18 September 2026

Committee Secretary
Senate Standing Committees on Economics

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Dear Committee Secretary

**Submission to the Senate Inquiry into *Superannuation Legislation Amendment (Fair Super for Young Workers) Bill 2026***

The Shop, Distributive and Allied Employees' Association (SDA) welcomes the opportunity to contribute to this inquiry. The SDA represents nearly 200,000 workers, mainly in retail, fast food and warehousing. Many are young workers, award-reliant and in insecure work. For these workers, superannuation is not a luxury. It is deferred earnings and an important foundation for dignity and security in retirement. The SDA has 10 policy principles that guide our engagement in these inquiries. For a list of these, see Attachment A.

The SDA supports the intent of the legislation to ensure young workers have fairer superannuation, that said, inserting subsection 10A(3A) would unnecessary if the current regulations are repealed. In this submission, the SDA repeats its call for the urgent repeal of the regulations that sees under 18 year old workers treated unequally.

**Same work. Same entitlement.**

The SDA supports equal superannuation entitlements for workers under 18 because:

- young workers perform the same work as their older colleagues and should receive the same superannuation protections,
- missing contributions at the beginning of working life can reduce retirement savings for decades through forgone compound returns,
- for young women, the exclusion compounds existing inequalities that already contribute to poorer retirement outcomes, and
- the discriminatory provision in the Act has already been removed, and it is time to address the remaining exclusion which now exists in regulations.

The SDA reiterates its call for the urgent repeal of the regulations that continue to treat workers under 18 differently from their older colleagues.

**The case for repeal**

Around 515,000 young workers across Australia remain affected by this exclusion. A worker's age should not determine whether they receive an entitlement intended to provide security in retirement. Young workers often perform the same work as their older colleagues and should receive the same superannuation protections, and most believe that they do. The SDA's recent research found that more than half of young workers believed all workers under 18 received superannuation, regardless of hours worked, highlighting the disconnect between expectations and the current system (see Attachment B).

This exclusion also undermines the principle of universal superannuation and disproportionately affects workers in industries such as retail and fast food, where young people are highly represented. The discriminatory provision previously contained in the Superannuation Guarantee (Administration) Act 1992 has already been removed through the

Treasury Laws Amendment (Payday Superannuation) Act 2025[1]. The remaining exclusion now operates through the regulatory framework. While this Bill seeks to address that inequity, the SDA's preferred approach is the urgent repeal of the regulations that continue to treat workers under 18 differently from other workers.

**Long-term and unequal impacts**

Missing superannuation contributions at the beginning of a person's working life can have consequences that extend for decades through the power of compound returns. For young women, the exclusion compounds existing inequalities that already contribute to poorer retirement outcomes. Women continue to retire with significantly lower superannuation balances than men, reflecting the cumulative effects of lower lifetime earnings, the gender pay gap, occupational segregation, insecure work and periods of caring responsibility[2].

The SDA's research found that many are concerned that denying superannuation to many workers under 18 adds to these inequalities and reduces women's retirement savings. Removing the exclusion will help ensure gender inequality is not compounded from the beginning of working life (see Attachment B).

**What young workers told us**

SDA research and member experiences demonstrate the practical impact of the exclusion:

- 72% of young workers surveyed disagreed that their superannuation balance was on track, reinforcing concerns about long-term retirement security,
- 55% believed all workers under 18 received superannuation,
- one young supermarket worker estimated he missed more than $4,000 in contributions before turning 18, and
- another estimated a lifetime loss of around $120,000 due to forgone compound returns.

See Attachment B for findings and Attachment C for member experiences.

**In conclusion**

Maintaining an age-based exclusion creates different entitlements for workers performing the same work and undermines the integrity of Australia's superannuation system. By ensuring all workers under 18 receive superannuation contributions regardless of the number of hours they work, more young people will be able to preserve savings for a dignified retirement and promote greater equity. This change will ensure the delivery of a genuinely universal superannuation system and strengthen confidence that all workers are entitled to the same protections and workplace entitlements.

The SDA welcomes the opportunity to continue this discussion and supports change that ensures all working Australians receive the same superannuation protections and entitlements.

Yours faithfully,

*Helen Cooney, National Assistant Secretary*
*For*

Gerard Dwyer
National Secretary-Treasurer

[1] https://www.legislation.gov.au/C2025A00057/asmade/text
[2] https://www.jobsandskills.gov.au/publications/new-perspectives-old-problems-gendered-jobs-work-and-pay

## Attachment A: Policy Position Principles

SDA policy is driven by providing value to our members whose work is regulated by an industrial system that has been reformed, but had failed them for decades.

