

1. BACKGROUND

- 1.1 On 4 May 2020, Cabinet approved a \$350 million funding package for immediate worker redeployment of which an allocation of up to \$40 million was approved to establish the Regional Apprenticeship Initiative (“**RAI**”) providing funding to subsidise up to 1,000 apprenticeships in businesses in the regions (up to \$40,000 per apprentice).
- 1.2 On 11 September 2020, the Funder, the Economic and Development Agency for Timaru District, was appointed the third-party administrator of RAI for the Mid & South Canterbury and North Otago Area by the Ministry of Business, Innovation and Employment (“**MBIE**”).
- 1.3 The Funder has agreed with MBIE to provide for up to 100 apprentices in a range of sectors with priority given to the construction, primary, manufacturing, engineering, and wood processing industries.

2. AGREEMENT

- 2.1 The Funder will facilitate financial assistance for each apprentice and its Employer for 2 years from the date when the respective apprentice starts apprenticeship. The Funder will also facilitate professional advice, pastoral care and training to support the Employer and its apprentice/s to be successful in sustaining the apprenticeship.
- 2.2 The Employer will employ and train apprentices towards their apprenticeship and qualification and will provide pastoral care and any other support required for apprentice to successfully complete the apprenticeship.
- 2.3 The Employer may receive support and Funding under this Agreement for up to apprentices.
- 2.4 Priority will be given to the following apprentices:
 - people who have lost work due to COVID-19;
 - Māori and Pasifika, including existing employees who want to transition into an apprenticeship;
 - people who have undertaken pre-trades training and have been unable to progress into an apprenticeship; and
 - other vulnerable workers who would benefit from undertaking an apprenticeship.

3. ELIGIBILITY

- 3.1 The apprentice:
 - (a) must be employed within either of the construction, primary, manufacturing and engineering, or wood processing sectors, having commenced their apprenticeship on or after 1st July 2020; and
 - (b) must be enrolled, and participating, in the New Zealand Apprenticeship scheme or other Level Four industry training qualification similar to an apprenticeship with a minimum 120 credits and being one of the RAI eligible courses as detailed in Schedule C.
- 3.2 RAI does not cover:
 - (a) pre-trades training;
 - (b) Level Two and Three qualifications;
 - (c) Level Four qualifications that are not on the approved list of RAI Eligible Courses outlined in Schedule C or equivalent to an apprenticeship, i.e., less than 120 credits.
 - (d) existing apprentices that have commenced their apprenticeship before 1st July 2020;
 - (e) employers based in Auckland, Wellington, or Christchurch; and/or

- (f) apprentices employed under Group Training Schemes being existing industry-based training programmes which employ apprentices and trainees and then provide related services to host employers.

4. PURPOSE OF FUNDING

Funding of up to \$37,375 per apprentice is available to the Employer, subject to the terms and conditions of this Agreement and all RAI eligibility criteria being met both on application and during the term of this Agreement (“**Funding**”). Details of this Funding are outlined in clause 6.2(b) and Schedule B.

5. APPLICATION PROCESS

5.1 The Employer will complete the RAI online application form which outlines required details of the Employer and Apprentice.

5.2 As part of the application process the Employer will also scan and provide the following:

- (a) Confirmation of the apprentice’s employment;
- (b) Signed copy of the apprentice’s Training Agreement;
- (c) Copy of the Apprentices Identification – passport, drivers licence or birth certificate;
- (d) Signed copy of the Apprentice Engagement form – duly completed by the apprentice;
- (e) Signed copy of this Apprenticeship Support Agreement; and
- (f) Confirmation of the Employers Business Bank account – bank statement, deposit slip of stamped bank confirmation.

5.3 Throughout the duration of this Agreement and for at least 7 years after termination or expiry of this Agreement the Employer will retain physical copies of the:

- (a) Signed copy of the apprentice’s Training Agreement;
- (b) Signed copy of the Apprentice Engagement form – duly completed by the apprentice; and
- (c) Signed copy of this Apprenticeship Support Agreement.

5.4 The application process must be completed in its entirety to the full satisfaction of the Funder before any Funding payments are made to the Employer.

