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Government of Western Australia Department of Training and Workforce Development

GROUP TRAINING ORGANISATION WAGE SUBSIDY TERMS AND CONDITIONS

EFFECTIVE: 6 November 2024 VERSION: 4

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1. THE GROUP TRAINING ORGANISATION WAGE SUBSIDY

The Group Training Organisation (GTO) Wage Subsidy was introduced on 1 January 2022 to assist small to medium enterprises (SMEs) working in the building and construction sector, by providing access to apprentices and trainees employed through GTOs.

The GTO Wage Subsidy covers the average estimated award wage payable to apprentices and trainees in the building and construction sector, for the period of time the apprentice or trainee remains actively employed in a training contract registered with the Department of Training and Workforce Development (DTWD).

The GTO Wage Subsidy does not cover superannuation, leave and other allowances, overtime or over award payments.

GTO Wage Subsidy payments are linked to a registered training contract and based on the nominal term of the apprenticeship or traineeship. Nominal terms of apprenticeships and traineeships are located in the <u>Classification of Prescribed Vocational Education and Training</u> <u>Qualifications (Register of Class A and B qualifications).</u>

The GTO Wage Subsidy is capped at 775 commencements, and as of 1 July 2023 places are allocated on a demand driven basis¹. Eligibility of subsequent training contracts may be considered where there is capacity for them to be included in the program.

By participating in the GTO Wage Subsidy program, the GTO agrees to comply with the Terms and Conditions. The Terms and Conditions, including all appendices hereto, together with any other documents having contractual force, shall constitute and be known as "this Agreement". Please note that terms used in one document and expressly or impliedly defined in another shall have the meanings ascribed to them in that other document.

2. ELIGIBILITY FOR THE GTO WAGE SUBSIDY

2.1. GTO Eligibility Criteria

Prior to 13 November 2024

To be eligible for the GTO Wage Subsidy program, GTOs must be:

- (i) registered with DTWD to operate as a GTO in Western Australia;
- (ii) compliant with the *National Standards for Group Training Organisations*, or managing minor non-compliances with DTWD through an approved action plan;
- (iii) offering apprenticeships and traineeships in **Priority Start** trade qualifications;
- (iv) engaging apprentices and trainees to work on government projects in the building and construction sector, and/or non-government residential construction projects; and
- (v) hosting apprentices and trainees to small and medium enterprises working in the construction industry in WA.

Post 13 November 2024

To be eligible for the GTO Wage Subsidy program, GTOs must be:

- (i) registered with DTWD to operate as a GTO in Western Australia;
- (ii) compliant with the National Standards for Group Training Organisations, or managing minor non-compliances with DTWD through an approved action plan;
- (iii) engaging apprentices and trainees to work on government projects in the building and construction sector, and/or non-government residential construction projects; and
- (iv) hosting apprentices and trainees to small and medium enterprises working in the construction industry in WA.

¹ Prior to 1 July 2023, places in the program were allocated through an Expression of Interest process.

2.2 Eligible apprenticeships and traineeships

Prior to 13 November 2024

To be eligible for a place in the program, GTOs must enter into a training contract with a new entrant apprentice or trainee:

- that has a nominated qualification in scope of the Priority Start program;
- who lives and works in Western Australia (including the Indian Ocean Territories); and
- have an active training contract(s) registered with DTWD's Apprenticeship Office, that commences on or after 1 January 2022 and on or before 30 June 2025.

Eligible GTOs are encouraged to enter into training contracts with:

- apprentices and trainees from regional WA;
- female apprentices;
- Aboriginal people; and
- people with disability.

If there is strong demand for places, these groups will be prioritised.

Post 13 November 2024

To be eligible for a place in the program, GTOs must enter into a training contract on or after 12 November 2024 with a new entrant apprentice or trainee, who is:

Group 1 (100 places)

- undertaking a qualification on the Priority Start list of approved qualifications; and
- hosted to a small to medium business that is working on government projects in the building and construction sector or a non-government residential construction project

Eligible GTOs are encouraged to enter into training contracts with:

- apprentices and trainees from regional WA;
- female apprentices;
- Aboriginal people; and
- people with disability.

If there is strong demand for places, these groups will be prioritised.

Group 2 (75 places)

- hosted to a small to medium business that is working on a non-government residential construction project; and
- undertaking a qualification/trade from the approved priority trades list for residential construction (Appendix 3); and
- from one of the designated program level target groups women or mature aged apprentices/trainees (21 years and over).

2.3 Psychosocial Training

GTOs will be required to ensure that apprentices and trainees hosted under the GTO Wage Subsidy expansion program, and their host employer, undertake some form of induction training which includes psychosocial safety awareness. Participants will be required to commit to undertaking this training within six months of the commencement of their training contract.

2.4 Program exclusions

The GTO Wage Subsidy does not apply to:

- training contracts that are in receipt of subsidies under the Construction Training Fund (CTF) mature age wage gap pilot; or
- school based apprenticeships or traineeships.

2.5 Comply with Laws

Each GTO must comply with this Agreement, and all Laws in relation to the GTO Wage Subsidy program.

2.6 Information

If DTWD requests a GTO to provide DTWD with information or access to information, which is in any way relevant to the GTO Wage Subsidy program, this Agreement or any application for funding submitted by the GTO, the GTO must promptly comply, ensuring that the information so provided, or to which access is provided, is true, accurate, complete, current, sufficiently detailed and in no way misleading or deceptive. In this clause 2.6, 'information' includes data, records and other documentation.

