

# Apprentice Re-boot Information Sheet 2014



Tertiary Education Commission  
Te Amorangi Mātauranga Matua

Before completing an application for an Apprentice Re-boot payment, both the apprentice/trainee and the employer need to read the following information carefully. The completed form should be sent to the relevant industry training organisation (ITO).

## ***Apprentice Re-boot Initiative***

To lift participation in apprenticeships, the Government is providing a payment to eligible new apprentices or trainees who sign up for training between 6 March 2013 and 31 December 2014. The payment is \$1,000 towards the cost of tools and training-related costs, or \$2,000 for those in priority trades. Employers will also be eligible for an equal payment

## ***Trainee or Apprentice and Employer Eligibility:***

1. An apprentice or trainee must meet the following criteria to be eligible for funding:
  - (a) have signed a new training agreement commencing between 6 March 2013<sup>1</sup> and 31 December 2014; and
  - (b) have been actively training toward the training agreement for at least 90 days, and
  - (c) be either:
    - (i) a New Zealand Apprentice (for training agreements signed after 1 January 2014);  
Or
    - (ii) for training agreements signed before 31 December 2013, apprentices/trainees must be either:
      - (1) a Modern Apprentice enrolled in a programme of study at Levels 3 or 4 on the NZQF;  
Or
      - (2) an apprentice/trainee enrolled in a programme of study of at least 120 credits at Level 4 on the New Zealand Qualifications Framework (NZQF)<sup>2</sup>;  
and
  - (d) not be in employment subsidised by a Ministry of Social Development wage subsidy or other government funding<sup>3</sup>;
  - (e) have not received, or applied for, government funding for tools and equipment<sup>4</sup>;
  - (f) have not already received an Apprentice Re-boot payment, and
  - (g) have completed and signed the Apprentice Re-boot Application Form section for apprentices or trainees.
2. To be eligible for a payment equal to that received by the apprentice or trainee, an employer must:
  - (a) be employing an apprentice or trainee that is eligible for the funding; and
  - (b) not be receiving nor have applied for an Ministry of Social Development wage subsidy or other government wage subsidy, for the eligible apprentice or trainee<sup>5</sup>;

<sup>1</sup> A new training agreement must also be associated with a new enrolment on or after 6 March 2013.

<sup>2</sup> Some credits within the qualification may be at lower levels on the NZQF.

<sup>3</sup> An apprentice or trainee for whom an employer which receives Flexi-Wage funding is NOT eligible for the Re-boot payment.

<sup>4</sup> This includes trainees and apprentices employed by the New Zealand Defence Force as the Government is already funding tools and equipment.

- (c) not have already received an Apprentice Re-boot payment for the apprentice or trainee; and
  - (d) have completed and signed the Apprentice Re-boot Application Form section for employers.
3. The apprentice or trainee and the employer must have completed all relevant sections and signed the Apprentice Re-boot Initiative Application Form including the relevant declaration.

***Applying for Funding:***

4. The apprentice or trainee and employer should not apply for funding until the apprentice or trainee has been training for 90 days. Applying sooner is likely to result in payment delays (as the ITO and the Tertiary Education Commission (TEC) will not be able to verify the eligibility criteria of having been “actively training towards the training agreement for at least 90 days”).
5. Applications must be received by ITOs by 30 June 2015 to be considered for payment.

***Limited Funding and Payment Amount***

6. Apprentice Re-boot funding is limited to eligible apprentices or trainees who sign a new training agreement before 31 December 2014.
7. If the apprentice or trainee is in a priority trade, the payment will be \$2,000 to the apprentice or trainee and \$2,000 (GST exclusive) to the employer. A list of priority trades is included at the end of this information sheet.
8. If the apprentice or trainee is NOT in a priority trade, the payment will be \$1,000 to the apprentice or trainee and \$1,000 (GST exclusive) to the employer.

***Payment Process***

9. The eligibility of the apprentice or trainee and employer will be checked by both their ITO and the TEC before any payment is made. Once eligibility is verified, the TEC will pay the ITO who will then pay the apprentice or trainee and employer separately by direct credit. Payments may take four to eight weeks, depending on when the ITO receives the completed application form.
10. Once a completed application form has been received, the ITO will only advise the apprentice or trainee and employer if they have been assessed as ineligible for the Re-boot payment.
11. The ITO will not advise the apprentice or trainee and employer if they are assessed as eligible for the payment until the payment has been made to the apprentice or trainee and employer.

***GST and Tax***

12. The payment to the apprentice or trainee is tax-free which means there is no income tax or GST to pay.
13. The payment to the employer will include GST if the employer is GST registered. The employer will need to include the GST portion of the payment in the relevant GST return to the Inland Revenue Department. The employer does not need to create a tax invoice for the payment.

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<sup>5</sup> An apprentice or trainee for whom an employer which receives Flexi-Wage funding is NOT eligible for the Re-boot payment.

14. The payment to the employer should be treated as taxable income.

***Retaining Receipts or Evidence of Expenditure***

15. The apprentice or trainee is expected to retain receipts or other evidence for tools and equipment and/or training-related expenses for at least one year after receiving a Re-boot payment.

***Retaining a Copy of the Form***

16. The employer should retain a copy of the completed form for their financial records.

***Incomplete or Incorrect Information***

17. The TEC's *Apprentice Re-boot Initiative - Application for Payment* form must be used.

18. Please ensure national student numbers and bank account details are correct and all sections of the form have been completed. Attach a deposit slip or other verification of your bank account number to the form. An incomplete form and/or incorrect information will result in delays to payments.

***Questions and Queries***

19. More information, including answers to frequently asked questions is available on the TEC website: [www.tec.govt.nz](http://www.tec.govt.nz).

20. If the apprentice, trainee or employer has any questions or queries about whether they are eligible for the Re-boot payment, they should contact the TEC's Service Centre on Freephone 0800 601 301 or email: [sectorhelpdesk@tec.govt.nz](mailto:sectorhelpdesk@tec.govt.nz).

21. If the apprentice, trainee or employer has any questions or queries about when they should expect their payment, they should contact their ITO in the first instance.

22. Remember payments may take between four and eight weeks from the date the ITO received the completed application form.

23. If the apprentice, trainee or employer has received advice from the ITO that the payment has been made but no payment has been received, they should contact their ITO.

***How to Submit the Completed Application Form***

24. The completed form must be sent to the ITO with whom the apprentice or trainee has signed a training agreement.

25. The completed form can be emailed, faxed or posted.

26. Contact the ITO for their email, fax or postal details.

**Priority Trades**

The following list covers all the priority trade areas which are eligible for the Re-boot subsidy of \$2,000.

<b>Construction</b>	<b>Engineering</b>	<b>Infrastructure</b>	<b>Electro-Technology</b>
Carpentry Painting Decorating Plastering Steel fixing Concreting Plumbing Gas fitting Drain laying Roofing Scaffolding Rigging Joinery Brick and block laying Flooring (all floor coverings) Paving Tiling Masonry Construction	Boiler making Welding Sheetmetal working Diesel fitting Fitting and turning Civil engineering Mechanical engineering Fabrication	Plant operator Road construction and maintenance Bituminous surfacing Foundation works Pipe laying Bridge construction and maintenance Engineering (highways) Demolition Water supply, sewerage & drainage services Electricity supply (electronics and communication)	Instrumentation and control Refrigeration and air conditioning Electrical engineering Lift and elevator servicing Fire protection systems