

# SUPPORTING APPRENTICES AND TRAINEES

## Questions and Answers

*For use by the Department of Education, Skills and Employment  
and contracted AASN providers only*

<b>Overview</b>	<b>3</b>
<b>Limits on eligible apprentices or trainees</b>	<b>4</b>
<b>Eligibility criteria</b>	<b>4</b>
Retention criteria	5
Re-engagement criteria	5
Undertaking an Australian Apprenticeship on 1 March 2020	6
<b>Attendance type</b>	<b>6</b>
<b>Existing workers</b>	<b>6</b>
<b>Age restrictions</b>	<b>6</b>
<b>Small business</b>	<b>7</b>
<b>Commencements and recommencements</b>	<b>8</b>
<b>Eligibility for other payments and programs</b>	<b>9</b>
<b>Government departments and agencies</b>	<b>10</b>
<b>Payments</b>	<b>10</b>
Payment rates	10
Gross wage	11
Effect date for payments	11
Evidence	12
Periods of unpaid leave	13
Claiming payments	13
<b>Taxation</b>	<b>13</b>
<b>Delayed approval of Training Contracts</b>	<b>13</b>
<b>Backdated Training Contracts</b>	<b>13</b>
<b>Change of ownership and change of employer</b>	<b>14</b>
<b>Suspensions</b>	<b>15</b>
<b>Cancellations</b>	<b>15</b>
<b>Review of decisions</b>	<b>16</b>
<b>TYIMS changes</b>	<b>16</b>
<b>Fee for service</b>	<b>17</b>
<b>Evaluation</b>	<b>17</b>
<b>Group Training Organisations</b>	<b>18</b>

Retention criteria..... 18

- No change to host employer..... 18*
- Australian Apprentice with no host employer ..... 18*
- Change to host employer..... 19*
- Suspensions – retention criteria ..... 19*

Re-engagement criteria ..... 20

Cancellations..... 20

## Overview

### 1. What is *Supporting Apprentices and Trainees*?

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 keep around 117,000 apprentices and trainees across the country in work and training.

[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 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 over the nine month period 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. 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.

### 4. How do employers access *Supporting Apprentices and Trainees* payments?

*Supporting Apprentices and Trainees* payments will be available from 2 April 2020.

Employers should contact an AASN provider for assistance.

### 5. What are the key dates for determining eligibility for *Supporting Apprentices and Trainees*?

1 March 2020 - an Australian Apprentice must be undertaking an Australian Apprenticeship with a small business employer on 1 March 2020.

1 January 2020 – payments can be claimed for wages paid from 1 January 2020 where the Australian Apprenticeship commencement or recommencement date is on or prior to 1 January 2020.

30 September 2020 – payments can be claimed for wages paid over the nine month period 1 January 2020 to 30 September 2020.

31 December 2020 – an employer must lodge all claims for *Supporting Apprentices and Trainees* with their Apprenticeship Network provider by 31 December 2020.

**6. Does the Australian Apprenticeship commencement or recommencement date have to be on or prior to 1 January 2020?**

No. The Australian Apprenticeship commencement or recommencement date does not have to be on or prior to 1 January 2020.

Where the Australian Apprenticeship commencement or recommencement date is on or prior to 1 January 2020 payments for wages can be claimed back to wages paid from 1 January 2020.

Where the Australian Apprenticeship commencement or recommencement date is after 1 January 2020, payments can be claimed for wages paid from the date of commencement or recommencement.

**7. Does the Australian Apprenticeship sign-up date have to be on or prior to 1 January 2020?**

No. The Australian Apprenticeship sign-up date does not have to be on or prior to 1 January 2020. Sign-ups must be undertaken in accordance with the requirements outlined in the *Australian Apprenticeship Support Network Operating Guidelines – for the Contract Period 1 February 2020 to 31 January 2022*. However, eligibility for *Supporting Apprentices and Trainees* is not tied to the sign-up date, rather is dependent on the Australian Apprentice undertaking an Australian Apprenticeship on 1 March 2020.

**8. If *Supporting Apprentices and Trainees* is removed from the Australian Apprenticeships Incentives Program, will eligible employers be able to claim payments?**

*Supporting Apprentices and Trainees* is included in the *Cash flow assistance for businesses* component of the Government's *Economic Response to the Coronavirus* announced on 12 March 2020. The subsidy 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.

The criteria and funding of payments available under the Australian Apprenticeships Incentives Program, including eligibility, availability and payments of incentives (including *Supporting Apprentices and Trainees*) may change during the term of an Australian Apprenticeship in line with Government priorities. This may result in changed eligibility at the time a payment is due.

This is a decision of Government and any changes will be notified to employers and apprentices by their AASN provider.

## Limits on eligible apprentices or trainees

**9. Is there a limit on the number of eligible apprentices or trainees per employer?**

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

**10. Is there a cap on the number of eligible employers who can attract *Supporting Apprentices and Trainees*?**

No. There is no cap on the number of eligible employers who can attract *Supporting Apprentices and Trainees*.

## Eligibility criteria

**11. Who is eligible?**

For an employer to be eligible for *Supporting Apprentices and Trainees*, the Australian Apprentice must be undertaking a Certificate II or higher Australian Apprenticeship, have a Training Contract that is formally approved by the STA and meet the relevant retention or re-engagement criteria.

**12. Does the Australian Apprentice need to be undertaking a qualification that leads to an occupation listed on the National Skills Needs List (NSNL) or a Priority Occupation?**

No. The Australian Apprentice does not need to be undertaking a qualification that leads to an occupation listed on the NSNL or a Priority Occupation for the employer to be eligible to attract *Supporting Apprentices and Trainees*.

**13. Does the Australian Apprentice need to be employed by the employer for the entire three month period up to the effect date?**

No. The Australian Apprentice must be undertaking an Australian Apprenticeship with a small business employer on 1 March 2020, and claims can only be made where the Australian Apprentice is undertaking an Australian Apprenticeship that has a formally approved Training Contract in place.

