

NORTHERN INDUSTRIAL DISTRICT (EXCEPT GISBORNE JUDICIAL DISTRICT) **CARPENTERS AND JOINERS.**—AMENDMENT OF APPRENTICESHIP ORDER

In the Court of Arbitration of New Zealand, Northern Industrial District.—In the matter of the Apprentices Act, 1923, and the Economic Stabilization Emergency Regulations 1942; and in the matter of the Northern Industrial District (except Gisborne Judicial District) Carpenters and Joiners' apprenticeship order, dated the 1st day of September, 1936, and recorded in 36 Book of Awards 602.

IN pursuance and exercise of the powers vested in it by the Economic Stabilization Emergency Regulations 1942, and upon application made in that behalf for amendment of the Northern Industrial District (except Gisborne Judicial District) Carpenters and Joiners' apprenticeship order, dated the 1st day of September, 1936, and recorded in 36 Book of Awards 602, this Court doth hereby order as follows:—

1. That the said apprenticeship order shall be amended by deleting clause 9, and substituting therefor the following clause:—

"9. The minimum weekly rates of wages payable to apprentices shall be the undermentioned percentages of an amount equal to forty times the nominal hourly wage-rate for journeymen carpenters and joiners as prescribed by the general award relating to the employment of carpenters and joiners in force from time to time in the locality:—

"For Apprentices commencing their Apprenticeship when under Eighteen Years of Age—

	Per Cent.
" For the first six months	23
" For the second six months	29
" For the third six months	35
" For the fourth six months	41
" For the fifth six months	47
" For the sixth six months	53
" For the seventh six months	59
" For the eighth six months	65
" For the ninth six months	71
" For the tenth six months	77

<i>“For Apprentices commencing their Apprenticeship when Eighteen Years of Age or over—</i>	Per Cent.
“For the first six months	35
“For the second six months	41
“For the third six months	47
“For the fourth six months	53
“For the fifth six months	59
“For the sixth six months	65
“For the seventh six months	71
“For the eighth six months	77”

2. That for the purpose of removing doubts as to the operation of the two general orders of the Court made under the Rates of Wages Emergency Regulations 1940, and dated the 9th August, 1940, and the 31st March, 1942, respectively, it is hereby declared that the amended rates of remuneration provided by this order shall be increased to the extent and in the manner set forth in the said two general orders of the Court.

3. That this order shall, on and from the date on which it takes effect, be deemed to apply according to its tenor to all contracts of apprenticeship in force on that date and entered into, subject either to the provisions of the said apprenticeship order or to the provisions of an apprenticeship order that has before that date been superseded directly or indirectly by the said apprenticeship order.

4. That this order shall be deemed to have taken effect on the 1st day of April, 1945.

Dated this 29th day of June, 1945.

[L.S.]

A. TYNDALL, Judge.

MEMORANDUM

Regulation 39A of the Economic Stabilization Emergency Regulations 1942, Amendment No. 5 (Serial number 1945/6), empowers the Court upon application made in that behalf to amend the provisions of any apprenticeship order relating to rates of remuneration in such a manner as the Court thinks fit for the purpose of restoring or preserving a proper relationship with the rates of remuneration of other workers or classes of workers (whether fixed by any award, apprenticeship order, or industrial agreement or otherwise).

Particular attention is drawn to the following extract from subclause (3) of Regulation 39A:—

Any amendment made by the Court under this regulation to any apprenticeship order shall, on and from the date on which it takes effect, be deemed to apply according to its tenor to all contracts of apprenticeship in force on that date and entered into subject either to the provisions of that apprenticeship order or to the provisions of an apprenticeship order that has before that date been superseded directly or indirectly by that apprenticeship order.

The Court has heard an application made by the Auckland Branch of the New Zealand (except Wellington, Nelson, and Otago and Southland) Carpenters and Joiners and Joiners' Machinists Industrial Union of Workers for an amendment of the Northern Industrial District (except Gisborne Judicial District) Carpenters and Joiners' apprenticeship order (36 Book of Awards 602).

The amendment of apprenticeship orders for the purposes of the regulations presents a special problem. Many orders have not been revised during the past fifteen or twenty years.

