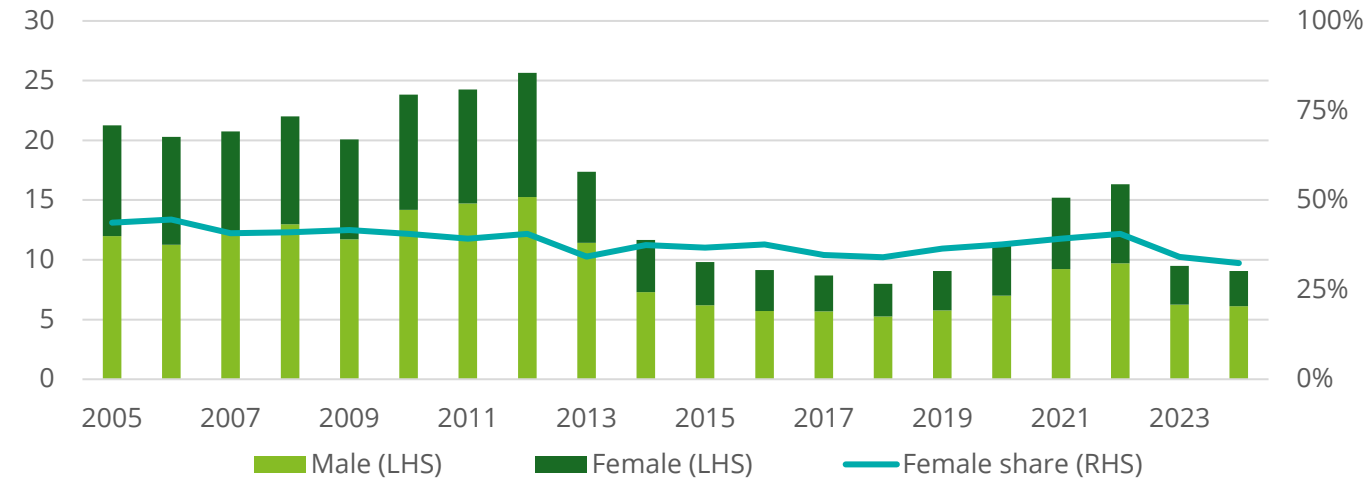
Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024) and ABS, *Regional Population* (2025).

Chart A4.7: Apprenticeship commencements by trade/non-trade ('000s; SA)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

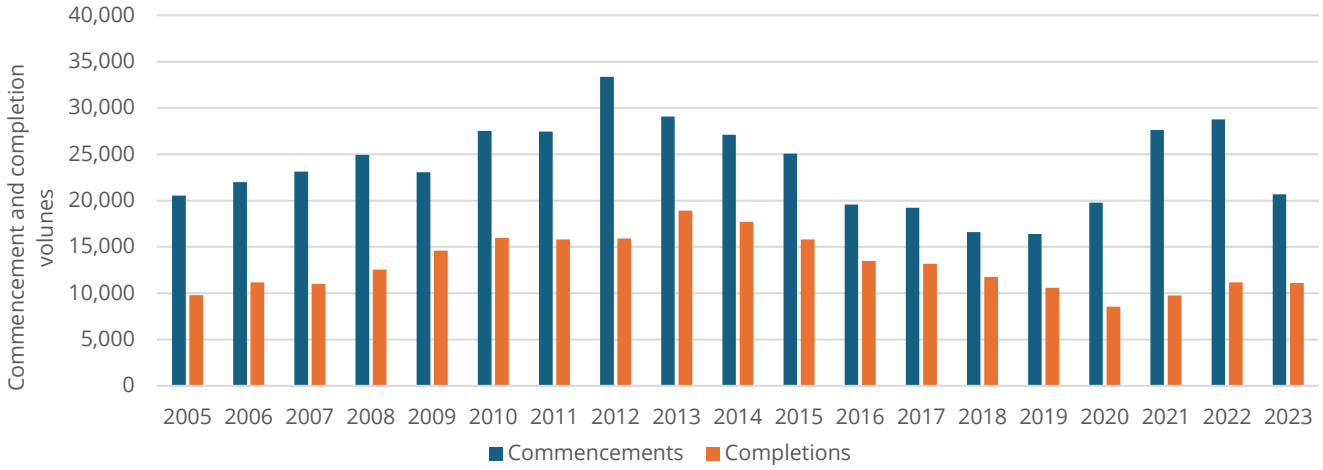
Chart A4.8: Apprenticeship commencements by gender (SA)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

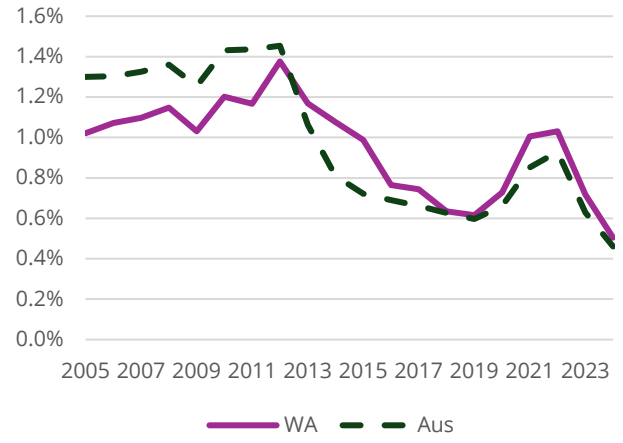
A5. Western Australia data snapshot

Chart A5.1: Apprenticeship and traineeship commencements and completions over time (WA)



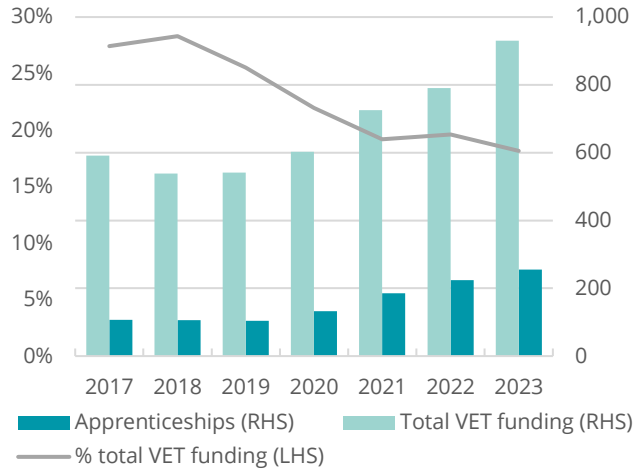
Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

Chart A5.2: Apprenticeship commencements (share of the working age population; WA)



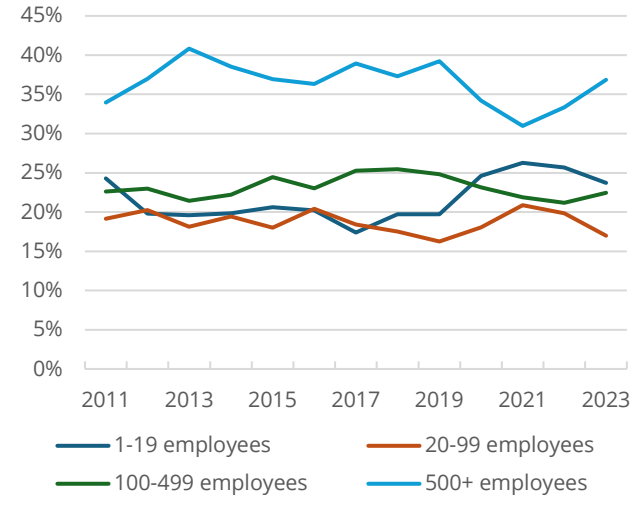
Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024) and ABS, *Regional Population* (2025).

