

# APPRENTICE INCENTIVES REMINDER

As an employer of an apprentice in Australia, you may be eligible for a range of financial incentives from the Australian Government to assist with the hiring and training of your apprentices.

Boosting Apprenticeship Commencements wage subsidy supports businesses and Group Train Organisations to take on new apprentices and trainees, to build a pipeline of skilled workers to support a sustained economic recovery.

Through the subsidy, any business or Group Training Organisation that engages an Australian Apprentice between 5 October 2020 and 31 March 2022 may be eligible for a subsidy of 50 per cent of wages paid to a new or recommencing apprentice or trainee for a 12-month period from the date of commencement, to a maximum of \$7,000 per quarter.

After 12 months of this support employers will be eligible to transition to the time-limited Completing Apprenticeship Commencements (CAC) wage subsidy for the second and third years of an apprenticeship. Under the CAC, eligible employers will receive a 10 per cent wage subsidy in the second year of an eligible apprenticeship, up to a maximum of \$1,500 per quarter per apprentice, and a 5 per cent wage subsidy in the third year of their apprenticeship, to a maximum of \$750 per quarter per apprentice.

The BAC and CAC are available to employers of any size, industry or geographic location. Final claims for payment must be lodged by 30 June 2025.

## Additional Identified Skills Shortage Payment

The Additional Identified Skills Shortage Payment (AISS) is available to apprentices and their employers in occupations currently experiencing a skills shortage. The AISS payment provides up to \$4,000 to eligible employers.

Eligible employers will receive a payment of \$2,000 after an apprentice completes the first 12 months of an apprenticeship, with a further \$2,000 coming at the completion of the apprenticeship.

An Employer may only claim the AISS payment for apprentices over and above the employer's usual apprentice intake to encourage an increase in the number of apprentices in fields experiencing national shortage. Apprentices may claim the payment regardless of whether they are over and above the employer's usual intake or not, as long as they fulfil the criteria.

## Support for Adult Australian Apprentices

The Support for Adult Australian Apprentices (SAAA) incentive is available to employers hiring adult apprentices.

Eligible employers will receive a \$4,000 payment after an adult apprentice has completed 12 months of an apprenticeship. To be eligible, an employer must hire an apprentice who is undertaking a Certificate III or IV qualification in an occupation listed on the National Skills Needs List, and is in receipt of an 'actual wage' which is equal to or greater than the National Minimum Wage and paid by the employer.

To qualify as an 'adult Australian apprentice', an apprentice must be aged 21 years or older, or 25 years of age if the apprenticeship began prior to 1 July 2019. Employers are able to claim this incentive up to 12 months from the commencement date of the apprenticeship.



## Australian Apprentice Wage Subsidy Trial – Phase 1 & 2

The Australian Apprentice Wage Subsidy Phase 1 trial is eligible to employers in rural and regional areas who employ a new working Australian Apprentice undertaking a full-time Certificate III or IV qualification that leads to an occupation on the National Skills Needs List. Phase 2 is the same and kicked off from 1 July 2019. Both will be open until 1630 sign-ups have occurred in each phase and employers can only receive the subsidy for one apprentice across both phase 1 and 2.

The Australian Apprentice Wage Subsidy provides support for apprentices in the first three years of an apprenticeship by subsidising the cost of the apprentices wages, funding 75% of the first year award wage, 50% of the second year award wage and 25% of the third year award wage to eligible apprentices.

The Australian Apprentice Wage Subsidy is provided in addition to the various employer incentives available under the Australian Apprenticeships Incentives Programs, however it is not available where an employer is receiving any other form of Federal or State Government wage subsidy or equivalent assistance for an Australian Apprentice.

## Assistance for Australian Apprentices with disability

Additional support is available from the Australian Government to Australian apprentices with a disability through the Disabled Australian Apprentice Wage Support (DAAWS).

The DAAWS is also available to employers whose apprentice becomes disabled during the period of the apprenticeship.

Find out more information about the National Skills Needs List or to determine your eligibility for any of these incentives, contact your local Australian Apprenticeship Support Network Provider.

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