6. EXPECTATIONS AND OBLIGATIONS

6.1 In addition to the above and for the purposes of this Agreement:

The **EMPLOYER** will:

- (a) recruit, continuously employ and develop the apprentice utilising the wider networks of the Funder and local recruitment agencies and other agencies in support as needed from time to time;
- (b) identify their new apprentices’ need for pastoral care and further training opportunities.
- (c) ensure the apprentices pastoral care and training needs are progressed within 3 days of the need for it being identified and the Funder is engaged with or notified;
- (d) ensure the apprentice is employed for a minimum of 30 hours per week (or such other hours as agreed in writing by the Funder) for 52 weeks per year, at no less than the training minimum wage, until the apprentice has obtained their relevant qualification;

- (e) will pay the Apprentice the difference between the wage subsidy described in this Agreement and the salary or wage payable under the apprentice's employment contract;
- (f) be responsible for paying GST, ACC levies, PAYE and Holiday pay, and any other employment related expenses in respect of the apprentice e.g. purchasing accident insurance;
- (g) have in place and maintain for the duration of apprenticeship:
 - i. safe working conditions (in accordance with any relevant legislation, including the requirements of Worksafe New Zealand); and
 - ii. appropriate Childrens Act 2014 policies and procedures in the event they are providing "Childrens Services";
- (h) retain ownership of any equipment/tools purchased by the Employer for the apprentice using the Funding provided by the Funder, until the Apprentice completes their apprenticeship;
- (i) have accountability for apprentices and meet all relevant consent/authorisation requirements, as required for the apprenticeships to be undertaken;
- (j) only use the Funding lawfully, responsibly and for the purposes for which the Funding is provided;
- (k) provide as requested, by the Funder, any invoices relevant to payments being made by the Funder to the Employer including for reimbursement of costs for tools and equipment required by the apprentice – paid for by the Employer;
- (l) provide any other information, as reasonably requested by the Funder relating to their ongoing administrative and reporting requirements associated with RAI and the Funding provided to the Employer for their apprentice/s;
- (m) immediately advise the Funder of any change in the apprentice's employment status or apprenticeship course participation;
- (n) in the event of the apprentice leaving or withdrawing from their apprenticeship, refund in full to the Funder any and all unspent Funding as well as any Funding used for the procurement of equipment/tools for the apprentice/s;
- (o) agree to provide access to their records and premises to the Funder and MBIE, where reasonably requested, for performance review and audit purposes, and to enable the Funder to meet their reporting requirements to MBIE;
- (p) not charge the apprentice for any of the services/activities that are funded by the Funder;
- (q) not be accessing a wage subsidy or other similar apprenticeship support, from any other source, for the apprentice; and
- (r) refund to the Funder any Funding that has been misused or misappropriated by the Employer.

6.2 The **FUNDER** will:

- (a) not apply any Funding in respect of an apprentice where funds, support or subsidies have been provided from any other source (including the Ministry of Social Development, TEC and from MBIE in respect of any other programme) to the Employer for the employment or training of the same apprentice for the same period of employment or training;
- (b) will apply the approved Funding per apprentice in line with Schedule B as follows:
 - i. approved wage subsidy payments to be paid quarterly on mutually agreed dates to the Employers advised business bank account. These wage subsidy payments are limited to up to \$16,000 over year one of the apprentice's apprenticeship and \$8,000 over year two of the apprentice's apprenticeship, with quarterly payments being aligned to the date the apprentice commences their apprenticeship training;
 - ii. approved gear, equipment, and tools, purchased by the Employer for the Apprentice, to be reimbursed to the Employers advised business bank account within 14 days of the Employer submitting their invoice to the Funder. Costs for approved gear, equipment and tools are limited to up to \$2,000 per apprentice. This invoice must be accompanied by associated receipts evidencing initial purchase of said gear, equipment, and tools by the Employer; and
 - iii. approved pastoral care payments to be paid within 14 days of an approved invoice being submitted to the Funder by the provider of said pastoral care. Pastoral care payments are limited to up to \$11,375 per apprentice;
- (c) maintain regular contact with the Employer throughout the term of this Agreement to obtain information and updates;
- (d) provide appropriate information and documentation to MBIE as may be required of the Funder from time to time as part of the administration of RAI and for audit purposes. MBIE may in turn contact other organisations such as TEC, TEC funded training providers, MSD, and others; and
- (e) provide a copy of this Agreement to MBIE as and when requested.

6.3 The Funder may make appropriate deductions to any subsequent payment to the Employer for an apprentice if this apprentice is paid for less than 30 hours per week for 52 weeks, other than for reasons of illness or accident.

7. **PRIVACY ACT**

The Employer agrees to comply with the Privacy Act 1993 and to ensure that all its board, management, employees, and subcontractors do the same. This includes not using or disclosing any of the apprentices' personal information except as permitted by law.

