The House of Representatives Standing

Committee

on Employment and Workplace Relations

inquiry into

Pay equity and associated issues related to

increasing female participation in the workforce

Submission

from

Group Training Australia Ltd

Prepared by WorkSight Pty Ltd

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Introduction	3
Background	3
Impact of Pay Inequity on Women	6
Factors Impacting on Pay Equity	7
Female apprentices and trainees in the Australian Workforce	8
Pay Equity and Industrial Allowances	10
Occupational Segregation	10
Case study Hairdressers and Mechanics Apprentices regardless of their gender should receive a living wage	
Female Apprentices and workforce participation	17
Conclusion	18
Recommendations:	18
Bibliography	20
Appendix A - Comparisons of Apprentice % in Selected Industries	24
Appendix B – Comparison of Allowances	34

Introduction

Group Training Australia (GTA) is the largest employer network of apprentices and trainees in the country. It has been active in commissioning research and developing policy on apprenticeships and traineeships in the interests of a more informed public debate about national skills formation.

The GTA submission addresses issues that impact pay equity and the related ramifications for apprentices and trainees. GTA's research indicates that the significant difference between pay outcomes for apprentices and trainees employed in female dominated occupations arises from the extensive range of allowances which are paid in addition to the basic periodic rate of pay for male compared to female dominated occupations.

Statistics outlined in this submission identified that previous pay equity inquiries have not lead to a higher number of women apprentices employed in the trades nor have they increased the number of apprentices and trainees entering the female dominated trades.¹ Further, the current structural arrangements have not dealt with the inequities of industrial allowances and their application in the trades, particularly their limited use in female dominated occupations.

Background

International bodies such as the United Nations (UN) have established criteria for national action on sex equality. This has resulted in marked similarities in antidiscrimination legislation, policies and concepts across nations on broad human rights principles. The similarities in prohibitions of discrimination in legislation across the industrialised countries are generally based upon the definitions in international conventions.

¹ Australian vocational education and training statistics - apprentices and trainees, December QTR, 2008

The ILO Convention 100, Equal Remuneration for Work of Equal Value (the Equal Remuneration Convention) requires ratifying countries to ensure the application to all male and female workers the principle of equal remuneration for equal value work. It requires a continuing program of action, rather than the achievement of the Convention's objectives prior to ratification. Whilst Australia ratified the convention in 1974 and equal remuneration provisions have been included in workplace relations and discrimination legislation, the extent to which it has been successful is still questioned, particularly when comparing female and male dominated jobs and industries.

The Equal Remuneration Convention covers pay equity work across occupations as well as within occupations.² The ILO Committee³ is on record as stating that cross-industry comparisons are necessary when implementing and construing the Equal Remuneration Convention.

ILO Convention 111, *The Convention Concerning Discrimination in Respect of Employment and Occupation* ("the Discrimination Convention") requires parties to prevent discrimination in employment and occupation and advises that the principle of remuneration for work of equal value should be upheld and implemented.

The key link between the two Conventions is the recognition of the fundamental importance of pay equity as a measure of more general equality.

Discrimination is defined as:

(any) distinction, exclusion or preference, which has the effects of nullifying or impairing equality of opportunity or treatment in employment or occupation.

The ILO Committee of Experts, responsible for reporting on the Convention and its implementation at the national level, interprets the requirements of the Convention and provides guidance on key issues.

² Pittard 1994

³. ILO <u>Equal remuneration: General Survey by the Committee of Experts on the Application of Conventions and Recommendations</u> International Labour Office, Geneva 1986 at p. 10

This Committee has noted repeatedly that most ratifying countries have difficulty in applying the main requirement of the Convention, i.e. the application of equal pay for work of equal value. They point to a deficiency in knowledge of the inequality dynamics due to:

- Insufficient data and research;
- Lack of understanding of "equal value";
- Ignorance of the job evaluation processes necessary for determining the relative value of jobs; and
- Inadequate financial resources for collection of data and instituting appropriate job evaluation schemes. (ILO 1986, 1990, 1993)

The Committee⁴ has also stressed what it terms as **"the indivisibility of equality"**. That is, specific moves towards equality for women, such as equal pay and equal opportunity strategies, are inextricably linked to the general status of women. Justice Mary Gaudron, the first woman appointed to the High Court of Australia, put it best when stating, "Equality is a meaningless abstract unless it is founded on economic security and economic strength".

The broad scope of the Conventions is recognition of that indivisibility. ILO 100, for example, requires that:

- All workers are covered;
- All forms of remuneration are included;
- Comparisons should be available across enterprises and across dissimilar work; and
- Comprehensive and explicit criteria should be used in describing and evaluating work.

⁴ ILO 1986 p72, ILO p. 129-30

Impact of Pay Inequity on Women

The implementation of pay equity has an important implication for equity and discrimination in the workplace. The undervaluing of women's work compared to men's and the clustering of women in low-paying occupational groups may involve discrimination on the basis of sex and therefore may be unlawful under human rights and anti-discrimination legislation. It is also contrary to basic human rights outlined in international conventions and in international human rights law.

Consideration should be given to the cost to society of pay inequity between men and women. These costs include the impact of low wages on women's economic independence both within and outside the family and their ability to maintain and support their families.

