

# Why hire an apprentice in a Red Seal trade?

Employers who hire and train apprentices get loyal employees who are willing to work hard and learn new skills. With the support of government programs offering tax credits and benefits, hiring apprentices can be even more beneficial for employers.

Here are a few great reasons to hire an apprentice in a Red Seal trade.

## **Tax credits**

**Up to \$2,000** per apprentice is annually available through an employer tax credit. This credit is available to employers during first two years of an apprentice's contract – and is equal to 10% of the apprentice's annual wages, with the maximum claim being \$2,000 per apprentice per year.

<u>Apprenticeship Job Creation Tax Credit</u>

#### Grants

**Up to \$10,000** is available to cover the costs of training the right person for the job through the Canada Job Grant. This federal grant offered provincially covers up to two-thirds of training program costs while the employer covers one-third. Depending on the region, small businesses with less than 50 employees can have part of the contribution come from wages being paid to the employee during their training. <u>Canada Job Grant</u>

**Quebec** uses an existing system other than Canada Job Grant which offers training grants. More information is available at Emploi Québec.

## **Useful recruitment resources**

Employers get access to a **variety of tools and resources** to connect with potential apprentices and employees such as free job postings and HR resources through the Government of Canada <u>Job Bank</u>.

## **Retain skilled employees**

A great way to retain employees is to assist them through training periods in their apprenticeship.

By participating in the Supplemental Unemployment Benefits Plans (SUBP), employers have the option of 'topping up' payments to the apprentice's El payments to equal 95% of their regular earnings while they're away from work training. <u>Supplemental Unemployment Benefit Plans</u>