Chart A5.3: Apprenticeships and total VET funding (WA)



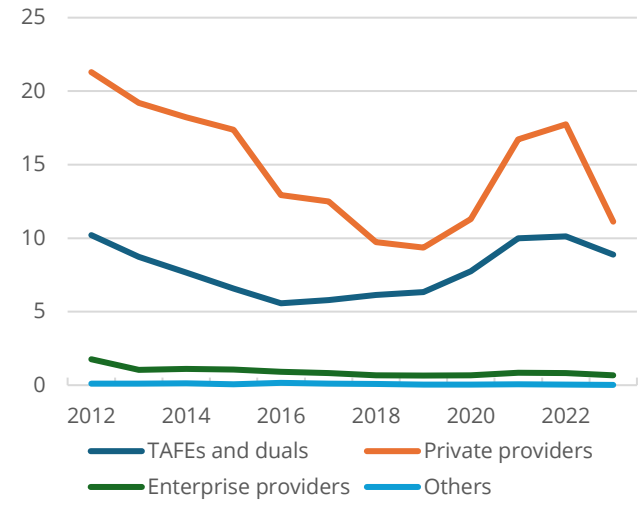
Source: NCVER VET Funding Collection (2024).

Chart A5.4: Apprenticeship commencements by employer size (WA; share of total)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

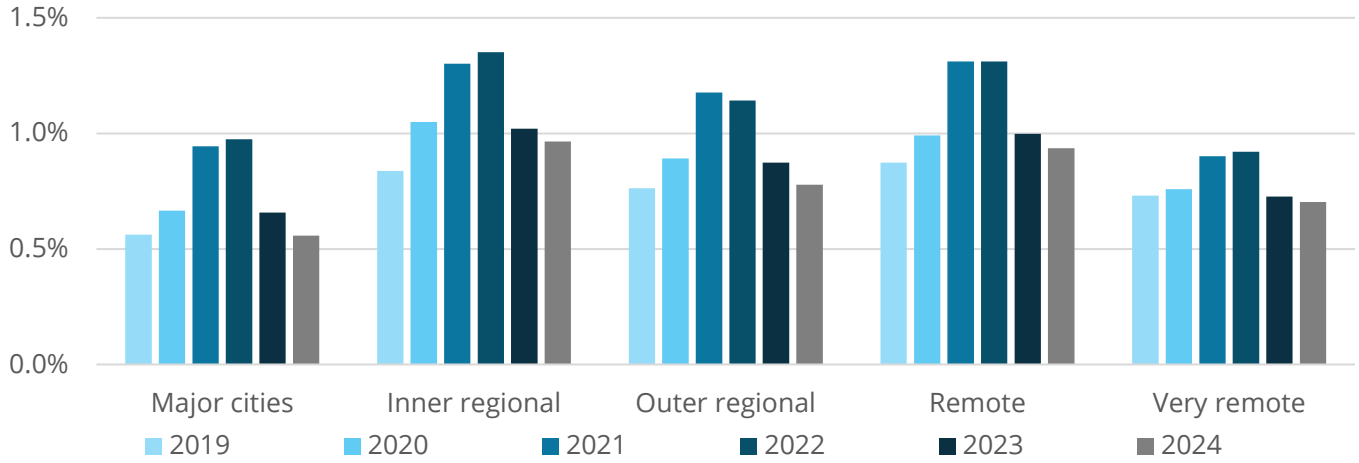
Chart A5.5: Apprenticeship commencements by provider type (WA; 000s)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

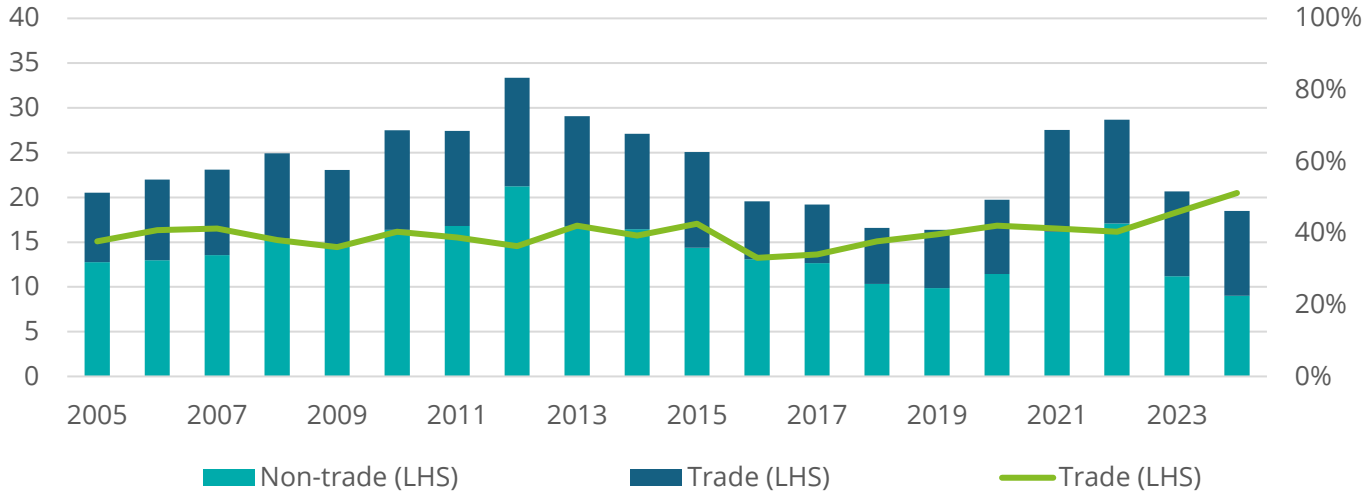
A5. Western Australia data snapshot

Chart A5.6: Apprenticeship commencements by region (share of working age population; WA)



