

Wage Subsidy for Apprentice or Trainee

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WAGE SUBSIDY OF UP TO 50% OF AN APPRENTICE OR TRAINEE WAGE

Date	Apprentice/trainee wages from 1 January 2020 – 30 September 2020 For apprentices employed at 1 March 2020
Applies to	Apprentices employed by small business (<20 full time employees) at 1 March 2020 Larger organisations employing apprentices/trainees let go by a small business after 1 March 2020

Eligibility

Eligibility for the apprenticeship incentive depends on who the apprentice was employed by and when.

The apprenticeship incentive is available to:

- Small businesses (including those using Group Training Organisations) employing fewer than 20 full-time employees; and
- Other businesses or Group Training Organisations employing apprentices who have been displaced by small business employers.

The small business employer must have employed the apprentice at 1 March 2020 and will need to provide evidence of wages paid to the apprentice. If the small business subsequently is unable to retain the apprentice, another business can access the incentive if they then employ and pay wages to the apprentice.

How is the support calculated?

Employers will be reimbursed 50% of an eligible apprentice's wage up to a maximum of \$21,000 per apprentice (\$7,000 per quarter).

How is the support provided?

Employers can register for the subsidy from 2 April 2020 (final claims by 31 December 2020). The [Australian Apprenticeship Support Network](#) will assess the eligibility of claims.

Example

David's Plumbing is a small business employing 10 people, including two full-time Australian Apprentices.

Taylor is a first year Australian Apprentice, aged 20, undertaking a Certificate III qualification. She commenced her apprenticeship with David's Plumbing on 6 February 2020. Taylor receives a weekly wage of \$532.89.

Lisa is a third year Australian Apprentice, aged 29, undertaking a Certificate IV qualification. She commenced her apprenticeship with David's Plumbing on 18 November 2017. She receives a weekly wage of \$772.71.

David's Plumbing is eligible for apprenticeship incentive of 50% of the apprentices' wages been paid by David's Plumbing since 1 January 2020.

Assuming David keeps both apprentices working at their same rates between 1 March 2020 and 30 September 2020, David's Plumbing will receive:

Apprentice	Total reimbursement	Employment period
Taylor	\$9,059	6 February 2020 to 30 September 2020
Lisa	\$15,068	1 January 2020 to 30 September 2020

Adapted from Treasury Fact sheet: Cash flow assistance for business.

More information: [Australian Apprenticeships](#), [Australian Apprenticeship Support Network providers](#)

We will continue to update this document and links as announcements are made. Please see our [website](#).

Please **contact us** to discuss how these initiatives can support you and your business.

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