This position is supported in a discussion paper by Rubery (1992) that focuses in more detail on the benefits of introducing pay equity. Rubery argues that implementing the principle of equal pay for work of equal value would result in a reduction in household poverty and alleviation of the poverty trap. Benefits include an increase in economic freedom, and in the status and dignity attached to women's work for individuals.

In 2006 GTA commissioned the Centre for Applied Research in Social Science (CARSS) at the University of New England to examine apprentices' income in relation to their cost of living. This work was undertaken as a precursor to the Australian Fair Pay Commission's then review of junior and training wages and was included in the GTA submission on Award Modernisation. In 2007 GTA released the report *"Living standards of Apprentices"* ⁵which provided a detailed analysis of the income of apprentices in several key industry sectors against a variety of benchmarks.

This research which is addressed in more detail later in the submission postulates that a reasonable living standard is unattainable for a first year apprentice regardless

⁵ Bittman, M. Reavell, R. Smith, G. Battin, T. (2007)

of their gender. Coupled with the absence of significant industrial allowances in the female dominated trades pay inequity is more likely to occur.

Factors Impacting on Pay Equity

Factors that result in remuneration discrimination can be characterised as built-in and external sources, Table 1. The factors are inter-linked and have impact on each other. Both built-in and external factors affect the valuation of work determined by remuneration.

Table 1 - Summary of Factors Relevant to the Determination of Remuneration ⁶

Built-in	External
 Qualifications Skills Individual productivity Experience or tenure Job endowments, allowances (such as strength, creativity and other broad descriptor) How work is described 	 Institutional factors Tribunals Governments Union Regulation Market factors Nature of the product/service market Geographical location Location of workplace Size of organisation existence of pace setters Public or private sector Recognition of qualifications Sector productivity gains Segmentation or segregation Discrimination Age and gender characteristics Family status Nature of engagement (permanent, full-time, part-time, casual) Access to overtime and over award or above base payments or other such payments Nature of industrial arrangements: Collective agreements Informal arrangements Individual contracts

Consideration should be given to the following actions when addressing the built-in factors impacting on pay equity:

⁶ Gregory, 1998

- The need for a properly considered base rate of pay;
- Provision of career paths;
- Consideration of post qualification skills;
- The need to test rates of pay in a formal way against a relevant market group in male and/or female sectors;
- Ensuring regular review of rates;
- Providing relevant skills descriptors; and
- Recognition of hard and soft skills.

Consideration should be given to the following actions when addressing the external factors impacting on pay equity:

- Access to overtime and bonus payments;
- Operation of the market and interaction with the other job markets;
- Existence of promotional and /or incremental payments;
- Relevance of penalty rates and allowances
- Recognition of occupational segregation;
- Access to all positions;
- Access to a range of work models- full-time, part-time, casual or permanent;
- Consideration of job size;
- Size of employer; and
- Access to career breaks;

Female apprentices and trainees in the Australian Workforce

The factors outlined previously in this paper apply to all women workers including apprentices and trainees. Their wages and conditions are linked directly to those of the trade or appropriately qualified person in their chosen vocation. On that basis, the impact of the inequities on the apprentice or trainee, which may or may not be applied in that vocation, continue during their period of training.

The majority of female apprentices are located in the ASCO 45 classification Food Tradespersons and 49 Other Tradesperson and related workers (where hairdressers can be found). In the October to December 2007 quarter, there were 4,722 and 12,946 new entrants to training respectively in these trades. During the same quarter 20,208 females entered apprenticeships compared with 151,777 male new entrants. These statistics confirm larger numbers of males are entering trades. Where women are entering they continue to be located in the female dominated vocational groups perpetuating the ongoing occupational and gender segregation in the Australian workforce.

The reasons for the ongoing pattern may vary, including females not wishing to undertake the type of work in some trades, their knowledge of the trade due to the gender stereotyping and lack of promotion of all trades during career counselling or employment and training organisations.

The industrial instruments that regulate the pay and conditions for tradespeople also regulate the pay and conditions for apprentices and trainees. In most instances the basic rate of pay for a tradesperson is the same regardless of whether they are working in female or male dominated occupations. The majority of apprenticeship rates of pay are structured as a percentage of the relevant trade's rate with the rates of pay increasing on an annual basis. Most recently this has been as a result of the Australian Fair Pay Commission (AFPC) increases to the minimum rates of pay.

There is significant variation in the apprenticeship percentages even when the trade rate is the same, as shown in **Appendix A**. It would be expected that, if the trade monetary rate is equal, then the level of skill required to complete the trade would also be equal. However, the application of different percentages when calculating apprentice rates of pay results in the varying rates of pay for apprentices. This seems to defy any logic – if it is agreed that the tradesperson in a variety of trades should be rewarded on the same basis, why not the apprentices?

Pay Equity and Industrial Allowances

Allowances are additional payments made to employees over and above their base rate of pay. Allowances can be provided as either specified in an employment agreement, as a discretionary payment, or as an additional component of remuneration paid to a group of employees such as managers. The application of allowances to different classifications of workers may contribute to pay equity problems. There are significant differences in the range and amount of allowances paid in male dominated industries when compared to their female counterparts.