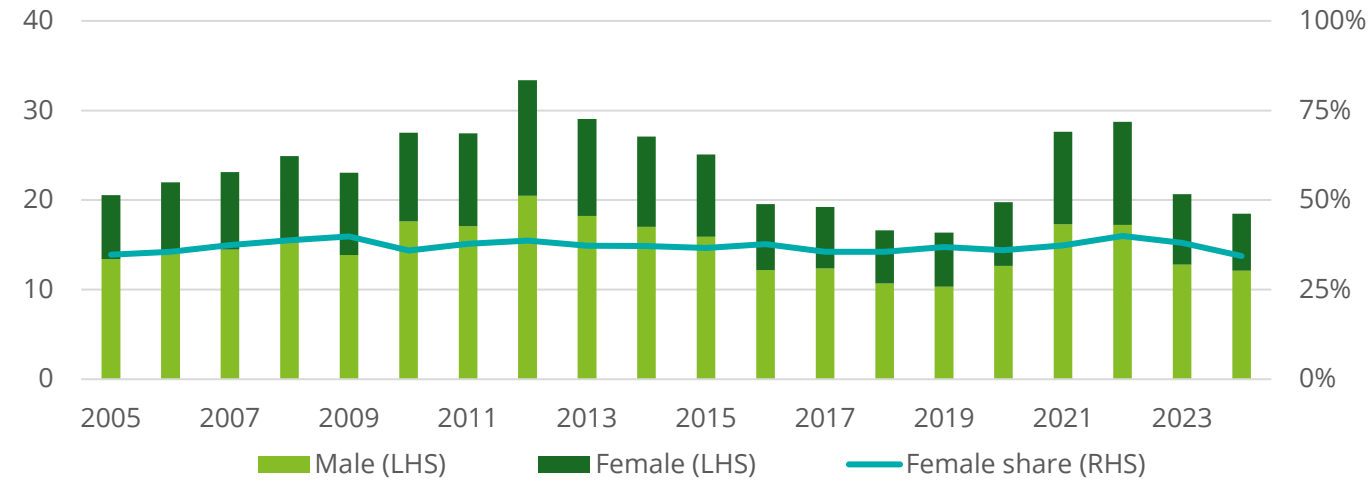
Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024) and ABS, *Regional Population* (2025).

Chart A5.7: Apprenticeship commencements by trade/non-trade ('000s; WA)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

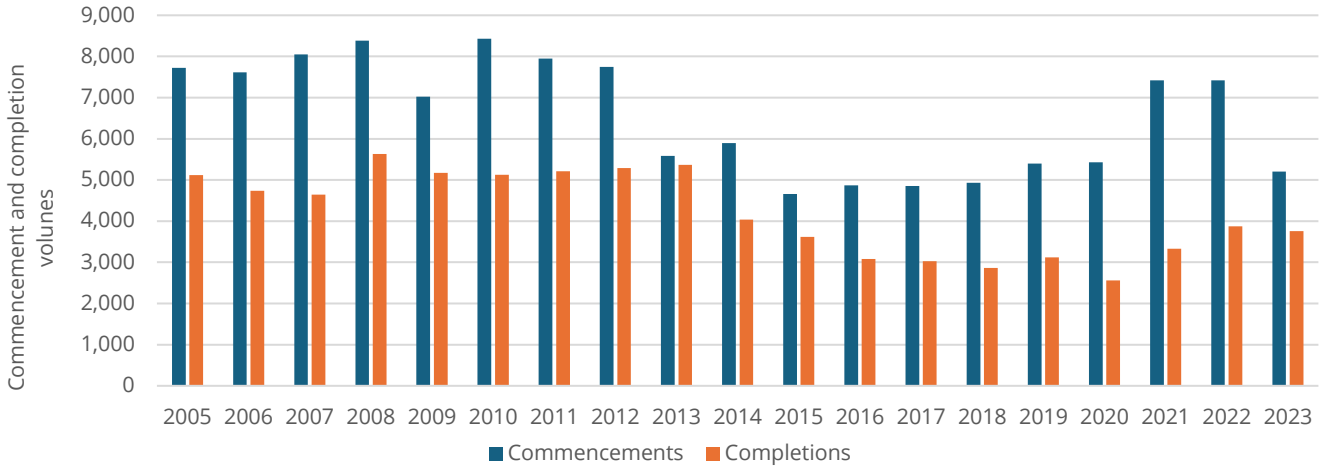
Chart A5.8: Apprenticeship commencements by gender (WA)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

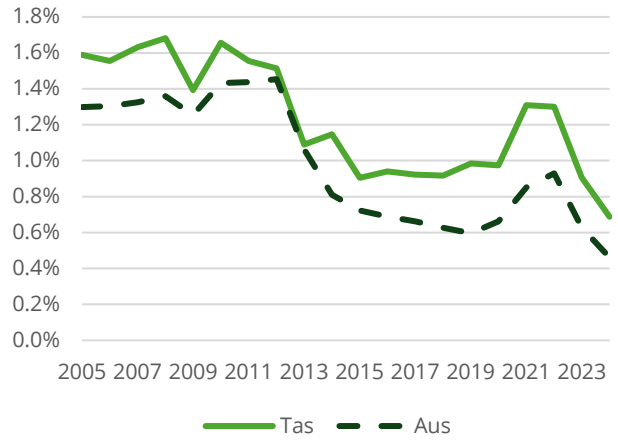
A6. Tasmania data snapshot

Chart A6.1: Apprenticeship and traineeship commencements and completions over time (TAS)



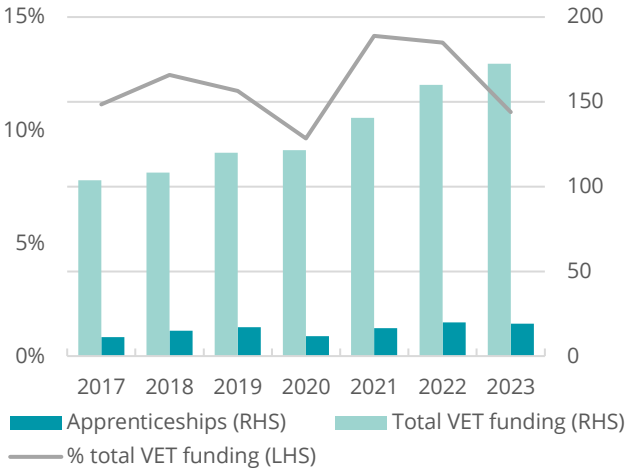
Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

Chart A6.2: Apprenticeship commencements (share of the working age population; TAS)



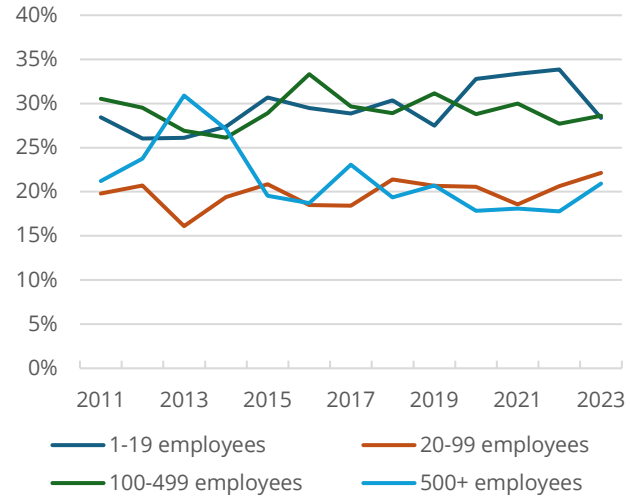
Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024) and ABS, *Regional Population* (2025).