3. PAYMENTS

GTO Wage Subsidy payments are:

- associated with the employment of an individual apprentice or trainee; and
- based on the nominal term of the apprenticeship or traineeship, as prescribed on the <u>Register of Class A and B qualifications</u> (apprenticeship and traineeship list).

To be assessed as eligible for the GTO Wage Subsidy program, and to ensure the correct disbursement of subsidy payments, GTOs are required to maintain accurate host employer records in WAAMS.

When a change of work site is recorded in WAAMS, GTOs will receive a request for information form that asks the GTO to confirm that the new host employer is a small to medium business, and that the apprentice/trainee will be working on a government project in the building and construction sector and/or on a non-government residential construction project.

3.1. Wage subsidy payments

Prior to 13 November 2024

Table 1 provides an overview of annual wage subsidy payments available to GTOs who have been allocated a place(s) in the GTO Wage Subsidy program prior to 12 November 2024:

| GTO Wage Subsidy – Annual Wage Subsidy Payments | | | | | | | |
|---|------------|----------------|---------------|----------------|-------------------|--|--|
| Nominal Term | First Year | Second Year | Third Year | Fourth Year | Total Payments | | |
| 12 month traineeships | \$28,534 | \$0 | \$0 | \$0 | \$28,534 | | |
| 18 month traineeships | \$28,534 | \$15,991 | \$0 | \$0 | \$44,525 | | |
| 24 month traineeships/apprenticeships | \$28,534 | \$31,981 | \$0 | \$0 | \$60,515 | | |
| 36 month apprenticeships | \$28,534 | \$31,981 | \$34,722 | \$0 | \$95,237 | | |
| 42 month apprenticeships | \$28,534 | \$31,981 | \$34,722 | \$19,694 | \$114,931 | | |
| 48 month apprenticeships | \$28,534 | \$31,981 | \$34,722 | \$39,388 | \$134,625 | | |

Table 1: GTO Wage Subsidy – Annual Wage Subsidy Payments – Apprenticeships and Traineeships

Notes:

1. Wages have been standardised for all trades for each nominal duration.

2. Wage costs are for base wage only and have not factored in superannuation, leave and other allowances, overtime or overaward payments.

Post 13 November 2024

Tables 2 and **3** provide an overview of annual wage subsidy payments available to GTOs who have been allocated a place(s) in the GTO Wage Subsidy program on or after 12 November 2024:

| GTO WAGE SUBSIDY– ANNUAL WAGE SUBSIDY PAYMENTS (75%) – GROUP 1 | | | | | | |
|--|------------|----------------|------------|----------------|----------------|--|
| Nominal term | First year | Second year | Third year | Fourth year | Total payments | |
| 12-month traineeships | \$21,400 | \$0 | \$0 | \$0 | \$21,400 | |
| 18-month traineeships | \$21,400 | \$11,993 | \$0 | \$0 | \$33,393 | |
| 24-month traineeships/apprenticeships | \$21,400 | \$23,985 | \$0 | \$0 | \$45,385 | |
| 36-month apprenticeships | \$21,400 | \$23,985 | \$26,041 | \$0 | \$71,426 | |
| 42-month apprenticeships | \$21,400 | \$23,985 | \$26,041 | \$14,770 | \$86,196 | |
| 48-month apprenticeships | \$21,400 | \$23,985 | \$26,041 | \$29,540 | \$100,966 | |

Table 2: GTO Wage Subsidy – Annual Wage Subsidy Payments – Apprenticeships and Traineeships – Group 1 (100 places)

Notes:

1. Wages have been standardised for all trades for each nominal duration.

- 2. Wage costs are for base wage only and have not factored in superannuation, leave and other allowances, overtime or overaward payments.
- 3. Places allocated under Group 1 eligibility criteria will receive 75% of the total annual amount of wage subsidy payments that were available prior to 13 November 2024.

| GTO WAGE SUBSIDY– ANNUAL WAGE SUBSIDY PAYMENTS (100%) – GROUP 2 | | | | | | |
|---|------------|----------------|------------|----------------|-------------------|--|
| Nominal term | First year | Second year | Third year | Fourth year | Total payments | |
| 12-month traineeships | \$28,534 | \$0 | \$0 | \$0 | \$28,534 | |
| 18-month traineeships | \$28,534 | \$15,991 | \$0 | \$0 | \$44,525 | |
| 24-month traineeships/apprenticeships | \$28,534 | \$31,981 | \$0 | \$0 | \$60,515 | |
| 36-month apprenticeships | \$28,534 | \$31,981 | \$34,722 | \$0 | \$95,237 | |
| 42-month apprenticeships | \$28,534 | \$31,981 | \$34,722 | \$19,694 | \$114,931 | |
| 48-month apprenticeships | \$28,534 | \$31,981 | \$34,722 | \$39,388 | \$134,625 | |

Table 3: GTO Wage Subsidy – Annual Wage Subsidy Payments – Apprenticeships and Traineeships – Group 2 (75 places)

Notes:

1. Wages have been standardised for all trades for each nominal duration.

- 2. Wage costs are for base wage only and have not factored in superannuation, leave and other allowances, overtime or overaward payments.
- 3. Places allocated under Group 2 eligibility criteria will receive 100% of the total annual amount of wage subsidy payments that were available prior to 13 November 2024.

3.2 Supervision and co-ordination payments

In addition to wage subsidy payments, each GTO will receive a \$1,000 supervision and coordination payment per apprentice or trainee, paid at the registration of the training contract, and each year thereafter on the anniversary of the registration, for the duration of the training contract.

