

Oifig an Aire Scileanna, Taighde agus Nuálaíochta Office of the Minister for Skills, Research and Innovation

Our Ref: MS 818/14

Mr Tom O'Neill Meetings Administrator Corporate Services Department South Dublin County Council County Hall Tallaght Dublin 24

Comhairle Contae Átha Cliath The South Dublin County Council 15 JAN 2015 Corporate Services

\ 3 January, 2015

Dear Mr O'Neill,

I wish to refer to your letter in relation to apprenticeship fees, and I apologise for the delay in replying.

The Annual Student Contribution is levied on students attending Institutes of Technology (IoTs). The amount due by apprentices is calculated on a pro rata basis of the time which they spend in Institutes of Technology during the academic year.

Since 2004, FÁS/SOLAS has paid a part of the Annual Student Contribution due in respect of apprentices, with apprentices themselves paying the part of the contribution relating to examination fees. As part of Budget 2014, SOLAS have ceased making payments to Institutes of Technology and apprentices pay the full pro rata Annual Student Contribution.

From January 2014 up to the end of the academic year in June, apprentices paid €833 (1/3 of €2,500) per typical attendance block although a small number of apprentices paid more for longer blocks. These arrangements mean that apprentices are treated the same as students in IoTs in terms of the annual student contribution. Apprentices had already been paying €233 (28% of €833) in respect of the exam fee element of the ASC.

However, unlike full time students, apprentices are paid a training allowance by SOLAS for phases of their training spent in IoTs. This allowance ranges from €293 to €647 per week depending on the trade and phase of the apprenticeship programme. This is the equivalent to their net take-home pay on the job, and is not subject to tax or PRSI. Such allowances are not available to students in the IoTs.

The Budget 2014 decision was taken in the context of the difficult economic circumstances the country is in and the overall savings that my Department had to find in 2014. There is no scope to revisit the measure.

I am deeply committed to supporting apprenticeship training in Ireland, both through the renewal of existing apprenticeships and the extension of the apprenticeship model to new areas. I will be focused on delivering in accordance with the Implementation Plan recently published to take forward the recommendations of the recent independent review of apprenticeship training in Ireland.

I hope that this clarifies the position.

With best wishes

Yours sincerely

Damien English TD

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Minister for Skills, Research and Innovation