Allowances have been introduced in some industries to compensate for working in unpleasant conditions, the provision and maintenance of tools, working unsociable hours and being on call to return to work. In many instances allowances were introduced to increase wages without increasing the hourly or weekly rates of pay. Those industries and occupations that have had industrial strength or are well unionised have benefited most from this system. The use of allowances in female dominated industries is limited and are usually significantly lower in value that those of training in male dominated trades. This is likely to lead to a pay inequity even when the trade rate, thus skill level, has been deemed to be equal. **Appendix B** outlines these allowances.

In some industries allowances form a significant proportion of the apprentice's wage. The application and disparity across industries creates further complexity and possible inequity in the current system of apprentice pay and adds to opportunities for gender pay inequity. The criteria for determining whether an apprentice has an entitlement to an allowance can be involved. It can be further complicated by differing rules as to whether they receive the full allowance which would be received by the tradesperson or only a proportion of it. **Appendix B** shows the variations in the application of allowances across industries.

Occupational Segregation

Issues of the value of work underpin both horizontal and vertical segregation of occupations. Vertical segregation prevents women accessing highly paid positions.

This may be through barriers to career progression and/or work undertaken being undervalued when set against the occupation hierarchy. Horizontal segregation can provide a negative impact on women's earnings as areas of work in which women are predominantly employed are viewed as unskilled, subject to deskilling strategies and undervalued. The following case study provides an example of the impact of occupational segregation, the application of industrial allowances and the value placed upon the work undertaken.

Case study Hairdressers and Mechanics

In 1996 the NSW Department of Industrial Relation commissioned a research project *Trade Credentials: Do They Help Pay equity?* comparing Hairdressers to Mechanics. This research was submitted as evidence before the NSW Industrial Relations Commission Pay Equity Inquiry.

The case study measured the effects of the formal recognition of skills exercised by working women on pay equity. The data was obtained from the vocational education system, trade unions, industry associations, industrial tribunals and government organisations.

The research outlined:

The choice of hairdressers and motor mechanics as female and male counterparts respectively was prompted by several factors: both occupations are underpinned by trade credential; both are in the service sector; both are characterised by high rates of employee turnover; both are licenced by a regulatory body; and motor mechanics rank among the lowest paid of those employed in the male dominated trades.

Hairdressers in NSW are covered by the Hairdressers &c. (State) Award. Most motor mechanics are covered by the Federal Vehicle Industry Repair, Service and Retail Award 1983.

The hairdressing and motor mechanical trades workforces are relatively young, with low proportions of workers over 40 years of age. Employment is dispersed across a large number of small enterprises, the majority of which employ less than five people. Both groups have a high degree of mobility out of their respective sectors. Both occupations are highly gendered, with 76 per cent of hairdressers being women and 99 per cent of motor mechanics being men.

To qualify as a tradesperson in both these fields, an apprenticeship must be completed. In both cases, this requires satisfactory completion of a TAFE course plus on the job training, and the licensing of tradespeople is practised. In the motor vehicle repair trade, the licensing of workplaces is also required. In relation to hairdressing sections of the Local Government Act 1919 (NSW), which set certain standards for hairdressing premises and required those premises to be licensed, have been repealed and this has contributed to the rapid growth in mobile and home based hairdressers.

Findings

The case study tests the extent to which the formal recognition of skill exercised in a female dominated occupation contributes to gender pay equity. The following pay equity issues were identified as a result of this investigation:

Regulation

Since 1987, the inclusion in the hairdressers' award of wage movements available through successive state wage case decisions has been consistently delayed.

While motor mechanics have found their labour market indirectly tightened by consumer protection legislation, regulatory arrangements in hairdressing have been wound back.

Skills and Training

Traditional assumptions that value technical skills over creativity and which under represent technical skills in hairdressing have affected remuneration levels in these occupations.

Motor mechanics have better access to career paths, which is reflected in post trade classifications and rates of pay in formal and informal workplace agreements. The

hairdressing award fails to recognise post trade training, skills and experience in its classification structure.

The hairdressing award contains an anomaly whereby beauticians are paid only 92 per cent of the trade rate, even though this rate is lower than that which salon assistants/receptionists receive under the same award.

Remuneration

The difference in average weekly earnings at the time of the research was as follows:

Male motor mechanics earn \$119.80 *more per week than female hairdressers on ordinary time measures for very similar hours. The gap widens to* \$170.60 *per week on total earnings for an average of* 2.2 *hours more work.* ⁷

Higher ordinary time earnings for motor mechanics occur through higher over award payments, penalty rates, shift allowances, and other allowances, such as tool allowance. The difference in total earnings is due to overtime payments received by motor mechanics.

Penalty rates in hairdressing have been progressively reduced over the past 20 years as a result of deregulation of retail trading hours.

Over award payments for motor mechanics are significantly more accessible, and are paid for a combination of additional skill, experience and training.

Hairdressers rely on commissions based on market share (the number of clients they attract), for over award payments.

A series of inspections conducted by the Arbitration Inspectorate on the south coast of NSW, and supported by the Australian Workers' Union and the Professional Hairdressers' Association, identified significant breaches of the award in hairdressing.

⁷ note the wages outlined in the research are from 1996 however the disparity has not altered

Recommendations

A number of recommendations were made, based on the findings of the case study, in order to achieve pay equity for women working under the hairdressers' award. These include:

the development of a post trade classification structure tied to reforms of the present licensing system, including recognition of all aspects of beauty treatment and new license classes for hairdressers which recognise post trade qualifications.

