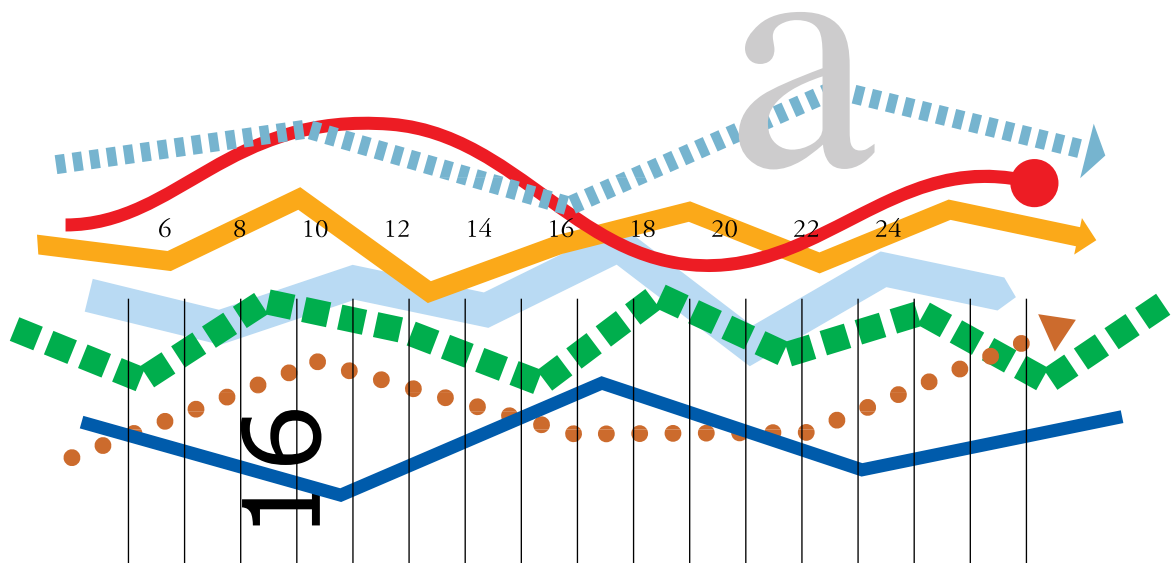


Living standards of apprentices

A report prepared for
Group Training Australia
by the Centre of Applied
Research in Social
Science (CARSS)

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Executive summary

Skill shortages in the current Australian workforce are a source of anxiety for both employers and governments. Projections show they will become more severe in the future. There are three ways policy-makers can respond to this problem: import more skilled labour, train more local workers, or rely on a mix of immigration and training. However, training more young Australians through apprenticeships may not be so straightforward given that apprenticeships must compete with alternative forms of employment in the Australian labour market.

Standard of living benchmarks

To gain some idea of the attractiveness of apprenticeships to young people, Group Training Australia (GTA) commissioned the Centre of Applied Research in Social Science (CARSS) at the University of New England to compare the current earnings of junior apprentices to a variety of benchmarks widely accepted in the community. GTA also believed this information might usefully inform the development of its submission to the Australian Fair Pay Commission's (AFPC) 2007 review of training wages.

In this report CARSS has compared apprentice earnings to those of: a) qualified tradespersons; b) unskilled labourers; c) minimum wages (determined by relevant tribunals/commissions); 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 necessities of life. The most comprehensive study of this kind was prepared for the Department of Family, Community Services and Indigenous Affairs in 1997. Known as *Indicative Budget Standards for Australia* this study put together a comprehensive basket of goods that covered all categories of expenditure. The apprentice's 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 represents 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.

To reduce the complexity CARSS has selected a sample of six occupation/industry groupings: building and construction, metal trades/engineering; electrical trades; butchering/meat industry; pastry cooks and hairdressers. This sample of apprentices covers a range of occupations from those working in the economy's industrial heartland to the more service-oriented industries. In addition to covering the best known types of apprenticeship, the sample includes occupations that have a reputation for being among the best paid, as well as those with a reputation for low pay; those where apprentices are mostly male and at least one (hairdressers) that are predominantly female. The sample occupations also vary in union density and potential industrial bargaining capabilities. For example, apprentices engaged in the building and construction industry are likely to be able to slipstream upon the bargaining strength of a unionised workforce, while an apprentice hairdresser cannot.

Key findings

The following key findings have emerged from this study:

- Compared to a qualified tradesperson's rate, a first year apprentice typically earns around 40% of the qualified tradesperson's rate, while a fourth year apprentice gets around 90% of the rate in the seven State and Federal awards.
- A sample of six representative occupations shows that in all cases awards for minimum pay for first year apprentices are below the Henderson Poverty Line (hereafter referred to as the poverty line), Australia's best known and most widely accepted poverty line.
- However, allowances can substantially augment income, for example allowances in the Melbourne construction industry can increase first year apprentice income by up to 50%. Mandatory allowances of this magnitude tend to be confined to apprenticeships associated with the construction industry and for the remainder of apprentices these allowances barely cover outlays on special tools and extra travel. Even when mandatory allowances are taken into account, 40 of 42 award categories of first year apprentices examined in this study have disposable incomes below the poverty line.
- School leavers who engage directly in paid work and are paid a junior wage typically earn \$40-\$70 a week more than a first year apprentice.
- A further benchmark for assessing the relative level of apprentice pay is provided by comparison to the unemployment benefit (*Newstart* allowance). This provides \$210.45 per week to a single person without children. This rate is well below the poverty line for 2006 (\$276.75 per week). It is also below a typical rate for a first year apprentice (by close to \$45 per week), but beneficiaries also get non-cash benefits, such as travel concessions, health cards and movie concessions. Taking into account the value of cash and non-cash benefits, the first year apprentices' standard of living is barely above that of the unemployed. Only recipients of *Austudy* (\$174.05 per week) are worse off.
- Second year apprentices are not that much better off: they universally earn above the poverty line, though they are not in a position of extensive comfort. In terms of net pay, some second year apprentices are often brought to the brink of the poverty line (for example, in 2006 a second year apprentice Butcher in Melbourne received \$300.58 net per week compared to the 2006 poverty line of \$276.75).
- Third and fourth year apprentices earn well above the poverty line. In the final years of apprenticeship, earnings are closer to junior wages. However, the improvement in their earnings lags behind the increases of wages in comparable occupations.
- Publicly available data on above award earnings among apprentices is scarce but based on information supplied by *Central West Group Apprentices* and *LINK Employment and Training*, above award payments add little to apprentice earnings. However above award payments are a significant element of the earnings of qualified tradespersons. According to the Australian Bureau of Statistics, the typical tradesperson experiences a margin of earnings of 29.1% above award. This compares with the apprentice's margin of 9% above award calculated from the two sources mentioned. The generosity of above award payments varies by occupation - a first year apprentice in the NSW building and construction industry typically earned 13.2% more than the award, still less than the poverty line. A first year hairdressing apprentice in NSW earned 4.1% more than the award - an income significantly below the poverty line.
- Apprentice pay over the period 2001-2006 tended to keep pace with the CPI and was in line with the growth of minimum pay. Over this period minimum pay grew at a slower rate than average pay. Apprentices' earnings are correspondingly still not keeping pace with average earnings.
- Using the Commonwealth Government's indicative budget standards with its two benchmarks - a 'modest but adequate' living standard, defined as that typical of 'middle Australia' and an austere 'low cost' level, a standard of living fractionally above the poverty line, the research shows that:
 - a) The modest but adequate living standard is unattainable for first year apprentices unless they receive large allowances.
 - b) Most first year apprentices, apart from those receiving substantial allowances, are dependent on their parents' magnanimity to achieve even the austere low cost standard of living and cannot generally pay a nominal \$80 a week board to their parents as a contribution to their accommodation costs. The prospect of living independently away from the parental home, even at a meagre low cost standard, is beyond the reach of most second year apprentices.
 - c) The low cost standard of living is a very austere standard. An apprentice living at this standard cannot afford to own or run a car of a standard typical of their peers, can only afford generic brands, buys barely any take-away food, has a very small weekly ration of alcohol, pays for fewer goods and services, takes most of his/her leisure at home or in very cheap pastimes, spends less than most Australians on personal care and must stay healthy and have good teeth.

Key messages

These findings have a number of implications for national skills formation, for the welfare of young people and for the current review of training wages. Some of the key messages to emerge from these findings include:

- Apprentices are living on the margins of Australian society - the smallest misfortune, ill health, an unexpectedly large bill, or the theft or loss of any wages, is likely to tip anyone living at this low cost standard into debt.
- Although more research is needed on this topic, young apprentices most probably survive through a mixture of handouts from parents, working overtime wherever possible, working in the cash economy or taking a second job.

- The low level of apprentice pay extends the period of dependence on parents and must presumably make these young members of the workforce feel unnecessarily juvenile and insufficiently autonomous for their age and working status, particularly as the average starting age for junior apprentices has long since ceased to be 15 years of age and is now closer to 17 and 18 years of age.
- Apprentices experience relative deprivation, since the extra items that are in the budgets of their peers (living at the more typical 'modest but adequate' standard) are precisely the items that those living on a low cost standard are forced to go without.
- This is likely to lead to apprenticeships being perceived as an unattractive lifestyle for those leaving school and seeking employment, especially as it has none of the apparent prestige attached to study at university.
- Overall, this research shows that beginning an apprenticeship is not only initially less attractive than other alternative pathways but completing training requires the capacity to endure sustained periods of relative deprivation before rewards become commensurate with those of age peers.
- Low relative earnings and lower standard of living, with their associated deprivations, will lead to continuing difficulties in recruiting apprentices and to poor rates of completion.
- A 2007-8 budget measure provided 1st and 2nd year apprentices, engaged in a 'traditional trade', with an additional \$1,000 per annum (that is, \$19.16 net per week). While this is a welcome step in the right direction, further measures need to be taken to make the apprenticeship path more attractive to school leavers.

Background and objectives Currently, peak business organizations have expressed concern about a growing shortage of skilled tradespersons. Policy-makers have traditionally responded to this problem in one of three ways: 1) import more skilled labour, 2) train more local workers, 3) rely on a mix of immigration and training. This report looks at vocational training and apprenticeships as modes of satisfying alternative 2. In particular, it examines the viability and attractiveness of apprenticeships to prospective workers and suggests that the earnings of apprentices must support a standard of living acceptable in the broader Australia community. This affects not only recruitment but also retention. Up to 40% of apprentices fail to complete their training. This overview sets out to assess the degree of attractiveness of apprenticeships in the current Australian labour market. The aim of the exercise is twofold: to assemble information about the relative living standards of apprentices; and to develop criteria about the adequacy of apprentice earnings and, ultimately, the relative attractiveness of apprenticeships.

Relative earnings of apprentices

The first step is to document current earnings of apprentices and to compare these against a variety of benchmarks widely accepted in the community. Apprentice earnings have been compared to earnings of a) qualified tradespersons; b) unskilled labourers; c) minimum wages (determined by relevant tribunals/ commission); d) average male earnings (as used in the famous Henderson Poverty Line); and e) *Newstart* (the Australian government benefit that would be paid to apprentices if they were unemployed). The other important issue is trends in the real earnings of apprentices. Are apprentices' earnings falling behind the cost of living and becoming progressively less attractive? Providing an answer to this question requires historical series data on apprentice awards over the last decade and adjusting them for rises in the consumer price index.

Standard of living

Having gathered some evidence about the relative earnings of apprentices, the next issue is: What standard of living do these earnings support? The issue of the adequacy of earnings has chiefly been addressed in terms of drawing a poverty line. Much of the debate about poverty has become a highly technical dispute over the measurement of poverty and the interpretation of these measures. The two major competing measures of poverty - the Henderson poverty line and half median income standard - are both measures of relative poverty. Those people with incomes below the poverty line are deemed 'poor' because they get much less income than is typical for that society.

It is a relatively straightforward exercise, building on the information gathered about apprentice earnings, to determine if training wages fall below these widely accepted poverty lines. However, these conventional poverty lines give little concrete information about deprivation. There is little in the construction of these measures that relates directly to consumption needs. Much of the argument about poverty in Australia revolves around disputing that those below any poverty line are 'poor', in the sense of having to go without "the necessaries of life".

The Budget Standards Approach

One alternative is to adapt a methodology based on needs - the Budget Standards approach. This method relies on specifying a basket of goods that meets needs.

For many years the Family Law Court used this approach when estimating the costs of children and determining levels of child support - estimating the costs of children's food, clothing and schooling needs. The official US poverty line also relies on this approach. Arguing that food expenditure is usually about one third of all household expenditure, it stipulates a nutritious basket of food items (unchanged since 1961), prices the items in this basket, and multiplies the cost of food by three to determine the level of a needs-based income.

An extension of this approach - exemplified in the *Indicative Budget Standards for Australia* developed for the Department of Families, Community Services and Indigenous Affairs in 1997 - prices a comprehensive basket of necessary goods, and distinguishes between an austere 'low-cost standard' and a 'modest-but-adequate standard'. The latter is a standard comparable to broad community expectations - that is, it is based on the income required to sustain the consumption patterns typical of 'middle Australia'. In addition to calculating more than one standard of living, the advantage of using this more comprehensive Budget Standards approach is that it does not rely on the much criticized assumption that food represents a third of necessary expenditure and replaces guesswork with transparent justifications for the budget.

The practical advantage of adapting the budget standards developed for the Federal Government is that the sustained and tedious effort needed to develop these standards has already been completed.

For the purposes of this project, the major effort has been concentrated on the process of updating and adapting these standards. Budget Standards are specific to household type and location. There are significant economies of scale in family households and different budget standards have been calculated for households' varying compositions. No standard has yet been developed for households containing individuals on trainee wages, but the existing budgets can be adapted to cover this example. Alternative budget standards have been calculated for apprentices living with their parents and for apprentices living independently. The cost of housing, a highly significant element in the budget, depends heavily on geographical location. The original Budget Standards were calculated for a modal suburb of Sydney - Hurstville. However, this report is based on the cost of housing in seven capital cities and offers a method which can be used to estimate the typical housing costs in any region of Australia.

Outcomes

The outcomes of this research are: 1) a summary of the best information available to determine whether training wages fall below the most accepted poverty lines; and 2) a set of budget standards relevant to judging the income of apprentices both living with their parents and those living independently.

Earnings in selected apprenticeships

1

1.1 Profile of apprentice pay

This initial part of the report presents a profile of apprentice pay which focuses upon the relativities of first, second, third and fourth year apprentice pay with reference to the benchmark of the earnings of a fully qualified tradesperson. The movement of apprentice pay is further considered in relation to movement in the minimum wage, average weekly earnings, and the consumer price index so as to provide a picture of where apprentice pay falls on the earnings spectrum. An early indication of actual living standards is arrived at by comparing net apprentice pay (first year pay in particular) to the Henderson poverty line for 2006. The detail of this information is set out in the appendices attached to this report.

There are of course a plethora of apprenticeship arrangements across occupations and industries in the various State and Territory economies making up the national economy. To reduce the complexity, after consultation with the Project Steering Committee, we have selected a sample of six occupation/industry groupings: building and construction; metal trades/engineering; electrical trades; butchering/meat industry; pastry cooks; and hairdressers. This sample covers a range from apprentices working in the economy's industrial heartland to the more service-oriented occupations. In addition to covering the best known types of apprenticeship, the sample includes occupations that have a reputation for being among the best paid, as well as those with a reputation for low pay; those where apprentices are mostly male and at least one (hairdressers) that is predominantly female. The sample occupations also vary in union density and potential industrial bargaining capabilities.

For example, apprentices engaged in the building and construction industry are likely to be able to slipstream on the bargaining strength of a unionised workforce, while apprentice hairdressers cannot. Although the sample is restricted in size it is still very diverse, and thus likely to capture the essential elements of the apprentice experience.

1.2 Apprentice award rates across jurisdictions in 2006

Throughout this report award apprentice pay is calculated to include the payment of tool and other mandatory allowances as these applied on 1 December, 2006. Typically for a four year apprenticeship, a first year apprentice is paid a fraction (around 40%) of the qualified tradesperson's rate. The fraction increases in second and third year, until in fourth year the apprentice receives the majority (say 90%) of the qualified tradesperson's rate. From an investment point of view, apprentices, by forgoing earnings during training, are being asked to invest in their training. The rationale is clearly that apprentices are less productive (and absorb resources) during training and more productive after it. With investment in training by apprentices, skills are assumed to be transferable. There would be a rationale for employer investment in training to the extent that skills were more specific to the firm doing the hiring. The ratios of apprentice to tradesperson pay in Australia have typically assumed a certain pattern and whether this reflects explicit adoption of the principle that apprentices should invest in training or is just an arbitrary convention is not entirely clear.

Given these general considerations, we start with a look at NSW awards of 1 December, 2006. The highest rates for apprentices (first year \$299.10 per week, fourth year \$563.30 per week) were for butchers in the meat industry; in this industry the qualified tradesperson's rate was \$598.20 per week, but apprentice ratios of the qualified rate were relatively high (50% for first year, 65% for second year, 85% for third year, and 95% for fourth year). The lowest rate for first year apprentices (\$234.70 per week) was in the electrical trades industry: this was 36% of the full tradesperson's rate of \$648.25 per week (in fourth year, the rate of \$527.90 per week was 81% of the full rate). The lowest relativity for a first year apprentice was 33.5% in the building trades, and the highest relativity for fourth year was 95% for butchers in the meat industry.

For South Australia in 2006, the highest award rate for first year apprentices was \$327.90 for pastry cooks: this represented a relatively high fraction (55%) of the qualified tradesperson's rate of \$596.20 (the fourth year rate was \$506.77, i.e., 85% of the full rate). The lowest first year rate was in metals and engineering: \$250.40 per week, or 42% of the full rate (\$596.26 per week). The lowest relativity applying in first year was 42% (metal trades and electrical), and the highest relativity in fourth year was 95% (butchers in the meat industry).

In Victoria for 2006, the highest first year apprentice award rate was \$380.58 a week (including allowances) for those in the construction industry (45% of the trade rate). The corresponding fourth year rate was \$672.28 per week (90% of the full rate). The lowest first year rate was the hairdressing award at \$212.04 (35% of the full rate). The corresponding third (ie final) year rate was \$466.26 per week (77% of the full rate). The lowest first year apprentice relativity was 35% (hairdressing trade), and the highest relativity in fourth year was 95% (pastry cooks and butchers in the meat industry).

In Tasmania for 2006, the highest first year apprentice award rate was \$299.10 per week for pastry cooks and butchers in the meat industry (50% of the full rate of \$598.20 per week in both cases). The corresponding fourth year rates were \$538.38 per week and \$568.29 per week respectively (90% and 95% of the full rate). The lowest first year rate was \$234.87 per week in building and construction (38% of the full rate), corresponding to a fourth year rate of \$556.29 per week (90% of the full rate). The lowest first year apprentice relativity was 38% (building and construction) and the highest fourth year relativity 95% (butchers in the meat industry).

In Western Australia for 2006, the highest first year apprentice award rate was \$263.20 per week for hairdressers, i.e. 40% of the full rate of \$658.00 per week. The corresponding fourth year rate was \$559.30 per week (85% of the full rate). The lowest first year rate was \$239.28 per week (40% of the full rate) for butchers in the meat industry, corresponding to a fourth year rate of \$568.29 per week (95% of the full rate). The lowest first year apprentice relativity was 39% (electrical trades) and the highest fourth year relativity 95% (butchers in the meat industry).

In Queensland for 2006, the highest first year apprentice award rate was \$272.80 per week (building and construction), which represented 40% of the full rate. The corresponding fourth year rate was \$585.50 per week, i.e. 90% of the full rate.

The lowest first year rate was \$239.00 per week in hairdressing, pastry cooks, butchers and metal trades (40% of the full rate), for which the corresponding fourth year rate was \$538.80 per week (90% of the full rate). First years relativities were consistently 40% of the full rate in Queensland, and fourth year relativities 90%.

In 2006 the Federal (ACT) Award provided a highest first year apprentice rate of \$381.89 per week (award plus mandatory allowance) to apprentices in the construction industry (45% of the basic full rate), which corresponded to a fourth year rate of \$687.15 per week (90% of the full rate). The 2006 Federal Award provided the lowest first year apprentice rate of \$242.44 per week to hairdressers (40% of the full rate), which corresponds to a fourth year rate of \$514.86 per week (85% of the full rate). The lowest first year apprentice relativity in the ACT was 40% (hairdressers), and the highest fourth year relativity 90% (all trades excepting hairdresser).

