



Australian Government



jobactive

Guideline:

Managing Wage Subsidies from 1 January 2017

Wage Subsidies are a financial incentive designed to encourage Employers to hire eligible recipients in ongoing jobs by contributing to the initial costs that occur when hiring a new employee. Wage Subsidies can help to build a business and give Employers greater flexibility in their hiring options.

These Guidelines apply to all Wage Subsidy Agreements negotiated from 1 January 2017.

The [Employment Fund Wage Subsidies Guideline](#) continues to apply to Wage Subsidy Agreements in effect before 1 January 2017.

Version: 2.1

Published on: 25 July 2017

Effective from: 25 July 2017

Changes from the previous version (Version 2.0)

Policy changes:

Nil changes

Wording changes:

New narrative template updated, minor changes to placement eligibility (page 6)

A full document history is available at:

[Managing Wage Subsidies from 1 January 2017 Guideline](#)

[Employment Fund Wage Subsidies Guideline – for Agreements entered prior to 1 January 2017](#)

Related documents and references

[jobactive Guidelines](#)

[Employment Fund Wage Subsidies Guideline – for Agreements entered prior to 1 January 2017](#)

[jobactive Privacy Guideline](#)

[Learning Centre Home Page](#)

[Employment.gov Wage Subsidy Home Page](#)

[jobactive Wage Subsidy Home Page](#)

[jobactive The Right Fit](#)

[jobactive National Work Experience Programme](#)

[jobactive Looking for an Apprentice?](#)

Wage Subsidies Mailbox (wagesubsidies@employment.gov.au)

Contents

1.	Promoting Wage Subsidies	3
2.	Wage Subsidy Types and Amounts	3
3.	Eligibility Requirements	3
	Participant Eligibility	4
	Restart Wage Subsidy	4
	Youth Bonus Wage Subsidy	4
	Youth Wage Subsidy	4
	Parents Wage Subsidy	5
	Long Term Unemployed and Indigenous Wage Subsidy	5
	Not eligible - Family Members	5
	Employer Eligibility	5
	Change of Business Ownership	6
	Placement Eligibility	6
	Required Working Hours	6
	Partial Capacity to Work	6
	Leave	7
	Work Trials	7
4.	Negotiation of Wage Subsidy Agreements	7
5.	Payments to Employers	8
	Kickstart Option	8
	Making a Kickstart Payment	8
	When is a Kickstart Payment Recoverable?	9
	Flexible Payments	9
	Calculating Payments for Early Terminations	11
	Claims for Reimbursement	11
	Supporting Participants on Wage Subsidies	11
6.	Documentary Evidence Requirements	12
	Payments to Employers	12
	Claims for Reimbursement	12
7.	Concurrent Funding	13
	Australian Government	13
	Australian Apprenticeships Incentives Programme	13
	State/Territory Governments	13
8.	Transferred Arrangements	13
	Attachment A	14

1. Promoting Wage Subsidies

It is expected that Employment Services Providers ('Providers') will use Wage Subsidies as a tool to broker Employment opportunities for their eligible job seekers. Evidence shows that new employees supported by a wage subsidy are more likely to remain in the job for a 26 week outcome.

Providers negotiate and manage all elements of the Wage Subsidy Agreement including kickstart and Payments to Employers. Providers are encouraged to provide post placement support using the Employment Fund General Account to support sustainable outcomes.

In promoting Wage Subsidies Providers must be aware of the principles of:

- value for money
- complying with any work, health and safety laws that may apply
- withstanding public scrutiny
- not bringing Employment Provider Services or the Australian Government into disrepute.

Providers should promote to Employers the use of the free mobile jobactive Employer App available from the [jobactive website](#), iTunes and Google Play, and demonstrate to them how easy it is to sign up for and manage a Wage Subsidy Agreement online.

Providers should also promote the kickstart Payment to Employers to receive up to 40 per cent of the total Wage Subsidy four weeks after the job starting.

Communication resources are available on the Provider Portal and the Department's websites (see Related documents and references).

