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Trade Support Loans Program Guidelines

Version current at 1 July 2022

As a result of Machinery of Government changes responsibility for the Trade Support Loans (TSL) Program has been transferred to the Department of Education, Skills and Employment from 1 February 2020. Where possible, references in this document have been updated to reflect the Machinery of Government changes.

The *Trade Support Loans Act 2014*, Trade Support Loans Rules and Trade Support Loans Priority List may be updated from time to time. Please check the Government's legislation website, ComLaw (www.comlaw.gov.au) and the Department of Education, Skills and Employment's website (www.dese.gov.au) for the updated version of these documents to ensure that you are relying on the correct information.

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Definition of terms

Term	Description
Australian Resident	An Australian resident means a person who: <ul style="list-style-type: none"> (a) resides in Australia; and (b) is one of the following: <ul style="list-style-type: none"> ○ an Australian citizen the holder of a permanent visa.
Australian Taxation Office	Unless the contrary intention appears, when the Guidelines refer to the Australian Taxation Office (ATO), it refers to the powers given to the Commissioner of Taxation under the relevant Tax Laws.
Commencement date	The commencement date is the date confirmed by the relevant State or Territory Training Authority as the date that the training contract for the apprenticeship is taken to have commenced. Commenced has the same meaning.
Commissioner	The Commissioner is the Commissioner of Taxation.
Completion discount	The completion discount is the amount equal to 20 per cent of the total Trade Support Loans payments paid to the person throughout the duration of the apprenticeship.
Compulsory repayment	A compulsory Trade Support Loan repayment is raised when a person's income is above the minimum repayment threshold and they have debts that are at least six months old.
Delegate	An officer who is performing a function or power that has been delegated to them by the Secretary under the <i>Trade Support Loan Act 2014</i> .
Designated State/Territory Training Authority	The State or Territory government body with responsibility for the regulation of apprenticeships within that State or Territory.
Existing worker	An existing worker is a person who has an employment relationship with an employer for more than three full-time equivalent months (inclusive of approved leave).
Imprisoned	Imprisoned means a person serving a period of full time custodial imprisonment, home detention, weekend detention, temporary detention or otherwise in the custody of a law enforcement agency or correctional facility.
Instalment period	The instalment period of a person is one month. Instalment periods start at the commencement (or recommencement) date of the apprenticeship

Term	Description
	<p>and end with the day before the corresponding day in the next month. Each additional instalment period commences on the anniversary of the commencement or recommencement date</p> <p>The first instalment that an Australian Apprentice can claim under the Program falls due on the next monthly anniversary of their commencement (or recommencement) date after the opt-in date.</p> <p>Examples of instalment period</p> <p>Blair commenced a full-time apprenticeship on 6 March 2015 and opted-in for Trade Support Loans on 23 May 2015. Blair's first instalment period is 6 May 2015 to 5 June 2015 and the first loan payment will be made on 6 June 2015. Blair's second instalment period is 6 June 2015 to 5 July 2015 and the second loan payment will be made on 6 July 2015.</p> <p>Casey commenced a full-time apprenticeship on 31 December 2014 and opted-in for Trade Support Loans on 15 January 2015. Casey's first instalment period is 31 December 2014 to 30 January 2015 and the first loan payment will be made on 31 January 2015. Casey's second instalment period is 31 January 2015 to 27 February 2015 and the second loan payment will be made on 28 February 2015.</p>
Minimum repayment threshold	<p>The amount as specified under Section 154-10 of the <i>Higher Education Support Act 2003</i> which determines when a person is required to commence compulsory repayments of their Trade Support Loans debt through the tax system. Repayment thresholds can be found on the Study Assist website or the ATO website.</p>
Overpayment debt	<p>If a payment of Trade Support Loan is made to a person, and they were not entitled to the payment for any reason, the amount of the payment is a debt (an overpayment debt) due to the Commonwealth by the person, and is taken to have arisen on the day the person received the benefit.</p>
Qualifying apprenticeship	<p>A qualifying apprenticeship is an apprenticeship:</p> <p>(a) through which a person is undertaking a qualification:</p> <p>(i) at a level prescribed by the Trade Support Loans Rules; and</p> <p>(ii) leading to an occupation or a qualification specified on the Trade Support Loans Priority List.</p> <p>(b) which meets any other requirements prescribed by the Trade Support Loans Rules.</p>
Recommencement date	<p>Recommencement date is the date confirmed by the relevant State or Territory Training Authority as the date the Australian Apprentice has commenced in an apprenticeship with the same or another employer, to continue working towards an incomplete apprenticeship. Recommended has the same meaning.</p>

Term	Description
Trade Support Loans debt	If a Trade Support Loans payment is paid to a person, then on the day the instalment is paid it becomes a Trade Support Loans debt and is to be repaid by the person through the tax system.
Trade Support Loans Priority List	<p>Under the <i>Trade Support Loans Act 2014</i> the Trade Support Loans Priority List is a legislative instrument established and maintained by the Minister, specifying:</p> <ul style="list-style-type: none"> a) occupations for which; or b) qualifications leading to occupations for which; <p>in the opinion of the Minister, skilled persons are a high priority.</p> <p>The Trade Support Loans Priority List is available on the Australian Apprenticeships, Department of Education, Skills and Employment, and ComLaw websites.</p>
Training Contract	<p>Is the form which evidences the:</p> <ul style="list-style-type: none"> a) agreement between an employer and Australian Apprentice to enter into an apprenticeship; and b) approval of the apprenticeship, including the approval of any relevant training plan, by the designated State/Territory Training Authority.
Voluntary repayment	A voluntary repayment is when an Australian Apprentice chooses to make payments to the ATO on a loan prior to reaching the minimum repayment threshold.
Undertaking (apprenticeship)	<p>The Trade Support Loans Rules define when a person is considered to be undertaking a qualifying apprenticeship. The Trade Support Loans Rules provide that a person is taken to be undertaking a qualifying Australian Apprenticeship:</p> <ul style="list-style-type: none"> • when a fully completed training contract has been submitted for approval to the relevant State or Territory Training Authority; and • on or after the commencement or recommencement date of the apprenticeship; and • until notice of successful completion has been received by the relevant State or Territory Training Authority. <p>If the training contract is then rejected, the Australian Apprentice is taken to be in a qualifying apprenticeship up until the date the State or Territory Training Authority notifies the Secretary of the rejection.</p>

1. Introduction to Trade Support Loans

The Trade Support Loans Guidelines (the Guidelines) provide an overview of the Program and outline the operational and administrative framework for implementing Trade Support Loans.

The Guidelines aim to provide an operational overview of the *Trade Support Loans Act 2014*, *Trade Support Loans Rules 2014* and the *Trade Support Loans Priority List 2014*, and outline any interaction with other instruments used for delivering Trade Support Loans. These instruments may be updated from time to time and subsequently the Guidelines will be amended to reflect those changes. In using these Guidelines it is important to ensure you have the most up to date version and note that where any inconsistencies arise, the applicable laws will have priority.

Each chapter of the Guidelines aims to provide a description of the roles and responsibilities of the person applying for, or receiving, Trade Support Loans, those of the Australian Apprenticeship Support Network (Apprenticeship Network) Providers, the Department of Education, Skills and Employment (the Department) and Australian Taxation Office (ATO) in delivering the Trade Support Loans Program.

1.1 Objective

The Program aims to increase completion rates among Australian Apprentices in priority areas, by providing financial support to eligible Australian Apprentices to assist them with the costs of living and learning while undertaking an apprenticeship. This is achieved by offering concessional income contingent loans.

While providing support to Australian Apprentices, the Program aims to minimise the risk of Australian Apprentices unintentionally accumulating large debts. To achieve this, the payment of loans has been structured so that Australian Apprentices are required to reapply (opt-in) to receive loans every six months, with the intention of giving them the opportunity to reassess their personal circumstances and make an informed decision about continuing to receive loans.

