

## Employer Base Grant Increase - FAQ's

### What is the Employer Grant Program?

The Employer Grant Program provides financial support to Western Australian construction employers when hiring an apprentice or trainee.

### What is the base grant increase?

The Employer Grant from the CTF has a base rate and bonus supplements which is dependent on the apprenticeship or traineeship qualification. The base rate of the grant attached to each qualification is determined by the Building and Construction Industry Training Fund Board.

In 2024-25 this Program will increase the base grant for all 36-month and above indentures to \$15,000. The base grant for 18-month and 24-month indentures will be increased to \$12,500 and 12-month indentures will be increased to \$6,250.

There will be a transition of all current, active Employer Grant funding structures to the new standardised base grant.

The implementation of the base grant increase will be similar to the previous base grant increase implemented on 1 July 2023.

### Direct Indenture – increase in base grant/supplements

New apprentice or trainee	From 1 July 2024 all employers of new apprentices and trainees will be advanced to the new base rate.
Existing apprentice or trainee	If the apprentice or trainee has a milestone between 01 July 2024 and 31 December 2024 then the current payment will be paid and a top up payment will be paid in January 2025.

### Group Training Organisations

Apprentice or trainee	From 1 July 2024 GTOs will be eligible to receive the new rate (monthly) for each apprentice or trainee. They will continue to be paid the current amount and a top up payment will be paid in January 2025.
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### When will the base grant increase commence?

The increase to the base grant will apply from 1 July 2024. It will be valid for all eligible existing and new apprenticeships and traineeships currently supported by the Construction Training Fund.

The processing of payments will commence in January 2025 and be backdated for all payments due in the first half of the financial year.

### Who it is available to?

- The CTF Increase in Base Grant will be available to all current, eligible Western Australian employers and group training organisations employing apprentices and trainees in qualifications recognised in the CTF Employer Grant Program.
- It also includes all new apprentice and trainee commencements.
- This includes those employed via direct indenture and group training organisations.
- All trades covered by Construction Training Fund.

### How much will the base grant increase by?

Employers and GTOs of apprentices or trainees will have increases to the base grant of:

App/Trainee Term	Prior to FY23/24	In FY23/24	From FY24/25
12	\$4,000	\$5,000	\$6,250
18	\$8,000	\$10,000	\$12,500
24	\$8,000	\$10,000	\$12,500
36	\$8,000	\$12,000	\$15,000
36	\$10,000	\$12,000	\$15,000
42	\$10,000	\$12,000	\$15,000
48	\$8,000	\$12,000	\$15,000
48	\$10,000	\$12,000	\$15,000

Subsequently, bonuses available to employers and GTOs will also increase as they are calculated from the base grant. This includes:

Bonus	% of base grant Up to FY23/24	% of base grant From FY24/25
Regional South	10%	10%
Regional North	20%	20%
Indigenous	30%	30%
Female	20%	40%
Mature Age	20%	40%

### **I'm an employer, when will I receive the grant?**

Typically, the sum of the total grant available is made to an eligible employer in three instalments of equal value.

The first instalment is paid to an employer when the apprentice or trainee has successfully completed six months of continuous, full-time employment with a single employer.

The second instalment is paid at the half-way point of the indicated nominal term and the final payment is made upon successful completion.

All claims for grants by employers or group training organisations directly employing apprentices or trainees must be made directly to the CTF.

### **How do the grant changes affect my existing apprentices?**

If you employ apprentices and trainees who started their training under the previous funding structure (before 1 July 2024), you will automatically transition to the new structure.

If your apprentice or trainee has a milestone between 1 July and 31 December 2024, the current payment will be paid, and a top up payment will be paid in January 2025. The top up payment will be the difference between instalment amounts under the previous funding structure (before 1 July 2024) and new funding structure.

For example, your apprentice commenced in FY23/24 and is currently on a three-year indenture (\$12,000 base grant). You have received two of three instalments and the third instalment is due in October 2024. You will be paid the third instalment in October at the previous rate (e.g. \$4,000). By January 2025, you will receive a top up payment of \$5,000 ( $\$15,000/3 - \$4,000 = \$1,000$ )

This applies to employers (direct indenture) and GTOs.

You do not need to apply for the top up payment.

### **How do the grant changes affect new apprentices?**

Any apprentices or trainees starting their training from 1 July 2024 onwards will be registered under the new funding structure.

If you have never employed an apprentice or trainee before, you need to ensure the training contract is registered in the Department of Training and Workforce Development's WAAMS client portal. After that, we initiate the grant contract and the instalment payments to you.

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### **When will I get the increased grant payment/s?**

Existing apprentices and trainees (who started training before 1 July 2024) will automatically transition to the new funding structure. If they reach a milestone between 1 July and 31 December 2024, a top up payment will be paid. This top up payment will be paid to employers (direct indenture) and GTOs by January 2025.

New apprentices and trainees (who start training on or after 1 July 2024) will receive the increased amounts in equal instalments as part of the normal grant milestone structure.

### **Does the qualification affect the base grant amount?**

No. From 1 July 2023, the base grant amount is standardised by indenture term, rather than by qualification. For example, all students undertaking an eligible three-year construction apprenticeship will be paid the same base grant regardless of their specific qualification depending on when they commenced.

Under the earlier funding structure, the base grant amount was determined by qualification.

### Has the instalment amount changed?

Yes. The instalment amounts have been recalculated so the payments are more evenly distributed across the contract term. From 1 July 2024, all three instalments will continue to be equal payments. For example, four-year indentures would receive a base grant of \$15,000 distributed in 3 x \$5,000 instalments.

### What are the new supplement payments?

Some of the supplement payments have increased as a percentage of the base grant.

Bonus	% of base grant
Regional South	10%
Regional North	20%
Indigenous	30%
Female	40%
Mature Age (21+)	40%

### What do I need to do?

**Nothing.** So long as your apprentice or trainee is registered in the WAAMS client portal, they will automatically transition to the new funding structure.

We will pay you the instalment amount and/or top up payment as it falls due - you do not need to make a claim.

If you have any questions, please don't hesitate to get in touch at [info@ctf.wa.gov.au](mailto:info@ctf.wa.gov.au) or on (08) 9244 0100.