Deed reference: Clause 89.1

2. Wage Subsidy Types and Amounts

The following Wage Subsidies are payable to Employers and also reflect how the hierarchy of Wage Subsidies are applied in ESS web:

- Restart Wage Subsidy (50 years of age and over) – up to \$10,000
- Youth Bonus Wage Subsidy (15-24 year olds):
 - up to \$10,000 for a Stream B or Stream C Participant (and for Transition to Work (TtW) Participants on Income Support Payments), or
 - up to \$6,500 for a Stream A Participant
- Youth Wage Subsidy (25-29 year olds) – up to \$6,500
- Parents Wage Subsidy – up to \$6,500
- Long Term Unemployed and Indigenous Wage Subsidy – up to \$6,500.

All amounts are GST inclusive.

3. Eligibility Requirements

Wage Subsidies have specific eligibility criteria to ensure that the assistance is appropriately targeted to eligible job seekers and Employers.

Wage Subsidies are available to eligible job seekers in jobactive and TtW, and for Restart only, Disability Employment Services (DES) and the Community Development Programme (CDP).

Participant Eligibility



System step: The Department's IT Systems (including ESS Web) determine a job seeker's eligibility for a Wage Subsidy. Providers should also check eligibility in accordance with the Deed and this Guideline. If a Provider believes that the Department's IT Systems have incorrectly determined job seeker eligibility, they must contact the Department through the Account Manager to discuss the issue.

A job seeker can only be eligible for, and receive, one Wage Subsidy at any given time. A job seeker who meets the eligibility requirements is a Wage Subsidy Participant. Eligibility requirements are detailed below for the different Wage Subsidies.

Restart Wage Subsidy

A job seeker is eligible if they:

- are 50 years of age or older
- receive any Department of Human Services (DHS-Centrelink) or the Department of Veteran's Affairs Income Support Payment or pension (including Austudy) for the last six months, and
- are registered with a Provider at the time the Wage Subsidy Agreement is created in the Department's IT Systems. If the job seeker is not registered with a Provider at this time, he/she must register as a Volunteer within 12 weeks (84 calendar days) so the Employer can apply for, and receive, the wage subsidy.

Youth Bonus Wage Subsidy

A job seeker is eligible if they:

- are 15 to 24 years old
- are a Fully Eligible Participant Commenced with a jobactive or TtW Provider
- receive employment services from a Provider (jobactive, TtW, DES or CDP) continuously for the last six months, and
- have Mutual Obligation Requirements at the time they commence in the Wage Subsidy Placement.

In addition, if the Youth Bonus Wage Subsidy Participant loses the job due to no fault of their own within six months of starting, they can return to a Provider and immediately be eligible for a Youth Bonus, or any other, Wage Subsidy.

Youth Wage Subsidy

A job seeker is eligible if they:

- are 25 to 29 years old
- are a Fully Eligible Participant Commenced with a jobactive Provider
- receive employment services from a Provider (jobactive, TtW, DES or CDP) continuously for at least the last six months, and
- have Mutual Obligation Requirements at the time they commence in the Wage Subsidy Placement.

Parents Wage Subsidy

A job seeker is eligible if they:

- receive Parenting Payment, or if they are a principal carer of a child receiving any Income Support Payment
- are a Fully Eligible Participant Commenced with a jobactive or TtW Provider
- receive employment services from a Provider (jobactive, TtW, DES or CDP) continuously for the last six months, and
- have Mutual Obligation Requirements at the time they commence in the Wage Subsidy Placement.

Long Term Unemployed and Indigenous Wage Subsidy

A job seeker is eligible if they:

- are a Fully Eligible Participant Commenced with a jobactive or TtW Provider
- either:
 - receive employment services from a Provider (jobactive, TtW , DES or CDP) continuously for the last 12 months, or
 - are an Aboriginal or Torres Strait Islander job seeker and receive employment services from a Provider (jobactive, TtW, DES or CDP) continuously for the last six months
- have Mutual Obligation Requirements at the time they commence in the Wage Subsidy Placement.

Not eligible - Family Members

Participants must not be immediate family members of the Employer. A Participant cannot be a spouse, de facto partner, child, parent, grandparent, grandchild or sibling of the Employer.

In addition, a Participant's spouse or de facto partner cannot be a child, parent, grandparent, grandchild or sibling of the Employer.

Example, the Participant's spouse cannot be the Employer's brother.

