

Wage Subsidies



This module gives providers the information they need to understand wage subsidies and the steps needed to establish, manage and finalise a Wage Subsidy Agreement.

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Welcome



Wage subsidies can assist employers with the costs of training a new employee

Wage subsidies are a tool you can use to help participants secure an ongoing job.

This module provides you with the information you need to understand wage subsidies, and the steps you need to take to put a Wage Subsidy Agreement in place. It will also give you information and processes to help you to manage and finalise an agreement.





Learning outcomes

As a result of doing this training, you will be able to:


- describe the purpose of wage subsidies and the two types of wage subsidies available
- describe your role in offering a Wage Subsidy Agreement to an employer
- explain the wage subsidy process
- evaluate a participant, employer and placement for eligibility
- initiate, manage and conclude a Wage Subsidy Agreement.

This module doesn't show you how to use the department's IT system. There is separate IT training that helps you do that. You will be better prepared to do the IT training if you do this module first.

The module has been designed using research-based training methods. It presents you with new information, and supports you to practise using it. It gives you the opportunity to check your understanding and to apply your new knowledge.

Each lesson follows a similar format and includes:

- definitions
- descriptions of your role and responsibilities
- process diagrams
- scenarios
- activities
- feedback
- quiz questions
- links to cheat sheets and other resources.

 This training module (the Module) is provided to assist Workforce Australia Employment Services Providers (Providers) realise the objectives of Workforce Australia Services in providing employment services under the Workforce Australia Employment Services Providers Deed of Standing Offer 2022 – 2028 (the Deed). The Module is made available to Providers solely for the purpose of receiving training from the Commonwealth to assist in their performance of their obligations under the Deed. Providers may not use the Module for any other purpose than receiving training from the Commonwealth.

The Module does not in any way vary the Deed or the obligations of Providers under the Deed (including without limitation any Guidelines). Any general statements in the Module do not diminish specific obligations applicable to Providers under the Deed or the Guidelines. The Module is not incorporated into the Deed.

The Module may contain videos representing working environments. These videos should be taken as illustrative only and may not necessarily represent what is a safe system of work as required by the Deed or by work health and safety laws in Australian jurisdictions in which Providers operate.



[GET STARTED](#)

Overview

Wage subsidies

In this lesson you will learn what wage subsidies are and the steps you'll need to take to set up, manage and conclude a Wage Subsidy Agreement.

If you have used wage subsidies before you might be interested in the comparison table at the end of the module which shows you what's changed.



Wage subsidies can help employers with the costs of hiring a new employee

What are wage subsidies?

Wage subsidies are a financial incentive you can offer to employers to encourage them to hire participants in ongoing jobs. Employers can use a wage subsidy as a contribution to the initial costs of hiring and training a new employee. It can help to build a business and give employers flexibility in their hiring options.

What are the expectations of providers?

As a provider you are expected to use wage subsidies appropriately and effectively as part of your ongoing program of support to assist disadvantaged participants to secure employment that matches their skills and experience, and meets the needs of employers. You are expected to manage the administrative requirements of a wage subsidy as set out in the guidelines.



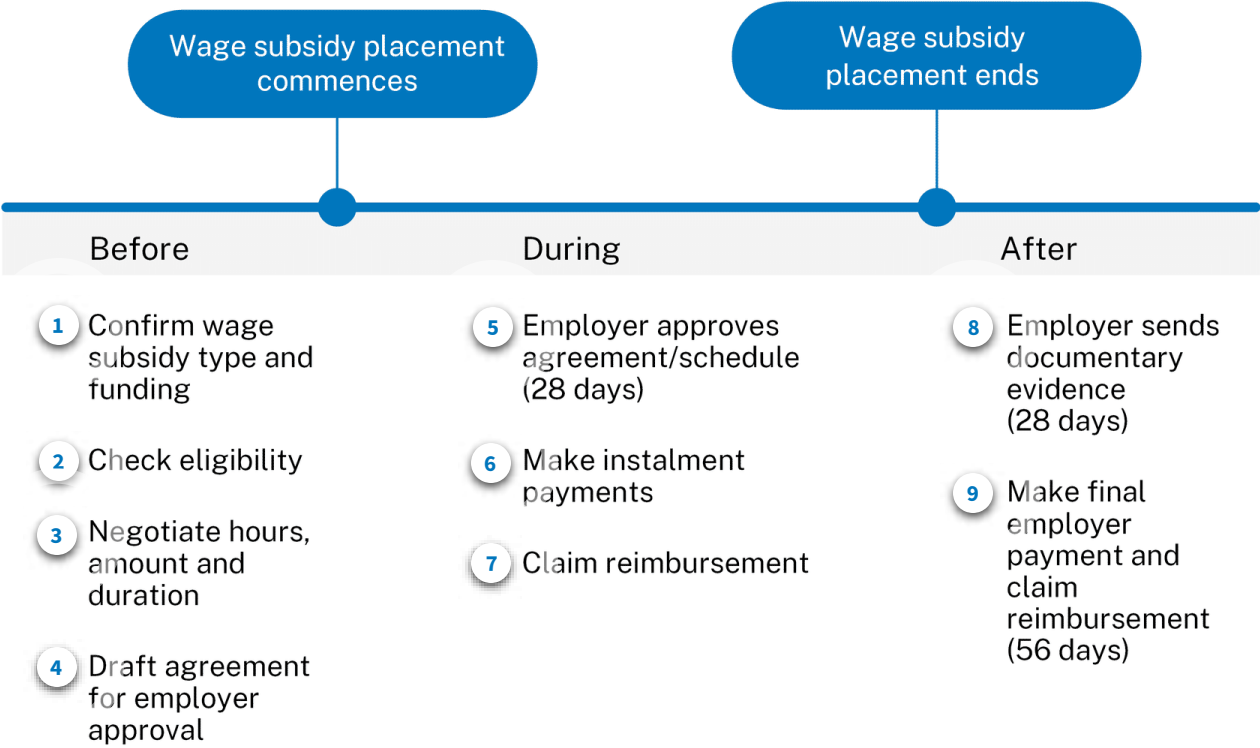
"Providers must ensure that the following principles are met when deciding to offer a Wage Subsidy:

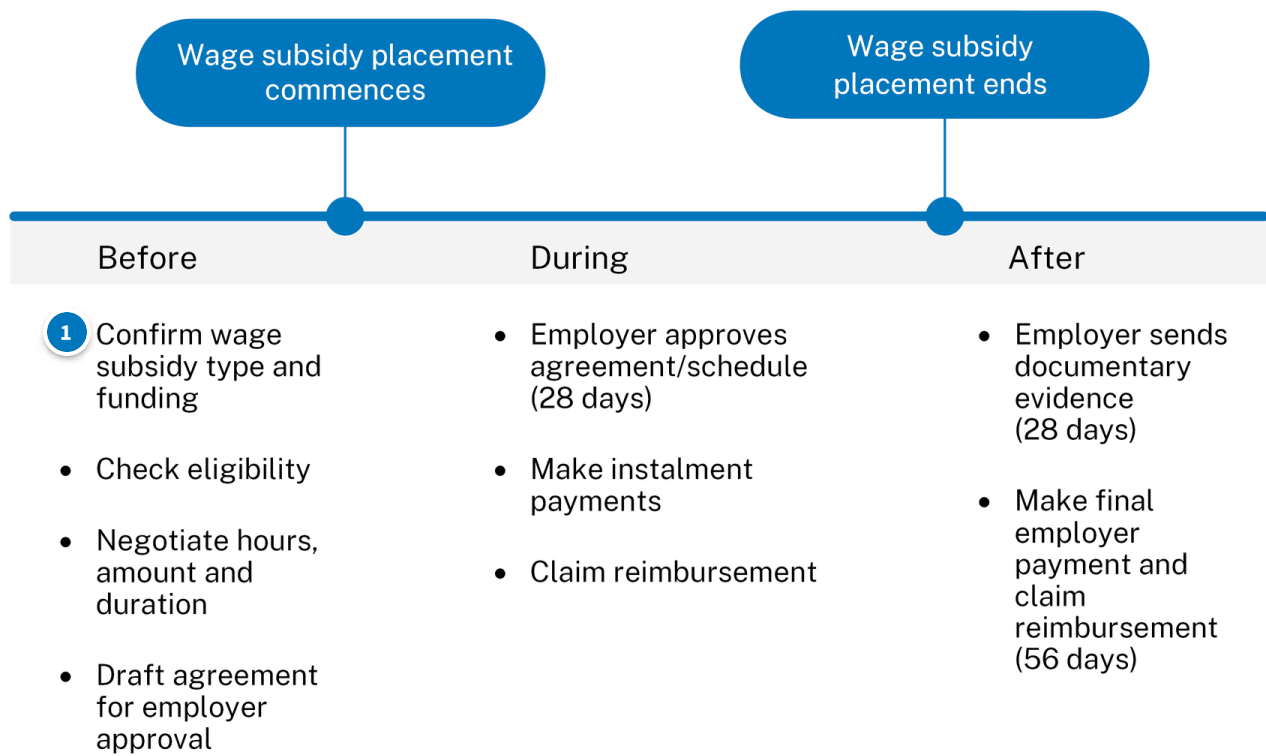
- They provide value for money.
- They are compliant with any work, health and safety requirements under the relevant state or territory legislation.
- They withstand public scrutiny.
- They do not bring Employment Services or the Australian Government into disrepute."

- Workforce Australia Guidelines

Wage subsidy steps

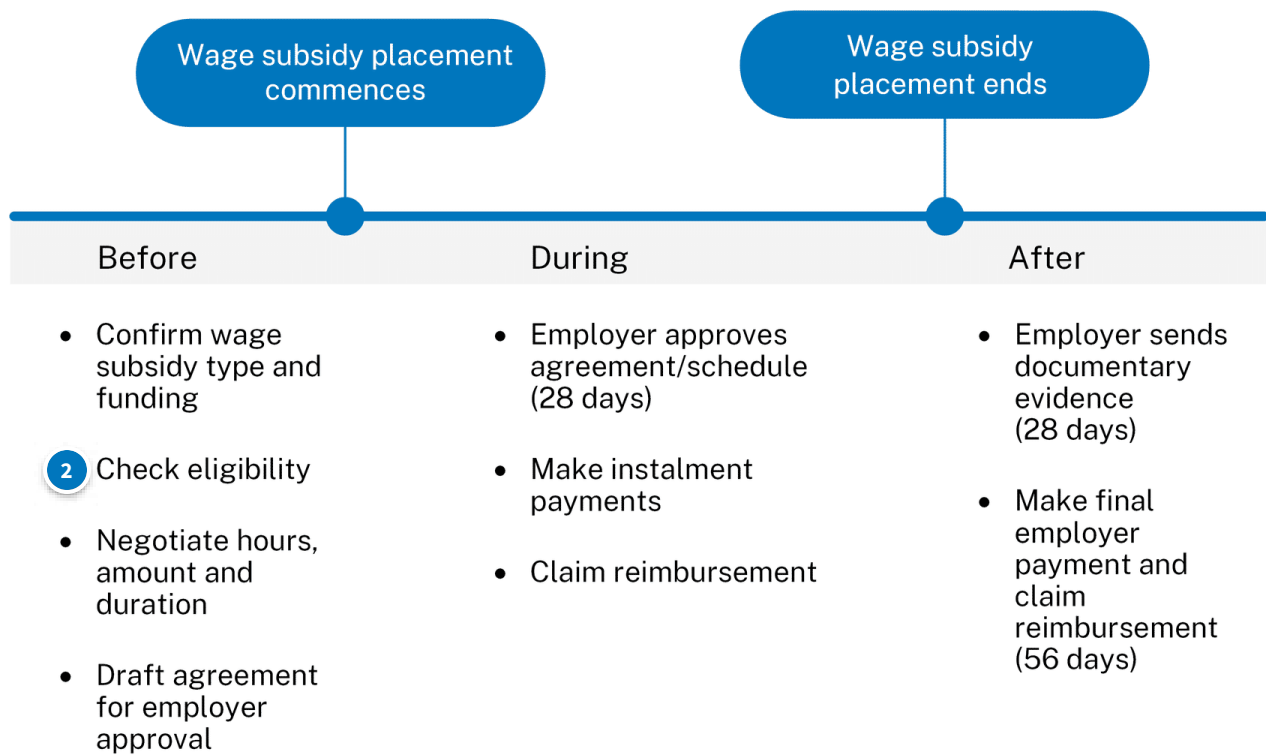
Once you have confirmed a job placement is ongoing, there are a number of steps you will need to take to get an agreement up and running. Click on the numbered points for more information about each step.





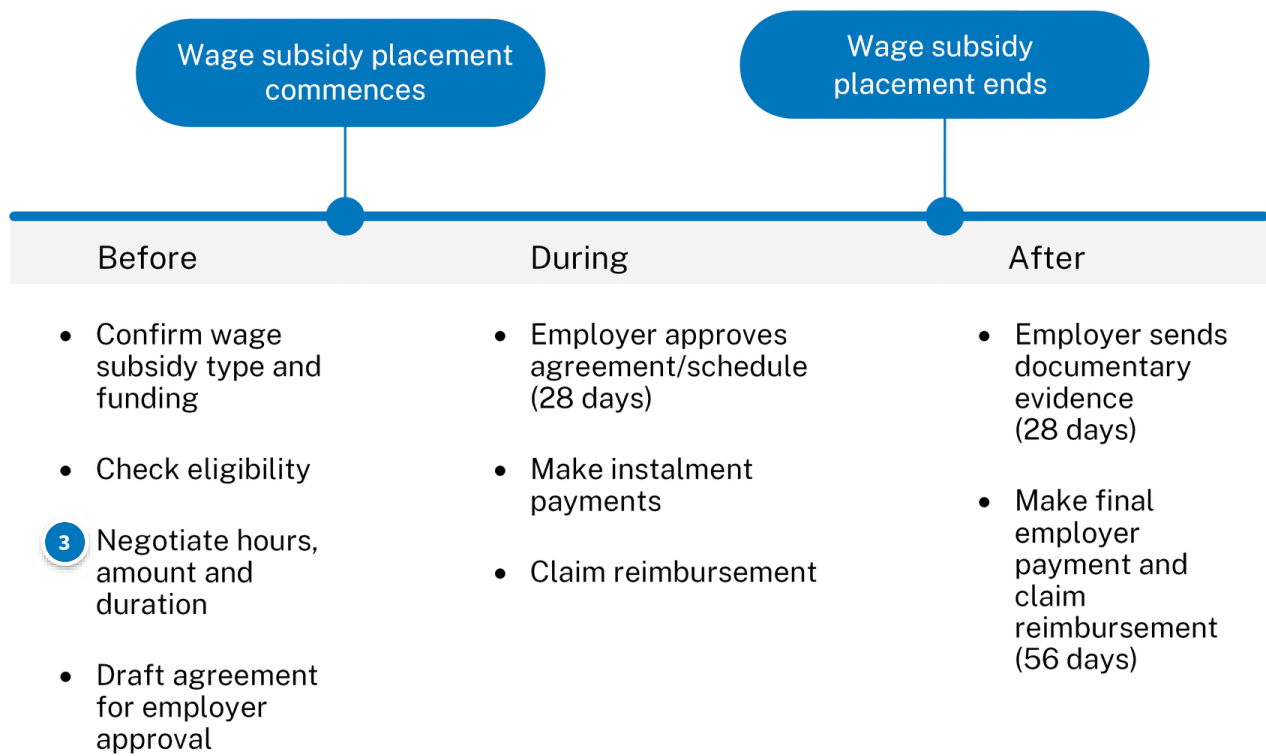
Which wage subsidy?

Based on the the participant's age, the department's IT system will indicate which of the two wage subsidy types the participant is eligible for.