3.3 Payment structure

3.3.1 Extension to the training contract

Wage subsidy payments will be made monthly in arrears from the training contract start date, for the duration of the nominal term of the training contract, while the apprentice or trainee is employed. This includes extensions to the initial term of the training contract to a maximum of 12 months for apprenticeships and six months for traineeships.

3.3.2 Part-time apprenticeships and traineeships

In the case of part-time apprenticeships and traineeships, subsidy payments will be calculated at the pro-rata equivalent of the rate payable to full-time apprentices and trainees. Calculation of pro-rata amounts will be based on the nominal duration of the apprenticeship or traineeship.

3.4 Changes to payments when a training contract is varied

The following variations to a training contract, may result in a change to wage subsidy payments:

• Change of host employer

- GTOs who have been assessed as eligible for the program, must host apprentices and trainees to small to medium enterprises². Host employer/worksite changes must be recorded in WAAMS as they occur.
- If the apprentice or trainee moves from an SME to a large employer that is, one that has 200 employees or more; then payments may be ceased. If the move is temporary, then payments may be suspended until the apprentice or trainee is re-hosted to an SME.
- Change of qualification and/or the nominal duration of the qualification.
 - Eligibility is determined using the qualification details at each payment point, therefore if a change is made to the qualification prior to the payment point being reached, payment amounts will be re-calculated.
 - If the new qualification is not in scope of the program, payments will be adjusted accordingly.
 - A payment adjustment may be required if an apprentice or trainee changes to a qualification with a different nominal duration, after a payment has been made.

• Assignment (transfer) to another GTO

 If the apprentice or trainee leaves the GTO, the place may be reallocated. That is, both the original and the new GTO may receive a portion of the payment, proportional to the time that they employed the apprentice or trainee.

Change in training type

- If the training contract is varied from full-time to part-time, or part-time to full-time, then payments amount will be re-calculated.
- Suspension of the training contract
 - If a training contract is suspended, wage subsidy payments will be suspended until the suspension is lifted.

• Termination of the training contract

- If a training contract is terminated or cancelled before a payment point has been reached, then a pro-rata payment will be made to the date of the termination or cancellation.
- Should eligible training contracts be terminated prior to their completion, the allocated place may be reassigned.

² The Australian Bureau of Statistics (ABS) defines an entity employing less than 20 employees as a small business, and a medium size business as one that employs between 20 and 199 employees.

3.5 Charge out rates

As the GTO Wage Subsidy program is providing payment of an apprentice or trainee's base wages, GTOs are required to apply a reduced charge out rate for each apprentice and trainee who has been allocated a place in the GTO Wage Subsidy program, commensurate with the subsidy amount that has been received.

3.6 Annual reconciliation process

GTOs in receipt of wage subsidy payments are required to participate in an annual reconciliation process.

At this time, GTOs will be required to confirm the following:

For government project work in the building and construction sector

- details of the government contract(s) the apprentice or trainee has been working on;
- host employer(s) that the apprentice or trainee has been hosted to;
- work site location(s);
- confirmation that the charge out rate has been reduced in accordance with the amount of the wage subsidy paid to GTOs through the GTO Wage Subsidy; and
- components of the charge out rate for example, discounting, credits etc.

For non-government residential construction projects

- host employer(s) that the apprentice or trainee has been hosted to;
- work site location(s);
- confirmation that the charge out rate has been reduced in accordance with the amount of the wage subsidy paid to GTOs through the GTO Wage Subsidy; and
- components of the charge out rate for example, discounting, credits etc.

The GTO annual reconciliation has two phases, the annual declaration and a sample audit:

1. Annual Declaration

- At the end of each financial year, DTWD provides each GTO with a report outlining all wage subsidies paid to them.
- GTOs are requested to review the report and provide information about host employers, work sites, and a breakdown of the discounted charge out rate applied to wage subsidy payments.
- GTOs will also be asked to provide proof of employment eg. payslip, payroll report; a copy of the training plan signed by all parties; and proof of enrolment.
- The GTO then signs a declaration confirming that information provided is correct, or provides commentary when information provided by DTWD differs to that held by the GTO.
- GTOs are required to return the signed declaration to DTWD within 2 weeks.
- DTWD reviews the declaration reports and works with GTOs to amend where required.

2. Sample Audit

- The second phase of the annual reconciliation process is an audit of 10% of all wage subsidies received by each GTO.
- Documentary evidence is required for each subsidy payment included in the audit sample.

Repayment of the GTO Wage Subsidy may be required where a GTO does not meet their obligations under the program in accordance with the Terms and Conditions.

4. THE PAYMENT PROCESS

GTOs will receive wage subsidy payments in arrears each month, for the nominal duration of the training contract.

Payments will be made automatically from WAAMS to the GTOs nominated bank account, after the following validation checks are conducted.

4.1. Review of eligibility prior to first subsidy payment

Australian Apprenticeships Support Australia (AASN) providers are responsible for signing up apprentices and trainees into training contracts and lodging them in the Commonwealth government's ADMS system. Training contracts are then downloaded from ADMS to the Western Australian Apprenticeship Management System (WAAMS) and registered by DTWD's Apprenticeship Office.

In the first instance, the accuracy of data for the GTO Wage Subsidy relies on training contract information provided by AASN providers to the Commonwealth and subsequently, the Apprenticeship Office. It is the responsibility of the GTOs to maintain the accuracy of their training contract information in the WAAMS online client portal.