Australians need to be supported by an economic system that has working people at its centre. Our predecessors built an industrial system which provided the foundations for shared prosperity. It is now our responsibility to utilise the reformed industrial framework for the current and future generations. Decades of concerted attacks on our industrial relations system saw inequality grow, and economic and political power has further concentrated in the hands of a few.

The world of work has changed and will keep changing. There is an unprecedented intersection between work and care. Income and gender inequality have combined to increase disadvantage. Predictable, secure hours of work that provide a living wage are at the centre of decent work. But there has been growth in insecure work, digitalisation is now a matter of course, safety concerns have persisted, and automated, digital and generative technologies must be shaped to enhance, not undermine, decent work.

We believe that fundamental not incremental change is needed. In contributing to policy, we seek to drive a new system that acknowledges the change that has occurred and will be fit for purpose in the emerging world of work.

The SDA engages in topics that help drive this agenda and we are guided by ten principles that we believe will create value for our members. Those principles are:

1. **Address Inequality & Enshrine Fairness**
   Minimum standards must be set and adhered to.
2. **Equity & Empowerment**
   All workers must be supported to progress so that no-one is left behind.
3. **Mobility & Security**
   A socially successful economy must provide opportunity for all, regardless of their background. Systems must be built in a way that support success and adaptation in a rapidly changing world of work.
4. **Delivering Prosperity & Growth For All**
   A foundation for prosperity and economic growth must be achieved.
5. **Protection in Work & Beyond**
   Workplaces and the community must be healthy and safe for all workers and their families during and beyond their working lives.
6. **Workers Capital & Superannuation**
   Workers capital and superannuation must be an industrial right for all workers and treated as deferred earnings designed for dignity and justice in retirement.
7. **A Strong Independent Umpire**
   A strong, independent, cost effective and accessible industrial umpire and regulator must be central to the future system of work in Australia.
8. **Protection & Support for Our Future**
   Protecting and supporting our future requires a strong and vibrant retail industry and supply chain. The sector must provide decent work with fair and just remuneration and contributing to the economy including through skilled workers.
9. **Work & Community**
   Work is a fundamental human activity that provides for personal, social and economic development. Work as it operates in community must build and protect a balance between life at work and life so that workers can contribute to society through the wider community.
10. **Institutional Support for Collective Agents**
    Institutional support must provide for collective agents (registered organisations) in all industries so that they are recognised, enshrined and explicitly supported as central to the effective functioning of the system.

Details of specific policy positions can be discussed by contacting the SDA National Office.

# $uper for Under 18s

## Attachment B: 5 things to know about super for Under 18s

To get super, under 18s need to work at least 30 hours a week. This means they sometimes get it and sometimes don't, and the process associated with the inconsistency sets them up for lack of engagement and distrust of superannuation.

Qualitative and quantitative research to understand the views of workers aged 16 to 35 years generally tells us some things about their super.

1. **72% of young workers disagree that "my super balance is on track".**
2. **16-35 year olds are unaware of the age and gender inequity built into the superannuation guarantee.**
   - In an external survey, 55% of young workers thought all under 18s got super.
   - In externally run focus groups, participants were initially unaware of the gender super gap.
3. **Once aware, workers are "infuriated" and want the discrimination fixed.**
   - In the focus groups, the super gender pay gap elicited a great sense of injustice. *Terrified and infuriated! As a woman, I find that concerning myself and just generally I'm aware that middle-aged women are the most in trouble financially… so seeing that makes me feel like it's just hopeless."*
   - In an SDA survey, members under 18 told the SDA:

     *I work just as hard as everyone else and am not getting the same benefits put towards my retirement.*

     *I can't always work 30 hours per week as I have school. I don't think that should mean I don't get to start preparing for my future with a superannuation fund.*

     *I think we all should get paid equally to what age we are.*
4. **Young workers are concerned about their future and expect Government to look after their super.**
   - In the survey, super was linked to financial security in retirement. Their most reliable sources for information was their fund, their friends/family and their union.
   - In the focus groups, one member said: *I feel like I'm relatively young, like I'm 20… I literally have no idea about super or where my super is going, or how much super I'm getting and I really need to start to learn about it because it's so important.*
   - Another, being unreceptive to a cynical tone about government's role in super said: *I think it's good because I would have no idea what to do with it… Somebody with more knowledge can hold onto it for me until I'm ready."*
5. **This is perceived by young workers as cumulative harm, especially for young women.**
   - In the focus groups, and in response to the size and growth of the gender gap, members advocated for increased awareness around short- and long-term strategies to minimise the gap, e.g. *"If there's a payment from the government, like child support, maybe there could be a super payment added to that."* For young women, non-payment of super for under 18s adds to the issue of other super exceptions, gender pay gaps, inconsistent hours and periods of leave that reduce women's retirement outcomes.

