

Achievement Incentive Program Guidelines 2023-24

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1. Program Objectives

The Ministry of Labour, Immigration, Training and Skills Development's (MLITSD's) Achievement Incentive (AI) program supports employers, including those in group sponsor arrangements, by providing a financial incentive when apprentices meet specific training and certification milestones. The program aims to address the anticipated labour gaps and barriers faced by both sponsors and apprentices by:

- Helping sponsors address skills shortages, increase apprenticeship training progression and completion, and offset hiring, on-boarding, and training costs.
- Increasing the number of apprentice registrations, including those from underrepresented and equity-deserving groups.
- Providing a financial incentive to facilitate apprenticeship progression and increase certification rates.
- Addressing employment-related apprenticeship training barriers such as lay-offs and the scarcity of trainers/journeypersons in trades subject to ratios.

2. Program Design and Application

Milestone payments will be provided to employers for apprentice trade progression and completion. Enhanced milestone payments, including a registration milestone payment, will be provided to employers that sponsor new youth apprentices (under the age of 25) and those from underrepresented or equity-deserving groups (female, transgender, Francophone, Indigenous, newcomer, person with a disability and/or racialized) (see Table 1 for further details). Eligible sponsors will be provided with an email notification from the ministry when apprentices meet Al program milestones prior to being issued payment.

Through an initial AI email notification, eligible sponsors identified in the EOIS-APPR system will be provided with a web-link to complete and submit an electronic application through a secure domain. This will be a one-time application where eligible sponsors will provide their trade, business and banking information once. In exceptional circumstances, a paper application can be made available through the <u>local apprenticeship</u> office.

Effective July 15, 2023, there is no deadline to apply for the AI program. Eligible sponsors applying for AI for the first time will receive retroactive milestone payments for

milestones achieved during the 365 days preceding the application. The AI program will be delivered through MLITSD's Employment and Training Division (ETD).

3. Milestone Payments

The AI program offers **up to \$17,000 to eligible sponsors** for each new/existing apprentice at the following training milestones:

Registration Milestone:

- A \$1,000 registration payment for each new youth apprentice; and/or
- A \$1,000 registration payment for each new apprentice that self-identifies as being part of an underrepresented or equity-deserving group (for a maximum of \$2,000, where the apprentice meets both criteria).

In-Class Training Milestone:

- A \$1,000 milestone payment for each level of in-class training successfully completed by the apprentice, which includes those who are exempt as part of the ministry's Prior Learning and Assessment Recognition (PLAR) policy.
 - An additional \$1,000 payment per level for each youth apprentice; and/or
 - An additional \$1,000 payment per level for each apprentice that selfidentifies as being part of an under-represented or equity-deserving group (for a maximum of \$3,000 per level, where the apprentice meets both criteria).

Certification Milestone:

- A \$1,000 payment once the apprentice obtains the highest attainable certification in their respective trade (i.e., Certificate of Apprenticeship (CofA) and, where applicable, Certificate of Qualification (CofQ)).
 - An additional \$1,000 payment for each youth apprentice; and/or
 - An additional \$1,000 payment for each apprentice that self-identifies as being part of an underrepresented or equity-deserving group (for a maximum of \$3,000, where the apprentice meets both criteria).

Table 1 below includes detailed information on AI milestone payments and mandatory minimum apprentice registration periods, which begin from the initial registration date in the trade as indicated in the RTA.

Table 1: Al Milestone Payments

Al Milestone	Incentive Amount (Base)	Additional Incentive Amount for Employers of Youth Apprentices*	Additional Incentive Amount for Employers of Under- Represented or Equity-Deserving Apprentices*	Mandatory Minimum Apprentice Registration Period
Registration payment	N/A	\$1,000	\$1,000	45 Days
Level 1 In-Class Training	\$1,000	\$1,000	\$1,000	12 Months
Level 2 In-Class Training	\$1,000	\$1,000	\$1,000	18 Months
Level 3 In-Class Training	\$1,000	\$1,000	\$1,000	24 Months
Level 4 In-Class Training	\$1,000	\$1,000	\$1,000	30 Months
Highest Attainable Trade Certification (CofA or where applicable, CofQ)	\$1,000	\$1,000	\$1,000	Not Applicable

*Employers who hire and train a new youth apprentice who also self-identifies as being from an underrepresented or equity-deserving group will qualify for all payments for that milestone (e.g., Level 1 completion = \$3,000)

4. Eligibility

In order to qualify for the AI program, applicants must meet all of the following criteria:

- Be a corporation or unincorporated businesses that is subject to Ontario income taxes;
- Have a Federal/Ontario Business Number;
- Have an address or permanent work site in Ontario;
- Be an approved ministry sponsor for apprenticeship;
- Have registered a training agreement with an apprentice in a prescribed trade regulated under Building Opportunities in the Skilled Trades Act, 2021(BOSTA).

To be eligible for **registration payments** for youth and underrepresented or equity-deserving apprentices, ministry-approved sponsors must be the first sponsor to sign an RTA for that individual and have held an RTA with the apprentice for a minimum of 45 consecutive days.