The industries under consideration are taken to be representative. They draw from the technology-oriented and the service-oriented ends of the industry spectrum. For these industries in 2006, awards at State and Federal level were so constructed that the lowest ratios of the full qualified tradesman's rate for first year apprentices were between 33 and 40%, and the highest ratios received by fourth year apprentices were between 90 and 95% of the full rate. There is some variation in the pattern but the basic feature is a great deal of commonality. In terms of foregone earnings, first year apprentices are expected to invest significantly in their own training. This requirement tapers off in second and third year, so that by fourth year the apprentice is remunerated at a rate marginally below that of the fully qualified tradesperson. Apart from differences in apprentice relativities, there is also some variation in tradespersons' rates across the industries in the sample due to a combination of industry and geographic influences.

First year apprentice award rates in 2006 varied from \$234.70 per week (NSW electrical trades) to \$381.89 per week (ACT construction). Fourth year apprentice award rates in 2006 varied from \$687.15 per week (ACT construction) to \$512.16 (WA pastry-cooks). These are outlying observations for six industries and seven awards, a set of 42 observations. So it seems fair to say that in terms of absolute pay, there is still a great deal of commonality in the apprentice experience.

1.3 Apprentice awards and earnings: poverty line and other benchmarks

The poverty standard most frequently used in Australia has been the Henderson Poverty Line named after the Chairman of the Commission of Inquiry into Poverty, Professor Ronald Henderson (Saunders, 1994: 247). The original 1966 poverty line was updated and used by the Commission of Inquiry into Poverty in the early 1970s. It is maintained and updated by the Institute of Applied Economic and Social Research at the University of Melbourne. The Henderson Poverty Line is based on a reference family, taken to be a man in work with a wife at home and two dependent children. According to this standard a family with a weekly income below the 1966 basic wage (\$31.20), plus child endowment for two children (\$1), and rounded to \$33, was in poverty. This standard was extended to other household types using a set of equivalence scales (Henderson, Harcourt and Harper, 1970). At the time of its development, the poverty line itself was justified on the grounds that it was '... a definition of poverty so austere as, we believe, to make it unchallengeable. No one can seriously argue that those we define as being poor are not so' (Henderson, Harcourt and Harper, 1970).

To assess the position of apprentices in relation to the Henderson Poverty Line we need to make the comparison in terms of net pay. Looking at first year apprentice awards for 2006, disregarding allowances and applying the appropriate tax rate, we find that all of the 42 awards categories of first year apprentice (6 awards by 7 jurisdictions) were below the 2006 poverty line threshold of \$276.75 per week.

However when mandatory allowances are taken into account, than 40 of 42 awards categories of first year apprentice have disposable incomes below the Henderson poverty line. The most pronounced case of poverty was the first year electrical apprentice in NSW who received a weekly tax-adjusted award payment of \$216.80, i.e., \$59.95 per week below the poverty line. With the exception of second year butchers in WA (net \$271.46 per week), second year apprentices received a net weekly award payment which was above the poverty line, but only marginally - net award payments of around \$300 per week were relatively common.

The economic rationale for the first year apprentice to be paid a fraction of a qualified tradesperson's wage is that the apprentice has the prospect of future income from the skills gained during training and should be expected to invest (in terms of foregone earnings) during training. But it seems perverse to drive the first year apprentice wage down to levels, which in every case in net terms, lie below the poverty line, and to keep second year apprentice wages marginally above the poverty line. If an investment principle is being applied it would appear that it is being applied too relentlessly. In pure efficiency terms, it would appear that first and second year apprentice award payments are not sufficient to provide a good platform for the pursuit of enhanced skills. It should be noted that to the extent that apprentices are acquiring specific skills, employers should be investing in their training. Once we get to third and fourth year apprentices the situation improves. For third and fourth year apprentices, their reference point is not so much the poverty line as the criteria applying to the movement of wages in general (wages in comparable occupations, the movement of the CPI etc).

Taking a first year apprentice in Victoria in 2006 as a benchmark average (\$291.90 per week in gross pay), comparison with the National Training Wage Award (skill level A) gives less than full parity with a year 10 school leaver plus two years, a year 11 school leaver plus one year, and a year 12 school leaver (\$304.10 per week). By fourth year the average apprenticeship wage (\$550. per week) exceeds the maximum training wage (\$470.20 per week).

The training wage, therefore, presents an alternative to the apprenticeship wage, but is similarly abstemious. Like apprentices, young people on the training wage accept a relatively low living standard and make a significant investment in their own training. A further benchmark for consideration of apprentice pay is provided by comparison with the unemployment benefit (Newstart Allowance).

This provides \$420.90 per fortnight, i.e. \$210.45 per week to a single person without children. This rate is \$66.30 below the poverty line for 2006. It is also below a typical rate of between \$250-260 per week of the first year apprentice; but there is some implication that first year apprentices are treated as equivalent to unemployment beneficiaries.

Newstart beneficiaries have access to some ancillary benefits, for example, a remote area allowance, but these do not alter the essential picture. There is a significant echelon of mostly young people on the margins of the workforce receiving relatively poor remuneration and enduring very basic living standards. First year apprentices, Newstart beneficiaries and, not hitherto mentioned, but in fact worst off of all, single Austudy recipients who receive \$174.05 per week.

Young people (17 years and under), who do not embark upon training but engage directly in paid work generally receive a junior wage. In NSW restaurants, the State Award provides for first year apprentices to be paid \$279.20 gross per week. In comparison, there are four grades of starting junior pay - \$317, \$327.55, \$343.40 and \$355 gross per week. So for young restaurant workers, the junior wage appears to represent an attractive option to engaging in an apprenticeship. Just as the apprenticeship increases in stages (up to \$485.60 per week), so too does the junior wage (to \$460.20, \$475.50, \$498.50 and \$515.30 per week for grades one, two, three and four).

The wage data presented so far has been based on awards. In recent years the Australian labour market has been characterised by the emergence of agreement-making, both collectively and individually. In this context it is common for earnings to rise above award payments. Employers maintain that apprentices, in many cases, get paid at rates which exceed the award rate.

We have incomplete data for apprentice earnings across states in 2006. In NSW, data obtained from *Central West Group Apprentices* indicates that a first year building and construction apprentice earned 13.2% more than the award i.e., \$271.39 net per week, whereas a first year hairdressing apprentice earned 4.1% more than award, i.e., \$249.26 per week. In Victoria, according to data supplied by *LINK Employment and Training* first year apprentices in building and electrical trades earned significantly more than the award - 50% and 24.5% respectively. First year butchers, hairdressers and metal traders earned no more than the award. In South Australia, earnings were on the award for building, butchers and metal trades. In Western Australia, first year apprentice earnings in building and metal trades were in advance of the award by 17.5% and 31.3% respectively. In Queensland, earnings for building and metal trades were less markedly above the award - 7.1% and 12.1% respectively - while for electrical trades they were on the award. So, for first year apprentices, the focus on earnings does not represent a dramatic departure from basic award realities. Western Australia is an exception, as are the building and electrical trades in Victoria.

An Australian Chamber Of Commerce and Industry (ACCI) survey of apprentice wages (October 2004) found that 38% of first year apprentices were paid above award with the median increase being 16%. Applying a multiplicative principle this amounted to an average above award payment for first year apprentices of 6%. For second, third and fourth year apprentices similarly reckoned above award payments were 5.7%, 7.3%, and 11 % respectively. This data does not, therefore, significantly alter the picture previously presented of a fairly narrow band between apprentice awards and earnings. Data for a sample of NSW regional locations supplied by *Central West Group Apprentices* shows apprentice earnings as 9% above award and this can be taken to represent a convenient benchmark. By comparison, the comprehensive Australian Bureau of Statistics data for May 2004 shows a typical tradesperson's earnings as \$750 per week when the award rate was \$580 per week.

On these figures the typical tradesperson experiences earnings 29.1% above the award. This significantly exceeds earnings that apprentices receive above awards. Thus the comparison of apprentice pay relative to a fully qualified tradesperson's pay is worsened when the comparison is made in terms of earnings. We have seen that first year apprentice pay based on awards can be as low as 33% of the fully qualified rate. In terms of earnings the ratio is likely to be even less.

1.4 The pattern of apprentice pay over time: NSW and South Australia

A time series of awards rates is only publicly available for NSW and South Australia state awards. This information covers the period 2001-2006. NSW apprentice pay relative to the qualified tradesperson's wage remained stable for most trades over the 2001-2006 period: for building and construction the ratios were 35/40, 50/55, 65/70 and 75/85% for first, second, third and fourth year apprentices respectively. For hairdressers the relevant ratios were 43, 55, 68 and 86%; for pastry cooks 55, 65, 75 and 85%; for metal trades 42, 55, 75 and 88%; for butchers 50, 65, 85 and 95%; and for electrical trades 42, 55, 75 and 88%. There is not much variation across industries, and in addition each industry pattern is invariant over time. In NSW, first year apprentices in electrical trades (at \$183.55 per week) ranked lowest in 2001 and still did in 2006 (at \$234.70 per week). Over the period 2001-2006, the all-cities CPI increased by 16% (from 143.1 to 158.8 for an index equal to 100 in 1995) and the minimum wage by 23.8% (from \$413.40 per week to \$511.86 per week). First year apprentice rates and the full tradesperson's rate in NSW tended to grow at rates which exceeded that of the CPI but lagged behind that of the nation-wide wage minimum. There was some marginal growth in living standards as measured by a CPI comparison, but for the industries looked at, full award rates and apprentice rates in particular remained locked in to the bottom end of pay movements.

South Australian apprentice pay relative to the qualified tradesperson's wage also remained predominantly stable over the 2001-2006 period: the ratios for building and construction varied slightly but were essentially 34, 48, 62 and 72 for first, second, third and fourth year apprentices respectively (building trades CW5). There was only slight variations for pastry cooks and metal trades apprentice ratios (50, 57, 64 and 79% and around 42, 55, 75 and 88%. respectively). Hairdressers, butchers and electrical trade apprentice rates were completely stable (40, 55, 70 and 85%; 50, 65, 85 and 95%; and 36, 49, 70 and 81%). First year apprentices in South Australian metal trades ranked lowest in 2001 at \$213.00 per week and continued to do so in 2006 at \$250.40 per week.

Given an all-cities CPI increase from 2001 to 2006 of 16% and a national minimum wage increase of 23.8%, it can be observed that for hairdressing, pastry cooks and electrical trades, increases in first year apprentice pay and the full qualified rate were within this band. There was thus some increase in the real rate of pay, but its movements were confined to the minimum end of the pay distribution. In building trades, first year apprentices stayed within the band, but the movement in the full rate (39.7%) was above it. For metal trades, the first year apprentice pay movement (at 24.8%) was slightly above the band, and for butchers and electrical trades both the first year increase (31.4% and 27.9%) and the full rate increase (31.4% and 26.3%) lay above the band.

In these cases some increase in real pay combined with improvement upon movement in the minimum, but, overall, the pattern was for award rates to grow in accordance with growth in the minimum wage. Since apprentices received only their designated fraction of the full award rate (a situation we have seen is not significantly altered by apprentice access to above-award earnings), they have been locked in to a fairly sluggish pattern of movement at the minimum end of the pay distribution.

This point is made stronger by a comparison of the minimum wage with average earnings. The minimum wage in 2001 was \$413.40 per week; this increased by 23.8% to \$511.86 per week in 2006. The minimum wage is less than the full tradesperson's rate in our selected industries, but it significantly exceeds the rates paid to first year, second year and third year apprentices, and usually approximates the amount paid to a fourth year apprentice. The minimum is well below the average wage: in 2001 the minimum of \$413.40 per week compared to the average of \$809.70 per week. Over the 2001-2006 period, the gap widened: the minimum grew by 23.8% to \$511.86 per week and the average grew by 27.9% to \$1035.90 per week. The pay distribution is getting an expanded bottom end and an extending long tail at the top, i.e. it is becoming more unequal. Apprentice pay is well and truly immersed at the bottom end. Apprenticeships are linked to trades which do not match the earnings growth of managerial and elite service occupations at the top end of the pay distribution. Insofar as tradespersons do participate in earnings growth this does not, as we have seen, translate to the same degree to earnings growth for apprentices. The question then is how far we are prepared to allow apprentice wages to lag behind mainstream standards?

1.5 Summing up

There is a rationale for relativities in apprentice pay if the principle is adopted that apprentices should invest in the cost of their training. This is the principle which effectively operates and it results in a remarkable stability across industries and over time of first year apprentices receiving 35-40% of a qualified tradesperson's wage, second year apprentices 55-60%, third year apprentices 75-80%, and fourth year apprentices 85-90%. However, if skills are somewhat specific to a particular firm or industry, i.e., they are not readily transferable to any available occupation, there is, on efficiency grounds, a good case for employer investment in training.

So the current pattern of apprentice relativities appears to embody the assumption that skills are readily transferable, i.e., the person in training should bear the brunt of the cost of investment. Is this assumption completely justified? Or should employers pick up a greater share of the burden of investment in training? However, if there are significant public benefits associated with investment in training (not just private benefits to employers or employees) there is a good case for significant government investment. While the government does currently invest in training, it hardly matches the investment (in forgone income) by the apprentices themselves. So while the Australian pattern of apprentice relativities appears to have endured over many decades, the presumptions on which it is based - that apprentices will accept low levels of initial pay and apprentices (not employers or government) will mostly bear the costs of their own training - are open to serious question under contemporary labour market conditions.

Any implication of arbitrariness about the pattern of apprentice relativities in Australia is reinforced when it is recognised that the first year apprentice's net wage is consistently below the Henderson poverty line. Basic needs for an apprentice making use of a house are not being provided for. While third and fourth year apprentices are better off, the net wage typically received by second year apprentices is not that far superior to the poverty line. It is a relentless logic that insists on apprentices paying for their own training to the point of putting them near to the poverty line or in many cases below it. The issues connected with living standards experienced by apprentices in terms of a budget standard are taken up in the main part of this report.

In this part of the report we have sought to examine the implications of the typical relativities in apprentice pay. Apprentices are heavily reliant upon the awards which set these relativities. They do not share in above-award earnings to the extent that fully qualified tradespeople do. Typically apprentice pay rises more in step with the minimum than the average wage. In the overall pay distribution, the minimum lags behind the average wage, a fact which is symptomatic of the increasing inequality of the pay distribution. In this increasingly unequal pay distribution apprentices are buried deep down at the bottom end. It is a gloomy scenario for people whose processes of skill acquisition we are ostensibly committed to foster.

The major political entities, Liberal-National and Labor, are both committed to a strong national training culture as an essential component of productivity improvement and as serving the interests of competitiveness in a globalised international economic setting.

Apprenticeship is an important component of the national training effort. It merits strengthening via an incentives-oriented approach. The present regime of apprentice pay is anything but incentives-oriented; it leaves apprentices (first year apprentices in particular) stranded along with welfare recipients in the lower echelons of income distribution. Equity considerations operate, particularly where income-receiving groups fall below the poverty line. But there is also an economic efficiency argument for improving the lot of apprentices linked to the establishment of a better structure for investment in this important process of skill acquisition which is crucial to the nation's future.

Standard of living possible on apprentice pay

2

Having gathered some evidence about the relative earnings of apprentices, the next issue is: What standard of living do these earnings support? The issue of the adequacy of earnings has chiefly been addressed in terms of drawing a poverty line. Much of the debate about poverty has become a highly technical dispute over the measurement of poverty and the interpretation of these measures. The two major competing measures of poverty - the Henderson poverty line and half median income standard - are both measures of relative poverty. Those people with incomes below the poverty line are deemed 'poor' because they get much less income than is typical for that society. It is a relatively straightforward exercise, building on the information gathered about apprentice earnings, to determine if training wages fall below these widely accepted poverty lines. However, these conventional poverty lines give little concrete information about deprivation. There is little in the construction of these measures that relates directly to consumption needs. Much of the argument about poverty in Australia revolves around disputing that those below any poverty line are 'poor', in the sense of having to go without 'the necessaries of life'.

2.1 What are budget standards?

This method relies on specifying a basket of goods that meets needs. For many years the Family Law Court used this approach when estimating the costs of children and determining levels of child support - estimating the costs of children's food, clothing and schooling needs. The official US poverty line also relies on this approach. Arguing that food expenditure is usually about one third of all household expenditure, the US poverty line stipulates a nutritious basket of food item (unchanged since 1961), prices the items in this basket and multiplies the cost of food by three to determine the level of a needs-based income.

Two standards of living

An extension of this approach - exemplified in the *Indicative Budget Standards for Australia*, developed for the Department of Families, Community Services and Indigenous Affairs in 1997 - prices a comprehensive basket of necessary goods, and distinguishes between an austere 'low-cost standard' and a 'modest-but-adequate standard'. "The *low cost* budget is defined as one which may require frugal and careful management... It represents a lower bound, below which it would become increasingly difficult to maintain an acceptable living standard because of the increased risk of deprivation and disadvantage" (Saunders et al, 1998: 62). The *modest-but-adequate* standard is a standard comparable to broad community expectations - that is, it is based on the income required to sustain the consumption patterns typical of 'middle Australia' - it "affords full opportunity to participate in contemporary Australian society and the basic options it

offers" and lies "between the standards of survival and decency and those of luxury, falling somewhere around the median living standards experienced within the Australian community" (Saunders et al, 1998: 62).

In addition to calculating more than one standard of living, the advantage of using this more comprehensive budget standards approach is that it does not rely on the much criticized assumption that food represents a third of necessary expenditure and replaces guesswork with transparent justifications for the budget.

For the purposes of this project, the major expenses derive from the process of updating and adapting these standards. Budget Standards are specific to household type and location. There are significant economies of scale in family households and different budget standards have been calculated for households of varying composition. No standard has yet been developed for a household containing an individual on training wages but the existing budgets have been adapted to cover this example.

Although budget standards were developed for 12 basic household types, no single household type contains individuals resembling an apprentice. For example there is a standard for a single 35 year female living alone, an adult couple, and some larger households contain children (girls 3 and 6 years old and boys 10 and 14 years). The twelve household types were developed in anticipation of the need to model new household types. For example the costs of raising a young child can be calculated by comparing the budget standard for the households with children with the budget standard for a couple with no children.

2.2 Thumbnail sketch of the development of nine component budgets

Housing

For the housing budget component six scenarios are set out - three in the low-cost budget and three in the modest-but-adequate budget. For the low-cost budget the three situations are:

- an apprentice living in the parental home not contributing to accommodation (for which a notional figure of zero rent has been assigned);
- an apprentice living in the parental home contributing a notional amount of \$80 per week; and,
- an apprentice living in shared accommodation paying half the cost of the median rent of a two-bedroom dwelling in the relevant capital city.

It should be noted that the modest-but-adequate housing budget is a conservative figure in that, on the one hand the notional rent paid in the parental home is no higher than the low-cost budget. On the other hand, the median rent is retained as the basis of calculation for both standards.

Adaptations made to capture current apprentices' standard of living: The 1997 figures have updated by obtaining direct information on median rents from the Real Estate Institute of Australia. In addition the housing cost has been moved out of the modal Sydney suburb of Hurstville and a more comprehensive picture of regional variation has been captured by finding the median rent for seven capital cities.

Energy

The aim of the energy budget is to estimate the domestic energy requirements of a specific household type at both the low cost and modest but adequate levels, and to cost them at prices prevailing in September 2006. The standard derived provides an independent benchmark that determines a norm for the energy required by such households. Since the estimate of energy derived from consumption data, strenuous efforts have had to be made to avoid the obvious danger of using estimates of energy that reflect the constrained financial resources some households, rather than their true energy needs.

This aim was achieved using a multivariate statistical model to study how the level of a household's financial resources affects its energy consumption, thus enabling an estimate of the effect of financial resources to be removed from the behavioural data on energy consumption. The details of the method and how the model was developed and estimated are now discussed.

It is important to recognize at the outset that the size and structure of the household will have a major bearing on its energy requirements and thus on its energy budget. More specifically the energy need depends on the characteristics of housing stock (aspect relative to the sun, ceiling heights, insulation properties, ventilation rates, etc.) and appliances (especially whether or not off-peak hot water heaters and air conditioning are installed and which system is used for space heating in winter). As explained in the sketch of the housing budget it is assumed that apprentices living with their parents consume their proportion of the energy costs of household being purchased by their parents. For apprentices living independently of their parents it is assumed that they share half the costs of a rented flat/apartment. These assumptions about the housing situation of apprentices hold for both the low cost and modest but adequate standards of living.

The likelihood of an all electric household having the cheaper off-peak water heating, and the likelihood of the gas/ electric combination household having economy gas was estimated by means of a form of discrete choice modelling known as the logit model. This modelling indicated that most households using gas should have gas economy. Of the all-electric households, those living in a house (for example apprentices living with their parents) should have off-peak water heating, but those living in rented flats/ apartment were unlikely to have access to the cheaper energy rates.