- the establishment of an apprenticeship development working party to investigate further development of apprenticeships in the beauty trades and consider the reform of the beautician classification into a number of trades;
- that the Women's Equity Bureau monitor key awards for women and advise respondents of their currency and rates relative to wage case decisions. This information could be used in the three yearly review of awards under Section 19 of the Industrial Relations Act 1996 (NSW); and,
- that DIR consider recommending to the Minister that he refer or initiate proceedings on this matter to the NSW Industrial Relations Commission under Section 146 and Section 167 of the Industrial Relations Act 1996 (NSW).

Pay Equity Inquiry

The case study was submitted by the Crown in evidence at the NSW Pay Equity Inquiry consistent with the case studies recommendations.

Consistent with the case study, Glynn J., hearing the Inquiry, reported that the hairdressers' award contained a number of shortcomings. Post trade qualifications and training are not recognised in the award and should be. The failure to reward additional skills demonstrates undervaluation of work. Additionally, the Inquiry found that the 1973 Equal Pay Principles have not been fully applied to the award. Her Honour also found that the setting of rates of pay in hairdressing is affected by

factors that contribute to undervaluation in female dominated industries, including small workplaces, low union membership, and low levels of industrial activity.

This case study highlights the disparity in wages for female dominated occupations and male dominated occupations. The penalty rates and allowances applied in the trades directly relate to apprentices undertaking these trades and as a consequence the inequity commences from training.

Apprentices regardless of their gender should receive a living wage

GTA believes that improvements to the apprenticeship and traineeship system is fundamental to addressing the current skills shortage in Australia. A range of reforms is currently the subject of COAG deliberations to ensure that the system has the capacity to support Australia's economic aspirations in the early decades of the 21st century.

As mentioned previously in this submission in 2006 GTA commissioned the Centre for Applied Research in Social Science (CARSS) at the University of New England to examine apprentices' income in relation to their cost of living. In 2007 GTA released the report *"Living standards of Apprentices"* ⁸which provided a detailed analysis of the income of apprentices in several key industry sectors against a variety of benchmarks.

Specifically, the report compared apprentice earnings to those of (a) qualified tradespersons; (b) unskilled labourers; (c) minimum wages (determined by relevant tribunals/commission); (d) average male earnings (as used in the Henderson Poverty Line); (e) *Newstart* (the Australian government benefit that would be paid to apprentices if they were unemployed); and, finally (f) to government-developed *Indicative Budget Standards for Australia*.

A strong test of the adequacy of income is to explore whether it is sufficient to buy the necessaries of life. The most comprehensive study of this kind was prepared for the Department of Family, Community Services and Indigenous Affairs in 1997.

⁸ Bittman, M. Reavell, R. Smith, G. Battin, T. (2007)

Known as *Indicative Budget Standards for Australia* this study put together a comprehensive basket of goods that covered all categories of expenditure.

As indicated above, in the "*Living standards of Apprentices*" report income is also compared with the adapted and updated *Indicative Budget Standards for Australia* as a way of examining whether an apprentice's income supports a standard of living acceptable to the Australian community. Budget standards are calculated at two levels - an austere (near poverty) **low cost** standard and a **modest but adequate** standard (which represent the living standard of middle Australia).

The relevant budget standards have been adapted to represent the needs of apprentices, updated to reflect current prices and recalculated for different regions (each of seven capital cities). Three housing scenarios have been modelled. In the *first* scenario the apprentice lives with their parents and pays no board (that is, the parents meet the costs of housing the apprentice). In the *second* scenario the apprentice pays their parents \$80 for accommodation. In the *third* scenario the apprentice shares a rented unit with another young person and pays half a median market rent.

Using the Commonwealth Government's indicative budget standards with its two benchmarks the research demonstrated that:

In all jurisdictions, first year apprentices cannot achieve even the low cost standard if they pay their parents a nominal \$80 for their accommodation. The living standard typical of 'middle Australia' is unattainable for a first year apprentice even if they are wholly dependent on their parents for accommodation. The prospects of living away from the parental home, even at a meagre low cost standard is beyond the reach of most second year apprentices.

As the report concluded:

... This is likely to lead [to] apprenticeships being perceived as an unattractive lifestyle for those leaving school and seeking employment...⁹

⁹ Bittman, M. Reavell, R. Smith, G. Battin, T. (p. 18, 2007)

The report made for sobering reading at a time when policy makers have been trying to both increase the number of commencements in the traditional trades as well as staunch the high attrition rates in the 1st and 2nd years.

Female Apprentices and workforce participation

Female apprentices are concentrated in two occupational groups, hospitality and hairdressing. Statistics from the National Centre for Vocational Education Research (NCVER) indicate that there has been an overall increase in the number of women apprentices in traditional trades since 1995.

In the female-dominated ASCO *Food Tradespersons* category, the statistics show that the number of female commencements increased from 1,479 in 1995 (or 27.77% of all female traditional trade commencements in that year) to 3,588 in 2007 (or 30.16% of all female traditional trade commencements in that year). However the total number of commencements (males and females) in this ASCO category as a percentage of commencements in all trades decreased from 14.85% in 1995 to 14.61% in 2007.