Deed reference: Clause 89.2

Employer Eligibility

A Wage Subsidy Employer:

- must be a legal entity with an Australian Business Number
- must not be an Australian Government or state/territory government body
- must not have previously received a Wage Subsidy Payment of the same type for the same Participant
- can be a Related Entity of the Provider, but must not be the Provider's Own Organisation
- can be a labour hire company or group training organisation.

If a labour hire company or group training organisation is entering into the Wage Subsidy Agreement they must disclose to the business taking on the new employee that a Wage Subsidy is available.

Change of Business Ownership

If an Employer's business changes ownership the new owner will be eligible to claim the remaining Wage Subsidy, provided all other eligibility criteria and program requirements are met.

If the new owner is eligible and wishes to claim the Wage Subsidy the Wage Subsidy Agreement must be novated between the parties in accordance with their own legal advice.

Deed reference: Clause 89.2

Placement Eligibility

A Wage Subsidy Placement must:

- be declared by the Employer as a sustainable, ongoing position offering at least 20 hours per week over six months, and expected to last more than six months
- comply with Employment standards for the position as established under the relevant Commonwealth, state or territory law (*Example is suitable work that pays the minimum national award wage*)
- be recorded by the Provider in the Department's IT Systems
- not be in pre-existing Employment with the Employer within the previous six months (paid work trials are not considered pre-existing Employment)
- not displace an existing employee
- not be a commission-based, self-employment or subcontracted position
- not otherwise be a Non-Payable Outcome as defined in the Deed.

Where Restart eligible job seekers without Mutual Obligation Requirements obtain Employment prior to registering with a Provider the Employment position is eligible for Restart.

Example, a job seeker on the Age Pension for six months who finds a job on his/her own must then Directly Register with a Provider as a Volunteer within 12 weeks (84 calendar days), so the Employer can apply for, and receive, the Wage Subsidy.

A Wage Subsidy Placement can be:

- full-time, part-time or casual Employment
- an apprenticeship or traineeship
- found by the Provider or directly by the eligible job seeker.

Required Working Hours

All Wage Subsidy Placements must average at least 20 hours of work per week over the six month duration of the Wage Subsidy Agreement.

Example, a Participant working 10 hours per week for three months and 30 hours for the other three months of the Wage Subsidy Agreement will meet the required average of at least 20 hours per week, where the claim period is for six months.

Partial Capacity to Work

Job seekers with an assessed Partial Capacity to Work (PCW) are eligible for a Wage Subsidy where they work an average of at least 20 hours per week over the six month duration of the Wage Subsidy Agreement and all other eligibility requirements are met.

A PCW Participant must not be compelled to undertake more than their assessed PCW hours but he/she may volunteer to do so.

The suitability of the Wage Subsidy Placement must also take into account the Participant's Employment Services Assessment.

Leave

All periods of approved leave, whether paid or unpaid, count towards the Participant's hours worked and are treated as though the Participant worked the usual hours (of at least an average of 20 hours per week).

If a Participant worked variable hours prior to their approved leave the Provider must consider the averaged weekly hours up until the leave as the regular hours.

Example, a Participant who worked 25 hours in the first week, 20 hours in the second week, 15 hours in the third week and then takes two weeks approved leave is considered to have worked 20 hours per week during their leave.

Approved leave cannot be used to supplement regular, reduced hours of work.

Example, a Participant who would like to work 15 hours a week cannot have approved leave of five hours each and every week to bring the total hours worked to 20 hours per week.

Work Trials

Wage Subsidy Agreements can include periods of paid work trials, excluding work trials funded by the Employment Fund General Account. Wage Subsidies can either begin at the start of the paid work trial, or at the end of the paid work trial when ongoing Employment commences. Paid work trials are not considered pre-existing Employment.

Wage Subsidies are not available for the period in which the job seeker is participating in unpaid work trials, including work experience or Prepare-Trial-Hire (PaTH) Internships.

Wage Subsidies can be used for Employment that commences after an Employment Fund paid work trial or an unpaid work trial ends.

Deed reference: Clause 89.2

4. Negotiation of Wage Subsidy Agreements

The Wage Subsidy Agreement consists of both a Head Agreement and a Schedule (see Attachment A).

Providers must enter into a Head Agreement with each Employer. The Head Agreement contains the general terms and conditions of the Wage Subsidy Agreement. This only needs to be done once.

A separate Payment Schedule for each new employee must be attached to the Head Agreement. This contains the specific details of the Wage Subsidy Placement for each employee.

