

Grants, Incentives and Awards

2011-2012



Manitoba





Apprenticeship is a cost-effective choice among post-secondary training options, as the Manitoba government supports a major portion of the training costs.

Apprentices are paid as they learn on the job and the Manitoba government supports a major portion of their tuition. This often means many apprentices can complete their training with little to no debt. In some cases, employers may also choose to help apprentices with tuition fees and books, making apprenticeship an affordable choice.

Apprentice Wages

Apprentices are paid regulated apprenticeship wages based on their level or year of apprenticeship training.*

Apprenticeship wages are calculated using the provincial minimum wage rate and adding a percentage of the journeyperson rate. For example, a level 1 motor vehicle mechanic apprentice makes minimum wage plus 30 per cent, or $\$10 + 30 \text{ per cent} = \13 per hour. The apprenticeship wages increase with each level or year completed. For more information on apprenticeship wages, visit www.manitoba.ca/tce/apprent/training_wages.

* High school apprentices earn a regulated wage of minimum wage plus 10 per cent.

Financial Assistance

Financial assistance from the Manitoba government covers the majority of tuition fees for apprentices. In addition, other training support allowances are available through an application process such as allowances for child care, commuting, living away from home, travel assistance, disabilities and being able to collect employment insurance during the technical in-school portion of the training.

If you have questions about your eligibility for training support allowances, contact Employment Manitoba at 1-800-523-4732 or visit www.manitoba.ca/employment. If you have questions about Employment Insurance, call Service Canada at 1-800-206-7218 or visit www.servicecanada.gc.ca.

Grants and Incentives for Apprentices

HIGH SCHOOL APPRENTICESHIP PROGRAM (HSAP) INCENTIVE

HSAP apprentices are eligible for help to offset tuition costs for full-time, post-secondary apprenticeship training. For every 220 hours of on-the-job training obtained as a high school apprentice (up to a maximum 880 hours), a tuition exemption for one level of in-school training will be granted, up to a maximum of four levels.

APPRENTICESHIP INCENTIVE GRANT (AIG)

Apprentices who have successfully completed their first and/or second level in good standing in a Red Seal trade are eligible to apply for the AIG, which is a \$1,000 taxable grant to help apprentices continue their training. Eligibility requirements:

- Canadian citizen, permanent resident or protected person who is out of high school
- a registered apprentice with an employer, training trust fund, union training centre, joint apprenticeship training committee or apprenticeship authority
- able to show progress within an eligible apprenticeship program by proving that you have successfully completed either the first or second year/level, through supporting documents

How to apply (*Applications must be submitted to Service Canada*)

Complete and submit the AIG application form, include a copy of your apprentice pocket card and your level completion letter* provided by Apprenticeship Manitoba. Eligible candidates will receive level completion letters by mail. If you are completing the required apprenticeship level at the end of the year such as November or December, your application must be submitted prior to June of the following calendar year. If you are completing the required apprenticeship level at the outset of the year, such as January or February, your application must be submitted prior to June of the following calendar year.

* *Second level apprentices in trades of hairstylist, cook and motor vehicle body painter: Supporting documents must include an official level two completion letter and a copy of your Certificate of Qualification.*

Note: To receive a level completion letter, apprentices must complete level calendar time, hours, technical training and hold no outstanding fees.

For more information and/or to download an application form, visit www.servicecanada.gc.ca/en/goc/apprenticeship.

By phone, contact Service Canada at 1-866-742-3644 (TTY) 1-866-909-9757.

MANITOBA PUBLIC INSURANCE (MPI) APPRENTICESHIP GRANT AND TOOL ALLOWANCE

Manitoba Public Insurance provides grants to registered apprentices in the motor vehicle body repairer program and the motor vehicle body painter program.

\$2,000 is available after successful completion of each level of either program. The Apprenticeship Grant will be applied for those who completed any program level after Jan. 1, 2010.