4.2 Validation checks at registration of the training contract

Training contracts will undergo validation checks **(Appendix 1)** after registration of the training contract, and prior to the first wage subsidy payment to the GTO to confirm that:

- the GTO has been allocated a place in the GTO Wage Subsidy program;
- number of available capped places has not been exceeded;
- consideration has been given to the recruitment of apprentices and trainees from program level target groups;
- the apprentice or trainee has been hosted to an SME;
- if the apprentice or trainee is working on government projects, contract details have been provided;
- the training contract commenced on or after 1 January 2022 and on or before 30 June 2025;
- GTO has a valid Australian Business Number (ABN) and this has been verified on ABN Lookup;
- GTO is registered to use WAAMS and GTO's bank details have been provided;
- apprentice/trainee has a valid Unique Student Identifier (USI);
- apprentice/trainee lives and works in WA; and
- GTO has confirmed that they agree to the Group Training Organisation Wage Subsidy Terms and Conditions.

4.3 Using WAAMS to view GTO Wage Subsidy payments

GTOs are able to view their GTO Wage Subsidy payments in WAAMS providing that the following WAAMS access levels have been assigned in their organisation:

- WAAMS online client portal login (<u>https://waamsportal.dtwd.wa.gov.au</u>) this gives GTOs access to view their training contracts and make approved changes as required;
- **EIS User** this gives GTOs the ability to view wage subsidy payments that have been calculated in the system for their organisation; and
- **Financial Administrator** the GTOs nominated Financial Administrator can create and edit their organisation's bank details, and view wage subsidy payments that have been calculated for their organisation.

GTO Wage Subsidy payments cannot be made until all three access levels have been set up by GTOs in WAAMS.

5. TAXATION

5.1 Goods and Services Tax

GST does not apply to wage subsidies paid by the Department to employers under the GTO Wage Subsidy program, and all subsidy amounts paid are GST exclusive. Eligible applicants are solely responsible for obtaining their own independent legal and financial advice about tax and any other legal impact that receipt of the wage subsidy may have in their individual circumstances.

For this purpose:

- "GST" means the goods and services tax applicable to any taxable supplies as determined by the GST Act; and
- "GST Act" means A New Tax System (Goods and Services Tax) Act 1999 (Cth) and includes all associated legislation and regulations; and
- the terms "supply", "tax invoice", "taxable supply" and "value" have the same meanings as in the GST Act.

5.2. Taxable Payment Annual Reporting (TPAR)

The Incentive payments are subject to the taxable payments reporting requirements of the Australian Taxation Office (ATO) following receipt of the payment.

From 1 July 2017, federal, state and territory government entities are required to report grants they make to people or organisations with an ABN each financial year from 1 July to 30 June.

Details of grants paid to each recipient are provided on a Taxable Payment Annual Report (TPAR) submitted electronically to the ATO on 28 August each year. The Department reports details of payments such as name of organisation receiving the payment, total amount paid and date of payment in the TPAR.

Reportable payments include grants under the GTO Wage Subsidy program paid to entities with an Australian Business Number (ABN) each financial year. Unpaid grants as at 30 June each year are reported in the following financial year's TPAR.

There is no requirement by the ATO for the Department to provide recipients with any details of the information reported to the ATO on the TPAR.

If you receive a payment under the GTO Wage Subsidy program, it will be reported to the ATO.

Please note that the ATO has announced on their <u>website</u> when they may contact grant recipients about subsidy payments reported on the TPAR.

Further information about the TPAR is available on the ATO website.

6. DEBT MANAGEMENT

Repayment of wage subsidy payments will be required where the GTO:

- seems to be manipulating the GTO Wage Subsidy as evidenced by their retrenchment or recruitment patterns; or
- has no lawful basis for or entitlement to the payment, or where the GTO has provided to DTWD incorrect, misleading or deceptive information under or in connection with the GTO Wage Subsidy; or
- has breached these Terms and Conditions; or

- has withheld from DTWD information relevant to the GTO's entitlement, if any, under the GTO Wage Subsidy; or
- is not providing a genuine or appropriate employment and training opportunity for the apprentice or trainee; or
- is not meeting their workplace obligations to the apprentice or trainee; or
- is behaving, or has behaved, unlawfully, dishonestly, or unethically.

6.1 Training contract changes

The submission of a training contract change (TCC) may result in the requirement to adjust or recalculate subsidy payments. This recalculation may result in an increase in the wage subsidy payment amount due to a GTO (a credit), or a decrease in the amount which may incur a debt.

6.2 The debt adjustment process

If a TCC or one of the other conditions listed above has resulted in the requirement for a:

- debt adjustment the GTO will be notified of the change and the amount owed; or
- credit adjustment the GTO will be credited the adjusted amount.

7. COLLECTION OF PERSONAL INFORMATION

7.1 Use of Personal Information

DTWD may collect, make a record, or otherwise use personal information for the purposes of administering the GTO Wage Subsidy. Personal information may be disclosed to third parties for the purposes of administering and carrying out functions relating to the GTO Wage Subsidy.

7.2 Disclosure of Personal Information

Personal information may be disclosed to and sought from, third parties for the purposes of administering and carrying out functions relating to the GTO Wage Subsidy. Third parties include, but are not limited to:

- Australian Government departments and agencies;
- Revenue WA; and
- CTF.

7.3 Management of Personal Information

Personal information collected under the management and administration of the GTO Wage Subsidy, will be managed in accordance with the *State Records Act 2000* and the *Freedom of Information Act 1992* (the FOI Act).

This legislation provides individuals with protections to prevent the misuse of personal information. In addition, if an individual has a complaint about the storing or use of their personal information, they are able to contact the WA Information Commissioner.