The use of the loan is at the sole discretion of the person receiving it. Purchases made with the loans are not monitored however, the intention of the Program is to assist the Australian Apprentice with the cost of living, learning and completing an apprenticeship by reducing financial burden and allowing the Australian Apprentice to focus on their work and learning.

The Trade Support Loans Program aims to meet the Government's commitment to deliver improved productivity and competitiveness to the Australian economy by providing highly skilled individuals in priority trades where there are growing skills shortages.

1.2 Overview

This Program supports Australian Apprentices in skill shortage areas through concessional, income contingent Trade Support Loans of up to the TSL lifetime limit.

The Trade Support Loans are not considered to be income for the purposes of income tax and therefore are exempt from income tax, nor are they provable under bankruptcy proceedings.

Trade Support Loan debts are indexed to the Consumer Price Index (CPI) to maintain their real value and become repayable at the same rates and income thresholds as other Higher Education Loan Program (HELP) loans.

Payments are made in monthly instalments in arrears and Australian Apprentices apply and may then opt-in every six months for a further six instalments.

The loans are structured to provide support during the apprenticeship as follows:¹

- 1st year – 40 per cent of the lifetime limit
- 2nd year – 30 per cent of the lifetime limit
- 3rd year – 20 per cent of the lifetime limit
- 4th year – 10 per cent of the lifetime limit

The yearly amounts and the lifetime limit are indexed annually on 1 July to maintain its real value.

Trade Support Loans are available to Australian Apprentices undertaking a:

- Certificate III or IV qualification that leads to an occupation listed on the Trade Support Loans Priority List; or
- Certificate II, III or IV agricultural qualification specified on the Trade Support Loans Priority List; or
- Certificate II, III or IV horticulture qualification specified on the Trade Support Loans Priority List in rural or regional Australia.

As an additional incentive to complete, Australian Apprentices who successfully complete their apprenticeship will have their repayment obligation reduced by an amount equal to 20 per cent of Trade Support Loan payments received.

An Australian Apprentice can cancel their payments at any time by contacting their Apprenticeship Network Provider. Payments cease when an Australian Apprentice cancels their scheduled instalments, decides not to opt-in for the next six months, reaches their life time limit or cancels, suspends or completes their apprenticeship.

Australian Apprentices are required to repay the loans through the tax system when their income meets the repayment threshold.

Fact Sheets are provided to Australian Apprentices to help them understand that the Trade Support Loan must be later repaid in accordance with the *Trade Support Loans Act 2014*. For those aged under 18 years, targeted information for the Australian Apprentice and their parent/guardian is available.

When a person aged under 18 years (a minor) is making an application for Trade Support Loans, the application form provides for the parent or guardian to acknowledge that the minor understands that the Trade Support Loans must be later repaid in accordance with the *Trade Support Loans Act 2014*. This acknowledgment is recorded on the application form by the parent or guardian's signature. However, a minor is still able to apply for Trade Support Loans if they are unable to gain the parent or guardian's acknowledgement, but are required to provide a reason to their Apprenticeship Network Provider explaining why they were unable to obtain the acknowledgement.

1.3 Commencement of the Program

The *Trade Support Loans Bill 2014* received Royal Assent on 17 July 2014 and the Program commenced on 21 July 2014.

¹ The Trade Support Loan dollar amounts relating to the lifetime limit, the yearly amounts and monthly instalments have been rounded. As a result of the rounding, the sum of the dollar amounts presented in these Guidelines may not equal the correct total amounts.

1.4 Legislative framework

The Program is legislated under the *Trade Support Loans Act 2014*. Additional amendments were made to the following Acts:

- *Bankruptcy Act 1966*
- *Income Tax Assessment Act 1936*
- *Income Tax Assessment Act 1997*
- *Taxation Administration Act 1953*
- *Taxation (Interest on Overpayments and Early Payments) Act 1983*

There are a number of legislative instruments that are used to administer the Program:

- the Trade Support Loans Rules; and
- the Trade Support Loans Priority List.

These legislative instruments are available on the [ComLaw](#) and [Department of Education, Skills and Employment](#) websites.

These Guidelines have been prepared to be consistent with the above legislative framework and all other applicable laws. If any inconsistency arises, then the above documents or applicable laws will have priority.

1.5 Indexation of lifetime limit and yearly rates

The Trade Support Loan lifetime limit and yearly amounts were set at the commencement of the Program. These amounts were first indexed on 1 July 2017 and are indexed on each 1 July.

2. Qualification and payability criteria

Eligibility encompasses both qualification criteria and payability criteria. Where qualification is expressed within the Guidelines, it is referring to the aspect of the criteria the person must meet to be paid Trade Support Loans and not the Certificate (training qualification) the person is undertaking unless expressly stated.

A person wishing to apply for, and receive, Trade Support Loans must meet the qualification and payability criteria under the *Trade Support Loans Act 2014*. Eligible Australian Apprentices in the system as at 21 July 2014 are able to apply for loan amounts corresponding to their year of training.

In summary, the qualification criteria a person must meet are:

- a) the person is an Australian resident; and
- b) the person is undertaking a qualifying apprenticeship; and
- c) the person has provided their tax file number; and
- d) the person meets any other conditions prescribed in the Trade Support Loans Rules.

The Apprenticeship Network Provider will assess the qualification criteria upon lodgement of an application by a person. However, meeting the qualification criteria does not mean the Australian Apprentice will automatically be entitled to receive payments of Trade Support Loans. In order for the Australian Apprentice to receive a Trade Support Loan payment for an instalment period, they must meet the payability criteria on the final day of the instalment period for which they are being paid.

The payability criteria a person must meet are:

- a) the qualification criteria; and
- b) undertaking a qualifying apprenticeship for the whole of the instalment period; and
- c) made an application for Trade Support Loans on or before the final day of an instalment period (when an application or opt-in form is submitted an application is taken to have been made for six instalments of Trade Support Loans).

There are some circumstances where special case qualification and payability is applied. This is explained further at Section 2.5.

2.1 Qualification Criteria

2.1.1 Residency Status

The first qualification criterion (a) for Trade Support Loans is that a person must be an Australian resident.

An Australian resident is a person who:

- a) resides in Australia; and
- b) is one of the following:
 - i. an Australian citizen; or
 - ii. the holder of a permanent visa.

In order to assess residency status the Apprenticeship Network Provider must sight the person's residency documentation. Acceptable documentation is outlined in Section 4.1.

If the person's residency status changes and as a result they become eligible for Trade Support Loans, subject to meeting the other qualification criteria, the person may make a claim from the date their status changes.

If the person's residency status changes and they become ineligible for Trade Support Loans, they will no longer qualify for further payments.

The residency status of the holder of a permanent visa is identified by the visa granted to them by the Department of Home Affairs. Visa information is found at the [Department of Home Affairs](#) website.

Aboriginal or Torres Strait Islander Australian Apprentices who apply for Trade Support Loans but who are unable to provide evidence of residency status in the form of a birth certificate, may provide proof in the form of a letter from an authorised referee. The letter (preferably on official letterhead) must outline (as much as is practicable) the Australian Apprentice's name, date of birth, place of birth, community they live in, and that they recognise the Australian Apprentice's citizenship.

The authorised referee must have known the Australian Apprentice for a minimum of 12 months and should be a council chairperson, community manager, school principal, minister of religion, doctor, senior nursing sister or authorised government officer (such as a police officer, Centrelink agent, nurse). The referee must not be a family member.

2.1.2 Undertaking a qualifying apprenticeship

The second qualification criterion (b) for Trade Support Loans is that a person must be undertaking a qualifying apprenticeship.

The Trade Support Loan Rules prescribe that for a person to be undertaking a qualifying apprenticeship, they must be undertaking one of the following qualifications:

- Certificate III or IV qualification that leads to an occupation listed on the Trade Support Loans Priority List; or
- Certificate II, III or IV agricultural qualification specified on the Trade Support Loans Priority List; or
- Certificate II, III or IV horticulture qualification specified on the Trade Support Loans Priority List in rural or regional Australia. The Trade Support Loan Rules specify a list of postcodes for rural or regional areas of Australia.

