

Apprentice Pay and the minimum wage

Paddy Kavanagh

General Secretary Connect Trade Union



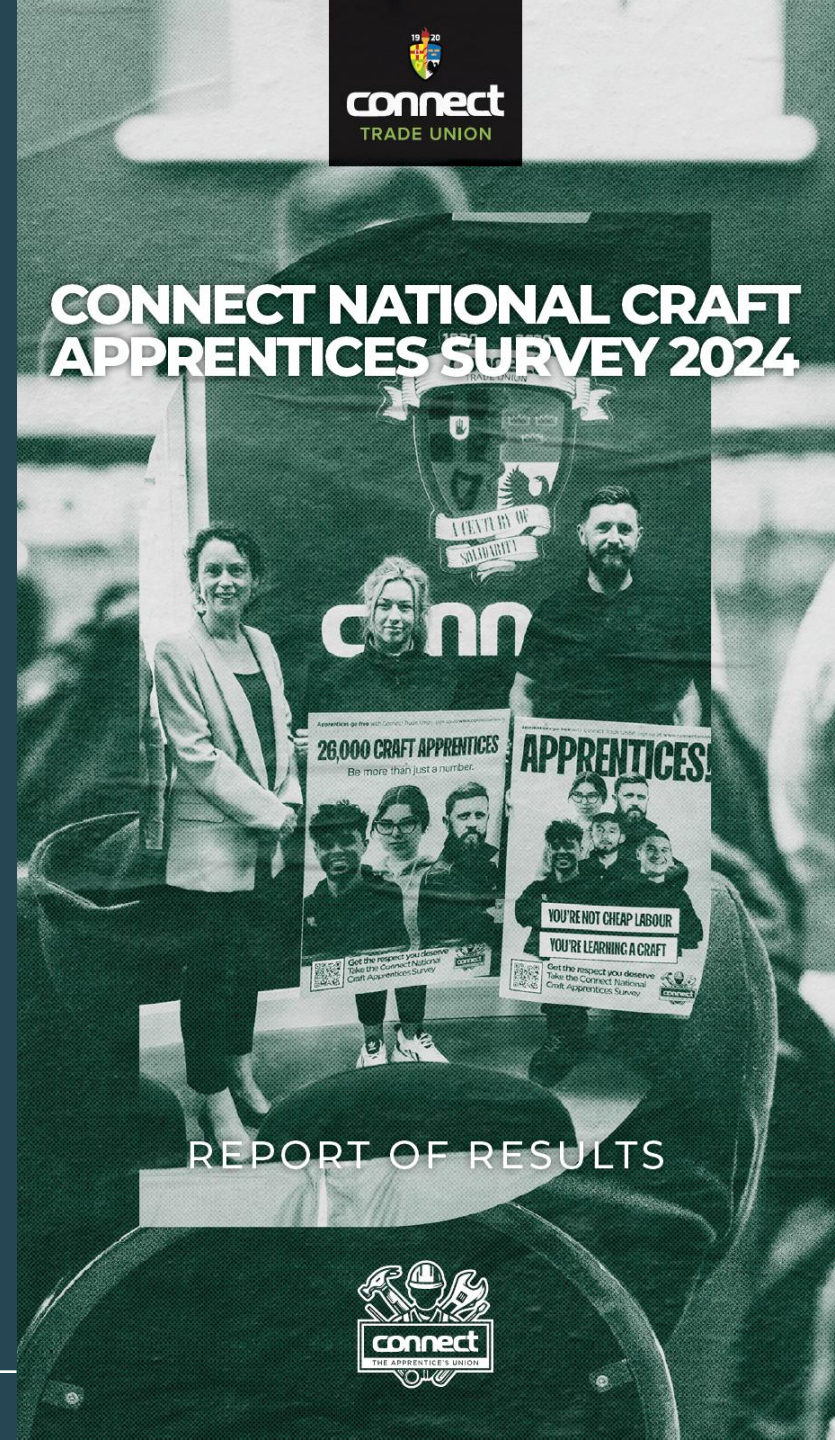
Introduction

- Connect Trade Union whose members are solely craft and engineering workers
- Represents 21 of the craft apprenticeships along with all other grades in engineering
- Over 30% of members are apprentices
- Sits on both the the NAAC and NAA
- Members of Solas Appeals, RPL and SME Committees