Chart A6.3: Apprenticeships and total VET funding (TAS)



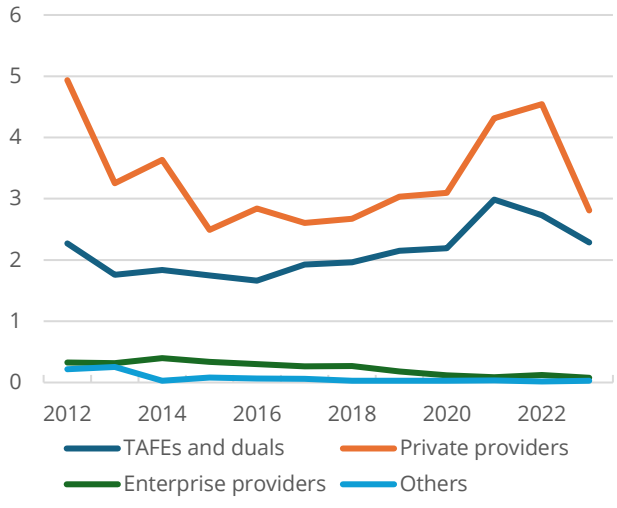
Source: NCVER VET Funding Collection (2024).

Chart A6.4: Apprenticeship commencements by employer size (TAS; share of total)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

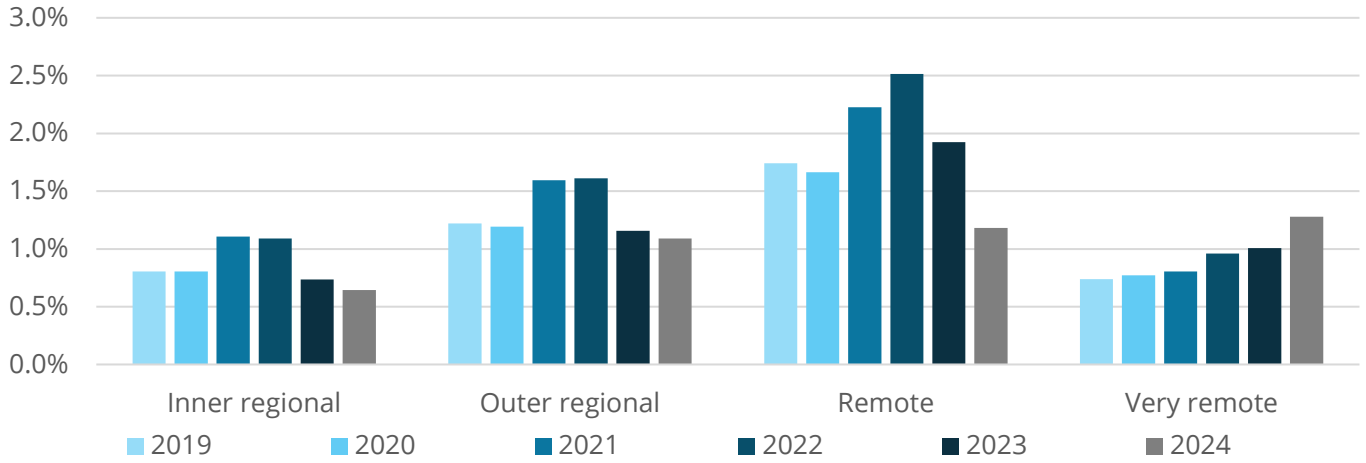
Chart A6.5: Apprenticeship commencements by provider type (TAS; 000s)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

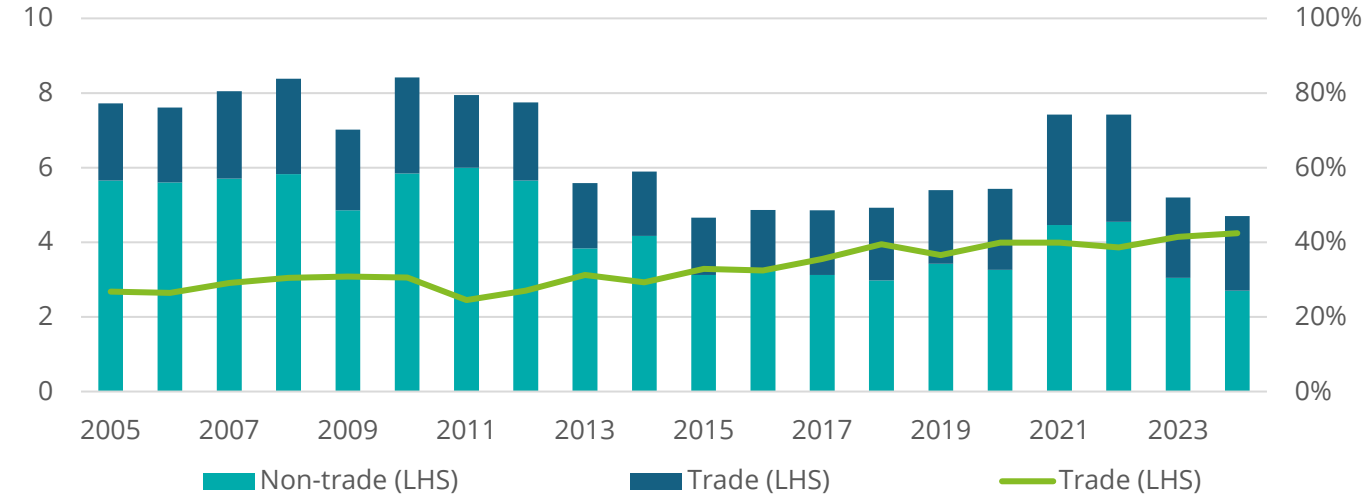
A6. Tasmania data snapshot

Chart A6.6: Apprenticeship commencements by region (share of working age population; TAS)



