

19 October 2020

# Apprentices & Trainees Wage Subsidies

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# Agenda

Monday, October 19th

What we are covering today

10:00	Welcome and Introductions	5 min
10:05	Supporting Apprentices and Trainees Wage Subsidy	10 min
10:15	Questions from the Audience	10 min
10:25	New Boosting Apprenticeships Commencements Wage Subsidy	10 min
10:30	Questions from the Audience	10 min
10:40	Other Incentives to be aware of in WA Payroll Tax Exemption for Apprentices Construction Training Fund Jobs and Skills WA Employer Incentive	5 min
10:45	Final Questions from the audience	5 min
11:00	Wrap up	5 min



# Today's Webinar team

Your team of experts



## Louisa Lidington

Administration Manager, ASA

Your expert presenter who has 15 years of experience administering Australian Apprenticeships Incentives.

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## Lena Constantine

WA State Manager, ASA

Your MC, who will consolidate your questions and ask the pressing issues coming from the audience

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## Candice Mallon

Claims Team Leader, ASA

Your background expert, ensuring any complex questions can be fact checked.

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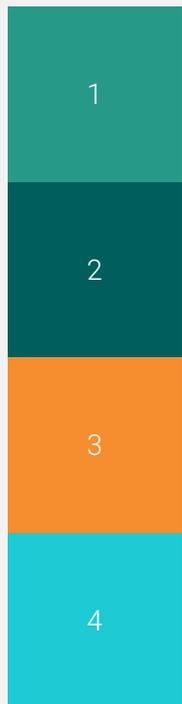


# *Supporting Apprentices & Trainees (SAT)* **Wage Subsidy**

Retention & Re-engagement

# Supporting Apprentices & Trainees Wage Subsidy

The intention of this wage subsidy is to help small employers retain their apprentices and trainees through COVID-19



1 For businesses with less than 20 employees

2 For businesses with an apprentice or trainee in an active contract 1 March 2020

3 Paid in arrears after each quarter claim period. Pay slip evidence required.

4 **Not eligible** to businesses claiming Job Keeper or other wage subsidies. (Although part payments allowed).

Claim 50% of apprentices' wages.  
Up to \$7,000 per quarter

## Claim Periods

1 Jan 2020 to 31 March 2020

1 April 2020 to 30 June 2020

1 July 2020 to 30 September 2020

1 October 2020 to 31 December 2020

1 January 2021 to 31 March 2021

# Extended Supporting Apprentices & Trainees Wage Subsidy

In July 2020, the Government announced that **medium sized** employers would now be eligible to claim the SAT subsidy to assist them to **retain** their apprentices and trainees.

- 1 For businesses with **less than 200** employees
- 2 For businesses with an apprentice or trainee in an active contract **1 July 2020**
- 3 Paid in arrears after each quarter claim period. Pay slip evidence required.
- 4 **Not eligible** to businesses claiming Job Keeper or other wage subsidies. (Although part payments allowed).

Claim 50% of apprentices' wages.  
Up to \$7,000 per quarter

## Claim Periods

1 July 2020 to 30 September 2020

1 October 2020 to 31 December 2020

1 January 2021 to 31 March 2021

# SAT Wage Subsidy: Re-engagement

The re-engagement criteria of the SAT program aims to support employers to re-engage an apprentice or trainee where a small or medium business is not able to retain the apprentice or trainee.



For businesses of **any size**

For businesses who employ an apprentice or trainee that was previously employed by a **small** business at 1 March 2020\*.

For businesses who employ an apprentice or trainee that was previously employed by a **medium** business at 1 July 2020.

**Not eligible** to businesses claiming Job Keeper or other wage subsidies. (Although part payments allowed).

Claim 50% of apprentices' wages.  
Up to \$7,000/quarter

Claim Periods
1 Jan 2020 to 31 March 2020*
1 April 2020 to 30 June 2020*
1 July 2020 to 30 September 2020
1 October 2020 to 31 December 2020
1 January 2021 to 31 March 2021

# Question and Answer Time

Your opportunity to get questions answered in real time.