The Northern Carpenters and Joiners' apprenticeship order which is now in force was made almost nine years ago. The minimum rates of wages prescribed in that order are as follows:—

For a Commencing Age of less than Eighteen Years—

	Per Week.		
	£	s.	d.
The first year at a rate of	1	2	6
The second year at a rate of	1	12	6
The fifth six months at a rate of	2	2	6
The sixth six months at a rate of	2	7	6
The seventh six months at a rate of	2	12	6
The eighth six months at a rate of	2	17	6
The ninth six months at a rate of	3	2	6
The tenth and final six months at a rate of	3	7	6

For a Commencing Age of Eighteen Years and over—

The first year at a rate of	1	12	6
The second year at a rate of	2	2	6
The fifth six months at a rate of	2	12	6
The sixth six months at a rate of	3	2	6
The seventh six months at a rate of	3	12	6
The eighth and final six months at a rate of	4	2	6

In the intervening period considerable changes have been made in the rates of remuneration of journeymen in the several trades and in the rates of wages of the various classes of junior workers, both male and female, employed in industry generally. These changes are apart altogether from increases of the nature of those granted by the Court under its general orders of 9th August, 1940, and 31st March, 1942.

Unfortunately, there is no general uniformity in the changes which have been made in the rates of wages of junior workers. It is of interest, however, to note the changes which have taken place since 1936 in the rates of wages for boys and youths in several industries. For example, let us examine the rates for youths operating such machines as mortise-machines, tenon-machines, &c., in box-factories. The same machines are operated by apprentices in joinery factories.

In the Wellington Industrial District (except Wellington Twenty-five-mile Radius) Timber-yards and Sawmills' Employees' award (36 Book of Awards 260) and in the South Auckland Timber-yards and Sawmills' Employees' award (36 Book of Awards 295) the following scale of wages for boys and youths is to be found:—

Age commencing.	First Year.	Second Year.	Third Year.	Fourth Year.	Fifth Year.	Sixth Year.
Under 16	20/-	25/-	30/-	37/6	42/6	52/6
16 to 17	22/6	27/6	32/6	40/-	50/-	..
17 to 18	25/-	30/-	37/6	47/6	..	..
18 to 19	27/6	35/-	45/-	..	..	..
19 to 20	35/-	45/-	..	..	..	..
20 to 21	45/-	..	..	..	..	..

In an amendment dated 19th April, 1945, to the New Zealand (except Marlborough, Nelson, and Westland) Timber-workers' award (44 Book of Awards 1289) the following scale for the same class of workers appears:—

Age commencing at Trade.	First Year.		Second Year.		Third Year.		Fourth Year.		Fifth Year.	
	First Half.	Second Half.	First Half.	Second Half.	First Half.	Second Half.	First Half.	Second Half.	First Half.	Second Half.
Under 17 years ..	29/-	34/-	39/-	44/-	49/-	56/6	64/-	74/-	84/-	..
17 to 18 years ..	34/-	39/-	44/-	49/-	56/6	64/-	74/-	84/-	..	..
18 to 19 years ..	39/-	44/-	49/-	56/6	64/-	76/6	..	..	..	..
19 to 20 years ..	49/-	56/6	64/-	76/6	..	..	..	..	..	..
20 to 21 years ..	59/-	74/-	..	..	..	..	..	..	..	..

And thereafter, or upon attaining the age of twenty-one, at adult rates.

Under the 1936 scale a youth commencing over sixteen years of age and under seventeen received an average wage over a five-year period of 34s. 6d. per week. Under the 1945 scale, without the benefit of the Court's general orders, the same youth over a period of four and a half years will receive an average wage of 52s. 7d. per week, an increase of 18s. 1d. per week.

Another trade associated to some extent with woodwork is coachbuilding.

In 1937 the scale for junior helpers in the Wellington and Canterbury Coach and Motor Body Builders' award (37 Book of Awards 530) was as follows:—

Age commencing.	First Six Months.	Second Six Months.	Third Six Months.	Fourth Six Months.	Fifth Six Months.	Sixth Six Months.
	Per Week.	Per Week.	Per Week.	Per Week.	Per Week.	Per Week.
Fifteen to sixteen ..	22/6	26/6	30/6	34/6	38/6	40/-
Sixteen to seventeen ..	27/6	31/6	35/6	39/6	40/-	..
Seventeen to eighteen ..	32/6	36/6	40/-	40/-	..	..
Eighteen to nineteen ..	37/6	40/-	47/6	..	..	..
Nineteen to twenty ..	47/6	..	..	..	..	..
Twenty to twenty-one	57/6	..	..	..	..	..

The current award for the Wellington, Nelson, Westland, and Canterbury districts (44 Book of Awards 1198), as amended, contains the following provision for junior helpers and assemblers:—

Age commencing.	First Six Months.	Second Six Months.	Third Six Months.	Fourth Six Months.	Fifth Six Months.	Sixth Six Months.	Fourth Year.	Fifth Year.	Sixth Year.
Under 16 ..	27/6	32/6	37/6	42/6	47/6	52/6	60/-	70/-	80/-
16 to 17 ..	32/6	37/6	42/6	47/6	52/6	60/-	70/-	80/-	..
17 to 18 ..	37/6	42/6	47/6	52/6	60/-	70/-	80/-	..	..
18 to 19 ..	42/6	47/6	52/6	60/-	70/-	80/-	..	..	..
19 to 20 ..	52/6	65/-	70/-	80/-	..	..	..	..	..
20 to 21 ..	70/-	80/-	..	..	..	..	..	..	..

