



# Federal Budget Report 2020 - 2021

## Jobs and Manufacturing

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## Jobs and manufacturing

### JobMaker hiring credit

#### Over three years from 7 October 2020

To support organisations in taking on new employees, the Government proposes to pay a hiring credit for up to 12 months for each new job. This is available from 7 October to employers who hire eligible employees age 16 to 35.

The credit will be paid quarterly in arrears at the rate of \$200 per week for those age 16 to 29, and \$100 per week for those age 30 to 35. Eligible employees are required to work a minimum of 20 hours per week and receive the JobSeeker Payment, Youth Allowance (other) or Parenting Payment for at least one month out of the three months prior to when they are hired.

To be eligible, employers will need to demonstrate an increase in overall employee headcount and payroll for each additional new position created.

### Apprenticeships wage subsidy

#### From 5 October 2020

From 5 October 2020 to 30 September 2021, businesses of any size will be able to claim a new Boosting Apprentices Wage Subsidy for new apprentices or trainees who commence during this period.

Eligible businesses will be reimbursed up to 50% of an apprentice or trainee's wages worth up to \$7,000 per quarter, capped at 100,000 places.

The wage subsidy will support school leavers and workers displaced by the Coronavirus-related downturn to secure sustainable employment.

### Modern manufacturing strategy

#### Over five years from 2020-21

The Government will provide \$1.5 billion over five years from 2020-21 to support the building of competitiveness, scale and resilience in the Australian manufacturing sector. Investment and support will focus on creating manufacturing strength and capability in six areas of comparative advantage and strategic interest. These six are: resources technology & critical minerals processing; food & beverages; medical products; recycling & clean energy; defence; and space.

#### Disclaimer and Warning

The information above is of a general nature only. It should not be used as a source to make financial decisions. It's also important to note that the legislation and figures related to this topic tend to change regularly and therefore the information above may not reflect the current status. We recommend that if you are looking for advice on this matter, you should contact us.