Providers must explain the Wage Subsidy Agreement's terms and conditions to the Employer to ensure they fully understand their rights and obligations in accepting the Wage Subsidy.



System step: Head Agreements must be finalised through the Department's IT Systems within 12 weeks (84 calendar days) of the first Participant commencing in a Wage Subsidy Placement. Ideally Head Agreements should be done online however they can be signed offline if necessary but Providers must still approve the Head Agreement online within 12 weeks, and keep a signed copy.



System step: Providers should direct Employers to register on the [jobactive website](#), where they can download the free mobile jobactive Employer App (also available from iTunes and Google Play).



System step: Before attaching a Schedule to the Head Agreement Providers must negotiate and agree on the terms of the Schedule with the Employer. Providers must then attach the Schedule to the Head Agreement within 12 weeks of the Participant commencing in the Wage Subsidy Placement using the Department's IT Systems (Section 4.3 Documentary Evidence Requirements).

The Wage Subsidy Agreement Term begins on the date the Wage Subsidy Placement starts (Wage Subsidy start date) and ends six months from that date (Wage Subsidy end date).



System step: If updates are required during the Wage Subsidy Agreement term the Provider must agree on the changes with the Employer and update the details in the Wage Subsidy Agreement in the Department's IT Systems.

Wage Subsidies can be used in instances where the Provider enters into collaboration arrangements with other Providers to cater to the Employer's needs. In these circumstances the Provider who owns the Vacancy should negotiate, create, approve and manage the Wage Subsidy Agreement with the Employer.

Deed Reference: Clause 89.2

5. Payments to Employers

Wage Subsidy Payments must not exceed 100 per cent of the Participant's wages over the six month period of the Wage Subsidy Agreement (with the exception of the kickstart Payment).

Kickstart Option

When negotiating Wage Subsidy Agreements with Employers Providers are encouraged to include the option of a kickstart Payment of up to 40 per cent of the Wage Subsidy four weeks after the job starts.



System step: If the Provider negotiates a kickstart Payment with the Employer then the amount and date of the Payment must be recorded in the Wage Subsidy Agreement in the Department's IT Systems.



System Step: the kickstart option is the default setting in ESS Web so if the Employer does not want a kickstart Payment this setting must be turned off.

Making a Kickstart Payment

Before making a kickstart Payment to an Employer Providers must:

- have entered into a Wage Subsidy Agreement with the Employer

- have a good faith expectation that the Participant will work an average of at least 20 hours per week over six months*, and
- be satisfied that all other eligibility criteria are met.

If a Provider is not satisfied that all three points above are met they do not need to make the kickstart Payment.

*Participants do not have to have worked an average of at least 20 hours per week in the first four weeks of Employment for a kickstart Payment to be made, however, in making the payment the Provider does need to be satisfied that there is a reasonable expectation that the Participant will work the required hours over the agreement.

Kickstart Payments can exceed 100 per cent of the total wages paid to that time, however kickstart Payments must not be made to an Employer if the Participant has already ceased Employment.

Example, if a Participant ceases Employment after six weeks and two days and the Provider has not yet made the kickstart Payment, the Employer is not eligible to receive the Payment. The Provider does not need to make the kickstart Payment as the Participant can no longer be expected to work an average of at least 20 hours per week over six months (as they have ceased Employment).

However, the Employer may be eligible to receive any outstanding Wage Subsidy Payments for the four weeks if the Participant worked an average of at least 20 hours per week for those six weeks (see the Calculating Payments for Early Terminations section).

When is a Kickstart Payment Recoverable?

The kickstart Payment is not recoverable from the Employer or Provider unless:

- the eligibility criteria are found not to have been met
- the Employer has not met the terms and conditions of the Wage Subsidy Agreement, and/or
- the Employer has engaged in any fraudulent practice in relation to the Wage Subsidy as defined by the jobactive Deed 2015-2020.

Example, the Participant is working well in their new job and the Provider is satisfied they will achieve the minimum required hours of at least 20 per week over the six months. The Provider makes the kickstart Payment in good faith after four weeks and seeks reimbursement from the Department. The Participant subsequently ceases Employment at six weeks. Given the Employer satisfied all eligibility criteria at the time, the Department will not seek to recover the kickstart funds.