## Why is this the case?

It's a relic. In the 1990s, administration of cheques was costly, and the focus of economists was on existing full timers, rather than savings for retirement following a lifetime of insecure work. In 1992, the guaranteed super contribution rate was 3% and the retail minimum wage was approximately $8.50 p/hr. If you were doing 38 hours p/week and were an adult earner, that's a quarterly cheque into your REST account for about $125.

Now apply junior rates to those 1992 wages. Take the 50% casual rate – approximately $5.30 p/hr – and then apply the minimum weekly engagement of 3 hours work for total earnings of about $15.90 p/week. 3% super on that (48 cents p/week) would have seen a quarterly cheque of $6.20 – the fee for a cheque and administrative charges would take a huge portion of this. It is not surprising juniors were exempted back then but things have changed.

The 3% Super of 1992 is now 12% and cheque fees are a thing of the past. The 16-year-old casual today on junior rates of 50% is on $16.60 p/hour and 3 hours p/week would see a quarterly super EFT payment of $77.69. A more common working junior profile today is a 17-year-old doing 3 shifts per week which is 9 hours on $19.91 with 12% super – this would be an EFT quarterly payment of $279.54.

| Year | Payment type | Size of payment |
|---|---|---|
| 1992: | Cheque | $6 ish |
| 2026: | EFT | $280 ish |

POLICY BRIEF

# $uper for Under 18s

## About superannuation

In 1985 unions had a significant breakthrough on their 'super for all' objective with the ACTU and Hawke Government agreement on 'universal superannuation' in Accord Mark II. Following this, from 1987 onwards super was inserted into workplaces through the industrial system. Super was no longer a tax haven for 32% of the population but became a nest egg for working people with 68% of Australians having super by 1991. The next step in universality was the legislation of superannuation entitlements with the Superannuation Guarantee (Superannuation Guarantee (Administration) Act, 1992. Today, over 90% of Australians have a superannuation account. Universal super has delivered a better standard of living in retirement for everyday Australians.

Despite this unambiguous truth, since its introduction, super has been opposed on ideological and discriminatory grounds. Unsurprisingly, this is in the financial interests of employers. Those who argue against super say that the pension is enough and it's okay to be dependent on government—even though this is counter to their own narrative of independence. They say that low paid workers are better with a bird in the hand and don't need the tax benefits afforded to those on higher incomes—even though a citizen should be able to have decent wages now <u>and</u> a decent retirement, not to have to choose between the two. They will say it should be for a house—even though you should be able to have both a home and a retirement. And they say that representative governance (with employee and employer representatives) is a problem—despite evidence in a royal commission to the contrary, and the financial returns being greater in industry super over the long term.

### Background

The SDA represents about 200,000 members and approximately 1.3m workers in retail, fast food, warehousing, hairdressing, beauty, pharmacy, online retailing and modelling. They are predominately women (approx. 60%), under 35 years (approx. 60%), and low-income (retail and food services are 2 of the 3 lowest median weekly earnings).

**Super is neither paid on every dollar earned nor for every hour worked** and this disproportionally impacts women (who retire earlier and live longer with a third less super) and young workers (who can gain from the benefits of compound interest and a positive early experience of superannuation).

**But isn't super compulsory?** Only on "Ordinary Time Earnings", so not on overtime, and with exclusions.

- The "Superannuation Guarantee" legislates that if an employer doesn't pay the guarantee, they are issued with tax debt, because that is what the Commonwealth has the constitutional authority to regulate. The rate of 12% was achieved in July 2025. Some unions have achieved higher standards; these are regulated in the Fair Work context.
- The so called 'Superannuation Guarantee' is only a 'guarantee' for some. Super is not guaranteed for those who don't work a traditional 5 day working week from 9am to 5pm with an employment contract. Super is not guaranteed for workers under 18 years of age. With the workforce changing, the old model of superannuation needs to change so that it goes from being world class in public sector, managerial and multi-national jobs to being first class for all.

