

media release



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Adult age, adult wage: ACTU backs the change

Australian Unions are backing a bid to end junior rates of pay in a case starting in the Fair Work Commission today.

The retail workers union, the SDA has applied to the Commission to scrap junior pay rates for workers aged 18 and over in retail, fast food and pharmacies so they can be paid adult wages.

Young workers under 21 employed under the key retail, fast food and pharmacy awards are not currently entitled to adult wages.

They are paid lower wages on a sliding scale that is out of touch with the cost-of-living pressures confronting young workers.

Workers under 20 are paid 90 percent of the adult award rate, 19-year-olds 80 per cent of the award rate and 18-year-olds just 70 percent of full award rates in retail, fast food and pharmacies.

Employer groups have got it wrong when they claim this will cost young workers their jobs, just as they did when women began campaigning for equal pay fifty years ago and they said women would be squeezed out of the workforce.

Quotes attributable to ACTU President, Michele O'Neil:

“If you’re 18, you’re legally an adult. You can vote. You can drive. You can work the late shift. But in retail and fast food, you’re still paid like a kid.

“Right now, 18-year-olds earn 70% of the adult rate. At 19, it’s 80%. At 20, 90%. You only get full pay at 21 – even when the job you are doing is still exactly the same.

“That pay gap isn’t small. An 18-year-old needs 50 plus hours a week to earn what an adult makes in 38. The bills don’t get reduced because you’re younger. The rent doesn’t care about your birthday.

“The SDA – the union for retail and fast-food workers – has asked the Fair Work Commission to fix this. Once you’re legally an adult, you should be paid the adult wage. It’s straightforward and fair.

“Employers argue adult pay for 18-year-olds will kill jobs. We’ve heard it before. They said equal pay for women would kill jobs. It didn’t.

“They said cutting penalty rates would create jobs. It didn’t. Fair pay doesn’t kill jobs, but ill-founded employer scare campaigns can and do.

“Other countries have fixed this already. In New Zealand, young workers move to full pay after six months. In most Canadian provinces, youth rates don’t exist. Australia is behind, and young workers are paying for it in every shift.

“Most 18-year-olds in these sectors aren’t new to their jobs. They often started at 15 or 16. By 18, they know the systems, the customers, the weekend rush. Many can run a close. They often supervise older workers. Paying them less just because they’re younger doesn’t reward work. It unfairly discounts it.

“Employers may say now isn’t the time, but for them it’s never the time. Meanwhile, young workers choose between topping up their phones or topping up their travel cards.

“They skip dinner to cover rent and bills. They take extra shifts and fall behind in their studies because of the need to put in more hours at work. That’s not a fair start to adult life.

“This simple change won’t fix everything young people face. But it would send a clear message - your time is worth what the job is worth. Adult responsibility should come with adult pay.

“The ACTU supports the SDA’s case to end junior rates for 18–20-year-olds. When you turn 18, you’re an adult. You should be paid like one.”

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