



**SUBMISSION TO SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE
INQUIRY INTO THE
Social Security Amendment (Improved Child to Adult Transfer for
Carer Payment and Carer Allowance) Bill 2022 [Provisions]**

Date Submitted: 4 March 2022

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National Secretary-Treasurer



About the SDA

The Shop, Distributive and Allied Employees' Association (the SDA) is one of Australia's largest trade unions with over 210,000 members. Our members work in retail, warehousing, fast food, hairdressing, beauty, pharmacy, online retailing, and modelling.

The majority of SDA members are women (60%, approximately 131,000), under 35 years (57%, approximately 120,000 workers), and low-income. Retail and food services are two of the three lowest industries for median weekly earnings.

The SDA has a long history of advocating on behalf of members. We do this through enterprise bargaining; making submissions regarding Awards and the NES to provide a relevant safety net; and through numerous submissions made to parliamentary and government inquiries and other important reviews.

The SDA has 10 policy principles that guide our engagement in these reviews. For a list of these, see Appendix A.



Submission to Senate Community Affairs Legislation Committee Inquiry into the Social Security Amendment (Improved Child to Adult Transfer for Carer Payment and Carer Allowance) Bill 2022 [Provisions] *(The Bill)*

The Bill relates to provision for carers of teenagers with disabilities to stop their Centrelink payments being cut off for months while paperwork is assessed. At the time carer allowances transfer to an adult payment when a person with a disability turns 16, there is currently a process that causes disruption in routine, access to services and causes distress for teens and their carers.

The Bill is welcomed by the SDA and this submission is made to highlight that these payments are made to a group of people who need better rights at work and for superannuation to be paid on their payments.

The interface of work and care with social security payments

The SDA report *Challenges of work, family and care for Australia's retail, online retail, warehousing and fast food workers*¹ shows that despite paid employment, many carers require government income support to supplement their low pay and inadequate hours, resulting both from the need to care and from the failure of industrial relations settings to ensure a living wage.

Policy makers should review and consider improvements to the full range of payments and supports available to workers and their families. Eligibility and effective marginal tax rates should be considered, with the interactions between low paid work and the full mix of supports in scope, including the Child Care Subsidy; Family Tax Benefits, and all pensions and allowances accessible to parents and others with care responsibilities. Carers payments and allowance are payments requiring such consideration.

Payment of Superannuation on every dollar earned

In Australia, a living wage is supplemented with superannuation. The Australian retirement income system is world class as assessed by the Mercer CFA Institute Global Pension Index. However, many carers are missing out on the benefits of compounding interest and sufficient (ie increased) retirement incomes because superannuation is not currently paid on every dollar earned.

Recommendation:

The committee note the need for:

- an enforceable right to care (e.g. through a right to flexible work),
- predictable rosters that ensure caring responsibilities can be met,
- more and standalone carer's leave that is accessible to casual workers and doesn't require a medical certificate,
- penalty rates paid on personal and carer's leave, and
- superannuation paid on every dollar earned including government payments (except for the age-pension).

It is also important that carers are recognised for their care as critical social infrastructure and that care is assigned fair value in measures of the economy such as gross domestic product (GDP).

¹ Cortis, N., Blaxland, M., and Charlesworth, S. (2021). *Challenges of work, family and care for Australia's retail, online retail, warehousing and fast food workers*. <https://national.sda.com.au/care/> Sydney: Social Policy Research Centre, UNSW Sydney.

Appendix A: Rationale for SDA policy positions

SDA policy is driven by providing value to our members whose work is regulated by a broken industrial framework. We seek an economic system that supports, protects and advances the interests of working people in this country.

Our predecessors built the conciliation and arbitration system which provided the foundations to our nations prosperity over a century ago, it is now our responsibility to build a system for the next generation.

Since the introduction of the Fair Work Act 2009 and subsequent radical changes to the financial and digital context inequality has grown and economic and political power has concentrated in the hands of a few.

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 withstand the emerging world of work.

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

- 1. Address Inequality & Enshrine Fairness**
Minimum expectations 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 providing jobs 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) 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.