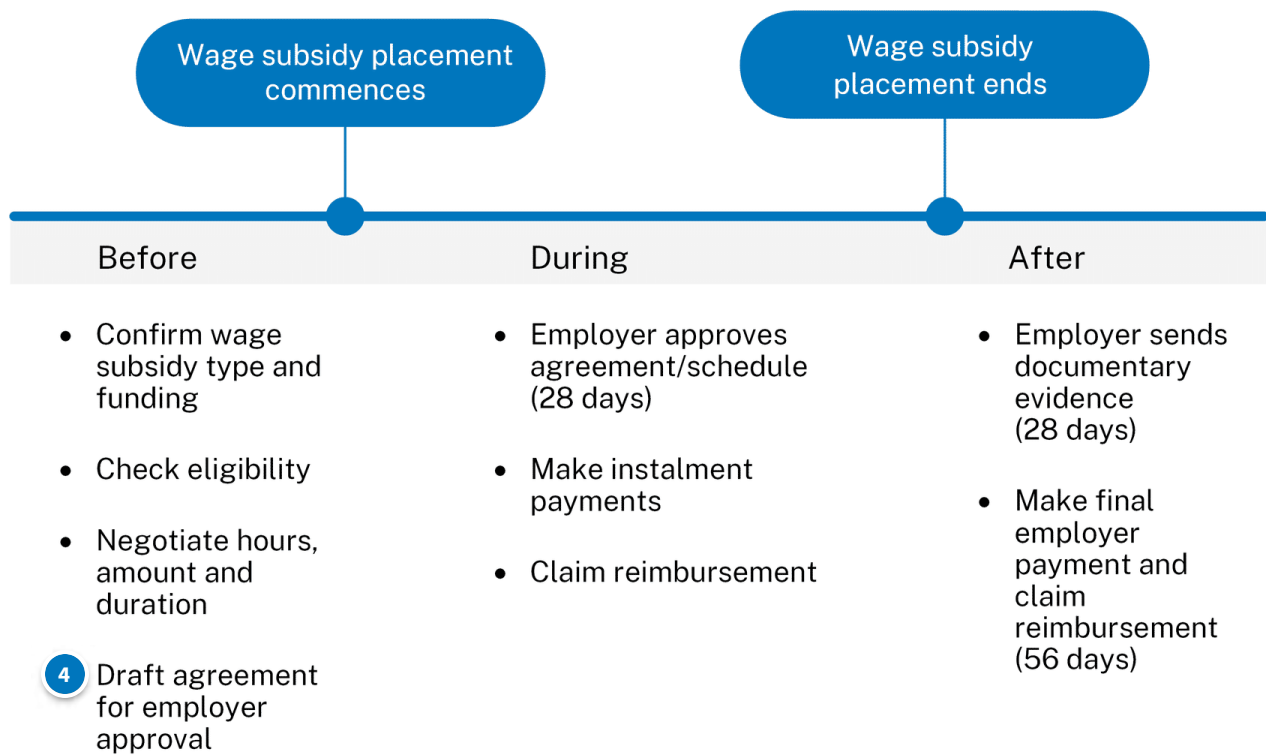
Eligibility

The participant, the employer and the placement must all be eligible to be able to progress with a wage subsidy.



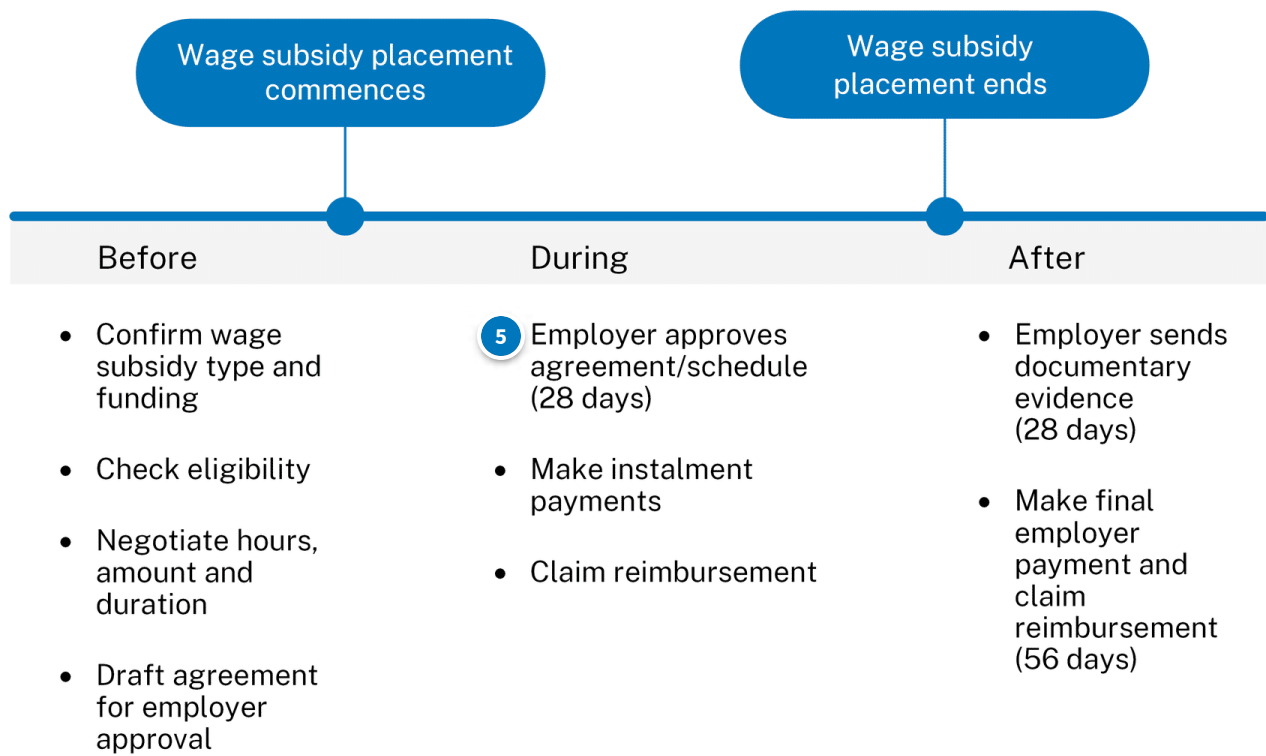
Negotiate

There are requirements for the hours, maximum amount and duration of the wage subsidy. Depending on the wage subsidy type there may be room for negotiation of some of these elements.



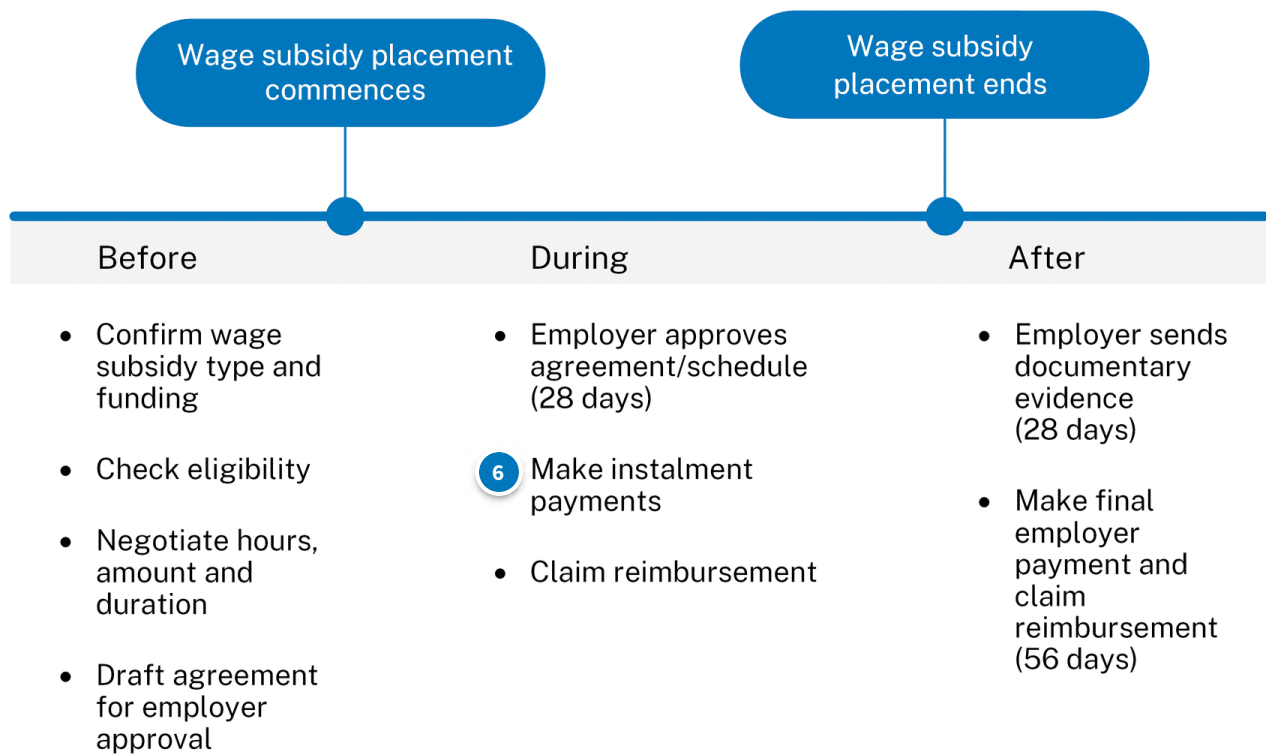
Draft agreement for approval

Use the department's IT system to draft the agreement. You can start the placement before the employer approves it. The employer will be prompted to approve the head agreement and/or schedule within 28 days of the placement starting.



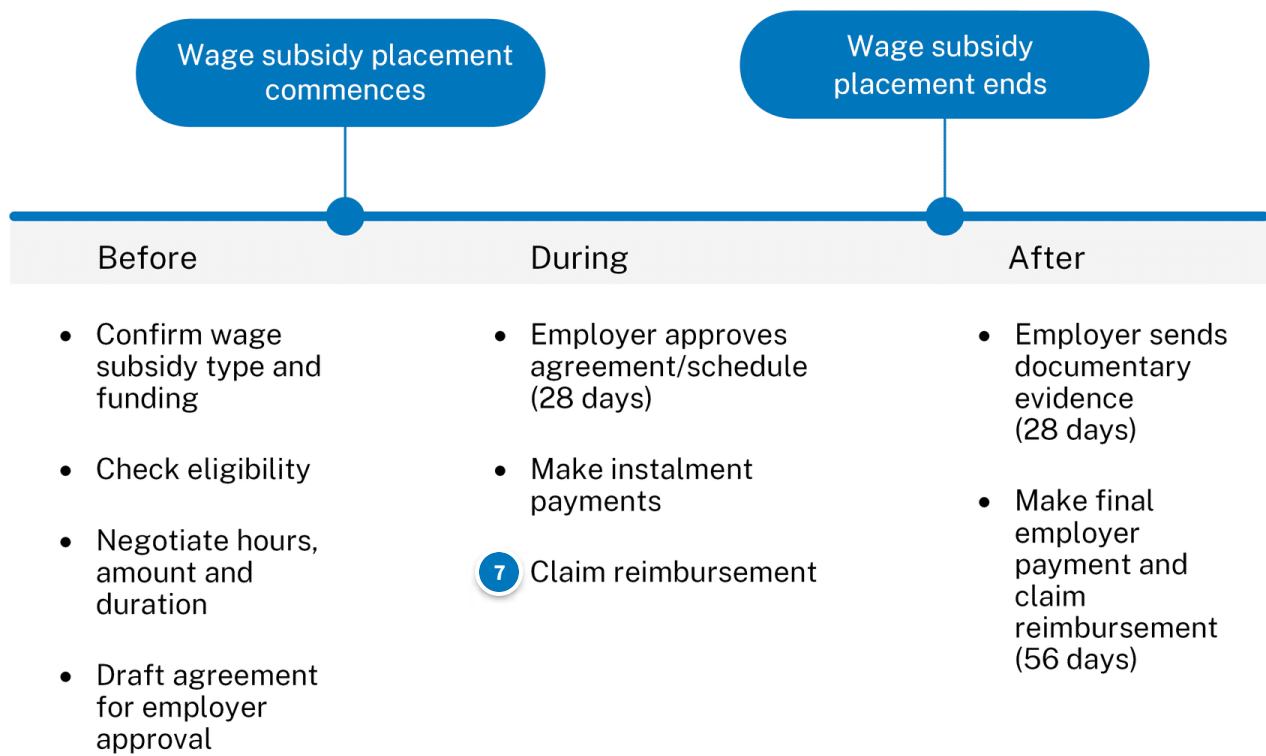
Employer approval

The employer must approve the head agreement if this is their first wage subsidy, and/or the schedule for this wage subsidy, within 28 calendar days of the job placement commencing.



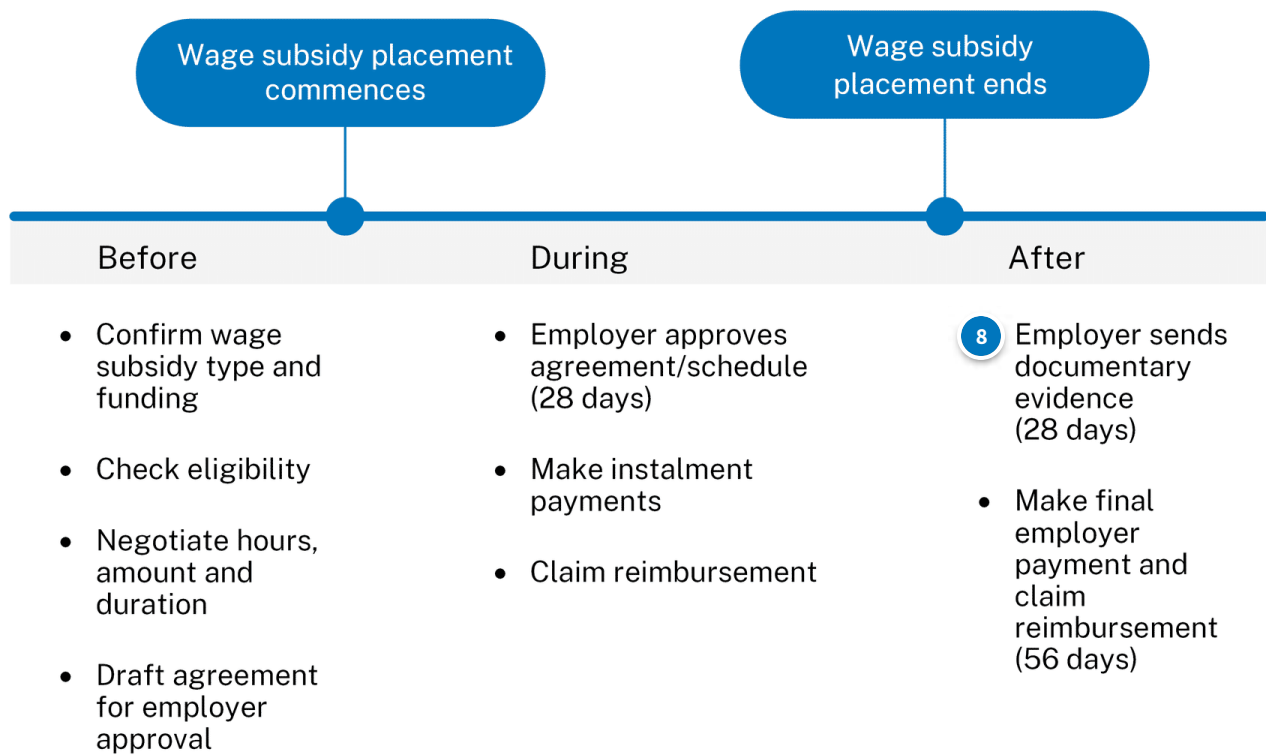
Instalment payments

You can make instalment payments to employers. Documentary evidence is required and you must never reimburse the employer for more than 100 per cent of the wages paid.



