

Ai GROUP SUBMISSION

Fair Work Commission

Annual Wage Review 2021 – 2022

Submission on draft determinations

27 June 2022

The logo for Ai GROUP, featuring the letters 'Ai' in a large, stylized font above the word 'GROUP' in a smaller, bold, sans-serif font. The logo is white and is positioned on a dark purple background that forms a large triangle on the left side of the page.

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Adult apprentice and adult trainee wage rates

This submission responds to the ACTU's submission of 24 June 2022 on the draft determinations issued by the Fair Work Commission to reflect the *Annual Wage Review 2021-22 Decision*. This submission also responds to the submissions of various unions which have adopted a similar position to the ACTU.

The ACTU has argued that the award wage rates of adult apprentices and adult trainees should be increased by a minimum of \$40.00. Ai Group strongly opposes the ACTU's proposal for the following reasons:

1. Such an approach would disturb the Commission's existing longstanding approach to adjusting apprentice and trainee wage rates in Annual Wage Reviews.
2. Such an approach would disturb the relativities between adult apprentice wage rates and other apprentice wage rates, as determined by the Commission in the major *Apprentices and Trainees Case* during the Modern Awards Review 2012.
3. Such an approach would disturb the relativities between adult trainee wage rates and other trainee wage rates, as contained within the National Training Wage Schedules in modern awards.
4. In the past, when the Commission and its predecessors have awarded flat dollar increases in Safety Net Review / Annual Wage Reviews, the approach proposed by the ACTU was not adopted.
5. The ACTU's proposed approach is inconsistent with the *Annual Wage Review 2021-22 Decision*. There is nothing in the decision which indicates that the Expert Panel intended to disturb the longstanding existing approach to flowing on the decision to apprentice and trainee wage rates. The fact that the draft determinations issued by the Commission, do not depart from the longstanding existing approach shows that the approach proposed by the ACTU does not align with the Commission's intentions.
6. Very few employers would have seen the ACTU's submission or had a realistic opportunity to respond to it. If the Commission were to depart from its longstanding existing approach to adjusting apprentice and trainee wage rates in Annual Wage Reviews, based on the ACTU's submission, this would not afford procedural fairness to the thousands of employers who would be impacted by any such changed approach.