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SDA calls for wage increases to offset penalty rate cuts

The SDA has called for a 10% increase to base hourly rates of pay for retail and fast food workers in addition to the Annual Wage Review increases sought by the ACTU.

This claim is to offset the economic hardship caused by the proposed cut to Sunday penalty rates.

SDA National Secretary Gerard Dwyer said that while the SDA has argued that the FWC decision on Sunday penalty rates should be set aside, if the FWC did insist on proceeding with the cuts, then increases to the base hourly rate of pay were justified and necessary.

The FWC decision denied workers an opportunity to negotiate around what's best for them and forces them to take a pay cut in exchange for nothing. It was standard in SDA Agreements to have higher base rates of pay where there were changes to penalty rates. Increasing the base hourly rate in the Award is the only way to protect take-home pay.

For decades employer groups have been relentless in attacking Sunday penalty rates, and the SDA has been relentless in protecting them or their value.

"Cutting Sunday penalty rates will be a massive blow to the take home pay of over 700,000 workers, some of the lowest paid in the country. Without a compensating wage increase, these workers and their families will face unacceptable economic hardship."

"That's why the SDA's submission today to the FWC's Annual Wage Review 2016-17 calls for a 10% increase to base hourly wage rates for both retail and fast food workers in addition to the increases sought by the ACTU."

Mr Dwyer also said that no model of transitional arrangements for the phase in of the Sunday penalty rate cut could preserve the take home pay of retail and fast food workers.

A cut to Sunday penalties is an outright loss of pay whichever way you cut it.

These low paid workers now face economic hardship unless the base hourly rate of pay was increased to offset any cut to Sunday penalty rates.

"There is clear economic evidence that retail and fast food workers will be severely disadvantaged compared to other Australian workers by the cut to their Sunday penalty rates."

"We know that cutting penalty rates will undermine economic growth and blow a \$650 million-dollar hole in the Federal budget. With wages growth at an historical low, retail and fast food workers need and deserve a pay increase, not a pay cut."

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