Under the FOI Act, an Information Commissioner has been appointed to:

- deal with complaints about decisions made by government agencies; and
- investigate possible interference with personal information, either following a complaint by the individual or of the Commissioner's own initiative.

Further information about the role of the Information Commissioner can be found at <u>www.oic.wa.gov.au</u>

8. REVIEW OF DECISIONS

8.1 Overview

DTWD is committed to procedural fairness in the administration of the GTO Wage Subsidy. It is intended that all decisions are consistent, equitable and transparent within the limits and constraints of the approved polices for the GTO Wage Subsidy.

In the interests of procedural fairness, a GTO has a right to request a review of a decision in relation to eligibility for a payment or the calculated amount of a payment.

8.2 Process for Review of Decisions

The process for the review of decisions is as follows:

- A written request for a review should be made directly to DTWD by emailing <u>employerincentive@dtwd.wa.gov.au</u>. The request should outline the reasons the GTO considers the decision to be incorrect or unfair and, where appropriate, provide additional evidence to support a review of the case.
- The review will be conducted by a senior DTWD staff member, at Director level or above.
- Upon review, DTWD will re-examine the decision taking into account the policies and intent of the GTO Wage Subsidy, the reasons that the claimant has put forward for review of the decision and any additional information provided.
- DTWD will only review on a fully open and transparent basis. Accordingly, all relevant information must promptly be forthcoming from the GTO.

8.3 Notification of Outcome

DTWD will notify the GTO of the review decision, in writing, within 28 days of the review being requested.

The review decision will be provided in writing and include a clear explanation of the reason(s) for the review decision.

Exceptional circumstances are circumstances that are unusual, uncommon, unexpected or unplanned.

DTWD will consider declarations and supporting documentation in an endeavour to review a decision to ensure that the best possible outcome is achieved, balancing the rights of the GTO with the prudent use of public monies.

When considering a request for a review of the decision the following may be considered (amongst other relevant factors):

- Would the GTO be eligible for the payment if it were not for the exceptional circumstance(s)? This determines the basic eligibility for the payment(s) in dispute.
- Is the exceptional circumstance(s) out of the control of the GTO? If yes, then exceptional circumstances may apply.
- Has the payment been disrupted by unexpected or unplanned events that have impacted on the ability to provide supporting evidence or take necessary actions within the required time limits? If yes, then exceptional circumstances may apply.

9. DISCLAIMER INDEMNITY AND WARRANTY

A continuing obligation throughout any period of participation in the GTO Wage Subsidy is that each GTO hereby declares and warrants to DTWD and the State, and all their respective officers, employees and agents, that they have read, understood and accept these Terms and Conditions and that they have been truthful, and forthcoming with all relevant information, in respect to their application to participate in the GTO Wage Subsidy. Eligible GTOs are solely responsible for obtaining their own independent legal and financial advice about tax and any other legal impact that receipt of the GTO Wage Subsidy may have in their individual circumstances.

10. CHANGES TO THE GTO WAGE SUBSIDY

DTWD reserves the right to:

- vary these Terms and Conditions, the eligibility criteria or any other documented rule or procedure at any time; and
- accept or reject any application for participation in the GTO Wage Subsidy in its absolute discretion; and
- cease the GTO Wage Subsidy at any time should State Government policy change or the budget allocation for the GTO Wage Subsidy be re-prioritised.

DTWD will however, honour arrangements for training contracts that have commenced prior to these changes coming into effect.

11. AUDITS

The GTO Wage Subsidy as administered by DTWD, is subject to audit by the Western Australian Auditor General. GTOs may be asked to provide information during the audit process; if asked, they must promptly comply.

12. STAKEHOLDER FEEDBACK

In administering the GTO Wage Subsidy, measures have been taken to minimise red tape and simplify the payment process for employers. This is balanced with the need to ensure GTO Wage Subsidy payments are made correctly to eligible GTOs.

DTWD is always looking to improve processes and systems. Stakeholder feedback is welcomed and can be provided to DTWD by:

Telephone: 13 19 54 Email: <u>employerincentive@dtwd.wa.gov.au</u>

APPENDIX 1 – Validation checks for GTO wage subsidy payment approval

This document outlines the validation checks a training contract must pass before a wage subsidy payment can be made.

Validation Check Method - Key

| Automated system check |
|--|
| Manual check performed by staff member from the Employer Incentives team in DTWD's Apprenticeship Office |

| Validation Table 1: At the registration of the training contract | | | | | |
|---|--|--|--|--|--|
| Validation check | Method of check | | | | |
| GTO is eligible for a place in the GTO Wage Subsidy program | A manual check is conducted to confirm that the GTO has met eligibility requirements and that the number of capped places has not been exceeded. | | | | |
| Apprenticeship or traineeship is eligible for the GTO Wage Subsidy program | The automated assessment rule has passed confirming that the training contract is in an approved qualification. An automated workflow has been run to identify training contracts with apprentices and trainees in priority groups. | | | | |
| The training contract commenced on or after 1 January 2022 and on or before 30 June 2025. | The automated assessment rule has passed confirming the training contract start date meets these requirements. | | | | |
| The apprentice/trainee is a new entrant | The automated assessment rule will pass if: 1) the apprentice/trainee is not an existing worker; and 2) it is the apprentice/trainee's first training contract. | | | | |
| GTO has a valid Australian Business Number (ABN) with the Australian Business Register | If Automated assessment fails: A manual investigation is conducted on the apprentice/trainee's previous training contract to confirm that: | | | | |
| (ABR) The apprentice or trainee is hosted to an SME | A manual check is made to confirm that the apprentice or trainee is hosted to an SME | | | | |
| The GTO is eligible to participate in the GTO Wage Subsidy | The automated assessment rule has passed confirming there is no closer attention flag on the GTO. | | | | |
| | Where there is a closer attention flag on the GTO, further assessment is conducted to determine whether the GTO is eligible to receive wage subsidy payments at that time. | | | | |
| GTOs bank details have been provided | The GTOs bank account details exist against the organisation's record and were created by the GTO's nominated Financial Administrator | | | | |
| The apprentice or trainee has a valid Unique Student Identifier | The automated assessment rule has passed confirming the apprentice/trainee's USI has been validated against the apprentice/trainee's personal details. | | | | |

