

MEMO FOR CABINETBY THE HON. MINISTER OF LABOUR, EMPLOYMENT AND WELFARE.

Wages to apprentices in private industry were last revised in 1957. The 15% general rise in 1959 and the more recent 8% increase were not reflected in apprentices' wages. These are considered too low by present standard and are proving anything but an incentive to attract apprentices of the right type and in the desired numbers.

Wages in payment are as follows:-

6-year apprenticeships

1st year	-	17/-	per week
2nd year	-	30/-	"
3rd year	-	43/-	"
4th year	-	60/-	"
5th year	-	80/-	"
6th year	-	90/-	"

4-year apprenticeships other than apprenticeships for waiters in hotels

1st year	-	17/-	per week
2nd year	-	32/-	"
3rd year	-	58/-	"
4th year	-	74/-	"

4-year apprenticeships for waiters in hotels

1st year	-	25/-	per week
2nd year	-	35/-	"
3rd year	-	58/-	"
4th year	-	74/-	"

The Youth Advisory Committee has considered the matter and has recommended -

- (1) An immediate increase of 25% on present apprenticeship wage scales;
- (2) an automatic increase when the minimum wage is increased.

An increase in wages to apprentices affects both employers and Government. The former have to pay more wages after the first year of apprenticeship and Government has to pay more subsidy from the very first year of apprenticeship.

Government subsidises employers of apprentices as follows:-

4-year apprenticeships

1st year	-	full wages paid by Government
2nd year	-	50% of wages paid by Government
3rd year	-	25% of wages paid by Government
4th year	-	NIL.

6-year apprenticeships

1st year	-	full wages paid by Government
2nd year	-	50% of wages paid by Government
3rd year	-	25% of wages paid by Government
4th year	-	15% of wages paid by Government
5th and 6th year	-	NIL.

Malta Drydocks, the Gas Board, the Electricity Board and Government pay much higher wages than those laid down in the various schemes and an increase in wages will not affect them. Other employers will have to bear the extra expense.

The estimated expenditure on subsidy to employers is around £27,000 a year at the moment of which about a third goes to the Malta Drydocks, employers of the largest number of apprentices.

To implement the first recommendation of the Youth Advisory Committee, i.e. to raise wages of apprentices by 25%, another £4,000 a year will be required in the form of subsidy on the present complement of apprentices. Training of workers for present and future requirements of industry is essential for industrial development and a few thousand pounds spent on raising the standard of our workers will pay dividends in the immediate future.

Honourable Ministers are invited to approve that wage scales to apprentices in private industry be increased by 25%. It is not deemed advisable to agree to the second recommendation of the Youth Advisory Committee, namely, that wages to apprentices be increased automatically when the Government minimum wage is increased.

13 January, 1967.

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