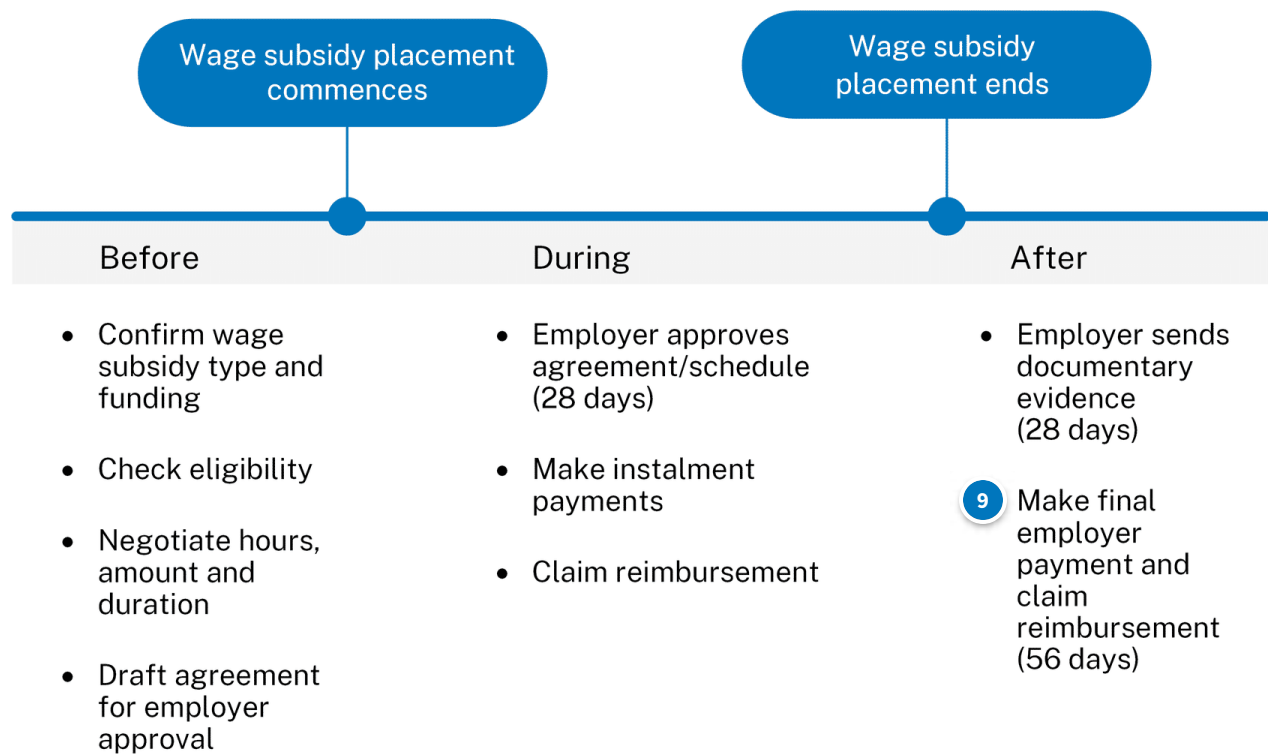
Claim reimbursement

After you've made an eligible payment up to the agreed maximum amount you can claim reimbursement from the department.



Documentary evidence

Employers have 28 calendar days to submit documentary evidence after the wage subsidy ends. You can allow them more time, but it will reduce the time you have to claim reimbursement.



Final payments

Make the final payment to the employer and then claim reimbursement from the department. Your final claim must be made within 56 calendar days of the end of the wage subsidy agreement.

The first step is to confirm the type of wage subsidy that applies to the participant you're looking to support, and to make sure you have the funding available to progress the subsidy.

Wage subsidy types and funding

There are two types of wage subsidies: Youth Bonus Wage Subsidy (YBWS) and Workforce Australia Services Wage Subsidy (WASWS). Click on the tabs below to learn more about each one.

YOUTH BONUS	WORKFORCE AUSTRALIA SERVICES
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The **Youth Bonus Wage Subsidy (YBWS)** is available to:

- participants aged up to and including 24, and/or
- participants with mutual obligations who have commenced with a Transition to Work provider.

The YBWS is funded from a demand-driven pool, so you don't need to check your credits before you offer one.

For a YBWS the:

- amount is **fixed at \$10,000** or 100% of the cost of wages paid, whichever amount is lower
- duration is fixed at **26 weeks**
- required **minimum average hours - fixed at 20 hours per week.**



YOUTH BONUS

WORKFORCE AUSTRALIA SERVICES

The **Workforce Australia Services Wage Subsidy (WASWS)** is available for participants aged **25 years and older**, and is funded through the Employment Fund (or Participation Fund for ParentsNext providers) - so making sure you have enough credits in the fund to pay for the wage subsidy is an important step in setting up a WASWS.

For a WASWS providers and employers need to negotiate the:

- amount of the wage subsidy – up to a **maximum of \$10,000** or 100% of the cost of wages paid, whichever amount is lower
- duration of the wage subsidy – **between a minimum of six weeks and a maximum of 26 weeks, and**
- required **minimum average hours - flexible but must be at least 15 hours per week.**



Check your understanding

Which of these characteristics belong to the Youth Bonus Wage Subsidy, and which belong to the Workforce Australia Services Wage Subsidy? Click on each card and drag it to the correct pile.

Youth Bonus Wage Subsidy

Available for participants up to 24 years old

Minimum average hours - 20 hours per week

Fixed amount of \$10,000 per wage subsidy agreement

Fixed at 26 weeks duration

Funded on demand

Workforce Australia Services Wage Subsidy

**Available for participants 25
years old or older**

**Minimum average hours - 15
hours per week**

**Maximum of \$10,000 per
wage subsidy agreement**

6 - 26 weeks duration

**Funded through Employment
Fund (or Participation Fund)
credits**

The lessons that follow will help you understand and be able to carry out the remaining steps.

Next up - Eligibility

CONTINUE

Eligibility



A wage subsidy might be a good tool to support Jack. He's 45 years old, so you'd be looking at a Workforce Australia Services Wage Subsidy (WASWS). You've checked your Employment Fund credits and you have enough to pay for the WASWS. The next step is to investigate eligibility.

Checking eligibility

You must make sure that the participant, employer and placement are all eligible for a wage subsidy before you go any further. The information below is a summary. Check the wage subsidy chapter in the guidelines for the details of the eligibility criteria.

Participant eligibility —

The department's IT systems determine a participant's eligibility based on their time in service. To offer a wage subsidy, the participant must be eligible for a wage subsidy on the day they commence employment.

Participants are eligible for a wage subsidy if:

- they are flagged in the department's IT systems as Indigenous. These participants are eligible for wage subsidies **immediately on commencement** in provider-based services.
- they are in provider-based services now and have completed **6 months** in face-to-face services on the day their employment commences; or
- they are in provider-based services now and have completed **12 months** in online services.

Although a participant may be eligible for a wage subsidy, you must also check if the employer and the placement are eligible before offering a wage subsidy.

Employer eligibility —

To be eligible for a wage subsidy, employers must be a valid legal entity with an Australian Business Number (ABN). Employers may be a labour hire company or group training organisation, as long as the company is paying the participant's wages and all placements with host businesses comply with the same eligibility requirements as the employer.

Employers must not be:

- the provider's own organisation or
- a related entity of the provider.

Additionally, employers must not be:

- a government entity
- a prior employer of the participant (within the last two years)
- a family member of the participant

- receiving other government funding for the same participant's employment position
- or as otherwise directed by the department.

Placement eligibility —

Placements with eligible employers can be:

- full-time, part-time or casual
- an apprenticeship or traineeship, and/or
- found by the provider or by the participant.

To be eligible, a wage subsidy placement must:

- be a sustainable and ongoing position of not less than six months, and the wage subsidy employer knows of no reason why the employment will not continue indefinitely. This means the employment is not intended to end when the wage subsidy ceases
- offer the required minimum average hours per week over the duration of the wage subsidy agreement
- comply with all employment standards for the employment position under any Commonwealth, state and/or territory laws, including:
 - a. complying with the National Employment Standards – Fair Work Act 2009 (Cth)
 - b. paying the relevant wage subsidy participant at least the equivalent of the minimum rate prescribed in any modern award that covers or applies to the employment position or, if no modern award covers or applies to the employment position, at least the equivalent of the national minimum wage.
- comply with all relevant laws and requirements of any Commonwealth, state, territory or local authority, including work, health and safety legislation
- provide a safe system of work for the wage subsidy participant at all times during the wage subsidy placement
- not displace an existing employee
- not be a commission-based, self-employment or subcontracted position (excluding placements with labour hire companies or group training organisations)

- not otherwise be a non-payable outcome as defined in the outcomes chapter of the guidelines.

Check your understanding

Answer the yes/no questions below and click submit to get feedback on your answer.

A participant, who is flagged as an Indigenous Australian in the department's IT system, has recently moved to your caseload. They have only spent 4 months in digital. You're considering a wage subsidy to help them get into employment. Are they eligible?

Yes

No

SUBMIT

An employer without an ABN is considering a participant on your caseload for a position. Is the employer eligible to receive a wage subsidy?

Yes

No

SUBMIT

A placement has become available with a local employer. The position is seasonal work and the placement will provide employment for 3 months. Is this placement eligible for a wage subsidy?

Yes

No

SUBMIT

Back to Jack...

Watch the video about Jack again. Take note of his circumstances. The logistics company has an ABN.

Do you consider Jack to be a good candidate for a wage subsidy? Write down 3 reasons you think so.

If you decide that he is, then the next step is to investigate eligibility.

Do you think Jack is eligible?
Why?

Jack has been on your caseload for 2 years. The requirement for a WSAWS is 6 months, so Jack is eligible.

Is the employer likely to be eligible? Why?

Yes, they have an ABN. You would need to make sure they meet the other requirements.

Is the placement likely to be eligible? Why?

The position is full time and ongoing, so is likely to be eligible. You would need to check a few other requirements to confirm the placement is eligible.

Now try this one on your own



The department's IT system says Juanita is eligible for a wage subsidy.
Which one applies to her?

- Youth Bonus Wage Subsidy (YBWS)
- Workforce Australia Services Wage Subsidy (WASWS)

SUBMIT

The RSL appears to meet all the employer eligibility requirements, but
Juanita's mum works there. Is the employer still eligible?

- Yes
- No

SUBMIT

Juanita found this position through her mum. It's an ongoing, part-time position for 25 hours per week. Is the placement likely to be eligible?

Yes

No

SUBMIT

Once you confirm the employer and placement all meet the eligibility requirements described in the guidelines, you negotiate with them a Youth Bonus Wage Subsidy of \$10,000 over 6 months to support Juanita's placement and offset some of the additional training costs to bring Juanita up-to-speed with more experienced employees.

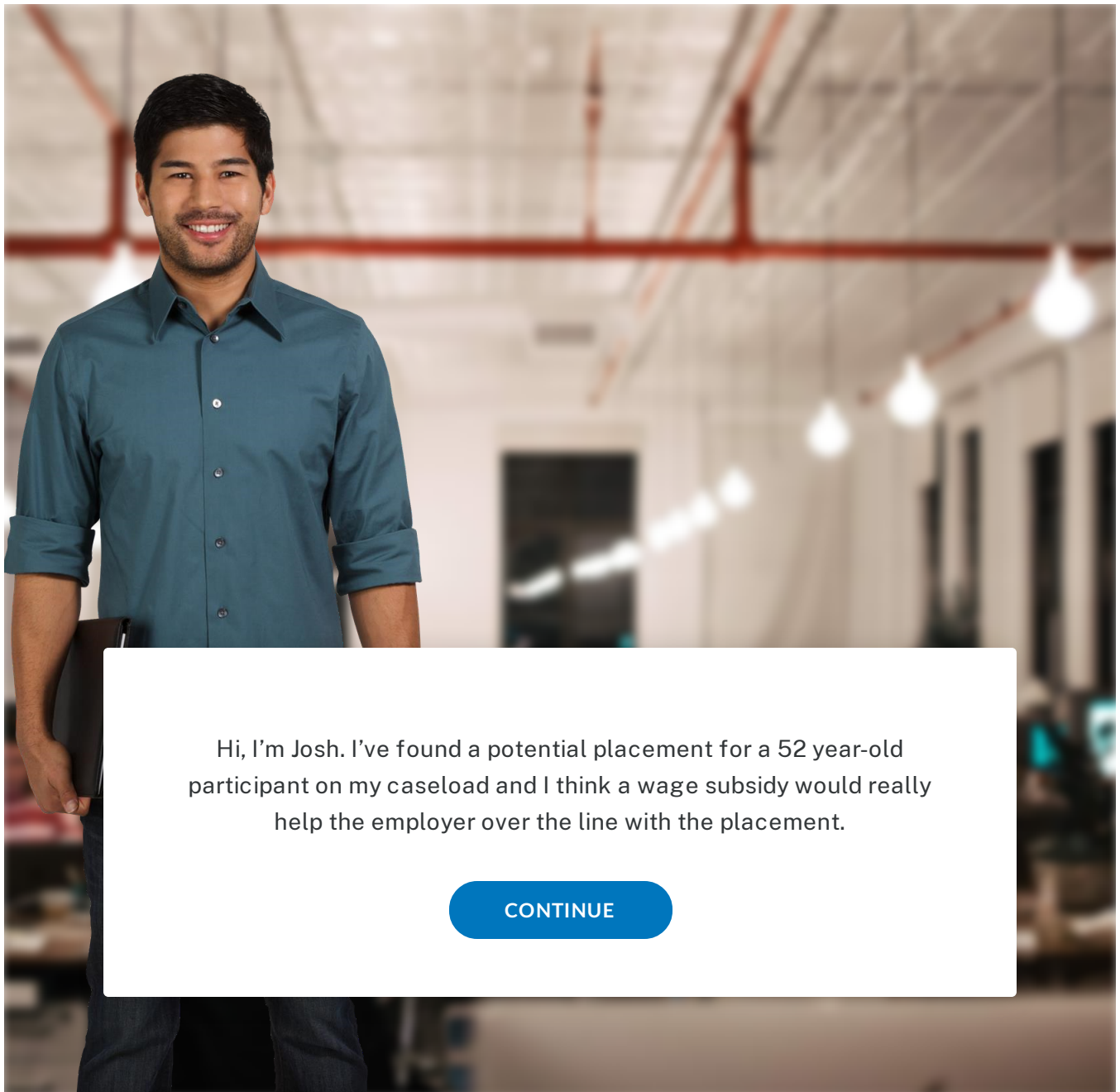
The employer agrees to provide Juanita with the minimum requirements of the Youth Bonus Wage Subsidy, of at least 20 hours of work per week over the 6-month period.

You now know the difference between a YBWS and an WASWS.

And you know how to assess the eligibility of a participant, employer and placement. Next, you'll look at how to set up and manage an agreement.

CONTINUE

Agreements

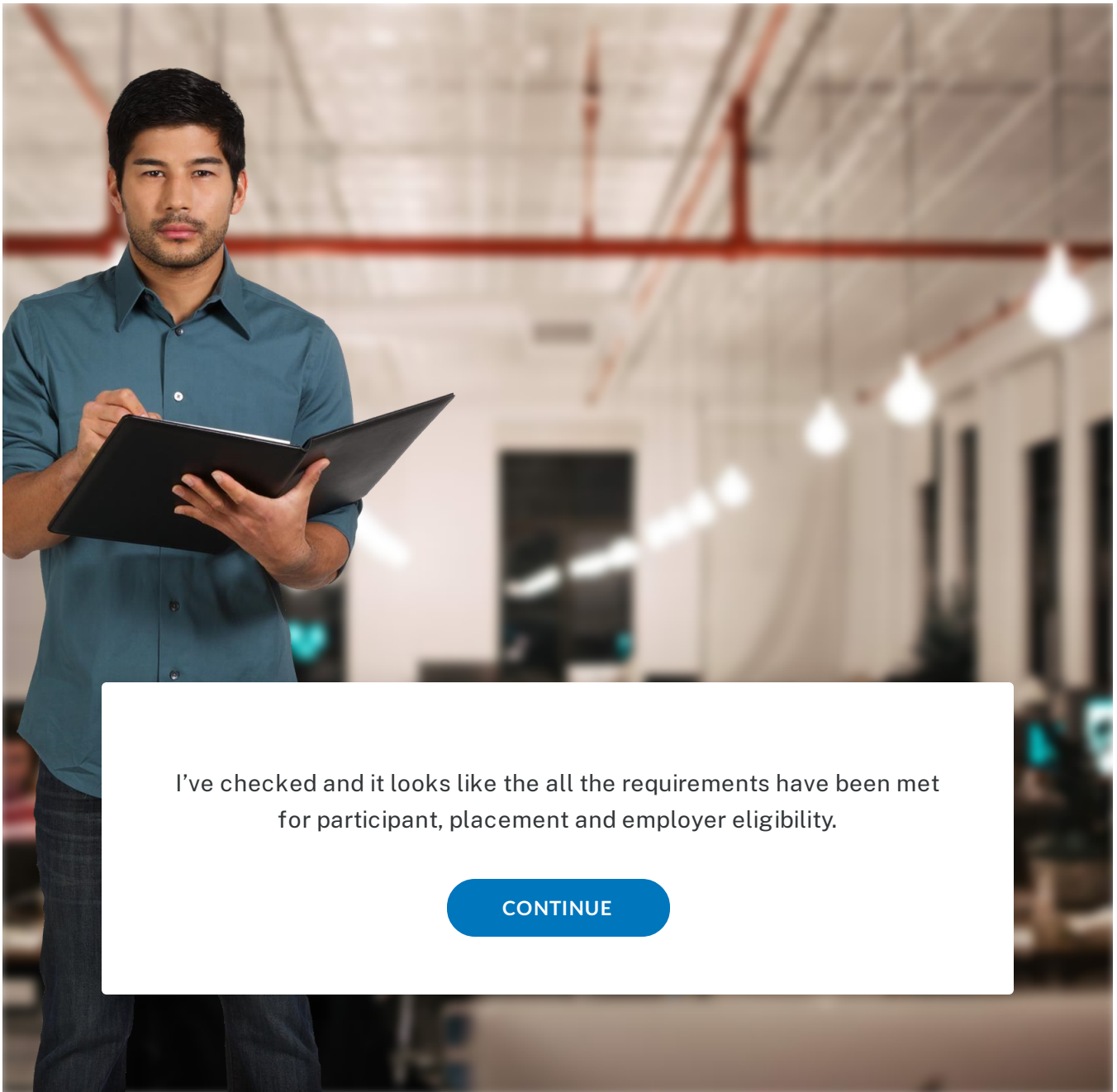


Hi, I'm Josh. I've found a potential placement for a 52 year-old participant on my caseload and I think a wage subsidy would really help the employer over the line with the placement.

