



***Motor Trade Association***  
*of South Australia*

# Submission to the Fair Work Commission

On the four yearly Review of Modern  
Awards, National Training Wage  
(AM2016/15, AM2016/17)

24 March 2017



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## Introduction

The following comments are provided on behalf of Motor Trade Association of South Australia (the MTA), an employer organisation representing the interests of approximately 1,100 members and their approximately 15,000 employees in the automotive retail, service and repair sector.

Eighty per cent of these businesses employ less than 20 employees in South Australia. The automotive retail, service and repair sector adds more than \$2.85 billion to the State economy annually and employs almost 27,000 people in South Australia – more than the ten largest South Australian companies combined.

The MTA Group Training Scheme is a Registered Training Organisation and Group Training Organisation, which delivers post trade and apprentice training to automotive tradespeople, employing 450 apprentices and placing them in over 240 host businesses.

As a representative state body, the MTA has 13 divisions representing the full range of trades within the motor industry, excepting mass vehicle manufacturing. These include:

- Australian Auto Dealers Association
- Automotive Repairs
- Automotive Dismantlers
- Commercial Vehicle Industry Association
- Farm Machinery Dealers
- Licensed Vehicle Dealers
- Collision Repair
- Motorcycle Industry Association of South Australia
- Rental Hire
- Service Stations
- Tyre Dealers
- Towing
- Independent Bus and Coach Operators

## Submission Contact

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## Plain Language Re-draft of the NTW Schedule

2.1 MTA-SA broadly supports the re-drafting of modern awards to be expressed in plain language terms providing that the process enhances clarity in language and application and does not result in any unintended interpretations.

2.2 MTA-SA apologises for this late submission in relation to the Commission's plain language re-draft of the NTW Schedule. However, the following suggested amendments on the re-draft are proposed to provide greater clarity in language and application of the Schedule:

2.2.1 Amend the title in A.4.2 to 'Minimum **hourly rates** for part-time traineeships'.

Rationale:

- The rates in A.4.2 (a) to (e) are 'minimum hourly rates' in relation to part-time trainees and not the minimum wages (see also references in A.4.2 (f) (i) - (iii) )
- The calculation of the actual minimum wages for part-time trainees is dealt with in A.4.2 (f).

2.2.2 In A.4.2 (f) (i), amend the initial reference to 'hourly minimum rate' to '**minimum hourly rate**'.

Rationale:

- To provide better consistency in terminology in all three sub-clauses (i) – (iii) and also with A.4.2.

2.2.3 Amend the wording in a.5.3 as follows:

**'Time spent by a full-time trainee in attending any training and assessment specified in, or associated with, the training contract is to be regarded as time worked for the employer and in determining a full-time trainee's employment conditions. The weekly wages in A.4.1 (a) to (d) includes payment for time worked and time spent in training.'**

Rationale:

- A full-time trainee is paid a weekly wage as set out in Tables 1-4 in A.4.1 for the hours of work and training. These weekly wage rates in the NTW Schedule have been 'discounted' by 20% to account for the time that is spent in training. So the full-time trainee wage is to cover hours worked as well as time spent in training.
- The hourly rates for part-time employees (including a school-based trainee) have not been 'discounted' to account for time spent in training so the mix of training and work has to be considered when calculating the wages of a part-time trainee. A different calculation is used to calculate the wages depending on the type of training that is undertaken.
- The different types of training are referred to in A.4.2 (f) (ii) and (iii).
- School- based trainees are paid part-time hourly rates, as appropriate, in Table 8 of A.4.2(d) as well as having regard to the 'Employment conditions' contained in A.5.1.



2.2.4 Having regard to the above, it is proposed that the 'Note' after A.5.3 be replaced by a new clause A.5.4 as follows:

- **The time to be included for the purpose of calculating the wages for part-time trainees (including a school-based trainee) is determined by A 4.2(f) (ii) and (iii) and not A.5.3.**

2.2.5 Renumber A.5.4 as A.5.5.