Example 1

An Australian Apprentice commences with a small business employer on 2 February 2020. The employer will be eligible to submit a claim for wages paid from the date of commencement (2 February 2020) to the effect date (31 March 2020).

The Australian Apprenticeship is then cancelled on 4 June 2020. The employer will be eligible to submit a claim for wages paid from 1 April 2020 to the cancellation date (4 June 2020).

Example 2

An Australian Apprentice commences with a small business employer on 28 November 2019 and is undertaking the Australian Apprenticeship with that employer on 1 March 2020. The Australian Apprenticeship is cancelled on 24 March 2020. The employer will be eligible to submit a claim for wages paid from 1 January 2020 up to the date of cancellation (24 March 2020).

Example 3

An Australian Apprentice commenced with a small business employer on 16 February 2020 and is undertaking the Australian Apprenticeship with that employer on 1 March 2020. The Training Contract is approved by the STA on 2 August 2020. The Australian Apprentice remains in the Australian Apprenticeship with the employer.

Following approval of the Training Contract, the employer will be eligible to submit a claim for wages paid from 16 February 2020 to 31 March 2020 and a claim for wages paid from 1 April 2020 to 30 June 2020. A final claim can be submitted for wages paid from 1 July 2020 to 30 September 2020.

**Retention criteria**

**14. What is the retention criteria?**

The retention criteria supports small business to retain their apprentice or trainee.

An employer will meet the retention criteria where:

- the employer is a small business; and
- the apprentice or trainee was undertaking an Australian Apprenticeship with the employer on 1 March 2020.

**Re-engagement criteria**

**15. What is the re-engagement criteria?**

The re-engagement criteria supports employers to engage an apprentice or trainee where a small business is not able to retain the apprentice or trainee.

An employer will meet the re-engagement criteria where:

- the Australian Apprentice was undertaking an Australian Apprenticeship with a small business employer on 1 March 2020; and
- the Australian Apprentice was released from their Australian Apprenticeship with the small business employer after 1 March 2020; and
- a subsequent employer of any size (including all small, medium or large businesses or Group Training Organisations) has re-engaged the Australian Apprentice.

## Undertaking an Australian Apprenticeship on 1 March 2020

### 16. What is considered to be undertaking an Australian Apprenticeship on 1 March 2020?

The Australian Apprentice must be undertaking an Australian Apprenticeship with a small business employer on 1 March 2020.

Undertaking an Australian Apprenticeship means that the Australian Apprentice is:

- employed under a Training Contract that has been formally approved by the STA; and
- undertaking paid work and structured training which comprises both on and off the job training; and
- undertaking a negotiated training program that involves obtaining a nationally recognised qualification.

## Attendance type

### 17. 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 *Support for Apprentices and Trainees*.

### 18. Where an Australian Apprentice commences on a full-time basis and changes attendance type to part-time, does this affect eligibility for *Support for Apprentices and Trainees*?

No. As full-time and part-time Australian Apprentices may be eligible for *Support for Apprentices and Trainees*, changes to attendance type do not affect eligibility for payments.

### 19. Are school-based apprentices and trainees eligible?

Yes. Employers of school-based apprentices and trainees may be eligible to attract *Support for Apprentices and Trainees*.

### 20. Upon receipt of wage evidence it is discovered that an Australian Apprentice was employed on a casual basis. Will the employer be eligible for *Supporting Apprentices and Trainees*?

No. An Australian Apprenticeship cannot be undertaken on a casual basis and STAs will not generally approve a Training Contract where the employment type is casual. The employer will not be eligible for *Supporting Apprentices and Trainees* for employing a casual employee.

## Existing workers

### 21. Are existing workers eligible to attract *Supporting Apprentices and Trainees*?

Yes. An existing worker Australian Apprentice may attract *Supporting Apprentices and Trainees* for their employer, subject to meeting the eligibility criteria.

## Age restrictions

### 22. Is *Supporting Apprentices and Trainees* only available where apprentices and trainees are in a certain age group?

No. *Supporting Apprentices and Trainees* is available for apprentices or trainees of any age, subject to meeting the eligibility criteria.

**23. Are mature-aged apprentices and trainees eligible to attract *Supporting Apprentices and Trainees*?**

Yes. *Supporting Apprentices and Trainees* is available where for apprentices or trainees of any age, including mature-aged apprentices and trainees, subject to meeting the eligibility criteria.

## Small business

**24. What is a small business?**

For the purposes of *Supporting Apprentices and Trainees*, a small business is a business that employs fewer than 20 people.

**25. Does the definition of small business include reference to full-time equivalent?**

For the purposes of *Supporting Apprentices and Trainees*, the definition of small business does not include reference to full-time equivalent. The reference to employing fewer than 20 people is regardless of their status as full-time, part-time or casual.

For example, if a business employs 10 full-time employees, 8 part-time employees and 5 casual employees, they are considered to employ 23 employees and do not meet the definition of small business.

**26. Does the employer need to be a small business on 1 March 2020?**

Yes. For the purposes of *Supporting Apprentices and Trainees*, the employer must be a small business on 1 March 2020.

For example, if a business employs 21 employees as at 21 February 2020 (including one Australian Apprentice), but two employees (not the Australian Apprentice) leave prior to 1 March 2020, the employer will be considered a small business. On 1 March 2020, the business employed fewer than 20 people.

**27. Does an employer need to be a small business if they retain an apprentice or trainee?**

Yes. To meet the retention criteria, the Australian Apprentice must be undertaking the Australian Apprenticeship with a small business employer on 1 March 2020.

**28. Does an employer need to be a small business if they re-engage an apprentice or trainee?**

No. An employer that re-engages an Australian Apprentice may be of any size (including all small, medium or large businesses or Group Training Organisations). However, the Australian Apprentice must have been undertaking an Australian Apprenticeship with a small business employer on 1 March 2020.

