

Monday 26 August 2013



## Media Release

### **Abbott gets it wrong: Apprentices should not be forced into debt to solve our skills shortages**

The Coalition's plan to offer loans to apprentices is nonsense, the AMWU said today.

AMWU National President Andrew Dettmer said: "This proposal will not help with the costs of doing an apprenticeship. It lets employers off the hook and instead of paying apprentices properly, this will burden young workers with unfair debts, just when they are starting to earn decent money."

Mr Dettmer said that the policy was another example of the Coalition giving a free kick to employers, and ignored the key problem causing apprentices to quit – the lack of decent wages.

"Apprentices shouldn't have to go into debt to solve Australia's skills shortages.

"Who else in the Australian workforce is paid so poorly that they must effectively be given a government loan simply to make ends meet?

"Tony Abbott can see the problem, that apprentices are dropping out of apprenticeships because they cannot make ends meet on apprentice wages, but this solution is a hoax. It will not make employers pay apprentices more, but it will force apprentices into debt.

"Apprentices deserve to be paid a wage they can live on and should have their training needs supplied, they shouldn't have to go into debt for either reason.

"The low number of Australians completing apprenticeships is a concern, but the answer must be to ensure that they are paid decent wages, given training that is appropriate and timely, and are treated with respect.

"Despite a major win by the union movement last week, which saw Fair Work Australia increase wages for apprentices, the amount they are paid is still too low.

"We are facing looming skills shortages in many trades, and we should not be punishing young people who take up apprenticeships to learn these trades by saddling them with debt.

"We are very concerned this policy may be used by employers to shift costs they should be paying – including tools and equipment – on to apprentices. We hope the Coalition has a plan to stop this happening, but we have seen no evidence of one so far.

"The Coalition must ensure that existing initiatives which provide grants, not loans, to help apprentices with expenses, such as the "Tools for Your Trade" program are retained and not replaced by their debt scheme.

"Both major parties need to come up with solutions to the low number of Australians completing apprenticeships, otherwise we will be dealing with severe skills shortages in years to come.

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“Business has dropped the ball on apprenticeships in recent year and must be made to take more responsibility for training and ensuring that we do not have major skills shortages in the future.”

“We’ve seen a growing reliance in the Australian economy on skilled workers from overseas to plug skill shortages, which doesn’t address our skills needs in the long-term.

“While Tony Abbott launches a misguided policy to increase apprentice numbers on one hand, on the other he is promising to increase the number of 457 visas. This will allow employers to import temporary guest workers instead of training locals, and will mean fewer apprenticeships will be offered to young Australians.”

**For more information please contact Ben Ruse 0409 510 879**