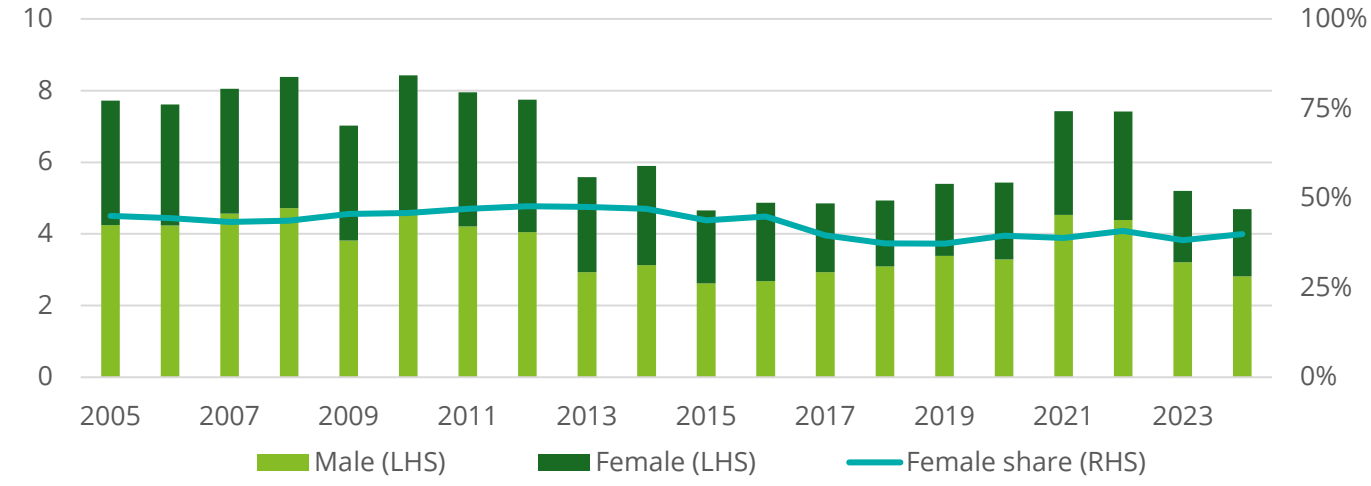
Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024) and ABS, *Regional Population* (2025).

Chart A6.7: Apprenticeship commencements by trade/non-trade ('000s; TAS)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

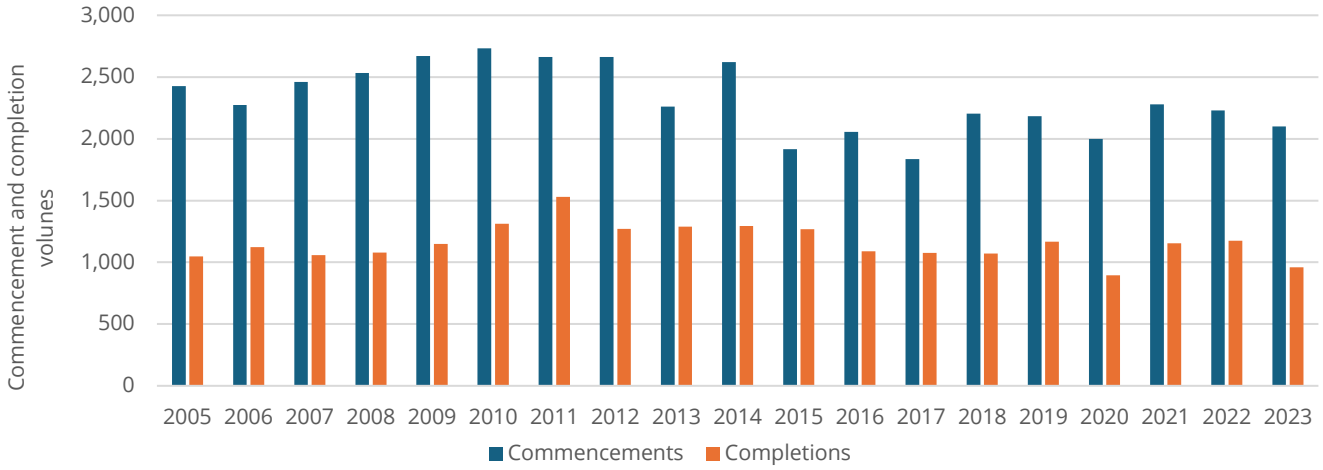
Chart A6.8: Apprenticeship commencements by gender (TAS)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

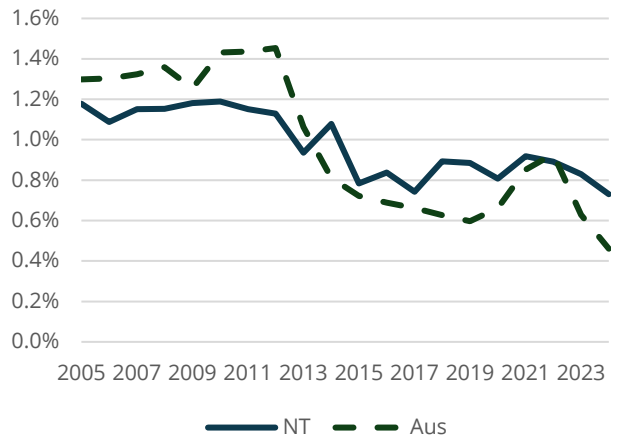
A7. Northern Territory data snapshot

Chart A7.1: Apprenticeship and traineeship commencements and completions over time (NT)



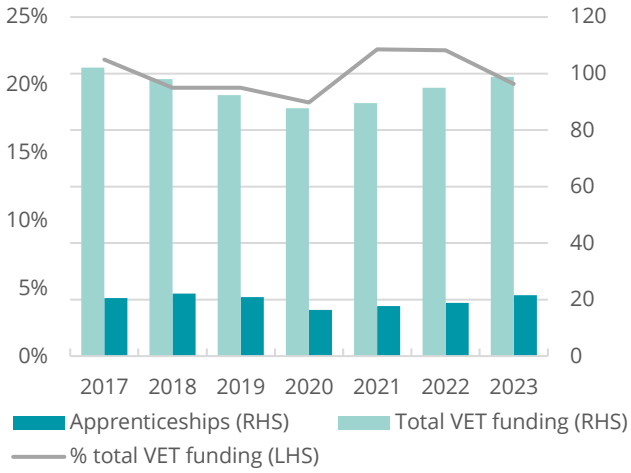
Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

Chart A7.2: Apprenticeship commencements (share of the working age population; NT)



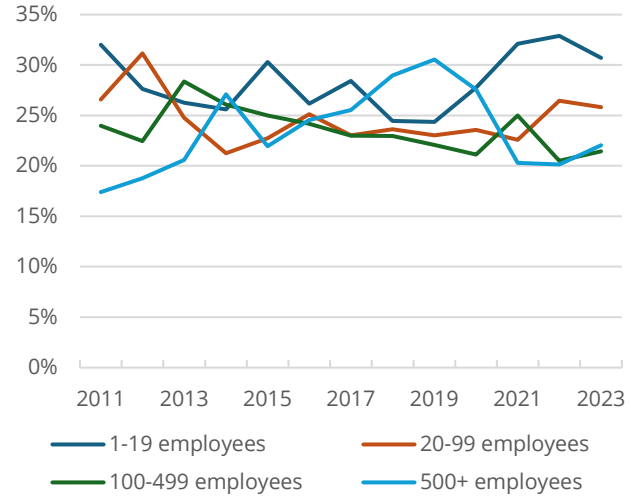
Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024) and ABS, *Regional Population* (2025).