In the other female-dominated ASCO category *Other Tradespersons and Related Workers* (where hairdressers are categorised) the total number of commencements (males and females) decreased as a percentage of commencements in all trades from 15.27% in 1995 to 13.60% in 2007. The number of female commencements in this ASCO category also decreased as a percentage of the total number of female commencements in all traditional trades from 3,271 (61.43%) in 1995 to 6,456 (54.26%) in 2007.

These figures appear to indicate that the pay equity inquiries held in the early part of the 2000s have not been successful in attracting women to the trades. Minor increases in women entering trades have occurred in ASCO 43 Electrical and Electronics Tradespersons, ASCO 44 Construction Tradespersons and ASCO 46 Skilled Agricultural and Horticultural Workers. However there has been a significant decrease in women entering the ASCO 42 Automotive Tradespersons.

Conclusion

Australia's workforce is still highly segregated and, as consequence the opportunity for pay inequity arises. Apprentices' and trainees' wages and conditions are directly impacted upon by the outcomes achieved for the relevant tradesperson. Consequently, where inequities occur in the trade it would also be experienced by the apprentice or trainee who is earning a proportion of the tradesperson's wage. As noted in this submission, Bittman (2007) identified that those apprentices in their first year of training have a very limited income and thus pay inequity would only increase their level of dissatisfaction.

The basic rate of pay in Australia is seen as providing equal pay for work of equal value. However the lack of the additional allowances and penalties paid in female dominated industries and the limited penetration of females into male dominated industries may perpetuate pay inequity in Australia. Those industries which are female dominated do not attract the same level of additional payments as those which are male dominated. The literature suggests that skills associated with female dominated industries are not as highly valued. Historically male industries that are highly unionised are more likely to receive additional allowances paid for unpleasant working conditions or provisions of tools. The question arises at this point as to whether some disabilities are worth more than others.

Recommendations:

In the Committee's considerations GTA would recommend:

The collection of disaggregated data regarding the application of industrial allowances and other over award payments across trades and occupation which impact upon pay equity.

Investigate the impact of lower overall wages for apprentices in female dominated industries on their commencement in a trade.

Collect information about barriers to women participating in male dominated apprenticeships

Ensure career advisors and other employment bodies have knowledge of pay equity issues and an understanding of trades.

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Appendix A - Comparisons of Apprentice % in Selected Industries

BUILDING AND CONSTRUCTION								
State	Award		1 st yr %	2 nd yr %	3 rd yr %	4 th yr %		
Tasmania	Building and	Roof tiler	55	75	90			
	Construction Industry Award AN170010	Artificial stoneworker, bricklayer, carpenter, glazier, painter, plasterer	38	55	75	90		
		Signwriter	38	55	75	90		
	National Building and Construction Industry	Note: years have corresponding stages						
	Award AP790741	Apprentice Signwriter	38	55	75	90		
	(Tasmanian Version)	Apprentice other than signwriter	38	55	75	90		
	Building Trades Award AN170011	Carpenter, glazier, boilermaker, painter	38	55	75	90		
		Signwriter	38	55	75	90		
Victoria	See federal							
New South Wales	Building and Construction Industry (State) Award	Carpenter, joiner, stonemason	35.4955	50.3544	65.4745	76.2307		
	AN120089	Bricklayer& tiler	35.8881	50.9113	66.1987	77.0739		
		Painter	36.5203	51.8082	67.3649	78.4316		
		Plaster,&Floor layer	35.7277	50.6838	65.9029	76.7295		
		Roof Tiler	36.1317	51.2647	66.6581	77.6088		
		Sign Writer	35.3163	50.1002	65.1441	75.8460		

BUILDING AND CONSTRUCTION

ACT	Building and Construction Industry (ACT) Award AP817145	Construction Apprentice	1 st 6 months: 40 2 nd 6 months: 45	60	75	90
		Maintenance Joiner and/or Workshop Apprentice	1 st 6 months: 40 2 nd 6 months: 45	60	75	90
Queensland	Building and Construction Industry Award	Note: each yr also corresponds to a stage				
	AN140043	Apprentices – General				
		Construction – see coverage in award	40	55	75	90
		Roof Tiling	45	60	75	90
		Waterproofing	68	78	90	90
		Sign Writing	45	60	75	90
Northern Territory	Building and Construction Industry (Northern	Carpenter/ Joiner/ Cabinet Maker	40	50	70	85
Aw	Territory) Award	Bricklayer, plasterer, tiler	40	50	70	85
	AP812941	Plumber gasfitter	40	50	70	85
		Painter	40	50	70	85
South Australia						

Western	Building	4 yr term	42	55	75	88
Australia	Trades Award (Construction) Award AN160034	3 ½ yr term Note: ignore top headings	1 st 6 months: 42	Next yr: 55	Next following yr: 75	Final yr: 88
		3 yr term	55	75	88	
		2 yr term Note: 2 yr term does not appear to apply to Plumbers and Gasfitters	55	75		
	Building	4 yr term	42	55	75	88
	Trades Award AN160037	3 ½ yr term Note: ignore top headings	1 st 6 months: 42	Next yr: 55	Next following yr: 75	Final yr: 88
		3 yr term	55	75	88	
		adult apprentices – to be advised				
Federal	AWU Construction and Maintenance Award AP815828		Stage 1: 76.565202	Stage 2: 83.794535	Stage 3: 92.459357	
	National Building and Construction Industry Award AP790741	Carpenter and/or Joiner Apprentices	First 3 months: 35 Next 9 months: 45	55	75	90
		Plasterer Apprentice	First 3 months: 35 Next 9 months: 45	55	75	90
		Painter Apprentices – completed a pre- apprenticeshi p course	50	75	90	
		Painter Apprentices – have not completed a pre- apprenticeshi p course	First 6 months: 35 Second 6 months: 45	55	75	90

