

NEW ZEALAND MOTOR INDUSTRY—AMENDMENT OF APPRENTICESHIP ORDER
 In the Court of Arbitration of New Zealand, Wellington Industrial District—In the matter of the Apprentices Act 1948; and in the matter of the New Zealand Motor Industry Apprenticeship Order, dated the 16th day of August 1956 and recorded in 56 Book of Awards 1457.

WHEREAS by section 13 (2) of the Apprentices Act 1948, the Court is empowered to amend any apprenticeship order: And whereas application has been made to the Court by the New Zealand Engineering, Coachbuilding, Aircraft and Related Trades Industrial Union of Workers for amendment of the New Zealand Motor Industry Apprenticeship Order, dated the 16th day of August 1956, and recorded in 56 Book of Awards 1457: And whereas the Court has heard the employers, workers, and other persons concerned: Now therefore, the Court, in pursuance and exercise of the powers vested in it by the said Act, doth hereby order as follows:

1. That the said apprenticeship order shall be amended by deleting subclause (a) of clause 11 (Wages) and substituting the following subclause:—

“(a) The minimum weekly rates of wages payable to apprentices shall be the undermentioned percentages of the minimum weekly wage rate for journeymen (or if no weekly wage rate is prescribed, then an amount equal to forty times the minimum hourly rate of wages for journeymen) in the branch of the industry in which the apprentice is employed as prescribed by the award or agreement relating to the employment of such journeymen in the establishment in which the apprentice is employed and in force for the time being and from time to time:

For apprentices serving a 10,000-hour term of apprenticeship:		Per Cent
For the first 1,000-hour period	.....	32
For the second 1,000-hour period	.....	37
For the third 1,000-hour period	.....	42
For the fourth 1,000-hour period	.....	47
For the fifth 1,000-hour period	.....	52
For the sixth 1,000-hour period	.....	57
For the seventh 1,000-hour period	.....	62
For the eighth 1,000-hour period	.....	67
For the ninth 1,000-hour period	.....	72
For the tenth 1,000-hour period	.....	77

For apprentices serving a 9,000-hour term of apprenticeship:		Per Cent
For the first 1,000-hour period	.....	37
For the second 1,000-hour period	.....	42
For the third 1,000-hour period	.....	47
For the fourth 1,000-hour period	.....	52
For the fifth 1,000-hour period	.....	57
For the sixth 1,000-hour period	.....	62
For the seventh 1,000-hour period	.....	67
For the eighth 1,000-hour period	.....	72
For the ninth 1,000-hour period	.....	77”

2. That this order shall operate and take effect on the 24th day of June 1957.

Dated this 10th day of June 1957.

[L.S.]

A. TYNDALL, Judge.

MEMORANDUM

On 19 December 1956 the New Zealand Engineering, Coachbuilding, Aircraft and Related Trades Industrial Union of Workers made an application to the Court of Arbitration to have the New Zealand Motor Industry Apprenticeship Order dated 16 August 1956 (56 Book of Awards 1457) amended in the following manner:

“That clause 11 (a) of the said order be revoked and the following substituted for it:

‘11. (a) *Wages*:—The minimum weekly rates of wages payable to apprentices shall be the undermentioned percentages of the minimum weekly wage rates for journeymen, or if no weekly wage rate is prescribed, then an amount equal to forty times the minimum hourly rate of wages for journeymen in the branch of the industry in which the apprentice is employed as prescribed by the award or agreement relating to the employment of such journeymen in the establishment in which the apprentice is employed and in force for the time being and from time to time:

For apprentices serving a 10,000-hour term of apprenticeship:—		Per Cent
For the first 1,000-hour period	.....	35
For the second 1,000-hour period	.....	40
For the third 1,000-hour period	.....	45
For the fourth 1,000-hour period	.....	50
For the fifth 1,000-hour period	.....	55
For the sixth 1,000-hour period	.....	60
For the seventh 1,000-hour period	.....	65
For the eighth 1,000-hour period	.....	70
For the ninth 1,000-hour period	.....	75
For the tenth 1,000-hour period	.....	80

For apprentices serving a 9,000-hour term of apprenticeship:		Per Cent
For the first 1,000-hour period	.....	40
For the second 1,000-hour period	.....	45
For the third 1,000-hour period	.....	50
For the fourth 1,000-hour period	.....	55
For the fifth 1,000-hour period	.....	60
For the sixth 1,000-hour period	.....	65
For the seventh 1,000-hour period	.....	70
For the eighth 1,000-hour period	.....	75
For the ninth 1,000-hour period	.....	80’ ”

Pursuant to section 13 (3) of the Apprentices Act 1948 the Court on 8 April 1957 afforded the employers and the workers in the industry the opportunity of being heard and of calling evidence in respect of the proposed amendment. The Commissioner of Apprenticeship also attended the hearing to convey to the Court the views of the New Zealand Motor Industry Apprenticeship Committee (see section 13 (5) of the Apprentices Act).

