



Media Release

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Increase Apprentice Wage or Risk Losing Skills of the Future – AMWU

The need to guarantee Australia's future skill base is the driving force behind the AMWU submission to Fair Work Australia today.

The AMWU, supported by the ACTU and other unions, is calling for an overhaul of wages and conditions for apprentices. Success in this historic case will assist thousands of apprentices to complete their trade training and securing a stable supply of much needed skills supporting Australia's prosperity.

The AMWU is determined to stop the disturbing drop out rate of nearly 48 per cent of apprentices, mainly in their first and second years. In research sponsored by the ACTU, it was found that this is often due to poor wages.

Award rates of pay for apprentices are substantially inferior to fast food workers or convenience store assistants.

AMWU President Andrew Dettmer will be opening the union's case today and will speak about the importance of raising the wages of first year apprentices to at least 60 per cent of the adult trade's wage, the first rise in relativities in 33 years.

"Competitive pay is necessary to attract and retain apprentices" Mr. Dettmer said.

"\$7.80 an hour for first year apprentices is not a living wage for an independent person, effectively ruling out almost anyone without the financial support of their parents."

An AMWU survey of 545 apprentices found most considered quitting their apprenticeship, 35 per cent citing low pay as the reason.

The union is also seeking to lower the adult apprentice starting age from 21 to 20.

"An Apprentice is no longer a teenage boy of 14 or 15. The number of mature age apprentices is on the rise" he said.

"A person who begins an apprenticeship at 20 is stuck on junior rates until age 23 or 24. It's an anachronism."

"If we want to recruit mature, grounded people into trades then the age eligibility for adult apprenticeships should be lowered from 21 to 20 to give them extra incentive to get into it" said Mr Dettmer

"They're old enough to vote, to have car loans and sometimes housing loans. To tell a person who's nearly 21 that they'll be stuck on junior rates until they're 24. Well, who would do it?"

The AMWU's application will also ensure that apprentices and trainees receive adequate reimbursement when undertaking training related travel and will oppose the Australian Industry Group's application.



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In a recent case the AIG argue that apprentices and trainees should not receive travel allowance when they travel for training. This is despite such reimbursement being guaranteed to every other type of employee.

In one South Australian case an apprentice travelling from Whyalla to Adelaide to attend block training sessions had to pay \$12,071 in fares and accommodation, but only recouped \$2,782 in government subsidies.

“The demands on apprentices are greater than ever, our nation risks being deprived of the future skills we need to support innovation and productivity if we fail to address the fall out rate of apprenticeships.

“Australia cannot afford such a tragic loss of potential if we are to keep our manufacturing industry skills ahead of our competitors,” said Mr. Dettmer

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