



## FACT SHEET

# Defence Industry Existing Worker Incentive Incentive payments

The *Defence Industry Existing Worker Incentive* (DIEWI) provides financial assistance to Western Australian businesses who provide existing workers with the opportunity to complete a traineeship in the defence industry, and who have an active training contract registered with the Department of Training and Workforce Development (the Department) on or after 1 July 2022.

### Incentive payments

**Incentive payments** are:

- associated with the employment of an individual trainee; and
- are paid at milestone payment points:
  - **commencement milestone** – payable six months after the commencement of the training contract; and
  - **completion milestone** – payable at the successful completion of the training contract.

**Milestone payment amounts** are payable to eligible employers as outlined in the table below.

Qualification and Nominal Term*	Commencement Payment **	Completion Payment	Total
22334VIC Certificate IV in Cyber Security (24 months)	\$2,125.00	\$2,125.00	\$4,250.00
MEM50212 Diploma of Engineering – Technical (24 months) (Engineering Draftsperson Traineeship only)	\$2,125.00	\$2,125.00	\$4,250.00
22460VIC Diploma of Applied Technologies (36 months) (Applied Technologies Technician Traineeship)	\$3,187.50	\$3,187.50	\$6,375.00

**Table 1: Defence Industry Existing Worker Incentive – Milestone Payments (Full Time Trainees)**

\*The full time nominal term as stated on the *Register of Class A and B qualifications*. Part time trainees will receive the same Incentive payment as full time trainees, with payments spread over a longer period.

\*\*Commencement payments are made six months after the commencement of the traineeship.

### Payment conditions

To receive incentive payments, employers must meet the following payment criteria:

- the trainee has an active training contract registered in WA;
- the trainee is undertaking training (either on or off the job) at the milestone payment point (see Table 1);
- the trainee is employed with an approved defence employer as designated by Defence West, at the milestone payment point;
- as payments are milestone based, incentive payments will only be released to employers where validation checks are met; and
- claim each milestone payment within 12 months of it falling due.

Employers of part time trainees will receive the same total incentive payment as that available for full time trainees, with payments spread over a longer period to reflect the extended nominal term.

## **Training contract changes**

Incentive payments are calculated to take account of any changes that occur during the course of the training contract. Payments may be made on a pro-rata basis to reflect these changes. Incentive information can be accessed by employers through the WAAMS online client portal.

The following training contract changes may impact on incentive payments made to employers.

- **A trainee transfers the training contract from one employer to another**  
If a trainee transfers from employer 1 to employer 2 in the course of their training contract before a milestone point is reached, and then subsequently reaches the milestone point following the transfer; both employers may be eligible to receive a pro-rata incentive payment.

Both employers need to meet eligibility requirements for the DIEWI, and to satisfy specified validation requirements as set out in the *Defence Industry Existing Worker Incentive – Terms and Conditions*.

- **There is a change of qualification/nominal duration of the training contract**  
If a trainee and employer change the nominated qualification before or after a milestone payment point; incentive payments may need to be recalculated. If the qualification a trainee is enrolled into at the milestone payment point is not an approved qualification, then no pro-rata payment will be made.
- **The training contract is suspended**  
Suspended training contracts will not attract incentive payments during the suspension period. When the suspension is lifted, the training contract will resume progression to milestone payment points.
- **The training contract is terminated or cancelled**  
If a training contract is terminated or cancelled before a milestone payment point has been reached, then no payment will be made.

If a training contract is terminated or cancelled after a milestone payment point has been reached, then the employer may be entitled to the milestone payment due as at the date of termination/cancellation, provided validation checks are successful.

## **Incentive payments to group training organisations**

Group training organisations (GTOs) may be eligible to claim the DIEWI, however they are required to pass incentive payments on to the host employer. The host employer must be an approved defence employer as designated by Defence West.

GTOs may retain a portion of the Incentive payment for any 'down time' where the apprentice moves from one approved host employer to another approved host employer. The period/s of time an apprentice is not allocated to an approved host employer and remains employed by the GTO, will be reflected on a pro-rata basis.

GTOs will not be eligible for a 'downtime' pro-rata payment where the apprentice moves from being hosted by an approved employer to a non-defence employer, or from a non-defence employer to an approved defence employer.

To enable the efficient disbursement of incentive payments, GTOs are required to maintain accurate host employer records in WAAMS. The WAAMS online portal allows GTOs to manage their incentive records, including pro-rata incentive information relating to each host employer.

## **Further information**

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