MPI also provides up to \$5,000 in financial assistance to registered apprentices in these programs to help cover the cost of tools. The Tool Allowance will be applied for those who have completed level 1 of either program and have purchased tools after Jan. 1, 2010.

How to Apply (*Applications must be submitted to MPI*)

Complete and submit the Tool Allowance and Apprenticeship Grant Program Application. For the Tool Allowance, apply any time after completing level 1 and include copies of your apprentice pocket card, official level completion letter and tool receipts. For the Apprenticeship Grant, apply after completion of any level and also include copies of your apprentice pocket card and official level completion letter (a technical training report statement is required for level 3).

For more information and/or to download an application form, visit www.mpi.mb.ca/English/community/AutomotiveTrades.html. By phone, contact Manitoba Public Insurance at 204-985-7376 or toll-free 1-800-665-2410.

APPRENTICESHIP COMPLETION GRANT (ACG)

Apprentices who complete their certification in a Red Seal trade after Jan. 1, 2009, are eligible to apply for a \$2,000 Apprenticeship Completion Grant.

Eligibility requirements:

- Canadian citizen, permanent resident or protected person out of high school
- able to show you have completed an apprenticeship program as a registered apprentice in a Red Seal trade
- able to provide proof you have received your journey person certification in a designated Red Seal trade on or after Jan. 1, 2009

How to apply (*Applications must be submitted to Service Canada*)

Complete and submit the ACG application form. Include a copy of your Certificate of Qualification issued by Apprenticeship Manitoba and a copy of the official apprenticeship completion letter showing you have completed an apprenticeship program in a Red Seal trade.

For more information and/or to download an application form, visit www.servicecanada.gc.ca/eng/goc/apprenticeship. By phone, contact Service Canada at 1-866-742-3644 (TTY) 1-866-909-9757.

TUITION FEE INCOME TAX REBATE

Apprentice graduates are eligible to receive a 60 per cent income tax rebate on eligible tuition fees. This includes personal tuition fee contributions and tuition fee contributions paid for you by the provincial government. The Tuition Fee Income Tax Rebate helps support recently certified journeypersons who are living and working in Manitoba.

Most claimants will receive an annual tax reduction of 10 per cent of the original tuition total (unless the Manitoba tax you owe is less than that amount). The maximum annual benefit is \$2,500.

How to claim:

Report the entire amount of tuition paid in the first year after certification is received. Claim information about the Tuition Fee Income Tax Rebate is available on the annual income tax forms. As per eligibility requirements, claims will begin for those who completed their apprenticeship training and received their Certificate of Qualification as of Jan. 1, 2007. Rebates will be provided on tuition paid after Dec. 31, 2003. Discuss this tax credit with your income tax advisor/accountant.

For more information, visit www.manitoba.ca/tuitionrebate/index.html. By phone, contact the Manitoba Tax Assistance Office at 204-948-2115 or toll-free 1-800-782-0771.

Grants and Incentives for all Employed Tradespersons

TRADESPERSON'S TOOLS DEDUCTION

Employed tradespersons can deduct up to \$500 annually to help cover the cost of new tools necessary to their trades. The tax deduction applies to the total cost of eligible tools, over \$1,000, acquired by an employed tradesperson.

Eligible tools:

An eligible tool is one that:

- was purchased solely for use in the tradesperson's job
- was not used for any purpose before it was purchased

A tool can include associated equipment, such as a toolbox. However, tools such as electronic communication devices (ex: cell phones) or electronic data processing equipment are not eligible.

The following conditions must also be met to be eligible for the deduction:

- the total cost exceeds \$1,000
- the tools were purchased after May 1, 2006
- the purchase was made by an employed tradesperson

How to claim:

You'll be able to claim the tradesperson's tools deduction as part of your employment expenses deduction on line 229 of your income tax return. To support your claim, you will also need to attach a completed Form T777, Statement of Employment Expenses, to your income tax return. Your employer will have to complete and sign Form T2200, Declaration of Conditions of Employment, to certify that you are required to provide these tools as a condition of, and for use in, your employment.