The Trade Support Loans Priority List may be updated from time to time. The Trade Support Loans Priority List should be referred to, to ensure correct information is being considered when assessing a person's qualification for Trade Support Loans.

If an Australian Apprentice's training contract has been submitted to the relevant State or Territory Training Authority for approval, but is rejected, the Australian Apprentice is taken to be in a qualifying apprenticeship until the date that the State or Territory Training Authority notifies the Department of the rejection.

An Australian Apprentice is considered to be undertaking a qualifying apprenticeship from the date of commencement or recommencement of their apprenticeship where the date of commencement or recommencement is prior to the date that a fully completed training contract has been submitted for approval by the State or Territory Training Authority. If the training contract is approved by the State or Territory Training Authority, and is then later successfully completed, the Australian

Apprentice is taken to be in a qualifying apprenticeship until the date the State or Territory Training Authority notifies the Department of the successful completion.

2.1.3 Changes to the Trade Support Loans Priority List

Where a training qualification is added to the Trade Support Loans Priority List after the commencement or recommencement of the apprenticeship, the person may, subject to meeting the other qualification criteria, qualify for Trade Support Loans from that date. As noted above, in order for the Australian Apprentice to then receive a Trade Support Loan payment at the end of each instalment period, they must also meet the payability criteria.

Where a training qualification is removed from the Trade Support Loans Priority List, Australian Apprentices who have already commenced in a qualifying apprenticeship prior to the removal of the qualification, regardless of whether they were receiving Trade Support Loans payments or not, will continue to be eligible for payments for the duration of the apprenticeship subject to meeting the payability criteria. This includes if the apprenticeship is cancelled or suspended, but the Australian Apprentice subsequently recommences an apprenticeship.

Where a qualification is removed from the Trade Support Loans Priority List, Australian Apprentices will be ineligible to attract payments where they commence after the date the qualification is removed.

2.1.4 Tax File Numbers

The third qualification criterion (c) for Trade Support Loans is that a person must provide their Tax File Number (TFN).

Australian Apprentices who do not have a TFN should apply for one from the ATO.

A person has no legal obligation to provide their TFN, however they cannot qualify for Trade Support Loans unless they supply their TFN. Where an Australian Apprentice does not provide their TFN on the application form, an Apprenticeship Network Provider is not authorised to request the TFN over the phone. Apprenticeship Network Providers should return the application form to the Australian Apprentice to supply their TFN.

On receipt of the application form, the Apprenticeship Network Provider will enter relevant information, including the Australian Apprentice's TFN, into the Department's IT system. Verification of the TFN will occur through the interfaces between the Department's IT systems and the ATO. This verification process may include the first, middle and last name; address; date of birth and the TFN of the person. Once a TFN has been verified, the ATO will be able to receive the Australian Apprentice's debt details.

If the TFN cannot be verified, the Apprenticeship Network Provider will be advised and should liaise with the applicant to ensure the mismatch is rectified. Trade Support Loans payments can still be made while the Apprenticeship Network provider is following up the discrepancy with the Australian Apprentice. Once the TFN has been verified, previous payments will be taken as having been loan payments and the services of loans will proceed.

Where TFN verification issues persist, Trade Support Loans payments will cease, the ATO will not receive the Australian Apprentice's debt details and the Australian Apprentice will be required to repay any payments received to the Department.

2.1.5 Conditions prescribed in the Trade Support Loans Rules

The fourth qualification criterion (d) for Trade Support Loans is that a person must meet any other condition prescribed by the Trade Support Loans Rules.

As at July 2015 the following conditions are prescribed in the Trade Support Loan Rules:

- a) the person is not imprisoned in Australia or any external territory
- b) where a person is concurrently undertaking more than one qualifying apprenticeship, the person is only able to qualify for Trade Support Loans in relation to one of the qualifying apprenticeships.

From time to time the rules will be amended. The current version of the Trade Support Loans Rules is available on the [Department of Education, Skills and Employment](#) and [ComLaw](#) websites.

2.2 Lifetime limit

To receive a Trade Support Loan a person must not have reached their lifetime limit for Trade Support Loans.

As at 1 July 2022, the lifetime Limit is \$22,890. The lifetime limit is indexed on 1 July each year in line with increases in the Consumer Price Index (CPI).

Advice on changes to the lifetime limit is available through Apprenticeship Network Providers and on the [Department of Education, Skills and Employment](#) website.

Australian Apprentices can receive support up to the lifetime limit through one or more qualifying apprenticeships.

The lifetime limit that applies to an Australian Apprentice is the lifetime limit in place at the time a payment is due.

Examples of meeting the lifetime limit for Trade Support Loans

Jessie commenced a full-time apprenticeship on 9 December 2015, at which point the lifetime limit for Trade Support Loans was \$20,000. On 1 July 2017 the lifetime limit was indexed in line with increases in the CPI. At 1 July 2017, Jessie had received Trade Support Loans payments to the value of \$14,000. As Jessie has not reached the lifetime limit, Jessie is eligible for the increased amount.

Cameron commenced a full-time apprenticeship on 22 July 2014. Cameron reached the lifetime limit for payments in June 2018. On 1 July 2018 the lifetime limit was indexed in line with increases in the CPI. At 1 July 2018 Cameron had already reached the lifetime limit so is not eligible for any further payments.

2.3 Payability

A Trade Support Loan is payable to a person, in relation to an instalment period of the person, if they:

- a) meet all the qualifying criteria on the final day of the instalment period; and
- b) were undertaking a qualifying apprenticeship for the whole of the instalment period; and

- c) made an application for Trade Support Loans on or before the final day of an instalment period (when an application or opt-in form is submitted an application is taken to have been made for six instalments of Trade Support Loans).

Note: Payability is assessed on the final day of the instalment period; therefore, if the person is not qualified on the final day, they are not entitled to any portion of that payment.

Payability is assessed by the Department's IT System on the final day of the instalment period, based on the information entered by the Apprenticeship Network Provider, and in some circumstances, the relevant State or Territory Training Authority.

The person who has applied is obliged to notify their Apprenticeship Network Provider of any changes to their circumstances within 14 days of the event occurring that could affect payability of Trade Support Loans. Where the person has not notified the Apprenticeship Network Provider within 14 days, the instalment may become an overpayment debt. Note: where a person cancels their instalment within the required timeframes but due to administrative or IT processes the payment cannot be cancelled in time, the instalment is taken to be a Trade Support Loan debt and not an overpayment debt.

2.4 Further considerations

2.4.1 Attendance type

A person can make an application for Trade Support Loans regardless of their attendance type, e.g. full-time, part-time or Australian School-based Apprentices. The rate at which a person is paid Trade Support Loans is calculated in the same way for all persons, regardless of their attendance type.

The actual duration of training by those that are undertaking an apprenticeship in a priority occupation shows that on average, part-time Australian Apprentices complete their training within four years, consistent with those that complete full-time. However, if a person takes longer than four years, and has still not met their life time limit, they will be eligible for payments at the fourth year rate until they finish their apprenticeship.

2.4.2 Existing workers

An Australian Apprentice's existing worker status does not affect eligibility under the Program.

2.4.3 Age limits

No age limits apply under the Program, however an Australian Apprentice aged under 18 years (a minor) will be required to seek the acknowledgement of a parent or guardian that the minor understands that the Trade Support Loans debt must be later repaid in accordance with the *Trade Support Loans Act 2014*. However, a minor is able to apply for Trade Support Loans if they are unable to gain the parent or guardian's acknowledgement. Failure to provide a parent or guardian acknowledgement will require the minor to provide a reason why there is no acknowledgement to their Apprenticeship Network Provider.

Targeted Fact Sheets (Trade Support Loans under 18's Fact Sheet; the Trade Support Loans under 18's Parent/ Guardian Fact Sheet) must be provided to Australian Apprentices aged under 18 years and their parent/guardian.