The pattern of ownership of appliances is the other important determinant of the energy that households use. Details of the specific appliances which have been allocated to each of the households can be found in the household goods and services budgets described in the thumbnail sketch below. None of the households are allocated a dishwasher, air conditioning, waterbeds or ducted heating, while clothes driers are only allocated to households at the modest but adequate standard.

In 1996 the Independent Pricing and Regulatory Tribunal of New South Wales investigated the energy, water and public transport usage of different types of households, with the aim of providing the Tribunal with the information necessary to assess the potential impact on households of changes to the pricing structures of utilities and public transport. Practically all households participating in the survey gave permission for the Tribunal to access their actual electricity and gas billing records. Not only does this survey supply very accurate information on household energy usage, the information is organized according to household characteristics, including income, dwelling type, family size and structure and property value. These characteristics are relevant to the household types which are the focus of the budget standards research, and this proved to be the best source of data available in Australia. The reliability of this data source is demonstrated through a comparison with ABS energy consumption data which are remarkably similar.

For the purposes of the energy budget, energy consumption is defined as the consumption of electricity and mains gas only. Weekly expenditure on energy is a weekly average of annual expenditure to capture the seasonal influences on energy costs. Because the best consumption data was available for greater metropolitan area of Sydney, Newcastle and Wollongong (and about 75 per cent of these households rely entirely on mains gas and electricity for their energy), the energy budget has been calculated for metropolitan areas of NSW and information about regional variations in the price of energy in the Consumer Price Index have been used to provide estimates for other capital cities. This method produces a conservative estimate of energy costs in capital cities as it is likely to underestimate the energy required to maintain a target indoor temperature in less temperate regions (e.g., Hobart, Canberra or Brisbane) (Saunders et al, 1998:176).

A multiple regression analysis was undertaken separately for gas and electricity consumption. Housing tenure; the number of household members; the number of bedrooms; heating style; the form of energy used to heat water; and household income proved to be the most statistically important predictors of gas consumption.

The following factors were the most important predictors of electricity consumption: the number of household members (taking account of the numbers of adults and children); appliance ownership; form of heating; cooking style; housing tenure; income and the number of bedrooms. The inclusion of household income in the analysis allows the relationships between the other explanatory variables and energy consumption to be analysed, holding income constant. In this way, *the effects of income are artificially removed from the analysis*. Consider the example of dwelling size: the owners of three-bedroom houses typically have higher incomes than the owners of houses with fewer bedrooms. Because interest focuses on the effect on energy consumption of the number of bedrooms independent of income, by controlling for income it is possible to explore the association between dwelling size and gas consumption.

Using this model the energy required was predicted for households of different size, in a variety of housing stock, for purchasers and renter, and two standards of living. Both the low cost and modest but adequate households are assumed to use the same amount of energy for cooking and heating their homes to the same level of temperature, for example. While low cost households tend to have fewer energy using appliances and live in smaller homes than modest but adequate households they tend to face higher charges for energy.

Adaptations made to capture current apprentice standards of living: To arrive at the energy costs of a child living with their parents, the energy costs of Household Type 2 (H2 - a couple in a two-bedroom unit) are subtracted from the energy costs of Household Type 8 (H8 - a couple with a boy in a two-bedroom unit). This represents the additional energy consumed as a result of young person living with their parents. For apprentices in shared accommodation, the total energy cost of H2 divided by 2 has been used.

Food

The food component of the 1997 Budget Standards was outlined as an adequate Australian diet, meeting the nutritional recommendations of health professionals, yet still composed of foods that are typical of the culinary habits of Australians as indicated by national dietary intake surveys (Saunders et al, 1998: 190-226). The food budget is determined by creating a basket of food items which conform to the nutritional guidelines published the National Health and Medical Research Council (NHMRC). These guidelines not only dictate nutrients but quantities. This basket of items, after adjusting quantities for wastage, must be capable of being made into weekly menus consistent with a healthy Australian diet, the basket of food items is then priced estimate for the cost of the food component.

The foods selected are representative of the most common, regularly eaten food items in the CSIRO and Edgell-Birds Eye 1993 *Australian Food Survey* dietary survey of Australian eating habits. The quantities of these foods are adjusted to achieve nutritionally recommend intake. Most of the foods, such as fruit, bread and cereals, and vegetables were increased in quantity, because the recommended amounts of these core food groups are greater than the amount consumed by the average person. The recommended intake of meat, on the other hand, is lower than the typical quantities that Australians consume.

Having determined the correct balance of the five core food groups, the second step is to ensure that the food items provide recommended dietary intakes for energy, vitamins, minerals, fibre and alcohol. This was achieved using a dietary software program (SERVE) and the NHMRC's recommended dietary intakes (RDIs) and guidelines. Tissue breakdown, slowing of bodily functions and stunted growth are all a consequence of extremely low energy intake. On the other hand, excessive energy intake can lead to obesity. Recommended energy intakes (in Kilojoules) and equations for estimating energy expenditure are derived from the NHMRC's *Recommended Dietary Intakes for Use in Australia* for an adult male Australian of median height in the healthy weight range across all occupations. Foods are grouped into ingredients for an illustrative pattern of weekly meal menus.

In the next step, the amount of raw food purchased was adjusted for cooking factors and expected wastage. Some foods, like rice, become heavier when cooked, others lighter. The United Kingdom's Royal Society of Chemistry and Ministry of Agriculture, Fisheries and Food have determined cooking factors for a variety of foods, and these have been used to estimate the amount of food needed to be purchased in order to consume the given amount of food. Estimates of waste factors (peelings, cores, leaves and bones) were obtained from the National Food Authority, and McCance and Widdowson: *The Composition of Foods*. Wastage arising from food preparation was taken into account. Based on studies undertaken in Britain and the US, the amount of prepared food that is discarded because it is inedible (skin, bone and seeds), spoilt or left on plates was also calculated. Quantity of food purchased was adjusted to take account of these wastage factors.

The food budget includes items like pizza, hamburgers, meat pies and carbonated drinks that are assumed to be purchased from take-away outlets. A moderate amount of alcohol has been included in the food budgets of all adults, based on behavioural data, although the amounts are also consistent with NHMRC recommended allowance. Wine is allocated to women (one glass a week of cheap bottled wine at the modest but adequate standard and 1.4 glasses a week of cask wine at the low cost standard), whereas as men are allocated a mixture of wine, beer (three 10oz glasses of full strength beer, 1 glass of low alcohol beer and two glasses of wine per week at the modest but adequate standard and less at the low cost standard).

The items placed in the basket of food for both low cost and modest but adequate standards of living ensure that each individual is provided with enough food to meet the recommended levels for energy and various nutrients. The differences between the two standards of living are that the modest but adequate food basket includes more leading brands, more expenditure on take-away food, and more alcohol. Data from the Brand Scan survey were used to help select the brands of food to include in the food profiles. Generic food brands were chosen as an alternative to the commercial brands as the basis for development of the low cost food budget, as these are often lower in price.

On the basis of survey information about the habits of Australian shoppers, all the foods except take-away food, alcohol and fish were assumed to be purchased from the supermarket. The Australian Supermarket Institute (ASI) provided prices for all of the fresh food items, and AC Nielsen provided average State-wide prices for the majority of the packaged supermarket foods (dry goods) using scan data are collected for them by Woolworths, Coles, Bi-lo and Franklins. The generic brand food prices provided by AC Nielsen were Woolworths Home Brand prices. Where the Woolworths Home Brand price was not available from the AC Nielsen data base, generic items ('No Frills') were priced at Franklins for inclusion in the low cost budget. Prices are typical of metropolitan New South Wales.

The indicative budget standards do not attempt to estimate the impact of remoteness on food prices, however a 'study of the Kimberley region of Western Australia.....found that the cost of basic food items is substantially greater than in the Perth metropolitan area'. Moreover, the same study found that 'prices in remote areas were estimated to be around 45 per cent higher than in the regional centre of Derby' (Saunders et al, 1998: 208).

The items placed in the basket of food commodities at the low-cost and modest-but-adequate level are nutritionally adequate. The major differences relate to the quality of brands, and lower expenditure on take-away food, alcohol, etc.

Adaptations made to capture current apprentice standards of living: The food requirements of an apprentice are taken to be the same as an adult male. For apprentices in shared accommodation, the food costs of H2 divided by 2 have been used.

Clothing and footwear

Clothing and footwear Budget Standards have been determined with regard to warmth, comfort and protection, on the one hand, and normative assumptions about identity and self-esteem on the other. The standards were established with regard to participation in the labour market as well as participation in social activities.

The latter of these kinds of participation was appropriate to age and lifestyle, including sport, recreation and a limited number of special occasions. Because of the nature of clothing and footwear there have been no (household) economies of scale allowed for constructing the budget in this category.

Saunders et al. (1998) specify that twelve (12) basic households are comprised of some combination of eight (8) separate individuals. One of them, a 40 year-old male, has been selected for pricing the clothing and footwear expenses of an apprentice because the clothing and footwear needs of a 40 year-old man were deemed to be closer to the needs of an apprentice than were the needs of the other available individual type, a 14 year-old boy.

The starting point in determining clothing and footwear items was to use the UK budget standards developed by McCabe and Rose (1992). These standards were then modified by using the Australian Household Expenditure Survey (HES) along with assumptions about Australian climatic conditions and more normative assumptions about ensuring some level of social ease.

For the low-cost budget, the lowest available price was used across a range of items; for the modest-but-adequate budget, prices around the average of those available were selected. The assumption has been made that clothes are laundered weekly or twice-weekly.

In recognition of the importance of minimizing the risk of skin damage, various items of ultraviolet protection have been included.

As a large national retailer, Target was chosen for pricing the majority of clothing and footwear items. For most outerwear items, selection was based on synthetic or blended fabrics, as these items are easy care, wash and wear, and less expensive. *Adaptations made to capture current apprentice standards of living:* As in the case of food, the clothing and footwear requirements of an apprentice are taken to be the same as an adult male and assumed to be similar to those already calculated for a 40-year old male.

Household goods and services

Because it is a broad category, the household goods and services budget overlaps many of the other budget components, so care is needed to ensure that any double counting of needs (and the goods and services needed to meet them) is eliminated.

For this budget component two scenarios have been identified. The first is where an apprentice lives in the parental home; the second is where the apprentice shares costs equally in a situation of shared rental accommodation. Each of these scenarios, in turn, has been split into low-cost and modest-but-adequate levels.

The costs of household goods and services of an apprentice living in the parental home were estimated by subtracting the costs incurred by Household Type 2 (H2) from the costs of Household Type 8 (H8). For apprentices in shared accommodation, the costs are deemed to be H2 divided by 2.

The enormity of the task of constructing the household goods and services component is illustrated by the fact that what has been included in the household goods and services component, depending on the household type, adds up to over 400 items. The Household Expenditure Survey (HES) provides some useful data about what is actually in people's homes, although it records flow of expenditures rather than the stock of commodities. Once having decided what items are necessary, there is still considerable difficulty in deciding how to brand the various items and thus how to price them.

The 'Best Buy' recommendations in Choice magazine guided some of the decisions about which goods and services to include and how to price them. But because of the dearth of Australian data, the UK budget standards research (McCabe and Kirk 1993) has been used as a starting point (and modifications have been made).

Items included in the household goods and services component of the budget include, at the low-cost level:

- Sofa-style lounge room furniture;
- Metal trolley for TV and sound equipment;
- Storage and book shelf facilities (from Ikea)
- Less-than-average-priced dining furniture;
- Ensemble beds, doonas (plus an extra foam mattress for a guest);
- Linen, soft furnishings, tableware, cookware, utensils, and cleaning and related household products;
- Basic appliances, such as a refrigerator, washing machine, and microwave oven;
- Telephone rental and charges, and postage.

At the modest-but-adequate level, the list above was supplemented by the following items:

- Extra cleaning of lounge room furniture;
- An 'Aspen' TV stand (rather than the metal trolley);
- Average (rather than lower-end) dining furniture;
- Extra appliances such as a clothes dryer, sewing machine (in the case of an apprentice living in the parental home), and a BBQ.

Adaptations made to capture current apprentice standards of living: The costs of household goods and services of an apprentice living at home were estimated by subtracting the costs incurred by Household Type 2 (H2) from the costs of Household Type 8 (H8). This represents the additional household goods and services required to accommodate the apprentice at home, sharing in the joint consumption of household assets. For apprentices in shared accommodation, the costs are deemed to be H2 divided by 2.

Health

The starting point in developing the indicative health budgets is that they reflect the cost of the health care needs of those who are generally in good health. In light of this it should be emphasised that the health care budgets presented may be considered as a conservative estimate of health care costs.

Four health care budgets are presented. The two at the low-cost level (and without dental and eye benefits) are, first, for an apprentice living in the parental home, and, second, for an apprentice in shared rental accommodation.

The two budgets at the modest-but-adequate level (and with private health insurance) are also for an apprentice living in the parental home, and for an apprentice in shared rental accommodation.

It may be objected that to include private health insurance in the two modest-but-adequate estimates is to allow for excessive expense; but the decision to include it is based on community norms of behaviour and the increased use of private health insurance since the 1997 Budget Standards were established.

The cost of hospitalisation has not been included in the health budgets because Medicare provides free treatment and accommodation in public hospitals. Since the services provided by GPs, pathology services, and optometry are commonly bulk-billed they have been regarded as free for the purposes of constructing the health budgets.

Dental costs have been calculated on the basis of information collected in a dental survey undertaken in 1995 (Carter 1995). This was supplemented by advice received from dental health professionals. The calculation has been made on the estimate that half the population (of working age) do visit a dentist twice a year and primarily on the normative basis that each person should make one visit per year.

Orthodontic costs and costs associated with dentures have not been included.

Optical costs have been calculated on a survey of vision correction by age. Prescription costs have been calculated on the most commonly prescribed drugs for the household types that can be used to estimate the costs incurred by an apprentice. A small allowance for non-prescription health costs has also been made.

As with all the components of these budgets the health costs have been expressed as a weekly average, knowing that there are severe limitations in such an approach: whereas rents from week to week are known and can be budgeted for, health costs are typically not incurred at all for weeks, and then can be quite high for a short period of time.

Adaptations made to capture current apprentices' standard of living: The health costs of an apprentice were estimated by subtracting the costs incurred by Household Type 2 (H2) from the costs of Household Type 8 (H8). Because the apprentice is employed, and therefore not eligible for a health care card, it was assumed that no dental or eye benefits would accrue. For apprentices in shared accommodation, the health costs are deemed to be H2 divided by 2.

Transport

The pattern of observed transport costs amongst Australian household varies considerably, depending on whether the household owns a car or not. The overwhelming majority of Australian households are car owners. Car-owning households spend substantially more on transport than households without, primarily due to the fixed costs of car ownership, e.g., the purchase price of the car, and the costs of insurance, registration and appropriate servicing and repairs. Running costs, including road tolls, parking costs, fuel, oil and some repairs, do not differ substantially from public transport costs. If anything they are cheaper.

The number of trips and distance travelled is often determined by the requirements laid down in other budget components. The transport budget assumes that household members travel the same distance to work as the average Sydney worker. It is assumed that households shop weekly for food and groceries at the nearest large shopping centre and make incidental journeys to purchase milk, newspapers, hire videos, pay bills, visit the doctors, and so on. The number of medical trips depends on each individual (see health budget). The leisure budget has been used to guide decisions concerning the number of spectator sport and cultural trips undertaken each year by each household member.

Households are assumed to travel to the central business district for such activities. The leisure budget also allocates an annual holiday (by car) for households at the modest but adequate standard, and a similar holiday for low cost households every three years. In addition, each household is assumed to make two day trips to out-of-town destinations (e.g. to the Blue Mountains).

Data presented by the ABS data indicates that more than 80% of Australian households had a registered car garaged or parked at their household. Furthermore, around 40 per cent of households have at least two registered cars. In the face of this evidence, one car was allocated to every household, at both the modest but adequate and low cost standards (except for the low cost single person household). However, the age of the car was varied, so that at the modest but adequate standard, the car was presumed to be the median age (7 to 10 years) and at the low cost standard among the oldest 25% of registered cars (i.e., aged 11 to 13 years). It is presumed that a single person living alone would drive a small four cylinder car such as a Toyota Corolla or share in the use of a family sedan (equivalent of a Toyota Camry) if they were living with their parents. Otherwise public transport journeys are priced at the concessional rate for both standards of living. There is a small allowance for the odd taxi fare and some share of parking fees and tolls, but these are minor elements of the transport budgets.

Adaptations made to capture current apprentices' standard of living: Two estimates were produced for transport costs. One estimate is based on the costs incurred by an apprentice who does not own or have access to a motor vehicle. In this case, the budget standard for a retired female relying on public transport has been used as a guide. The second estimate is based on the transport costs of an apprentice living at home and running a motor vehicle. For this estimate, the figure for Household Type 2 has been used. As a benchmark of the standard of living of apprentices, this second (car-owning) option has been used in this report.

For an apprentice in shared accommodation and running a motor vehicle, the costs are deemed to be the same as H2. That is, for apprentices in shared accommodation, the fixed costs of transport are deemed to be higher as a proportion of the overall cost of living.

Leisure

At first sight, expenditure on leisure might seem to be something of a luxury. However, its inclusion is justified on the grounds of social and economic participation. Active leisure contributes to good physical and mental health. Survey data on the leisure activities of Australians were used extensively to determine which activities foster 'normal' levels of participation. Where the actual amounts of physical activity fall below the levels recommended for health, the amount of active leisure participation allowed for in the budgets has been increased and passive leisure (principally the time spent watching television) has been correspondingly reduced.

A statistical model of the time-available for leisure was estimated using ABS survey data. The model was used to predict how much time individuals of varying age, living in different household types, would spend in the chosen forms of active and passive leisure. Once the leisure activities have been identified, they have been combined with the leisure goods involved with participation in each activity to estimate the associated cost. Leisure goods include books, magazines, newspapers, gardening equipment, television and video material, recorded music, playing cards, board games and some hobby materials. Some allowance is made for visiting cultural and entertainment venues, some outings or day trips and a holiday. At the modest but adequate standard individuals are assigned one holiday a year, traveling by car, staying in a mid-priced holiday unit about 200kms away from their home. Those living at low cost standards were assumed to take a cheaper holiday once every three years.

If 50 per cent or more of the population participated in a leisure activity (such as spectator sports and attendance at cultural events) that leisure activity was assigned to the modest but adequate standard of living, but unless this proportion reached 75% or more of the Australian population it was not assigned to the low cost standard.

Adaptations made to capture current apprentice standards of living: The leisure costs of an apprentice living with their parents were estimated by subtracting the leisure costs incurred by Household Type 2 (H2) from the leisure costs of Household Type 8 (H8). For apprentices in shared accommodation, the costs are deemed to be H2 divided by 2.

Personal care

Although many of the items included in the personal care budget are not essential for survival they are products that are used for personal hygiene purposes as well as for maintaining personal appearance. These factors are important for prevention of disease and for maximising employment opportunities.

As with other component budgets, the personal care budget aims to reflect the norms that currently prevail in Australian society.

Information has been sought from the Commonwealth Department of Health and Family Services (and its predecessors and successors), from people working in the personal care industry, from market research companies, and from focus group participants.

Included in this component budget were items such as shampoo, razor blades and shaving cream, tampons, basic make-up kits (for low-cost budgets), and slightly more elaborate kits (for the modest-but-adequate budgets), facial cleansers and acne cream, deodorant, basic aftershave/perfume, a watch, watchband and battery, and for women a limited number of earrings, sunscreen, and some personal household items.

Adaptations made to capture current apprentices' standard of living: As in the case of food and clothing and footwear, the personal care requirements of an apprentice are taken to be the same as an adult male and assumed to be similar to those already calculated for a 40-year old male.

2.3 **Summary of process of modifying indicative budget standards for apprentices**

The basic approach taken in this research was to determine *three apprentice housing scenarios* - 1) living with their parents, paying no direct accommodation costs; 2) living with their parents but paying \$80.00 per week toward direct accommodation costs; and 3) sharing a two-bedroom flat with another young person. In these scenarios some expenditure is individual (clothing) and some is a share of goods and services available to all members of the household (for example, shares of energy consumption). In contrast to “living with parents” scenarios, the living independently scenarios provide less opportunity to share in the costs of jointly provided goods and services.