| The apprentice or trainee lives and works in WA | The automated assessment rule has passed confirming the apprentice/trainee lives and works in WA. |
|--|---|
| The GTO is not in receipt of the Construction Training Fund (CTF) mature age wage gap (MAWG) subsidy | The CTF rule has passed confirming that the apprentice/trainee is in a qualification that may be in scope of the CTF mature age wage gap subsidy, but CTF have confirmed that the GTO is not receiving a payment for this apprentice/trainee under the mature age wage gap subsidy. (This automated validation check requires additional manual intervention that is, contact with CTF to confirm that the GTO is not in receipt of the MAWG). |
| The apprenticeship/ traineeship is not school based | The automated assessment rule has passed confirming that the apprenticeship/traineeship is not school based. |
| Terms and Conditions | Employer has confirmed that they agree to the Group Training Organisation Wage Subsidy - Terms and Conditions. |

APPENDIX 2 – Terms and definitions

| Term | Description/Definition | | |
|---|--|--|--|
| Apprentice | An Apprentice is defined in the Vocational Education and Training Act 1996, as: the person who is named in a training contract as the person who will be trained under the contract, whether the person is termed an apprentice, a trainee, a cadet, an intern or some other term. | | |
| Approval Date | The date when training contract change is approved. Please note that updates to information relating to the training contract is the responsibility of the parties (or AASN), dates within WAAMS are generally not applied retrospectively. | | |
| Apprenticeship | A structured employment based training program that leads to the apprentice gaining a nationally recognised qualification. An apprenticeship can be full time, part time or school based. | | |
| | Apprenticeship qualifications in WA are listed on the <i>Classification of Prescribed Vocational Education</i> and <i>Training Qualifications</i> (the Register of Class A & B Qualifications). | | |
| Apprenticeship Office (AO) | The Apprenticeship Office provides advice and support to both the apprentice/trainee and employer throughout the course of an apprenticeship. As the State's administrative and regulatory body for apprenticeships and traineeships, it is AO's responsibility to ensure administrative and regulatory compliance including financial governance. | | |
| Australian Apprenticeship Support Network (AASN) Providers | Organisation(s) contracted by the Australian Government to undertake the 'sign up' process between an employer and apprentice/trainee and ongoing support services throughout the training contract. | | |
| <u>Classification of</u> <u>Prescribed</u> <u>Vocational</u> <u>Education and</u> <u>Training</u> <u>Qualifications</u> (Register of Class A and B qualifications) | Under the Vocational Education and Training Act 1996, the Minister must classify each prescribed vocational education and training qualification into one of the three categories — Class A, Class B and Class C. Class A: These qualifications can only be obtained by fulfilling the obligations of an apprentice under a training contract. Class B: These qualifications may, but need not, be obtained by fulfilling the obligations of an apprentice under a training contract. Class C: Class C qualifications cannot be delivered under a training contract. All qualifications not classified as A or B are automatically classified as Class C. | | |
| | The <u>Classification of Prescribed Vocational Education and Training Qualifications (Register of Class A</u> <u>& B Qualifications)</u> provides a detailed list of qualifications that may be offered as apprenticeships and traineeships. | | |
| Contract Registration Date | The date the training contract is registered by DTWD. Note: The training contract must be lodged with DTWD within 21 calendar days of the apprentice commencing employment. | | |
| Exceptional Circumstances | An unusual, uncommon, unexpected or unplanned circumstance or event. | | |
| Extension to Training Contracts | As qualifications delivered under training contracts are competency based, it is possible for the employer or apprentice/trainee to extend the time allowed for the apprentice/trainee to complete the training contract beyond the nominal term. If this is required both parties (employer and apprentice) must be in agreement. Once agreement has been reached, DTWD must be notified. Extension notices can only be considered by DTWD before the expiry date of the training contract. | | |
| | Under the GTO Wage Subsidy program, if a training contract is extended subsidy payments will continue for a maximum of 12 months past the original training contract end date (apprenticeships), or a maximum of 6 months past the original training contract end date (traineeships). | | |