By phone, contact the Canada Revenue Agency at 1-800-959-8281. Details are also outlined in Guide T4044, Employment Expenses or visit www.cra-arc.gc.ca/tx/ndvdl/sgmnts/trdsprsn/menu-eng.html.

For apprentice mechanics, additional tool deductions are available.

CAPITAL COST ALLOWANCE (CCA)

The CCA is a non-refundable tax deduction. It reduces taxes owed by allowing the cost of business-related assets, such as tools, to be deducted from income over a set number of years.

Deductions of up to \$500 are available on the cost of tools eligible for the 100 per cent capital cost deduction.

How to claim:

You can calculate your CCA claim by using Form T2125, Statement of Business or Professional Activities. More information is available in Guide T4002, Business and Professional Income or by visiting www.cra-arc.gc.ca/tx/bsnss/tpcs/slprtnt/rprtng/cptl/menu-eng.html. By phone, contact the Canada Revenue Agency at 1-800-959-8281.

Grants and Incentives for Employers

EARLY LEVEL APPRENTICE HIRING INCENTIVE (ELA-HI)

(Non Red Seal)

Employers who are not eligible for the federal Apprenticeship Job Creation Tax Credit (AJCTC) will be able to claim a 10 per cent tax credit for wages paid to apprentices in levels 1 and 2, up to a maximum of \$2,000 per year, per apprentice, effective Jan. 1, 2011 (including apprentices registered in the High School Apprenticeship Program). Both taxable and tax-exempt employers who are ineligible for the AJCTC will be able to apply for this fully refundable credit. Consult and/or discuss this tax credit with your income tax advisor/accountant, or contact the Manitoba Tax Assistance office at 204-948-2115 or 1-800-782-0771.

APPRENTICESHIP JOB CREATION TAX CREDIT (AJCTC) FOR EMPLOYERS/BUSINESSES

(Red Seal only)

The AJCTC is a non-refundable tax credit equal to 10 per cent of the eligible salaries and wages payable to eligible apprentices in Red Seal trades. The maximum credit is \$2,000 per year for each eligible apprentice.

How to claim:

Employers may claim the credit on their income tax returns, using either Form T2038(IND), Investment Tax Credit (Individuals) or Form T2SCH31, Investment Tax Credit - Corporations. Forms can be ordered online at www.cra.gc.ca/forms. You can also order forms and publications by calling 1-800-959-2221.

Details are also available in the General Income Tax and Benefit Guide, Form T2038(IND), Investment Tax Credit (Individuals), Guide T4012, T2 Corporation - Income Tax Guide and Form T2SCH31, Investment Tax Credit – Corporations. For information, visit www.cra-arc.gc.ca.

By phone, contact the Canada Revenue Agency at 1-800-959-8281.

ADVANCED LEVEL APPRENTICE HIRING INCENTIVE (ALA-HI)

(All trades)

Effective Jan. 1, 2009, employers can claim a five per cent tax credit for wages paid to apprentices in levels 3, 4 and 5, up to a maximum of \$2,500 per year, per apprentice. Consult and/or discuss this tax credit with your income tax advisor/accountants, or contact the Manitoba Tax Assistance office at 204-948-2115 or 1-800-782-0771.

JOURNEYPERSON HIRING INCENTIVE (J-HI)

The Journeyperson Hiring Incentive (J-HI) provides a tax credit to employers of recent graduates of apprenticeship programs or of recently certified journeypersons through the Trades Qualification process. An eligible employer may earn a refundable tax credit for each of the first two 12-month periods of permanent, full-time employment of journeypersons for work performed in their certified trades, primarily in Manitoba. The credit equals five per cent of wages and salaries paid to the journeyperson (net of other government assistance), up to \$2,500 per 12 months of employment for each journeyperson.