Budget standards for each apprentice scenario, covering all nine categories of expenditure, were calculated as follows: housing costs for apprentices living independently of their parents are based on a half share of the median rent for a two-bedroom flat/apartment in each of seven capital cities. The cost of other items in the budget have been updated from the original February 1997 values to the September 2006 quarter using changes in the nationwide CPI for all commodities other than housing. Variations in cost of living by location have been captured: a) using direct information about current housing costs in that location, and b) applying weights to represent the relative difference in prices for all non-housing expenditure in that capital city.

Discussion

3

The low cost budget standard ranges from \$187.61 per week for an apprentice living with their parents in Hobart and paying nothing towards their accommodation costs to \$384.34 per week for an apprentice sharing a two bed flat/apartment in Sydney. The typical values for apprentices living with their parents without paying anything towards their accommodation costs is around \$189 and for those paying their parent a nominal board it is \$278. For those apprentices living away from the parental home, in shared accommodation, the median low cost budget is \$300 per week - higher in Sydney, Canberra, Brisbane, Perth and Melbourne and lower in Adelaide and Hobart.

In general the modest but adequate budget standard is between \$80-100 per week more costly than the lower standard. It ranges from \$253 for an apprentice living with their parents in Hobart (and not contributing towards the cost of their accommodation) to \$457.45 per week for an apprentice sharing a two bed flat/apartment in Sydney. The typical cost for apprentices living with their parents without paying anything towards their accommodation costs is around \$266 per week and for those paying their parent a nominal board it is \$346. For those apprentices living away from the parental home in shared accommodation, the median modest but adequate budget is \$419 per week - higher in Sydney, Canberra, Brisbane and Melbourne and lower in Adelaide and Hobart.

The low cost standard of living is a very austere standard. An apprentice living at this standard cannot afford to own or run a car of a standard typical of their peers; can only afford generic brands, barely any take-away food, a small weekly ration of alcohol; has fewer goods and services; takes most of their leisure at home or in very cheap pastimes; spends less than most Australians on personal care and must stay healthy and have good teeth. The smallest misfortune is likely to tip someone living at this standard into debt. The modest but adequate standard is not a luxury standard and is achieved by more than 50% of the Australian population. It is likely to be the standards by which those living at low cost standard might judge themselves to feel deprived, since the extra items in the budgets of those living at the higher standard are precisely the things that they are forced to go without.

A comparison of apprentice awards with the adapted updated budget standard for all three housing scenarios, in all seven capital cities, at the both the modest but adequate standard of living and the low cost standard of living, is shown in Appendix 2. What this information clearly demonstrates is that, in all jurisdictions, first year apprentices cannot achieve even the low cost standard if they pay their parents even a nominal \$80 for their accommodation. The living standard typical of 'middle Australia' is unattainable for first year apprentices even if they are wholly dependent on their parents for accommodation. The prospects of living independently away from the parental home, even at a meagre low cost standard is beyond the reach of most second year apprentices.

The level of apprentice pay extends the period of dependence on parents - and must presumably make these young members of the workforce feel unnecessarily juvenile and insufficiently autonomous for their age and working status. This is likely to lead to apprenticeships being perceived as an unattractive lifestyle for those leaving school and seeking employment, especially as they have none of the apparent prestige attached to study at universities.

Conclusion

4

It is difficult to avoid the conclusion that those who begin apprenticeships are poorly paid. The after tax income of most first apprentices is barely above that of the unemployed (especially when non-cash benefits are taken into account). It is lower than initial levels of junior wages, in most cases (even after taking allowances into account) below the Henderson poverty line and affords only austere low cost existence with prolonged financial dependence on parents. The pay of second year apprentices is only marginally better and the pay of third and fourth year apprentices fails to keep pace with wage rises for the rest of the community. Apart from a few 'hot spots', typically in the mining industry in remote locations, few apprentices are paid wages substantially above awards. Given that apprentice wages are so strongly influenced by minimum pay settings, it seems logical that those responsible for setting these minima should give serious consideration to increasing the percentage of relativity between the wages of apprentices and the wages of qualified tradespersons.

Moreover, the current and projected shortages of skilled labour and the political limitations to meeting this shortfall through immigration alone, provide a significant opportunity to re-evaluate policy on apprentice training and apprentices' minimum wages. In the recent budget the Commonwealth Government has responded to proposals that a subsidy be paid to first and second year apprentices to improve the financial viability of their training situation. The Government has undertaken to provide first and second year apprentices up to the age of 30 with a tax free payment of \$1000. There is a caveat attached that apprentices who benefit in this way will be in prescribed skill shortage trades. The Government has committed to provide a further \$500 with no age restrictions to help meet the cost of off-the-job training.

These reforms will improve the situation of apprentices and make the option of training via an apprenticeship correspondingly more attractive. There are undoubtedly positive social benefits connected with apprenticeship training and these provide a clear rationale for the Government's current proposals and almost certainly for further Government action beyond that. What remains, however, is the deep-seated pattern of relativities, which particularly bears upon the situation of first and second year apprentices.

Under current arrangements, first and second year apprentices are picking up a big share of the investment cost of their training. Since apprentices train in specific occupations whose services are required by employers, it is hard to see that employers should be immune from a tripartite obligation to bear the investment costs of training. Costs, involving training, should be borne by all involved: the apprentice (which is already happening) the employers and the Government. Government has shown a recent willingness to become more involved. It might also be a good time for employers to commit to improved apprentice pay rates, particularly as they apply to first and second year apprentices. Just to repeat a point which has been alluded to: this is an efficiency as well as an equity question; there is every reason to expect that the quality and scope of apprentice training could be improved by a better balance between employer and apprentice investment in the process.

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(for current information on the Consumer Price Index set your browser to

<http://www.abs.gov.au/ausstats/abs@.nsf/b06660592430724fca2568b5007b8619/938da570a34a8edaca2568a900139350!OpenDocument>)

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To access awards set browser to:

Federal & VIC Awards: <https://www.workchoices.gov.au/ourplan/payconditions/>

NSW Awards: http://www.lawlink.nsw.gov.au/lawlink/irc/ll_irc.nsf/pages/IRC_procedures_legislation_Awards

Qld Awards: http://www.wageline.qld.gov.au/awardsacts/awards_sums_index.html

SA Awards: http://www.safework.sa.gov.au/show_page.jsp?id=2598

TAS Awards: <http://www.wst.tas.gov.au/resource/wstawards.htm>

WA Awards: http://www.docep.wa.gov.au/lr/LabourRelations/Content/Wages%20and%20Conditions/Wages%20and%20Awards/Pages/Award_Wage_Summaries.html

Appendix 1: Tables of capital cities apprentices' net pay

Earnings after tax 2006-2007

Sydney

	<i>Awards</i>	<i>Gross annual</i>	<i>Net weekly</i>	<i>Net annual</i>	<i>Poverty line</i>	<i>Austudy</i>	<i>Newstart</i>	<i>CPI</i>
Construction								
1st year	\$239.28	\$12,442.56	\$220.70	\$11,476.18	\$276.75	\$174.05	\$210.45	156.1
2nd year	\$339.80	\$17,669.60	\$306.14	\$15,919.16	\$276.75	\$174.05	\$210.45	156.1
3rd year	\$441.90	\$22,978.80	\$392.92	\$20,431.98	\$276.75	\$174.05	\$210.45	156.1
4th year	\$514.40	\$26,748.80	\$454.55	\$23,636.48	\$276.75	\$174.05	\$210.45	156.1
Hairdressers								
1st year	\$239.28	\$12,442.56	\$220.70	\$11,476.18	\$276.75	\$174.05	\$210.45	156.1
2nd year	\$329.01	\$17,108.52	\$296.97	\$15,442.24	\$276.75	\$174.05	\$210.45	156.1
3rd year	\$418.74	\$21,774.48	\$373.24	\$19,408.31	\$276.75	\$174.05	\$210.45	156.1
4th year	\$508.47	\$26,440.44	\$449.51	\$23,374.37	\$276.75	\$174.05	\$210.45	156.1
Pastry cooks								
1st year	\$284.80	\$14,809.60	\$259.39	\$13,488.16	\$276.75	\$174.05	\$210.45	156.1
2nd year	\$324.00	\$16,848.00	\$292.71	\$15,220.80	\$276.75	\$174.05	\$210.45	156.1
3rd year	\$368.00	\$19,136.00	\$330.11	\$17,165.60	\$276.75	\$174.05	\$210.45	156.1
4th year	\$452.40	\$23,524.80	\$401.85	\$20,896.08	\$276.75	\$174.05	\$210.45	156.1
Metal trades								
1st year	\$251.20	\$13,062.40	\$230.83	\$12,003.04	\$276.75	\$174.05	\$210.45	156.1
2nd year	\$329.00	\$17,108.00	\$296.96	\$15,441.80	\$276.75	\$174.05	\$210.45	156.1
3rd year	\$448.70	\$23,332.40	\$398.70	\$20,732.54	\$276.75	\$174.05	\$210.45	156.1
4th year	\$526.40	\$27,372.80	\$509.71	\$26,505.16	\$276.75	\$174.05	\$210.45	156.1
Butchers								
1st year	\$299.10	\$15,553.20	\$271.54	\$14,120.22	\$276.75	\$174.05	\$210.45	156.1
2nd year	\$388.80	\$20,217.60	\$347.79	\$18,084.96	\$276.75	\$174.05	\$210.45	156.1
3rd year	\$508.50	\$26,442.00	\$497.18	\$25,853.60	\$276.75	\$174.05	\$210.45	156.1
4th year	\$563.30	\$29,291.60	\$535.54	\$27,848.32	\$276.75	\$174.05	\$210.45	156.1
Electrical								
1st year	\$234.70	\$12,204.40	\$216.80	\$11,273.74	\$276.75	\$174.05	\$210.45	156.1
2nd year	\$320.70	\$16,676.40	\$289.90	\$15,074.94	\$276.75	\$174.05	\$210.45	156.1
3rd year	\$458.45	\$23,839.40	\$406.99	\$21,163.49	\$276.75	\$174.05	\$210.45	156.1
4th year	\$527.90	\$27,450.80	\$510.76	\$26,559.76	\$276.75	\$174.05	\$210.45	156.1

Brisbane

	<i>Awards</i>	<i>Gross annual</i>	<i>Net weekly</i>	<i>Net annual</i>	<i>Poverty line</i>	<i>Austudy</i>	<i>Newstart</i>	<i>CPI</i>
Construction								
1st year	\$272.80	\$14,185.60	\$249.19	\$12,957.76	\$276.75	\$174.05	\$210.45	157.5
2nd year	\$366.60	\$19,063.20	\$328.92	\$17,103.72	\$276.75	\$174.05	\$210.45	157.5
3rd year	\$491.70	\$25,568.40	\$485.40	\$25,240.68	\$276.75	\$174.05	\$210.45	157.5
4th year	\$585.50	\$30,446.00	\$551.06	\$28,655.00	\$276.75	\$174.05	\$210.45	157.5
Hairdressers								
1st year	\$239.00	\$12,428.00	\$220.46	\$11,463.80	\$276.75	\$174.05	\$210.45	157.5
2nd year	\$328.70	\$17,092.40	\$296.70	\$15,428.54	\$276.75	\$174.05	\$210.45	157.5
3rd year	\$448.20	\$23,306.40	\$398.28	\$20,710.44	\$276.75	\$174.05	\$210.45	157.5
4th year	\$537.80	\$27,965.60	\$517.67	\$26,918.72	\$276.75	\$174.05	\$210.45	157.5
Pastry cooks								
1st year	\$239.40	\$12,448.80	\$220.80	\$11,481.48	\$276.75	\$174.05	\$210.45	157.5
2nd year	\$329.20	\$17,118.40	\$297.13	\$15,450.64	\$276.75	\$174.05	\$210.45	157.5
3rd year	\$448.90	\$23,342.80	\$398.87	\$20,741.38	\$276.75	\$174.05	\$210.45	157.5
4th year	\$538.70	\$28,012.40	\$518.30	\$26,951.48	\$276.75	\$174.05	\$210.45	157.5
Metal trades								
1st year	\$240.30	\$12,495.60	\$221.56	\$11,521.26	\$276.75	\$174.05	\$210.45	157.5
2nd year	\$330.50	\$17,186.00	\$298.23	\$15,508.10	\$276.75	\$174.05	\$210.45	157.5
3rd year	\$450.60	\$23,431.20	\$400.32	\$20,816.52	\$276.75	\$174.05	\$210.45	157.5
4th year	\$540.80	\$28,121.60	\$519.77	\$27,027.92	\$276.75	\$174.05	\$210.45	157.5
Butchers								
1st year	\$239.04	\$12,430.08	\$220.49	\$11,465.57	\$276.75	\$174.05	\$210.45	157.5
2nd year	\$328.68	\$17,091.36	\$296.69	\$15,427.66	\$276.75	\$174.05	\$210.45	157.5
3rd year	\$448.20	\$23,306.40	\$398.28	\$20,710.44	\$276.75	\$174.05	\$210.45	157.5
4th year	\$537.84	\$27,967.68	\$517.70	\$26,920.18	\$276.75	\$174.05	\$210.45	157.5
Electrical								
1st year	\$268.00	\$13,936.00	\$245.11	\$12,745.60	\$276.75	\$174.05	\$210.45	157.5
2nd year	\$368.50	\$19,162.00	\$330.53	\$17,187.70	\$276.75	\$174.05	\$210.45	157.5
3rd year	\$502.50	\$26,130.00	\$492.96	\$25,633.80	\$276.75	\$174.05	\$210.45	157.5
4th year	\$603.00	\$31,356.00	\$563.31	\$29,292.00	\$276.75	\$174.05	\$210.45	157.5

Adelaide

	<i>Awards</i>	<i>Gross annual</i>	<i>Net weekly</i>	<i>Net annual</i>	<i>Poverty line</i>	<i>Austudy</i>	<i>Newstart</i>	<i>CPI</i>
Construction								
1st year	\$292.92	\$15,231.84	\$266.29	\$13,847.06	\$276.75	\$174.05	\$210.45	159.3
2nd year	\$358.01	\$18,616.52	\$321.62	\$16,724.04	\$276.75	\$174.05	\$210.45	159.3
3rd year	\$488.20	\$25,386.40	\$432.28	\$22,478.44	\$276.75	\$174.05	\$210.45	159.3
4th year	\$585.84	\$30,463.68	\$551.26	\$28,665.58	\$276.75	\$174.05	\$210.45	159.3
Hairdressers								
1st year	\$256.40	\$13,332.80	\$235.25	\$12,232.88	\$276.75	\$174.05	\$210.45	159.3
2nd year	\$327.90	\$17,050.80	\$296.02	\$15,393.18	\$276.75	\$174.05	\$210.45	159.3
3rd year	\$405.40	\$21,080.80	\$361.90	\$18,818.68	\$276.75	\$174.05	\$210.45	159.3
4th year	\$512.70	\$26,660.40	\$500.06	\$26,003.28	\$276.75	\$174.05	\$210.45	159.3
Pastry cooks								
1st year	\$327.91	\$17,051.32	\$296.03	\$15,393.62	\$276.75	\$174.05	\$210.45	159.3
2nd year	\$387.53	\$20,151.56	\$346.71	\$18,028.83	\$276.75	\$174.05	\$210.45	159.3
3rd year	\$447.15	\$23,251.80	\$397.39	\$20,664.03	\$276.75	\$174.05	\$210.45	159.3
4th year	\$506.77	\$26,352.04	\$495.91	\$25,787.43	\$276.75	\$174.05	\$210.45	159.3
Metal trades								
1st year	\$250.40	\$13,020.80	\$230.15	\$11,967.68	\$276.75	\$174.05	\$210.45	159.3
2nd year	\$327.90	\$17,050.80	\$296.02	\$15,393.18	\$276.75	\$174.05	\$210.45	159.3
3rd year	\$447.20	\$23,254.40	\$397.43	\$20,666.24	\$276.75	\$174.05	\$210.45	159.3
4th year	\$524.70	\$27,284.40	\$508.46	\$26,440.08	\$276.75	\$174.05	\$210.45	159.3
Butchers								
1st year	\$298.10	\$15,501.20	\$270.69	\$14,076.02	\$276.75	\$174.05	\$210.45	159.3
2nd year	\$387.53	\$20,151.56	\$346.71	\$18,028.83	\$276.75	\$174.05	\$210.45	159.3
3rd year	\$506.77	\$26,352.04	\$495.91	\$25,787.43	\$276.75	\$174.05	\$210.45	159.3
4th year	\$566.39	\$29,452.28	\$537.65	\$27,957.60	\$276.75	\$174.05	\$210.45	159.3
Electrical								
1st year	\$263.88	\$13,721.76	\$241.61	\$12,563.50	\$276.75	\$174.05	\$210.45	159.3
2nd year	\$345.57	\$17,969.64	\$311.04	\$16,174.19	\$276.75	\$174.05	\$210.45	159.3
3rd year	\$471.23	\$24,503.96	\$417.85	\$21,728.37	\$276.75	\$174.05	\$210.45	159.3
4th year	\$552.91	\$28,751.32	\$528.21	\$27,466.92	\$276.75	\$174.05	\$210.45	159.3

Perth

	<i>Awards</i>	<i>Gross annual</i>	<i>Net weekly</i>	<i>Net annual</i>	<i>Poverty line</i>	<i>Austudy</i>	<i>Newstart</i>	<i>CPI</i>
Construction								
1st year	\$259.60	\$13,499.20	\$237.97	\$12,374.32	\$276.75	\$174.05	\$210.45	155.5
2nd year	\$339.95	\$17,677.40	\$306.27	\$15,925.79	\$276.75	\$174.05	\$210.45	155.5
3rd year	\$463.57	\$24,105.64	\$411.34	\$21,389.79	\$276.75	\$174.05	\$210.45	155.5
4th year	\$543.92	\$28,283.84	\$521.99	\$27,143.49	\$276.75	\$174.05	\$210.45	155.5
Hairdressers								
1st year	\$263.20	\$13,686.40	\$241.03	\$12,533.44	\$276.75	\$174.05	\$210.45	155.5
2nd year	\$329.00	\$17,108.00	\$296.96	\$15,441.80	\$276.75	\$174.05	\$210.45	155.5
3rd year	\$460.00	\$23,920.00	\$408.31	\$21,232.00	\$276.75	\$174.05	\$210.45	155.5
4th year	\$559.30	\$29,083.60	\$532.76	\$27,703.32	\$276.75	\$174.05	\$210.45	155.5
Pastry cooks								
1st year	\$244.44	\$12,710.88	\$225.08	\$11,704.25	\$276.75	\$174.05	\$210.45	155.5
2nd year	\$320.10	\$16,645.20	\$289.39	\$15,048.42	\$276.75	\$174.05	\$210.45	155.5
3rd year	\$436.50	\$22,698.00	\$388.33	\$20,193.30	\$276.75	\$174.05	\$210.45	155.5
4th year	\$512.16	\$26,632.32	\$499.76	\$25,987.42	\$276.75	\$174.05	\$210.45	155.5
Metal trades								
1st year	\$251.24	\$13,064.48	\$230.86	\$12,004.81	\$276.75	\$174.05	\$210.45	155.5
2nd year	\$329.01	\$17,108.52	\$296.97	\$15,442.24	\$276.75	\$174.05	\$210.45	155.5
3rd year	\$448.65	\$23,329.80	\$398.66	\$20,730.33	\$276.75	\$174.05	\$210.45	155.5
4th year	\$526.42	\$27,373.84	\$509.74	\$26,506.49	\$276.75	\$174.05	\$210.45	155.5
Butchers								
1st year	\$239.28	\$12,442.56	\$220.70	\$11,476.18	\$276.75	\$174.05	\$210.45	155.5
2nd year	\$299.00	\$15,548.00	\$271.46	\$14,115.80	\$276.75	\$174.05	\$210.45	155.5
3rd year	\$448.65	\$23,329.80	\$398.66	\$20,730.33	\$276.75	\$174.05	\$210.45	155.5
4th year	\$568.29	\$29,551.08	\$500.35	\$26,018.42	\$276.75	\$174.05	\$210.45	155.5
Electrical								
1st year	\$252.05	\$13,106.60	\$231.55	\$12,040.61	\$276.75	\$174.05	\$210.45	155.5
2nd year	\$329.61	\$17,139.72	\$297.48	\$15,468.76	\$276.75	\$174.05	\$210.45	155.5
3rd year	\$433.02	\$22,517.04	\$385.37	\$20,039.48	\$276.75	\$174.05	\$210.45	155.5
4th year	\$510.57	\$26,549.64	\$498.65	\$25,929.55	\$276.75	\$174.05	\$210.45	155.5