System step: Kickstart Payments are not available for Wage Subsidy Placements that are recorded as a paid work trial in the Department's IT Systems.

Deed references: Clauses 89.2, 89.3

Flexible Payments

Flexible Payments can be made to Employers weekly, fortnightly, monthly, quarterly, on completion, or on any other milestones as agreed by the Provider and Employer.



System step: The agreed Wage Subsidy Periods for the flexible payments must be recorded in the Wage Subsidy Agreement in the Department's IT Systems.

Flexible Payments should be made evenly over the six month term of the Wage Subsidy Agreement.

Example, a \$10,000 Youth Bonus Wage Subsidy with monthly Payments should be paid at \$1,666.67 per month, and a \$6,500 Parents Wage Subsidy with quarterly Payments should be paid at \$3,250 every three months.

To note – regular flexible Payments should take into account if a kickstart Payment has been made and the amount be withheld accordingly.

The above examples with a kickstart Payment should be paid as follows:

- \$10,000 Youth Bonus Wage Subsidy with monthly Payments:
 - \$4,000 kickstart Payment at four weeks
 - \$1,000 flexible Payment at three months
 - \$1,666.67 flexible Payment at four months
 - \$1,666.67 flexible Payment at five months
 - \$1,666.67 flexible Payment at six months.
- \$6,500 Parents Wage Subsidy with quarterly Payments:
 - \$2,600 kickstart Payment at four weeks
 - \$650 flexible Payment at three months
 - \$3,250 flexible Payment at six months.

The Provider must have entered into a Wage Subsidy Agreement with the Employer and all eligibility criteria must be satisfied before a Payment can be made. This includes the Employer submitting Documentary Evidence demonstrating that the Participant has worked an average of at least 20 hours per week over six months from the Wage Subsidy start date (see Documentary Evidence Requirements section).

Example:

- if the Participant has been employed for eight weeks and the Employer declares that the Participant has worked at least 20 hours per week averaged over those eight weeks, the Provider must make the Payment
- if the Participant has been employed for 12 weeks but the Employer declares that the Participant has not worked at least 20 hours per week averaged over the 12 weeks, the Provider must withhold the Payment until such time as the Participant has worked an average of at least 20 hours per week for the duration of his/her Employment
- if the Employer declares that the Participant has worked at least 20 hours per week averaged over the six months (a minimum of 520 hours), the Provider must pay the full Wage Subsidy.

Flexible Payments, together with any concurrent state/territory government wage subsidies, must not exceed 100 per cent of the Participant's wages over the six month period of the Wage Subsidy Agreement. This does not include any kickstart Payment that has been made.

To note - Participants who cease Employment within six months, or those who are on junior rates, are at risk of being paid less in wages than the total amount of the

Wage Subsidy, which would then require any flexible Payments to be recovered from the Employer.

Example, a Participant under 21 years of age on a junior pay rate of \$15.70 per hour who works 20 hours per week and received a total wage of \$8,164 over six months, which is less than the Youth Bonus Wage Subsidy of \$10,000. The Provider is entitled to recover \$1,836 as the Employer has not met clause 2c of the Wage Subsidy Head Agreement.

Providers may recover any Payments made to the Employer if the Employer has not met the terms and conditions of the Wage Subsidy Agreement, or the Employer has engaged in any fraudulent practice in relation to Wage Subsidies.

Calculating Payments for Early Terminations

If a Wage Subsidy Placement ceases prior to the Wage Subsidy end date the Provider must pay any outstanding Wage Subsidy Payments to the Employer for the period that the Participant worked the 20 hours per week, averaged from the Wage Subsidy Start Date.

Example, if a Participant ceases Employment after 13 weeks (50 per cent of the six month term of the Wage Subsidy Agreement) and the Participant worked an average of at least 20 hours per week over that full 13 week period, the Employer is entitled to 50 per cent of the total Wage Subsidy.

Claims for Reimbursement

The Provider must make Payments out of their own funds to the Employer.

Providing they have properly paid a Wage Subsidy to an Employer, Providers can submit a claim for Reimbursement from the Department:

- after each Payment is made (be that weekly, fortnightly, monthly, quarterly, or any other agreed milestone), or
- collectively at the end of the six month Wage Subsidy Agreement.