CONTINUE

Scene 1 Slide 1

Continue → Next Slide

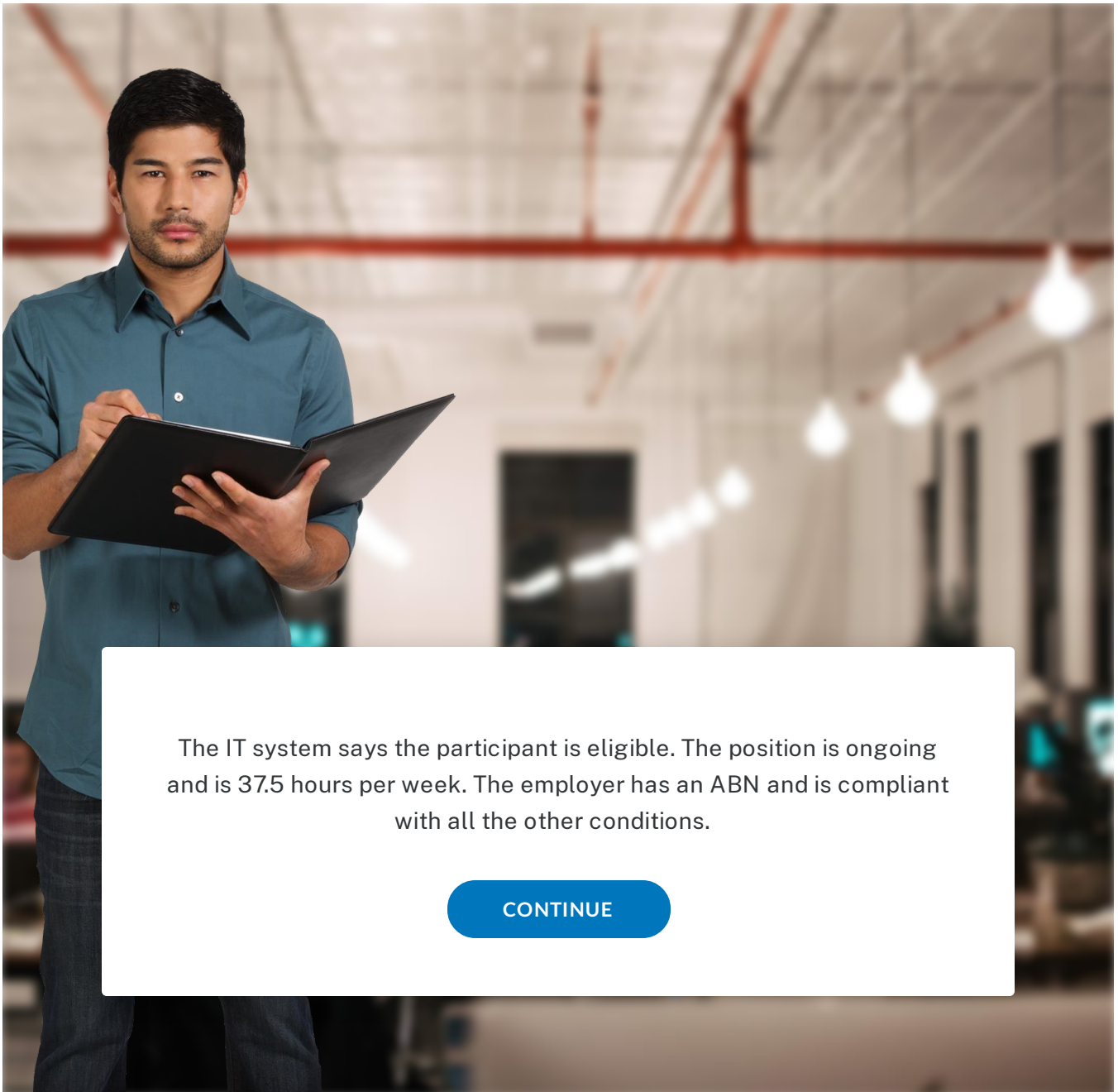


I've checked and it looks like the all the requirements have been met
for participant, placement and employer eligibility.

CONTINUE

Scene 1 Slide 2

Continue → Next Slide

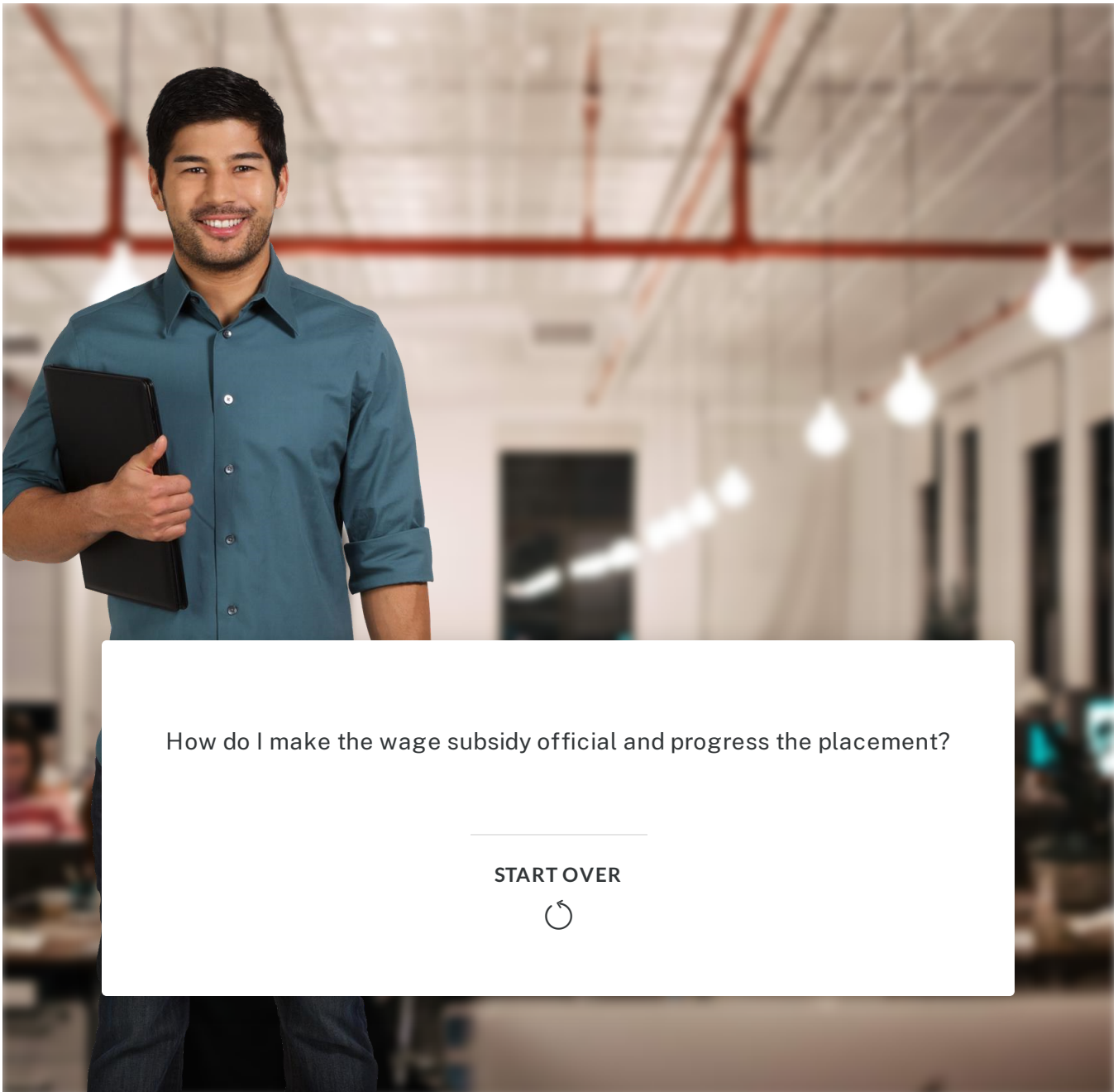


The IT system says the participant is eligible. The position is ongoing and is 37.5 hours per week. The employer has an ABN and is compliant with all the other conditions.

[CONTINUE](#)

Scene 1 Slide 3

[Continue](#) → [Next Slide](#)



How do I make the wage subsidy official and progress the placement?

START OVER



Scene 1 Slide 4

Continue → End of Scenario

To progress the wage subsidy Josh needs to develop a Wage Subsidy Agreement.

Wage Subsidy Agreement

A Wage Subsidy Agreement is a contract between a provider and the employer that sets out the terms and conditions of the placement, including:

- start and end date
- duration
- minimum average hours
- maximum amount that will be paid to the employer
- how often payments to the employer will be made.

As a provider you are responsible for negotiating the terms and conditions with the employer, creating the agreement in the department’s IT system and managing all the elements of the Wage Subsidy Agreement.

Negotiating

The first step is to confirm the terms and conditions of the agreement. Many of these depend on the type of wage subsidy you’re considering: Youth Bonus Wage Subsidy (YBWS) or Workforce Australia Services Wage Subsidy (WASWS). Some of the terms and conditions are fixed. Some of them you must negotiate and agree on with the employer before you create the agreement. The table below is a summary of the terms and conditions for each wage subsidy type.

YBWS	WASWS
------	-------

Duration – how long the wage subsidy goes for	Fixed at 26 weeks	Between 6 and 26 weeks
Start date – when the wage subsidy payments begin	All wage subsidy agreements begin on the day the job placement starts	
End date – when the wage subsidy payments finish	Non-negotiable – fixed at 26 weeks after the start date	6 – 26 weeks after the start date
Minimum average hours	Non-negotiable – fixed at 20 hours per week	15 hours per week
Maximum amount	Non-negotiable - fixed at \$10,000 or 100% of wages, whichever is lower	Up to \$10,000 (GST inc) or 100% of wages, whichever is lower
Period – how often payments are made	Very flexible. Instalments can be weekly, fortnightly, monthly, on completion, or any other timeframe that suits both you and the employer.	

Helpful formulas

To calculate the total amount or maximum of a wage subsidy:

$$\text{Total amount} = \text{weekly rate} \times \text{time}$$

Eg. What is the total amount of a wage subsidy paid at \$250 per week for 26 weeks?

$$\begin{aligned} \text{Amount} &= \$250 \times 26 \\ &= \$6,500 \end{aligned}$$

To calculate the weekly rate if you know the maximum or total amount:

$$\text{Weekly rate} = \text{maximum amount} / \text{number of weeks}$$

Eg. What is the weekly rate if the maximum amount is \$5,000 to be paid over 16 weeks?

Weekly rate = $\$5,000/16 = \312.50 per week

What does Josh have to negotiate?

Because his participant is 52, Josh is looking at a WASWS.

Let's go through each category and check what Josh needs to discuss and agree on with the employer.

Duration —

Josh has to negotiate the duration of the wage subsidy agreement with the employer. A WASWS has to be between 6 and 26 weeks duration.

Start and end date —

The wage subsidy will start on the day the participant starts the job. The end date will depend on the duration agreed to. So, Josh has to negotiate the start date and then work out the end date based on the duration.

Minimum average hours —

Josh has to negotiate the minimum average hours, which must be at least 15 hours per week. He told us that the placement is full time (37.5 hours per week). If he suggests 30 hours per week as the minimum average requirement it will provide flexibility over the agreement term and assist the participant to move off income support.

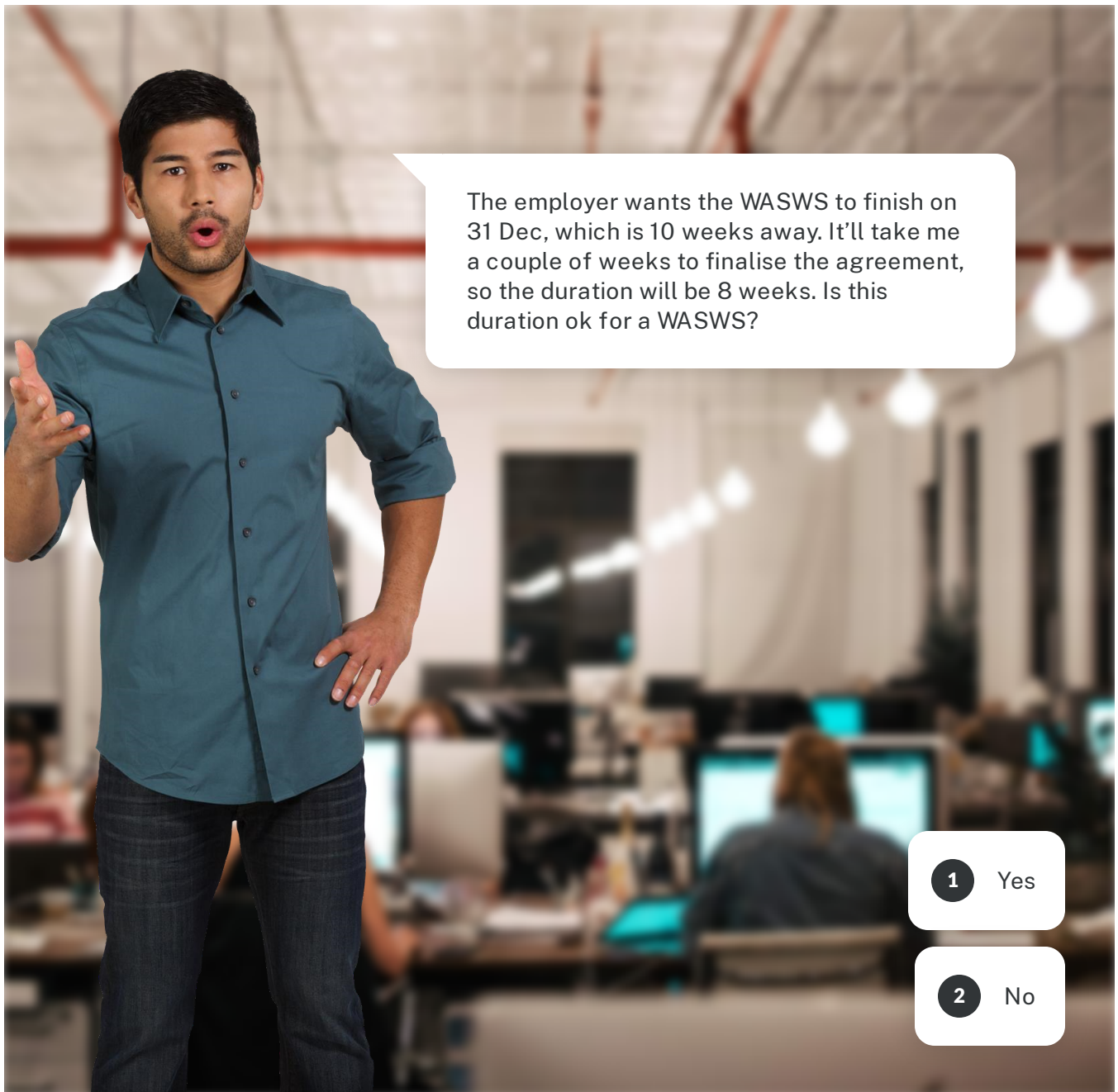
Maximum amount —

Josh has investigated his Employment Fund credits and based on his upcoming commitments, he can offer the employer up to a maximum of \$7,000 in wage subsidies. The employer has told Josh that she will pay \$830 per week in line with the award. When he's negotiated the duration of the agreement, Josh will need to check that \$7,000 over the duration won't exceed 100% of the wages.

Period —

Josh's company prefers to pay monthly. He needs to get agreement on this with the employer.