On attaining the age of twenty-one years, not less than the adult rates herein prescribed shall be paid.

Under the 1937 scale a youth commencing under sixteen years of age received an average wage over a three-year period of 32s. 1d. per week. Under the 1945 scale the same youth over a similar period will receive an average wage of 40s. per week, an increase of 7s. 11d. per week.

A comparison of the Combined District Engineers' award of 1936 (36 Book of Awards 1782) and the Northern Engineers' award of 1944 (44 Book of Awards 417), as amended, shows an increase in the case of the same class of worker over a period of five years of 9s. per week.

In 1936 the wages of junior workers on dairy-farms were fixed by the Agricultural Workers' Act, 1936, as follows:—

	Per Week.	
	s.	d.
Under the age of seventeen years ..	17	6
Seventeen and under eighteen ..	22	6
Eighteen and under nineteen ..	27	6
Nineteen and under twenty ..	32	6
Twenty and under twenty-one ..	37	6

The average of the above rates is 27s. 6d. per week, and the workers were entitled, in addition, to board and lodging valued at 17s. 6d. per week. The present rates for such workers (Statutory Regulations 1944 (Serial number 1944/145); *N.Z. Gazette*, 19th October, 1944) are:—

	Per Week.	
	s.	d.
Under the age of seventeen years ..	32	9
Seventeen and under eighteen ..	42	0
Eighteen and under nineteen ..	51	6
Nineteen and under twenty ..	61	6
Twenty and under twenty-one ..	70	9

The average of the above rates is 51s. 8d. per week, an increase over the 1936 average of 24s. 2d. per week. In addition, the workers are entitled to board and lodging, now valued at £1 per week. It should be mentioned that the rates for dairy-farm workers are not subject to the Court's general orders or any increases of a similar nature.

During the same period substantial increases have been granted to other junior agricultural workers and to apprentices in the Railways Department.

It is manifest that the provisions of the Northern Carpenters and Joiners' apprenticeship order relating to rates of remuneration require important amendments to enable a proper relationship with the rates of remuneration now prescribed for many other classes of junior workers to be restored.

The report of the 1944 Commission of Inquiry into Apprenticeship and Related Matters recommended that in future the scales of wages in apprenticeship orders should be laid down as percentages of the ruling minimum rates for journeymen applying for the time being in the industry

concerned. This practice is frequently followed abroad, and where practicable the Court proposes to adopt it when making amendments to apprenticeship orders pursuant to the Economic Stabilization Emergency Regulations.

In making this decision the Court also has in mind the wide variations in the minimum rates of wages at present prescribed for apprentices in various industries and in the rates applying in different districts in the same industry. These variations are to some extent due to the fact that the rates in many apprenticeship orders have not been reviewed for periods varying from ten to twenty years, but this is not the whole explanation. Scales of wages agreed upon by the interested parties and incorporated by the Court in apprenticeship orders upon their request disclose variations the reasons for which the Court is unable to appreciate. As a result of adopting a percentage basis, the Court hopes that in the future a greater degree of uniformity in rates of wages for apprentices will be achieved, and, further, that apprentices will not in the future suffer the disabilities which some have suffered in the past due to lack of action in bringing apprenticeship orders up to date. Any future adjustments in the prescribed minimum rates for journeymen will, under the percentage system, be automatically and simultaneously reflected in the appropriate apprenticeship orders.

A new scheme of apprenticeship for workers learning the building trades in Great Britain has been drawn up and approved by the executives of the National Federation of Building Trades' Employers and the National Federation of Building Trades' Operatives. The scheme includes the following provision in regard to wages:—

During the first year of apprenticeship the apprentice is to receive one-quarter of the craftsman's rate per week; during the second year, one-third of this rate; during the third year, one-half; during the fourth year, two-thirds; and during the fifth year, three-quarters.

It will be noted that the average rate of wages of an apprentice under this scheme during his five years of apprenticeship would be 50 per cent. of the craftsman's rate. It appears to the Court that an average rate of 50 per cent. of the craftsman's wage during the period of apprenticeship has a logical basis. It has been claimed that at the commencement of a boy's apprenticeship he is not worth anything to his employer, while on the completion of his apprenticeship, if the parties to the apprenticeship contract have fulfilled

their obligations, he is worth at least the award rate for a craftsman. Fifty per cent. of the craftsman's rate is the mean of these two assessments of the value of the apprentice to his employer at the beginning and end of his apprenticeship. The Court proposes, therefore, to fix rates of wages for apprentices in such a manner that the average rate during the period of apprenticeship will be one-half of the minimum award rate for craftsmen.