Chart A7.3: Apprenticeships and total VET funding (NT)



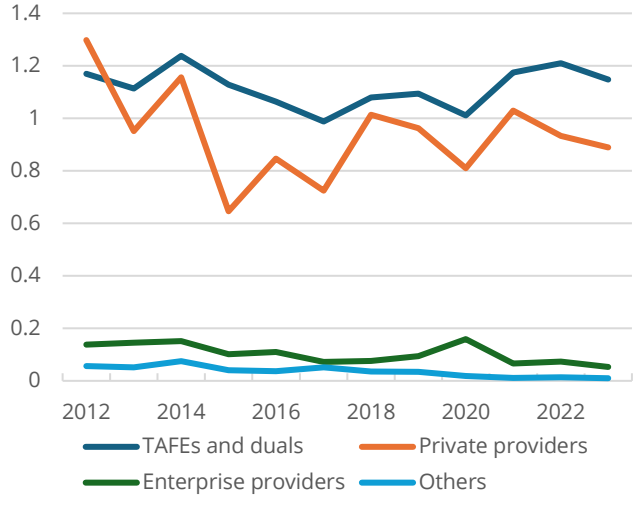
Source: NCVER VET Funding Collection (2024).

Chart A7.4: Apprenticeship commencements by employer size (NT; share of total)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

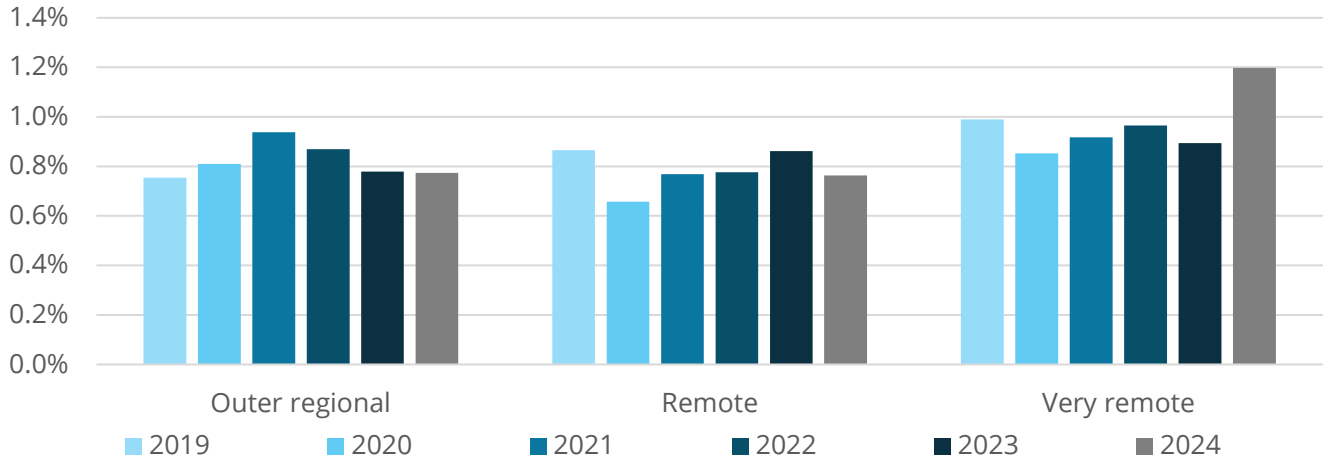
Chart A7.5: Apprenticeship commencements by provider type (NT; 000s)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

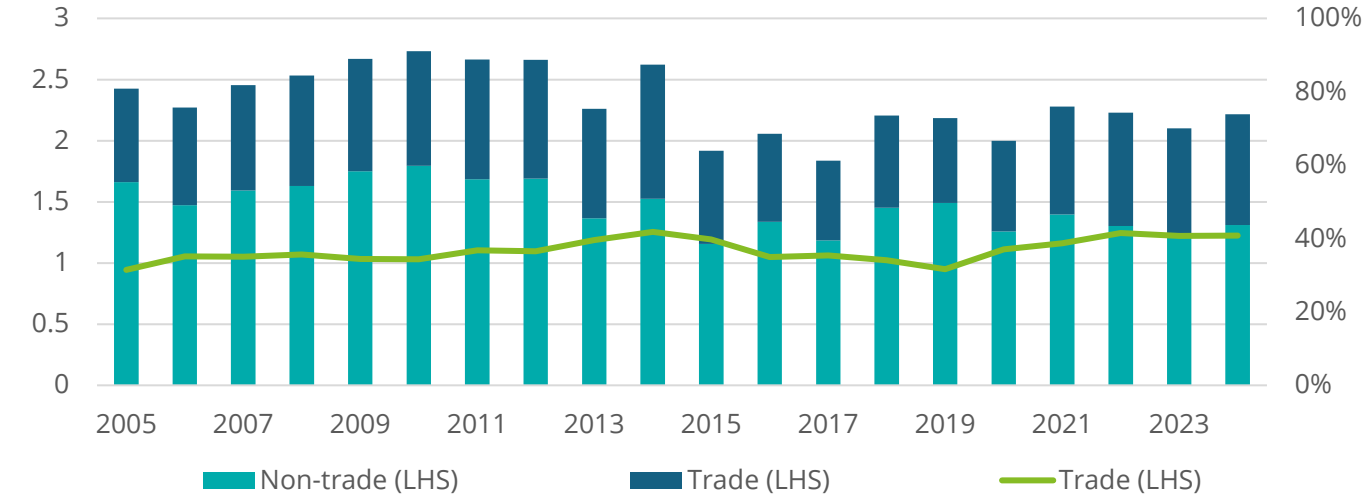
A7. Northern Territory data snapshot

Chart A7.6: Apprenticeship commencements by region (share of working age population; NT)