### Superannuation Policy Issues

**Superannuation must be an industrial right for all workers and treated as deferred earnings designed for dignity and justice in retirement. Superannuation should be:**

- paid on all earnings of those on parental, family and carers leave, including employer payments, and in periods of unpaid parental leave as already occurs at some retailers.
- paid on all earnings of under 18s, irrespective of the number of hours worked.
- part of the fair entitlements guarantee, to redress the impact of wage theft.
- held in trust by not-for-profit providers with representative governance. Banks and shareholders should have no place in working with people's superannuation.
- aligned to the industrial system, including being in awards and unions being able to pursue compliance through the industrial system.
- enabled by insurance (death, total & permanent disability, and income protection) that suits one's occupation – often this can't be purchased without it being in superannuation.
- designed to reinforce trust in the system.
- designed for a standard of living in retirement that was achieved during a working life

## Attachment C: Member experiences

**ACT:** Byron is a supermarket worker. Before turning 18, Byron earned around $40,000 from his job, having started at 15. Since turning 18 in June 2025, Byron's superannuation balance sits at around $1,800. If superannuation had been paid on his earnings before turning 18, he estimates he would have received roughly $4,200 in super contributions.

*"It's not fair that on top of junior wages, I missed out on receiving superannuation for my future. I do the same job as people who are 40 or 50 years old, and honestly, including the jobs no one else wants to do."*

**New South Wales:** Cooper started work at a supermarket at 15, regularly working around 28–36 hours/wek to help support his family. His current super balance is around $2,900. If super had been paid correctly while he was working as a teenager, his balance would be closer to $8,000 today. Over a lifetime, that missing super is estimated to amount to $120,000 by retirement due to a lost opportunity for compounding growth.

*"It's a decent chunk of change not to have received. It would have made a big difference once I got to retirement. You would think any worker, regardless of age, would be able to get the same entitlements."*

**Northern Territory:** Alyssa is a casual 19-year-old supermarket worker from Coolalinga, who has been working since she was 15. When asked about super for under 18s, she said:

*"I work just as hard as everyone else and am not getting the same benefits put towards my retirement"*

**Queensland:** Jayden is 19 and works full-time at a large supermarket. He started working at 15 in fast food and has been in the workforce for four years. He estimates he has missed out on at least **$3,200** in super due to the under-18/30-hour rules, with a likely lifetime loss of $10,000 or more.

*"I didn't know I wasn't getting paid super... I'm probably a bit angry, like annoyed. It's kind of crappy… it's pretty much just like they're stealing money. It's just wrong that they're not paying the young workers for super from when they start with the company at 15 or 16, 17, whatever."*

**South Australia:** Joshua is 18 and works in warehousing. He has been in the workforce for 4 years. He noticed his hours were reduced when he turned 18 in a previous retail role, highlighting how quickly the age threshold can reshape both roster and wages. He estimates missing out on around $1,200 in super contributions.

*"I think I'm very aware of super. I know that once you hit 18, they have to start paying you superannuation. When you're under 18, they don't have to pay it unless you're earning over a certain threshold... I personally don't agree with it.. A 14-year-old working at a fast food chain getting, maybe $13, $14, $15 an hour when you're 14, it's pretty rough."*

**Tasmania:** Sophie is 15 and works multiple jobs in fast food and retail. She knows that she is not paid super because of her age, that she's missing the chance to start saving early. She's missed out on about $60 of super. Might not sound like much, but it would take her 5 hours to earn $60 on the applicable junior rates.

*"I don't get paid enough, and because I'm young, to get super… I wish I got paid enough to get a little bit of super, it'll be nice to just start off, and it just means that I'll have less stress when I get older, because I know I've been saving that through super for a long time."*

**Victoria:** Dylan is a 17 y/o man, Victorian supermarket worker. He knows about superannuation. He calculated the impact himself.

*"I work at Coles. I started working at 15 and I'm now 17. And over the 18 months that I've worked my superannuation is at $30. If the law was different I would have over $1800. And that is 50 times more than my current balance."*

**Western Australia:** Sarah is 18 and has been working since she was 15. She works at a discount department. **$3,000** is what Sarah's super balance could have exceeded by now if contributions had been paid while she was under 18, nearly three times what she has now. Asked, how do you feel about that, Sarah said,

*"Not good. That is a lot of money [unpaid] and I'm doing the same work That's just not fair."*