CONNECT SURVEY

- Launched Survey in mid 2024
- Results collated for Connect National Apprentices Summit at BDC 2024
- Arose from issues apprentices were raising such as
 - Delays across a number of phases
 - Work related issues
 - Apprentice student charge
 - Exploitation
 - Inadequate workplace training
 - Pay
 - Expenses



Findings

Pay

- 46% reported getting paid less than €7 per hour of work during a stage of their apprenticeship.
- More than 90% reported being paid less than minimum wage per hour (€12.70) during a stage of their apprenticeship.
- 26% say their employer has paid them below agreed minimum pay rates (which can already be below the State minimum wage of €12.70 per hour).
- Over 95% believe all apprentices should be paid at least the statutory minimum wage.
- 96% said the training allowances paid to apprentices are insufficient and need to be increased to take into account of increasing costs.



Findings

Pay

What is the lowest you have been paid during your apprenticeship as an hourly rate?	
€7 or less per hour	46.2%
Between €7 and €12.70 (the minimum wage) per hour	45.3%
€12.70 (the minimum wage) to €15 per hour	5.1%
€15 or more per hour	3.4%

Has your employer paid the correct rates of pay for your apprenticeship?



Do you think apprentices should get paid at least the National Minimum Wage?



Are the Training Payments and Allowances paid during the Off-the-job phases of your apprenticeship sufficient to assist in meeting your living costs?



Findings

Quality of Apprenticeships

- 53% stated completion of their apprenticeship had been delayed by more than one year.
- Over 45% say they have no workplace accessor to ensure they are attaining the correct standards.
- 20% state they have been dismissed or left the company with which they started their apprenticeship.
- 78% think the Government and the Department of Further and Higher Education are doing a 'bad job' in running the apprenticeship system.
- 92% believe that the Apprentice Student Charge they must pay for third level facilities many to not benefit from should be abolished.



Findings

Quality of Apprenticeships

Have you experienced delays in your apprenticeship?

1 year	29.7%
No	26.3%
1.5 year or more	23.7%
6 months	13.6%
3 months	6.8%

Is there a person appointed as the workplace assessor in your employment?



Findings

Life

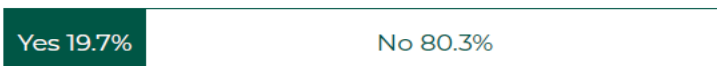
- 54% said that the cost of transport (public or private) was the essential cost they had the biggest problem paying.
- More than 30% reported being more than 24 years old (14% were over 30).

A total of 802 apprentices responded to the Connect National Craft Apprentices Survey 2024. The survey was accessed through a QR Code on materials distributed digitally to Connect Apprentices members and generally to apprentices at places of further education across the country from 30th May to 20th September 2024.



Findings

Have you had an issue with an employer that led to you leaving or being dismissed?



Do you think the Government and the Dept. of Further & Higher Education are doing a good job or a bad job on apprenticeships?



Do you agree that the Apprentice Student charge that you pay in Phase 4 & 6 should be abolished?



Findings

Life

What age are you?

<u>20-24</u>	<u>44.4%</u>
<u>18-20</u>	<u>22.2%</u>
<u>24-30</u>	<u>17.9%</u>
<u>30 plus</u>	<u>13.7%</u>
<u>Under 18</u>	<u>1.7%</u>

What is the biggest cost you have problems paying?

<u>Car/Travel</u>	<u>54.3%</u>
<u>Rent/Mortgage</u>	<u>31.9%</u>
<u>Food</u>	<u>6.9%</u>
<u>Family costs (school costs)</u>	<u>4.3%</u>
<u>Clothing</u>	<u>1.7%</u>



Current State



NAO Survey



NAO Survey

EXPERIENCE IN COLLEGE

82%

believe that skills learned in college are useful

96%

say they feel happy to ask questions in the learning environment

87%

stated that teaching staff are supportive of their learning

30%

indicated that they experienced learning challenges during their apprenticeship

THE TOP 3 LEARNING CHALLENGES:

1

Linking theory to practice

2

Feeling overwhelmed by the study component of their apprenticeship

3

Acquiring new information that was not already learned in the workplace.

