

# Apprenticeship Boost Initiative Programme

This welfare programme for special assistance is established and approved under section 101 of the Social Security Act 2018 by the Minister for Social Development.

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## Programme

### 1 Title

This programme is the Apprenticeship Boost Initiative Programme.

### 2 Commencement

This programme comes into effect on 5 August 2020.

### 3 Purpose

The purpose of this programme is to support employers to engage and retain eligible apprentices who are in training towards their qualification to assist New Zealand's recovery from the impacts of COVID-19.

### 4 Interpretation

(1) In this programme, unless the context otherwise requires,—

**Act** means the Social Security Act 2018

**applicant** means an employer who has applied, or on whose behalf an application has been made, for assistance under this programme

**eligible apprentice** has the same meaning given to it in clause 6(2) of this programme

**employer** means a person or registered business who employs an employee or engages a self-employed contractor

**first contact** means the date on which an applicant first creates an online account for Apprenticeship Boost Initiative on the Work and Income New Zealand website

**MBIE** means the Ministry of Business, Innovation and Employment

**programme of study** means any apprenticeship programme in which an eligible apprentice is or was enrolled and undertaking training with a particular Transitional ITO or provider

**provider** means a subsidiary of the New Zealand Institute of Skills and Technology, or a private training establishment, that has been approved by TEC to deliver Managed Apprenticeships

**specified payment** means a payment under the following apprenticeship support schemes:

- (a) Mana in Mahi under the Employment and Work Readiness Assistance Programme:
- (b) the COVID-19 Wage Subsidy and Extension:
- (c) the Flexi-Wage Subsidy:
- (d) the Regional Apprenticeships Initiative as administered by MBIE:
- (e) any wage-subsidy component of the Māori Trades and Training Fund as administered by MBIE

**State Sector employer** means the following:

- (a) Public Service:
- (b) Non-Public Service Departments:
- (c) Crown Entities:
- (d) Reserve Bank of New Zealand:
- (e) Offices of Parliament

**TEC** means the Tertiary Education Commission

**Transitional ITO** means a Transitional Industry Training Organisation.

- (2) Other terms defined in Schedule 2 of the Act have the same meanings in this programme.

## **5 Application of the Social Security Act 2018**

- (1) Sections 19, 113 – 114, 204 – 205, 217, 290 – 295, 301, 303 – 308, 317 – 318, 325, 364, 391 – 417, and clauses 1 to 12 of Schedule 6 of the Act apply in relation to this programme and

to the persons mentioned in subclause (2) as if the special assistance authorised by this programme were a benefit.

- (2) The persons are:
  - (a) any applicant for assistance, and eligible apprentice they apply in respect of, under this programme; and
  - (b) any applicant granted assistance, and eligible apprentice they are granted assistance in respect of, under this programme.
- (3) Nothing in subclause (1) limits or affects the application of any other provision of the Act.

## **6 Eligibility**

- (1) An employer is eligible for assistance under this programme if they—
  - (a) have applied for assistance under this programme in accordance with clause 9; and
  - (b) employ an employee, or engage a self-employed contractor, who is an eligible apprentice; and
  - (c) are not a State Sector employer; and
  - (d) are not receiving a specified payment in respect of the eligible apprentice.
- (2) For the purpose of this programme, an eligible apprentice means a person who MSD is satisfied—
  - (a) is enrolled in a New Zealand Apprenticeship with a Transitional ITO; or
  - (b) is enrolled in a TEC-recognised Managed Apprenticeship with a provider; and
  - (c) has not had their enrolment withdrawn or put on hold; and
  - (d) is in paid employment or a paid contracting arrangement with an applicant; and
  - (e) has completed no more than 24 months of a programme of study.

## **7 Conditions of grant of assistance**

- (1) It is a condition of every grant of assistance under this programme that:
  - (a) the employer retains the eligible apprentice; and
  - (b) the eligible apprentice remains engaged in their programme of study; and

- (c) the employer complies with their obligations under the Minimum Wage Act 1983 in relation to the eligible apprentice; and
  - (d) the employer and eligible apprentice provide information required by MSD to confirm their continued eligibility under this programme; and
  - (e) the employer immediately notifies MSD of any change in circumstances for themselves or the eligible apprentice which may affect their eligibility under clause 6; and
  - (f) the employer and the eligible apprentice comply with any other conditions imposed by MSD.
- (2) A grant is recoverable from an applicant if they fail to comply with any condition in subclause (1).

**8 Amount of assistance**

- (1) The amount of a grant for an applicant eligible under clause 6 is:
- (a) \$1,000 per month during the first 12 months of the eligible apprentice's programme of study to a maximum of \$12,000 per annum; and
  - (b) \$500 per month during the second 12 months of the eligible apprentice's programme of study to a maximum of \$6,000 per annum.
- (2) Grants of assistance are exclusive of GST.

**9 Application process**

- (1) Assistance must not be granted to an applicant until MSD has received—
- (a) an application form (provided by MSD for the purpose) completed by, or on behalf of, the applicant to MSD's satisfaction; and
  - (b) any supporting evidence reasonably required by MSD; and
  - (c) confirmation from TEC that the criteria in clause 6(2) are met.
- (2) MSD may determine the date of application to be the date of first contact if an applicant satisfies the requirements in clause 9(1)(a) and (b) within 20 working days from that first contact.
- (3) MSD must not grant assistance in respect of any application received after 4 April 2022.

**10 Commencement of assistance**

Payments under this programme commence on the later of the date of application or the date of eligibility, subject to clause 9(2).

**11 Payment of assistance**

- (1) Payments under this programme must be paid:
  - (a) wholly to the applicant; and
  - (b) in advance in monthly instalments of the full amounts set out in clause 8(1)(a) and (b).
- (2) The maximum number of monthly payments that can be made with respect to an eligible apprentice under this programme is 20.

**12 When assistance ends**

- (1) Assistance under this programme ends on the earlier of:
  - (a) the last day of the payment month in which an applicant ceases to be eligible under clause 6; or
  - (b) when this programme expires.

**13 When this programme expires**

This programme expires on the close of 4 April 2022.

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Minister for Social Development

At Wellington this                      day of                      20

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**Explanatory Note**

*This note is not part of the programme, but is intended to indicate its general effect.*

This programme, which comes into effect on 5 August 2020, provides financial support to employers to keep existing or take on new first and second year eligible apprentices, who are employed and in training towards their qualification, as New Zealand recovers from the impacts of the COVID-19 pandemic.

This assistance will be paid on a monthly basis to eligible applicants in respect of each individual eligible apprentice’s programme of study, for a maximum of 20 months. This programme expires on the close of 4 April 2022.

