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Fair Work Ombudsman investigation reveals widespread underpayment of vulnerable apprentices

The widespread underpayment of apprentices revealed by the Fair Work Ombudsman demands further investigation, the ACTU said today.

ACTU President Ged Kearney said the findings were shocking and showed how widespread underpayment of apprentices was.

The investigation randomly audited 142 businesses in WA, SA and the NT and found that more than half were in breach of workplace law and almost a quarter had underpaid their apprentices by a combined total of \$67,180.

“Apprentices are usually the youngest and lowest-paid workers on a site. It is unforgivable for employers to exploit their vulnerability and rip them off,” Ms Kearney said.

“It is also unfair to their competitors who are paying their staff correctly.

“If these underpayments are the result of genuine mistakes, employers need to be better informed of their responsibilities; if they are deliberate then they should be punished.

“Despite the success of a union push to increase apprentice wages, they remain in many cases lower than the minimum wage, and this has led to a high drop-out rate among apprentices.

“Training apprentices is crucial for ensuring that we have enough skilled tradespeople for the future, and that our economy is not held back by skills shortages. This is not going to happen until we pay apprentices decent wages.

“Apprentices are often unaware of their entitlements or unwilling to speak up if they feel they are being underpaid. Unions have helped in many cases, but there needs to be a broader effort to ensure they are paid properly.

“The Fair Work Ombudsman investigation should be expanded to cover all states and territories, so we can get an idea of the full extent of this problem

Apprentices are encouraged to contact their unions or the ACTU hotline.

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