

**Ministry of Advanced Education
and Skills Development**

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**Ministère de l'Enseignement supérieur
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November 16, 2017

Dear Employment Ontario service provider:

We are writing to notify you that the Fall Economic Statement (FES), released on November 14, 2017, contains a few items relevant to our work. We want to briefly tell you about each of the items and provide you with resources for more information.

Apprenticeship

The government's goal is to develop a modernized apprenticeship system focused on increasing completion rates, increasing the participation of traditionally underrepresented groups, and creating clearer, better pathways for apprentices.

The government has been working in close coordination with the stakeholder community, including labour organizations, employers, colleges, other training providers, and community organizations to develop plans for a modernized apprenticeship system.

With respect to Apprenticeship training—and in line with efforts to modernize the Apprenticeship system—it was announced that the Ontario government is proposing to replace the **Apprenticeship Training Tax Credit (ATTC)** with a new **Graduated Apprenticeship Grant for Employers (GAGE)**. Ontario has taken the first step in acting on feedback by proposing this new employers grant to support Apprenticeship program completion rates and increasing the participation of traditionally underrepresented groups.

Eligible employers will receive funding through GAGE as the apprentice moves through to completion. The amount of support increases for eligible employers as the apprentice reaches completion milestones. As part of GAGE, the government is developing an employer incentive for in-demand trades, to support training apprentices now to meet projected future labour market needs. As of November 15, 2017, eligible employers who register apprentices will be eligible for GAGE. The new graduated grant is one key element of planning for a modernized Apprenticeship system.

The government is also introducing changes to the **Employer Completion Bonus (ECB)**. The ECB will continue to be available for employers with apprentices in trades that are not eligible for GAGE. There is also work underway to explore developing a grant program for new and existing group sponsors, with a focus on small business

employers. We're committed to ongoing engagement and sharing other apprenticeship modernizations initiatives in the new year.

Questions and answers have been developed regarding the changes to the Apprenticeship programs.

New Employer Incentives

In addition, The Fall Economic Statement also announced incentives to help small businesses and employers hire and retain youth. Starting in the new year, Ontario will offer retention incentives to employers through Employment Ontario, as part of the **Employment Services** and the **Youth Job Connection** programs.

If you have any further questions, please contact your local MAESD office. We remain committed to sharing with you as much information as possible on these and other important initiatives.

Thank you,

Original signed by
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