



Training Benchmarks

Frequently Asked Questions - Sponsors

What are the training benchmarks?

Applicants who apply for approval as sponsors under the subclass 457 visa program must demonstrate their contribution and commitment to the training of Australians by providing evidence of meeting the training benchmarks.

The training benchmarks are currently being developed by the Department of Employment and Workplace Relations, in consultation with stakeholders. While these benchmarks are being developed, the Minister has issued a legislative instrument that continues the pre-14 September 2009 policy requiring applicants to demonstrate their training commitment.

There are currently two benchmarks – the applicant for approval as a sponsor may choose which benchmark they will meet. When assessing whether the applicant has met one of the training benchmarks, processing officers will focus on quantifiable data and evidence provided by the applicant.

How can applicants meet Training Benchmark A – Industry Training Fund?

Applicants can meet Training Benchmark A by paying the equivalent of at least two per cent of recent payroll expenditure to an industry training fund. The industry training fund must operate in an industry related to the applicant's business.

What is an industry training fund?

Industry training funds are statutory authorities responsible for providing funding for training of eligible workers in certain industries. Industry training funds operate in a range of sectors including construction and mining but are not limited to these industries.

Applicants seeking to contribute to an industry training fund must do so to a fund that operates in the same industry as the business. To meet this benchmark, applicants must provide evidence of having made these contributions, such as a receipt or letter from the industry training fund.

What if there is no industry training fund operating in sector?

Where there is no industry training fund operating in the same sector as the applicant for approval, the applicant can show evidence of having made a contribution to a recognised scholarship fund that supports education or training for Australian citizens or permanent residents in a university or TAFE course related to the business of the applicant.

What sort of training is acceptable to meet Training Benchmark B?

To meet Training Benchmark B, applicants must provide evidence of spending the equivalent of one per cent of payroll on training for their employees who are Australian citizens or permanent residents.

The Legislative Instrument (IMMI 09/107) lists examples of training that may count towards meeting the benchmark. The key requirement is that training is formal, structured and independently verifiable.

See: [Legislative Instruments \(Migration Regulations\) - Worker Protection - Available on ComLaw](#)

What is recent expenditure?

The evidence provided should demonstrate that the expenditure occurred in the previous 12 months to qualify as 'recent' expenditure. This is irrespective of whether the applicant is seeking to meet Training Benchmark A or Training Benchmark B.

What constitutes on-the-job training?

To count towards this benchmark, on-the-job training must be part of a structured learning and development program, with identified learning outcomes. It must be relevant to the applicant's business activities.

Can spending on apprentices, trainees and graduates meet the benchmark?

Apprenticeships and traineeships are, by definition, training positions. Where an applicant employs an apprentice or trainee, 100 per cent of the salary provided to this apprentice or trainee can be counted towards calculating whether the training benchmark of one per cent of payroll expenditure has been met.

Graduate positions cannot be considered as wholly training positions. Sponsors wanting to count expenditure on a graduate position towards meeting the training benchmark must only attribute expenditure that is for the formal training aspects of the graduate position. This may include the costs of administering the graduate program.

What is a relevant course of study?

A relevant course of study relates to the business of the applicant, but is not narrowly limited to the occupation of the employees. Training which contributes to the professional development of employees can be counted towards Training Benchmark B.

How can businesses who do not employ any Australians meet the benchmarks?

Businesses that operate in Australia but do not employ any Australian workers must provide evidence of contributing to an industry training fund to meet Training Benchmark A.

What if a sponsorship applicant has been trading in Australia for less than 12 months?

Applicants who have been trading in Australia for less than 12 months can submit an auditable plan to meet the training benchmarks.

The auditable plan must clearly identify how the applicant intends to meet one of the training benchmarks. The auditable plan must relate to the immediate future (within the next twelve months), clearly articulate the intended expenditure towards Training Benchmark A or B and show a clear intent to implement the plan.

For applicants submitting an auditable plan to meet Training Benchmark B, the plan must clearly articulate the type of training, duration of training and the estimated cost.

What types of training may contribute towards Benchmark B?

The legislative instrument (IMMI 09/107) lists a number of examples of training that can contribute to meeting this benchmark.

See: [Legislative Instruments \(Migration Regulations\) - Worker Protection - Available on ComLaw](#)

Can wages paid to staff while attending training be counted towards the benchmark?

To count towards Training Benchmark B, expenditure must be for the provision of training to employees. Wages paid to staff for the time spent attending training are not expenditure for the provision of training and therefore cannot be counted towards Training Benchmark B, except where the staff are apprentices, trainees or graduates.