A person in a workshop wearing safety gear (yellow ear protection, safety glasses, and red gloves) is using a power tool, likely a grinder, on a metal piece. Bright sparks are flying from the tool. The background is a dark, industrial setting with some structural elements visible.

# ***Boosting Apprenticeship Commencements Wage Subsidy***

# Boosting Apprenticeship Commencements Wage Subsidy

The aim of this wage subsidy is to encourage employers to take on new apprentices and trainees during the COVID downturn

- 1 For businesses of **any size** in any industry
- 2 For businesses who put an apprentice or trainee into a new contract from **5 October 2020**
- 3 Capped at 100,000 places nationally
- 4 **Not eligible** to businesses claiming Job Keeper or other wage subsidies. (Although part payments allowed).

Claim 50% of apprentices' wages.  
Up to \$7,000 per quarter

Claim Periods
5 October 2020 to 31 December 2020
1 January 2021 to 31 March 2021
1 April 2021 to 30 June 2021
1 July 2021 to 30 September 2021

# Let's get the full picture...

## Understanding the basics

	SAT	JobKeeper	BAC
<b>Company size</b>	Small or Medium-sized businesses (<200 employees)	For businesses of any size	For businesses of any size
<b>Eligibility</b>	For businesses employing and retaining apprentices or trainees	For businesses employing apprentices and other staff	For businesses signing up apprentices or trainees
<b>Exclusions</b>	Apprentices without a formal training contract are not eligible	School-Based Apprentices and Trainees are not eligible	N/A
<b>Apprentice commencement date</b>	Must be on or before AND include 1 July 2020	Must be on or before AND include either 1 March 2020 or 1 July 2020	Must be on or after 5 October 2020
<b>Administered by</b>	Your Apprenticeship Network Provider (ANP)	The ATO	Your Apprenticeship Network Provider (ANP)
<b>Business impact</b>	N/A	Business must be able to prove 30% drop in turnover (or 15% for charity)	N/A
<b>\$ claimable</b>	Up to 50% of apprentice's gross wage (capped at \$7,000 per quarter)	Subject to the 20 hour Test - \$1,200 or \$750 per fortnight (for December quarter)	Up to 50% of apprentice's gross wage (capped at \$7,000 per quarter)
<b>Claim period</b>	1 July 2020 to 31 March 2021	28 September 2020 to 3 January 2021 (for the first extension period)	5 October 2020 to 30 September 2021 (or until 100,000 commencements taken up)



**Jason,**  
**1st year Hospitality trainee**

## CASE STUDY #1

Jason is a trainee who commenced with a small business (9 employees) on 14 December 2019

- He was still employed with the same small business on 1 March 2020
- From 15 September 2020 the employer was in receipt of the JobKeeper Payment

The employer may be eligible to claim:

- 50% SAT wage subsidy based on meeting the retention criteria for the period 1 January 2020 to 14 September 2020.
- \$1,500 per fortnight ATO JobKeeper Payment based on meeting the eligibility criteria from 15 September 2020



**Mario,**  
1st year Carpentry apprentice

## CASE STUDY #2

Mario is an Australian Apprentice who commenced with a medium business employer (55 employees) on 30 April 2020

- He was still employed on 1 July 2020
- His apprenticeship was cancelled on 31 August 2020

The employer may be eligible to claim:

- 50% SAT wage subsidy based on meeting the retention criteria for the period 1 July 2020 to 31 August 2020.
- No further SAT wage subsidy can be claimed after 31 August 2020 as the apprenticeship was cancelled on that date.



**Layla,**  
4th year Electrician apprentice

## CASE STUDY #3

Layla is an apprentice, re-engaged by a medium sized business employer (36 employees) on 1 June 2020, after losing her apprenticeship with a small business employer on May 31 2020.

- Her employer is claiming the \$1,500 JobKeeper Payment from 18 June 2020

The employer may be eligible to claim:

- 50% wage subsidy based on meeting the re-engagement criteria for the period 1 June 2020 to 17 June 2020.
- \$1,500 per fortnight ATO JobKeeper payment based on meeting the eligibility criteria for the period 18 June 2020 to 30 September 2020.



