1. **Summary of Submission**

This submission is to encourage the Commission to establish a minimum wage for Adult apprentices, i.e., apprentices who commence their apprenticeship after reaching the age of 21. The suggested rate is a minimum of 80% of the minimum wage.

**Background:**
There appears to be a trend towards inclusion of specific rates of pay for older and Adult apprentices in relevant awards. I expect that this is to reflect that many teenagers remain at school, improving their basic qualifications before undertaking apprenticeships, and that there are many people who take some time after leaving school before deciding on a career. There is also the possibility of people making a career change later in life. Those who commence apprenticeships later in life generally bring with them greater maturity and a range of acquired skills. They also have additional responsibilities in particular financially.

My son is currently an apprentice in the Aircraft industry. In researching relevant pay issues there appears to be at least two awards providing coverage for apprentices in this industry. One [the Metal, Engineering and Associated Industries Award 1998] has provision for Adult apprentices, the other [the Aircraft Engineers (General Aviation) Award 1999] does not.

In practice this leads to employers being able to adopt a wide range of options, based on awards, ranging from paying less than $6 per hour to $13.20 for first year apprentices. Employers may also choose to pay above the award rate at what is considered to be a fairer wage but this is very subjective.

All the above award rates are below the current minimum wage and some significantly below. This submission is designed to minimise the type of anomaly identified above and provide adult apprentices with some certainty re wage, particularly in their initial years.

The suggested minimum rate for Adult apprentices is 80% of the minimum wage. This is based on apprentices being at school 1 day a week and being effective members of the workforce for the remainder.

2. **Economic prosperity**

2.1 **The capacity for the unemployed and low paid to obtain and remain in employment**
Adopting this suggestion will encourage people, who are either unemployed and/or wishing to pursue a more appropriate or satisfying career, to undertake an adult apprenticeship. This will increase the likelihood of ongoing employment for both groups.

2.2 Employment and competitiveness across the economy
Adopting this suggestion will encourage adult apprenticeships by reducing the initial financial stress and should lead to an increase in the number of apprenticeships undertaken by adults. It will also lead to a greater skilled workforce and hence improve our economic competitiveness.

2.3 The provision of a safety net for the low paid
Adopting this suggestion would introduce a safety net for the Adult Apprentice where the specific industry award has no provision for adult apprentices.

2.4 The provision of minimum wages for junior employees, employees to whom training arrangements apply and employees with disabilities that ensure those employees are competitive in the labour market
This suggestion specifically addresses minimum wages for employees where training arrangements apply and would ensure a minimum wage for the Adult apprentice commensurate with both their maturity and pre apprenticeship skills.

3. Issues Arising from Previous Decision
N/a

4. Conclusion
This suggestion will provide a more consistent approach to wages for Adult apprentices industry wide. This would encourage adults to take up apprenticeships by reducing potential financial hardship in their early apprenticeship years.