

# MSD Support

## Mana in Mahi

Mana in Mahi (Strength in Work) is a programme to help get disadvantaged people into long term sustainable employment while gaining an apprenticeship or formal industry qualification.

We support employers to recruit people and support them into industry training. We pay a wage subsidy.

We provide clients with incentives payments and on-going support along the way.

## Mana in Mahi extension

The programme is being expanded in August 2020 as part of the [Apprenticeship Support Programme](#), to offer additional supports to employers and include workers of all ages who may have to retrain as a result of COVID-19.

Key changes will include:

- supporting workers of all ages who are most disadvantaged in the labour market
- an increased wage subsidy rate per participant of up to \$16,000 in the first year, and up to \$8,000 in the second year
- help to pay participant's industry training course fees (where it isn't covered by Fees Free or the new Targeted Training and Apprenticeship Fund)
- help with additional educational supports an employee might need e.g. a literacy and numeracy tutor.

## Who is eligible?

To be eligible for Mana in Mahi, a client must be:

- a New Zealand citizen or permanent resident (ordinarily resident in NZ)
- considered disadvantaged in the local labour market and at risk of long-term benefit dependency, for guidelines, refer to [clients who are disadvantaged and at risk](#)
- available for full-time work (30 hours or more) or part-time work (15 -30 hours).

People don't have to be receiving a benefit to be eligible for Mana in Mahi. However, if they are interested in a part-time opportunity, you should discuss this with them to identify and understand the circumstances preventing them to undertake a full-time opportunity e.g. health condition, injury or disability or sole parenting responsibilities. Evidence is not required to support this. Part-time conditions remain the same.

For clients receiving a benefit, part-time opportunities may be offered to clients with part-time, work preparation or no work obligations e.g. sole parents or those with a health condition or disability.

Part-time opportunities must be 15 hours or more per week unless there are exceptional circumstances. Contact [mana\\_in\\_mahi@msd.govt.nz](mailto:mana_in_mahi@msd.govt.nz) if you have queries on part-time opportunities, including exceptional circumstances.

## What do clients and employers receive?

Clients receive:

- full-time (or part-time) employment paid at least at the national adult minimum wage rate
- a path to an industry training qualification or apprenticeship
- up to \$3000 incentive payments (paid at 91, 182 and 365 days)
- in-work support.

**Note:** Clients in part-time employment will receive the same supports as full-time Mana in Mahi clients, including incentive payments and in-work support.

Employers receive:

- a wage subsidy for their employee – \$9,580 per year
- support with pre-employment / on the job training for their employee – up to \$2,000
- an opportunity to develop well-skilled, knowledgeable people for their business.

Additional supports offered in the expansion include:

- an increased wage subsidy rate of up to \$16,000 in the first year and up to \$8,000 in the second year,
- support to employers to pay for a participant's industry training course fees, and
- a payment for additional education supports (such as support for literacy and numeracy training).

**Note:** Employers of part-time clients will receive a pro-rata rate for the wage subsidy.

### **What other supports are available?**

Mana in Mahi has in-work supports available for both employers and clients.

#### **For employers:**

Te Heke Mai is an online in-work support programme to help employers with long-term staff retention and reduce turnover.

#### **For clients:**

A range of support and wellbeing services are available to Mana in Mahi participants. These services are offered to clients by case managers and work brokers, and through a series of automated text messages.

<b>Support</b>	<b>Description</b>
<a href="#">In-work Support (IWS)</a>	The In-Work Support service is available to all Mana in Mahi clients. The service delivers a proactive phone, text and email-based service and provides them with information, advice and referrals to appropriate agencies.
<a href="#">Whītiki Tauā</a>	Whītiki Tauā is a pilot virtual mentor support service that connects clients with a dedicated person via video call and messages. Mentors are available to help clients work through tough situations, grow self-esteem and confidence, work out what career or education they'd like and achieve their goals.
<a href="#">Puāwaitanga</a>	Puāwaitanga is a confidential and free phone and online service to help clients strengthen their wellbeing - their hauora. They can talk to a qualified health professional of their choice about anything that's worrying them. They'll listen and help create a treatment plan.

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## **Targeted training and apprenticeship fund (TTAF)**

There has been a lot going on to support apprentices and students, TTAF goes live 1 July 2020. The Govt is making some courses free till end of 2022. This will not have a big impact on us. Some students may call us to find out if their course is free. Students will be redirected to the training provider, TCE (Tertiary Education Commission). We will be administering the refund process. Information will be on Doogee and HIYA.

