

Supporting higher level study with Training Incentive Allowance

We're supporting people to gain higher skills and qualifications which lead to better jobs and better incomes.

Wellbeing Budget 2021

From 1 July 2021 to 1 January 2025, sole parents on benefits, as well as disabled people and carers on the Supported Living Payment may get Training Incentive Allowance for courses up to and including degree-level.

The Training Incentive 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.

- In 2009, the level of study supported by the Training Incentive Allowance was restricted to qualifications at level 3 and below.
- Reinstating the Training Incentive Allowance for study at levels 4 to 7 will support around 16,000 sole parents, disabled people and carers to gain higher skills and transition into new careers over the next four years. This includes approximately 5,750 Māori and 1,400 Pacific people.
- Sole parents, disabled people and carers are among those most impacted by the economic effects of COVID-19. They're also likely to face higher costs and barriers to education and training, such as balancing care of a child or disabled person, transport and accessibility.
- Supporting this group to study higher-skill courses is likely to lead to better qualifications, better work opportunities and higher incomes.

Government is investing to reinstate the Training Incentive Allowance for study at levels 4 to 7 on the New Zealand Qualifications Framework. (It's currently available only for courses at levels 1 to 3.)

- Training Incentive Allowance is available for sole parents, disabled people and carers who get:
 - Sole Parent Support
 - Young Parent Payment - sole parents
 - Jobseeker Support – sole parents, from 1 July for part-time study only
 - Supported Living Payment
 - Supported Living Payment - carer
 - Emergency Benefit - sole parents (includes Emergency Maintenance Allowance).
- 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.
- Training Incentive Allowance is paid on top of the person's benefit. They may also get a Student Loan for fees and course costs, but not Student Allowance or Student Loan for living costs.

*Costs (net operating) \$m	2021/22	2022/23	2023/24	2024/25	2025/26	Outyears	TOTAL
*Vote Social Development	34.552	38.137	38.232	16.124			127.045
Costs (capital) \$m							TOTAL
	20.175	10.238	4.350	1.562	0.166	(0.034)	36.457