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TRANSCRIPT OF PROCEEDINGS

O/N 3447

TASMANIAN INDUSTRIAL COMMISSION

COMMISSIONER T.J. ABEY

T No 12817 of 2006

T No 12818 of 2006

T No 12819 of 2006

NATIONAL TRAINING WAGE (TASMANIAN PRIVATE SECTOR) AWARD

Application pursuant to the provisions of section 23(2)(b) of the Industrial Relations Act 1984 by the Tasmanian Chamber of Commerce and Industry Limited to vary the above awards re inserting a new Clause 13 - Conditions: School-Based Apprenticeships

BUILDING AND CONSTRUCTION INDUSTRY AWARD

Application pursuant to the provisions of section 23(2)(b) of the Industrial Relations Act 1984 by the Tasmanian Chamber of Commerce and Industry Limited to vary the above awards re inserting a new subclause (h) - School-Based Apprentices, into Clause 49 - Apprentices

BUILDING TRADES AWARD

Application pursuant to the provisions of section 23(2)(b) of the Industrial Relations Act 1984 by the Tasmanian Chamber of Commerce and Industry Limited to vary the above awards re inserting a new subclause (e) - School Based Apprentices into Clause 13 - Apprentices

HOBART

11.00 AM, THURSDAY, 9 NOVEMBER 2006

**This transcript was prepared from tapes recorded
by the Tasmanian Industrial Commission**

HEARING COMMENCED

[11.05am]

PN1

MR A. FLOOD: I appear on behalf of the Tasmanian Chamber of Commerce and Industry.

PN2

MR S.COCKER: I appear for Unions Tasmania.

PN3

MR T. KLEYN: I appear on behalf of the Health Services Union of Australia (Tasmanian Number 1 Branch) in respect to just the one application, T12817.

PN4

MR T. BENSON: I appear on behalf of the CFMEU in relation to building awards.

PN5

THE COMMISSIONER: Thank you. Mr Baker.

PN6

MR P. BAKER: Sir, in accord with section 27(1) of the Act, the Minister for Justice and Workplace Relations seeks leave to appear in these proceedings and I do so on his behalf.

PN7

THE COMMISSIONER: Thank you, Mr Baker. Yes, Mr Flood.

PN8

MR FLOOD: Yes, thank you, Commissioner. As you are aware, you have no doubt read through the draft variations to these three awards and the awards recognised, I am sure, some of the wording of the proposed changes. They reflect the training arrangements that were put in place some years ago to allow for trainees to commence their traineeship while still completing their formal education and the Council of Australian Governments has identified school-based apprenticeships as one method of trying to combat the widespread shortage of trade skills in Australia.

PN9

The TCCIs own members have advised us that the lack of those that are under awards of this Commission have advised us that the lack of provisions within these three awards are for school-based apprentices are preventing them from engaging apprentices whilst they are still at school. Many awards of the Australian Industrial Relations Commission were varied, as I understand, by consent of the parties some years ago to include rates of pay and provisions for school-based apprentices and quite clearly while this Commission will act of its own accord, the proposed variations closely reflects the provisions of some of the Federal awards.

PN10

The proposed variations, just for your information are proposed variations to the National Training Wage Award are almost entirely from the Federal Metal

Engineering and Associated Industries Award and the proposed variations to the two building awards come essentially from the National Building and Construction Industry Award.

PN11

There were some - subsequent to my application to the Commission, there were some discussions between the parties to the awards and it was agreed that there will be some variation to those draft variations that were included with the application. Commissioner, I emailed those to you and to the parties yesterday. I do have some copies if you wish me to tender them but I will be guided by you in that respect.

PN12

THE COMMISSIONER: I think we have them all here and I suspect this is going to be by consent. If it is not we will do a bit at a time - - -

PN13

MR FLOOD: Yes.

PN14

THE COMMISSIONER: - - - but we will just substitute those drafts as we said yesterday for the ones that are formally attached to the application.

PN15

MR FLOOD: Yes, thank you, Commissioner and it is my expectation, having spoken to the parties that this matter will be by consent but stranger things have happened but if it is by consent, Commissioner, I don't think I need to take you through those provisions and I think I will say no more. Obviously if the matter isn't dealt with by consent I will have to have something to say at that time.

PN16

THE COMMISSIONER: Yes, thank you.

PN17

MR FLOOD: Thank you.

PN18

THE COMMISSIONER: Yes, Mr Cocker.

PN19

MR COCKER: If the Commission pleases, I will be quite brief. The Tasmanian Trades and Labour Council is very much aware of the acute shortage of skilled workers in Australia at the moment; there are numerous many clauses for that but if this small change to bring apprenticeships in the traditional trades to a small group of Tasmanians who wish to continue studying while perhaps learning trade skills is going to help alleviate that shortage then we welcome it. I can advise that this matter has had an extensive period of consultation and that we have no issue with the amendment to this proposal.