**29. Where an employer re-engages a number of displaced apprentices or trainees and this increases the size of business to more than 20 people, will the employer still be a small business for the purposes of *Supporting Apprentices and Trainees*?**

Yes. An employer that re-engages an Australian Apprentice may be of any size (including all small, medium or large businesses or Group Training Organisations). Additionally, re-engaging displaced Australian Apprentices may result in the business size of the employer changing, which will not affect eligibility for *Supporting Apprentices and Trainees*.

However, to be eligible for *Supporting Apprentices and Trainees*, the Australian Apprentice must have been undertaking an Australian Apprenticeship with a small business employer on 1 March 2020.

### **30. Is a small business employer defined by site, ownership, ABN?**

The employer is the entity identified at question 28 of the Training Contract and is identified by the ABN of the legal entity identified at question 29 of the Training Contract.

### **31. Where do AASN providers access information regarding the number of employees of a business?**

Employers will be required to self-declare this information on the *Supporting Apprentices and Trainees Claim Form*.

In order to make a preliminary assessment prior to the submission of the Claim Form, AASN providers can also ask the employer for this information, or alternatively, information on the number of people employed by a business is provided at question 36 of the Apprenticeship/Traineeship Training Contract. Depending on the commencement date of the Australian Apprenticeship, this information may be out of date, so should be confirmed with the employer, either upon advice from the employer, or upon submission of the Claim Form.

### **32. Will there be an expectation for AASN providers to verify the number of employees of a business?**

Employers will be required to self-declare this information on the *Supporting Apprentices and Trainees Claim Form*. AASN providers can also ask the employer for this information, and use the information on the number of people employed by a business that is provided on the Training Contract.

In accordance with section I.B.4 of the *Australian Apprenticeships Incentives Program Guidelines*, if an AASN provider suspects that incorrect, false or misleading information is being provided to manipulate the program or maximise payments that would otherwise not be payable, this should be reported to the Department.

### **33. Are franchisees who are small businesses eligible if they have their own legal name and ABN and meet the eligibility criteria?**

Each case will need to be considered on its merits, but in general, if an employer is a franchisee with their own legal name and ABN and they retain an Australian Apprentice in accordance with the eligibility criteria, they may be eligible for *Supporting Apprentices and Trainees*.

The franchise structure should be checked to ensure that the employer is not establishing a new structure with a new ABN, or hiring Australian Apprentices under one franchise ABN instead of another, to manipulate employment arrangements.

## **Commencements and recommencements**

### **34. Are both commencements and recommencements eligible for *Supporting Apprentices and Trainees*?**

Eligibility for commencements and recommencements is dependent on whether the employer is eligible due to retention or re-engagement.

Where an employer is eligible based on the retention criteria, the Australian Apprenticeship can be either a commencement or recommencement. In the case of retention, the commencement or recommencement of the Australian Apprenticeship will be on or prior to 1 March 2020.

Where an employer is eligible based on the re-engagement criteria, the Australian Apprenticeship should be a recommencement (in accordance with section II.A of the *Australian Apprenticeships Incentives Program Guidelines*). *Supporting Apprentices and Trainees* supports employers to engage an apprentice or trainee where a small business is not able to retain the apprentice or trainee. In the case of re-engagement, the recommencement of the Australian Apprenticeship will be after 1 March 2020.

**35. Will an employer be eligible based on the re-engagement criteria where the re-engagement of the Australian Apprentice is considered a commencement?**

Where an employer is eligible based on the re-engagement criteria, the Australian Apprenticeship should be a recommencement for the purposes of the Australian Apprenticeships Incentives Program and as defined in section II.A.3 of the *Australian Apprenticeships Incentives Program Guidelines*.

However, if re-engaging the Australian Apprentice results in a change and a new Training Contract is required, this could be considered to meet the eligibility requirements. This will need to be assessed on a case by case basis, taking into consideration all circumstances.

**36. Would employers with pending sign-ups from inaccessible remote communities be considered eligible if there was supporting evidence that the employer intended to commence the Australian Apprentice prior to 1 March 2020?**

The *Australian Apprenticeships Incentives Program* does make provision for decisions to be waived in exceptional circumstances. Situations such as this can be considered on a case by case basis, on the merits of the individual circumstances and available evidence.

## Eligibility for other payments and programs

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

Yes. Subject to meeting the eligibility criteria for each specific incentive, employers and Australian Apprentices may be eligible for *Supporting Apprentices and Trainees* and other payments available under the *Australian Apprenticeships Incentives Program*.

**38. Do employers need to be assessed as eligible for other incentives available under the *Australian Apprenticeships Incentives Program* to be eligible for *Supporting Apprentices and Trainees*?**

No. Where an employer is assessed as not eligible for other incentives available, they may still be eligible for *Supporting Apprentices and Trainees*, subject to meeting the eligibility criteria.

**39. Are employers eligible for *Supporting Apprentices and Trainees* and the *Australian Apprentice Wage Subsidy*?**

No. If an employer is attracting the *Australian Apprentice Wage Subsidy* they will not be eligible to attract *Supporting Apprentices and Trainees* for that Australian Apprentice.

If an employer is attracting the *Australian Apprentice Wage Subsidy* for one Australian Apprentice, and meets the eligibility criteria to attract *Supporting Apprentices and Trainees* for another Australian Apprentice, they will be eligible for *Supporting Apprentices and Trainees* for that other Australian Apprentice.

**40. If an employer is eligible for DAAWS under the *Australian Apprenticeships Incentives Program*, are they also eligible for *Supporting Apprentices and Trainees*?**

Yes. Subject to meeting the eligibility criteria, *Supporting Apprentices and Trainees* is in addition to the suite of employer incentives available under the *Australian Apprenticeships Incentives Program*. DAAWS is available as an alternative to other employer incentives under the *Australian Apprenticeships Incentives Program*, to employers who provide Australian Apprenticeships to people with disability.