System step: When claiming Reimbursement of the kickstart Payment, Providers must select the “kickstart Payment” option in the Claim screen in the Department’s IT Systems. Similarly, when claiming Reimbursement for flexible Payments, Providers must select the “Flexible Payment” option.

Providers must only claim Reimbursement up to the same dollar value that they paid the Employer.

All outstanding Reimbursements must be claimed within 56 calendar days after the end of the Wage Subsidy Agreement.

Deed references: Clauses 88.2, 89.2, 89.3, 89.4, 89.5

Supporting Participants on Wage Subsidies

After the Wage Subsidy Agreement is finalised Providers should offer post placement support to the Participant and Employers as required. This support can be reimbursed from the Employment Fund General Account subject to the relevant Guideline. This will allow Providers to support the Participant and the Employer to maximise the success of the Wage Subsidy Placement, including after the Participant is Suspended or Exited from the Provider’s caseload.

6. Documentary Evidence Requirements



Documentary Evidence: Providers must obtain sufficient Documentary Evidence in order to process a Wage Subsidy Payment to an Employer and seek Reimbursement from the Department.

For all Wage Subsidies, an approved Wage Subsidy Agreement, linking Vacancy, Employer and Placement details must be entered into the Department's IT Systems (most of this information will be pre-populated from other parts of the Department's IT Systems).



System step: When submitting an override and special claim request, the Employment Provider must include the linked Agreement identifier and/or the Vacancy identifier.

For Wage Subsidy Agreements approved by the Employer on the jobactive website or the free mobile jobactive Employer App, no additional evidence is required separate to the declaration made by the Employer through the Department's IT Systems. For Wage Subsidy Agreements that are signed offline, a copy of the Wage Subsidy Agreement, signed by both the Provider and Employer, must be kept by the Provider.

Payments to Employers

Documentary Evidence must be retained by the Provider to demonstrate the Participant was Employed as per the Wage Subsidy Agreement and the required hours were worked over the Wage Subsidy Period. This must include either:

- a declaration by the Employer through the Department's IT Systems, or
- payslips to demonstrate the hours worked or a print-out from the Employer's payroll software, or
- a statutory declaration, email or other correspondence from the Employer.

Providers must also retain evidence from the Employer to verify any periods of approved leave.

Claims for Reimbursement

Documentary Evidence must be retained by the Provider to demonstrate prior Payment from the Provider to the Employer. In addition to the requirements above, this must include either a:

- record of transaction (bank statement or report from the Provider's financial system), or
- tax invoice and receipt from the Employer, or
- remittance advice, or
- a statutory declaration, email or other correspondence from the Provider.

The evidence must clearly include the amount of the Wage Subsidy Payment, the Employer's details (including ABN) and the date the Payment was made.

All evidence not uploaded to the Department's IT Systems with the claim for Reimbursement must be kept offline by the Provider.

Deed references: Clause 89

7. Concurrent Funding

Australian Government

Employers cannot combine an Australian Government Wage Subsidy with any other Australian Government wage subsidy or similar funding.

Example, the Employer of a Restart Wage Subsidy Participant cannot also receive Employer Incentive Funding available from the CDP administered by the Department Of The Prime Minister and Cabinet.

Australian Apprenticeships Incentives Programme

An Employer can receive both an Australian Government Wage Subsidy and an Australian Apprenticeships Incentives Programme (AAIP) Payment concurrently. This is because the AAIP is a training program and not an Employment program, the funding received under the AAIP is not considered to be a Wage Subsidy or similar funding.

As AAIP payments are not considered to be similar funding, they are excluded when calculating the 100 percent rule.

State/Territory Governments

Australian Government Wage Subsidies can be combined with state or territory government wage subsidies or similar funding as long as all other requirements in the relevant Guidelines have been satisfied, and the total funding from Wage Subsidies or similar funding does not exceed 100 per cent of the Participant's wages over the six month period of the Wage Subsidy Agreement.

8. Transferred Arrangements

When a Wage Subsidy Participant transfers to another Provider the gaining and outgoing Providers must ensure that both the Participant and Employer continue to be supported.



System step: The outgoing Provider must agree that the Wage Subsidy Agreement will be terminated. The Department's IT Systems prevent the outgoing Provider from claiming any further reimbursements. The gaining Provider must enter into a new Wage Subsidy Agreement with the Employer for the remaining balance.