NEXT STEPS

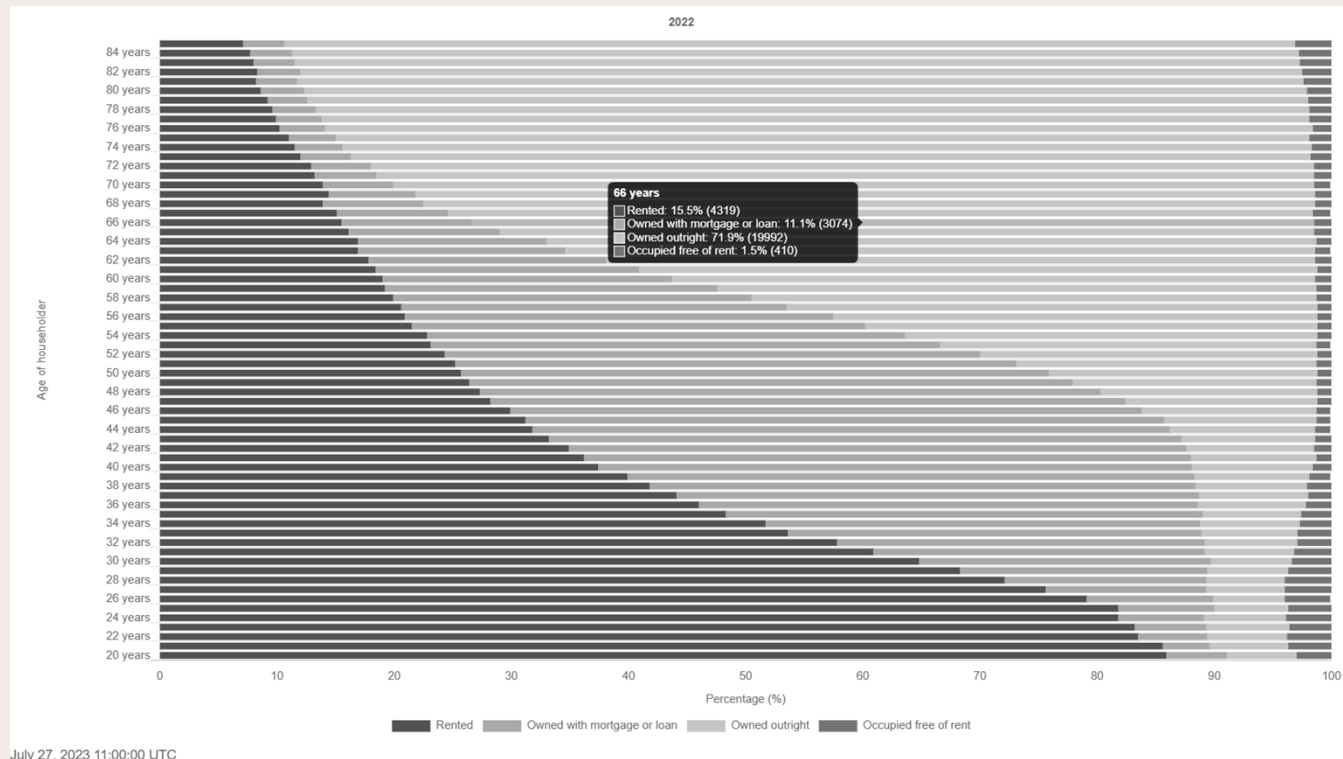
A detailed report on the findings from the survey of apprentices is being prepared and will be published during 2025. The findings will be compared with those from the 2019 survey. In addition, the National Apprenticeship Office is following up on findings from the survey to ensure that the feedback from apprentices helps to continuously improve the system. Over 2,000 individual comments were received with very valuable insights into the experience of apprentices. All responses have been anonymised to ensure full confidentiality in the survey process.