**41. Are employers eligible for *Supporting Apprentices and Trainees* and other wage subsidies?**

No. *Supporting Apprentices and Trainees* is not available where an employer is in receipt of equivalent Australian Government wage subsidies for the same Australian Apprentice.

## Government departments and agencies

### **42. Are Australian Government departments and agencies or State or Territory Government departments or agencies eligible for *Supporting Apprentices and Trainees*?**

No. In accordance with section III.A.5 and III.A.6 of the *Australian Apprenticeships Incentives Program Guidelines*, Australian Apprentices employed by Australian Government departments and agencies or State or Territory Government departments or agencies, are not eligible to attract employer incentives, including *Supporting Apprentices and Trainees*, for their employer.

### **43. Are local councils eligible for *Supporting Apprentices and Trainees*?**

Where local councils meet the eligible criteria, they may be eligible for *Supporting Apprentices and Trainees*. *Supporting Apprentices and Trainees* will be delivered through the Australian Apprenticeships Incentives Program, so section III.A.6 of the *Australian Apprenticeships Incentives Program Guidelines* is applicable to local council eligibility.

## Payments

### Payment rates

#### **44. How much can an employer claim?**

*Supporting Apprentices and Trainees* reimburses 50 per cent of the Australian Apprentice's gross wage, over the nine month period 1 January 2020 to 30 September 2020.

Employers will be reimbursed up to a maximum of \$7,000 per quarter, per eligible Australian Apprentice.

#### **45. How much can an employer claim if they are assessed as eligible and the Australian Apprentice commenced or recommenced their Australian Apprenticeship prior to 1 January 2020?**

*Supporting Apprentices and Trainees* is available from 1 January 2020. Where an eligible employer commenced an Australian Apprentice prior to 1 January 2020, payments can be claimed from 1 January 2020.

#### **46. Where an Australian Apprentice commences or recommences their Australian Apprenticeship after 1 January 2020, can an eligible employer claim payments from 1 January 2020?**

No. Where an Australian Apprenticeship is commenced or recommenced after 1 January 2020, payments can be claimed from the date of commencement or recommencement. Prior to the date of commencement or recommencement the Australian Apprentice was not employed in an Australian Apprenticeship arrangement.

#### **47. How does the \$7,000 limit per quarter apply if an Australian Apprentice is employed by multiple employers?**

Each employer may be eligible to claim up to \$7,000 per quarter.

For example, an Australian Apprentice commences an Australian Apprenticeship with a small business on 16 October 2019. The Australian Apprentice is still employed by the employer on 1 March 2020 and is assessed as eligible for *Supporting Apprentices and Trainees* for retaining the Australian Apprentice.

The Australian Apprenticeship is cancelled on 16 June 2020. The Australian Apprentice recommences with another employer on 19 June 2020, and the employer is assessed as eligible for *Supporting Apprentices and Trainees* for re-engaging the Australian Apprentice.

The first employer will be eligible to claim payments from 1 January 2020 to 31 March 2020, and 1 April 2020 to 16 June 2020. The second employer will be eligible to claim payments from 19 June 2020 to 30 June 2020. If the first employer claimed payment of \$7,000 in the period 1 April 2020 to 16 June 2020, the second employer would still be able to claim payments for 19 June 2020 to 30 June 2020.

**48. Supporting Apprentices and Trainees ends on 30 September 2020. Where there are wages paid after this date, can an employer submit a claim?**

Payments can be claimed for wages paid over the nine month period 1 January 2020 to 30 September 2020. Claims cannot be made for any wages that are paid after 30 September 2020.

An employer must lodge all claims for *Supporting Apprentices and Trainees* with their Apprenticeship Network provider by 31 December 2020. No further payments will be processed after this date.

**49. How do AASN providers calculate the amount to be paid to the employer?**

Employers are required to submit wage evidence to cover each pay period that is relevant to the claim. The claim form (SmartForm) will ask employers to enter the amount of gross wages paid over the period.

AASN providers will then assess the wage evidence to determine the final approved amount that is to be paid to the employer. AASN providers will be provided with a wage calculator tool to assist in undertaking these calculations.

**Gross wage**

**50. Is the 'gross wage' for the purposes of *Supporting Apprentices and Trainees* different to the 'actual wage' for *Support for Adult Australian Apprentices (SAAA)*?**

Yes. *Supporting Apprentices and Trainees* reimburses 50 per cent of the Australian Apprentice's gross wage, over the nine month period 1 January 2020 to 30 September 2020.

For the purposes of *Supporting Apprentices and Trainees* 'gross wage' is defined as:

- the total amount an employer pays an Australian Apprentice, including allowances, overtime, penalty rates and any other amount, before any deductions are made.

This differs to the definition of actual wage for the purposes of SAAA, which is defined in section V.E.6 of the *Australian Apprenticeships Incentives Program Guidelines*.

**51. Does the definition of 'gross wage' include subsidising employer costs for reimbursing Australian Apprentices for fees and/or travel to attend block training etc?**

No. 'Gross wage' is the wage paid to the Australian Apprentice before any deductions are made. It does not include reimbursements.

**Effect date for payments**

**52. What are the effect dates for payment?**

Eligible employers will be able to claim reimbursement of 50 per cent of wages paid, at intervals of at least three months in arrears.

Effect date one: 31 March 2020. Employers can claim payments for wages paid during the period 1 January 2020 to 31 March 2020.

Effect date two: 30 June 2020. Employers can claim payments for wages paid during the period 1 April 2020 to 30 June 2020.

Effect date three: 30 September 2020. Employers can claim payments for wages paid during the period 1 July 2020 to 30 September 2020.

