

## ACTU seeks wage justice for young workers

The union movement's peak Congress meeting in Adelaide has endorsed a new youth policy to tackle discriminatory junior rates of pay designed to make work fairer for young people.

Junior workers are often paid a percentage of the relevant adult pay rate under awards. If there aren't junior rates in their award or agreement, then juniors are paid the same as adult employees.

Junior rates apply to 75 awards, including those with high levels of young workers, like fast food, retail outlets and hospitality.

The discriminatory rates represent massive pay cuts for young people struggling with the cost of living.

Despite doing the same job, it means that a 21-year-old waitress will get paid \$29.04 an hour while her 18-year-old co-worker will get paid just \$16.26 per hour. There is no way this is fair.

An 18-year-old retail worker will need to work more than 50 hours a week to earn a full-time adult wage.

By comparison, in New Zealand, workers aged 16 to 19 earn 80% of the minimum wage for the first 6 months in a job, before then progressing to the full rate. In Canada, nearly all provinces have no youth rates of pay. In Alberta and Ontario, students under the age of 18 still get between 85% to 95% of the full minimum wage.

Unions will also call for the abolition of the very low junior rates for apprentices. These training wages are low enough and should not go any lower. Governments also need to lead a crackdown on exploitative training practices.

Unions want an end to 'sham traineeship' arrangements whereby employers engage young trainees as cheap labor and provide minimal or substandard training. Unpaid internships and student placements should also be consigned to the past.

The current superannuation system also discriminates against young workers, as super is not paid to workers under 18 unless they work 30 hours a week. This must change because with the compounding effect of super, even a small amount earned at a young age significantly boosts retirement savings.

### Quotes attributable to ACTU Secretary, Sally McManus:

"Young people don't get discounts on their rent or youth grocery bills, so why should they get youth wages?"

"Eighteen-year-olds have the same social and legal responsibilities as other adults and deserve the same minimum pay rates.

"The cost of living and housing disproportionately falls on young workers. Wage discrimination in the forms of youth wages, discriminatory super rules, and forms of unpaid work such as internships, are compounding economic insecurity for young people.

"The cards are already so heavily stacked against young workers. It is unfair for them to have to work harder and longer to pay the same bills as other adults."

**ENDS**

**Media Contact:** Luisa Saccotelli 0400 149 901