In support of the application Mr Neale for the applicant union summarised his contentions in the following form:

1. That apprentices commencing at a trade should at least start off at a wage that will adequately feed, clothe, and shelter them without being subsidised by their parents.
2. That, to encourage apprenticeship, rates should be made more attractive.
3. That such a wide margin should not exist between the rates paid in private employment and those paid to State apprentices.
4. That apprentices should receive a percentage of ruling rates rather than minimum rates of tradesmen, and as this would be difficult to implement, the adjustment should be made by an increase in the percentages of minimum rates payable to apprentices.

It was stated that the submissions made to the Court had the full support of the national executive of the Federation of Labour and its affiliated unions which are concerned with the rates of remuneration and conditions of employment embodied in apprenticeship orders.

Mr Luxford for the employers opposed the application and in support mainly cited the grounds upon which the Court declined a somewhat similar application on 16 September 1953 (53 Book of Awards 1205).

It should first of all be mentioned that the present application is more modest than the one rejected in 1953. For example for apprentices serving a term of 10,000-hours, the earlier application provided for a commencing rate of 35 per cent of a journeyman's wage and a rate of 89 per cent of that wage for the tenth 1,000-hour period, the mean remuneration over the period of apprenticeship being equivalent to 62 per cent of a journeyman's wage. The present application provides for a commencing rate of 35 per cent, and a rate of 80 per cent for the tenth 1,000-hour period, the mean over the whole period of apprenticeship being 57.5 per cent of a journeyman's wage. The existing apprenticeship order for such apprentices provides for a commencing rate of 23 per cent, and a rate of 77 per cent for the tenth 1,000-hour period, giving a mean over the whole period of apprenticeship of 50 per cent of a journeyman's wage.

Reference was made by Mr Neale to the wide margin which exists between the rates paid to apprentices in private employment and those paid to apprentices employed by the State. For a five year apprenticeship in the Public Service the present commencing rate of salary is equivalent to 42.06 per cent of a journeyman's salary while the salary for the fifth year of the apprenticeship is equivalent to 70.8 per cent of the journeyman's salary.

The annual steps are not uniform, but when the mean for the full term of five years is computed, it is found to be 54.27 per cent of a journeyman's salary, a figure appreciably below that requested in the application before us.

After careful consideration we have come to the conclusion that the application should not be granted in full.

On behalf of the union it was stressed that since the Court determined the percentages in 1945, there has been a deterioration in the wage relationship between apprenticed labour and unapprenticed junior labour. In this connection we do not propose to go beyond an examination of the minimum rates of wages prescribed in awards, industrial agreements and apprenticeship orders, as the Court's normal function is to prescribe minimum rates.

We have made a fairly comprehensive investigation of a considerable number of awards and industrial agreements which were made or amended in 1945 and have compared the rates prescribed for junior labour starting before the age of sixteen or seventeen years with the rates fixed for apprentices. We have also examined a similar number of comparable awards and agreements made in 1956.

We find that the contentions of the union are broadly supported, particularly in regard to commencing rates.

In 1945 the commencing rate for an apprentice amounted to about 1s. per week in excess of the average commencing rate for a male junior worker who was not apprenticed.

In 1956 we find that the position is reversed and that the average commencing rate for the non-apprenticed junior has risen to a figure of approximately 20s. per week in excess of the commencing rate for the apprentice.

We have reached the conclusion that there is a case for increasing the commencing percentage rates for apprentices, but we do not think there is adequate justification for altering the present rates for the final 1,000-hour period. We have in mind the extra weekly payments which are prescribed in many apprenticeship orders for the passing of examinations and in some cases upon other conditions.

We have decided upon a scale for 10,000-hour apprenticeships which allows for a mean payment over the whole period of 54·5 per cent of a journeyman's rate. This compares favourably with the mean figure of 54·27 per cent which at present applies in the case of similar apprentices in the Public Service. In 1945 the mean rate for such apprentices in the Public Service was 50·5 per cent.

The proposed adjustment will also restore the approximate relationship which prevailed in 1945 between the commencing rates for apprentices and the average commencing rates for unapprenticed male junior labour.

An amendment to the New Zealand Motor Trade Apprenticeship Order will accordingly be made prescribing the following scales:

	For Apprentices Serving a 10,000 Hour term Per Cent	For Apprentices Serving a 9,000 Hour term Per Cent
For the first 1,000-hour period	32	37
For the second 1,000-hour period	37	42
For the third 1,000-hour period	42	47
For the fourth 1,000-hour period	47	52
For the fifth 1,000-hour period	52	57
For the sixth 1,000-hour period	57	62
For the seventh 1,000-hour period	62	67
For the eighth 1,000-hour period	67	72
For the ninth 1,000-hour period	72	77
For the tenth 1,000-hour period	77	.....

A. TYNDALL, Judge.