



New Support Promised for Apprentices

October 15, 2008

Prime Minister Steven Harper has promised that once elected, a Conservative government will provide a \$2,000 completion bonus to apprentices who finish an apprenticeship program in a Red Seal or nationally recognized trade. Collision damage and autobody repairer technician is one such trade.

On October 3, during the election campaign, the Prime Minister said he wanted to provide an added incentive for Canadians to finish their training and launch rewarding careers in the trades.

In a news release, Prime Minister Harper said, "In the next two decades, 40 percent of new jobs will be in the skilled trades and technologies according to skillswork.com. In 1998, that number was less than 20 per cent. According to the Conference Board of Canada, the country could be a short one million workers by 2020.

There were 13,606 Red Seals issued in 2006 to fully trained apprentices, almost 1,000 more than in 2005, but many people who enroll in apprenticeship programs leave before they complete their training. During 2005, nearly 294,000 Canadians were enrolled in apprenticeship programs, but just over 20,500 Canadians completed apprenticeships that year."

Other measures taken by government include:

- Introduction of the Apprenticeship Incentive Grant, a taxable cash grant of \$1,000 per year (to maximum of \$2,000 per person) to help apprentices pay for the first two years of their education and training

- The new Tradesperson's Tools Deduction that gives workers an annual tax deduction of up to \$500 for expenditures in excess of \$1,000 for tools required as a condition of employment

- Raising the limit on the cost of tools eligible for the 100 per cent capital cost allowance from \$200 to \$500

- The new Apprenticeship Job Creation Tax Credit that provides employers who hire and train new apprentices a tax credit of up to \$2,000 per year for each eligible apprentice

"This \$2,000 promised incentive will further encourage collision repair technician apprentices across Canada to stay and finish their apprenticeships, while providing their employers with more skilled workers to repair today's complex vehicles," said John Norris, Collision Chair of the National Automotive Trades Association (NATA)