NATIONAL
APPRENTICESHIP
OFFICE



CSO 20-30 years Rent 78.3% Mortgage 10.6%
 Average rent €1612 pm Average Mortgage €1406

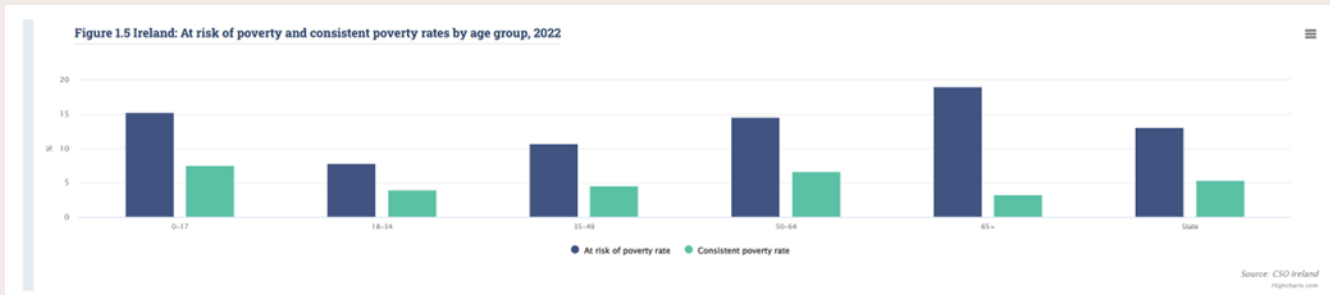


July 27, 2023 11:00:00 UTC



CSO

- 42.3% of young adults now live with at least 1 parent up from 26.9% in 1981 and 32.1% in 1991
- 6.4% of people in their 20's have at least 1 child
- Those at risk of poverty and those in poverty aged between 20 and 35 is increasing
- Average age for starting a craft apprentice in 20 – 24 years with qualification 24 – 29 years
- Average starting age for new consortium apprenticeship is 36 plus



Apprentice Pay Rates

Construction	Electrical	Mechanical
1 st Year €7.67*	€9.16**	€9.20***
2 nd Year €11.50*	€11.78**	€13.82***
3 rd Year €17.25*	€17.01**	€20.72***
4 th Year €20.70*	€20.94**	€24.87***

Note:

- * From 1st Aug 2025 to 31st July 2026
- ** From 1st June 2024 (negotiations underway)
- *** From 1st May 2025 (new rates 1st May 2026)
- Solas off the job training rates

Construction	Electrical	Mechanical	Engineering	Motor
€7.40	€9.16	€8.91	€5.19	€6.25
€11.12	€11.78	€13.36	€7.80	€9.39
€16.68	€17.01	€20.04	€12.53	€14.10
€20.02	€20.94	€24.05	€13.99	€16.92



Union actions

- Pharma, Medical Devices, Food & Drink employers have agreed with Connect to move or being to move the entry rate for apprentices to Minimum Wage
- Some employers in Pharma and Aerospace paying apprenticeship charge (mostly on successful exam results)
- Some employers as an incentive to take an apprenticeship paying for starter tool set
- Mechanical & Electrical employers accepting to being the move to minimum wage as entry rate during next pay negotiations (biggest cohort of apprentices)
- Even chairperson of the Hairdressing Apprenticeship Consortium accepts minimum wage should be entry point (can't attract apprentices)



Challenges & Threats

- 30% increase in Craft & Engineering apprenticeships required to tackle housing deficit
- Low pay a block to entry into apprenticeships
- Drop out rate almost 20% (3rd level 17.9%)
- Concern over move to consortia (employer) led model
- In UK the move to employer led model resulted in the drop out rate rising from 17% to 47%
- New UK government investigating move back to previous statutory system
- National Apprentice Office trying to remove unions as worker representative contrary to ILO recommendation R208 of 2023
- Government prefer indenture/internship rather than statutory apprenticeship
- Recent attempt from the NAO to remove unions from Solas committees
- Unions must work with left parties on a bill to remove **all** exemptions from the minimum wage legislation



Thank you

Paddy Kavanagh
General Secretary
Connect Trade Union

