



## FACT SHEET

# Incentive payments

## The Jobs and Skills WA Employer Incentive

The Jobs and Skills WA Employer Incentive (the Incentive) provides financial assistance to Western Australian businesses who employ an apprentice or new entrant trainee and who have lodged the training contract for registration on or after 1 July 2019.

Incentive payments are determined by the nominal term of the apprenticeship or traineeship, as prescribed on the *Register of Class A and B qualifications*. Additional loadings provide higher payments for training that is identified as a State priority or training for priority groups.

## Base incentive payments

The base Incentive payment amounts available to employers are outlined in the tables below. Incentive payment amounts are set at the rate applicable at the training contract lodgement date. Incentive rates are subject to change, however the following tables provide the **base incentive rates** as of 1 July 2019:

Nominal term*	Commencement payment (\$)**	Mid-point payment (\$)	Completion payment (\$)	Total (\$)
24 months	1,700.00	1,275.00	1,275.00	4,250.00
36 months	2,550.00	1,912.50	1,912.50	6,375.00
42 months	2,975.00	2,231.25	2,231.25	7,437.50
48 months	3,400.00	2,550.00	2,550.00	8,500.00

\* The full time nominal term as stated on the *Register of Class A and B qualifications*. Part time apprentices will receive the same incentive payment as full time apprentices, with payments spread over a longer period.

\*\* Please note that commencement payments are made six months after the commencement of the apprenticeship.

Nominal term**	Commencement payment (\$)**	Completion payment (\$)	Total (\$)
6 months	0.00	1,062.50	1,062.50
9 months	0.00	1,593.75	1,593.75
12 months	1,062.50	1,062.50	2,125.00
18 months	1,593.75	1,593.75	3,187.50
24 months	2,125.00	2,125.00	4,250.00

\* Please note that there are no mid-point incentive payments for trainees.

\*\* The full time nominal term as stated on the *Register of Class A and B qualifications*. Part time trainees will receive the same incentive payment as full time trainees, with payments spread over a longer period.

\*\*\* Please note that commencement payments are made six months after the commencement of the traineeship.

\*\*\*\***Traineeships of more than 24 months duration will attract an incentive payment at the rate of \$2,125 per year.**

## Additional priority loading payments

In addition to the base incentive amounts outlined above, employers may be eligible to receive additional loading payments for target groups. Each loading is calculated as a percentage of the applicable Incentive amount, and multiple loadings may be applied.

Applicable loadings are claimed at Incentive milestones, as outlined in **Table 1** (Apprenticeships) and **Table 2** (Traineeships) above.

Loading payments are available for employers of apprentices and new entrant trainees in the following target groups:

Target group	Loading	Payment conditions
Apprenticeships and traineeships aligned to the <i>State priority occupation list</i> (SPOL) <a href="http://dtwd.wa.gov.au/workforce-development">dtwd.wa.gov.au/workforce-development</a>	10%	Applied at the time the training contract is registered.
Aboriginal apprentices and trainees	10%	Applied at the time the training contract is registered or can be applied post-registration when declared by the apprentice or trainee.
Apprentices and trainees with a disability	10%	Applied at the time the training contract is negotiated or can be applied post-registration when declared by the apprentice or trainee.
Apprentices and trainees who are living and working in South Regional Western Australia: Goldfields–Esperance, Great Southern, Mid-West, Peel, South West, Wheatbelt	10%*	Applied at the commencement of the training contract and updated each time the apprentice or trainee changes residential address.
Apprentices and trainees who are living and working in North Regional Western Australia: Pilbara, Kimberley, Gascoyne and Indian Ocean Territories	20%*	Applied at the commencement of the training contract and updated each time the apprentice or trainee changes residential address.
Apprentices aged between 21 and 30 years of age	50%	Applied to the commencement payment only.

Table 3: Additional loading payments for the JSWA Employer Incentive

\*The regional loading takes into account the location of the job and the residential address of the apprentice or trainee. A WA employer who employs an apprentice or new entrant trainee in a job located outside of WA may be eligible to receive the Incentive but is not eligible to receive a regional loading.

## Payment conditions

To receive Incentive payments, employers must meet the following payment criteria:

- the apprentice or trainee has an active training contract registered in WA;
- the apprentice or trainee is undertaking training (either on or off the job) at the milestone payment point (see **Tables 1 and 2** above);
- as payments are milestone based, Incentive payments will only be released to employers where validation checks are met; and
- claim each milestone payment within 12 months of it falling due.

Employers of part-time apprentices and trainees will receive the same total Incentive payment as that available for full-time apprentices and trainees, with payments spread over a longer period, to reflect the extended nominal term.

An employer may be entitled to claim the Incentive for each apprentice or new entrant trainee they employ. There is no limit on the number of apprentices or new entrant trainees an employer takes on.

## Training contract changes

Incentive payments are calculated to take account of any changes that occur during the course of the training contract. Payments and loadings may be made on a pro-rata basis to reflect these changes. Incentive information can be accessed by employers through the WAAMS online client portal.

The following training contract changes may impact on Incentive payments made to employers.

- **An apprentice/trainee transfers the training contract from one employer to another**

If an apprentice/trainee transfers from employer 1 to employer 2 in the course of their training contract before a milestone point is reached, and then subsequently reaches the milestone point following the transfer; both employers may be eligible to receive a pro-rata incentive payment.

Both employers need to meet eligibility requirements for the Incentive, and to satisfy specified validation requirements as set out in the *Jobs and Skills WA Employer Incentive – Terms and Conditions*.

- **There is a change of qualification/nominal duration of the training contract**  
If an apprentice/trainee and employer change the nominated qualification before or after a milestone payment point; and it results in an increase or decrease to the nominal term, Incentive payments will be recalculated and may be increased or reduced on a pro-rata basis.
- **An apprentice/trainee completes their training contract earlier than 75% of the stated nominal duration**  
In this instance, completion milestone payments will be reduced on a pro-rata basis.

- **The training contract is suspended**

Suspended training contracts will not attract Incentive payments during the suspension period. When the suspension is lifted, the training contract will resume progression to milestone payment points.

- **The training contract is terminated or cancelled**

If a training contract is terminated or cancelled before a milestone payment point has been reached, then no payment will be made. If a training contract is terminated or cancelled after a milestone payment point has been reached, then the employer may be entitled to the milestone payment due as at the date of termination/cancellation, provided validation checks are successful.

## **Are Incentive payments available to employers of school-based apprentices and/or trainees?**

Incentive payments will be applied to one school-based apprenticeship or traineeship (SBAT).

Students may undertake more than one SBAT, however, second and subsequent SBAT's will not attract incentive payments.

## **Incentive payments to group training organisations**

Group training organisations (GTOs) may be eligible to claim employer Incentives, including applicable loadings. Loadings are based on the address of the apprentice or trainee and the location of the host employer, and will be applied on a pro-rata basis.

GTOs are required to pass the Incentive payment on to the host employer however, the GTO may retain a portion of the Incentive payment which reflects on a pro rata basis, the periods of time an apprentice or trainee is not allocated to a host employer and remains employed by the GTO. GTOs are ineligible for Incentive payments during periods when an apprentice or trainee is hosted by a government agency that is out of scope of the Incentive.

To enable the efficient disbursement of Incentive payments, GTOs are required to maintain accurate host employer records in WAAMS. The WAAMS online portal allows GTOs to manage their Incentive records, including pro-rata Incentive information relating to each host employer.

## **Further information**

T: 13 19 54

E: [employerincentive@dtwd.wa.gov.au](mailto:employerincentive@dtwd.wa.gov.au)