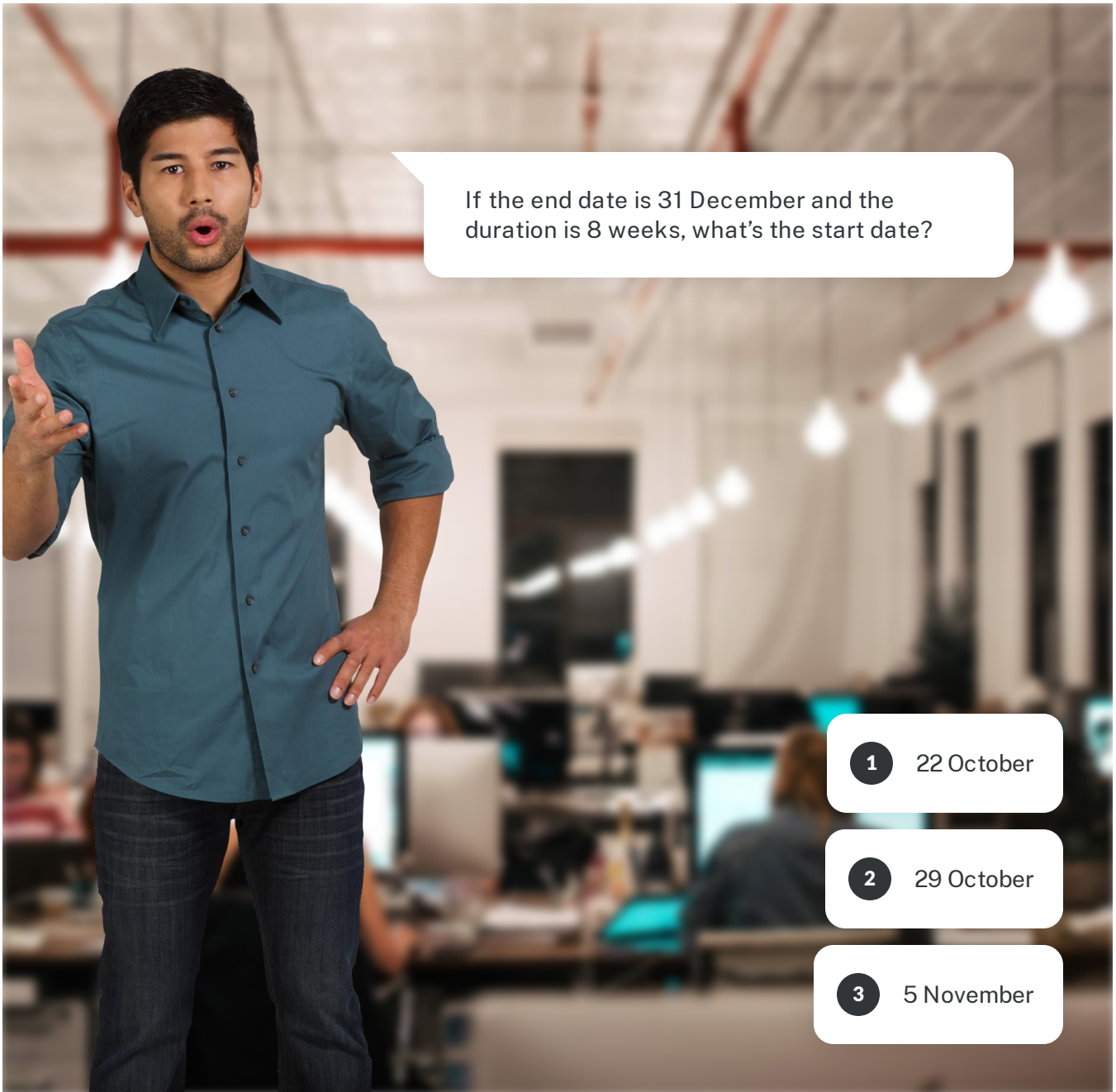
Josh has considered the terms and conditions of the Wage Subsidy Agreement. He'd like your advice before he goes back to the employer to confirm the arrangements. You'll need a calendar and a calculator.



Scene 1 Slide 1

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1 → Next Slide



If the end date is 31 December and the duration is 8 weeks, what's the start date?

1 22 October

2 29 October

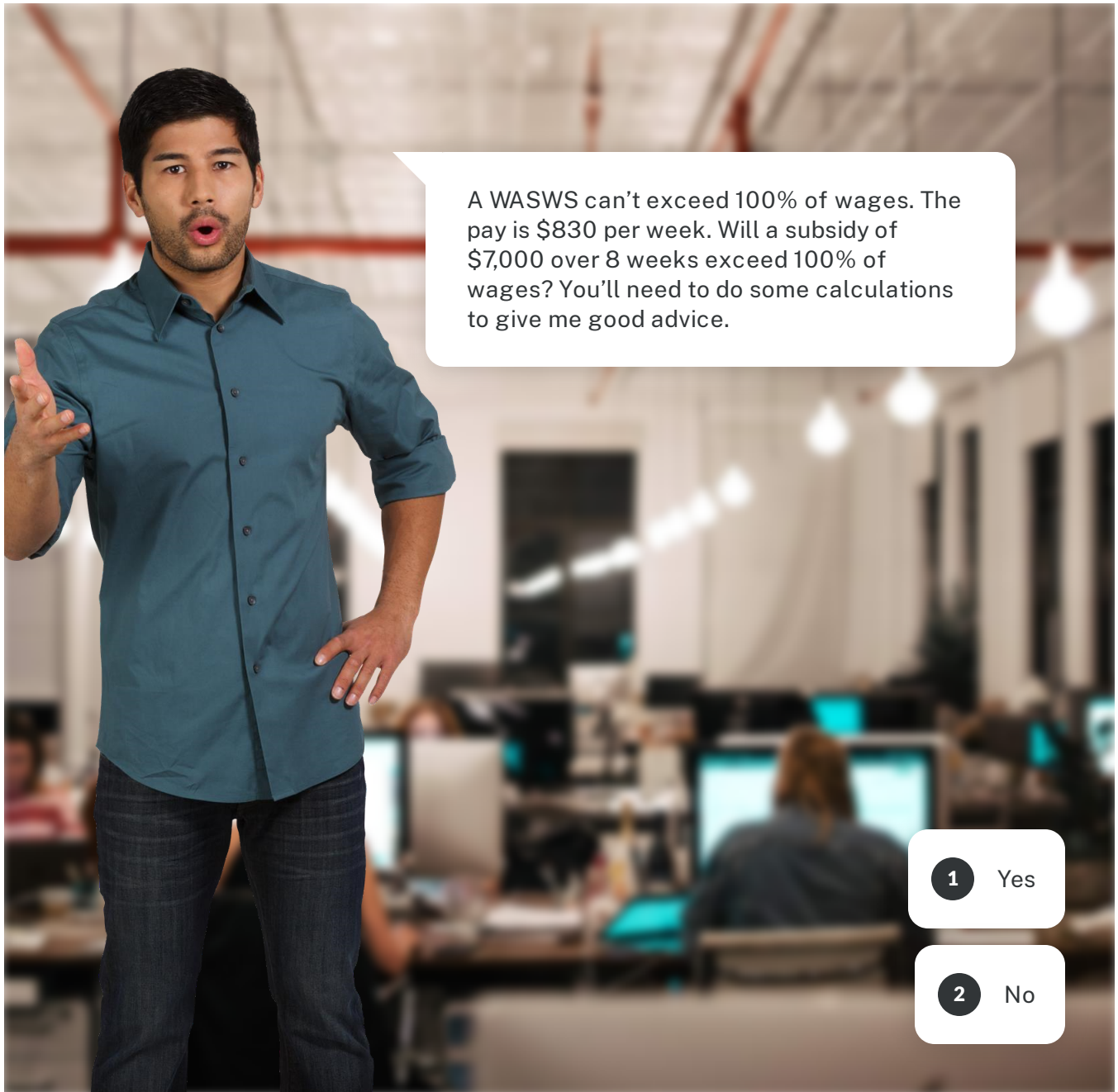
3 5 November

Scene 1 Slide 2

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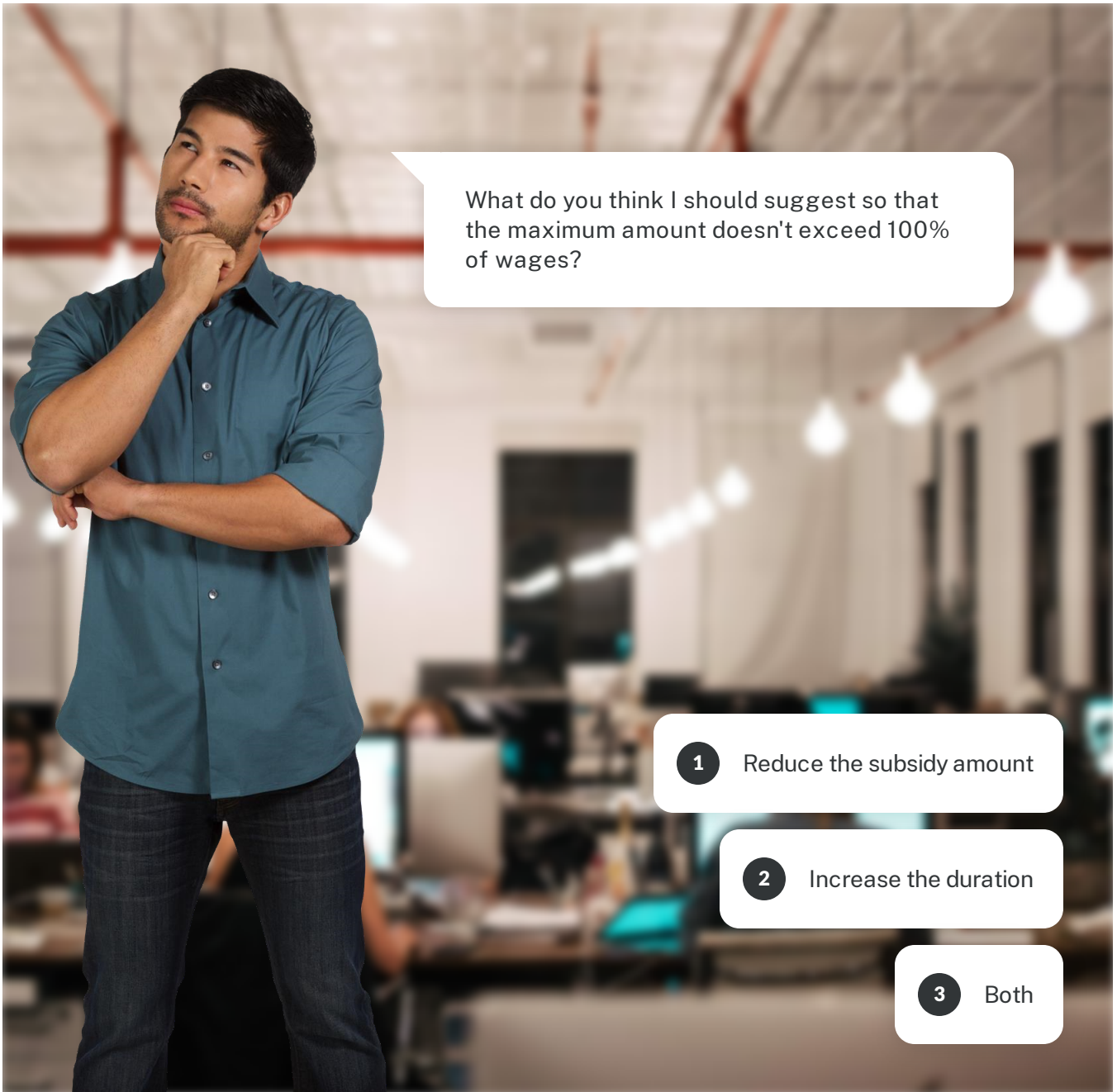
2 → Next Slide



Scene 1 Slide 3

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What do you think I should suggest so that the maximum amount doesn't exceed 100% of wages?

1 Reduce the subsidy amount

2 Increase the duration

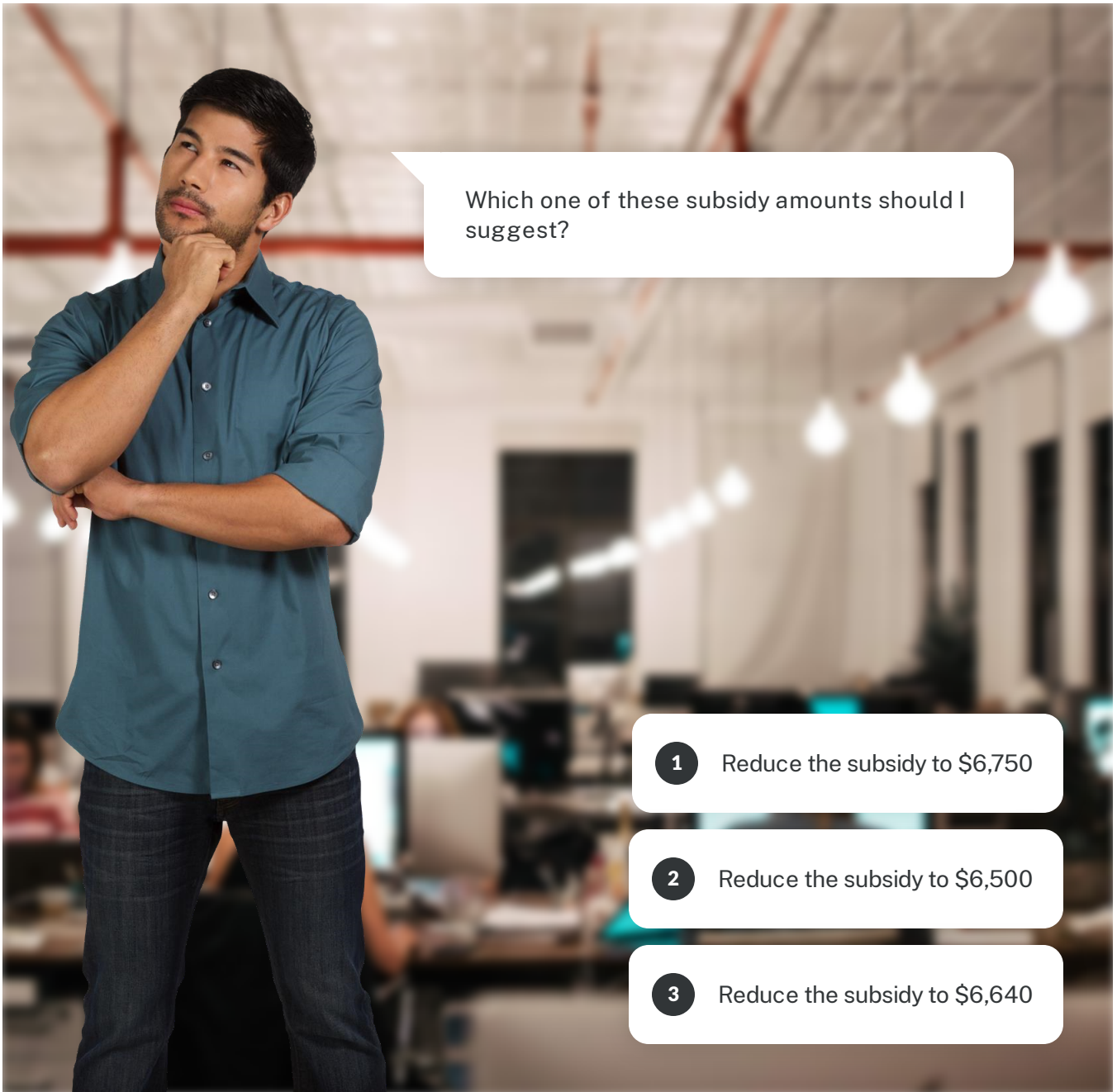
3 Both

Scene 1 Slide 4

0 → Scene 1 Slide 5

1 → Scene 1 Slide 7

2 → Scene 1 Slide 5



Which one of these subsidy amounts should I suggest?

