

YOUTH WAGES



WORKPLACE RELATIONS
YOUTH WAGES
AUSTRALIAN DEMOCRATS ISSUE SHEET

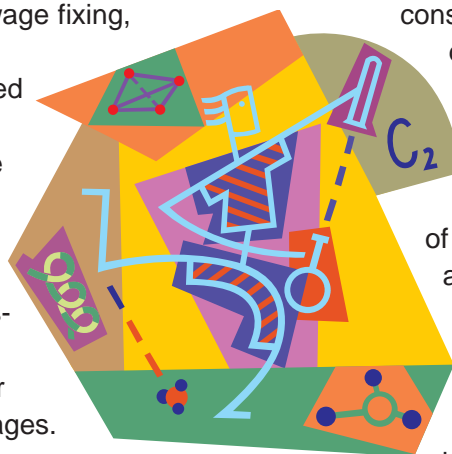
The Democrats remain the only political party to consistently oppose discriminatory youth wages, while insisting on more effective labour market policies for unemployed youth.

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Youth wages are one of the worst examples of age-based discrimination. They have proven very difficult to eradicate in Australia – or even to at least reduce their application to genuine ‘youth’, like those under 18 years. The Democrats remain steadfastly opposed to an arbitrary discriminatory approach to wage fixing, and we have strongly argued -against both Labor and the Coalition - for those over 18 years having a skills-based system substituted for age-based wages.



The Coalition and Labor argue that increasing youth wages will lead to higher youth unemployment. This same argument was used to justify paying women less than men. Yet when significant advances in equal pay for women occurred in the 1970s, women did not lose their jobs. Since then the number of

employed women has increased significantly. ‘Youth’ has an absurdly wide definition under current Australian federal and state youth wages law. Employees who are 18-20 years can be paid junior rates in many industries, notwithstanding the fact that at these ages they can vote,

consume alcohol, drive a vehicle, join the armed forces and have the responsibility of being held fully accountable for their actions under the law—and yet, on the other hand, pay them

less for performing the same duties in the workplace as other adults. Young people are required to pay the same amount for food, rent and clothing as other Australians. Only full-time students have access to public transport and other concessions.

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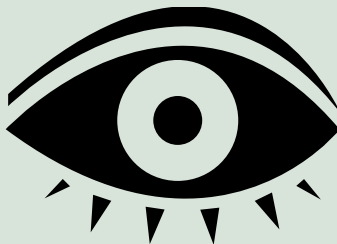


Australia's discriminatory practice is in breach of the Universal Declaration of Human Rights that Australia signed in 1948, which declares that 'Everyone, without discrimination, has the right to equal pay for equal work'.

Youth and junior rates have been abolished in Canada, Greece, Hungary, Japan, Mexico, Poland, and Spain and they are severely restricted in many other countries. In the USA, junior rates apply for only 3 months, and then only to those under 20 years.

Australia is badly out of step with international practice. It is well past time for a fairer wages system that takes proper account of the different skills levels of younger and older workers - rather than arbitrarily assuming that young or old people are worth less.

At the federal and state levels, in disregard for their human rights, both Labor and the Coalition have refused to legislate to remove these discriminatory age-based pay systems, in favour of a skill based approach.



The Democrats have a proud record of defending young workers including:

- Opposing the continuation of discriminatory age-related pay rates. In 2004 the Democrats again voted to not exempt youth wages from the prohibition against age discrimination legislation, and again Labor and the Coalition did not support us;
- Opposing the compulsory Work-for-the Dole system (passed only with Labor support), which forced some young people into menial, low skills and often dead-end 'work' rather than into real jobs and a future career;
- Opposing the Youth Allowance, which saw young adults lose the right to income support at very low levels of parental income;
- Requiring the AIRC and the Employment Advocate to take into account the interests of young workers in deciding whether enterprise agreements will be approved;
- Requiring the Department of Workplace Relations to report regularly on the impact of enterprise bargaining on young workers;
- Supporting increased funding for labour market programs that had a good record of getting young people into meaningful jobs, such as schemes like the traineeship system, Skillshare and the New Enterprise Incentive Scheme; and,
- Opposing increases in HECS and the reduction in the income threshold at which HECS becomes payable (costing young workers more in tax).



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