Where an Australian Apprenticeship is commenced or recommenced between effect dates, the employer will be eligible for payment from the date of commencement or recommencement to the effect date.

### **53. What is the effect date where the Australian Apprenticeship is suspended?**

Where an Australian Apprenticeship is suspended, the effect date is the date of suspension.

### **54. What is the effect date where the Australian Apprenticeship is cancelled?**

Where an Australian Apprenticeship is cancelled, the effect date is the date of cancellation.

### **55. What is the effect date where there is a successful completion?**

Where an Australian Apprenticeship is completed, the effect date is the date of successful completion.

### **56. Examples of how effect dates apply.**

#### Example 1

Abby commenced an Australian Apprenticeship on 6 February 2020 and was retained in the Australian Apprenticeship. Abby's employer was assessed as eligible for *Supporting Apprentices and Trainees*. Abby's employer will be eligible to claim reimbursement for the period 6 February 2020 to 31 March 2020. All following reimbursements can be claimed in line with the effect dates.

#### Example 2

Kurt commenced an Australian Apprenticeship on 12 December 2019 and was retained in the Australian Apprenticeship until 15 June 2020. Kurt's employer was assessed as eligible for *Supporting Apprentices and Trainees*. Kurt's employer will be eligible to claim reimbursement for the period 1 January 2020 to 31 March 2020 and the period 1 April 2020 to 15 June 2020.

A subsequent employer re-engaged Kurt on 21 June 2020 and was assessed as eligible for *Supporting Apprentices and Trainees*. Kurt's second employer will be eligible to claim reimbursement for the period 21 June 2020 to 30 June 2020 and the period 1 July 2020 to 30 September 2020.

## **Evidence**

### **57. What evidence is required to confirm eligibility for *Supporting Australian Apprentices*?**

As per the requirements for all payments available under the *Australian Apprenticeships Incentives Program* a claim for payments may not be lodged until:

- the STA has approved the Training Contract; and
- training has commenced; and
- on or after the effect date.

Evidence that training has commenced must be provided.

In addition, the following evidence must be attached to the claim:

- payroll prints, time and wages sheet or payslips for each pay period included in the claim which confirms the gross wage paid to the Australian Apprentice.

### **58. If evidence has been submitted to support other claims, must it be re-submitted as evidence for *Supporting Apprentices and Trainees*?**

Wage evidence covering each pay period over the relevant period (e.g. 1 January 2020 to 31 March 2020) must be attached to each claim.

Where evidence that the training has commenced has been previously submitted, and is on the Australian Apprenticeship file (e.g. as evidence when making a claim for another payment available under the Program), it does not need to be attached to the claim for *Supporting Apprentices and Trainees*.

**59. How must *Supporting Apprentices and Trainees* wage evidence provided by employers be stored by AASN providers?**

Wage evidence should be stored in accordance with the requirements in *section 13: Information Management* and *section 14: File Management* of the *Australian Apprenticeship Support Network Operating Guidelines* (AASNOGs).

**60. What should an AASN provider do if insufficient wage evidence is provided in order for the employer to claim the *Supporting Apprentices and Trainees*?**

In the first instance the AASN should contact the employer to discuss the wage evidence required in order to support their claim, and provide the opportunity to submit additional wage evidence.

If the employer is still unable to provide sufficient wage evidence to support their claim, the AASN provider must reject the claim and advise the employer in writing that they have not provided enough evidence in order to process their claim.

### Periods of unpaid leave

**61. Where an Australian Apprentice takes a period of leave that is unpaid during the Australian Apprenticeship, is this taken into account when assessing the value of *Supporting Apprentices and Trainees* the employer is entitled to claim?**

Yes. Where there is a period of unpaid leave, but the Australian Apprenticeship is not suspended during the period, *Supporting Apprentices and Trainees* will not be reimbursed for any period of unpaid leave. Only wages paid to the Australian Apprentice will be reimbursed.

### Claiming payments

**62. How are payments made?**

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

### Taxation

**63. Is *Supporting Apprentices and Trainees* taxable?**

As stipulated in section I.D.1 of the *Australian Apprenticeships Incentives Program Guidelines*, GST does not apply to payments made to employers under the Australian Apprenticeships Incentives Program.

Employers should seek independent taxation advice from a qualified accountant and/or the Australian Taxation Office (ATO) who will be able to provide advice on individual business circumstances.

### Delayed approval of Training Contracts

**64. Where the Training Contract is pending approval by the STA, and the employer is eligible to claim payments (i.e. passed the effect date), is there provision for payments to be made pending approval by the STA?**

To be eligible for *Supporting Apprentices and Trainees*, the Australian Apprentice must be employed under a Training contract that is formally approved by the STA. A claim for *Supporting Apprentices and Trainees* may not be lodged or approved until the STA has approved the Training Contract and training has commenced.

### Backdated Training Contracts

**65. If the STA approved a backdated date of commencement, will the employer be eligible for *Supporting Apprentices* from the backdated date of commencement?**

Yes. To be eligible for *Supporting Apprentices and Trainees*, the Australian Apprentice must be employed under a Training Contract that is formally approved by the STA, and be undertaking an Australian Apprenticeship with a small business employer on 1 March 2020.

Where an STA approves a backdated Training Contract with a commencement or recommencement date prior to 1 January 2020, the employer can claim payments for wages paid from 1 January 2020.

Where an STA approves a backdated Training Contract with a commencement or recommencement date after 1 January 2020, the employer can claim payments for wages paid from the date of commencement or recommencement.

**66. When an STA backdates a cancellation, suspension or completion date to a date prior to the effect date for any of the payments, will overpayments need to be raised?**

To be eligible for *Supporting Apprentices and Trainees*, the Australian Apprentice must be employed under a Training Contract that is formally approved by the STA.

