

Boosting Apprenticeship Commencements

Questions and Answers

Updated: 4 October 2020

As part of the <u>Government's Economic Response to COVID-19</u>, and commitment to a skilled economy, an additional \$1.2 billion boost has been announced to encourage employers to take on 100,000 new apprentices and trainees.

1. What is Boosting Apprenticeship Commencements?

<u>Boosting Apprenticeship Commencements</u> is a new government wage subsidy to encourage employers of any size or industry, Australia-wide to take on apprentices and trainees.

This wage subsidy is in addition to the existing \$2.8 billion <u>Supporting Apprentices and Trainees</u> wage subsidy.

2. How much will be available to employers?

Eligible employers and Group Training Organisations can apply for a wage subsidy of 50 per cent of the commencing or recommencing apprentice or trainee's gross wages paid from 5 October 2020 until 30 September 2021, up to \$7,000 per quarter.

Payments will be made quarterly in arrears directly into the recipient's nominated bank account. Final claims for payment must be lodged by 31 December 2021.

3. Who is eligible?

Your business or Group Training Organisation may be eligible if:

- you engage an Australian Apprentice or trainee between 5 October 2020 and 30 September 2021, and
- your Australian Apprentice or trainee is undertaking a Certificate II or higher qualification, and has a training contract that is formally approved by the state training authority.

4. Does the business size matter?

Employers of any size, or industry, Australia-wide who commence an Australian Apprentice between 5 October 2020 and 30 September 2021 may be eligible under this program.

5. Are Group Training Organisations eligible for the subsidy?

Yes. Group Training Organisations are eligible for the subsidy.

Group Training Organisations must pass on the Boosting Apprenticeship Commencements payments to the host employer, or may retain the payment where an Australian Apprentice or trainee is no longer hosted to a host employer.

6. When will Boosting Apprenticeship Commencements be available?

The following table explains when eligible employers will be able to submit a claim for the Boosting Apprenticeship Commencements payments in arrears:

Date Claims Open	Wage Period
1 January 2021	5 October 2020 to 31 December 2020
1 April 2021	1 January 2021 to 31 March 2021
1 July 2021	1 April 2021 to 30 June 2021
1 October 2021	1 July 2021 to 30 September 2021

Final claims for payment must be lodged by 31 December 2021.

7. How are payments made?

Payments are made directly to the recipient's nominated bank account.

8. How do employers register and apply for the subsidy?

An eligible employer should advise of intent to claim Boosting Apprenticeship Commencements using the Boosting Apprenticeship Commencements Registration Form during sign up of a new Australian Apprentice. The form will be available from your <u>Australian Apprenticeship Support Network provider</u>.

9. Are employers eligible for Boosting Apprenticeship Commencements as well as Supporting Apprentices and Trainees or JobKeeper?

No, not for the same apprentice.

Where an employer is eligible for multiple subsidies, the employer will need to choose which payment best supports their circumstances.

10. Are employers eligible for Boosting Apprenticeship Commencements and other incentives available under the Australian Apprenticeships Incentives Program?

Yes, employers and Group Training Organisations that receive Boosting Apprenticeship Commencements will be eligible for other incentives available under the Australian Apprenticeships Incentives Program.

11. Will the Boosting Apprenticeship Commencements be available to employers that commenced an apprentice between 2 July and 4 October 2020?

No. However employers and apprentices may be eligible for other support under the Australian Apprenticeships Incentives Program (AAIP).

12. Is there a limit of Boosting Apprenticeship Commencements per employer?

There is no limit. Employers can receive a subsidy under Boosting Apprenticeship Commencements for any number of apprentices or trainees, provided they meet the eligibility criteria. However, your Australian Apprentices must be one of the first 100,000 who commences or recommences on or after 5 October 2020 and registers for the subsidy.

13. Where can employers find further information?

For further information on how to apply for the subsidy, including information on eligibility, contact an Australian Apprenticeship Support Network provider.

Details of providers in each region is available on the <u>Australian Apprenticeships</u> website.