2.4.4 Prior qualifications

Prior qualifications that an Australian Apprentice either has completed, has commenced but not completed, or is undertaking concurrently with another qualification (through an apprenticeship or a

non-apprenticeship pathway), do not affect an Australian Apprentice's eligibility to attract payments under the Program (subject to the lifetime limit and concurrent apprenticeships as outlined in the Trade Support Loan Rules).

2.4.5 Competency based progression

Competency based progression does not affect qualification and payability for payments under the Program.

2.4.6 Recognition of prior learning

Recognition of prior learning does not affect qualification and payability for payments under the Program.

2.4.7 Interactions with other Programs

Qualification and payability for Trade Support Loans is not affected where the Australian Apprentice is participating in any other loan scheme.

Qualification and payability for support under the Trade Support Loans Program is not affected where the Australian Apprentice receives support through the Australian Apprenticeships Incentives Program.

2.4.8 NSW Trainee Apprentices

An individual who is deemed to be a Trainee Apprentice (in New South Wales) will be eligible to attract support under the Program subject to meeting the eligibility criteria.

2.4.9 Date of Successful Completion

If the training contract is approved by the State or Territory Training Authority, and is then, later successfully completed, the Australian Apprentice is taken to be in a qualifying apprenticeship until the date that the State or Territory Training Authority notifies the Department (through the Department's IT system) of the successful completion.

2.5 Special case qualification and payability

There are circumstances (exceptional circumstances) where an Australian Apprentice's qualification and payability for Trade Support Loans, will be subject to special consideration by the Department.

Exceptional circumstances are those that are unusual, uncommon, unexpected or unplanned and the onus of proof is on the person to demonstrate that such exceptional circumstances occurred.

An example of a special qualification and payability case may be where a change of circumstance affects the payability of the Trade Support Loan, such as a cancellation. Where the person notifies their Apprenticeship Network Provider of the change, within the required timeframe, and an instalment is still paid the person is taken to have been qualified and payable.

Another example is where the person has completed their qualifying apprenticeship, but the Department has not yet been notified by a designated State or Territory Training Authority that the person is considered to have completed, and a payment falls due and is made. If the person receives payment after they have satisfied all requirements, but before the Department is notified, the payment will be treated as a Trade Support Loan Debt and not as an overpayment debt for the purposes of the *Trade Support Loans Act 2014*.

Any other situations that the person or the Apprenticeship Network Provider believes should be considered as a special case should be referred to the State or Territory Office of the Department for advice.

3. Obligation to notify change of circumstance

In taking on a Trade Support Loan, a person becomes responsible for ensuring they keep their Apprenticeship Network Provider up to date with any changes to their details or circumstances. This ensures they continue to meet the qualifying and payability criteria that are outlined in Chapter 2.

Once a person has qualified for a Trade Support Loan, they are responsible for notifying their Apprenticeship Network Provider, within 14 days, of any change of circumstance that may affect payability of Trade Support Loan instalments. The Apprenticeship Network Provider is responsible for notifying how this will be done through the determination letter. The determination letter will specify:

- (a) how the person is to provide the change of circumstance information; and
- (b) the period within which the person must provide the information—14 days; and
- (c) who the information is to be given to; and
- (d) that the notice is an information notice given under the *Trade Support Loans Act 2014*.

The Apprenticeship Network Provider will notify the person when they receive the person's change of circumstance notification. The Apprenticeship Network Provider may notify the person by a method of their choosing, as long as the notification is documented or file-noted.

A person receiving Trade Support Loans is not required to notify an Apprenticeship Network Provider of a successful completion. Only State or Territory Training Authorities can notify of successful completion.

3.1 Notification of change of circumstance by State or Territory Training Authority

There may be some situations where the Apprenticeship Network Provider is notified by the State or Territory Training Authority of a suspension or cancellation of the person's training contract. This would lead to the person's future instalments of Trade Support Loans being cancelled. In such situations the Apprenticeship Network Provider should notify the Australian Apprentice, by a method of their choosing, that payments have ceased.

Sometimes the State or Territory Training Authority may backdate the cancellation or suspension. In these cases, the Apprenticeship Network Provider should check to see if the person would have been aware of the cancellation or suspension and therefore should have notified the Apprenticeship Network Provider of the change of circumstances that caused the suspension or cancellation. For instance if the person is stood down and the employer cancels the training contract without notifying the person, the cancellation may be backdated more than 14 days.

When the State or Territory Training Authority backdates the cancellation or suspension, the Australian Apprentice is considered to be undertaking a qualifying apprenticeship for any payments made between the notifiable event and the date of notification. The payments are considered a debt to be repaid through the tax system provided:

- the person correctly notified their Apprenticeship Network Provider of any change of circumstances that caused the cancellation or suspension; or
- the cancellation or suspension occurred without the person's knowledge, and the person could not have reasonably been expected to know that the training contract had been suspended or cancelled.

If the Australian Apprentice receives any instalments while unknowingly suspended, and later recommences, they will receive the instalment relative to the completed calendar month of their Australian Apprenticeship provided that they meet the eligibility criteria (refer to Section 4). This is regardless of if they have already received these instalments during the period of which they were unknowingly suspended.

Example of instalments received while unknowingly suspended

John is unknowingly suspended at the 13th month point of his apprenticeship, and receives a further two instalments for the 14th and 15th month while on suspension. John then recommences his apprenticeship and applies for Trade Support Loans. As he has completed 13 months of his apprenticeship, he will be eligible to receive the instalments for the 14th and 15th month again in line with the completed calendar months of the apprenticeship.

Where the person should have notified the Apprenticeship Network Provider of the suspension or cancellation, but hasn't, any instalment paid after the notifiable event becomes an overpayment debt (refer to Section 7).

3.2 Failure to notify of change of circumstance

Where an Apprenticeship Network Provider discovers that a person may have failed to notify of a change of circumstance, in the first instance the matter is referred to the relevant State or Territory Office of the Department for investigation. Where it does not appear that a person has a reasonable excuse, that matter will be progressed through the Department for further consideration and legal advice (as necessary).

It is an offence for a person to fail or refuse to comply with a notice to notify about a change of circumstances affecting qualification or payability (subsection 73(1) of the *Trade Support Loans Act 2014*). The penalty is imprisonment for six months. A person does not commit an offence if they have a reasonable excuse.

Where a payment is made in error, the payment is referred to as an overpayment debt. Overpayment debts are collected by the Department and are not repaid through the tax system.

4. Applying for Trade Support Loans

A person wishing to receive Trade Support Loans should ensure that they have read the supporting documentation, including fact sheets, are aware of their obligations to notify of change of circumstances (Chapter 3) and of their obligation to repay the loans (Chapter 6).

The person wishing to apply for Trade Support Loans will have to contact their Apprenticeship Network Provider to receive a copy of the application form. A list of Apprenticeship Network Providers and their locations is available on the [Australian Apprenticeships](#) website.

The Apprenticeship Network Provider should ensure that those enquiring about Trade Support Loans are provided with all the relevant documentation about the loans.

If the person is aged under 18 years (a minor), the Apprenticeship Network Provider must provide them with the *Trade Support Loans under 18's Fact Sheet* and the *Trade Support Loans under 18's Parent/ Guardian Fact Sheet* for the person to provide to their parent or guardian.

When a minor is making an application, the application form provides for the parent or guardian of the minor to acknowledge that the minor understands that the Trade Support Loans must be later repaid in accordance with the *Trade Support Loans Act 2014*. This acknowledgment is recorded on the application form and each opt-in form by the parent or guardian's signature. However, a minor will still be able to apply for Trade Support Loans if they are unable to gain the parent or guardian's acknowledgement. Failure to provide parent or guardian acknowledgement will require the minor to provide a reason why there is no acknowledgement to their Apprenticeship Network Provider.

The age of the person applying for Trade Support Loans does not affect the way in which the *Trade Support Loans Act 2014*, or taxation law, applies to the person.

4.1 Making an application

After having read the material described above, an Australian Apprentice applies for payments under the Program by completing a Trade Support Loans Application Form (1289). The application form is available from Apprenticeship Network Providers.