In these Terms and Conditions, the following definitions apply:

| Existing Worker | A person employed with the same employer continuously for more than three months full time or 12 months casual or part time, or a combination of both; immediately prior to the commencement date of the training contract. |
|---|--|
| | In calculating the full time equivalent period of employment, the following exclusions apply where the apprentice/trainee was: employed while attending secondary school as a student; has had a break in service with the employer of 6 months or more in the employment |
| | relationship prior to commencement of the apprenticeship/traineeship. |
| | Please note, any worker not considered an existing worker is deemed to be a new entrant. |
| | New entrant trainees who go on to a subsequent traineeship with the same employer within three months after the successful completion of the previous traineeship can maintain their new entrant status if they articulate to a higher level qualification. |
| Freedom of Information Act WA 1992 | This Act provides individuals a right of access to documents held by all State and local government agencies. |
| (FOI Act) | Detailed information about an individual's rights to access personal information under the FOI Act, can be found on the website of the WA Office of the Information Commissioner <u>www.oaic.wa.gov.au</u> |
| Full time Employee | A full time employee works on average 38 hours a week. The actual hours of work for an employee in a particular job or industry are agreed between the employer and employee and/or set by an award or registered agreement. |
| Group Training Organisation (GTO) | An organisation that employs apprentices/trainees under a training contract and places them with host employers. The GTO undertakes the employer responsibilities for the quality and continuity of the apprentice's employment and training. |
| | To be eligible for the GTO Wage Subsidy, GTOs are required to be registered with DTWD and meet the National Standards for Group Training Organisations. |
| Law | Any requirement or rule of a statute, subsidiary legislation, the common law or equity. |
| Lodgement Date of the Training Contract | The date the AASN lodges the training contract with DTWD. Note: Training contracts must be lodged with DTWD within 21 calendar days of the apprentice/trainee commencing employment. |
| New Entrant | Any worker not considered an existing worker (see 'existing worker' definition) is deemed to be a new entrant. |
| Nominal Duration / Term | The length of time determined by industry that an average individual is expected to take to complete a training contract – noting that the system is competency based. |
| | The nominal term for an apprenticeship or traineeship is identified in the <u>Classification of Prescribed</u> <u>Vocational Education and Training Qualifications</u> (Register of Class A and B qualifications). |
| Non-genuine Claims | Where there is a doubt as to the genuineness of a claim, DTWD may investigate and as a result of this investigation may withhold payment or ask for repayment as a result of an irregularity as follows: allegations of fraudulent activities or attempts to manipulate the GTO Wage Subsidy by a GTO, to maximise payments that would otherwise not have been payable; |
| | GTO retrenchment and recruitment patterns that suggest possible abuse of the GTO Wage Subsidy; suspected breaches of the provisions of the training contract; or any instance where an apprentice/trainee, or person acting on their behalf, makes an allegation |
| | or complaint against an GTO, including claims of harassment or non-payment of wages. |
| Part-Time | The <u>Classification of Prescribed Vocational Education and Training Qualifications Register of Class A</u> <u>& B Qualifications</u> identifies any specific requirements regarding part-time arrangements for apprenticeships and traineeships. |
| | These include the following: |

| | Full time hours of work for an apprenticeship or traineeship includes the training component and is the ordinary hours of employment for a full time employee in that occupation, as defined in the relevant industrial instrument. Apprentices and trainees are deemed to be part time if they are working less than full time hours or as defined in the applicable industrial instrument. Where a qualification is approved for part time delivery, the minimum part time hours for a training contract in Western Australia, except school based; is 15 hours per week (inclusive of employment and supervised training) unless otherwise specified and published on the list of <i>Prescribed Vocational Education and Training qualifications</i>. |
|---|--|
| Pro-rata Payment | A payment that is calculated according to, or as a share of, the fixed rate for a larger total amount. |
| Regions | Regional boundaries that inform allocation of places for the GTO Wage Subsidy, are based on local government areas. The listing of local government areas listed below have been sourced from the following: Perth Local Government Authorities have been defined using the Department of Communities Local Government Directory (www.dlgsc.communities.wa.gov.au); and Regions are defined using the WA Department of Primary Industries and Regional Development's (http://www.drd.wa.gov.au/regions) designated regions. Local Government Authorities in Western Australia Gascoyne – comprised of the following local government authorities: Carnarvon, Exmouth, Shark Bay and Upper Gascoyne. Goldfields-Esperance – comprised of the following local government authorities: Coolgardie, Dundas, Esperance, Kalgoorlie-Boulder, Laverton, Leonora, Menzies, Ngaanyatjarraku and Ravensthorpe. Great Southern – comprised of the following local government authorities: Albany, Broomehill-Tambellup, Cranbrook, Demmark, Gnowangerup, Jerramungup, Katanning, Kent, Kojonup, Plantagenet and Woodanilling. Kimberley – comprised of the following local government authorities: Broome, Derby-West Kimberley, Halls Creek and Wyndham-East Kimberley. Mid-West – comprised of the following local government authorities: Carnamah, Chapman Valley, Coorow, Cue, Greater Geraldton, Irwin, Meekatharra; Mingenew, Morawa, Mount Magnet, Murchison, Northampton, Perenjori, Sandstone, Three Springs, Wiluna and Yalgoo. Peel – comprised of the following local government authorities: Ashburton, East Premantle, Fremantle, Gosnells, Joondalup, Kalamunda, Kwinana, Melville, Mosman Park, Mundaring, Nedlands, Peppermint Grove, Perth, Rockingham, South Perth, Stirling, Subiaco, Swan, Victoria Park, Vincent, Wanneroo. Pilbara – comprised of the following local government authorities: Ashburton, East Pilbara, Port Hedland and Karratha. South West – comprised of the following local gover |
| Registered Training Organisation (RTO) | An organisation registered with the WA Training Accreditation Council (TAC) or the Australian Skills Quality Authority (ASQA); to deliver training, conduct assessments and issue nationally recognised qualifications; in accordance with the VET Quality Framework. |
| Small to medium enterprise (SME) | The Australian Bureau of Statistics (ABS) defines an entity employing less than 20 employees as a small business, and a medium size business as one that employs between 20 and 199 employees. Therefore, the definition of SME for the purposes of the GTO Wage Subsidy is a business that employs between 1 and 199 employees. |