1 Reduce the subsidy to \$6,750

2 Reduce the subsidy to \$6,500

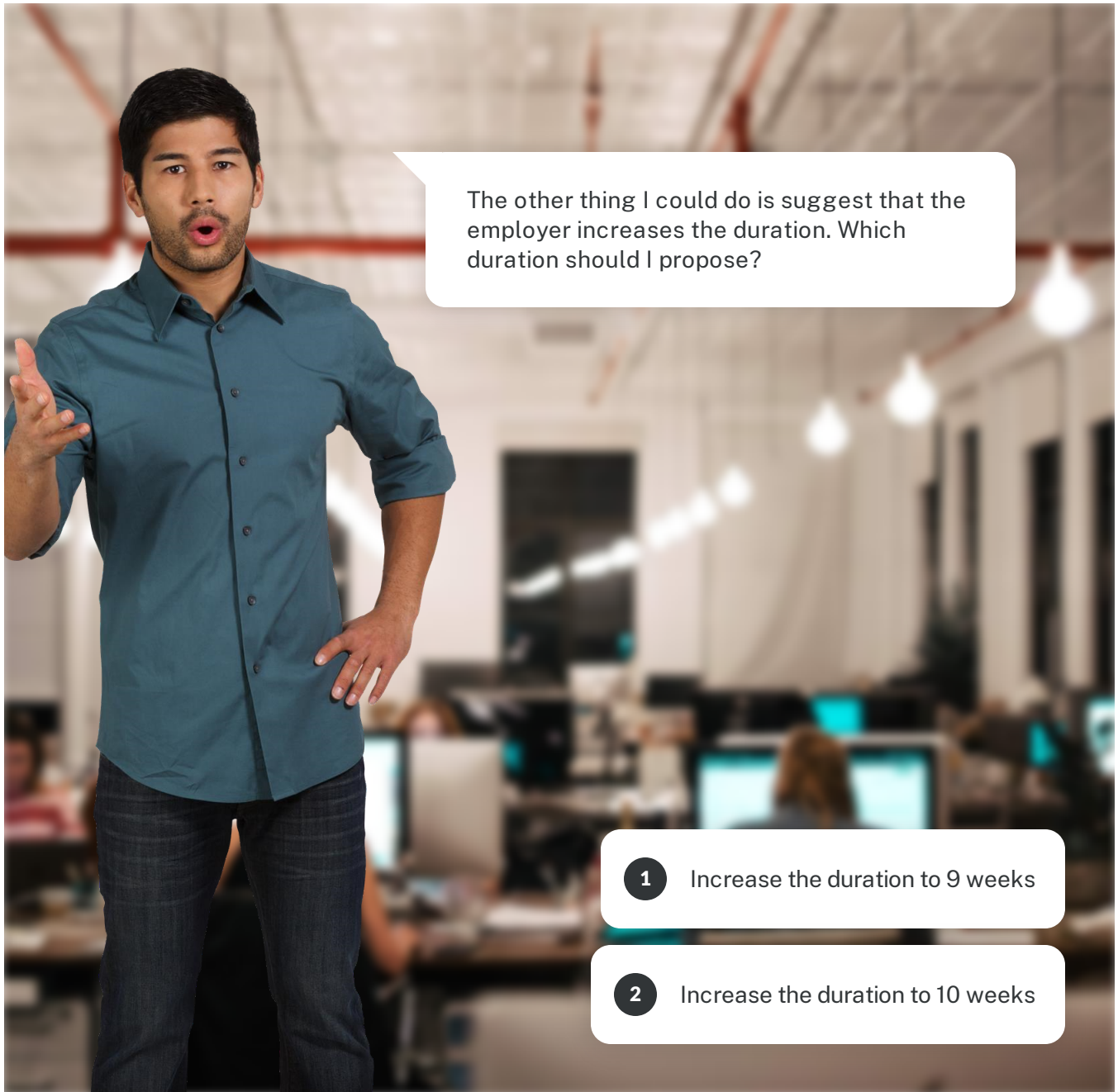
3 Reduce the subsidy to \$6,640

Scene 1 Slide 5

0 → Next Slide

1 → Next Slide

2 → Next Slide



The other thing I could do is suggest that the employer increases the duration. Which duration should I propose?

1 Increase the duration to 9 weeks

2 Increase the duration to 10 weeks

Scene 1 Slide 6

0 → Scene 1 Slide 9

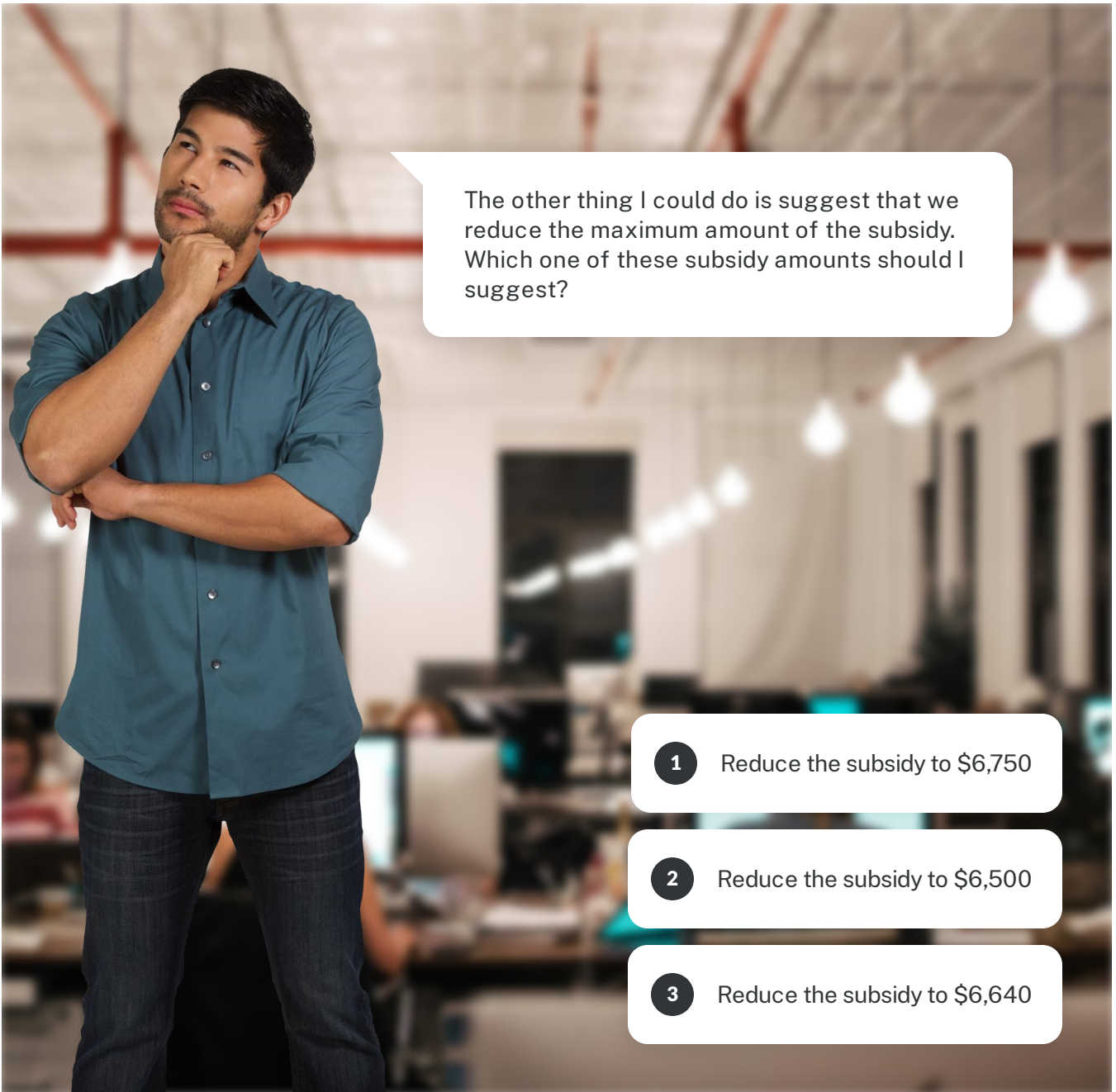
1 → End of Scenario



Scene 1 Slide 7

0 → Next Slide

1 → Next Slide



The other thing I could do is suggest that we reduce the maximum amount of the subsidy. Which one of these subsidy amounts should I suggest?

1 Reduce the subsidy to \$6,750

2 Reduce the subsidy to \$6,500

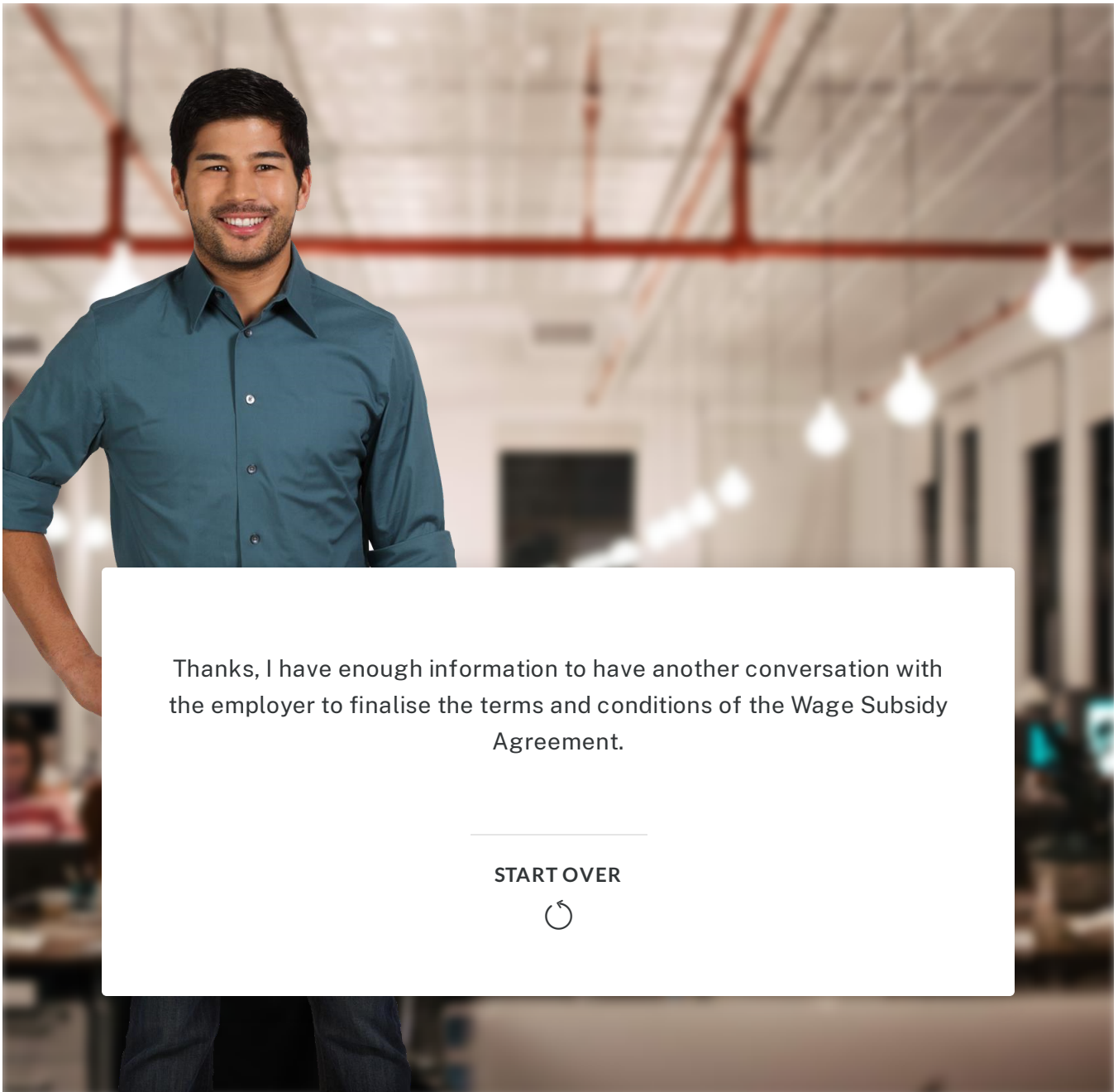
3 Reduce the subsidy to \$6,640

Scene 1 Slide 8

0 → Next Slide

1 → Next Slide

2 → End of Scenario



Thanks, I have enough information to have another conversation with the employer to finalise the terms and conditions of the Wage Subsidy Agreement.

START OVER



Scene 1 Slide 9

Continue → End of Scenario

After another conversation, Josh and the employer agree on these terms and conditions:

Duration	8 weeks
Start and end dates	5 November – 31 December
Minimum average weekly hours	30 hours per week
Maximum amount	\$6,640
Period	Monthly instalments

Creating

Once you've agreed on the terms and conditions, the next step is to create a Wage Subsidy Agreement in the department's IT system. The department **only** accepts online agreements.

Agreements have two parts, the **head agreement** and the **schedule**.

HEAD AGREEMENT

SCHEDULE

The head agreement contains the general terms and conditions for managing wage subsidies. Providers will have one head agreement for each wage subsidy employer. Providers enter into a head agreement with an employer the first time an employer accepts a wage subsidy from a provider.

HEAD AGREEMENT

SCHEDULE

The schedule contains the terms and conditions of a particular wage subsidy placement. It includes terms and conditions about the participant, placement, and payments. Each placement will have its own schedule.

Important points

Point 1

The first time you create a Wage Subsidy Agreement with a particular employer in the IT system, a head agreement and a schedule will be generated. The second and subsequent times, only a schedule will be created. The schedule will be attached to your existing head agreement with that employer. Of course, you can change a head agreement – check the guidelines to see when and how to do that.

Point 2

Once you've created the agreement in the IT system, you will be prompted to send the employer a notification that it's ready for them to approve.

Point 3

If you haven't already done it, you must explain the terms and conditions of the agreement to the employer, including the documentary evidence they are agreeing to provide.

Documentary evidence from an employer must demonstrate, at a minimum, the hours worked by the participant, and the wages paid. This can be accepted in many forms, including:

- a completed wage subsidy payment template, a copy of which can be downloaded from the provider portal
- payroll evidence, or
- a statutory declaration or other correspondence from the employer.

Point 4

The employer must approve the agreement via the weblink sent to them, within 28 calendar days of the start of the placement. There are **no exceptions** to this timeframe, and providers must ensure employers are aware of the timeframe when they start negotiating the Wage Subsidy Agreement.

Check your understanding

Match the beginning of the sentence with the correct ending. Click on the first part of the sentence and drag it to the correct ending.

☰ Wage subsidy agreements

must be done in the department's IT system.

☰ Providers

will have one head agreement with each employer.

☰ Employers

must approve the agreement within 28 calendar days of the start of the placement.

☰ As a provider, I

have to make sure the employer understands their rights and obligations.

☰ Head agreements

include general terms and conditions.

☰ Schedules

include specific terms and conditions

SUBMIT

Managing

You are expected to deliver ongoing support to the participant and the employer to help ensure a successful placement.

Generally, your support will consist of monitoring the placement and answering any questions the participant or employer has, and processing payments.

If a participant reports an incident of inappropriate behaviour or unsafe workplace practices you are obliged to immediately advise the department and follow departmental process. There will be times when participants are added to or leave your caseload during a placement. Check the guidelines for specific information about how to handle these situations.

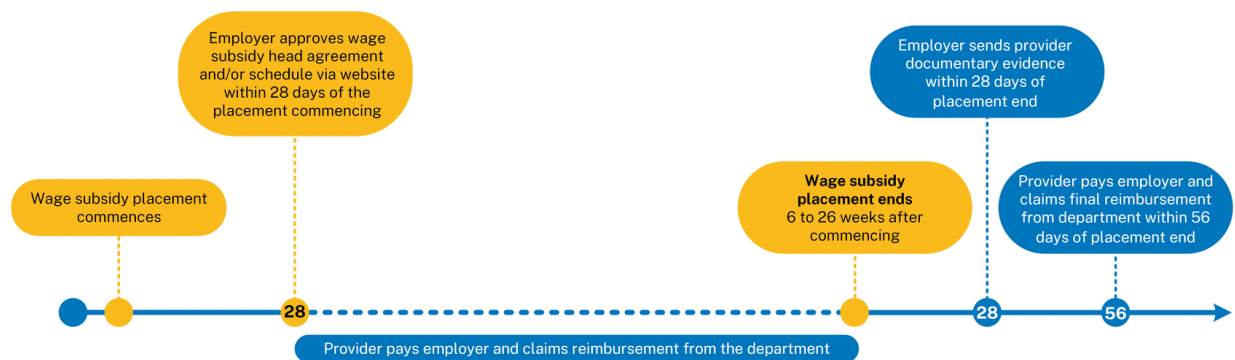
Sometimes the employer terminates the employment earlier than the end date of the Wage Subsidy Agreement. If this happens you will need to record the end date and calculate any payments the employer may be entitled to, based on the time the participant was employed and met the required minimum average hours. This is covered in the next lesson on payments.

Providers are required to negotiate, create and manage all elements of a Wage Subsidy Agreement.

