



Supporting Apprentices and Trainees

Questions and Answers

As part of the Government's [Economic Response to the Coronavirus](#), \$1.3 billion will be made available to 70,000 small businesses to help them keep around 117,000 apprentices and trainees across the country in work and training.

1. What is Supporting Apprentices and Trainees?

[Supporting Apprentices and Trainees](#) provides a wage subsidy to small businesses (including those using a Group Training Organisation) to support the retention of their existing apprentices and trainees. This recognises the benefits of training already undertaken by apprentices and trainees and the significant investment made by employers.

The wage subsidy is also available to employers of any size, including a Group Training Organisation, if they re-engage an apprentice or trainee that has been displaced from a small business.

The wage subsidy will support businesses to manage cash-flow challenges and help small businesses retain their apprentices and trainees. This will help to ensure the continued development of the skilled workforce that employers need.

2. How much will be available to employers?

Eligible employers will receive assistance in the form of a wage subsidy reimbursed in arrears at 50 per cent of the apprentice's or trainee's wage.

The wage subsidy will be available for a maximum of nine months, covering wages paid from 1 January 2020 to 30 September 2020, or paid from the date of re-employment for an apprentice or trainee who has been displaced.

Employers will be reimbursed up to a maximum of \$7,000 per quarter, per eligible apprentice or trainee.

3. Who is eligible?

An employer who retains an apprentice or trainee in their Australian Apprenticeship may be eligible for the subsidy where:

- the employer is a small business (with fewer than 20 employees); or
- a small business (with fewer than 20 employees) using a Group Training Organisation; and

- the apprentice or trainee was undertaking an Australian Apprenticeship with the employer on 1 March 2020.

Any employer (including all small, medium or large businesses or Group Training Organisations) who re-engage an out-of-trade apprentice or trainee may be eligible for the subsidy where:

- the apprentice or trainee was undertaking an Australian Apprenticeship on 1 March 2020, in a small business; and
- the apprentice or trainee was released from the small business; and
- the new employer or Group Training Organisation has engaged the apprentice or trainee.

Final detailed eligibility requirements will be outlined in program guidelines.

4. Are Group Training Organisations eligible for the subsidy?

Group Training Organisations will be eligible for the subsidy to retain an apprentice or trainee where the apprentice's or trainee's host employer at 1 March 2020 was a small business.

Group Training Organisations will also be eligible for the subsidy to re-engage an apprentice or trainee where the apprentice's or trainee's employer at 1 March 2020 was a small business and they were subsequently released from their apprenticeship or traineeship.

5. What is a small business for the purposes of retaining an apprentice or trainee?

For the purposes of the Australian Apprenticeships Incentives Program, a small business is a business that employs fewer than 20 people.

Where the apprentice or trainee is employed by a Group Training Organisation, the host employer at 1 March 2020 must meet this definition of a small business for the Group Training Organisation to be eligible for the subsidy.

6. Does an employer need to be a small business when they re-engage an apprentice or trainee?

No, to be eligible for the subsidy to re-engage an apprentice or trainee, an employer does not need to be a small business.

7. When will Supporting Apprentices and Trainees be available?

Employers can register with an Australian Apprenticeship Support Network (AASN) provider for the subsidy from 2 April 2020.

Employers will be able to access the subsidy after an eligibility assessment is undertaken by an AASN provider and following submission of a claim form and other supporting documentation by the employer.

Final claims for payment must be lodged by 31 December 2020.

8. How are payments made?

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

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

Employers should contact an AASN provider.

AASN providers are contracted by the Australian Government to administer *Supporting Apprentices and Trainees* as part of the Australian Apprenticeships Incentives Program. An AASN provider will be able to determine eligibility for the subsidy and assist with making a claim.

10. Are full-time and part-time apprentices and trainees eligible?

Yes, employers of both full-time and part-time apprentices and trainees may be eligible to attract the subsidy.

11. Are employers eligible for *Supporting Apprentices and Trainees* and other incentives available under the Australian Apprenticeships Incentives Program?

Yes, employers and Group Training Organisations that receive a subsidy to either retain or re-engage an apprentice or trainee under *Supporting Apprentices and Trainees* will continue to be eligible for other incentives available under the Australian Apprenticeships Incentives Program.

For example, an employer who retains their apprentice or trainee, may have been assessed as eligible for commencement and completion incentives along with other targeted incentives such as Support for Adult Australian Apprentices (SAAA) if their apprentice or trainee is aged 21 years or over.

An employer who re-engages an apprentice or trainee, may also be eligible for a recommencement incentive as well as a completion incentive. If the re-engaged apprentice or trainee is aged 21 or over, the employer may also be eligible for SAAA.

12. Are employers eligible for *Supporting Apprentices and Trainees* and the Australian Apprentice Wage Subsidy (AAWS)?

Where an employer is in receipt of AAWS for an apprentice they are not eligible for *Supporting Apprentices and Trainees* for that apprentice.

An employer may be eligible for *Supporting Apprentices and Trainees* for any other apprentices that are not attracting AAWS.

13. Is there a limit of *Supporting Apprentices and Trainees* per employer?

There is no limit. Employers can receive a subsidy under *Supporting Apprentices and Trainees* for any number of apprentices or trainees, provided they meet the eligibility criteria.

14. Where can employers find further information?

Further information is available from AASN providers.

Details of AASN providers in each region is available at www.australianapprenticeships.gov.au