8. TERM & TERMINATION

- 8.0 The Commencement Date is the date that this Agreement has been signed by both parties.
- 8.1 The Completion Date of this Agreement is the date that is one month following the date on which the Employer has received the final payment relating to the last apprentice under this Agreement.
- 8.2 The Funder may terminate this Agreement at any time by giving at least 10 Business Days' notice to the Employer if the Employer:
- (a) is in breach of any of its obligations under this Agreement and that breach is not capable of being remedied;
 - (b) fails to remedy any breach of its obligations under this Agreement within 5 Business Days of receipt of notice on the breach from the Funder;
 - (c) does or omits to do something, or any matter that comes to the Funder's attention, which in the Funder's opinion may cause damage to the business or reputation of the Funder or MBIE with whom the Funder is contracted;
 - (d) has given or gives any information to the Funder which is misleading or inaccurate in any material respect; or
 - (e) becomes insolvent, bankrupt, or subject to any form of insolvency action or administration.
- 8.3 Termination of this Agreement is without prejudice to the rights and obligations of the parties accrued up to and including the date of termination.

9. GENERAL

- 9.1 The Parties will attempt to resolve any dispute that may arise under or in connection with this Agreement amicably and in good faith.
- 9.2 The Employer must not assign, delegate, subcontract or transfer any or all of its rights and obligations under this Agreement.
- 9.3 This Agreement may only be varied by agreement in writing signed by the parties.
- 9.4 This Agreement will be governed by and construed in accordance with the laws of New Zealand.

SCHEDULE A – APPRENTICE/S EMPLOYED

No	Name	Date of Birth
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		

SCHEDULE B - RAI ELIGIBLE FUNDING

	Activities	Approved	Not approved
1	Wage subsidies	<p>Wage subsidies to the Employer specifically for the Apprentice for whom the Funding applies.</p> <p>Up to a maximum of \$16,000 in the first year and up to a maximum of \$8,000 in the second year.</p>	<ul style="list-style-type: none"> • Pre-trades training • NZQA Level 2 and 3 qualifications • NZQA Level 4 qualifications that are not equivalent to an apprenticeship, i.e., less than 120 credits • Existing apprentices, except those that have commenced their apprenticeship after 1st July 2020 • Apprentices on work visas (those on resident visas are approved) • Any Project based in Auckland, Wellington, and Christchurch • apprentices employed under a Group Training Scheme (defined as an existing industry-based training programmes which employ apprentices and trainees and then provide related services to host employers)
2	Pastoral care	<p>This includes ongoing support for the Employer and/or Apprentice to ensure the apprenticeship is maintained, such as, but not limited to:</p> <ul style="list-style-type: none"> • helping the Apprentice get access to the support they need, such as counselling, addiction services, getting their driver licence, literacy and numeracy and financial literacy • working with family members of Apprentices or other social services or networks to support the Apprentice • subsidise the salary of an existing staff of the Employer providing one-on-one mentoring to the Apprentice • paying a professional provider to provide pastoral support 	<p>Does not include funding for movie tickets, concerts, or other social activities.</p>
3	Business support	<p>This includes any professional advice or training, including workshops or seminars, which support the Employer to train and develop the Apprentice, such as, but not limited to:</p> <ul style="list-style-type: none"> • Management courses where they will support the management of the Apprentice • HR training where it relates to staff relationship management • training for the Employer that supports them to learn new skills that are more efficient that can then be taught to the Apprentice 	<p>Business support does not include workshops that relate to parts of the business that do not relate to the development of the apprentice or related staff, e.g., marketing or finance.</p>

	Activities	Approved	Not approved
		<ul style="list-style-type: none"> • anger management (if required) where this is affecting the relationship with the Apprentice 	
4	Equipment / tools	<ul style="list-style-type: none"> • Any tools required to undertake the job that will support the apprentice to work, e.g., nail gun, hard boots, hard hat • Equipment/tools are owned by the Employer until the Apprentice completes their apprenticeship 	<p>Does not include any equipment not directly related to the industry or task of the Apprentice.</p> <p>Does not include any phones, tablets, headphones, or other electronic equipment.</p> <p>If the Apprentice leaves or withdraws from their apprenticeship, the Provider must refund any Funding used for the procurement of equipment/tools to the Ministry.</p>
5	Administration	<ul style="list-style-type: none"> • A proportion of the funding is to be retained by Venture Timaru to meet ongoing administrative, promotional, and reporting costs associated with the initiative. 	
6	Upskilling of other employees	<ul style="list-style-type: none"> • Includes any training for the Employer's employees to upskill to, for example, a supervisory role so that they can support any new Apprentices 	
7	Other	<p>This includes the resolution of barriers which would otherwise prevent the Apprentice from finishing the apprenticeships. For example:</p> <ul style="list-style-type: none"> • Fees to upgrade the Apprentice's drivers licence from Class 1 to Class 2, where this was necessary for their work • Site Safe 	<p>Does not include any activity which is not relevant to the apprenticeship or which has already been completed by the Apprentices (e.g. cannot apply Funding to driver licence training for a full licence if the Apprentice already has a full licence).</p>