Where an STA backdates a cancellation, suspension or completion prior to the effect date for a claim which has been paid, thereby rendering the employer ineligible for the payments, overpayments may need to be raised. In such situations, the employer and Australian Apprentice do not meet the eligibility criteria which required an Australian Apprentice to be employed under a Training Contract that is formally approved by the STA.

This will need to be assessed on a case by case basis, taking into consideration all circumstances.

**67. When an STA backdates a cancellation, suspension or completion date to a date prior to 1 March 2020, will overpayments need to be raised?**

To be eligible for *Supporting Apprentices and Trainees*, the Australian Apprentice must have been undertaking an Australian Apprenticeship with a small business employer on 1 March 2020.

Where an STA backdates a cancellation, suspension or completion prior to 1 March 2020, thereby rendering the employer ineligible for the payments, overpayments may need to be raised. In such situations, the employer and Australian Apprentice do not meet the eligibility criteria which required an Australian Apprentice to be undertaking an Australian Apprenticeship with a small business employer on 1 March 2020.

This will need to be assessed on a case by case basis, taking into consideration all circumstances.

## **Change of ownership and change of employer**

**68. What happens where there is a change of ownership (CHOW)?**

The principles in section II.B of the *Australian Apprenticeships Incentives Program Guidelines* are applicable. Where a business changes its legal name, ownership or ACN, or takes over the functions or employees of another business under an outsourcing or contracting arrangement, the change does not affect the status of the employment relationship that existing and former employees have with the new business entity.

Subject to continuing to meet the eligibility criteria, the employer may remain eligible for *Supporting Apprentices and Trainees*.

**69. What happens where there is a change of employer (CHEM)?**

For the purposes of *Supporting Apprentices and Trainees*, a CHEM is treated as a recommencement as per the definition in Section II.A.3 of the *Australian Apprenticeships Incentives Program Guidelines* as the Australian Apprentice transfer to another employer to continue working towards an incomplete Training Contract that has been approved by the STA. The qualification is at the same level and leads to the same occupational outcome.

The second employer may be eligible for *Supporting Apprentices and Trainees* if they meet the eligibility criteria for re-engaging the Australian Apprentice.

## Suspensions

### **70. What happens if an Australian Apprenticeship is suspended?**

Suspension of the Australian Apprenticeship will result in the employer being ineligible for *Supporting Apprentices and Trainees* during the period of suspension.

### **71. Is an employer able to submit a claim for wages paid up to the suspension date?**

Yes. An employer may claim reimbursement for any wages paid up to the suspension date.

### **72. Is an employer eligible for *Supporting Apprentices and Trainees* where a period of suspension includes 1 March 2020?**

No. To be eligible for *Supporting Apprentices and Trainees*, the Australian Apprentice must have been undertaking an Australian Apprenticeship with a small business employer on 1 March 2020. Where any period of suspension covers 1 March 2020, the employer will not be eligible for *Supporting Apprentices and Trainees*.

For example, an Australian Apprenticeship is commenced on 4 January 2020 and suspended on 28 February 2020. The Australian Apprentice returns from suspension on 7 March 2020. The employer will not be eligible for *Supporting Apprentices and Trainees*.

If the Australian Apprenticeship was suspended on 2 March 2020 and the Australian Apprentice returned from suspension on 14 March 2020, the employer may be eligible for *Supporting Apprentices and Trainees* as the Australian Apprentice was undertaking the Australian Apprenticeship on 1 March 2020.

### **73. Is there a period of time in which the Australian Apprentice can return from suspension and still remain eligible to attract *Supporting Apprentices and Trainees* for their employer?**

Where an Australian Apprenticeship is suspended after 1 March 2020 and the Australian Apprentice subsequently returns to the same employer, the employer will be eligible for *Supporting Apprentices and Trainees* where there was a period of less than six months between the date of suspension and the date of recommencement.

Where an Australian Apprenticeship is suspended after 1 March 2020 and the Australian Apprentice subsequently returns to the same employer, the employer will not be eligible for *Supporting Apprentices and Trainees* where six months or more has lapsed between the date of suspension and the date of recommencement.

## Cancellations

### **74. What happens if an Australian Apprenticeship is cancelled?**

Cancellation of the Australian Apprenticeship will result in the employer being ineligible for *Supporting Apprentices and Trainees* for any wages paid after the cancellation date.

### **75. Is an employer able to submit a claim for wages paid up to the cancellation date?**

Yes. An employer may claim reimbursement for any wages paid up to the cancellation date.

### **76. Is an employer eligible for *Supporting Apprentices and Trainees* if a cancelled Australian Apprenticeship is subsequently recommenced?**

No. Where an Australian Apprenticeship is cancelled, and the Australian Apprentice subsequently recommences with the same employer, the employer will not be eligible to attract *Supporting Apprentices and Trainees*.

**77. Is an employer eligible for *Supporting Apprentices and Trainees* where one Australian Apprenticeship is cancelled and a different Australian Apprentice is hired?**

No. Where an Australian Apprenticeship is cancelled, the employer will not be eligible to attract *Supporting Apprentices and Trainees* if they re-engage another Australian Apprentice.

**78. Where an Australian Apprenticeship is cancelled due to a decision made by the Australian Apprentice (i.e. the employer did not choose to cancel that Australian Apprenticeship, rather the Australian Apprentice made the decision) will the employer be exempt from the ruling that they will not attract *Supporting Apprentices and Trainees* where they re-engage an Australian Apprentice?**

In general, the ruling that an employer will not attract *Supporting Apprentices and Trainees* where they re-engage an Australian Apprentice following cancellation of an Australian Apprenticeship applies.

The *Australian Apprenticeships Incentives Program* does make provision for decisions to be waived in exceptional circumstances. Situations such as this can be considered on a case by case basis, on the merits of the individual circumstances and available evidence.

