



Support for Adult Australian Apprentices incentive

Australian Apprenticeships are a vital training and employment pathway for people of all ages. The Australian Government recognises adult and mature-aged workers can benefit immensely from an Australian Apprenticeship and provides additional support to their employers to help them reach their full potential as skilled workers.

What is the Support for Adult Australian Apprentices incentive?

The Support for Adult Australian Apprentices (SAAA) incentive is a payment of \$4,000 to an eligible employer of an adult Australian Apprentice once the apprentice has successfully completed 12 months of training. The purpose of the SAAA incentive is to remove barriers to taking up an apprenticeship for adult Australian Apprentices and to encourage them to build on their skills.

Who is eligible?

An employer of an adult Australian Apprentice may be eligible to attract the SAAA payment where the Australian Apprentice is:

- undertaking a full-time or part-time Certificate III or IV qualification that leads to an occupation listed on the National Skills Needs List at the date of commencement or recommencement; and
- in receipt of an 'actual wage' paid by the employer at the date of commencement or recommencement which is equal to or greater than the National Minimum Wage (as defined and set by the Fair Work Commissioner).

To qualify as an 'adult', the Australian Apprentice must be:

- aged 21 years or older, if the apprentice commenced on or after 1 July 2019;
- aged 25 years or older, if the apprentice commenced prior to 1 July 2019.

Expansion of the age of eligibility for the SAAA

From 1 July 2019, eligibility for the incentive was extended to employers who commence an eligible Australian Apprentice aged 21 years and over. Prior to 1 July 2019 the eligibility age for this incentive was 25 years or over.



Lowering the age of eligibility for the SAAA incentive from 25 years and over to 21 years and over better aligns the incentive with apprentice wage rates, and provides greater support for employers seeking to engage adult apprentices in areas of skills needs.

Eligible employers will be able to claim the incentive from the 12-month point from the date of commencement or recommencement of the apprentice.

Who will get the payments?

SAAA payments are paid to the employer of the adult Australian Apprentice.

How do I apply?

Australian Apprenticeship Support Network (AASN) providers are contracted by the Australian Government to administer the SAAA initiative payments as part of the Australian Apprenticeships Incentives Programme. Your AASN provider will be able to determine eligibility for the SAAA initiative and assist with making a claim.

How are payments made?

SAAA incentive payments are made directly to the recipient's nominated bank account.

What about paying tax?

Where the employer provides their Australian Business Number (ABN), the Department of Education and Training will not withhold tax from their Support for Adult Australian Apprentices payments. The Support for Adult Australian Apprentices payments must be declared in accordance with the usual arrangements for declaring income to the Australian Taxation Office.

Where an employer chooses not to provide an ABN they will be subject to the withholding requirements of the Taxation Administration Act 1953 and 47 per cent of each payment will be withheld and remitted to the Australian Taxation Office.

For further information on the tax treatment of Support for Adult Australian Apprentices payments in relation to your individual circumstances contact your accountant, tax adviser or the Australian Taxation Office on 13 28 61.

Where can I find out more?

For more information about Australian Apprenticeships visit your local AASN provider.

Information on apprentice workplace rights and conditions can be found on the Fair Work Ombudsman website www.fairwork.gov.au.