Note: the person may wish to take copies of their application or, if not making it in person, may wish to send it by registered post for their records to provide proof of application.

The initial application will cover the six monthly instalments of Trade Support Loans after which payments will stop. The initial application form collects information used for assessing the qualification and payability criteria and must be lodged with the Apprenticeship Network Provider either in person or by mail.

4.1.1. Residency and Identity documentation

The person is required to include copies of their identity and residency documentation. The person must provide at least two supporting documents: at least one document from Group A, and one document from Group B, below.

<p>Group A</p> <ul style="list-style-type: none"> • full Australian Birth Certificate; • Australian passport; • Certificate of Citizenship; • Permanent Visa; or • Visa Entitlement Verification Online (VEVO) statement/results. 	<p>Group B</p> <ul style="list-style-type: none"> • current foreign passport; • driver licence; • proof of age card; or • similar ID that meets the requirements below.
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The documents should meet the following requirements:

- Each document must show at least the person’s first and last name.
- At least one document should include a photo of the person.
- At least one document should show the person’s current residential address.
- At least one document must show the person’s citizenship status / visa status.

The person can provide additional documents, for example an electricity bill, rental contract or a letter from a referee (see 2.1.1.). If the person doesn’t have any of the documents listed in Group B, they can provide their Medicare card, bank card or similar.

When applying in person, the applicant should bring the original documents for the Apprenticeship Network Provider to sight and file note or take a copy.

Certified copies of identity and residency documents do **not** need to be provided, as long as the Apprenticeship Network Provider is satisfied that the copies of the documents provided are authentic.

4.1.2. Opt-In

If the person wishes to receive Trade Support Loan payments beyond the initial six month period, they can apply by submitting a completed form 1290 (‘Trade Support Loans Opt-in’). The opt-in form is a shortened version of the application form which also allows for updating of details where they have changed. Apprenticeship Network Providers need to advise the Australian Apprentice of the need to opt-in for future payments and provide them with an opt-in form. The Australian Apprentice should submit the opt-in form from 30 days before the last Trade Support Loans payment is made, each six month period as required.

Trade Support Loans Opt-in Forms may be lodged either in person, by email, by fax or by mail.

4.1.3 Time limits for making an application

There are no timeframes for submitting the Trade Support Loans Application Form or Opt-in Form, however, subject to meeting the qualification and payability criteria, an Australian Apprentice will only be eligible for any Trade Support Loan payments that fall due after the application or opt-in date (refer to Section 5.3). Payments under the Program cannot be backdated to a date prior to the date of application or opt-in for Trade Support Loans.

4.2 Temporary break in an apprenticeship

Where an Australian Apprentice is receiving Trade Support Loans and there is a break in, or suspension of, their apprenticeship as determined by the State or Territory Training Authority (i.e. they are no longer *undertaking* a qualifying apprenticeship), they must submit a new application or

opt-in form for Trade Support Loans on recommencement. Where a new Training Contract is required by the State or Territory Training Authority, the person will need to submit an application form (1289). Where the person recommences under the same Training Contract they can submit an opt-in form (1290).

Examples of when to submit an application or opt-in form

Alex commenced a full-time apprenticeship and was eligible for Trade Support Loans. Alex then transferred to a new employer with no break in employment. The relevant State/Territory Training Authority approved the transfer and a new Training Contract was not required. Alex will continue to receive Trade Support Loans payments and a new application form does not need to be submitted as a new Training Contract was not required by the State/Territory Training Authority.

Jamie commenced a full-time apprenticeship and was eligible for Trade Support Loans. Jamie then resigned and the Trade Support Loans future payment schedule was cancelled. Jamie recommenced with a new employer at a later date. A new Training Contract was approved by the relevant State/Territory Training Authority. To recommence Trade Support Loans payments, Jamie will need to submit a new application form as a new Training Contract was submitted and approved.

Dani commenced a full-time apprenticeship and was eligible for Trade Support Loans. Dani's apprenticeship was subsequently suspended for eight months and the Trade Support Loans future payment schedule was cancelled. Dani then recommenced the apprenticeship under the same Training Contract with the same employer. To recommence Trade Support Loans payments, Dani will need to submit an opt-in form as a new Training Contract was not required by the relevant State/Territory Training Authority.

4.2.1 Worker's compensation

Where an Australian Apprentice is in receipt of worker's compensation payments, but is still considered to be undertaking a qualifying apprenticeship in an active Training Contract, the Australian Apprentice is able to apply for, or continue to receive, Trade Support Loans payments.

Where an Australian Apprentice is in receipt of worker's compensation payments and the Training Contract has been suspended or cancelled, the Australian Apprentice is not considered to be undertaking a qualifying apprenticeship and they are not eligible to apply for, or continue to receive, Trade Support Loans payments. If the Australian Apprentice then recommences the apprenticeship, Section 4.2 will apply.

4.3 Withdrawing an application

A person may withdraw an application before it has been granted and it will be considered that the application has not been made.

4.4 Cancelling a payment

The Apprenticeship Network Provider will cancel a Trade Support Loan that is being paid to a person if they are satisfied that:

- a) the person is not qualified, or
- b) the loan was not payable for the relevant instalment period, or
- c) the person has requested that the loan payment be cancelled (opt-out).

An Apprenticeship Network Provider may also cancel a person's Trade Support Loans payment if that person has failed to comply with a notification to supply information under the *Trade Support Loans Act 2014*.

4.5 Opt-out

To continue to receive Trade Support Loans payments, an Australian Apprentice is required to opt-in every six months for the following six month period. However, an Australian Apprentice can opt-out at any time by contacting their Apprenticeship Network Provider. Only an Australian Apprentice can opt-out, no other person can opt-out on behalf of the Australian Apprentice. The Apprenticeship Network Provider must provide confirmation of the opt-out to the Australian Apprentice using a method of their choosing (as long as the confirmation is documented or file-noted) within 10 working days.

4.6 Bank accounts

Payments will **only** be made by direct credit to a bank account that is maintained, either alone or jointly, by the Australian Apprentice.

4.7 Apprenticeship Network Provider to assess application

On receiving an application or opt-in form for Trade Support Loans the Apprenticeship Network Provider will ensure that the person has fully completed and signed the appropriate form and provide the person with a determination notice.

Where the form is incomplete the Apprenticeship Network Provider will notify the person and seek further information.

Where the form is incomplete or incorrect and the Apprenticeship Network Provider does not receive updated or corrected details 13 weeks after the day the application was lodged, the application will be refused. In such circumstances, the Apprenticeship Network Provider will provide the person with a determination notice.

1. The Apprenticeship Network Provider will grant the application if it determines that:
 - (a) the person is qualified for Trade Support Loans; and
 - (b) Trade Support Loans are expected to be payable.
2. If the person is assessed to be qualified and is likely to be payable, the date on which the application or opt-in form was received by the Apprenticeship Network Provider becomes the application or opt-in date. This will be used for the purpose of determining which instalments a person will receive.

The opt-in date is the date on which the application or opt-in form was first received by the Apprenticeship Network Provider. This is regardless of whether information was missing and/or additional information was required to be provided.

If an instalment cannot be paid on the due date (see Section 5.3), it will be made on the earliest day on which it reasonably can be made as assessed by the Apprenticeship Network Provider.

3. If satisfied with the qualification and payability of the person, the Apprenticeship Network Provider will determine:
 - (a) the period for which the person will receive loans, the opt-in period, which will be:
 - i. six months; or

- ii. the number of months until the person would reach the lifetime limit, if that number is less than six months.
- (b) the yearly rate, and instalments the person is eligible for.

The yearly rate is determined by calculating the number of complete calendar months that the person has served in their apprenticeship (see section 5)¹, regardless of:

- (a) whether the person received payments,
- (b) their attendance type (i.e. part-time or school-based apprenticeship),
- (c) any recognition of prior learning that is or has been granted.