Melbourne

	<i>Awards</i>	<i>Gross annual</i>	<i>Net weekly</i>	<i>Net annual</i>	<i>Poverty line</i>	<i>Austudy</i>	<i>Newstart</i>	<i>CPI</i>
Construction								
1st year (3 m)	\$319.39	\$16,608.28	\$288.79	\$15,017.04	\$276.75	\$174.05	\$210.45	153.5
1st year (9 m)	\$380.58	\$19,790.16	\$340.80	\$17,721.64	\$276.75	\$174.05	\$210.45	153.5
2nd year	\$449.85	\$23,392.20	\$399.68	\$20,783.37	\$276.75	\$174.05	\$210.45	153.5
3rd year	\$576.46	\$29,975.92	\$544.76	\$28,327.34	\$276.75	\$174.05	\$210.45	156.1
4th year	\$672.28	\$34,958.56	\$611.83	\$31,815.19	\$276.75	\$174.05	\$210.45	156.1
Hairdressers								
1st year	\$212.04	\$11,026.08	\$197.54	\$10,272.17	\$276.75	\$174.05	\$210.45	153.5
2nd year	\$272.46	\$14,167.92	\$248.90	\$12,942.73	\$276.75	\$174.05	\$210.45	153.5
3rd year	\$333.26	\$17,329.52	\$300.58	\$15,630.09	\$276.75	\$174.05	\$210.45	153.5
4th year	\$466.26	\$24,245.52	\$467.67	\$24,318.66	\$276.75	\$174.05	\$210.45	153.5
Pastry cooks								
1st year	\$302.86	\$15,748.72	\$274.74	\$14,286.41	\$276.75	\$174.05	\$210.45	153.5
2nd year	\$393.68	\$20,471.36	\$351.94	\$18,300.66	\$276.75	\$174.05	\$210.45	153.5
3rd year	\$484.50	\$25,194.00	\$429.13	\$22,314.90	\$276.75	\$174.05	\$210.45	153.5
4th year	\$575.32	\$29,916.64	\$544.01	\$28,288.45	\$276.75	\$174.05	\$210.45	153.5
Metal trades								
1st stage	\$259.68	\$13,503.36	\$238.04	\$12,377.86	\$276.75	\$174.05	\$210.45	153.5
2nd stage	\$340.40	\$17,700.80	\$306.65	\$15,945.68	\$276.75	\$174.05	\$210.45	153.5
3rd stage	\$464.22	\$24,139.44	\$411.89	\$21,418.52	\$276.75	\$174.05	\$210.45	153.5
4th stage	\$544.57	\$28,317.64	\$522.48	\$27,169.15	\$276.75	\$174.05	\$210.45	153.5
Butchers								
1st year	\$302.86	\$15,748.72	\$274.74	\$14,286.41	\$276.75	\$174.05	\$210.45	153.5
2nd year	\$393.68	\$20,471.36	\$351.94	\$18,300.66	\$276.75	\$174.05	\$210.45	153.5
3rd year	\$514.90	\$26,774.80	\$501.71	\$26,089.16	\$276.75	\$174.05	\$210.45	153.5
4th year	\$575.32	\$29,916.64	\$544.01	\$28,288.45	\$276.75	\$174.05	\$210.45	153.5
Electrical								
1st year	\$286.46	\$14,895.92	\$260.80	\$13,561.53	\$276.75	\$174.05	\$210.45	153.5
2nd year	\$367.24	\$19,096.48	\$329.46	\$17,132.01	\$276.75	\$174.05	\$210.45	153.5
3rd year	\$488.46	\$25,399.92	\$432.50	\$22,489.93	\$276.75	\$174.05	\$210.45	153.5
4th year	\$569.24	\$29,600.48	\$539.75	\$28,067.14	\$276.75	\$174.05	\$210.45	153.5

Hobart

	<i>Awards</i>	<i>Gross annual</i>	<i>Net weekly</i>	<i>Net annual</i>	<i>Poverty line</i>	<i>Austudy</i>	<i>Newstart</i>	<i>CPI</i>
Construction								
1st year	\$234.87	\$12,213.24	\$216.95	\$11,281.25	\$276.75	\$174.05	\$210.45	154.7
2nd year	\$339.95	\$17,677.40	\$306.27	\$15,925.79	\$276.75	\$174.05	\$210.45	154.7
3rd year	\$463.57	\$24,105.64	\$411.34	\$21,389.79	\$276.75	\$174.05	\$210.45	154.7
4th year	\$556.29	\$28,927.08	\$530.66	\$27,594.56	\$276.75	\$174.05	\$210.45	154.7
Hairdressers								
1st year	\$251.24	\$13,064.48	\$230.86	\$12,004.81	\$276.75	\$174.05	\$210.45	154.7
2nd year	\$329.00	\$17,108.00	\$296.96	\$15,441.80	\$276.75	\$174.05	\$210.45	154.7
3rd year	\$448.65	\$23,329.80	\$398.66	\$20,730.33	\$276.75	\$174.05	\$210.45	154.7
4th year	\$538.38	\$27,995.76	\$518.13	\$26,942.63	\$276.75	\$174.05	\$210.45	154.7
Pastry cooks								
1st year	\$299.10	\$15,553.20	\$271.54	\$14,120.22	\$276.75	\$174.05	\$210.45	154.7
2nd year	\$358.92	\$18,663.84	\$322.39	\$16,764.26	\$276.75	\$174.05	\$210.45	154.7
3rd year	\$448.65	\$23,329.80	\$398.66	\$20,730.33	\$276.75	\$174.05	\$210.45	154.7
4th year	\$538.38	\$27,995.76	\$518.13	\$26,942.63	\$276.75	\$174.05	\$210.45	154.7
Metal trades								
1st year	\$251.24	\$13,064.48	\$230.86	\$12,004.81	\$276.75	\$174.05	\$210.45	154.7
2nd year	\$329.00	\$17,108.00	\$296.96	\$15,441.80	\$276.75	\$174.05	\$210.45	154.7
3rd year	\$448.65	\$23,329.80	\$398.66	\$20,730.33	\$276.75	\$174.05	\$210.45	154.7
4th year	\$526.41	\$27,373.32	\$509.75	\$26,506.92	\$276.75	\$174.05	\$210.45	154.7
Butchers								
1st year	\$299.10	\$15,553.20	\$271.54	\$14,120.22	\$276.75	\$174.05	\$210.45	154.7
2nd year	\$388.83	\$20,219.16	\$347.81	\$18,086.29	\$276.75	\$174.05	\$210.45	154.7
3rd year	\$430.70	\$22,396.40	\$383.40	\$19,936.94	\$276.75	\$174.05	\$210.45	154.7
4th year	\$568.29	\$29,551.08	\$539.06	\$28,031.36	\$276.75	\$174.05	\$210.45	154.7
Electrical								
1st year	\$281.16	\$14,620.32	\$256.29	\$13,327.27	\$276.75	\$174.05	\$210.45	154.7
2nd year	\$360.41	\$18,741.32	\$323.66	\$16,830.12	\$276.75	\$174.05	\$210.45	154.7
3rd year	\$479.28	\$24,922.56	\$424.70	\$22,084.18	\$276.75	\$174.05	\$210.45	154.7
4th year	\$558.53	\$29,043.56	\$532.23	\$27,676.09	\$276.75	\$174.05	\$210.45	154.7

Federal

	<i>Awards</i>	<i>Gross annual</i>	<i>Net weekly</i>	<i>Net annual</i>	<i>Poverty line</i>	<i>Austudy</i>	<i>Newstart</i>	<i>CPI</i>
Construction								
1st 6 mths	\$348.26	\$18,109.52	\$313.33	\$16,293.09	\$276.75	\$174.05	\$210.45	155.6
2nd 6 mths	\$381.89	\$19,858.28	\$341.91	\$17,779.54	\$276.75	\$174.05	\$210.45	155.6
2nd year	\$483.51	\$25,142.52	\$428.29	\$22,271.14	\$276.75	\$174.05	\$210.45	155.6
3rd year	\$585.52	\$30,447.04	\$551.11	\$28,657.63	\$276.75	\$174.05	\$210.45	155.6
4th year	\$687.15	\$35,731.80	\$622.25	\$32,356.96	\$276.75	\$174.05	\$210.45	155.6
Hairdressers								
1st year	\$242.44	\$12,606.88	\$223.38	\$11,615.85	\$276.75	\$174.05	\$210.45	155.6
2nd year	\$333.64	\$17,349.28	\$300.90	\$15,646.89	\$276.75	\$174.05	\$210.45	155.6
3rd year	\$424.08	\$22,052.16	\$377.78	\$19,644.34	\$276.75	\$174.05	\$210.45	155.6
4th year	\$514.86	\$26,772.72	\$501.65	\$26,085.60	\$276.75	\$174.05	\$210.45	155.6
Pastry cooks								
1st year	\$260.26	\$13,533.52	\$238.53	\$12,403.49	\$276.75	\$174.05	\$210.45	155.6
2nd year	\$347.01	\$18,044.52	\$312.27	\$16,237.84	\$276.75	\$174.05	\$210.45	155.6
3rd year	\$433.77	\$22,556.04	\$386.01	\$20,072.63	\$276.75	\$174.05	\$210.45	155.6
4th year	\$520.52	\$27,067.04	\$505.61	\$26,291.63	\$276.75	\$174.05	\$210.45	155.6
Metal trades								
1st 6 mths	236.47	\$12,296.44	\$218.31	\$11,351.97	\$276.75	\$174.05	\$210.45	155.6
2nd 6 mths	\$266.03	\$13,833.56	\$243.43	\$12,658.53	\$276.75	\$174.05	\$210.45	155.6
2nd year	\$354.70	\$18,444.40	\$318.80	\$16,577.74	\$276.75	\$174.05	\$210.45	155.6
3rd year	\$443.39	\$23,056.28	\$394.19	\$20,497.84	\$276.75	\$174.05	\$210.45	155.6
4th year	\$532.06	\$27,667.12	\$513.69	\$26,711.68	\$276.75	\$174.05	\$210.45	155.6
Butchers								
1st year	\$256.12	\$13,318.24	\$235.01	\$12,220.50	\$276.75	\$174.05	\$210.45	155.6
2nd year	\$341.62	\$17,764.24	\$307.68	\$15,999.60	\$276.75	\$174.05	\$210.45	155.6
3rd year	\$427.12	\$22,210.24	\$440.23	\$22,891.87	\$276.75	\$174.05	\$210.45	155.6
4th year	\$512.65	\$26,657.80	\$500.10	\$26,005.16	\$276.75	\$174.05	\$210.45	155.6
Electrical								
1st year	\$289.40	\$15,048.80	\$263.30	\$13,691.48	\$276.75	\$174.05	\$210.45	155.6
2nd year	\$385.90	\$20,066.80	\$345.32	\$17,956.78	\$276.75	\$174.05	\$210.45	155.6
3rd year	\$482.30	\$25,079.60	\$427.26	\$22,217.66	\$276.75	\$174.05	\$210.45	155.6
4th year	\$578.80	\$30,097.60	\$546.40	\$28,413.02	\$276.75	\$174.05	\$210.45	155.6

Note: Net amount is approximate because some awards contain allowances in the gross amount

(a) Base of each index: 1989-90 = 100.0

CPI Sept. quarter 2006

Appendix 2: Tables of comparison (budget and award rates)

Comparison between budget standards (Adelaide) and SA apprentice award rates (net)

	<i>Low cost</i>			<i>Modest but adequate</i>		
	<i>At parental home (\$0)</i>	<i>Board (\$80p/w)</i>	<i>Rent</i>	<i>At parental home (\$0)</i>	<i>Board (\$80p/w)</i>	<i>Rent</i>
Housing	0	80	95.00	0	80	95.00
All other expenses	192.30	192.30	195.17	270.34	270.34	305.31
Total	192.30	272.30	290.17	270.34	350.34	400.31

Apprentice wages SA weekly award rate (net) 2006

	<i>1st year</i>	<i>2nd year</i>	<i>3rd year</i>	<i>4th year</i>
Building trades	241.45	291.26	390.88	510.35
Hairdressers	235.25	296.02	361.90	500.06
Metal trades	230.15	296.02	397.43	508.46
Pastry cooks	296.03	346.71	397.39	495.91
Butchers	270.69	346.71	495.91	537.65
Electrical trades	241.61	311.04	417.85	528.21

Comparison between budget standards (Brisbane) and QLD apprentice award rates (net)

	<i>Low cost</i>			<i>Modest but adequate</i>		
	<i>At parental home (\$0)</i>	<i>Board (\$80p/w)</i>	<i>Rent</i>	<i>At parental home (\$0)</i>	<i>Board (\$80p/w)</i>	<i>Rent</i>
Housing	0	80	130.00	0	80	130.00
All other expenses	190.49	190.49	193.32	267.81	267.81	302.45
Total	190.49	270.49	323.32	267.81	347.81	432.45

Apprentice wages QLD weekly award rate (net) 2006

	<i>1st year</i>	<i>2nd year</i>	<i>3rd year</i>	<i>4th year</i>
Building trades	249.19	328.92	485.40	551.06
Hairdressers	220.46	296.70	398.28	517.67
Metal trades	221.56	298.23	400.32	519.77
Pastry cooks	220.80	297.13	398.87	518.30
Butchers	220.49	296.69	398.28	517.70
Electrical trades	245.11	330.53	492.96	563.31

Comparison between budget standards (Melbourne) and VIC apprentice award rates (net)

	Low cost			Modest but adequate		
	At parental home (\$0)	Board (\$80p/w)	Rent	At parental home (\$0)	Board (\$80p/w)	Rent
Housing	0	80	117.50	0	80	117.50
All other expenses	189.73	189.73	192.55	266.71	266.71	301.22
Total	189.73	269.73	310.05	266.71	346.71	418.72

Apprentice wages VIC weekly award rate (net) 2006

	1st year (9 mths)	2nd year	3rd year	4th year
Building trades	340.80	399.68	544.76	611.83
Hairdressers	197.54	248.90	300.58	413.63
Metal trades	238.04	306.65	411.89	522.43
Pastry cooks	274.74	351.94	429.13	506.33
Butchers	274.74	351.94	501.66	543.96
Electrical trades	260.80	329.46	432.50	539.70

Comparison between budget standards (Sydney) and NSW apprentice award rates (net)

	Low cost			Modest but adequate		
	At parental home (\$0)	Board (\$80p/w)	Rent	At parental home (\$0)	Board (\$80p/w)	Rent
Housing	0	80	155.00	0	80	155.00
All other expenses	190.51	190.51	193.34	267.81	267.81	302.45
Total	190.51	270.51	348.34	267.81	347.81	457.45

Apprentice wages NSW weekly award rate (net) 2006

	1st year	2nd year	3rd year	4th year
Building trades	220.70	306.14	392.92	454.55
Hairdressers	220.70	296.97	373.24	449.51
Metal trades	230.83	296.96	398.70	509.71
Pastry cooks	259.39	292.71	330.11	401.85
Butchers	271.54	347.79	497.18	535.54
Electrical trades	216.80	289.90	406.99	510.76

Comparison between budget standards (Canberra) and ACT apprentice award rates (net)

	Low cost			Modest but adequate		
	At parental home (\$0)	Board (\$80p/w)	Rent	At parental home (\$0)	Board (\$80p/w)	Rent
Housing	0	80	150.00	0	80	150.00
All other expenses	188.97	188.97	191.78	265.65	265.65	300.02
Total	188.97	268.97	341.78	265.65	345.65	450.02

Apprentice wages FED weekly award rate (net) 2006

	1st year (2nd 6 mths)	2nd year	3rd year	4th year
Building trades	341.91	428.29	551.11	622.25
Hairdressers	223.38	300.90	377.78	501.65
Metal trades (2nd 6 mths)	266.03	354.70	443.39	532.06
Pastry cooks	238.47	312.21	385.85	505.40
Butchers	235.01	307.68	427.12	512.65
Electrical trades	289.40	385.90	440.23	500.10

Comparison between budget standards (Hobart) and TAS apprentice award rates (net)

	<i>Low cost</i>			<i>Modest but adequate</i>		
	<i>At parental home (\$0)</i>	<i>Board (\$80p/w)</i>	<i>Rent</i>	<i>At parental home (\$0)</i>	<i>Board (\$80p/w)</i>	<i>Rent</i>
Housing	0	80	100.00	0	80	100.00
All other expenses	187.61	187.61	190.40	263.73	263.73	297.85
Total	187.61	267.61	290.40	263.73	343.73	397.85

Apprentice wages TAS weekly award rate (net) 2006

	<i>1st year</i>	<i>2nd year</i>	<i>3rd year</i>	<i>4th year</i>
Building trades	216.95	306.27	411.34	530.66
Hairdressers	230.86	296.96	398.66	518.13
Metal trades	230.86	296.96	398.66	509.75
Pastry cooks	271.54	322.39	398.66	518.13
Butchers	271.54	347.81	383.40	539.06
Electrical trades	256.29	323.66	424.70	532.23

Comparison between budget standards (Perth) and WA apprentice award rates (net)

	<i>Low cost</i>			<i>Modest but adequate</i>		
	<i>At parental home (\$0)</i>	<i>Board (\$80p/w)</i>	<i>Rent</i>	<i>At parental home (\$0)</i>	<i>Board (\$80p/w)</i>	<i>Rent</i>
Housing	0	80	120.00	0	80	120.00
All other expenses	188.06	188.06	190.86	264.37	264.37	298.57
Total	188.06	268.06	310.86	264.37	344.37	418.57

Apprentice wages WA weekly award rate (net) 2006

	<i>1st year</i>	<i>2nd year</i>	<i>3rd year</i>	<i>4th year</i>
Building trades	237.97	306.27	411.34	521.99
Hairdressers	241.03	296.96	408.31	532.76
Metal trades	230.86	296.97	398.66	509.74
Pastry cooks	225.08	289.39	388.33	499.76
Butchers	220.70	271.46	398.66	500.35
Electrical trades	231.55	297.48	385.37	498.65

Appendix 3: Apprentices State and Federal awards

NSW living wage apprentices 2001 - 2006

Year	Industry	Occupation	1st yr	2nd yr	3rd yr	4th yr	Full rate	Adult average weekly wage	Poverty line, single with housing	CPI
2001	Building and construction industry						CW 3			
Award hour	Carpenter		\$5.25	\$7.45	\$9.68	\$11.28	\$12.95			
38 hr wk	Includes allowances		\$199.50	\$283.10	\$368.20	\$428.70	\$492.30	\$809.70	\$237.78	134
Ratio %			40.00%	57.00%	74.00%	87.00%	100%			
Fed min \$	Hr \$10.87	Wk \$413.40								
Allowance	Tool		\$20.90	\$20.90	\$20.90	\$20.90	\$20.90			
2002										
Award hour	Carpenter		\$5.56	\$7.90	\$10.27	\$11.96	\$13.82			
38 hr wk	Includes allowances		\$211.60	\$300.20	\$390.40	\$454.50	\$525.30	\$860.10	\$238.97	137.9
Ratio %			40.00%	57.00%	74.00%	87.00%	100%			
Fed min \$	Hr \$11.35	Wk \$431.40								
Allowance	Tool		\$20.90	\$20.90	\$20.90	\$20.90	\$20.90			
2003										
Award hour	Carpenter		\$5.73	\$8.13	\$10.57	\$12.31	\$14.27			
38 hr wk	Includes allowances		\$217.80	\$309.00	\$401.80	\$467.80	\$542.30	\$899.80	\$245.25	142.1
Ratio %			40.00%	57.00%	74.00%	86.00%	100%			
Fed min \$	Hr \$11.80	Wk \$448.40								
Allowance	Tool		\$21.50	\$21.50	\$21.50	\$21.50	\$21.50			
2004	*Building Trades CW 3									
Award hour	Carpenter		\$5.73	\$8.13	\$10.57	\$12.31	\$16.08			
38 hr wk	Includes allowances		\$217.80	\$309	\$401.80	\$467.80	\$611.04	\$948.00	\$258.25	145
Ratio %			35.00%	50.00%	65.00%	76.00%	100%			
Fed min \$	Hr \$12.3	Wk \$467.40								
Allowance	Tool		\$22.10	\$22.10	\$22.10	\$22.10	\$22.10			
2005										
Award hour	Carpenter		\$5.91	\$8.39	\$10.91	\$12.70	\$16.63			
38 hr wk	Includes allowances		\$224.80	\$318.90	\$414.70	\$482.80	\$631.94	\$991.20	\$266.72	148.2
Ratio %			35.00%	50.00%	65.00%	76%	100%			
Fed min \$	Hr \$12.74	Wk \$484.40								
Allowance	Tool		\$22.70	\$22.70	\$22.70	\$22.70	\$22.70			
2006										
Award hour	Carpenter		\$6.30	\$8.94	\$11.62	\$13.53	\$17.69			
38 hr wk	Includes allowances		\$239.60	\$339.80	\$441.90	\$514.40	\$672.22	\$1,035.90	\$276.75	155.8
Ratio %			35.00%	50.00%	65.00%	76.00%	100%			
Fed min \$	Hr. \$13:47	Wk. \$511.86								
Allowance	Tool		\$23.30	\$23.30	\$23.30	\$23.30	\$23.30			