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The TTAF will cover fees from 1 July 2020 until 31 December 2022 and will be paid directly to tertiary education organisations (TEOs) by us. This will enable TEOs to provide education and training without fees to learners.

TTAF will make a range of training and apprenticeship programmes at sub-degree level free for learners. It is targeted towards industry skill needs where demand from employers for these skills will continue to be strong, or is expected to grow, during New Zealand's recovery period from the impacts of COVID-19.

Study in the following areas is covered by the TTAF:

- All apprenticeships
- Level 3-7 sub-degree programmes in targeted areas delivered by tertiary providers
- Industry training, outside of apprenticeships, in targeted areas.

The targeted areas are:

- Primary industries, including agriculture, horticulture and viticulture, fisheries and forestry;
  - Construction, including building, plumbing, and civil engineering;
  - Community support, including youth work, care for elderly, counselling, and community health including mental health and addiction support
  - Manufacturing and mechanical engineering and technology;
  - Electrical engineering; and
  - Road transport (vehicle operations).
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## **Flexi-wage**

### **What is Flexi-wage?**

There are four Flexi-wage subsidies available. The choice of subsidy is decided by the Work Broker who is working with employer/client dependent on the situation:

- Flexi-wage Basic
- Flexi-wage Plus
- Flexi-wage Project in the Community
- Flexi-wage Self-Employment

#### *Flexi-wage Basic*

Flexi-wage Basic is a wage subsidy that invests in job seekers, who are disadvantaged in the job market by making a temporary contribution to their wages so they can access and maintain employment. The amount paid and duration of the subsidy is based on a client's needs as well as barriers to employment and reflects the level of assistance the client needs to reach the entry-level requirements of the job. The expected outcome is that the job seeker remains employed well after the subsidy period has expired.

#### *Flexi-wage Plus*

Flexi-wage Plus is a wage subsidy with the option of using some funding for other assistance that employers need, such as training, mentoring or in-work support. The types of assistance funded through this programme are driven by what support employers tell us they need to employ clients. This helps clients reach the skill level required for the job by investing in on-the-job or external training.

#### *Flexi-wage Project in the Community*

Flexi-wage Project in the Community is a subsidy that allows a client to participate in project-based work where they can develop work habits, general on-the-job skills and progress towards sustainable

employment. This experience will assist individual people to progress towards sustainable employment. Flexi-Wage Project in the Community is primarily a wage subsidy.

#### *FlexiWage Self-Employment*

FlexiWage Self Employment is a wage subsidy to help clients overcome financial barriers associated with moving into self-employment. The weekly rate of subsidy is determined on the client's weekly living expenses and the expected cash flow of the business. Clients are required to prepare a business plan and have it independently assessed.

#### **Flexi-Wage Basic**

Flexi-Wage Basic is a wage subsidy that invests in job seekers who are disadvantaged in the job market by making a temporary contribution to their wages so they can access and maintain employment.

The amount paid and the duration of the subsidy is based on a client's needs as well as barriers to employment and reflects the level of assistance the client needs to reach the entry-level requirements of the job.

The expected outcome is that the job seeker remains employed well after the subsidy period has expired, and that the cost of achieving these outcomes is reasonable.

Flexi-Wage Basic is primarily a wage subsidy, however it can cover support and mentoring. If training is required, the [Flexi-Wage Plus](#) subsidy might be more appropriate.

Flexi-Wage subsidies are available for two groups of clients to help them find jobs. These are:

- clients for whom training will be inappropriate (for example, those who may have learning challenges) and for whom a subsidised job is the best option for them to move off benefit, and
- clients who may already have the skills and experience they need to find work but who have been on benefit for a certain period (for example longer than 6 months).

GST is included in all subsidies and is the responsibility of the employer to manage.

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## **Skills for Industry**

### **What is Skills for Industry?**

The Skills for Industry programme provides short-term job-focused training to prepare clients who require up-skilling for specific requirements identified by industry. The programmes will be short to medium term and tailored to job-specific requirements for particular vacancies (eg retail skills, hospitality skills etc).

Training can be offered as pre-employment or in-work training, and programmes can be delivered by providers or employers.

Skills for Industry, under Job Streams, includes Industry Partnership, Training for Work and some regional programmes.