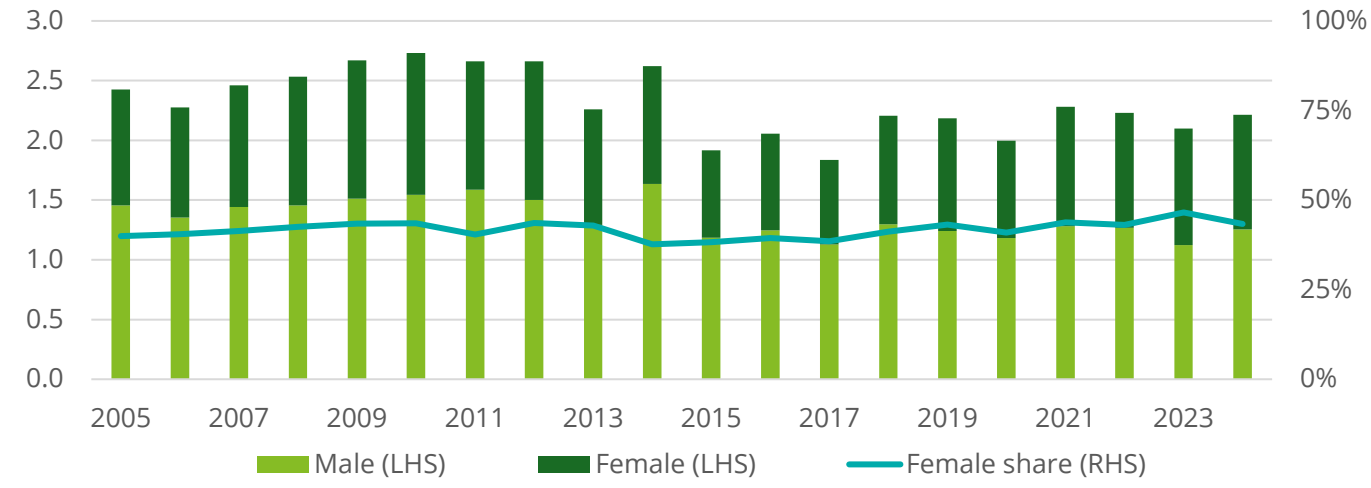
Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024) and ABS, *Regional Population* (2025).

Chart A7.7: Apprenticeship commencements by trade/non-trade ('000s; NT)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

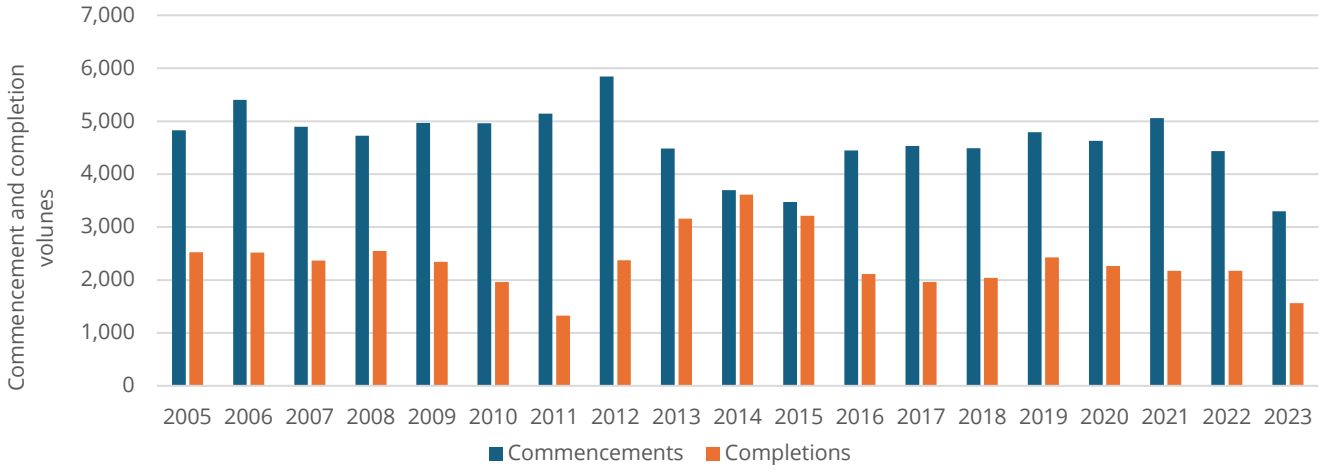
Chart A7.8: Apprenticeship commencements by gender (NT)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

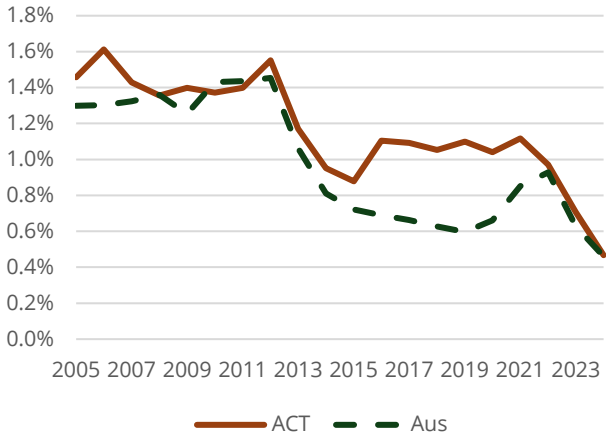
A8. ACT data snapshot

Chart A8.1: Apprenticeship and traineeship commencements and completions over time (ACT)



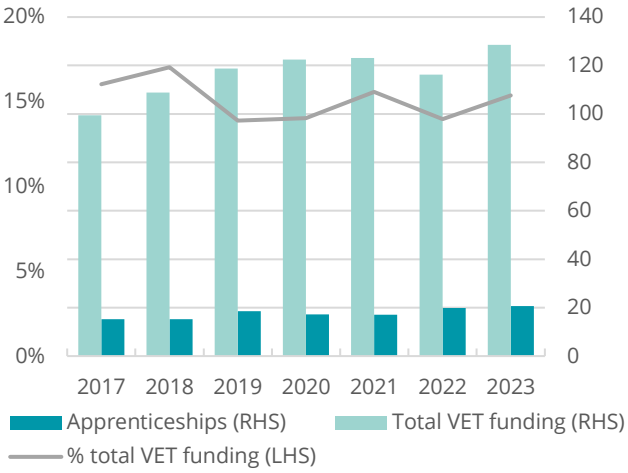
Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

Chart A8.2: Apprenticeship commencements (share of the working age population; ACT)



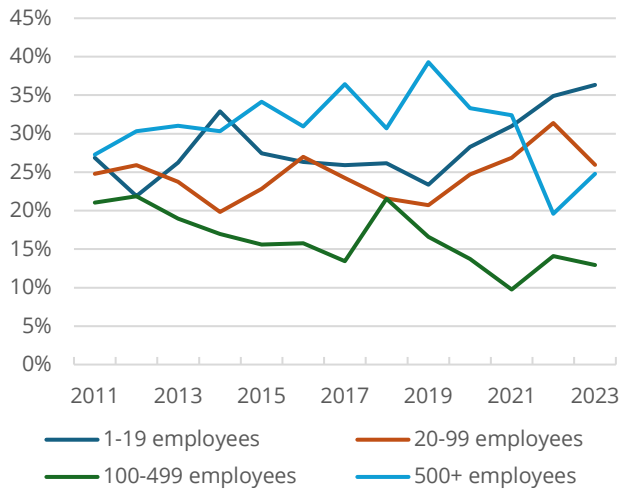
Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024) and ABS, *Regional Population* (2025).