NSW living wage apprentices 2001 - 2006

<i>Year</i>	<i>Industry</i>	<i>Occupation</i>	<i>1st yr</i>	<i>2nd yr</i>	<i>3rd yr</i>	<i>4th yr</i>	<i>Full rate</i>	<i>Adult wage</i>	<i>Poverty line</i>	<i>CPI</i>
2001 Hairdressers and Co Award										
Award hour	Hairdresser		\$5.33	\$7.34	\$9.34	\$11.35	\$13.34			
38 hr wk			\$202.88	\$278.96	\$355.04	\$431.64	\$507.20	\$809.70	\$237.78	134
Ratio %			40%	55%	70%	85%	100%			
Fed min \$	Hr \$10.87	Wk \$413.40								
Allowance	Tool	\$6:80	\$6:80	\$6:80	\$6:80	\$6:80	\$6:80			
2002										
Award hour	Hairdresser		\$5.52	\$7.60	\$9.67	\$11.74	\$13.82			
38 hr wk			\$210.08	\$288.86	\$367.64	\$446.42	\$525.20	\$860.10	\$238.97	137.9
Ratio %			40%	55%	70%	85%	100%			
Fed min \$	Hr \$11.35	Wk \$431.40								
Allowance	Tool		\$7.00	\$7.00	\$7.00	\$7.00	\$7.00			
2003										
Award hour	Hairdresser		\$5.70	\$7.84	\$9.98	\$12.12	\$14.26			
38 hr wk			\$216.88	\$298.20	\$379.54	\$460.87	\$542.20	\$899.80	\$245.25	142.1
Ratio %			40%	55%	70%	85%	100%			
Fed min \$	Hr \$11.80	Wk \$448.40								
Allowance	Tool		\$7:20	\$7:20	\$7:20	\$7:20	\$7:20			
2004										
Award hour	Hairdresser		\$5.90	\$8.12	\$10.33	\$12.55	\$14.76			
38 hr wk			\$224.48	\$308.66	\$392.84	\$477.02	\$561.20	\$948.00	\$258.25	145
Ratio %			40%	55%	70%	85%	100%			
Fed min \$	Hr \$12.30	Wk \$467.40								
Allowance	Tool		\$7.35	\$7.35	\$7.35	\$7.35	\$7.35			
2005										
Award hour	Hairdresser		\$6.08	\$8.36	\$10.65	\$12.93	\$14.76			
38 hr wk			\$231.28	\$318.01	\$404.74	\$491.47	\$578.20	\$991.20	\$266.72	148.2
Ratio %			40%	55%	70%	85%	100%			
Fed min \$	Hr \$12.74	Wk \$484.40								
Allowance	Tool		\$7.55	\$7.55	\$7.55	\$7.55	\$7.55			
2006										
Award hour	Hairdresser		\$7.29	\$8.65	\$11.01	\$13.38	\$15.74			
38 hr wk			\$239.28	\$329.01	\$418.74	\$508.47	\$598.20	\$1,035.90	\$276.75	155.8
Ratio %			40%	55%	70%	85%	100%			
Fed min \$	Hr \$13.47	Wk \$511.86								
Allowance	Tool		\$7:85	\$7:85	\$7:85	\$7:85	\$7:85			

NSW living wage apprentices 2001 - 2006

<i>Year</i>	<i>Industry</i>	<i>Occupation</i>	<i>1st yr</i>	<i>2nd yr</i>	<i>3rd yr</i>	<i>4th yr</i>	<i>Full rate</i>	<i>Adult wage</i>	<i>Poverty line</i>	<i>CPI</i>
2001										
Pastry Cooks and C Award										
Award hour	Pastrycook Group 2		\$5.93	\$6.75	\$7.67	\$9.42	\$11.88			
40 hr wk			\$237.40	\$270.15	\$306.90	\$377.15	\$475.50	\$809.70	\$237.78	134
Ratio %			50%	57%	64%	79%	100%			
Fed min \$	Hr \$10.87	Wk \$413.40								
Allowance	Uniform/laundry		\$6.48	\$6.48	\$6.48	\$6.48	\$6.48			
2002										
Award hour	Pastrycook Group 2		\$6.14	\$6.99	\$7.94	\$9.75	\$12.33			
40 hr wk			\$245.70	\$279.60	\$317.65	\$390.35	\$493.50	\$860.10	\$238.97	137.9
Ratio %			50%	57%	64%	79%	100%			
Fed min \$	Hr \$11.35	Wk \$431.40								
Allowance	Uniform/laundry		\$6.89	\$6.89	\$6.89	\$6.89	\$6.89			
2003										
Award hour	Pastrycook Group 2		\$6.55	\$7.46	\$8.49	\$10.42	\$13.23			
40 hr wk			\$262.40	\$298.65	\$339.25	\$416.95	\$529.50	\$899.80	\$245.25	142.1
Ratio %			50%	56%	64%	79%	100%			
Fed min \$	Hr \$11.80	Wk \$448.40								
Allowance	Uniform/laundry		\$7.20	\$7.20	\$7.20	\$7.20	\$7.20			
2004										
Award hour	Pastrycook Group 2		\$6.75	\$7.69	\$8.73	\$10.73	\$13.64			
40 hr wk			\$270.25	\$307.60	\$349.45	\$429.45	\$546.50	\$948.00	\$258.25	145
Ratio %			49%	56%	64%	79%	100%			
Fed min \$	Hr \$12.30	Wk \$467.40								
Allowance	Uniform/laundry		\$7.36	\$7.36	\$7.36	\$7.36	\$7.36			
2005										
Award hour	Pastrycook Group 2		\$7:05	\$7.99	\$9:08	\$11:16	\$14.16			
40 hr wk			\$282.05	\$319.90	\$363.45	\$446.65	\$566.50	\$991.20	\$266.72	148.2
Ratio %			50%	56%	64%	79%	100%			
Fed min \$	Hr \$12.74	Wk \$484.40								
Allowance	Uniform/laundry		\$7.58	\$7.58	\$7.58	\$7.58	\$7.58			
2006										
Award hour	Pastrycook Group 2		\$7.12	\$8.10	\$9.20	\$11.31	\$14.24			
40 hr wk			\$284.80	\$324.00	\$368.00	\$452.40	\$569.60	\$1,035.90	\$276.75	155.8
Ratio %			50%	56%	64%	79%	100%			
Fed min \$	Hr \$13:47	Wk \$511.86								
Allowance	Uniform/laundry		\$7.88	\$7.88	\$7.88	\$7.88	\$7.88			

NSW living wage apprentices 2001 - 2006

Year	Industry	Occupation	1st yr	2nd yr	3rd yr	4th yr	Full rate	Adult wage	Poverty line	CPI
2001	Metal, engineering and associated industry						Level C10			
Award hour	Tradesperson		\$5.30	\$6.95	\$9.50	\$11.10	\$13.35			
38 hr wk	Includes allowances		\$201.25	\$263.60	\$359.40	\$421.71	\$507.20	\$809.70	\$237.78	134
Ratio %			40%	52%	71%	83%	100%			
Fed min \$	Hr \$10.87	Wk \$413.40								
Allowance	Tool		\$10.80	\$10.80	\$10.80	\$10.80	\$10.80			
2002										
Award hour	Tradesperson		\$5.81	\$7.60	\$10.37	\$12.16	\$13.82			
38 hr wk	Includes allowances		\$220.60	\$288.85	\$393.90	\$462.20	\$525.20	\$860.10	\$238.97	137.9
Ratio %			42%	55%	75%	88%	100%			
Fed min \$	Hr \$11.35	Wk \$431.40								
Allowance	Tool		\$11.20	\$11.20	\$11.20	\$11.20	\$11.20			
2003										
Award hour	Tradesperson		\$5.99	\$7.85	\$10.70	\$12.56	\$14.27			
38 hr wk	Includes allowances		\$227.70	\$298.20	\$406.70	\$477.10	\$542.20	\$899.80	\$245.25	142.1
Ratio %			42%	55%	75%	88%	100%			
Fed min \$	Hr \$11.80	Wk \$448.40								
Allowance	Tool		\$11.60	\$11.60	\$11.60	\$11.60	\$11.60			
2004										
Award hour	Tradesperson		\$6.20	\$8.12	\$11.08	\$13.00	\$14.77			
38 hr wk	Includes allowances		\$235.70	\$308.70	\$420.90	\$493.90	\$561.20	\$948.00	\$258.25	145
Ratio %			42%	55%	75%	88%	100%			
Fed min \$	Hr \$12.30	Wk \$467.40								
Allowance	Tool		\$12.00	\$12.00	\$12.00	\$12.00	\$12.00			
2005										
Award hour	Tradesperson		\$6.39	\$8.37	\$11.41	\$13.39	\$15.22			
38 hr wk	Includes allowances		\$242.80	\$318.00	\$433.70	\$508.80	\$578.20	\$991.20	\$266.72	148.2
Ratio %			42%	55%	75%	88%	100%			
Fed. Min \$	Hr \$12.74	Wk \$484.40								
Allowance	Tool		\$12.40	\$12.40	\$12.40	\$12.40	\$12.40			
2006										
Award hour	Tradesperson		\$6.61	\$8.66	\$11.81	\$13.85	\$15.74			
38 hr wk	Includes allowances		\$251.20	\$329.00	\$448.70	\$526.40	\$598.20	\$1,035.90	\$276.75	155.8
Ratio %			42%	55%	75%	88%	100%			
Fed min \$	Hr \$13.47	Wk \$511.86								
Allowance	Tool		\$12.90	\$12.90	\$12.90	\$12.90	\$12.90			

NSW living wage apprentices 2001 - 2006

<i>Year</i>	<i>Industry</i>	<i>Occupation</i>	<i>1st yr</i>	<i>2nd yr</i>	<i>3rd yr</i>	<i>4th yr</i>	<i>Full rate</i>	<i>Adult wage</i>	<i>Poverty line</i>	<i>CPI</i>
2001 Butchers Retail Award										
Award hour	Butcher		\$7.30	\$7.78	\$10.17	\$11.37	\$11.97			
38 hr wk			\$227.50	\$295.80	\$386.80	\$432.30	\$455.00	\$809.70	\$237.78	134
Ratio %			55%	65%	85%	95%	100%			
Fed min \$	Hr \$10.87	Wk \$413.40								
Allowance	Clothing		\$3.54	\$3.54	\$3.54	\$3.54	\$3.54			
2002										
Award hour	Butcher		\$6.50	\$8.40	\$11.05	\$12.35	\$13.00			
38 hr wk			\$247.07	\$341.38	\$420.03	\$469.44	\$494.13	\$860.10	\$238.97	137.9
Ratio %			50%	65%	85%	95%	100%			
Fed min \$	\$11.35	Wk \$431.40								
Allowance										
2003										
Award hour	Butcher		\$7.13	\$9.27	\$12.12	\$13.55	\$14.26			
38 hr wk			\$271.10	\$352.40	\$460.90	\$515.10	\$542.20	\$899.80	\$245.25	142.1
Ratio %			50%	65%	85%	95%	100%			
Fed min \$	Hr \$11.80	Wk \$448.40								
Allowance			\$3.65	\$3.65	\$3.65	\$3.65	\$3.65			
2004										
Award hour	Butcher		\$7.38	\$9.60	\$12.55	\$14.02	\$14.76			
38 hr wk			\$280.60	\$364.80	\$477.00	\$533.10	\$561.20	\$948.00	\$258.25	145
Ratio %			50%	65%	85%	95%	100%			
Fed min \$	Hr \$12.30	Wk \$467.40								
Allowance	Clothing		\$3.65	\$3.65	\$3.65	\$3.65	\$3.65			
2005										
Award hour	Butcher		\$7.60	\$9.88	\$12.93	\$14.45	\$15.21			
38 hr wk			\$289.10	\$375.80	\$491.50	\$549.30	\$578.20	\$991.20	\$266.72	148.2
Ratio %			50%	65%	85%	95%	100%			
Fed. min \$	Hr \$12.74	Wk \$484.40								
Allowance	Clothing									
2006										
Award hour	Butcher		\$7.87	\$10.23	\$13.38	\$14.82	\$15.74			
38 hr wk			\$299.10	\$388.80	\$508.50	\$563.30	\$598.20	\$1,035.90	\$276.75	155.8
Ratio %			50%	65%	85%	95%	100%			
Fed min \$	Hr \$13.47	Wk \$511.86								
Allowance	Clothing		\$3.81	\$3.81	\$3.81	\$3.81	\$3.81			

NSW living wage apprentices 2001 - 2006

Year	Industry	Occupation	1st yr	2nd yr	3rd yr	4th yr	Full rate	Adult wage	Poverty line	CPI
2001	Electrical, electronic and communications contracting industry						Grade 5			
Award hour	Tradesperson		\$4.83	\$6.55	\$9.47	\$10.80	\$13.50			
38 hr wk	Includes allowances		\$183.55	\$249.20	\$359.90	\$413.20	\$513.10	\$809.70	\$237.78	134
Ratio %			36%	49%	70%	81%	100%			
Fed min \$	Hr \$10.87	Wk \$413.40								
Allowance	Tool		\$10.80	\$10.80	\$10.80	\$10.80	\$10.80			
2002										
Award hour	Tradesperson		\$5.00	\$6.78	\$9.80	\$11.25	\$13.97			
38 hr wk	Includes allowances		\$190.00	\$257.90	\$372.50	\$427.65	\$531.10	\$860.10	\$238.97	137.9
Ratio %			36%	49%	70%	81%	100%			
Fed min \$	Hr \$11.35	Wk \$431.40								
Allowance	Tool		\$11.20	\$11.20	\$11.20	\$11.20	\$11.20			
2003										
Award hour	Tradesperson		\$5.16	\$7.00	\$10.11	\$11.61	\$14.42			
38 hr wk	Includes allowances		\$196.10	\$266.15	\$384.40	\$441.35	\$548.10	\$899.80	\$245.25	142.1
Ratio %			36%	49%	70%	81%	100%			
Fed min \$	Hr \$11.80	Wk \$448.40								
Allowance	Tool		\$11.55	\$11.55	\$11.55	\$11.55	\$11.55			
2004										
Award hour	Tradesperson		\$5.30	\$7.24	\$10.46	\$12.02	\$14.92			
38 hr wk	Includes allowances		\$202.95	\$275.45	\$397.85	\$456.80	\$567.19	\$948.00	\$258.25	145
Ratio %			36%	49%	70%	81%	100%			
Fed min \$	Hr \$12.30	Wk \$467.40								
Allowance	Tool		\$11.95	\$11.95	\$11.95	\$11.95	\$11.95			
2005										
Award hour	Tradesperson		\$5.60	\$7.61	\$10.99	\$12.62	\$15.66			
38 hr wk	Includes allowances		\$213.10	\$289.20	\$417.75	\$479.65	\$595.45	\$991.20	\$266.72	148.2
Ratio %			36%	49%	70%	81%	100%			
Fed min \$	Hr \$12.74	Wk \$484.40								
Allowance	Tool		\$11.95	\$11.95	\$11.95	\$11.95	\$11.95			
2006										
Award hour	Tradesperson		\$6.17	\$8.44	\$12.06	\$13.89	\$17.05			
38 hr wk	Includes allowances		\$234.70	\$320.70	\$458.45	\$527.90	\$648.25	\$1,035.90	\$276.75	155.8
Ratio %			36%	49%	70%	81%	100%			
Fed min \$	Hr \$13.47	Wk \$511.86								
Allowance	Tool		\$12.80	\$12.80	\$12.80	\$12.80	\$12.80			

QLD living wage apprentices 2006

Year	Industry	Occupation	1st yr	2nd yr	3rd yr	4th yr	Full rate	Adult average weekly wage	Poverty line, single with housing	CPI
2006 Oct	Building construction		Level CW 3							
Basic hr	Includes Allowances		\$7.17	\$9.64	\$12.93	\$15.40	\$17.70			
Award -38 hrs			\$272.80	\$366.60	\$491.70	\$585.50	\$672.66	\$1,035.90	\$276.75	157.3
Ratio %			40%	55%	75%	90%	100%			
Fed min \$	Hr \$13:47	Wk \$511.86								
Allowance	Tool (included in rate of pay)									
2006	Hairdressers industry		Level 3							
Basic hr	Hairdresser		\$6.28	\$8.65	\$11.79	\$14.15	\$15.72			
Award -38 hrs			\$239.04	\$328.70	\$448.20	\$537.80	\$597.60	\$1,035.90	\$276.75	157.3
Ratio %	Based upon competencies		40%	55%	75%	90%	100%			
Fed min \$	Hr \$13:47	Wk \$511.86								
Allowance										
2006	Baking industry (Mackay and Southern)		Level 5							
Basic hr	Pastry cooks		\$6.30	\$8.66	\$11.81	\$14.17	\$15.72			
Award -38 hrs			\$239.04	\$328.70	\$448.20	\$537.80	\$597.60	\$1,035.90	\$276.75	157.3
Ratio %			40%	55%	75%	90%	100%			
Fed. Min \$	Hr \$13.47	Wk \$511.86								
Allowance	Depends on district									
2006	Engineering		Level 1 C10							
Basic hr	Metal trades		\$6.32	\$8.69	\$11.85	\$14.23	\$15.81			
Award -38 hrs	Basic		\$239.04	\$328.70	\$448.20	\$537.80	\$597.60	\$1,035.90	\$276.75	157.3
Ratio %			40%	55%	75%	90%	100%			
Fed min \$	Hr \$13.47	Wk \$511.86								
Allowance	Various									
2006	Meat industry (other than export)		Level 6							
Basic hr	Butcher		\$6.29	\$8.64	\$11.79	\$14.15	\$15.72			
Award -38 hrs			\$239.04	\$328.68	\$448.20	\$537.84	\$597.60	\$1,035.90	\$276.75	157.3
Ratio %			40%	55%	75%	90%	100%			
Fed min \$	Hr \$13.47	Wk \$511.86								
Allowance	Tool (included in rate of pay)									
2006	Electrical contracting		Level 5							
Basic hr	Electrician		\$7.05	\$9.69	\$13.22	\$15.86	\$15.67			
Award -38 hrs	Includes allowance		\$259.64	\$357.00	\$486.82	\$584.19	\$649.10	\$1,035.90	\$276.75	157.3
Ratio %			40%	55%	75%	90%	100%			
Fed min \$	Hr \$13.47	Wk \$511.86								
Allowance										