### **Skills for Industry - Expected Outcome**

The expected outcome from participation on a Skills for Industry programme is that the client:

- successfully completes pre-employment skills training, recognised and endorsed by industry
- moves directly into entry-level employment with the industry sector they have been trained for
- achieves sustainable employment and progresses towards relevant industry skills, linking to NZQA standards wherever practicable, assisted by ongoing career support

### **Skills for Industry - Part-time employment outcomes**

Skills for Industry allows for part-time work outcomes to accommodate clients with work preparation or part-time work obligations who are not capable of taking up full-time employment immediately after completing Skills for Industry training.

The on-going Skills for Industry focus for these clients, is to help them build to sustainable employment during the career support component of the programme, where possible.

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## **Transition to Work Grant**

Transition to work Grant commenced on 30 April 2007.

TTW is a non-taxable, non-recoverable payment that can be made to help meet additional costs essential for transitioning into employment for:

- people on a main benefit
- school leavers moving into employment
- full-time students (excluding payments for bridging finance to enter employment during the summer vacation)
- people who meet the qualifying criteria and face small gaps between jobs (up to four weeks)
- people re-entering the workforce (partners or recently released prisoners)
- people who have ceased work and have been supporting themselves

### **Costs must be essential, actual and reasonable**

Before granting TTW, a cost must be identified as essential, actual and reasonable for the client to transition into work. The following are considered when determining if a cost is essential, actual and reasonable:

- Would the client be able to attend an interview or move into work without assistance?
- Is the cost directly related to the work that the client is going to do?
- Does the client already have the item? If so, is this an essential cost?
- Should the employer be providing the item/service?
- Is the client able to meet or contribute to the essential cost themselves?
- Are alternative forms of assistance available

### **Safety gear should be paid for by the employer**

TTW shouldn't be paid for safety gear. Section 10 of the [Health and Safety at Work Act \(2015\)](#) makes the employer responsible for providing essential safety gear for their employees.

Employers should provide employees with essential safety gear relevant to their role. This includes items such as helmets, ear muffs, safety glasses, safety gloves, etc. However, it would be suitable to pay TTW for safe work boots if your client does not have a pair and needs them to start work.

### **Eligibility**

To receive TTW the client must have an essential cost because of their job search, job interview or job offer and meet the following criteria:

- have income under the income limit (including partner's income)
- have cash assets under the cash assets limit (including partner's cash assets and shared cash assets)
- have not received the maximum amount of \$1,500 (in total) in the past 52-weeks

and

- be in receipt of a main benefit or
- be a student enrolled with Work and Income as a job seeker or registered with Student Job Search (except for bridging finance to enter employment during the summer vacation) or
- not be in receipt of a main benefit but meet the qualifications described on this page and be moving into work or facing a short gap between jobs (less than four weeks).

In addition the client must generally:

- be seeking paid work for a position of 30 hours or more per week or
- have a verified job interview for a position of 30 hours or more per week or
- have a verified job offer of 30 hours or more per week (excluding self-employment) to receive job placement or bridging finance payments.
- Working less than 30 hours
- Generally TTW is paid to people seeking or starting work for 30 hours or more per week. However, TTW may be granted to people seeking or starting work for less than 30 hours per week where it is reasonable and appropriate.
- For example, it would generally be appropriate to grant TTW for sole parents seeking or starting work for 20 hours or more per week.
- Sole parents who regularly work 20 hours or more per week may qualify for an in-work tax credit as part of the Working for Families Tax Credits. This can make these clients significantly better off financially. Ensure they are aware of this. For more information see [Inland Revenue Working for Families](#).

Clients cannot receive TTW when they are:

- entering training, education, work experience, an activity in the community, voluntary work, seminars or programmes entering employment in an unsuitable business
- in prison but released each day to attend employment or employment related activities offered employment before applying for TTW (note this is for job search costs only; these clients may still be able to receive TTW for job placement and bridging finance costs)
- moving into self-employment (generally). This is because there are other forms of financial assistance available to them which must be accessed first, including Flexi-Wage Self Employment, Self-Employment Start-up, and Business Training and Advice Grant. If a client moving into self-employment is seeking TTW and payment is justifiable, please confirm with your Service Centre Manager before granting the payment
- a student seeking or starting part-time work to supplement their income while studying
- job seeking or have a job placement in a location outside of New Zealand.

TTW can be used to pay for a client's essential, [actual and reasonable costs](#) to transition into work. These can include costs required for the client's job search (including interviews), job placement and bridging finance.