

Profit From Apprenticeship



The Apprenticeship Network is a group of like-minded individuals and groups working collaboratively to promote apprenticeship as a first-choice career option and to provide accurate apprenticeship information to employers, youth and job seekers in the cities, towns and counties of Elgin, Middlesex and Oxford.

www.enapprenticeshipnetwork.com

PROFIT FROM APPRENTICESHIP

**EMPLOYERS
EMPLOYEES
YOUR COMMUNITY**

**Bottom Line,
Everyone Profits From
Apprenticeship!**



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This publication is a collaboration of the members of The Apprenticeship Network.

Photos of regional businesses taken by:
John Sing of Fanshawe College

Value

Apprenticeship is an essential training component which lays the groundwork for a successful long term career in the trades and at the same time, trains the next generation of skilled workers to meet the high standards required by industry.

Higher skilled workers are not only a precondition to your business's productivity but also needed to meet the anticipated challenges of the future. A competent labour force increases product quality, competitiveness, customer satisfaction, and profit margin.

Bottom Line Benefits of Apprenticeship Training

Have you thought about bringing on a new apprentice but were concerned about the cost of apprenticeship training in terms of time, wages, and productivity for your business? In 2009 the Canadian Apprenticeship Forum released findings from a study of the cost-benefit analysis of apprenticeship training in 15 trade areas. Here is a summary of their findings:

- The net benefit of apprenticeship training increases each year over the course of the apprenticeship period;
- The revenue generated by an apprentice increases throughout the apprenticeship;
- The majority of employers believe a "homegrown" journey person who they trained as an apprentice is more productive. Employers estimated that a "homegrown" journey person is 29% more productive.

The bottom line is that a cost-benefit analysis shows that the benefits of apprenticeship training exceed the cost in each of the 15 trade areas examined.

***On average, for each \$1 invested in an apprentice, a benefit of \$1.47 accrues to employers for a net return of \$0.47.**

Now there's bottom line results!

Incentive to Hire

APPRENTICESHIP TRAINING TAX CREDIT

As part of building a solid foundation to support a new generation of economic growth, the Government provides an Apprenticeship Training Tax Credit (ATTC) to promote and encourage the hiring of apprentices in certain skilled trades.

What is it?

- A tax credit for corporations and/or unincorporated businesses that employ apprentices in certain skilled trades during the first 36 months of an apprenticeship program

Who is eligible?

- Businesses with permanent locations in Ontario
- Those subject to Ontario Income Tax
- Those having eligible expenditures in training apprentices in designated skilled trades

What's in it for me?

- Eligible tax credit to a maximum of \$5,000 per qualifying apprentice, per tax year to a maximum of \$15,000 over the first 36 months

APPRENTICESHIP JOB CREATION TAX CREDIT (federal)

What is it?

- A non refundable tax credit equal to 10% of the eligible salaries and wages payable to eligible Red Seal Trade apprentices employed after May 1, 2006, up to a maximum of \$2,000 per year

Who is eligible?

- Any business that hires an eligible apprentice
- An eligible apprentice is someone working in a Red Seal Trade in the first 2 years of their apprenticeship contract
- Contract must be registered with a federal, provincial or territorial government under an apprenticeship program designed to certify or license individuals in the trade

Wage Incentives

EMPLOYER (APPRENTICESHIP) SIGNING BONUS

What is it?

- a bonus for employers who register an apprentice as part of their participation in Employment Ontario Programs offered through local Employment Ontario Service Providers

Who is eligible?

- must be licensed to operate and be able to provide employment in Ontario
- registered with a local Employment Ontario Service Provider
- commits to a relevant apprenticeship training plan for the participant, as part of a Training Incentive Placement Agreement
- has Third Party Liability and WSIB (or equivalent insurance)

What's in it for me?

- employers may be eligible for a \$2,000 signing bonus payable in two payments as well as up to a \$6,000 training incentive

CONTACT YOUR LOCAL EMPLOYMENT ONTARIO SERVICE PROVIDER. FOR A LIST OF THE EMPLOYMENT ONTARIO SERVICE PROVIDERS IN YOUR AREA GO TO: WWW.THEAPPRENTICESHIPNETWORK.COM



CETC

The Co-operative Education Tax Credit (CETC)

What is it?