Signwriter Apprentices – completed a pre- apprenticeshi p course	50		75	90	
Signwriter Apprentices – have not completed a pre- apprenticeshi p course	months: 35	6	55	75	90
Bricklayer Apprentices	months: 30	3 9	60	80	

ELECTRICAL

ELECTRICAL							
State	Award		1 st yr %	2 nd yr %	3 rd yr %	4 th yr %	
Tasmania	National Electrical Electronic & Communications Contracting Industry Award AP791396 (Tasmanian Version)		40	52	70	82	
Victoria	See federal below						
New South Wales	Electricians & C. (State) Award An	Indentured apprentice	35.9131	48.7373	70.4003	80.8280	
	120192	Trainee apprentice	41.3846	55.4544	77.5812	85.1057	
ACT							
Queensland	Electrical Contracting Industry Award AN140103	Note: each yr also corresponds to a stage					
		Apprentices	40	55	75	90	
		Adult apprentices	75	80	84	90	
Northern Territory Electrical Engineering Contracting Industries Award AP819	Engineering	Electrical mechanic	40	50	70	85	
	-	Linesman	40	50	70	85	

Western	Electrical	4 yr term	39	51	67	79
Australia	Contacting Industry Award AN160108	3 ½ yr term Note: ignore top headings	1 st 6 months: 39	Next yr: 51	Next following yr: 67	Final yr: 79
		3 yr term	51	67	79	
		Adult apprentices: 4 yr term	67	67	67	79
		Adult apprentices: 3 ½ yr term	1 st 6 months: 67	Next yr: 67	Next following yr: 67	Final yr: 79
		Adult apprentices: 3 yr term	67	67	79	
Federal	Nat Electrical Electronic & Communications Contracting Industry Award AP791396	Victorian Rates	40	52	70	82

FURNISHING

FURNISHING							
State	Award		1 st yr %	2 nd yr %	3 rd yr %	4 th yr %	
Tasmania	Furnishing Trades Award AN170038	Junior apprentice (furniture, floor covering and finishing, piano tuning and repair)	42	55	75	88	
		Adult apprentice (furniture, floor covering and finishing, piano tuning and repair)	83.5	88	93	98	
		Apprentice – junior (glazing and flat glass processing other than safety)	40	50	71	85.5	
		Apprentice – adult (glazing and flat glass processing other than safety)	83.5	88	93	98	

GTA Pay Equity and Related Issues Submission to Standing Committee on Employment and Workplace Relations Page 28 of 36

Victoria	See federal					
New South Wales	Furniture and Furnishing (State) Award AN120222	Indentured apprentice, 21 yrs or under	51	60	75	90
		Trainee apprentice, 21 yrs or under	57	68	78	92
		Adult apprentice – indentured apprentice, over 21 yrs	61	65	75	90
		Trainee apprentice – over 21 yrs	65	70	78	92
ACT						
Queenslan d	Furniture and Allied Trades Award AN140128		Wage level 1: 40	Wage level 2: 55	Wage level 3: 75	Wage level 4: 90
Western	Furniture Trades	4 yr term	42	55	75	88
Australia	Award AN160137	3 ½ yr term Note: ignore top headings	1 st 6 months: 42	Next yr: 55	Next following yr: 75	Final yr: 88
		3 yr term (apprentices who have completed a full 12 months training)	55	75	88	
		3 yr term	42	55	88	
Federal	Furnishing Industry National Award AP825280	Apprentices (including NSW)	42	55.3	75.4	88.5
		Pre- apprenticeshi p (Victoria Only)	55	75.3	Third year for the first 6 mths: 88.4	Thereafte r: 100
		Adult apprentices (including NSW)	83.5	88.3	93.4	98.5
		Adult pre- apprenticeshi p (Victoria Only)	88	93.3	98.4	100

MEAT						
State	Award		1 st yr %	2 nd yr %	3 rd yr %	4 th yr %
New South Wales	Butchers Retail (State) Award AN120096	Indentured Apprentice	50	65	85	95
Queenslan d	Queenslan Meat Industry	Australian Meat Industry Training Package	Wage level 1: 55	Wage level 2: 75		
		Meat retailing and meat salesperson/ packer apprenticeshi ps and traineeships	Wage level 1: 40	Wage level 2: 55	Wage level 3: 75	Wage level 4: 90
		Meat retailing apprenticeshi ps (other than training package)	Wage level 1: 40	Wage level 2: 55	Wage level 3: 75	Wage level 4: 90
Northern Territory	Federal Meat Industry (Retail and Wholesale) Award AP805114		50	65	85	95
Western	Meat Industry	4 yr term	40	50	75	95
Australia	(State) Award AN160350	3 yr term	50	75	95	
Federal Federal Mea Industry (Reta	Industry (Retail and Wholesale) Award		50	65	85	95
	Federal Meat Industry (Smallgoods) Award AP805128		50	65	85	95

