

Employment and Training (Rebates) Bill

EXPLANATORY MEMORANDUM

Clause 1 gives the purposes of the Bill which are to provide for certain rebates and exemptions relating to pay-roll tax and accident compensation levy in respect of apprentices and trainees and to make certain other provisions.

Clauses 2 and 3 contain commencement and citation provisions.

Clause 4 amends sections 17A and 17B of the Principal Act so as to, as from 1 January 1986, extend an existing scheme for rebating to employers, pay-roll tax paid by them in respect of first year apprentices. As from that date rebates on pay-roll tax paid in respect of all apprentices and registered trainees will be available.

The clause also amends section 17B (3) to make it clear that the rebate available in any year is in respect of pay-roll tax paid in respect of wages which are paid during the relevant financial year. This amendment gives clear legislative force to the way in which the existing scheme has been administered.

Clause 5 amends the Principal Act so as to, from 1 January 1986, establish a similar scheme for rebating accident compensation levy paid in respect of all apprentices and registered trainees.

Sub-clause (1) makes consequential amendments to section 17A of the Principal Act.

Sub-clause (2) establishes the basis for entitlement to and the mechanism for the rebate.

Sub-clause (3) makes consequential amendments to sections 17C, 17D, 17E and 17F of the Principal Act.

Clause 6 inserts a new Part VA into the *Industrial Training Act 1975* which gives the Industrial Training Commission power, subject to any directions of the Minister, to approve programs for the training of persons other than apprentices, requires the Registrar of that Commission to keep and maintain a register of persons participating as trainees in an approved program and inserts a consequential evidentiary provision.

Clause 7 amends section 10 (2) of the *Pay-roll Tax Act 1971*. This section provides for an exemption from Pay-roll Tax in respect of apprentices employed as part of a group apprenticeship scheme. The amendment extends this exemption as from 1 January 1986 to registered trainees who are employed as part of such a scheme.

Clause 8 makes a number of amendments to the *Accident Compensation Act 1985*.

Sub-clause (1) amends that Act so as to, from 1 January 1986, provide an exemption from accident compensation levy in respect of apprentices and registered trainees who are employed as part of group apprenticeship schemes.

Sub-clause (2) amends that Act so as to, from 1 September 1985—

exempt the employers of first-year apprentices and later year apprentices who are injured whilst at trade school and of employers of work experience students from the liability to pay to such workers the first five days of incapacity compensation and the first \$250 of medical and like expenses of every claim which is imposed by the Act.

In respect of these workers the Accident Compensation Commission will meet these components of the claims, but will recover the relevant amounts from the Consolidated Fund. Insofar as employers of apprentices are concerned this exemption will cease after 31 December 1985. (Paragraphs (a) and (b) of sub-clause (2)).

ensure that the employers of apprentices, trainees and work experience students are adequately indemnified under the Act in respect of common law actions which may be taken against them by such workers. (Paragraph (c) of sub-clause (2)).

Sub-clause (3) amends section 33 of that Act so as to empower the payment out of the Accident Compensation Fund, where authorized by the Minister, of amounts for occupational health and safety purposes.

Clause 9 complements the provisions of the Bill which retrospectively exempt the employers of first-year apprentices and later year apprentices while at trade school and the employers of work experience students from liability in respect of the first five days of incapacity and the first \$250 of medical and like expenses of claims by such workers. Where an employer has, before 1 January 1986, made a payment in discharge of that liability, the clause provides a mechanism for obtaining a refund of that payment.