- A refundable provincial tax credit for businesses hiring students enrolled in a recognized post-secondary co-operative education program (non-apprenticeable course)
- Ontario Ministry of Revenue administers the program for employers operating incorporated businesses
- Unincorporated businesses are administered by the Canada Revenue Agency through the federal income tax system

Who is eligible?

- Incorporated and unincorporated businesses having a permanent establishment in Ontario
- Businesses subject to Ontario Income Tax
- Businesses who incur eligible expenditures associated with hiring co-op students enrolled in an Ontario university or college

What's in it for me?

- Businesses will be credited up to \$3,000 for a minimum employment period of 10 weeks up to a maximum of four months

How to apply?

- Corporations may claim the tax credit on Schedule T2SCH550 and file it with their T2 corporation income tax return
- Unincorporated businesses may claim the credit on Form ON479 included in personal tax returns

OYAP

Ontario Youth Apprenticeship Program (OYAP)

The Ontario Youth Apprenticeship Program (OYAP) opens the door to apprenticeship for students who are in their senior years and at least 16 years old. It enables students to work towards a career in a skilled trade as a registered apprentice, earning high school credits towards completion of their Ontario Secondary School Diploma (OSSD).

OYAP helps young people obtain placements in over 150 skilled trades that can be learned through apprenticeship training. Students are registered as apprentices and begin their formal apprenticeship training while they are still in secondary school. With both a diploma and the skills to get the job done, OSSD graduates are ideal candidates to continue the journey to the trades through apprenticeship. This mode of training also provides the employer with the opportunity to measure the “fit” of the apprentice to their business needs, work environment and future direction.

All OYAP students are exempt from apprentice to journeyman ratio while working in their high-school placement. Students who sign a Registered Training Agreement with their employer must also apply to become members of the Ontario College of Trades, however the yearly fee is waived while they are in OYAP. Employers are not obligated to hire or continue training OYAP students after their placement period ends. Find additional information at: www.oyap.com



Employment Ontario



The Employment Ontario program offers employers training incentives to provide on the job skill development. Job Seekers who are out of school/training and are unemployed/underemployed may be eligible. Services provided to employers include screening of prospective employees, developing training plans, monitoring employees on placement to support their success, and free job posting services.

A component of the Employment Ontario program is the Summer Jobs Service which provides employers with a hiring incentive to hire students aged 15 to 30 years, who are planning to return to school in the fall.

Contact your local Employment Ontario service provider. For a list of Employment Ontario service providers in your area go to: www.TheApprenticeshipNetwork.com.

Employment Ontario

APPRENTICESHIP SCHOLARSHIP

The Ontario Ministry of Training, Colleges and Universities will provide scholarships of \$1,000 to individuals who have left school, then return to complete a level of education that is required for the apprenticeable trade they are entering. The Apprenticeship Scholarship is paid in installments, 50% when proof of enrollment in upgrading is provided and 50% upon proof of apprenticeship registration.

EMPLOYER COMPLETION BONUS

Employers are eligible for a \$1000 bonus when an apprentice in their employ and registered under their sponsorship, has received their Certificate of Apprenticeship (CofA) and Certificate of Qualification (CofQ) where applicable.



Ontario College of Trades (OCOT)

The Ontario College of Trades (OCOT) is an industry-driven professional regulatory body that protects the public by regulating and promoting the skilled trades. OCOT ensures that individuals performing the skills of compulsory trades have the training and skills needed to legally practise this trade in Ontario. All apprentices in Ontario must become a member of OCOT.

Consult OCOT's comprehensive website for further information at: www.CollegeofTrades.ca.



The Apprenticeship Network

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For more information on how to find an apprentice, additional resources, a list of local Employment Ontario Service Providers and community partners visit: www.TheApprenticeshipNetwork.com





Employment Ontario Service Providers:

Career and Employment Services St. Thomas/Elgin
Community Employment Choices - Strathroy (Middlesex)
Community Employment Services - Fanshawe (London)
Community Employment Services - Woodstock (Oxford)
Employment Services Elgin - St Thomas (Elgin)
Goodwill Industries - Career Services - London
London Employment Help Centre - London
London Training Centre - London
Multi Service Centre - Tillsonburg (Oxford)
Nokee Kwe - London
Youth Opportunities Unlimited - London

Education:

Collège Boréal
Fanshawe College
London District Catholic School Board
Thames Valley District School Board

Other:

ATN Access Inc.
Elgin Middlesex Oxford Workforce Planning and Development Board
Hutton House
Literacy Link South Central
Ministry of Training Colleges and Universities