HAIRDRESSING

HAIRDRES			⊿ St 0/	ond	ord	1th
State	Award		1 st yr %	2 nd yr %	3 rd yr %	4 th yr %
Victoria	Hairdressing and Beauty Services (Victoria) Award AP806816	Apprentices – apprenticeshi p entered into on or after 1 January 2002	1 st 3 months: 35 Thereaft er: 45	55	77	
		Apprentices – apprenticeshi p entered into prior to 1 January 2002	1 st 3 months: 35 Thereaft er: 40	55	70	85
		Pre- apprenticeshi p – apprenticeshi p entered into on or after 1 January 2002	45 Next 12 months: 55			
		Pre- apprenticeshi p — apprenticeshi p entered into prior to 1 January 2002	First 6 months: 40 Next 12 months: 55 Next 12 months: 70 Next 12 months: 85			
		Hairdressing Trainees	See hrs conditio ns			
New South Wales	Hairdressers & C (State) Award	Apprentice Hairdresser	40	55	70	85
	AN120242	Apprentice Hairdresser completed Cert III and 1 yr pre- apprenticeshi p course		2 nd yr for 6 months: 55	70	85
		Apprentice Beautician	40	55	70	85

Northern Territory	Hairdressing and Beauty Industry (Northern Territory) Award AP818691	Junior	40	50	70	85
Western Australia	Western Hairdressers	4 yr term	1 st 6 months: 35 2 nd 6 months: 40	50	70	85
		Off the job graduate	50	70	85	
		3 yr term	50	70	85	

HOSPITALITY

State	Award		1 st yr %	2 nd yr %	3 rd yr %	4 th yr %
Tasmania	Restaurant Keepers Award AN170086	Food and Beverage Trade	1 st 6 months: 62 2 nd 6 months: 76	3 rd 6 months: 76 4 TH 6 months: 90	5th 6 months: 90	
		Greenkeeper	45	55	75	90
		Kitchen trades	50	65	80	90
Victoria	Liquor and Accommodation Industry – Restaurants – Victoria Award AP787213	Cooking Trade Apprentices	55	65	80	95
	Licensed Clubs (Victoria) Award AP787060	Cooking Trade Apprentices	55	65	80	95
New South Wales	Caterers Employees (State) Award An120106	Apprentices: note that % can also apply to the equivalent training stage	46	54	67	80
	Hospitality Industry – Accommodation , Hotels, Resorts, and Gaming Award AP783479	Cooking Trade Apprentices	55	65	80	95
ACT	Liquor and Allied Industries Catering, Café,		1 st 6 months: 40	60	75	90

	Restaurant, Etc. (ACT) Award AP787016		2 nd 6 months: 45			
Queensland	Hospitality Industry – Catering, Rest & Allied Estabs AN 140144		Wage level 1: 40	Wage level 2: 55	Wage level 3: 75	Wage level 4: 90
Northern Territory	Hotels, Motels, Wine Saloons, Catering, Accommodation , Clubs and Casino Employees (NT) Award AP812953		55	69	77	87
Federal	Hospitality Industry – Accommodation	Apprentices (Victoria Only)	55	65	80	95
	, Hotels, Resorts, and Gaming Award AP783479	Waiting Trade Apprentices (Victoria)	1 st 6 months: 70	2 nd 6 months: 85	3 rd 6 th months: See conditions	4 th 6 months: See conditions

Appendix B – Comparison of Allowances

The following tables provide an insight into the application of allowances that operate for apprentices and trainees. The table looks at the Building and Construction Industry, Metal Industry and Hairdressing industry across the country. It demonstrates that there is little consistency regarding the application of allowances to apprentices and trainees. It should be noted, awards that are classified as NAPSAs have not had their allowances increased since the introduction of Work Choices and the Act does not provide a mechanism for this to happen. Pre reform awards such as those operating nationally or in the ACT and NT had some allowances increased following the 1 December 2006 AFPC decision and they are in the process of varying the allowances once more following the 1 October AFPC decision.

National Building and Construction Industry Award – Vic allowances weekly

Industry	Special	Tool	District	Travel
Paid in full to apprentices currently \$23.10	Paidasapercentagetoapprenticescurrentlyapercentageof\$7.70	trade.	N/A	Paid as a percentage – range \$57.75 – \$73.15 depending on year and trade
		dustry (State) Awar		_
Industry	Special	Tool	District	Travel
Paid in full to apprentices \$21.70	Amount set in NAPSA varies according to year of apprenticeship	Paid in full to apprentices, ranges from \$23.30 to \$5.60 depending on trade	N/A	Rates set out in NAPSA by year - \$13.30 - \$14.00
-		(Northern Territory		es weekly
Industry	Special	ΤοοΙ	District	Travel
N/A	N/A	Paid as a percentage to apprentices – range from \$4.12 to 21.51 depending on trade and year of apprenticeship	Yes	Paid in full \$46.50
		stry Award - allowa		
Industry	Special	ΤοοΙ	District	Travel
Paid in full \$21.70	Paid in full \$7.70	* In accordance with decision of QIRC	Yes	Percentage applied range depending on wage level and trade \$53.63 - \$67.93