**Elly,**  
1st year Marketing trainee

## CASE STUDY #4

Elly is a trainee who commenced with a large organisation (300 employees) on 11 October 2020. She is working full-time.

- The business is not receiving JobKeeper payments or any other wage subsidy payments
- The business has registered for the BAC wage subsidy and received a place

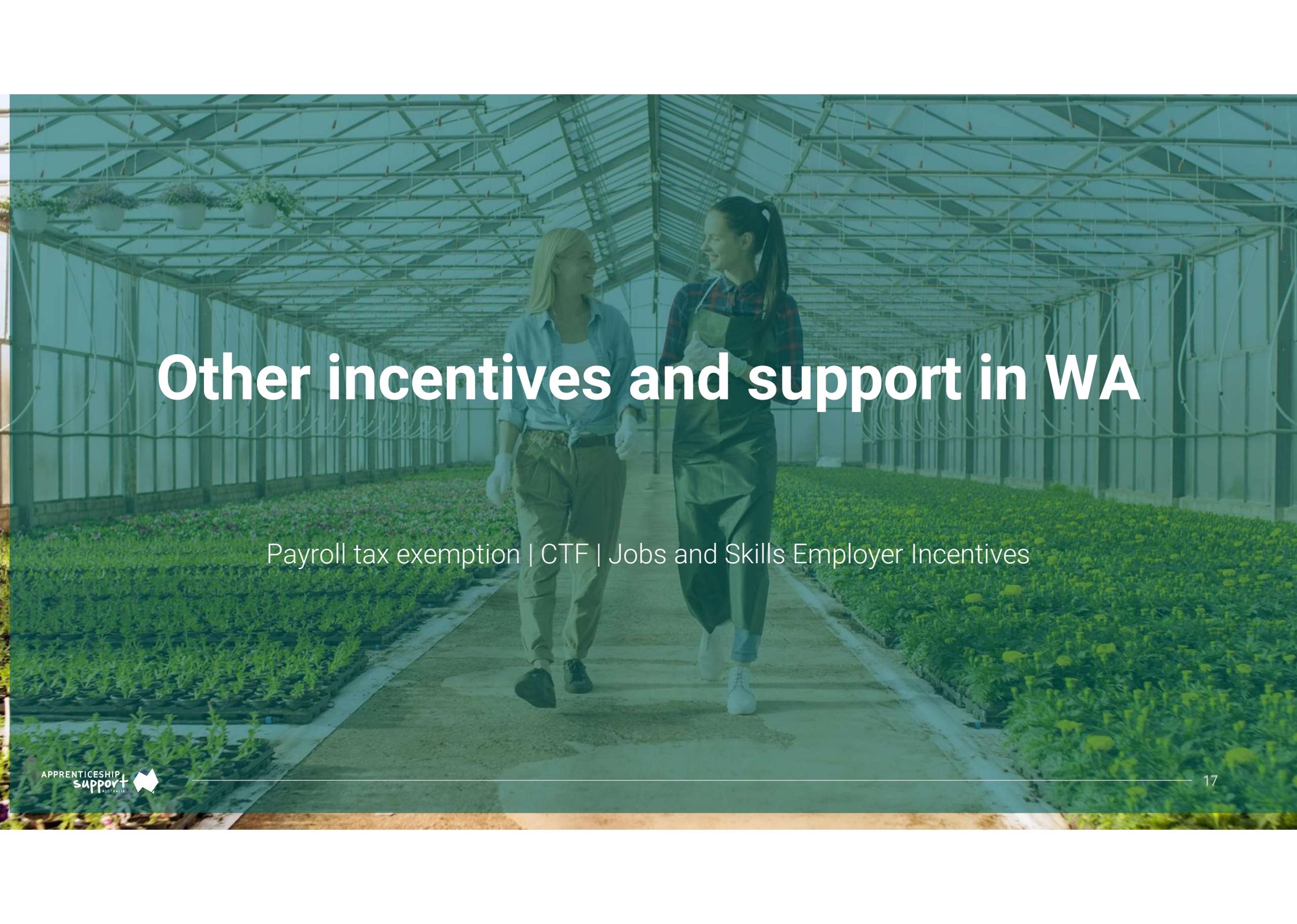
### **The employer may be eligible to claim:**

- The BAC wage subsidy for up to 50% of Elly's gross wage (maximum \$7000 per quarter).