Deed reference: Clause 82

Attachment A

Agreement ID:

Wage Subsidy Head Agreement (SAMPLE ONLY)

A. Employment Services Provider (Provider) details	
Provider name:	
Provider ABN:	
Site address:	
B. Employer details	
Employer's legal name:	
Employer ABN:	
Address:	
C. Head Agreement Term	
Start date:	
End date:	30 June 2020

General Terms and Conditions:**Preliminary:**

1. The Provider and Employer agree that each Schedule that the Provider attaches to this Head Agreement will relate to a single Employment Position and will create a separate contract (Wage Subsidy Agreement) between the Provider and the Employer in relation to that Employment Position. Each Wage Subsidy Agreement consists of the terms and conditions of this Head Agreement and the relevant terms relating to the Employment Position, Wage Subsidy Participant (Participant) and Wage Subsidy Period set out in the relevant Schedule.

The Employment Position:

2. The Employer agrees that in relation to each Employment Position:
 - a. it does not have a current Employment relationship with the relevant Participant and is not an immediate family member of the relevant Participant;
 - b. if it receives a state or territory government wage subsidy for the Employment Position, it will immediately notify the Provider of the amount of any such funding;
 - c. the total value of the Wage Subsidy for the Employment Position, together with any concurrent state or territory government wage subsidy, will not exceed 100 per cent of the relevant Participant's wage;
 - d. the Employment of the relevant Participant has not, does not, and will not displace an existing employee;

- e. the Employment Position is a sustainable and ongoing position that is not intended to end when Wage Subsidy payments cease, and in respect of which the Employer knows of no reasons why the Employment Position will not continue indefinitely;
 - f. the Employment Position is one that complies with minimum wage rates prescribed for the Employment under relevant Commonwealth, State or Territory law (including any award conditions which may be applicable to the Employment Position);
 - g. the Employment Position is not commission-based, self-employment or a subcontracted position; and
 - h. if it is a labour hire or group training organisation, it will disclose to the relevant host organisation that it is receiving a Wage Subsidy for the placement of the Participant with the host organisation.
3. For each Employment Position, the Employer must employ the relevant Participant for an average of at least 20 hours per week for the duration of the Wage Subsidy Agreement Term as set out in the relevant Schedule.
 4. The Provider and the Employer must, as soon as possible, bring to the attention of the other party any difficulties the relevant Participant may have in the relevant Employment Position, and work towards supporting the Participant to continue in the Employment Position.
 5. Where a Participant's employment ends prior to the Wage Subsidy End Date, the Employer must immediately notify the Provider of this and issue a separation certificate to the Participant, and the Wage Subsidy Agreement for that particular Employment Position and Participant is terminated.

Payment:

6. If the Employer complies with the Wage Subsidy Agreement, the Provider will pay the Wage Subsidy to the Employer in accordance with the relevant Schedule.
7. If the Provider requests, the Employer must provide to the Provider all payslips/payroll summaries or any other evidence that the Provider deems necessary (Documentary Evidence) relating to the Employment of a particular Participant during the relevant Wage Subsidy Agreement Term.
8. Except for any kickstart payment, the Provider will pay the flexible Wage Subsidy payment/s in accordance with the Wage Subsidy Period/s specified in the relevant Schedule after the Employer has provided Documentary Evidence of the relevant Participant's Employment over the relevant Wage Subsidy Period.
9. Where the Provider is satisfied that the Participant is likely to work an average of at least 20 hours per week over the duration of the Wage Subsidy Agreement Term and agrees to pay the Employer a kickstart payment, it will do so in accordance with the relevant Schedule.
10. The requirements set out in clauses 2c and 3 of this Head Agreement do not apply to the kickstart payment of the Wage Subsidy.
11. The Provider may withhold all or part of a Wage Subsidy payment if the Employer does not fulfil its obligations under this Head Agreement, or otherwise brings the use of Wage Subsidies or the Commonwealth into disrepute.
12. Where a Wage Subsidy Agreement terminates prior to the Wage Subsidy End Date (as specified in the relevant Schedule), any outstanding Wage Subsidy payments owed to the Employer for that Participant will be paid on a pro-rata basis for the period that Participant was employed on the condition that the Participant worked an average of at least 20 hours per week over that period.