FED/ACT living wage apprentices (WorkChoices Dec) 2006

Year	Industry	Occupation	1st yr					Full rate	Adult average weekly wage	Poverty line, single with housing	CPI
			1st 6 mths	2nd 6 mths	2nd yr	3rd yr	4th yr				
2006	Construction	AP817145						Level 5			
Basic hr	On-site		6.46	\$7.26	\$9.68	\$12.11	\$14.53	\$16.14			
Award -38 hrs	(total weekly rate)		\$245.48	\$275.88	\$367.84	\$460.18	\$552.14	\$613.32	\$1,035.90	\$276.75	156.6
Ratio %			40%	45%	60%	75%	90%	100%			
Fed miin \$	Hr \$13.47	Wk \$511.86									
Tool			\$9.68	\$10.89	\$14.52	\$18.15	\$21.78	\$24.20			
ACT Allowance			\$7.00	\$7.88	\$10.50	\$13.13	\$15.75				
Industry Allowance			\$9.10	\$10.24	\$13.65	\$17.06	\$20.48				
Travel Fares			\$77.00	\$77.00	\$77.00	\$77.00	\$77.00				
Total weekly rate	Includes all allowances set out above		\$348.26	\$381.89	\$483.51	\$585.52	\$687.15				
2006	Hairdressers	AP783495						Hairdresser			
Basic hr				\$6.38	\$8.78	\$11.16	\$13.55	\$15.94			
Award -38 hrs				\$242.44	\$333.64	\$424.08	\$514.86	\$605.72	\$1,035.90	\$276.75	156.6
Ratio %				40%	55%	70%	85%	100%			
Fed miin \$	Hr \$13.47	Wk \$511.86									
2006	Pastry cooks	AP769420						Level 4			
Basic hr				\$6.84	\$9.13	\$11.41	\$13.69	\$15.22			
Award -38 hrs	Includes safety net			\$260.19	\$346.94	\$433.58	\$520.22	\$578.20	\$1,035.90	\$276.75	156.6
Ratio %				45%	60%	75%	90%	100%			
Fed min \$	Hr \$13.47	Wk \$511.86									
Tool	laundry (where applicable)			\$12.03	\$12.03	\$12.03	\$12.03	\$12.03			
	Metal trades	AP787983									
2006	Metal trades	AP787983						Level 10			
Basic hr	Depot/workshop (basic rate)		\$6.08	\$6.84	\$9.13	\$11.41	\$13.69	\$15.22			
Award -38 hrs	(total weekly rate)		236.47	\$266.03	\$354.70	\$443.39	\$532.06	\$591.02	\$1,035.90	\$276.75	156.6
Ratio %			40%	45%	60%	75%	90%	100%			
Fed min \$	Hr \$13.47	Wk \$511.86									
Tool	(Included)		\$5.13	\$5.77	\$7.69	\$9.62	\$11.54	\$12.82			
2006	Butcher	AP831172									
Basic hr				\$6.74	\$8.99	\$11.24	\$13.49	\$14.99			
Award -38 hrs				\$256.12	\$341.62	\$427.12	\$512.65	\$569.62	\$1,035.90	\$276.75	156.6
Ratio %				45%	60%	75%	90%	100%			
Fed min \$	Hr \$13.47	Wk \$511.86									
Laundry				\$10	\$10	\$10	\$10	\$10			
2006	Electrical	AP791396						Grade 5			
Basic hr	Base rate			\$6.41	\$7.21	\$9.62	\$14.43	\$15.21			
Award -38 hrs	(includes some allowances)			\$289.40	\$385.90	\$482.30	\$578.80	\$673.20	\$1,035.90	\$276.75	156.6
Ratio %				45%	60%	75%	90%	100%			
Fed min \$	Hr \$13.47	Wk \$511.86									
Tool	(included)			\$5.63	\$7.50	\$9.38	\$11.25	\$12.50			

TAS living wage apprentices 2006

Year	Industry	Occupation	1st yr	2nd yr	3rd yr	4th yr	Full rate	Adult average weekly wage	Poverty line, single with housing	CPI
2006	Building and construction						Special Class			
Basic hr	Tradesperson		\$6.18	\$8.94	\$12.19	\$14.63	\$16.26			
Award -38 hrs			\$234.87	\$339.95	\$463.57	\$556.29	\$618.10	\$1,035.90	\$276.75	154.7
Ratio %			38%	55%	75%	90%	100%			
Fed min \$	Hr \$13.47	Wk \$511.86								
Tool			\$23.30	\$23.30	\$23.30	\$23.30	\$23.30			
2006	Hairdressing, health and beauty industry						Level 1			
Basic hr	Hairdresser		\$6.61	\$8.65	\$11.80	\$14.16	\$15.74			
Award -38 hrs			\$251.24	\$329.00	\$448.65	\$538.38	\$598.20	\$1,035.90	\$276.75	154.7
Ratio %			42%	55%	75%	90%	100%			
Fed miin \$	Hr \$13.47	Wk \$511.86								
Tool			\$8.30	\$8.30	\$8.30	\$8.30	\$8.30			
2006	Baking Industry Award						Level 5			
Basic hr	Pastry cooks		\$7.87	\$9.44	\$11.80	\$14.16	\$15.74			
Award -38 hrs			\$299.10	\$358.92	\$448.65	\$538.38	\$598.20	\$1,035.90	\$276.75	154.7
Ratio %			50%	60%	75%	90%	100%			
Fed miin \$	Hr \$13.47	Wk \$511.86								
Allowance	Clothing		\$3.85	\$3.85	\$3.85	\$3.85	\$3.85			
2006	Metal and engineering industry						Level C10			
Basic hr	Tradesperson		\$6.61	\$8.65	\$11.80	\$13.85	\$15.74			
Award -38 hrs	Includes allowances		\$251.24	\$329.00	\$448.65	\$526.41	\$598.20	\$1,035.90	\$276.75	154.7
Ratio %			42%	55%	75%	88%	100%			
Fed min \$	Hr \$13.47	Wk \$511.86								
Tool			\$9.60	\$9.60	\$9.60	\$9.60	\$9.60			
2006	Meat Retailing Award						Level 4			
Basic hr	Butcher		\$7.87	\$10.23	\$11.33	\$14.95	\$15.74			
Award -38 hrs	Includes safety net		\$299.10	\$388.83	\$430.70	\$568.29	\$598.20	\$1,035.90	\$276.75	154.7
Ratio %			50%	65%	72%	95%	100%			
Fed miin \$	Hr \$13.47	Wk \$511.86								
Tool			\$9.20	\$9.20	\$9.20	\$9.20	\$9.20			
2006	Electrical engineers						Level 5			
Basic hr	Tradesperson		\$7.39	\$9.48	\$12.61	\$14.69	\$18.32			
Award -38 hrs	Includes allowances		\$281.16	\$360.41	\$479.28	\$558.53	\$713.20	\$1,035.90	\$276.75	154.7
Ratio %			40%	52%	70%	82%	100%			
Fed miin \$	Hr \$13.47	Wk \$511.86								
Tool	Included		\$17.00	\$17.00	\$17.00	\$17.00	\$17.00			

VIC living wage apprentices 2006

Year	Industry	Occupation	1st yr				4th yr	Full rate	Adult average weekly wage	Poverty line, single with housing	CPI
			1st 3 mths	next 9 mths	2nd yr	3rd yr					
2006	National Building and Construction Industry Award 2000 AP790741										
Rates based on: Fair Pay Commission decision 1/2006 and AIRC decision (re allowances) PR974942											
Ratio %		Carpenter/Joiner	35%	45%	55%	75%	90%	100%			
Basic hr			\$5.58	\$7.17	\$8.77	\$11.96	\$14.35	\$15.94	\$1,035.90	\$276.75	153.5
Base weekly rate -38 hrs			\$212.04	\$272.46	\$333.26	\$454.48	\$545.30	\$605.72			
Allowances:											
Fares and travel patterns (weekly)			\$57.75	\$57.75	\$65.45	\$69.30	\$73.15				
Industry allowance (weekly)			\$22.70	\$22.70	\$22.70	\$22.70	\$22.70				
Special allowance (weekly)			\$2.70	\$3.47	\$4.24	\$5.78	\$6.93				
Tool			\$24.20	\$24.20	\$24.20	\$24.20	\$24.20	\$24.20			
Total weekly rate: includes all allowances set out above			\$319.39	\$380.58	\$449.85	\$576.46	\$672.28				
Fed min \$	Hr \$13.47	Wk \$511.86									
			1st yr								
			1st 3 mths	(thereafter)	2nd yr	3rd yr	Trade rate				
2006	Hairdressing and beauty services - Victoria Award 2001 AP806816										
Rates based on: Fair Pay Commission decision 1/2006											
Basic hr				\$5.58	\$7.17	\$8.77	\$12.27	\$15.94	\$1,035.90	\$276.75	153.5
Award -38 hrs				\$212.04	\$272.46	\$333.26	\$466.26	\$605.72			
Ratio %				35%	45%	55%	77%	100%			
Fed min \$	Hr \$13.47	Wk \$511.86									
				1st year	2nd yr	3rd yr	4th yr	Trade rate			
2006	Pastrycooks (Victoria) Award 1999 AP792620										
Rates based on: Fair Pay Commission decision 1/2006											
Basic hr				\$7.97	\$10.36	\$12.75	\$15.14	\$15.94	\$1,035.90	\$276.75	153.5
Award -38 hrs				\$302.86	\$393.68	\$484.50	\$575.32	\$605.72			
Ratio %				50%	65%	80%	95%	100%			
Fed min \$	Hr \$13.47	Wk \$511.86									
				1st stage	2nd stage	3rd stage	4th stage	Trade rate			
2006	Metal, Engineering and Associated Industries Award 1998 AP789529										
Level C10											
Rates based on: Fair Pay Commission decision 1/2006 and AIRC decision (re allowances) PR975561											
Hourly rate	completed yr 10 or less			\$6.69	\$8.77	\$11.96	\$14.03	\$15.94	\$1,035.90	\$276.75	153.5
Base weekly rate -38 hrs	completed yr 10 or less			\$254.22	\$333.26	\$454.48	\$533.14	\$605.72			
Ratio %				42%	55%	75%	88%	100%			
Allowances:											
Tool				\$5.46	\$7.14	\$9.74	\$11.43	\$12.99			
Total weekly rate: includes all allowances set out above				\$259.68	\$340.40	\$464.22	\$544.57	\$618.71			
Fed min \$	Hr \$13.47	Wk \$511.86									
				1st year	2nd yr	3rd yr	4th yr	Trade rate			
2006	Federal Meat Industry (Retail and wholesale) Award 2000 AP805114										
Rates based on: Fair Pay Commission decision 1/2006											
Basic hr				\$7.97	\$10.36	\$13.55	\$15.14	\$15.94	\$1,035.90	\$276.75	153.5
Base weekly rate -38 Hrs.				\$302.86	\$393.68	\$514.90	\$575.32	\$605.72			
Ratio %				50%	65%	85%	95%	100%			
Fed min \$	Hr \$13.47	Wk \$511.86									
2006	National Electrical Electronic and Communications Contracting Industry Award 1998 AP791396										
Rates based on: Fair Pay Commission decision 1/2006 and AIRC decision (re allowances) PR960265 (NB no increase in allowances in this award since July 2005)											
Basic hr				\$6.87	\$8.93	\$12.02	\$14.08	\$17.17	\$1,035.90	\$276.75	153.5
Base weekly rate -38 hrs				\$261.06	\$339.34	\$456.76	\$535.04	\$652.46			
Ratio %				40%	52%	70%	82%	100%			
Allowances:											
A Grade Licence Allowance				\$8.40	\$10.90	\$14.70	\$17.20	\$21.00			
Tool				\$17.00	\$17.00	\$17.00	\$17.00	\$17.00			
Gross Weekly All-Purpose Wage				\$286.46	\$367.24	\$488.46	\$569.24	\$690.46			
Fed min \$	Hr \$13.47	Wk \$511.86									

WA living wage apprentices 2006

Year	Industry	Occupation	1st yr	2nd yr	3rd yr	4th yr	Full rate	Adult average weekly wage	Poverty line, single with housing	CPI	
2006	Building trades (construction)							Special class			
Basic hr	Carpenter	Base	\$6.83	\$8.94	\$12.19	\$14.31	\$16.26				
Award -38 hrs	Includes allowance		\$259.60	\$339.95	\$463.57	\$543.92	\$618.10	\$1,035.90	\$276.75	155.5	
Ratio %			42%	55%	75%	88%	100%				
Fed min \$ allowance	Hr \$13.47 tool	Wk \$511.86	\$22.70	\$22.70	\$22.70	\$22.70	\$22.70				
2006	Hairdressers WA							Senior			
Basic hr	Hairdressers	Year end	\$6.92	\$8.65	\$12.12	\$14.70	\$17.31				
Award -38 hrs			\$263.20	\$329.00	\$460.00	\$559.30	\$658.00	\$1,035.90	\$276.75	155.5	
Ratio %			40%	50%	70%	85%	100%				
Fed min \$ allowance	Hr \$13.47 tool	Wk \$511.86	\$6.95	\$6.95	\$6.95	\$6.95	\$6.95				
2006	Pastry Cooks Award										
Basic hr	Pastry cook		\$6.43	\$8.42	\$11.49	\$13.48	\$15.31				
Award -38 hrs			\$244.44	\$320.10	\$436.50	\$512.16	\$582.00	\$1,035.90	\$276.75	155.5	
Ratio %			42%	55%	75%	88%	100%				
Fed min \$ allowance	Hr \$13.47	Wk \$511.86									
2006	Metal Trades (General) Award Pt 1							Level C10			
Basic hr	Tradesperson		\$6.61	\$8.66	\$11.81	\$13.85	\$15.74				
Award -38 hrs			\$251.24	\$329.01	\$448.65	\$526.42	\$598.20	\$1,035.90	\$276.75	155.5	
Ratio %			42%	55%	75%	88%	100%				
Fed min \$ allowance	Hr \$13.47 Tool	Wk \$511.86	\$13.20	\$13.20	\$13.20	\$13.20	\$13.20				
2006	Meat Industry (WA)							RW Level 5			
Basic hr	Butcher		\$6.29	\$7.87	\$11.80	\$14.95	\$15.75				
Award -38 hrs			\$239.28	\$299.00	\$448.65	\$568.29	\$598.20	\$1,035.90	\$276.75	155.5	
Ratio %			40%	50%	75%	95%	100%				
Fed min \$ allowance	Hr \$13.47	Wk \$511.86									
2006	Electrical Contracting Industry							Level 3			
Basic hr	Tradesperson		\$6.63	\$8.67	\$11.39	\$13.43	\$17.00				
Award -38 hrs	Includes allowance		\$252.05	\$329.61	\$433.02	\$510.57	\$646.30	\$1,035.90	\$276.75	155.5	
Ratio %			39%	51%	67%	79%	100%				
Fed min \$ allowance	Hr \$13.47 Tool	Wk \$511.86	\$13.10	\$13.10	\$13.10	\$13.10	\$13.10				

SA living wage apprentices 2001 - 2006

Year	Industry	Occupation	1st yr	2nd yr	3rd yr	4th yr	Full rate	Adult average weekly wage	Poverty line, single with housing	CPI	
2001	Building and construction industry (SA)						Level C3				
Award hour	Carpenter		\$6.10	\$7.45	\$10.16	\$12.19	\$13.35				
Award 38 hr wk	Includes allowances		\$231.80	\$283.30	\$386.30	\$463.50	\$507.30	\$809.70	\$237.78	143.1	
Ratio %			45%	55%	75%	90%	100%				
Fed min \$	Hr \$10.87	Wk \$413.40									
Allowance	Tool		\$20.50	\$20.50	\$20.50	\$20.50	\$20.50				
2002	Building and construction industry (SA)						Level C3				
Award hour	Carpenter		\$6.31	\$7.71	\$10.52	\$12.62	\$13.82				
Award 38 hr wk	Includes allowances		\$239.90	\$293.20	\$399.80	\$479.70	\$525.30	\$860.10	\$238.97	137.7	
Ratio %			45%	55%	75%	90%	100%				
Fed min \$	Hr \$11.35	Wk \$431.40									
Allowance	Tool		\$20.50	\$20.50	\$20.50	\$20.50	\$20.50				
2003	Building and construction industry (SA)						Level C3				
Award hour	Carpenter		\$6.57	\$8.00	\$10.84	\$13.26	\$14.27				
Award 38 hr wk	Includes allowances		\$250.03	\$304.26	\$412.25	\$504.10	\$542.30	\$899.80	\$245.25	144.6	
Ratio %			45%	55%	75%	90%	100%				
Fed min \$	Hr \$11.80	Wk \$448.40									
Allowance	Tool		\$21.10	\$21.10	\$21.10	\$21.10	\$21.10				
2004	Building and construction industry (SA)						Level C3				
Award hour	Carpenter		\$7.38	\$9.59	\$12.55	\$14.03	\$14.76				
Award 38 hr wk	Includes allowances		\$280.60	\$364.78	\$477.02	\$533.14	\$561.20	\$948.00	\$258.25	147.7	
Ratio %			45%	55%	75%	90%	100%				
Fed min \$	Hr \$12.30	Wk \$467.40									
Allowance	Tool		\$22.10	\$22.10	\$22.10	\$22.10	\$22.10				
2005	Building and construction industry (SA)						Level C3				
Award hour	Carpenter		\$7.23	\$8.84	\$12.06	\$14.47	\$16.08				
Award 38 hr wk	Includes allowances		\$274.96	\$336.07	\$458.28	\$549.93	\$611.04	\$991.20	\$266.72	150.9	
Ratio %			45%	55%	75%	90%	100%				
Fed min \$	Hr \$12.74	Wk \$484.40									
Allowance	Tool		\$22.70	\$22.70	\$22.70	\$22.70	\$22.70				
2006 Oct	Building and construction industry (SA)						Level C3				
Award hour	Carpenter		\$7.70	\$9.42	\$12.84	\$15.41	\$17.13				
Award 38 hr wk	Includes allowances		\$292.92	\$358.01	\$488.20	\$585.84	\$650.94	\$1,035.90	\$276.75	158.8	
Ratio %			45%	55%	75%	90%	100%				
Fed min \$	Hr \$13.47	Wk \$511.86									
Allowance	Tool		\$23.30	\$23.30	\$23.30	\$23.30	\$23.30				

SA living wage apprentices 2001 - 2006

Year	Industry	Occupation	1st yr	2nd yr	3rd yr	4th yr	Full rate	Adult average weekly wage	Poverty line, single with housing	CPI
2001	Hairdressers and beauty salons						Level C			
Award hour	Hairdresser		\$5.73	\$7.34	\$9.07	\$11.47	\$13.34			
Award 38 hr wk			\$218.10	\$279.00	\$344.90	\$436.20	\$507.20	\$809.70	\$237.78	143.1
Ratio %			43%	55%	68%	86%	100%			
Fed min \$	Hr \$10.87	Wk \$413.40								
Allowance	Tool		\$6.30	\$6.30	\$6.30	\$6.30	\$6.30			
2002	Hairdressers and beauty salons						Level C			
Award hour	Hairdresser		\$5.94	\$6.60	\$9.39	\$11.88	\$13.82			
Award 38 hr wk			\$225.80	\$288.90	\$357.10	\$451.70	\$525.20	\$860.10	\$238.97	137.7
Ratio %			43%	55%	68%	86%	100%			
Fed min \$	Hr \$11.35	Wk \$431.40								
Allowance	Tool		\$6.60	\$6.60	\$6.60	\$6.60	\$6.60			
2003	Hairdressers and beauty salons						Level C			
Award hour	Hairdresser		\$6.13	\$7.84	\$9.70	\$12.27	\$14.48			
Award 38 hr wk			\$233.10	\$298.20	\$368.70	\$466.30	\$550.50	\$899.80	\$245.25	144.6
Ratio %			43%	55%	68%	86%	100%			
Fed min \$	Hr \$11.80	Wk \$448.40								
Allowance	Tool		\$6.60	\$6.60	\$6.60	\$6.60	\$6.60			
2004	Hairdressers and beauty salons						Level C			
Award hour	Hairdresser		\$6.35	\$8.12	\$10.04	\$12.70	\$14.99			
Award 38 hr wk			\$241.30	\$308.70	\$381.60	\$482.60	\$569.60	\$948.00	\$258.25	147.7
Ratio %			43%	55%	68%	86%	100%			
Fed min \$	Hr \$12.30	Wk \$467.40								
Allowance	Tool		\$6.83	\$6.83	\$6.83	\$6.83	\$6.83			
2005	Hairdressers and beauty salons						Level C			
Award hour	Hairdresser		\$6.54	\$8.36	\$10.34	\$13.08	\$15.21			
Award 38 hr wk			\$248.60	\$318.00	\$393.20	\$497.30	\$578.20	\$991.20	\$266.72	150.9
Ratio %			43%	55%	68%	86%	100%			
Fed min \$	Hr \$12.74	Wk \$484.40								
Allowance	Tool		\$6.83	\$6.83	\$6.83	\$6.83	\$6.83			
2006 Oct	Hairdressers and beauty salons						Level C			
Award hour	Hairdresser		\$6.74	\$8.62	\$10.66	\$13.49	\$15.68			
Award 38 hr wk			\$256.40	\$327.90	\$405.40	\$512.70	\$596.20	\$1,035.90	\$276.75	158.8
Ratio %			43%	55%	68%	86%	100%			
Fed min \$	Hr \$13.47	Wk \$511.86								
Allowance										

