



Expansion of the Commonwealth Prac Payment

Support for front-line allied health students

The Australian Government will invest \$745.1 million over 2026-27 to 2029-30 in the Commonwealth Prac Payment program, including \$158.4 million of new investment to expand the program to include students studying frontline allied health courses that support Strengthening Medicare and are in areas of national skills shortage.

This means that from 1 July 2027, more eligible students undertaking mandatory placements as part of their university degrees will be able to access Commonwealth Prac Payments.

This new investment expands on the existing Commonwealth Prac Payment program for teaching, nursing, midwifery and social work students, introduced on 1 July 2025.

Commonwealth Prac Payments provide real cost-of-living relief for students while they are completing their compulsory placements, enabling them to focus on their studies and gain the practical experience needed to join Australia's frontline workforce.

With the addition of these new disciplines the program is expected to support around 95,000 students each year, including 21,000 additional higher education students in frontline allied health courses.

How does the Commonwealth Prac Payment work?

The Commonwealth Prac Payment provides eligible students with financial support during their mandatory placements as part of their degree.

In 2026 the rate of the payment is \$338.60 per week, benchmarked against the single Austudy rate (indexed on 1 January each year). It is available to students studying in areas of skills shortages in priority areas of growing demand, where the financial impacts of placements may otherwise influence students to defer or withdraw from study.

The payment is means-tested and, alongside current delivery to students in teaching, nursing, midwifery and social work, will be available from 1 July 2027 for eligible students undertaking mandatory placements in the newly eligible allied health disciplines.

For higher education students, the Commonwealth Prac Payment will continue to be delivered through universities and other eligible higher education providers.

To support implementation, the Australian Government will work closely with higher education providers and accreditation bodies to ensure students undertaking mandatory placements in eligible front-line allied health disciplines receive appropriate support as part of the expanded program.

The Commonwealth Prac Payment operates alongside any support States and Territories may provide to students undertaking these courses. It is not intended to duplicate or replace these existing initiatives.

Why is it important?

Australia's front-line allied health workforce plays a critical role in delivering services across primary care, hospitals, aged care, disability, mental health and regional communities, and are central to multidisciplinary models of care that support Australians at their most vulnerable.

The Australian Universities Accord recommended (Recommendation 14) that the Australian Government work with tertiary education providers, state and territory governments, industry, business and unions to introduce financial support for unpaid work placements, including government-funded support for students in teaching, care and related professions.

Expanding the Commonwealth Prac Payment to front-line allied health disciplines builds on this recommendation and supports the health workforce that underpins key Government priorities across Strengthening Medicare, Thriving Kids and the National Disability Insurance Scheme (NDIS).

The Commonwealth Prac Payments provide real cost-of-living relief and help address financial barriers for students during placements, supporting them to complete their studies, graduate, and enter the workforce, helping to address shortages in these important sectors.

The Australian Government's 2023 Employment White Paper identified that a larger care sector workforce will be needed to support growing demand for quality care and support services. It also highlighted that training pathways into care professions must be accessible and attractive to attract and retain workers in these fields.

These front-line allied health qualifications also predominantly comprise women and have high participation from low socioeconomic status and First Nations students. Many students in these cohorts also juggle full-time or part-time study with paid work as well as caring and parental responsibilities. Providing real cost-of-living relief and helping address financial barriers associated with tertiary education will encourage more students to aspire to university to enrol in areas of workforce shortage.

Who is eligible?

The Commonwealth Prac Payment supports eligible students undertaking mandatory placements in priority disciplines.

The program will continue to support eligible students studying:

- Teaching
- Nursing
- Midwifery
- Social work

and will be expanded from 1 July 2027 to also include eligible students studying:

- Audiology
- Clinical psychology²
- Occupational therapy
- Paramedicine
- Pharmacy
- Physiotherapy
- Podiatry
- Radiography¹
- Rehabilitation therapies³
- Speech pathology

Who will benefit?

The payment will be available to eligible students on Australian Government income support and those students who need to work more than 15 hours per week during their normal university studies.

These students typically face the greatest financial pressure during mandatory placements due to their increased costs incurred and reduced capacity to undertake paid work.

In particular, women, low SES students, regional students and First Nations students in eligible courses benefit from access to Commonwealth Prac Payments during mandatory placements.

¹ Radiography includes entry-to-practice qualifications leading to a range of professions such as, medical radiation therapy, nuclear medicine technology, diagnostics radiography and sonography.

² Clinical psychology includes professional pathway courses that lead to professional registration as a psychologist with the Psychology Board of Australia.

³ Rehabilitation Therapies includes entry-to-practice qualifications leading to a range of professions such as orthoptics, orthotics and prosthetics, exercise physiology, developmental education and rehabilitation counselling (including mental health).