Chart A8.3: Apprenticeships and total VET funding (ACT)



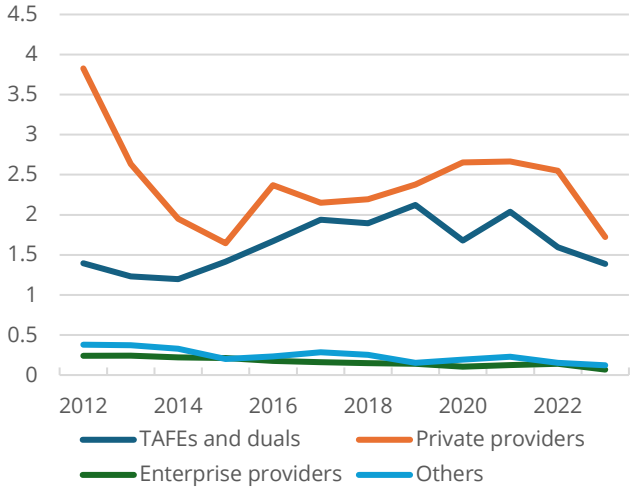
Source: NCVER VET Funding Collection (2024).

Chart A8.4: Apprenticeship commencements by employer size (ACT; share of total)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

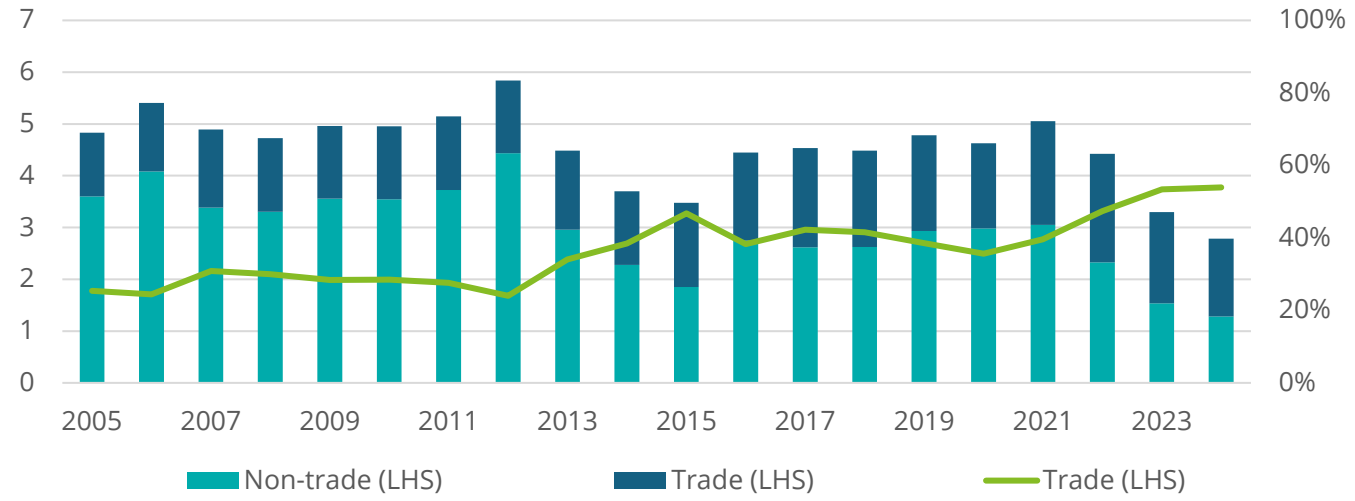
Chart A8.5: Apprenticeship commencements by provider type (ACT; 000s)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

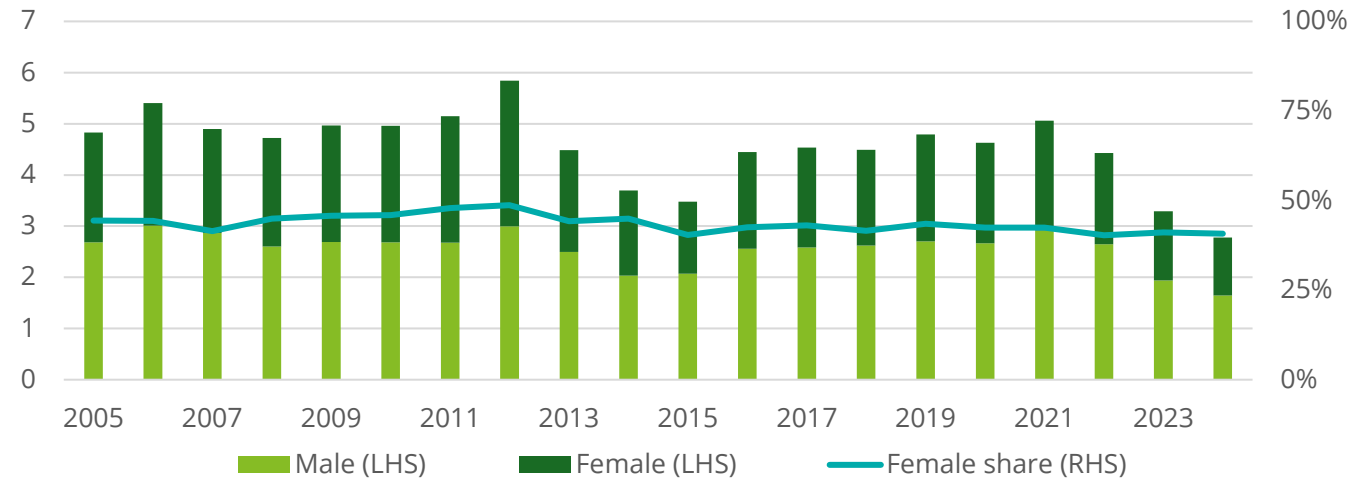
A8. ACT data snapshot

Chart A8.7: Apprenticeship commencements by trade/non-trade ('000s; ACT)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

Chart A8.8: Apprenticeship commencements by gender (ACT)



Source: Deloitte Access Economics analysis of NCVER, *Apprentices and trainees* (2024).

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