Compliance and Remedies:

13. Where the Provider or the Department of Employment ('the Department') determines that the Employer has not met the terms and conditions of the Wage Subsidy Agreement or has engaged in any fraudulent practice in relation to Wage Subsidies, the Provider may take action, including, but not limited to:
 - a. recovery of any Wage Subsidy payments made to the Employer;
 - b. disqualifying the Employer from receiving future Wage Subsidy payments; and/or
 - c. in the case of fraudulent practice, referring the matter for criminal prosecution.

Assignment and Novation:

14. The Employer must not assign any of its rights under the Wage Subsidy Agreement or enter into an arrangement that will require the novation of the Wage Subsidy Agreement, without the Provider's prior written approval.
15. The Provider may assign, transfer, novate, and otherwise deal in any manner with, all or any part of the benefit of the Wage Subsidy Agreement and any of its rights, remedies, powers, duties and obligations under the Wage Subsidy Agreement to any person including the Department, without the consent of the Employer.

Privacy Statement:

Your personal information in relation to this Wage Subsidy Agreement is collected by the Department for the purposes of administering Wage Subsidies, including to monitor compliance or to promote the program, and may be shared between the Department and its Providers for these purposes. Your personal information will not be used for any other purpose, unless you agree or it is otherwise permitted by law. If you do not provide some or all of your personal information, the Department may not be able to administer the appropriate Wage Subsidy.

The Department's APP Privacy Policy is available at employment.gov.au/privacy and contains more information about the way the Department manages personal information, including your rights to access and correct your information as well as information on how you can complain about a breach of the Australian Privacy Principles.

Freedom of Information:

Documents in the possession of the Department and its contracted service providers are subject to disclosure in response to a request made under the *Freedom of Information Act 1982* (FOI Act). There are a number of exceptions to release and, where appropriate, the Department will consult with affected individuals or organisations prior to making a decision on access to documents.

Declaration and execution of Head Agreement by the Provider:

By signing the below, I declare that:

- I am duly authorised by the Provider to sign this declaration and Head Agreement;
- I agree to all the terms and conditions specified in this Head Agreement;
- the details provided in this Head Agreement are true and correct;
- I am satisfied that the Employer meets the requirements as set out in the relevant Deed and Guidelines; and
- before attaching a Schedule to this Head Agreement, I will ensure that the Employer agrees with the terms of the Schedule and the Participants and Employment Positions (as detailed in the Schedules) meet the requirements as set out in the relevant Deed and Guidelines.

Signature:	
Date:	
Name:	
Position:	

Declaration and execution of Head Agreement by the Employer:

By signing the below, I declare that:

- I am duly authorised by the Employer to sign this declaration and Head Agreement;
- the details provided in this Head Agreement are true and correct; and
- I agree to all the terms and conditions specified in this Head Agreement.

Signature:	
Date:	
Name:	
Position:	



Agreement ID:

Schedule ID:

Schedule to Wage Subsidy Head Agreement (SAMPLE ONLY)

Congratulations on joining thousands of other businesses across Australia by accessing an Australian Government Wage Subsidy. By hiring an eligible job seeker, you’re giving your business a boost, and contributing to the local economy.

To claim your Wage Subsidy you need to employ [Participant Name] in an ongoing role for an average of at least 20 hours per week over six months. The general terms and conditions are included in the Head Agreement. If you have any questions, please contact me at the details below.

Wage Subsidy Details	
Participant Name:	
Total Wage Subsidy Amount:	
Kickstart Payment Amount:	
Wage Subsidy Period/s	
Kickstart Payment Date:	
Flexible Payment/s:	
Milestone Payments:	
Wage Subsidy Agreement Term	
Wage Subsidy Start Date:	
Wage Subsidy End Date:	
Employment Position Details	
Vacancy ID:	
Job Title/Description:	
Provider Contact Details	
Name:	
Phone Number:	
Email Address:	
Employer Contact Details	
Name:	
Phone Number:	
Email Address:	

All capitalised terms in this Guideline have the same meaning as in the jobactive Deed 2015–2020 (the Deed).

This Guideline is not a stand-alone document and does not contain the entirety of Employment Services Providers' obligations. It must be read in conjunction with the Deed and any relevant Guidelines or reference material issued by Department of Employment under or in connection with the Deed.