4.7.1 For recommencements

The yearly rate is determined by calculating the number of complete instalment periods (regardless of whether the person received payments) that the person has served in their apprenticeship **excluding time they were not undertaking the apprenticeship.**

For example, if a person has completed 10.5 months of their apprenticeship prior to the suspension of the apprenticeship, and then recommences their apprenticeship, the person will receive first year payments for two further instalment periods.

4.7.2 Determination Notice

Once the Apprenticeship Network Provider has made the above determinations, they will schedule the next planned monthly payments (which will be no more than six) in the Department's IT system and notify the person in writing of:

- (a) their qualification for Trade Support Loans
- (b) the period for which the person will receive Trade Support Loans
- (c) the number of instalments they will receive
- (d) the yearly rate(s) that will apply
- (e) the instalment rate
- (f) when the person will be required to 'opt-in' for Trade Support Loans again
- (g) the person's obligation to notify the Apprenticeship Network Provider of any change of the person's circumstances.

If the person has not met the qualification or payability criteria, the Apprenticeship Network Provider will notify them in writing outlining the reasons why their application was unsuccessful.

If a person does not receive notice of the assessment of the application within 13 weeks after the day the application was lodged, the application is taken to have been refused.

4.7.2 Variation of Trade Support Loan rate

If the Apprenticeship Network Provider is satisfied that the rate at which a person is being paid Trade Support Loans instalment is incorrect, they may vary the rate accordingly. See section 7.2 for further information on varying the rate when there is an overpayment debt.

Example of varying the Trade Support Loan rate

Marley commenced a full-time apprenticeship on 13 November 2014 and opted-in for Trade Support Loans on 18 September 2015. Marley's Trade Support Loan rate was incorrectly assessed at the second year rate, even though only 10 months of the apprenticeship had been completed. The Apprenticeship Network Provider varied Marley's rate so that Marley is correctly receiving the first year rate until 12 months of the apprenticeship is completed.

5. Payment structure

5.1 Rates

Payments of Trade Support Loans are made monthly in arrears. The current yearly amount and instalment rates are listed in Table 1.

Table 1 – TSL yearly amount and instalment rates 2022-23

Time Completed	Year	Yearly rate	Instalment Rate
1 - 12 completed calendar months	1 st year	\$9,156	\$763.00
13 - 24 completed calendar months	2 nd year	\$6,867	\$572.25
25 – 36 completed calendar months	3 rd year	\$4,578	\$381.50
37 + completed calendar months	4 th year	\$2,289	\$190.75

A person may attract payments at the fourth year rate for any additional years of their apprenticeship (past the fourth year) until they complete their apprenticeship or reach the lifetime limit.

5.2 Indexation of yearly rates

The yearly rates will be indexed on 1 July each year in line with increases in the Consumer Price Index (CPI). The yearly rates are available on the [Department of Education, Skills and Employment](#) website.

The indexation may result in an increase to the monthly payment amounts available compared to what was available at the commencement of an apprenticeship. A person who is receiving Trade Support Loans will be eligible for the increased payment amounts for any payments that fall due after the date of indexation. Where this occurs, the new monthly instalment amounts will be calculated using the formula below.

A person who is receiving Trade Support Loans will be eligible for the previous year's payment amounts for any payments that fall due prior to the date of indexation.

5.3 Instalment amounts

The Department's IT system will calculate the monthly instalment amounts payable under the Program.

The monthly instalment amounts are calculated by dividing the yearly amount by 12. Where the monthly instalments do not divide equally, the rounded amount will be used.

The *Trade Support Loans Act 2014* has rounding provisions which allow for the monthly amounts to exceed the yearly amount. Where this occurs, the Department's IT system will adjust the monthly instalment amount, and the final payment will be adjusted so that the lifetime limit is not exceeded.

Where an instalment payment causes the Australian Apprentice to reach their lifetime limit, the payment will be adjusted by the Department's IT system so that the lifetime limit is not exceeded.

5.3 Instalment due date

Instalments under the program fall due after the opt-in date, on the next monthly anniversary of the commencement (or recommencement) of the apprenticeship.

Example of an instalment due date

Lee commenced a full-time apprenticeship on 15 July 2015 and opted-in for Trade Support Loans on 1 August 2015. The due date for the first Trade Support Loan payment is 15 August 2015, with further payments due on the 15th of each subsequent month.

For monthly anniversaries that do not fall in some calendar months i.e. the 29th, 30th and 31st days for February or the 31st day for April, June, September and November, then the monthly anniversary reverts to the last day of the month for these months.

The Department's IT system will automatically calculate the due dates based on the commencement and opt-in dates entered.

5.4 Payments made after successful completion of the apprenticeship

Once a person successfully completes their apprenticeship, they are no longer eligible to receive further Trade Support Loan payments for that apprenticeship.

However, where a person has completed their qualifying apprenticeship, but the Department has not yet been notified by a designated State or Territory Training Authority of the completion, and payments fall due, the person is still considered eligible to receive the payments, if they have not reached their lifetime limit. Accordingly, these payments are not treated as overpayment debts to be recovered by the Department.

5.5 Trade Support Loans debts

The amount of Trade Support Loan payments a person receives is referred to as their Trade Support Loans debt. The Trade Support Loans debt is incurred on the day an instalment is paid and is equal to the amount of the instalments paid to that date.

Where an instalment of Trade Support Loans becomes an overpayment debt, it is not considered a Trade Support Loans debt, see Chapter 7 of the Guidelines.

Through the Department's IT system, the ATO will be notified if a person incurs a Trade Support Loans debt. The notice will specify the amount and may include other details the ATO requests for the purpose of ensuring they have the information needed to exercise powers and perform functions under the *Trade Support Loans Act 2014*.

6. Trade Support Loan repayments

The ATO is responsible for collecting Trade Support Loans debts made under the *Trade Support Loans Act 2014*.

6.1 Transferring loan payments

Loan information is transferred to the ATO through the Department's IT system after payments are made. The ATO uses this information to calculate indexation and facilitate repayment through the tax system.

6.2 Repaying a loan

Trade Support Loans are repaid through the tax system or by voluntary repayments.

- A person is required to repay the loan through the tax system once their income is above the minimum repayment threshold and they have debts that are at least six months old—this is known as a compulsory repayment.
- A person can also choose to make payments on the loan prior to reaching the minimum repayment threshold—this is known as a voluntary repayment.

A person should contact the ATO for further information on repaying a Trade Support Loan.

6.2.1 Minimum repayment income

A person must start making compulsory repayments once the minimum repayment threshold is reached, even if the Australian Apprentice is still undertaking their apprenticeship.

The minimum repayment threshold for 2022-23 is \$48,361. This amount is in line with the *Higher Education Support Act 2003*, and is indexed each financial year.

6.2.2 Repayment rates

Compulsory repayments are made using a percentage of the individual's income. The repayment rates used to calculate repayments are available on the [ATO website](#).

6.2.3 Overseas repayment obligations

Individuals who move overseas and have a Trade Support Loan debt are obliged to make compulsory repayments on their loan if their Australian and foreign-sourced income is above the minimum repayment threshold. Further information about overseas repayment obligations for Trade Support Loans are available on the [ATO website](#).

6.2.4 Order of repayment

Trade Support Loan repayments will occur after any HELP debts have been discharged.

6.2.5 Debt discharged by death

A Trade Support Loan debt is taken to be paid upon the death of the person who owes the debt.

6.3 Indexation of Trade Support Loans debts

The ATO is responsible for all aspects of indexation of individual Trade Support Loans debts and queries should be directed accordingly.

On 1 June each year, the ATO will apply indexation to the part of a person's individual Trade Support Loans debt that has remained unpaid for more than 11 months. Indexation will be applied in line with the CPI to maintain the real value of the loan.

6.4 Successful completion discount

A 20 per cent discount will be granted where a person successfully completes their apprenticeship. The discount applies to the amount borrowed and does not include any indexation that has been applied or repayments that have been made. The Department's IT system will calculate the discount and advise the ATO of the amount the person's Trade Support Loans debt should be reduced.