SCHEDULE C – RAI ELIGIBLE COURSES

Primary

New Zealand (NZ) qualifications

- NZ2212 - New Zealand Certificate in Agriculture (Level 4)
- NZ2224 - New Zealand Certificate in Apiculture (Level 4)
- NZ2225 - New Zealand Certificate in Apiculture (Queen Bee Rearing) (Level 4)
- NZ2327 - New Zealand Certificate in Forest Harvesting Operations (Level 4)
- NZ2674 - New Zealand Certificate in Horticulture Services (Level 4)
- NZ2676 - New Zealand Certificate in Horticulture Production (Level 4)
- NZ2681 - New Zealand Certificate in Organic Primary Production (Level 4) (Crop Production, Livestock Production)
- NZ2685 - New Zealand Certificate in Sustainable Primary Production (Level 4)
- NZ2723 - New Zealand Certificate in Cellar Operations (Level 4)
- NZ3134 - New Zealand Certificate in Aquaculture (Level 4) with strands in Fish and Shellfish

Other national qualifications

The following national qualifications are also included. However, some of these qualifications may soon be replaced with "NZ" qualifications (from the list above). Please refer to your local tertiary education provider.

- NC1015 - National Certificate in Horticulture (Advanced) (Level 4)

Other qualifications that are eligible for the funding

The following are qualifications offered by individual tertiary education providers. (These qualifications are subject to the same quality assurance regime as the national qualifications).

- LI3035 - Certificate in Wool Technology (Level 4)
- TF0746 - Telford Certificate in Dairy Knowledge (Level 4)
- TF0942 - Telford Certificate in Feed Management Knowledge (Level 4)

Construction

New Zealand (NZ) qualifications

- NZ2343 - New Zealand Certificate in Joinery (Level 4)
- NZ2381 - New Zealand Certificate in Construction Related Trades (Supervisor) (Level 4)
- NZ2661 - New Zealand Certificate in Drainlaying (Level 4)
- NZ2662 - New Zealand Certificate in Gasfitting (Level 4)

- NZ2663 - New Zealand Certificate in Plumbing (Level 4)
- NZ2737 - New Zealand Certificate in Stonemasonry (Level 4)
- NZ2738 - New Zealand Certificate in Carpentry (Level 4)
- NZ3568 - New Zealand Certificate in Painting and Decorating (Level 4)
- NZ2688 - New Zealand Certificate in Infrastructure Works (Civil) (Level 4) with strands in Earthworks, Road Construction, and Road Maintenance
- NZ3710 - New Zealand Certificate in Scaffolding (Trade) (Level 4)
- NZ3061 - New Zealand Certificate in Interior Linings Installation (Level 4)
- NZ3137 - New Zealand Certificate in Trowel Trades Proprietary Plaster Cladding Systems (Level 4)
- NZ3062 - New Zealand Certificate in Fibrous Plaster Manufacture (Level 4)

Other national qualifications

The following national qualifications are also included. However, some of these qualifications may soon be replaced with "NZ" qualifications (from the list above). Please refer to your local tertiary education provider.

- NC0016 - National Certificate in Carpentry (Level 4)
- NC5224 - National Certificate in Carpentry (Level 4)
- NC1195 - National Certificate in Electrical Engineering (Electrician for Registration) (Level 4)
- NC0756 - National Certificate in Flooring: Resin Flooring Application and other strands (Level 4)

Manufacturing and Mechanical Engineering

New Zealand (NZ) qualifications

- NZ2252 - New Zealand Certificate in Industrial Measurement and Control (Theory) (Level 4)
- NZ2366 - New Zealand Certificate in Refrigeration and Air Conditioning (Trade) (Level 4)
- NZ2714 - New Zealand Certificate in Mechanical Engineering (Trade) (Level 4)
- NZ2719 - New Zealand Certificate in Engineering Fabrication (Trade) (Level 4)

Other national qualifications

The following national qualifications are also included. However, some of these qualifications may soon be replaced with "NZ" qualifications (from the list above). Please refer to your local tertiary education provider.

- NC1262 - National Certificate in Mechanical Engineering (Level 4)
- NC5327 - National Certificate in Engineering (Fabrication) (Level 4)