**79. Is a subsequent employer eligible for *Supporting Apprentices and Trainees* if a cancelled Australian Apprenticeship is recommenced?**

Yes. Where an Australian Apprenticeship is cancelled, and the Australian Apprentice recommenced with a subsequent employer, the subsequent employer may be eligible to attract *Supporting Apprentices and Trainees*.

**80. What mechanisms are in place to protect current Australian Apprentices from having their Australian Apprenticeship cancelled in favour of hiring an Australian Apprentice who will attract *Supporting Apprentices and Trainees*?**

The retention criteria supports small business to retain their apprentice or trainee, so is only available where an employer retains that particular Australian Apprentice.

Where an Australian Apprenticeship is cancelled, the employer will not be eligible to attract *Supporting Apprentices and Trainees* if they re-engage that same Australian Apprentice, or another Australian Apprentice.

## Review of decisions

**81. What is the appeal or review process going to be?**

The review process will be the current process that is outlined in section I.C of the *Australian Apprenticeships Incentives Program Guidelines*.

## TYIMS changes

**82. What TYIMS changes will be made to support the administration of *Supporting Apprentices and Trainees*?**

Changes to TYIMS will be implemented to support the administration and delivery of *Supporting Apprentices and Trainees*. Further information regarding TYIMS changes will be provided as it becomes available.

**83. Will there be a new claims form (SmartForm) for claiming *Supporting Apprentices and Trainees*?**

Yes. A new claim form (SmartForm) is being developed. Further information will be provided as it becomes available.

**84. Do claims need to be co-authorised by Australian Apprentices?**

No. There is no requirement for claims to be co-authorised by Australian Apprentices. The employer will need to submit the required wage evidence in support of the claim.

## Fee for service

### **85. Can an AASN provider receive the *Supporting Apprentices and Trainees Fee* for an apprentice more than once?**

Yes. An AASN provider can receive the *Supporting Apprentices and Trainees Fee* at both retention and re-engagement of an Australian Apprentice.

The AASN *Supporting Apprentices and Trainees Fee* is linked to the first *Supporting Apprentices and Trainees* claim made by an employer or GTO, and therefore is claimable at retention (employer/GTO 1) , re-engagement (employer/GTO 2), and further re-engagement (employer/GTO 3/4/5 etc).

### **86. Can an AASN provider receive the *Supporting Apprentices and Trainees Fee* for retention and re-engagement of the same Australian Apprentice?**

Yes. Refer to the response to the above question above.

### **87. Will an AASN provider receive the *Supporting Apprentices and Trainees Fee* for each claim lodged by an employer?**

No. AASN providers will receive the *Supporting Apprentices and Trainees Fee* for only the first claim lodged by an employer/GTO per Australian Apprentice. The *Supporting Apprentices and Trainees Fee* is not claimable for either the second or third eligible claims paid for either retention or re-engagement.

### **88. Is there a cap on the overall amount of *Supporting Apprentices and Trainees Fee* payments that can be claimed?**

No.

### **89. Do AASN providers need to produce an eligibility advice letter for employers claiming *Supporting Apprentices and Trainees*?**

AASN providers are not required to produce an eligibility advice letter for eligible employers, however must provide an eligibility advice letter if an employer is found to be not eligible or that they have not provided enough evidence in order to process their claim. AASN providers should also contact employers once a claim has been successfully processed to confirm that payment has been processed and the amount to be paid.

## Evaluation

### **90. Will there be an evaluation of *Supporting Apprentices and Trainees*?**

Yes. The timing for the evaluation is the second half of 2021-22.

## Group Training Organisations

### 91. Are Group Training Organisations eligible for *Supporting Apprentices and Trainees*?

Yes.

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 be also 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.

### 92. Can a Group Training Organisation bulk claim for multiple small business hosts or must an individual claim be submitted for each apprentice or trainee?

A separate claim form must be submitted for each eligible Australian Apprentice.

### 93. Group Training Organisations either have a small hourly charge rate, and charge the host for the time a person is in training, or they have a higher charge out rate for when they are with the host and don't charge the host when they are in training.

Group Training Organisations will be reimbursed 50 per cent of the Australian Apprentice's gross wage, up to a maximum of \$7,000 per quarter, per eligible Australian Apprentice. Evidence to support the claim must be attached in the form of payroll prints, time and wage sheets or payslips for each pay period included in the claim, which confirms the gross wage paid to the Australian Apprentice.

## Retention criteria

### 94. How do the retention eligibility criteria apply to Group Training Organisations?

A Group Training Organisation will be eligible for *Supporting Apprentices and Trainees* where the Australian Apprentice's host employer meets the retention criteria.

### 95. What evidence does a Group Training Organisation need to provide to prove the host employer is a small business?

A Group Training Organisation will be required to identify the host employer and declare the host employer size on the *Supporting Apprentices and Trainees Claim Form*.

## No change to host employer

### 96. Will a Group Training organisation attract *Supporting Apprentices and Trainees* where the Australian Apprentice is employed with the same host employer as they were at 1 March 2020?

Yes. Where the host employer meets the retention criteria, they will be eligible to attract *Supporting Apprentices and Trainees*.

### 97. Will eligible Group Training Organisations be required to pass *Supporting Apprentices and Trainees* payments to the host employer?

Yes. Group Training Organisations must pass *Supporting Apprentices and Trainees* payments to the host employer, where the Australian Apprentice is being retained by the host employer.

## Australian Apprentice with no host employer

### 98. Will a Group Training organisation attract *Supporting Apprentices and Trainees* where they meet the retention criteria, but are unable to place the apprentice or trainee with a suitable host employer?

Yes. Where the Australian Apprentice was hosted to a small business host employer on 1 March 2020 and is no longer hosted to that host employer after 1 March 2020, the Group Training Organisation will continue to attract *Supporting Apprentices and Trainees* where they continue the Australian Apprenticeship until the Australian Apprentice is placed with a suitable host employer.