CONTINUE

Payments

Wage subsidy payments can occur during the placement and after the placement has ended. There are strict time limits for the employer to submit evidence of payments and for you to claim reimbursement from the department.



Timeline for wage subsidy payments

No matter the timing of the payment, you must be sure the employer has satisfied all the terms and conditions of their agreement before you make a payment to them.

If you make a payment that is later found to be ineligible, the department may take compliance action including recovering any reimbursements and investigating the employer for potential misuse.

You can speak to your account manager or contract manager if you aren't sure if a payment can be made.

Employers can request wage subsidy payments at the times set out in the agreement, by submitting an invoice or request for payment with **documentary evidence** of:

- hours worked each week by the participant
- wages paid to the participant.

Before you make a payment to the employer you must check to make sure that:

- the participant has worked the required average hours per week
- the wages paid to the participant are less than or equal to the maximum amount of the wage subsidy payable to the employer
- the amount of the payment to the employer is less than or equal to 100% of the wages paid to the participant (100% rule).

Let's revisit Josh's wage subsidy example. Here's the summary of the agreement again.

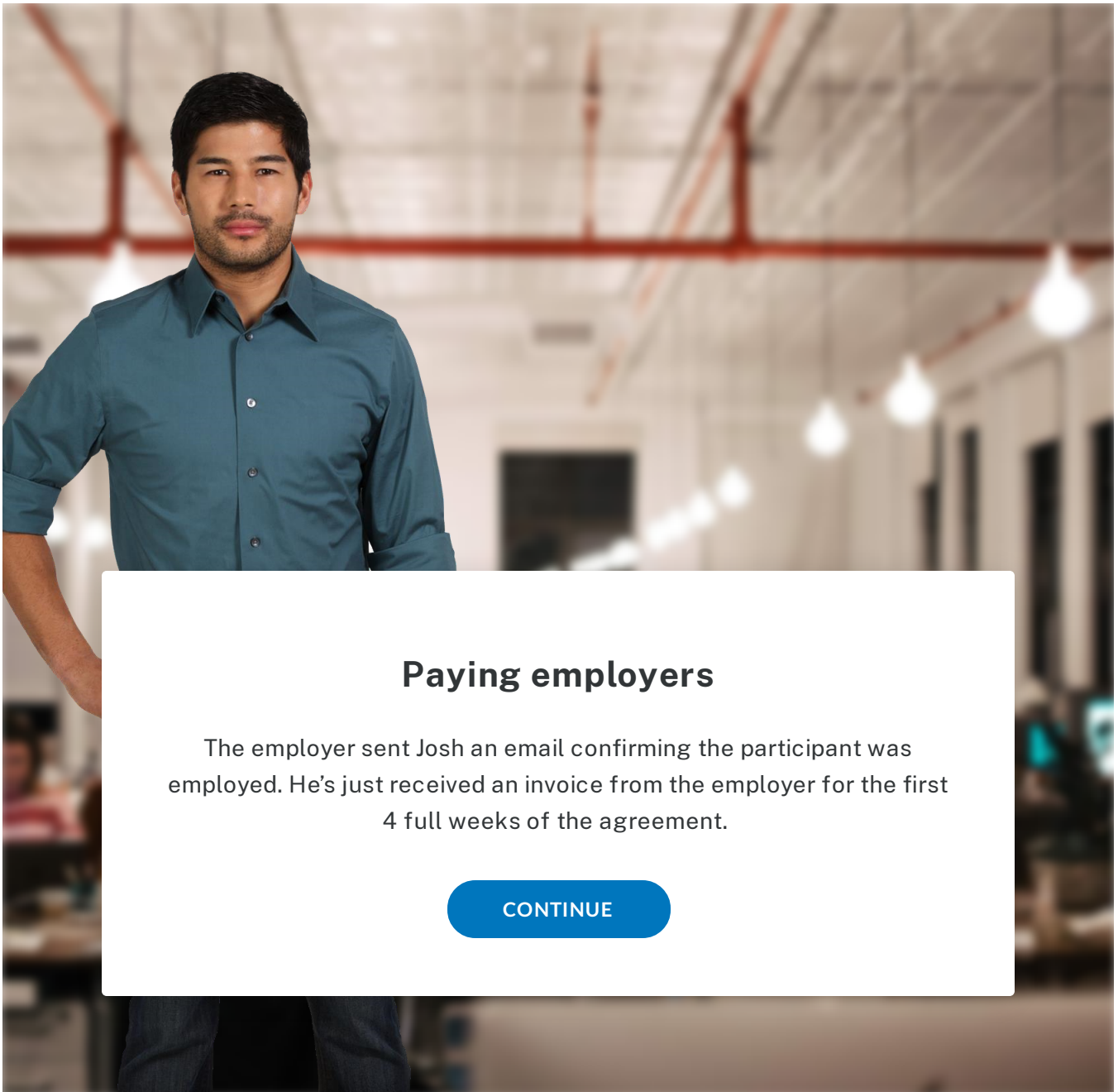
Duration	8 weeks
Start and end dates	5 November – 31 December

Minimum average weekly hours	30 hours per week
Maximum amount	\$6,640
Period	Monthly instalments

i **Calculating the average** - add up the bits of data and divide the total by the number of bits you added.

Eg. Chloe worked as a casual for 5 weeks. Her hours were 26, 12, 18, 3 and 24. What is the average hours worked each week?

1. Add up the hours worked per week: $26 + 12 + 18 + 3 + 24 = 83$
2. Divide the total by the number of weeks: $83/5 = 16.6$ hours per week is the average.



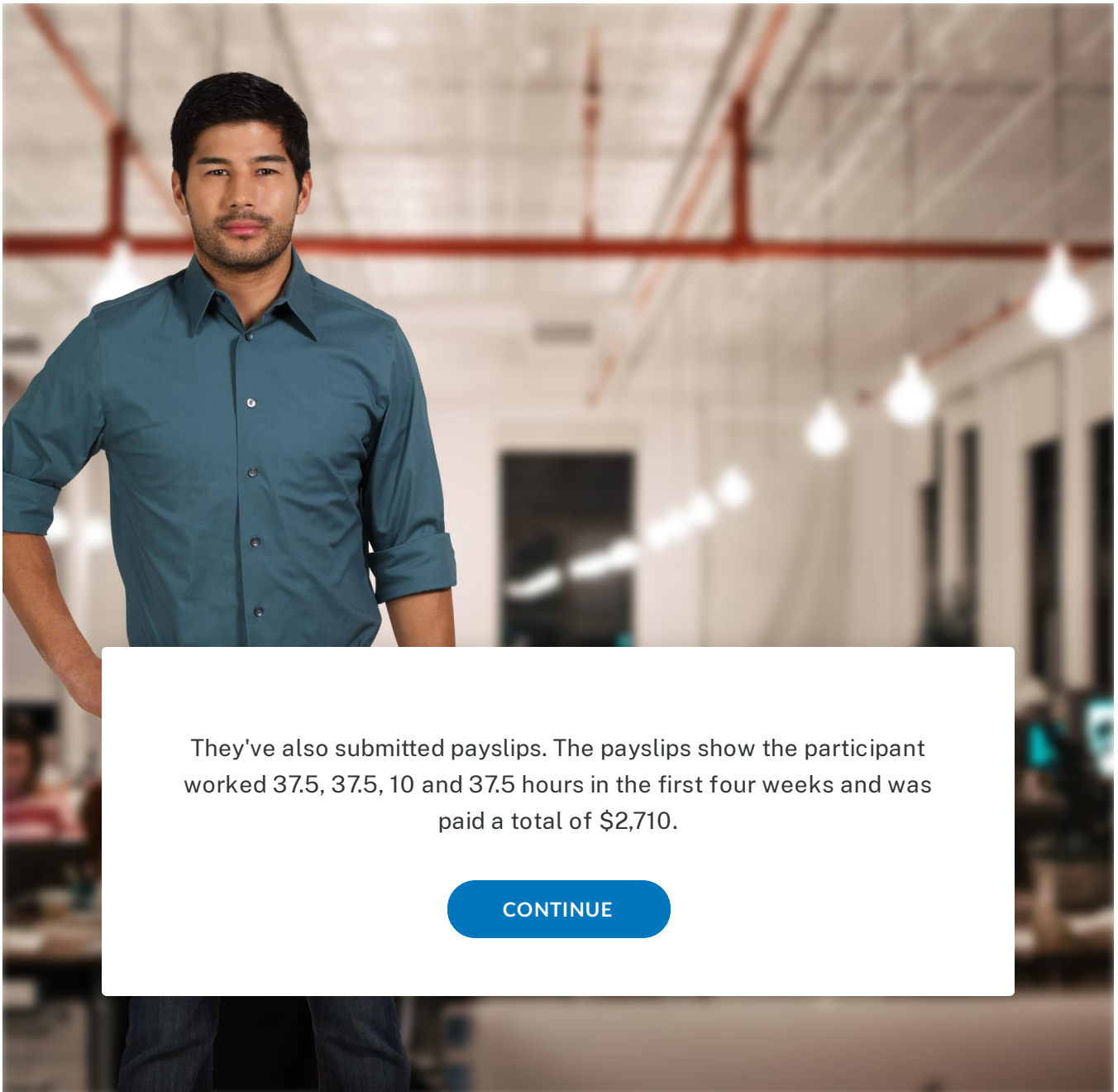
Paying employers

The employer sent Josh an email confirming the participant was employed. He's just received an invoice from the employer for the first 4 full weeks of the agreement.

CONTINUE

Scene 1 Slide 1

Continue → Next Slide

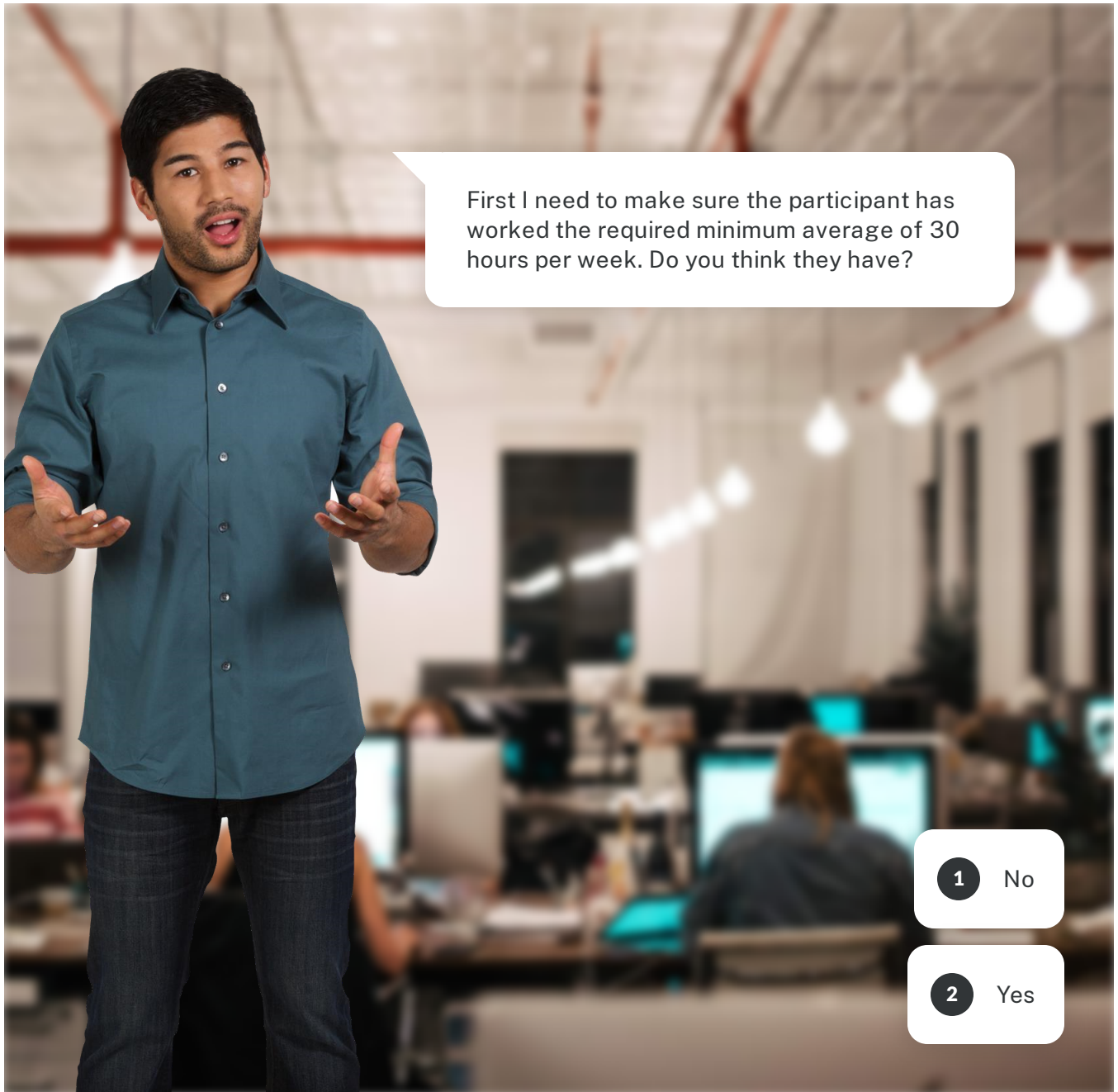


They've also submitted payslips. The payslips show the participant worked 37.5, 37.5, 10 and 37.5 hours in the first four weeks and was paid a total of \$2,710.

CONTINUE

Scene 1 Slide 2

Continue → Next Slide



First I need to make sure the participant has worked the required minimum average of 30 hours per week. Do you think they have?

1 No

2 Yes

Scene 1 Slide 3

0 → Next Slide

1 → Next Slide



Remind me - how do I calculate the weekly rate payable to the employer?

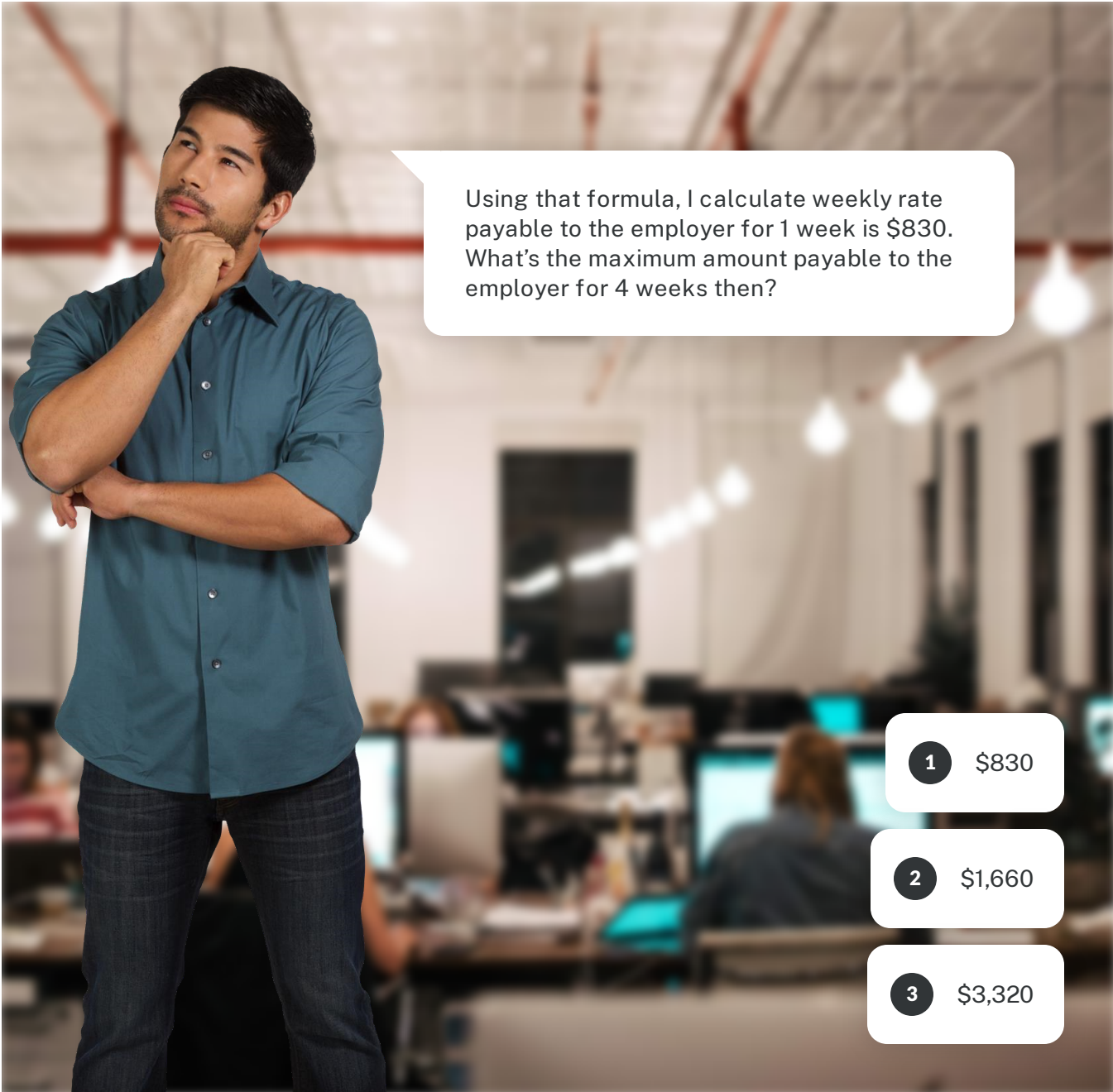
1 \$6,640/8

2 \$6,640/37.5

3 \$6,640/830

Scene 1 Slide 4

- 0 → Next Slide
- 1 → Next Slide
- 2 → Next Slide



Using that formula, I calculate weekly rate payable to the employer for 1 week is \$830. What's the maximum amount payable to the employer for 4 weeks then?

