



Hon Carmel Sepuloni
Minister for Social Development and
Employment

PRESS RELEASE
20 May 2021

Training Incentive Allowance to support 16,000 New Zealanders into jobs

The Government is supporting 16,000 people to retrain, gain higher skills and transition into new careers by bringing back the Training Incentive Allowance.

“This is an investment in people and will mean better skills, qualifications, jobs, incomes and lives,” Carmel Sepuloni said.

“The impacts of COVID-19 mean reinstating the Training Incentive Allowance for higher-skill courses is more important than ever. We need to grow the skills of New Zealanders to fill the needs of employers and this allowance will be a vital tool we can use to do just that.

“We are already seeing record numbers of job seekers moving into employment. Bringing back the Training Incentive Allowance gives us another tool and helps even more people move into employment.

“The Allowance supports sole parents, carers and disabled people on eligible benefits with the upfront and ongoing costs of study, such as fees, books, transport and childcare costs.

“Sole parents, disabled people and carers are among those most affected by the economic effects of COVID-19. They also face higher costs and barriers to education and training. Now is the right time to reinstate this allowance and help them reach their full potential.

“This was a key part of our recovery plan and is another manifesto commitment we are delivering on in Budget 2021.

“The Training Incentive Allowance was scaled back by the previous Government. This Labour Government is putting the ladder of support back in place after National pulled it up behind them.

“This allowance is an investment in a family’s future. I was supported by it for a period of time when I was a sole parent and studying. It made a big difference having that little bit of extra financial support when I was trying to get ahead and build a future for my family.

“Bringing back the allowance will support about 16,000 people to retrain, gain higher skills and transition into new careers over the next four years. This includes approximately 5,750 Māori and 1,400 Pacific people,” Carmel Sepuloni said.

“This support is critical to ensuring that our people continue to develop the skills needed for Aotearoa New Zealand’s economic recovery and rebuild.

“Over the longer term, it will result in higher employment levels and less reliance on income support. Research shows those who gain higher level qualifications are more likely to get jobs, build careers and earn more. It is exactly the sort of investment we need to be making to support people back into sustainable work,” Carmel Sepuloni said.

Through Budget 2021 we will invest \$127 million operating costs over four years from the Covid-19 Recovery and Response Fund for Vote Social Development to reinstate the Training Incentive Allowance.

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Editor’s notes:

From 1 July 2021 to 1 January 2025, people can apply for the Training Incentive Allowance for courses at levels 4-7 of the New Zealand Qualifications Framework (NZQF) which includes degree-level study. (It’s currently only available for courses at levels 1-3 of the NZQF after it was restricted in 2009.)

Training Incentive Allowance is available from Work and Income for sole parents, disabled people and carers who get:

- Sole Parent Support
- Young Parent Payment – sole parents only
- Jobseeker Support – sole parents only, from 1 July for part-time study only
- Supported Living Payment
- Supported Living Payment-carer
- Emergency Benefit – sole parents only, includes Emergency Maintenance Allowance.

Training Incentive Allowance is paid on top of the participant’s current benefit. They may also get a Student Loan for fees and course costs, but not a Student Allowance or a Student Loan for living costs.

The amount paid is based on actual study costs to a maximum of \$114.19 per week of study, up to \$4,567.60 per year (as of 1 April 2021). It can be paid as an upfront lump sum, as well as weekly or ongoing, depending on the participant’s needs.