Eligibility requirements:

In a year in which the tax credit is earned, the employer must be a participant in an apprenticeship program in Manitoba by:

- having at least one apprentice registered to the employer who has completed the first year of apprenticeship with the employer, or having had an apprentice who completed at least two full years of apprenticeship within the previous five years, and
- the journeyperson must have received his or her Certificate of Qualification in Manitoba or elsewhere in Canada after April 9, 2008, and must be hired by the employer within 18 months of certification. Journeypersons' employment periods must be continuous and consecutive, but each 12-month period may be interrupted by a seasonal layoff of not more than three months. There is no limit on the number of journeypersons an employer may hire to earn the credit.

How to claim:

Claim information about the Journeyperson Hiring Incentive (J-HI) is available on the annual income tax forms. As per eligibility requirements, claims for the J-HI will begin in 2010 for the 2009 tax season. Discuss this tax credit with your income tax advisor/accountant. For information, visit www.manitoba.ca/tce/apprent/jhi.

By phone, contact the Manitoba Tax Assistance Office at 204-948-2115 or toll-free 1-800-782-0771.

Scholarships and Awards

APPRENTICESHIP ENDOWMENT FUND BURSARY

The Apprenticeship Endowment Fund awards bursaries to prospective or current apprentice(s) in apprenticeship training to obtain certification in a Manitoba designated trade. Selection criteria include demonstrated financial need, ability to succeed and registration with Apprenticeship Manitoba between specified dates. Selection criteria for the Tim McLean Memorial Bursary also includes Aboriginal ancestry. There is an annual spring deadline.

HIGHEST ACHIEVEMENT AWARDS

Each spring, the highest achieving apprentice graduates are honoured in each designated trade. This prestigious event also recognizes the significant contributions that employers make to the success of these graduates. No applications are required.

AUTOMOTIVE INDUSTRY SCHOLARSHIP

The Red River Exhibition Foundation Inc. awards this annual scholarship to help people who are working on their Red Seal Certification as an automotive service technician, motor vehicle body repairer or motor vehicle body painter. Scholarships are awarded to students at the high school and post-secondary levels. There is an annual spring deadline.

MANITOBA TRUCKING ASSOCIATION (MTA) APPRENTICESHIP AWARDS

Associated Trades Division Apprenticeship Award

A \$1,000 scholarship will be presented to the MTA member company employee who achieves the highest marks on his or her level 2 examinations in the Manitoba truck and transport mechanic and Manitoba transport trailer technician apprenticeship program. No applications are required.

Vehicle Maintenance Council Apprenticeship Award

A \$500 cash award along with tools valued at \$500, presented to the MTA member company employee who achieves the highest marks on his or her level 1 examinations in the Manitoba truck and transport mechanic and Manitoba transport trailer technician apprenticeship program. No applications are required.



MANITOBA WALL AND CEILING ASSOCIATION BURSARY

The Manitoba Wall and Ceiling Association Scholarship Fund generates an annual bursary to be awarded to prospective or current apprentice(s) with financial need entering apprenticeship training to obtain certification in Interior Systems Mechanic trades. Applications should be submitted to the Manitoba Wall and Ceiling Association.

APPRENTICESHIP AWARDS OF DISTINCTION

Each fall, the Apprenticeship Awards of Distinction gala dinner recognizes the outstanding contributions that employers, journeypersons and instructors make to the Manitoba Apprenticeship training program. It also honours the valued support and commitment of members from the Apprenticeship Provincial Advisory Committees and the Apprenticeship and Certification Board. A call for nominations is circulated annually in spring.

For more information on these and other grants, incentive, scholarship and awards programs, visit www.manitoba.ca/tce/apprent/finance.



Apprenticeship Contact Information

Winnipeg

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Phone: 204-945-3337

Brandon

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Phone: 204-726-6365

Thompson

118-3 Station Road, R8N 0N3

Phone: 204-677-6346

The Pas

305 Fourth Street West, R9A 1M4

Phone: 204-627-8290

Toll free in Manitoba: 1-877-978-7233

Website: www.manitoba.ca/tradecareers