In New Zealand the provisions of the Factories Act render it advisable to adopt a scale providing for six-monthly increases. It is thought, also, that such a scale has psychological advantages.

The Court has decided on the following scales of minimum rates for carpenters and joiners' apprentices in the Northern Industrial District, the rates being expressed in percentages of the minimum nominal hourly rates for journeymen multiplied by forty:—

For a Commencing Age of less than Eighteen Years—

	Per Cent.
For the first six months	23
For the second six months	29
For the third six months	35
For the fourth six months	41
For the fifth six months	47
For the sixth six months	53
For the seventh six months	59
For the eighth six months	65
For the ninth six months	71
For the tenth six months.. ..	77

For a Commencing Age of Eighteen Years and over—

	Per Cent.
For the first six months	35
For the second six months	41
For the third six months.. ..	47
For the fourth six months	53
For the fifth six months.. ..	59
For the sixth six months	65
For the seventh six months	71
For the eighth six months	77

The present award rate for carpenters is 3s. 0½d. per hour (without the Court's general orders), or £6 1s. 8d. for a forty-hour week.

The weekly rates for apprentices calculated on the above basis will therefore be as follows:—

For a Commencing Age of less than Eighteen Years—

	£	s.	d.
For the first six months	1	8	0
For the second six months	1	15	3
For the third six months	2	2	7
For the fourth six months	2	9	11
For the fifth six months	2	17	2
For the sixth six months	3	4	6
For the seventh six months	3	11	9
For the eighth six months	3	19	1
For the ninth six months	4	6	5
For the tenth six months	4	13	8

For a Commencing Age of Eighteen Years and over—

	£	s.	d.
For the first six months	2	2	7
For the second six months	2	9	11
For the third six months	2	17	2
For the fourth six months	3	4	6
For the fifth six months	3	11	9
For the sixth six months	3	19	1
For the seventh six months	4	6	5
For the eighth six months	4	13	8

The above rates will be subject to increases in accordance with the Court's general orders of 9th August, 1940, and 31st March, 1942.

Mr. Prime is not in agreement, and his dissenting opinion follows.

A. TYNDALL, Judge.

DISSENTING OPINION OF MR. PRIME

It is true that there are wide discrepancies between the wage-rates prescribed in the various apprenticeship orders which are in force, and the position seems to call for the adoption of a standard method of fixing rates of wages payable to apprentices.

I agree that the adoption of the percentage system will tend to avoid anomalies and to abolish possible injustices to apprentices, in that their rates under such a system will automatically retain the same relationship with the rates payable from time to time to journeymen. But I do not agree at all with the basis adopted.

The argument in justification of the adoption of rates equal to an average of 50 per cent. of a journeyman's wage is sound so far as it goes, but it seems to me to overlook a very important factor. What the apprentice receives by way of remuneration for his services is not only his money wages; he receives something else hardly less tangible—that is, training and tuition in a trade in which he will earn his livelihood probably for the rest of his working life. It has been estimated that the training an apprentice receives is equal in value to the money wages he receives (or would have received under the scales generally in force a few years ago). No cognizance of this factor is taken in fixing the average rate of remuneration of an apprentice at 50 per cent. of the rate payable to a journeyman. It is to be noted, too, that an employer, by the apprenticeship contract, is bound properly to teach his apprentice the trade, and he may be liable in heavy damages if he fails to do so.

I am bound to point out that the rates in the present Northern apprenticeship order for carpenters' apprentices (the one immediately under review) are already higher than those in force (for carpenters) in any other district except Manawatu-Oroua. See the order made on 23rd June, 1939 (less than three months before the war commenced), signed by O'Regan and Callan, JJ. (recorded in 39 Book of Awards 793), when an application to have the Northern rates applied to several other districts was refused. In still other districts the rates prescribed by the Court in that order were followed at later dates.

Though the Court has been constrained recently through legislative action by way of amendment to the Stabilization Regulations to award increases in wage-rates generally far beyond what appeared to be warranted by economic considerations, and by the same regulations is empowered to alter wage-rates payable to apprentices to the extent necessary to restore and preserve a proper relationship with the rates payable to other workers or classes of workers, I am not convinced that the rates set out in the foregoing judgment are necessary to meet the requirements of the regulations. To restore or preserve is to give back what has existed and been taken away, or maintain that which exists. In this case the Court has established something entirely new—a much higher relative position than has ever existed previously; one which is higher, in my opinion, than is necessary to restore and

preserve a proper relationship. The new rates, in fact, will in some cases involve increases of approximately 100 per cent.; in the case immediately under consideration the increase is equal to 38 per cent. for an apprentice starting under eighteen years of age. And all this under the guise of stabilization!