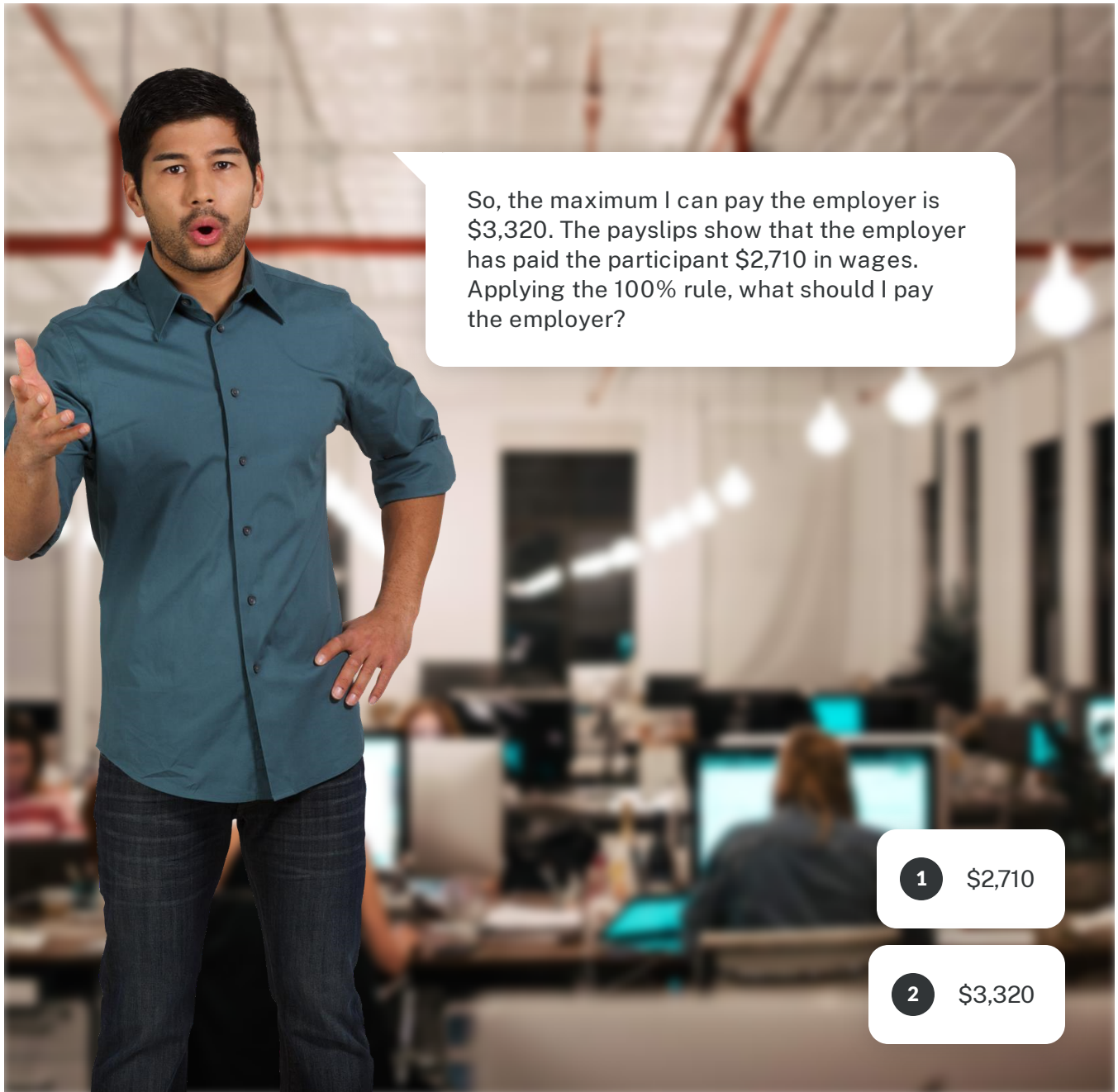
1 \$830

2 \$1,660

3 \$3,320

Scene 1 Slide 5

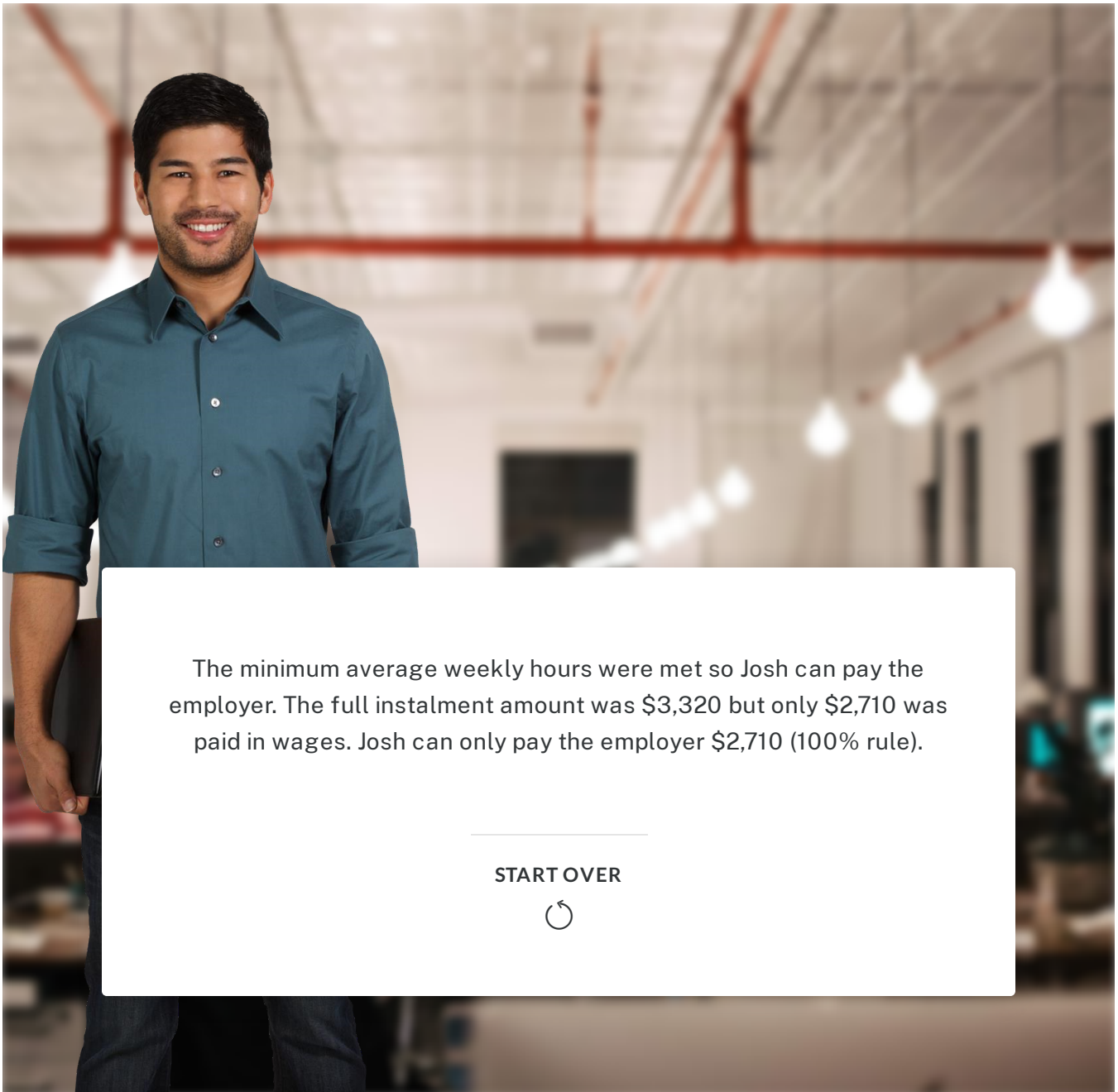
- 0 → Next Slide
- 1 → Next Slide
- 2 → Next Slide



Scene 1 Slide 6

0 → Next Slide

1 → Next Slide



The minimum average weekly hours were met so Josh can pay the employer. The full instalment amount was \$3,320 but only \$2,710 was paid in wages. Josh can only pay the employer \$2,710 (100% rule).

START OVER



Scene 1 Slide 7

Continue → End of Scenario


Final payments


To be eligible for a final payment, employers must provide you with all the documentary evidence you have requested within 28 calendar days of the wage subsidy placement ending. You must pay the employer within 56 calendar days of the end of the placement or you will not be eligible for reimbursement from the department.

When reviewing payroll evidence to make the final payment, you must calculate the amount the employer is eligible for. If the wage subsidy placement ends early or the participant does not work the agreed minimum hours averaged over all of the weeks in the agreement you may be able to pay the employer a pro-rata amount. The two examples attached demonstrate when this might happen.




Youth Bonus Wage Subsidy example.pdf
144.5 KB





Workforce Australia Services Wage Subsidy example.pdf
136.8 KB



Claiming reimbursement from the department

You can only claim reimbursement from the department **after** you have made payments to employers. Your final claim for reimbursement must be made within 56 calendar days of the end of a Wage Subsidy Agreement.

You claim reimbursement using the department's IT system.

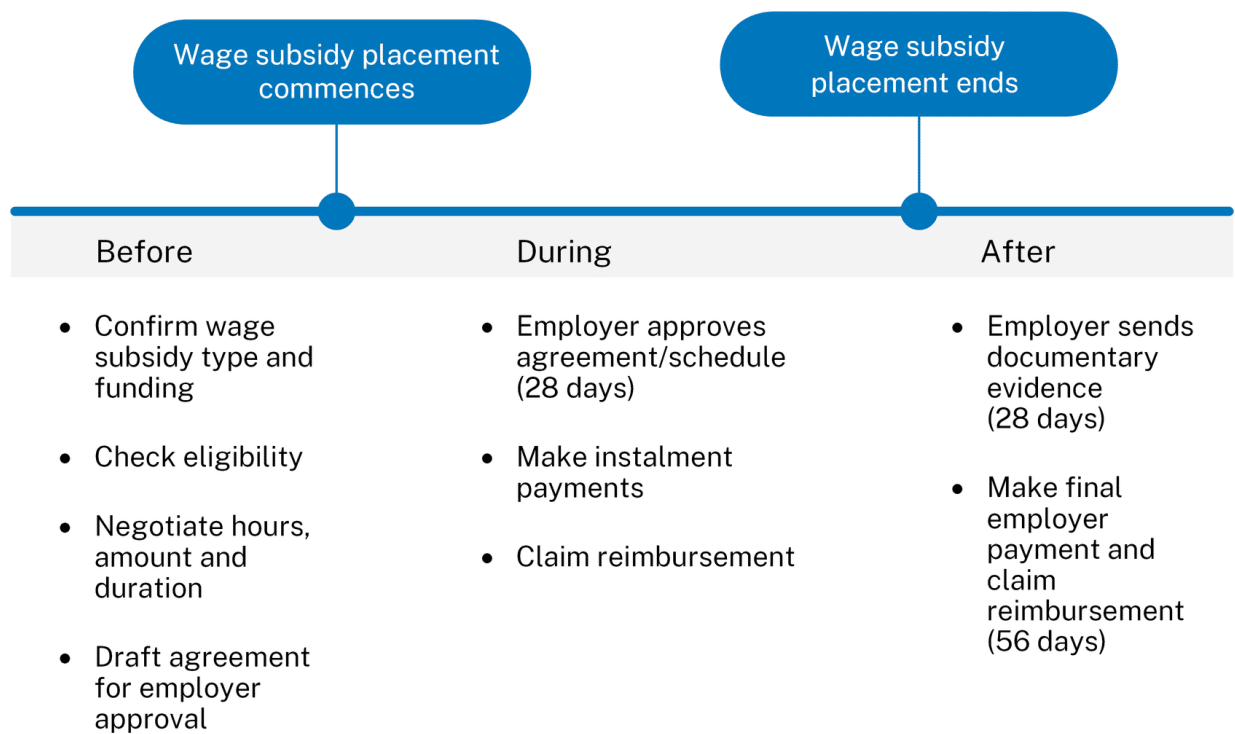
The guidelines provide detailed information on the rules for claiming reimbursement and the evidence you are required to keep to support your claim.

Only the summary and what's changed to go.

CONTINUE

Summary

Wage Subsidy Agreements require your ongoing administration and management over the full term of the agreement, in accordance with the wage subsidy chapter in the guidelines. The diagram below provides a summary of the process.



Summary of wage subsidy process

Congratulations - you've completed the wage subsidies training module.

The CONTINUE button below will take you to the What's changed table.

[CONTINUE](#)

What's changed?

The new versus the old

If you have used a wage subsidy before, you might be interested in the table below, which is a summary of the changes to the program.

	Jobactive until 30 June 2022	Workforce Australia from 1 July 2022
Prior Employment	Employers are ineligible to receive a Wage Subsidy when a participant has been previously employed by them.	Employers are eligible to receive a Wage Subsidy when they employ a participant who hasn't worked with them within the past 2 years .
Related Entities	A Related entity of a provider can be offered a Wage Subsidy by the related provider.	A related entity of a provider cannot be offered a Wage Subsidy by the related provider. A related entity of one provider can be offered a Wage Subsidy by another non-related provider .
Host Business	Host businesses of a Wage Subsidy participant (via a Labour Hire Company) are eligible to receive a new Wage Subsidy for the same participant if they	Host businesses of a Wage Subsidy participant (via a Labour Hire Company) are not eligible to receive a new Wage Subsidy if they subsequently directly employ

	subsequently directly employ that participant.	the participant. The 2 years prior employment rule applies.
Backdating	Providers can enter into a Wage Subsidy agreement with an employer up to 84 days after the participant's employment start date.	Providers can enter into a Wage Subsidy agreement with an employer up to 28 days after the participant's employment start date.
Concurrent Funding	Wage Subsidies can be used to support an employment position that is also receiving a Wage Subsidy or similar funding from a state or territory government, if the combined total payments do not exceed 100 per cent of wages.	Wage Subsidies cannot be used to support an employment position that is also receiving a Wage Subsidy or similar funding from a state or territory government.
Documentary Evidence	Employers currently use various forms of evidence to declare hours worked and wages paid per week to support eligibility for Wage Subsidy payments.	This now includes an option to use a form provided by the department for employers to declare hours worked and wages paid.
Hours Worked and Duration Requirements	Employers must offer a minimum average of 20 hours per week over the 26-week duration of the Wage Subsidy Placement for all wage subsidies.	Retained for Youth Bonus Wage Subsidy. For the Workforce Australia Services Wage Subsidy providers can negotiate hours worked and duration. Must be at least an average of 15 hours per week (can be more) over a minimum of six weeks and a maximum of 26 weeks from the employment placement start date.

**Wage Subsidy
Amounts**

A maximum amount of **\$10,000 (GST inclusive) must be offered** to an employer for all Wage Subsidies, or 100 per cent of the wages paid to the employee, whichever is the lower amount.

Retained for Youth Bonus Wage Subsidy.

For the **Workforce Australia Services Wage Subsidy**, providers **have the flexibility** to offer an employer **up to a maximum of \$10,000** (GST inclusive) or 100 per cent of the wages paid to the employee, whichever is the lower amount.