# Question and answer break

Your opportunity to get questions answered in real time.



A photograph of two women walking through a large greenhouse. The woman on the left is wearing a light blue button-down shirt and khaki pants. The woman on the right is wearing a plaid shirt, dark overalls, and white gloves. They are both smiling and looking at each other. The greenhouse has a high ceiling with a complex metal structure and rows of plants in trays on the floor.

# Other incentives and support in WA

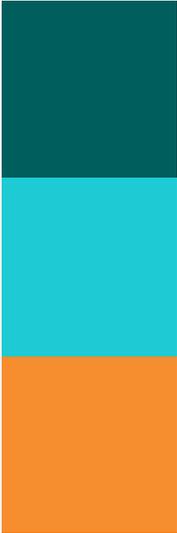
Payroll tax exemption | CTF | Jobs and Skills Employer Incentives

# Payroll Tax Exemptions

For wages paid for apprentices only

## Department of Finance (WA)

If your businesses taxable wages exceed \$1 million per year, you are paying between 5.5% to 6.5% payroll tax.



This **exemption** applies to businesses paying payroll tax on wages for Western Australian employees that are apprentices.

The apprentice must be enrolled in an approved registered training contract

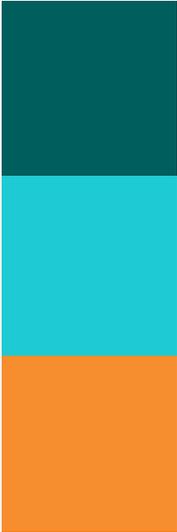
Trainees do not attract a payroll tax exemption



# Construction Training Fund

For businesses directly involved in employing apprentices and trainees working on WA construction projects

Eligibility for funding is dependent on a company's ability to demonstrate primary and substantial involvement on construction projects (specifically on-site construction, installation and/or fabrication activities).



Access base grants from \$3000 to \$10,000 for apprentices and trainees.

Access additional supplements for regional apprentices/trainees; females; Aboriginal Australians; mature aged people

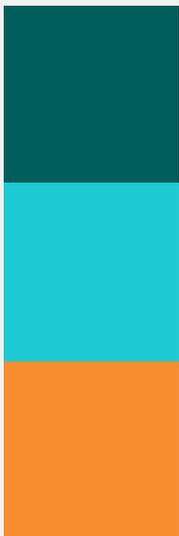
There is also pre-app/VET supplements and Trade Bonuses



# Jobs & Skills WA Employer Incentive Scheme

A state government incentive to encourage businesses to take on new apprentices and trainees

## Department of Training and Workforce Development



Access up to \$8,500 for an apprentice or trainee, paid in increments to completion

Applies to all apprentices and new worker trainees

Cannot claim if your trainee or apprentice is eligible for Payroll Tax Exemptions or CTF funding



# Question and answer break

Your opportunity to get questions answered in real time.



## The small print...

The information provided in this presentation is for supporting purposes only. Apprenticeship Support Australia have put together the information in this presentation to their best of knowledge and information available as of 19 October 2020. New information may become available as new guidelines and operational information are released.

Criteria might differ for each employer – it is important that you contact your AASN provider to assess eligibility for your individual business.

We cannot take liability for any of the information provided in this presentation.

# Apprenticeship Support Australia is here to help

From finding an apprentice; doing sign-ups; managing your incentives; and offering on-going support



**Key recruitment support to help you find your apprentice**



**Professional sign-ups and on-going claims support**



**Mentoring support and on-going advice and assistance**

# Thank you for participating in today's webinar

Please feel free to contact us. We have the largest team in WA, we can help you no matter where you are



## Email

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