SA living wage apprentices 2001 - 2006

Year	Industry	Occupation	1st yr	2nd yr	3rd yr	4th yr	Full rate	Adult average weekly wage	Poverty line, single with housing	CPI
2001	Cake and pastry baking (SA)						Level 5			
Award hour	Pastry cook		\$7.34	\$8.67	\$10.00	\$11.34	\$13.34			
Award 40 hr wk			\$278.96	\$329.68	\$380.04	\$431.12	\$507.20	\$809.70	\$237.78	143.1
Ratio %			55%	65%	75%	85%	100%			
Fed min \$ Allowance	Hr \$10.87	Wk \$413.40								
2002							Level 5			
Award hour	Pastry cook		\$7.60	\$8.98	\$10.36	\$11.74	\$13.82			
Award 40 hr wk			\$288.86	\$341.38	\$393.90	\$446.42	\$525.20	\$860.10	\$238.97	137.7
Ratio %			55%	65%	75%	85%	100%			
Fed min \$ Allowance	Hr \$11.35	Wk \$431.40								
2003							Level 5			
Award hour	Pastry cook		\$7.84	\$9.27	\$10.70	\$12.12	\$14.26			
Award 40 hr wk			\$298.20	\$352.43	\$406.65	\$460.87	\$542.20	\$899.80	\$245.25	144.6
Ratio %			55%	65%	75%	85%	100%			
Fed min \$ Allowance	Hr \$11.80	Wk \$448.40								
2004							Level 5			
Award hour	Pastry cook		\$8.12	\$9.59	\$11.07	\$12.55	\$14.76			
Award 38 hr wk			\$308.66	\$364.78	\$420.90	\$477.02	\$561.20	\$948.00	\$258.25	147.7
Ratio %			55%	65%	75%	85%	100%			
Fed min \$ Allowance	Hr \$12.30	Wk \$467.40								
2005							Level 5			
Award hour	Pastry cook		\$8.36	\$9.89	\$11.41	\$12.93	\$15.21			
Award 380 hr wk			\$318.00	\$375.83	\$433.65	\$491.47	\$578.20	\$991.20	\$266.72	150.9
Ratio %			55%	65%	75%	85%	100%			
Fed min \$ Allowance	Hr \$12.74	Wk \$484.40								
2006 Oct							Level 5			
Award hour	Pastry cook		\$8.62	\$10.19	\$11.76	\$13.33	\$15.68			
Award 38 hr wk	Includes allowances		\$327.91	\$387.53	\$447.15	\$506.77	\$596.20	\$1,035.90	\$276.75	158.8
Ratio %	Year end		55%	65%	75%	85%	100%			
Fed min \$ Allowance	Hr \$13.47	Wk \$511.86								

SA living wage apprentices 2001 - 2006

Year	Industry	Occupation	1st yr	2nd yr	3rd yr	4th yr	Full rate	Adult average weekly wage	Poverty line, single with housing	CPI
2001	Metal industry						Level C10			
Award hour	Tradesperson: depot/workshop		\$5.61	\$7.34	\$10.01	\$11.74	\$13.34			
Award 38 hr wk			\$213.00	\$279.00	\$380.40	\$466.30	\$507.20	\$809.70	\$237.78	143.1
Ratio %			42%	55%	75%	88%	100%			
Fed min \$	Hr \$10.87	Wk \$413.40								
Allowance	Tool		\$10.80	\$10.80	\$10.80	\$10.80	\$10.80			
2002							Level C10			
Award hour	Tradesperson		\$5.81	\$7.60	\$10.37	\$12.43	\$13.82			
Award 38 hr wk			\$220.60	\$288.90	\$393.90	\$472.69	\$525.20	\$860.10	\$238.97	137.7
Ratio %			42%	55%	75%	88%	100%			
Fed min \$	Hr \$11.35	Wk \$431.40								
Allowance	Tool		\$11.20	\$11.20	\$11.20	\$11.20	\$11.20			
2003							Level C10			
Award hour	Tradesperson		\$5.99	\$7.85	\$10.70	\$12.56	\$16.74			
Award 38 hr wk			\$227.70	\$298.20	\$406.70	\$477.10	\$536.13	\$899.80	\$245.25	144.6
Ratio %			42%	55%	75%	88%	100%			
Fed min \$	Hr \$11.80	Wk \$448.40								
Allowance	Tool		\$11.60	\$11.60	\$11.60	\$11.60	\$11.60			
2004							Level C10			
Award hour	Tradesperson		\$6.20	\$8.12	\$11.08	\$13.00	\$14.76			
Award 38 hr wk			\$235.70	\$308.70	\$420.90	\$493.90	\$561.20	\$948.00	\$258.25	147.7
Ratio %			42%	55%	75%	88%	100%			
Fed min \$	Hr \$12.30	Wk \$467.40								
Allowance	Tool		\$12.00	\$12.00	\$12.00	\$12.00	\$12.00			
2005							Level C10			
Award hour	Tradesperson		\$6.39	\$8.37	\$11.41	\$13.39	\$15.21			
Award 38 hr wk			\$242.80	\$318.00	\$433.70	\$508.80	\$578.26	\$991.20	\$266.72	150.9
Ratio %			42%	55%	75%	88%	100%			
Fed min \$	Hr \$12.74	Wk \$484.40								
Allowance	Tool		\$12.40	\$12.40	\$12.40	\$12.40	\$12.40			
2006 Oct							Level C10			
Award hour	Tradesperson		\$6.59	\$8.63	\$11.77	\$13.81	\$15.69			
Award 38 hr wk			\$250.40	\$327.90	\$447.20	\$524.70	\$596.26	\$1,035.90	\$276.75	158.8
Ratio %			42%	55%	75%	88%	100%			
Fed min \$	Hr \$13.47	Wk \$511.86								
Allowance	Tool		\$12.90	\$12.90	\$12.90	\$12.90	\$12.90			

SA living wage apprentices 2001 - 2006

<i>Year</i>	<i>Industry</i>	<i>Occupation</i>	<i>1st yr</i>	<i>2nd yr</i>	<i>3rd yr</i>	<i>4th yr</i>	<i>Full rate</i>	<i>Adult average weekly wage</i>	<i>Poverty line, single with housing</i>	<i>CPI</i>
2001	Meat industry						Level 6			
Award hour	Butchers		\$6.47	\$8.41	\$11.00	\$12.30	\$12.95			
Award 38 hr wk			\$246.10	\$319.93	\$418.37	\$467.59	\$492.20	\$809.70	\$237.78	143.1
Ratio %			50%	65%	85%	95%	100%			
Fed min \$ Allowance	Hr \$10.87	Wk \$413.40								
2002							Level 6			
Award hour	Butchers		\$6.67	\$8.67	\$11.34	\$12.68	\$13.34			
Award 38 hr wk			\$253.60	\$329.68	\$431.12	\$481.84	\$507.20	\$860.10	\$238.97	137.7
Ratio %			50%	65%	85%	95%	100%			
Fed min \$ Allowance	Hr \$11.35	Wk \$431.40								
2003							Level 6			
Award hour	Butchers		\$6.91	\$8.98	\$11.74	\$13.13	\$13.82			
Award 38 hr wk			\$262.60	\$341.80	\$446.42	\$498.94	\$525.20	\$899.80	\$245.25	144.6
Ratio %			50%	65%	85%	95%	100%			
Fed min \$ Allowance	Hr \$11.80	Wk \$448.40								
2004							Level 6			
Award hour	Butchers		\$7.38	\$9.59	\$12.55	\$14.03	\$14.76			
Award 38 hr wk			\$280.60	\$364.78	\$477.02	\$533.14	\$561.20	\$948.00	\$258.25	147.7
Ratio %			50%	65%	85%	95%	100%			
Fed min \$ Allowance	Hr \$12.30	Wk \$467.40								
2005							Level 6			
Award hour	Butchers		\$7.60	\$9.89	\$12.93	\$14.45	\$15.21			
Award 38 hr wk			\$289.10	\$375.83	\$491.47	\$549.29	\$578.20	\$991.20	\$266.72	150.9
Ratio %			50%	65%	85%	95%	100%			
Fed min \$ Allowance	Hr \$12.74	Wk \$484.40								
2006 Oct							Level 6			
Award hour	Butchers		\$7.84	\$10.19	\$13.33	\$14.90	\$15.68			
Award 38 hr wk			\$298.10	\$387.53	\$506.77	\$566.39	\$596.20	\$1,035.90	\$276.75	158.8
Ratio %			50%	65%	85%	95%	100%			
Fed min \$ Allowance	Hr \$13.47	Wk \$511.86								

SA living wage apprentices 2001 - 2006

Year	Industry	Occupation	1st yr	2nd yr	3rd yr	4th yr	Full rate	Adult average weekly wage	Poverty line, single with housing	CPI
2001	Electrical contracting industry						Grade 5			
Award hour	Electrician		\$5.73	\$7.51	\$10.24	\$12.06	\$13.96			
Award 38 hr wk			\$217.94	\$285.40	\$389.18	\$456.63	\$530.70	\$809.70	\$237.78	143.1
Ratio %			42%	55%	75%	88%	100%			
Fed min \$	Hr \$10.87	Wk \$413.40								
Allowance	Tool		\$4.45	\$5.83	\$7.95	\$9.33	\$10.60			
2002	Electrical contracting industry						Grade 5			
Award hour	Electrician		\$6.11	\$8.01	\$10.92	\$12.82	\$14.85			
Award 38 hr wk			\$232.55	\$304.54	\$415.28	\$487.26	\$564.40	\$860.10	\$238.97	137.7
Ratio %			42%	55%	75%	88%	100%			
Fed min \$	Hr \$11.35	Wk \$431.40								
Allowance	Tool		\$4.75	\$4.07	\$5.55	\$6.51	\$11.30			
2003	Electrical contracting industry						Grade 5			
Award hour	Electrician		\$6.31	\$8.27	\$11.28	\$13.23	\$15.31			
Award 38 hr wk			\$240.11	\$314.44	\$428.78	\$503.10	\$581.80	\$899.80	\$245.25	144.6
Ratio %			42%	55%	75%	88%	100%			
Fed min \$	Hr \$11.80	Wk \$448.40								
Allowance	Tool		\$4.91	\$6.44	\$8.78	\$10.30	\$11.70			
2004	Electrical contracting industry						Grade 5			
Award hour	Electrician		\$6.53	\$8.56	\$11.67	\$13.70	\$15.82			
Award 38 hr wk			\$248.51	\$325.44	\$443.78	\$520.70	\$601.20	\$948.00	\$258.25	147.7
Ratio %			42%	55%	75%	88%	100%			
Fed min \$	Hr \$12.30	Wk \$467.40								
Allowance	Tool		\$5.08	\$6.66	\$9.08	\$10.65	\$12.10			
2005	Electrical contracting industry						Grade 5			
Award hour	Electrician		\$6.73	\$8.82	\$12.03	\$14.11	\$16.26			
Award 38 hr wk			\$256.07	\$335.34	\$457.28	\$536.54	\$618.06	\$991.20	\$266.72	150.9
Ratio %			42%	55%	75%	88%	100%			
Fed min \$	Hr \$12.74	Wk \$484.40								
Allowance	Tool		\$5.25	\$6.88	\$9.38	\$11.00	\$12.50			
2006 Oct	Electrical contracting industry						Grade 5			
Award hour	Electrician		\$6.94	\$9.09		\$14.55	\$16.75			
Award 38 hr wk	Includes allowances		\$263.88	\$345.57	\$471.23	\$552.91	\$636.60	\$1,035.90	\$276.75	158.8
Ratio %			42%	55%	75%	88%	100%			
Fed min \$	Hr \$13.47	Wk \$511.86								
Allowance	Tool		\$5.25	\$6.88	\$9.38	\$11.00	\$12.50			

Appendix 4: Weights: updating and locating apprentice budget standards

Australian Bureau of Statistics

cat. No. 6430.0 Consumer Price Index 15th Series Weighting Pattern

Table 1: Percentage Contribution to All Groups CPI, June Quarter 2005, Eight Capital Cities

	Weight	1997	2006	Increase since 1997	New weight (fraction)	Proportion
<i>15th series: percentage contribution to the all groups CPI June quarter 2005</i>						
Food	15.44	120.8	173.0	1.43		
Alcohol and tobacco	6.79	161.9	237.7	1.47		
Clothing and footwear	3.91	107.1	108.5	1.01		
Housing	19.53	95.9	132.2	1.38		
Household contents and services	9.61	113.4	124.5	1.10		
Health	4.70	158.5	219.8	1.39		
Transportation	13.11	124.4	160.8	1.29		
Communication	3.31	106.5	110.3	1.04		
Recreation	11.55	116.7	133.0	1.14		
Education	2.73	160.8	258.0	1.60		
Financial and insurance services	9.31	100	102.5	1.03		
All groups	99.99	119.7	155.7	1.30		
Sydney						
Food	15.44	121.4	174.8	1.44	0.19	0.278
Alcohol and tobacco	6.79	166.7	244.2	1.46	0.08	0.124
Clothing and footwear	3.91	107.3	111.5	1.04	0.05	0.051
Housing	19.53	101.3	137.2	1.35		
Household contents and services	9.61	111.0	122.6	1.10	0.12	0.133
Health	4.70	147.3	206.1	1.40	0.06	0.082
Transportation	13.11	125.2	161.3	1.29	0.16	0.211
Communication	3.31	106.8	109.8	1.03	0.04	0.043
Recreation	11.55	115.4	135.7	1.18	0.14	0.170
Education	2.73	156.7	270.9	1.73	0.03	0.059
Financial and insurance services	9.31	100.0	102.8	1.03	0.12	0.120
All groups	99.99	119.8	156.1	1.30	1.01	1.270
Melbourne						
Food	15.44	119.8	170.7	1.42	0.19	0.275
Alcohol and tobacco	6.79	158.6	238.2	1.50	0.08	0.127
Clothing and footwear	3.91	108.5	109.0	1.00	0.05	0.049
Housing	19.53	88.7	116.4	1.31		
Household contents and services	9.61	114.6	125.6	1.10	0.12	0.132
Health	4.70	171.3	231.4	1.35	0.06	0.079
Transportation	13.11	124.6	161.3	1.29	0.16	0.212
Communication	3.31	106.2	110.0	1.04	0.04	0.043
Recreation	11.55	119.8	133.3	1.11	0.14	0.16
Education	2.73	155.9	245.7	1.58	0.03	0.054
Financial and insurance services	9.31	100.0	103.5	1.04	0.12	0.120
All groups	99.99	119.5	153.7	1.29	1.01	1.252

Brisbane	<i>Weight</i>	<i>1997</i>	<i>2006</i>	<i>Increase since 1997</i>	<i>New weight (fraction)</i>	<i>Proportion</i>
Food	15.44	118.7	175.1	1.48	0.19	0.285
Alcohol and tobacco	6.79	162.9	232.1	1.42	0.08	0.121
Clothing and footwear	3.91	105.3	103.1	0.98	0.05	0.048
Housing	19.53	102.4	143.9	1.41		
Household contents and services	9.61	115.6	127.4	1.10	0.12	0.132
Health	4.70	151.7	223.1	1.47	0.06	0.086
Transportation	13.11	123.7	159.5	1.29	0.16	0.211
Communication	3.31	107.2	113.8	1.06	0.04	0.044
Recreation	11.55	117.1	129.1	1.10	0.14	0.159
Education	2.73	175.8	270.9	1.54	0.03	0.053
Financial and insurance services	9.31	100.0	101.5	1.02	0.12	0.118
All groups	99.99	120.7	157.5	1.30	1.01	1.257
Adelaide						
Food	15.44	122.0	179.3	1.47	0.19	0.284
Alcohol and tobacco	6.79	167.2	245.7	1.47	0.08	0.125
Clothing and footwear	3.91	105.4	109.3	1.04	0.05	0.051
Housing	19.53	92.2	131.2	1.42		
Household contents and services	9.61	113.6	124.9	1.10	0.12	0.132
Health	4.70	171.3	226.4	1.32	0.06	0.078
Transportation	13.11	123.2	163.9	1.33	0.16	0.218
Communication	3.31	105.6	111.7	1.06	0.04	0.044
Recreation	11.55	115.8	133.2	1.15	0.14	0.166
Education	2.73	186.3	295.9	1.59	0.03	0.054
Financial and insurance services	9.31	100.0	101.3	1.01	0.12	0.118
All groups	99.99	121.2	159.3	1.31	1.01	1.269
Perth						
Food	15.44	122.4	169.3	1.38	0.19	0.267
Alcohol and tobacco	6.79	152.7	223.5	1.46	0.08	0.124
Clothing and footwear	3.91	105.8	101.6	0.96	0.05	0.047
Housing	19.53	90.4	138.7	1.53		
Household contents and services	9.61	113.1	120.9	1.07	0.12	0.128
Health	4.70	149.9	209.6	1.40	0.06	0.082
Transportation	13.11	121.8	159.8	1.31	0.16	0.215
Communication	3.31	107.4	108.6	1.01	0.04	0.042
Recreation	11.55	114.1	130.6	1.14	0.14	0.16
Education	2.73	159.6	241.2	1.51	0.03	0.052
Financial and insurance services	9.31	100.0	101.8	1.02	0.12	0.118
All groups	99.99	117.5	154.9	1.32	1.01	1.241

Hobart	<i>Weight</i>	<i>1997</i>	<i>2006</i>	<i>Increase since 1997</i>	<i>New weight (fraction)</i>	<i>Proportion</i>
Food	15.44	121.0	165.1	1.36	0.19	0.263
Alcohol and tobacco	6.79	153.6	224.4	1.46	0.08	0.124
Clothing and footwear	3.91	104.8	104.2	0.99	0.05	0.049
Housing	19.53	97.7	135.8	1.39		
Household contents and services	9.61	119.7	131.8	1.10	0.12	0.132
Health	4.70	164.9	241.3	1.46	0.06	0.086
Transportation	13.11	122.2	154.7	1.27	0.16	0.207
Communication	3.31	105.0	111.3	1.06	0.04	0.044
Recreation	11.55	113.8	132.4	1.16	0.14	0.168
Education	2.73	182.3	254.0	1.39	0.03	0.048
Financial and insurance services	9.31	100.0	100.8	1.01	0.12	0.117
All groups	99.99	120.6	155.1	1.29	1.01	1.238
Darwin						
Food	15.44	121.8	165.5	1.36	0.19	0.262
Alcohol and tobacco	6.79	159.4	230.7	1.45	0.08	0.123
Clothing and footwear	3.91	105.6	105.1	1.00	0.05	0.049
Housing	19.53	113.6	153.8	1.35		
Household contents and services	9.61	107.7	115.6	1.07	0.12	0.129
Health	4.70	145.6	202.9	1.39	0.06	0.082
Transportation	13.11	122.4	153.6	1.25	0.16	0.206
Communication	3.31	106.0	102.0	0.96	0.04	0.040
Recreation	11.55	109.4	112.9	1.03	0.14	0.149
Education	2.73	142.7	174.8	1.22	0.03	0.042
Financial and insurance services	9.31	100.0	99.5	1.00	0.12	0.116
All groups	99.99	121.0	151.8	1.25	1.01	1.197

Appendix 5: Tax scales: individual income tax rates

Residents

These rates apply to individuals who: are residents of Australia for tax purposes for the whole financial year (see Residency - overview for more information); and, did not leave full-time education for the first time during the financial year.

Tax rates 2005-06

Taxable income	Tax on this income
\$0 - \$6,000	Nil
\$6,001 - \$21,600	15c for each \$1 over \$6,000
\$21,601 - \$63,000	\$2,340 plus 30c for each \$1 over \$21,600
\$63,001 - \$95,000	\$14,760 plus 42c for each \$1 over \$63,000
Over \$95,000	\$28,200 plus 47c for each \$1 over \$95,000

Tax rates 2006-07

Taxable income	Tax on this income
\$0 - \$6,000	Nil
\$6,001 - \$25,000	15c for each \$1 over \$6,000
\$25,001 - \$75,000	\$2,850 plus 30c for each \$1 over \$25,000
\$75,001 - \$150,000	\$17,850 plus 40c for each \$1 over \$75,000
Over \$150,000	\$47,850 plus 45c for each \$1 over \$150,000

The above rates do not include the Medicare levy of 1.5% (read *What is the Medicare levy?* for more information).

Tax offsets reduce the tax payable. Tax offsets based on taxable income levels apply to a range of circumstances.

For more information read *About tax offsets*.

Non-residents

If you are a non-resident for the full year, the following rates apply:

Tax rates 2005-06

Taxable income	Tax on this income
\$0 - \$21,600	29c for each \$1
\$21,601 - \$63,000	\$6,264 plus 30c for each \$1 over \$21,600
\$63,001 - \$95,000	\$18,684 plus 42c for each \$1 over \$63,000
Over \$95,000	\$32,124 plus 47c for each \$1 over \$95,000

Tax rates 2006-07

Taxable income	Tax on this income
\$0 - \$25,000	29c for each \$1
\$25,001 - \$75,000	\$7,250 plus 30c for each \$1 over \$25,000
\$75,001 - \$150,000	\$22,250 plus 40c for each \$1 over \$75,000
Over \$150,000	\$52,250 plus 45c for each \$1 over \$150,000

Non-residents are not required to pay the Medicare levy.