Tasmania Building and Construction Industry Award - allowances weekly					
Industry	Special	Tool	District	Travel	
Paid in full \$21.70	Paid as a percentage of \$7.70	Paid in full range \$23.30 - \$5.60 depending on trade	N/A	Paid as a percentage – range \$51.00 to \$64.60 depending on year	
WA Building Trac	les (Construction)	Award – allowance	s weekly		
Industry	Special	Tool	District	Travel	
Paid in full \$21.70	Paid as percentage of \$7.70	Paid in full to apprentices – rage \$22.70 – 5.50 depending on trade	N/A	Percentage applied range \$51.75 - \$65.55	
Hairdressing and	Beauty Industry (V	ictoria) Award - all	owances weekly		
Industry	Special	Tool	District		
N/A	N/A	Paid in full to apprentices \$4.90	N/A		
NSW Hairdressin	g & C. (State) Awar	d - allowances wee	kly		
Industry	Special	Tool	District	Travel	
N/A	N/A	Paid in full to apprentices \$7.75	N/A	N/A	
Hairdressing and	Beauty Industry (N	lorthern territory) A	ward - allowances	weekly	
Industry	Special	Tool	District	Travel	
N/A	N/A	Paid in full to apprentices \$5.70	Yes	No	
QId Hairdressers	' Industry Award - a	Illowances weekly			
Industry	Special	Tool	District	Travel	
N/A	N/A	* In accordance with decision of QIRC	Yes	No	
South Australia-	N/A Hairdressers' and E	* In accordance with decision of QIRC Beauty Salons Awa	Yes rd - allowances we	No ekly	
South Australia- Industry	N/A	* In accordance with decision of QIRC Beauty Salons Awa Tool	Yes	No	
South Australia- Industry No	N/A Hairdressers' and E Special No	* In accordance with decision of QIRC Beauty Salons Awa Tool Paid in full \$7.00 (when required to supply all stated equip in award)	Yes rd - allowances we District N/A	No ekiy Travel No	
South Australia- Industry No	N/A Hairdressers' and E Special No	* In accordance with decision of QIRC Beauty Salons Awa Tool Paid in full \$7.00 (when required to supply all stated equip in award)	Yes rd - allowances we District N/A	No ekiy Travel No	
South Australia- Industry No	N/A Hairdressers' and E Special No	* In accordance with decision of QIRC Beauty Salons Awa Tool Paid in full \$7.00 (when required to supply all stated equip in award)	Yes rd - allowances we District N/A	No ekiy Travel No	
South Australia- Industry No Tasmania Hairdre Industry No	N/A Hairdressers' and E Special No essing Beauty and I Special No	* In accordance with decision of QIRC Beauty Salons Awa Tool Paid in full \$7.00 (when required to supply all stated equip in award) Health Industry Aw Tool Paid in full \$8.30	Yes rd - allowances we District N/A ard - allowances w	No ekly Travel No eekly	
South Australia- Industry No Tasmania Hairdre Industry No	N/A Hairdressers' and E Special No essing Beauty and I Special	* In accordance with decision of QIRC Beauty Salons Awa Tool Paid in full \$7.00 (when required to supply all stated equip in award) Health Industry Aw Tool Paid in full \$8.30	Yes rd - allowances we District N/A ard - allowances w District	No ekly Travel No eekly eekly Travel	
South Australia- Industry No Tasmania Hairdre Industry No	N/A Hairdressers' and E Special No essing Beauty and I Special No	* In accordance with decision of QIRC Beauty Salons Awa Tool Paid in full \$7.00 (when required to supply all stated equip in award) Health Industry Aw Tool Paid in full \$8.30	Yes rd - allowances we District N/A ard - allowances w District	No ekly Travel No eekly eekly Travel	

Tasmania Building and Construction Industry Award - allowances weekly

Metal Engineering and Associated industry Award (all states) - allowances weekly							
Industry	Special	Tool	District	Travel			
N/A	N/A	Paid as a percentage to apprentices range \$5.55 to \$11.62	N/A	N/A			
NSW Metal Engineering and Associated Industry (State) Award - allowances weekly							
Industry	Special	Tool	District	_Travel			
N/A	N/A	Paid as a percentage to apprentices range \$5.21 to \$10.91	N/A	N/A			
		Award - allowances					
Industry	Special	Tool	District	Travel			
Paid to construction apprentices only in full \$21.47	N/A	 percentage applied \$3.99 to \$8.36 	Yes	Construction \$32.20 Non construction range per KMs \$2.88 - \$8.88			
Qld Engineering	(State) Award - allo	wances weekly					
Industry	Special	Tool	District	Travel			
N/A	N/A	* In accordance with decision of QIRC	Yes	No			
Tasmania Metal a	nd Engineering In	dustry Award -					
Industry	Special	Tool	District	Travel			
Paid in full - called disability allowance \$15.75	N/A	Paid in full \$9.60	N/A	No			
WA Metal Trades General Award - allowances weekly							
Industry	Special	ΤοοΙ	District	Travel			
Construction allowance paid in full \$21.60 for normal sized sites	Paid as percentage of \$7.70	Paid as percentage range - \$5.38 - \$11.26	N/A	Construction only \$73.25			

Metal Engineering and Associated Industry Award (all states) - allowances weekly