| Successful Completion | Occurs when the nominated RTO advises DTWD that the competencies associated with the training contract have been fulfilled / successfully completed by the apprentice/trainee. Notification of completion should occur within 21 days after the date of the successful completion. Note: A completion can occur prior to the expiry date on the training contract. It can also be extended beyond the nominal term if both the apprentice/trainee and employer agree, and a notification is submitted to DTWD. |
|--|--|
| Suspension of an Apprentice or Trainee | An apprentice/trainee can suspend their training contract and if this occurs, wage subsidy payments to the GTO will also be suspended. |
| Traineeship | A structured employment based training program that leads to the trainee gaining a nationally recognised qualification. Traineeships may be full time, part time or school based. Traineeship qualifications are listed on the <u>Register of</u> <u>Class A and B qualifications.</u> |
| Training Contract | A legally binding agreement between an employer, an apprentice / trainee, and their parent/legal guardian (if the apprentice/trainee is under 18 years of age), to undertake an apprenticeship or traineeship. The contract includes but is not limited to, the following information: qualification and nominated units of competency being undertaken by the apprentice/trainee; employer/GTO details including ABN; apprentice / trainee personal details; RTO details; employment arrangements; nominal term of the apprenticeship/traineeship (e.g.12, 18, 24 months etc.) employer/GTO obligations and responsibilities; and apprentice/trainee's obligations and responsibilities. |
| Training Plan | Outlines the training delivery and assessment strategy to be undertaken throughout the training contract. It is developed by the nominated RTO with the GTO and apprentice/trainee. The training plans must be in place and signed by the GTO, apprentice/trainee and RTO, 6 weeks after registration of the training contract. |
| Variation to a Training Contract | Means any amendments / changes to the details associated with the training contract. For example a change in employer, a change in the apprentice or trainee's hours, a change in the work location or a change in the nominal term. A variation could also be something as simple as a change of personal details for the apprentice/trainee such as their address. |
| Western Australian Apprenticeship Management System (WAAMS) | The Customer Relationship Management system that enables internal and external users to manage training contracts and employer incentives online, 24/7. WAAMS can be accessed by employers, apprentices/trainees, GTOs and RTOs. |
| Withholding (or refusal) of Payments | Payments may be withheld or refused where: the GTO is not providing a genuine or appropriate employment and training opportunity for the apprentice or trainee; there has been fraud or manipulation of the these <i>Terms and Conditions</i> to maximise payments which would not have otherwise have been payable; the GTO or apprentice or trainee has engaged in abusive, negligent or criminal conduct during the apprenticeship/traineeship; or the funds to support the GTO Wage Subsidy have been exhausted. |

| ANZSCO Code | Occupation/Trade | Qualification |
|----------------|---|--|
| 133111 | Construction project managers | CPC40320 Certificate IV in Building Project Support |
| 331111 | Bricklayer | CPC33020 Certificate III in Bricklaying and Blocklaying |
| 331112 | Stonemason | CPC32320 Certificate III in Stonemasonry |
| 331211 | Carpenter and joiner | CPC30220 Certificate III in Carpentry |
| | | CPC31920 Certificate III in Joinery |
| 331212 | Carpenter | CPC30220 Certificate III in Carpentry |
| 331213 | Joiner | CPC31920 Certificate III in Joinery |
| 332111 | Floor finisher | MSF30822 Certificate III in Flooring Technology |
| 332211 | Painting trades worker | CPC30620 Certificate III in Painting and Decorating |
| 333111 | Glazier | MSF30422 Certificate III in Glass and Glazing |
| 333211 | Fibrous plasterer | CPC31220 Certificate III in Wall and Ceiling Lining |
| 333212 | Solid plasterer | CPC31020 Certificate III in Solid Plastering |
| 333411 | Wall and floor tiler | CPC31320 Certificate III in Wall and Floor Tiling |
| 334112 | Airconditioning and mechanical services plumber | CPC32420 Certificate III in Plumbing |
| 334113 | Drainer | CPC32420 Certificate III in Plumbing |
| 334114 | Gasfitter | UEG30122 Certificate III in Gas Supply Industry Operations |
| 334115 | Roof plumber | CPC32620 Certificate III in Roof Plumbing |
| 334116 | Plumber (general) | CPC32420 Certificate III in Plumbing |
| 334117 | Fire Protection Plumber | CPC32820 Certificate III in Fire Protection |
| 341111 | Electrician (general) | UEE30820 Certificate III in Electrotechnology |
| | | Electrician |
| 341112 | Electrician (special class) | UEE30820 Certificate III in Electrotechnology |
| 342111 | Airconditioning and refrigeration mechanic | Electrician MEM31322 Certificate III in Refrigeration and Air |
| 542111 | | Conditioning |
| | | UEE32220 Certificate III in Air Conditioning and |
| | | Refrigeration |
| 721211 | Earthmoving plant operator (general) | RII30820 Certificate III in Civil Construction Plant |
| | | Operations |
| 721213 | Bulldozer operator | RII30820 Certificate III in Civil Construction Plant |
| 721214 | Evcavator operator | Operations RII30820 Certificate III in Civil Construction Plant |
| /21214 | Excavator operator | Operations |
| 721215 | Grader operator | RII30820 Certificate III in Civil Construction Plant |
| | | Operations |
| 721216 | Loader operator | RII30820 Certificate III in Civil Construction Plant |
| | - | Operations |
| 821211 | Concreter | CPC30320 Certificate III in Concreting |
| | | |

APPENDIX 3 - GTO Wage Subsidy – Approved list of Priority Trades – Group 2