

Tuesday, 17 May 2011

Higher apprentice wages essential to maintain a skilled Australian workforce: unions

Training wages should be increased to ensure apprentices can meet their living costs and Australia continues to have a skilled workforce, unions say.

Apprentice wages have failed to keep pace with the modern economy, and are a key factor in poor completion rates, said the ACTU.

ACTU President Ged Kearney welcomed the Federal Government's support for a review of training wages by Fair Work Australia.

"Poor wages have been identified as one of the major causes for the low rate of apprenticeship completions," Ms Kearney said.

"Tens of thousands of young Australians each year begin their working life as apprentices, learning skills and trades that are essential to drive our national economic growth.

"But within a few years, half of them have dropped out - in many cases, not because they want to, but because they struggle to make ends meet on as little as \$300 a week.

"A first year plumber will earn as little as \$262.34 a week - not much more than the single person's Newstart allowance of \$234.85. People are entering apprentices at later ages and often have to support a family as well as themselves.

"We have been calling for an urgent Fair Work Australia review of the extremely low wage system, given apprentices tell us that low pay contributes to their dropping out before they finish.

"Better wages and training conditions must be part of any solution to lift the completion rates, which are less than 50%. We will make submissions to the review to ensure this leads to an effective plan to meet the future skills needs of the Australian economy and its workers, and to provide good, fulfilling jobs for young Australians"

The need to better support apprentices was acknowledged by the Government in last week's Budget, including an additional \$220 million to support apprentices through mentoring.

Ms Kearney said for Australia to continue to have a viable apprenticeship system to provide future skilled labour needs rather than relying too heavily on temporary migrant labour, reforms were needed to improve wages, and address the lack of quality training and other support structures in the workplace.

"But employers must accept greater responsibility for training and skills development," Ms Kearney said. "We need to have an effective apprenticeship system so Australia is not forced to rely too heavily on temporary skilled migration, and so young Australians can have decent, quality jobs for life. Improving training wages is an important part of reforming the apprenticeship system to meet those challenges."

Rebecca Tucker ph (03) 9664 7359 or 0408 031 269; rtucker@actu.org.au