**99. Will eligible Group Training Organisations be able to retain *Supporting Apprentices and Trainees* payments in this situation?**

Yes. Group Training Organisations will retain the *Supporting Apprentices and Trainees* payments over this period.

**Change to host employer**

**100. If an Australian Apprentice changes host employer, will the Australian Apprentice continue to attract *Supporting Apprentices and Trainees*?**

Yes. Where the Australian Apprentice was hosted to a small business host employer on 1 March 2020 and is no longer hosted to that host employer after 1 March 2020, the Group Training Organisation will continue to attract *Supporting Apprentices and Trainees* where they place the Australian Apprentice with another suitable host employer.

This is applicable regardless of the number of times the Australian Apprentice changes host employer.

**101. If an Australian Apprentice returns to the original host employer, will the Australian Apprentice continue to attract *Supporting Apprentices and Trainees*?**

Yes. Where an Australian Apprentice returns to the original host employer after a period with another host employer, the Group Training Organisation will continue to remain eligible for *Supporting Apprentices and Trainees*.

**102. Where an Australian Apprentice is placed with a different host employer, does that host employer have to be a small business host employer?**

No. The Australian Apprentice must be undertaking the Australian Apprenticeship with a small business host employer on 1 March 2020. Where the host employer changes after this date, the host employer can be any size and does not have to be a small business host employer.

**103. Will eligible Group Training Organisations be required to pass *Supporting Apprentices and Trainees* payments to the host employer?**

Yes. Group Training Organisations must pass *Supporting Apprentices and Trainees* payments to the relevant host employer.

**Suspensions – retention criteria**

**104. If an Australian Apprentice is retained by a Group Training Organisation and the Australian Apprenticeship is suspended, will the Australian Apprentice continue to attract *Supporting Apprentices and Trainees*?**

Yes. Where the Australian Apprentice has been retained in accordance with the retention eligibility criteria, the Group Training Organisation will be eligible for *Supporting Apprentices and Trainees* up until the date of suspension. Where the Australian Apprentice returns from suspension and is placed with a suitable host employer (of any size) the Group Training Organisation will be eligible to receive payments from the date the Australian Apprentice returns from suspension. No payments can be claimed for the period during which the Australian Apprenticeship was suspended.

## Re-engagement criteria

### **105. How do the re-engagement eligibility criteria apply to Group Training Organisations?**

A Group Training Organisation will be eligible for *Supporting Apprentices and Trainees* where the Group Training Organisation meets the re-engagement criteria.

### **106. If an Australian Apprentice is re-engaged by a Group Training Organisation and changes host employer, will the Australian Apprentice continue to attract *Supporting Apprentices and Trainees*?**

Yes. Where the Australian Apprentice has been re-engaged in accordance with the re-engagement eligibility criteria, the Group Training Organisation will continue to remain eligible for *Supporting Apprentices and Trainees* for re-engaging the Australian Apprentice, where the Australian Apprentice is placed with another host employer.

This is applicable regardless of the number of times the Australian Apprentice changes host employer.

Where an Australian Apprentice returns to the original host employer after a period with another host employer, the Group Training Organisation will continue to remain eligible.

### **107. If an Australian Apprentice is re-engaged by a Group Training Organisation but is not able to be placed with a suitable host employer, will the Australian Apprentice continue to attract *Supporting Apprentices and Trainees*?**

Yes. Where the Australian Apprentice has been re-engaged in accordance with the re-engagement eligibility criteria, the Group Training Organisation will continue to remain eligible for *Supporting Apprentices and Trainees* for re-engaging the Australian Apprentice where they continue the Australian Apprenticeship until the Australian Apprenticeship is placed with a suitable host employer.

### **108. If an Australian Apprentice is re-engaged by a Group Training Organisation and the Australian Apprenticeship is suspended, will the Australian Apprentice continue to attract *Supporting Apprentices and Trainees*?**

Yes. Where the Australian Apprentice has been re-engaged in accordance with the re-engagement eligibility criteria, the Group Training Organisation will be eligible for *Supporting Apprentices and Trainees* up until the date of suspension. Where the Australian Apprentice returns from suspension and is placed with a suitable host employer (of any size) the Group Training Organisation will be eligible to receive payments from the date the Australian Apprentice returns from suspension. No payments can be claimed for the period during which the Australian Apprenticeship was suspended.

### **109. Will eligible Group Training Organisations be required to pass *Supporting Apprentices and Trainees* to the host employer?**

Where an Australian Apprentice is re-engaged by a Group Training Organisation in accordance with the re-engagement eligibility criteria, the Group Training Organisation may retain *Supporting Apprentices and Trainees* payments, or may pass the payment (in full or in part) to the host employer.

## Cancellations

### **110. Do the requirements section V.H.11 regarding cancellations apply to Group Training Organisations?**

Section V.H.11 should be read in conjunction with the provisions regarding Group Training Organisations.

### **111. Will a Group Training Organisation be eligible for *Supporting Apprentices and Trainees* where they re-engage an Australian Apprentice they previously employed but has since cancelled?**

No. Where a Group Training Organisation cancels an Australian Apprenticeship, they will not be eligible to attract *Supporting Apprentices and Trainees* if they subsequently re-engage that same Australian Apprentice.

**112. Will a Group Training Organisation be eligible for *Supporting Apprentices and Trainees* where an Australian Apprenticeship is cancelled and another Australian Apprentice is employed in accordance with the re-engagement criteria?**

Yes.

For employers other than Group Training Organisations, where an Australian Apprenticeship is cancelled, the employer will not be eligible to attract *Support Apprentices and Trainees* if they re-engage another Australian Apprentice.

However, as Group Training Organisations represent a different employment arrangement, where an Australian Apprenticeship is cancelled, Group Training Organisations will be eligible to attract *Support Apprentices and Trainees* if they re-engage another Australian Apprentice.