Examples of applying the successful completion discount

Riley commenced a full-time apprenticeship in 2015 and received \$14,000 in Trade Support Loans payments before successfully completing the apprenticeship in 2017. The 20 per cent successful completion discount is applied to the \$14,000 in Trade Support Loans Riley received. Riley commenced another full-time apprenticeship in 2017 and received \$4,000 in Trade Support Loans payments before successfully completing the apprenticeship in 2018. The 20 per cent successful completion discount is applied to all Trade Support Loans payments made after the initial discount was applied (i.e. to the \$14,000), so the discount is applied to the \$4,000 in Trade Support Loans payments Riley received.

Taylor commenced a full-time apprenticeship in 2015 and received \$20,808 in Trade Support Loans payments before cancelling the apprenticeship in June 2019. Taylor commenced another full-time apprenticeship in 2019. While Taylor was assessed as eligible to attract Trade Support Loans for the apprenticeship, no further payments were made as the lifetime limit had already been reached. Taylor successfully completed the apprenticeship in 2019. The 20 per cent successful completion discount is applied to the \$20,808 in Trade Support Loans payments Taylor received.

Where an Australian Apprentice repays the Trade Support Loan (either as a compulsory or voluntary repayment) before successfully completing the apprenticeship, the 20 per cent discount will still be applied to the full amount of the Trade Support Loans payments. The ATO will use any credit on the person's account to pay off any primary tax debts that may apply to the individual, and any balance will be refunded to the Australian Apprentice as part of regular taxation arrangements. This is a matter between the Australian Apprentice and the ATO, and a person should contact the [ATO](#) for further information if required.

7. Overpayment debts

7.1 Payments made in error

If a person receives a Trade Support Loan instalment and was not entitled to receive it, the instalment becomes an overpayment debt due to the Commonwealth. It is not repayable through the taxation system and is collected by the Department. This occurs regardless of the residency status of the person and/or if the person is overseas.

The Department delegate may enter into an arrangement for the repayment of the overpayment debt. Legal proceedings may commence if the overpayment debt is not repaid.

7.2 Offsetting an overpayment debt

Where a person has incurred an overpayment debt and is in receipt of TSL payments, the Department delegate will reduce future TSL instalments to offset the debt. The offsetting should generally occur as soon as possible. Where deemed appropriate, the delegate may split the offsetting amount across several instalments. Where future TSL instalments are reduced, the reduced instalment amount must be a minimum of \$1.00.

Example of offsetting on overpayment debt (based on rates valid until 30 June 2017)

Joey was paid an instalment at the first year rate of \$666.67, when the instalment should have been paid at the second year rate of \$500.00. Joey has been overpaid by \$166.67. The next instalment payment Joey receives will be reduced by the overpayment amount of \$166.67 to \$333.33. For subsequent instalments, payments at the second year rate will continue as normal.¹

Rebecca had a Trade Support Loan overpayment debt at the second year rate of \$500.00. As the next instalment is for the same amount as the overpayment, this instalment is reduced to the minimum instalment amount of \$1.00, and the following instalment will be reduced to \$499.00. Once the overpayment has been offset, subsequent payments will continue as normal.¹

7.3 Waivers

The Department delegate may decide to waive the Commonwealth's right to recover the whole or part of an overpayment debt where:

- the overpayment is due to an administrative error made by the Department or an Apprenticeship Network Provider who is performing services on behalf of the Commonwealth; or
- if the debt is, or is likely to be, less than \$200; or
- it is not cost effective to recover the overpayment debt.

Overpayment debt waivers will be made by the Department delegate.

7.4 Write offs

The Department delegate may decide to write off an overpayment debt if:

- the debt is irrecoverable by law; or
- the person has no capacity to repay the debt; or
- the person's whereabouts are unknown after all reasonable efforts have been made to locate the them; or

- it is not cost effective to take action to recover the debt.

Overpayment debt write off decisions will be made by the Department delegate.

8. Review of decisions

The *Trade Support Loans Act 2014* divides reviewable decisions into two categories. They are:

- a) reviewable Secretary decisions; and
- b) reviewable Commissioner decisions.

Reviewable Secretary decisions

Reviewable Secretary decisions are decisions made by Department delegates (including Apprenticeship Network Providers) and may include (but are not limited to) decisions on:

- a) refusal to grant an application for Trade Support Loans;
- b) varying the rate;
- c) cancelling payments of Trade Support Loans;
- d) the completion discount; and
- e) raising an overpayment debt.

If an Apprenticeship Network Provider makes (as an authorised review officer) a reviewable Secretary decision, the reasons behind this decision must be included in the notice given.

Reviewable Commissioner decision

A reviewable Commissioner decision is any decision made by ATO delegates under section 50 or 51 of the *Trade Support Loans Act 2014*.

Applications for review of a reviewable Commissioner decision should be directed to the ATO.

8.1 Reviewers of Secretary or Commissioner reviewable decisions

A person affected by any decision made under the *Trade Support Loans Act 2014*, may request a review of the decision.

A reviewable decision may be reviewed even if the review was not requested by the person (such as where an administrative error is identified).

The reviewer of a reviewable Secretary decision is either:

- a) the Secretary of the Department (or their delegate); or
- b) an authorised review officer.

The reviewer of a reviewable Commissioner decision is either:

- a) the Commissioner of the ATO; or
- b) the delegate of the Commissioner.

8.2 Authorised review officers

The Secretary's power to authorise an officer to perform the duties of an authorised review officer has been delegated. That Secretary has authorised the Branch Manager of the Commonwealth Policy Design Branch and the Branch Manager of the Industry Skills Branch of the Department to appoint authorised review officers.

Authorised review officers can review a Secretary reviewable decision provided that they:

- a) were not involved in making that decision; and
- b) occupy a position that is senior to that occupied by any person involved in the decision making.

8.3 Application for review of a decision

A written request for a review of a decision must be lodged within 28 days of the person receiving notice of the decision. The request must outline why the claimant considers the decision to be incorrect and, where appropriate, provide additional evidence to support a review of the case. The Secretary may decide to extend the 28 day period in exceptional circumstances.

A person must be informed of the outcome of the review of a decision, including reasons for that outcome. The reviewer of a decision (that is, either the Secretary or an authorised review officer) can affirm, vary or set aside the decision and substitute a new decision.

A person who has applied for a review of a decision may withdraw the application at any time before the review has been completed. If an application for review of a decision is withdrawn, the application is taken never to have been made. Applications must be withdrawn in writing or orally.

8.4 Review process

Requests for a review of a reviewable Commissioner decision should be referred to the ATO.

Requests for review of reviewable Secretary decisions should be sent to the Apprenticeship Network Provider. Apprenticeship Network Providers do not have the authority to review decisions on completion discounts or overpayment debts, however requests for review of these decisions should still be forwarded to the Apprenticeship Network Provider who will forward it to the Department for review.

Requests for review of a reviewable decision (that is both reviewable Secretary decisions and reviewable Commissioner decisions), by the Administrative Appeals Tribunal (AAT) should be sent to the AAT.

8.4.1 Reviews of decisions by the Secretary

A reviewable Secretary decision is first reviewed by a person's Apprenticeship Network Provider. If the person is not satisfied with the outcome of the review they can request a further review of the decision which is then undertaken by the Department.

If the person is not satisfied with the review of the decision by the Department, they may request a further review by the Administrative Appeals Tribunal (AAT).

Reviews by Apprenticeship Network Providers

The Apprenticeship Network Provider is required to re-examine the decision based on the *Trade Support Loans Act 2014*, the Trade Support Loans Rules and the Trade Support Loans Priority List, and any further information provided by the person.

The review by the Apprenticeship Network Provider must either:

- a) Affirm the decision (uphold the original decision);
- b) Vary the decision (change the original decision); or
- c) Set the decision aside and substitute a new decision.

The person must be notified in writing of the outcome of the review of the decision. The notification must include a full explanation, including the reasons for the decision.