PN20

THE COMMISSIONER: Yes, thank you. Mr Kleyn.

PN21

MR KLEYN: Commissioner, I can concur with Mr Cocker. As far as the National Training Wage Tasmanian Private Sector Award, we have no objection to the variation sought, thank you.

PN22

THE COMMISSIONER: Thank you. Mr Benson.

PN23

MR BENSON: The CFMEU Tasmanian Branch believes that these applications have the potential, when applied together with the VET and Schools Program, the Tasmanian Construction and Industry Training Board and State Governments Employment Training Policy for the building industry, to further assist in addressing current and future skill shortages where identified in a very positive way.

PN24

The Union seeks variations of the means of encouraging and recruiting more entrants into the industry with the real possibility of attracting not only greater numbers of trades persons but also middle to upper level management people. The industry now offers not only Certificate III trades but also Certificate IV through to Certificate VII; this is building awards I am talking about, Commissioner.

PN25

THE COMMISSIONER: Yes.

PN26

MR BENSON: We understand that the intention of the variation is to offer career paths to a Certificate III trades outcome as a minimum. The Union believes that the minimum qualification for a tradesperson in the building and construction industry in Tasmania should be Certificate III. Any certificate below Certificate III would be a certificate attainment only.

PN27

In welcoming additional entrants into this industry through the school-based apprentice initiative, the Union feels that it has a responsibility to advise on record that whilst this is a very tough, dirty, dangerous industry where the rewards are mostly makeshift and satisfaction at being able to produce a world-class product, it should be noted that this industry now has some of the most extreme anti-worker, anti-legislation - industrial legislation in the civilised world and is the only industry in Australia at this time that has its very own Federal Government appointed industry police force.

PN28

Given the target audience of these award variations, those being some of the brightest and most vulnerable persons in our community, our young students, we feel that they should have no illusions about the current nature of the industry and that they may determine make a career of. On 19 June 2006 the Australian Minister for Vocational and Technical Education, the Honourable Gary Hargraves MP, announced the name change from new apprenticeships to

Australian apprenticeships, with the slogan "Your life, your career, your future."

PN29

Given what is currently happening in this industry industrially, a career in this industry may require some serious consideration. In closing, the Union supports the applications before us and wishes anyone taking advantage of these changes a safe and rewarding career, particularly in light of the current Federal Government's unwarranted intrusion of employers' and employees' rights. Thank you, Commissioner.

PN30

THE COMMISSIONER: Yes, thank you, Mr Benson. I note your comments. Mr Baker.

PN31

MR BAKER: Thank you, sir. The Minister takes the opportunity to congratulate the parties on reaching agreement in this matter and the Minister is fully supportive of the change to the awards as promoted by the parties today. The Minister sees this as a stepping stone in the promotion of providing further opportunities for young people seeking entry into the work force. As we know, Commissioner, there remain skills shortages in Tasmania. One of the interesting things that has occurred in recent years has been of course a growth in employment, which is to be welcomed, but unfortunately the growth in employment has been at the upper end of the scale; the plus 45 year olds.

PN32

It is incumbent on us to try to ensure that the lower end of the scale, that is the younger end of the scale, that young people seek training as an option for the future and are not swayed by the illusionary wage outcomes which provide instant gratification today, but unfortunately don't provide either themselves or for their future a skill-based result that will carry them on in later years.

PN33

The Minister, as I indicated, sees this as a step in the process of providing to young people greater opportunities for training. Secondly, we also - and there is a second step to this of course, second part of that and that is the issue of competency based training which forms an integral part of the training regime in Australia today. And finally, at some stage we would like to look at the issue of effective remuneration for apprentices who are subject to award rates of pay.

PN34

The Government, through the Minister, made a submission to the Australian Fair Pay Commission in the Federal Minimum Wage Determination of July '06 where we put on record our position in respect of training and wage rates for apprentices and no doubt when that body reconvenes next year we will make a similar submission. We would commend the applications to you, Commissioner, we view that they are clearly within the public interest and they conform with the wage fixing principles and accordingly would ask you to certify the documentation as presented to you.

PN35

THE COMMISSIONER: Yes. Thank you, Mr Baker, I wasn't aware of the demographic about the older age groups forming the bulk of the growth in employment. Operative date from today, Mr Flood?

PN36

MR FLOOD: Yes, I have actually noted down the operative date with a question mark, Commissioner, and I would certainly be satisfied with today. There are no school-based apprentices employed under these awards at the moment so an operative date of today would have no effect on the existing people.

PN37

THE COMMISSIONER: Having heard the parties I am satisfied that the agreement is consistent both with the wage fixing principles and the public interest requirements of the Act. The applications will be granted, operative from 9 November 2006 and a formal decision and orders to that effect will be issued in the immediate future. The Commission stands adjourned, thank you.

ADJOURNED INDEFINITELY

[11.18am]