Ontario Youth Apprenticeship Program (OYAP) placement employers, who sponsor an OYAP participant through an RTA during the program, are eligible to receive the registration milestone payment once the minimum 45-day registration period has been reached.

The following requirements must be met for all other milestone payments:

- Ministry-approved sponsors must have held an RTA with the apprentice for a minimum of 30 days;
- The RTA must have been in registered status within 30 days of the in-class training start date; and
- The apprentice must be registered in the trade program (i.e., the apprentice's initial trade program registration date) for the mandatory minimum apprentice registration period for each applicable milestone (refer to Table 1 in Section 3 for more details).

Eligible group sponsors may apply for the AI program on behalf of employers who are part of a ministry-approved group sponsor arrangement. In this circumstance:

- The ministry will issue AI milestone payments to eligible group sponsors, who will then distribute and apportion, where applicable, the funds to employer members who provided the on-the-job training within the group sponsor arrangement.
- Eligible group sponsors will be issued funding after completing the one-time application and agreeing to the terms and conditions outlined therein.
- The terms and conditions will specify group sponsor duties and accountability with respect to distributing and reporting on milestone payments.
- Group sponsors will not retain milestone payments for themselves, and any funds that are not distributed to employers will be recovered by the ministry.¹

¹ In situations where the group sponsor directly contributes to apprentice on-the-job training (e.g., cooperative employer training model), they may retain AI program funding apportioned to the training provided to the identified apprentice(s) per achievement milestone.

 The ministry does not collect information on employers who are part of a group sponsor arrangement through apprenticeship registration, only information about the group sponsor who signs the ministry RTA.

Eligible sponsors ensuring training is provided for apprentices in all <u>trades prescribed</u> <u>under BOSTA</u> may apply for milestone payments. If a trade is deprescribed post-Al program implementation, the trade will be removed from eligibility with a transition period communicated to eligible sponsors actively training apprentices in the trade.

5. Audit and Accountability

To help ensure accountability, sponsor recipients may be subject to an annual audit conducted by the ministry. This audit may include requests for proof of documentation from:

- Employer sponsors to confirm apprentice employment during the time the AI
 milestone was achieved (e.g., record of employment, apprentice
 statement/account, etc.).
- **Group and individual sponsors** to confirm payments were distributed to employers within the group or individual sponsor arrangement (e.g., work contract, bank statement, employer information, etc.).

As part of the audit process and in accordance with the AI program terms and conditions for **group sponsors**:

- All group sponsors issued milestone payments will provide the ministry with an annual accounting of how the funds were distributed, and where applicable, apportioned to group sponsor employers.
- Ministry staff will conduct inquiries with a sample of the employers listed in the accounting to verify that payments were received in accordance with the amounts reported by the group sponsor.

Recipients of AI funding will be required to comply with ministry audit requests. Failure to do so will result in measures taken by the ministry, which could include a hold-back or recovery of funding.

6. Defined Terms

The following terms are defined in the Building Opportunities in the Skilled Trades Act, 2021(BOSTA), s 1:

- "Apprentice" means an individual who, pursuant to a registered training
 agreement, is receiving or is to receive training in a trade that is required as part
 of an apprenticeship program.
- "Youth Apprentice" is a registered apprentice under the age of 25 at the time the milestone is achieved.
- "Underrepresented or Equity-Deserving Apprentice" is a registered apprentice who self-identifies as female, transgender, Francophone, Indigenous, newcomer, person with a disability and/or racialized.
- "Sponsor" under BOSTA means a person who, pursuant to a registered training
 agreement, is required to ensure that an individual is provided with the training
 required as part of an apprenticeship program.
 - Note: The sponsor need not be the direct provider of training but, as a sponsor, assumes the responsibility of ensuring that the appropriate training has been provided and completed.
- "Person" means an individual, corporation, partnership, sole proprietorship, association or any other organization or entity."
- "Registered Training Agreement (RTA)" means an agreement registered under section 15 of BOSTA under which an individual is receiving or is to receive training in a trade required as part of an apprenticeship program.

The following terms will be defined for the purposes of this document as follows:

- "employer sponsor" means an individual, corporation, partnership, sole
 proprietorship, association or any other organization or entity who employs one
 or more apprentices or contracts for the services of one or more apprentices and
 includes a contractor or subcontractor who performs work or supplies services
 and a contractor or subcontractor who undertakes with an owner, constructor,
 contractor or subcontractor to perform work or supply services.
- "group sponsor" is a sponsor comprised of two or more persons, including
 union or non-union employers, who form a group/consortium whose purpose is to
 act as a single sponsor. Persons participating in a group sponsor share
 apprenticeship management and training.
- "individual sponsor" is a sponsor who performs work for or sells services to others (e.g., individuals, companies, contractors, etc.) through a written or verbal contract for a set price, not for a wage or salary.

 "EOIS-APPR" is the Employment Ontario Information System (EOIS designed and developed to increase apprenticeship employer participation and the number of apprentice registrations and certified journey persons. The program aims to encourage apprentice training progression, completion and trade certification through milestone payments to eligible sponsors for each new/existing apprentice.) responsible for supporting the administration of apprenticeship in Ontario.