Reviews by the Department

Where a review is escalated to the Department, the Apprenticeship Network Provider must forward the evidence provided by the Australian Apprentice and all relevant documentation to their State or Territory Contract Manager.

Apprenticeship Network Providers are to make a recommendation in respect of each request for review sent to their State or Territory Contract Manager, and where appropriate, add additional relevant information.

The Department shall review the decision taking into account the *Trade Support Loans Act 2014*, the Trade Support Loans Rules and Trade Support Loans Priority List.

The review by the Department must either:

- a) Affirm the decision;
- b) Vary the decision; or
- c) Set the decision aside and substitute a new decision.

The person must be notified in writing of the outcome of the review of the decision. The notification must include a full explanation, including the reasons for the decision.

8.4.2 Reviews by the AAT

A person can apply to the AAT, for a review of a reviewable Secretary decision, particularly if they are dissatisfied with the outcome of a previous review.

The AAT provides an independent review of administrative decisions made by the Australian Government. Detailed information on AAT reviews is available on the [AAT website](#).

A request for review by the AAT should be lodged within 28 days after the person receives the decision that they want reviewed. In some circumstances an extension may be granted on application.

If an authorised review officer varies a decision, or sets aside and substitutes a new decision, after an application for review by the AAT has been made, then the AAT reviews the varied or substituted decision.

The AAT may dismiss a request for a review relating to an overpayment debt where the Department delegate and the person requesting the review reach a settlement.

Applications to the AAT can be made by filling out the application form available on the [AAT website](#), by letter, by post, email or fax.

8.4.3 Commonwealth Ombudsman

If a person is dissatisfied with the way the Department has handled their application, they can also contact the Commonwealth Ombudsman. The Commonwealth Ombudsman can investigate complaints about the administrative actions and decisions of Australian Government Departments. Where a complaint is investigated by the Commonwealth Ombudsman they are able to make a recommendation to the Department that is reconsiders its action or decision. The Commonwealth Ombudsman cannot compel the Department to comply with those recommendations but the Department will take recommendations into consideration.

More information on the role of the Commonwealth Ombudsman, including an online complaint form, is available from the [Commonwealth Ombudsman](#) website. Alternatively the Commonwealth Ombudsman can be contacted on 1300 362 072.

9. Delegations

Under the *Trade Support Loan Act 2014*, a number of powers and functions of the Secretary of the Department have been delegated to Apprenticeship Network Providers and staff within the Department.

In general, delegations align with the roles and responsibilities outlined below.

9.1 Program roles and responsibilities

The Program is delivered jointly through Apprenticeship Network Providers, the Department of Education, Skills and Employment, and the Australian Taxation Office (ATO).

Apprenticeship Network Providers are contracted by the Department to deliver support services to administer the Program. This involves exercising any powers or functions that have been delegated by the Secretary of the Department under the *Trade Support Loans Act 2014*.

More specifically, Apprenticeship Network Providers are responsible for:

- providing information on the Program to Australian Apprentices, parents/guardians and interested stakeholders
- managing the application process, including collecting and de-identifying Tax File Numbers
- managing the opt-in and payment cancellation process for Australian Apprentices
- assessing applications against the qualification and payability criteria and making a determination either granting or refusing the person's application
- entering application details in to the Department's IT system in a timely manner
- processing payments under the Program through the Department's IT system
- ensuring that the Department's IT system is up to date with information on suspensions, cancellations, completions and recommencements as needed
- providing advice to the Australian Apprentice regarding notifications, payments schedules, prompting for opting-in for payment periods using program templates
- ensuring personal information is administered in keeping with *the Privacy Act 1988*
- where requested, reviewing decisions made by them under the *Trade Support Loans Act 2014*

The Department is responsible for:

- the overarching policy of the Program including the development and maintenance of relevant legislation and guidelines
- the financial management of the Program
- Program monitoring and evaluation
- reporting on the outcomes of the Program, including providing an annual report for the Minister to table in Parliament
- maintaining the Trade Support Loans Priority List and the Trade Support Loans Rules application of the indexation of the Lifetime Limit
- development and maintenance of Program materials
- Program management including providing training and support to Apprenticeship Network Providers

- recovering payments made in error (overpayment debts) under the Program
- where applicable, determining waivers and write-off of debt
- informing the ATO of loans that have been paid to Australian Apprentices
- calculating and informing the ATO of the completion discount amount, after receiving notice that an Australian Apprentice has successfully completed a qualifying apprenticeship
- ensuring personal information is administered in keeping with *the Privacy Act 1988*
- undertaking review of reviewable Secretary decisions
- determining times in which special case qualification and payability criteria may apply to a person

The Australian Taxation Office is responsible for:

- verification of Tax File Numbers
- collecting Trade Support Loan repayments through the taxation system
- calculating and applying indexation to an individual's Trade Support Loan debt
- providing Australian Apprentices with loan balances as required
- upon the receipt of a notice that a completion discount is to apply to the loan, applying that discount in accordance with the *Trade Support Loans Act 2014*
- ensuring personal information is administered in keeping with *the Privacy Act 1988*
- undertaking review of reviewable Commissioner decisions

The person taking up a Trade Support Loan is responsible for:

- ensuring that they have read the available fact sheets and understood the requirements of the Program which include but are not limited to understanding obligations imposed by taking on a loan and opting in and out of the program
- ensuring that all information provided on the application and opt-in forms is correct to the best knowledge of the Australian Apprentice
- notifying their Apprenticeship Network Provider of changes to their circumstances that may affect their eligibility for Trade Support Loans
- notifying their Apprenticeship Network Provider of changes to their contact details.
- repaying the indexed amount borrowed through the taxation system
- meeting any requirements with regards to the repayment of overpayment debts to the Department

10. Privacy

Apprenticeship Network Providers may collect, disclose, make a record or otherwise use personal information for the purposes of administering the Trade Support Loans Program. The *Privacy Act 1988* (Cth) and the Australian Privacy Principles (APPs) govern how personal information is collected, used, disclosed and stored. The Department's contracts with Apprenticeship Network Providers also contain obligations regarding privacy.

The Information Commissioner has powers to investigate possible interferences with privacy, either following a complaint by the individual or of the Commissioner's own initiative. Further information can be found on the Office of the Australian Information Commissioner's website at <https://www.oaic.gov.au/privacy/the-privacy-act/>.

10.1 Use and disclosure of personal information

An individual's personal information can be collected, disclosed, or otherwise used if the record, disclosure or use of that information is made for the purposes of the Trade Support Loans Program and under the *Trade Support Loans Act 2014*, or with the express or implied authorisation of the person to whom the personal information relates.

Personal information may be used for research, statistical analysis and policy development where the Secretary reasonably believes that the use of this information is reasonably necessary.

Personal information may be disclosed to third parties for the purposes of administering and carrying out the functions of the Trade Support Loans Program. Third parties include:

- Departmental employees;
- Employees of the Minister's Office;
- Contracted Service Providers; and
- Other Commonwealth State or Territory government departments and agencies.

Personal information will not be used or disclosed other than described in these Guidelines, without the Australian Apprentices' consent, or unless required or authorised by an Australian law.

10.2 Power to obtain information from a person who owes a debt

The Department's delegate may require a person who owes an overpayment debt to the Commonwealth:

- a) to provide information relevant to the person's financial situation
- b) to inform the Secretary of any new address within 14 days after the change

If the Department's delegate believes that a person has information about the location and/or financial situation of a person who owes an overpayment debt, the Secretary may require the person to produce that information.

Requests to obtain information must be made in writing to the person. Offences apply if requests for information are not complied with, unless the person has a reasonable excuse.

11. Conflict of Interest

The Department's procedures for managing disclosure of interest are in accordance with the requirements of the APS Code of Conduct (section 13 (7) of the Public Service Act 1999) and are published on the [ComLaw website](#).

Apprenticeship Network Providers also have requirements to notify and resolve or otherwise deal with Conflict of Interest under their Services Contract with the Commonwealth.