

# Protect penalty rates.



#### What happened in the Fair Work Commission?

The Fair Work Commission (FWC) is responsible for determining certain industrial issues. The FWC recently handed down an unfair and damaging decision to cut penalty rates on Sundays and Public Holidays for workers covered by the following Modern Awards:

- Retail Award
- Fast Food Award
- Hospitality Award
- Pharmacy Award

This decision will have a direct impact on the takehome pay of workers covered by these Awards.

## What does this mean for workers covered by the Award?

If these changes come into effect workers covered by the Award will see a direct reduction to their pay if they work on Sundays and Public Holidays. The date of when these cuts will come into effect is yet to be determined and the SDA will be putting more arguments on this question and other elements of the decision.

The SDA will be keeping all members up to date as more information comes to hand. Our priority is to continue to protect the take-home pay of workers covered by Awards.

### What does this mean for SDA Members covered by an Agreement?

The vast majority of SDA Members are covered by an SDA-negotiated Agreement. This means there will be no immediate changes to the take-home pay of most SDA Members. However, it will impact negotiating take-home pay in future Agreements as the minimum floor of the Award has been lowered.

Awards set the floor for all SDA-negotiated Agreements. The SDA has always worked hard to strengthen the Retail, Fast-Food and Pharmacy Awards for workers and because it means we can negotiate better Agreements for SDA Members too.

#### What will the SDA do now?

We are now undertaking a comprehensive review of the Fair Work Commission decision and are looking at ways to protect the take-home pay of all workers affected by this ruling.

The SDA will also now be working towards getting protections for Award workers following this decision. We will continue to argue for penalty rates and your take-home pay to be protected as well as all your existing workplace conditions and entitlements.



#### What can you do to help?

While the SDA and other unions have fought for many years to protect penalty rates, Prime Minister Malcolm Turnbull and the Liberal Party have sat back and done nothing. In fact, many Members of the Liberal Government advocated for cuts to your take-home pay. It's unfair. Help us by sending a message to Mr Turnbull and his Ministers at <a href="https://www.protectpenaltyrates.org.au">www.protectpenaltyrates.org.au</a>.

## Why does the SDA oppose cuts to penalty rates?

The Fair Work Commission decision to cut penalty rates with no increase in base rates for Award workers on Sundays and Public Holidays is unfair and damaging for workers, their families and our country.

Penalty rates are an important part of take-home pay and many workers rely on penalty rates to make ends meet. Penalty rates are not a luxury – they put food on the table and petrol in the car. Without penalty rates thousands of retail, fast food and hospitality workers will be worse off.

Wages growth is at a record low in Australia - workers need a pay rise, not a pay cut.

If you cut wages, workers will cut spending. How can small businesses and the economy grow if workers are earning less and have less to spend? Employer lobby groups argue that cuts to penalty rates will create jobs – it won't.

There's no evidence to back up this claim and there's nothing to hold employers to account or stop them from pocketing the profits from these wage cuts instead of employing more staff.

Cuts to penalty rates simply means a cut to the wages of workers who can least afford it.

This decision is also an attack on the weekend – it says that retail, fast food and hospitality workers don't deserve a weekend but everyone else in the community does.

How can the weekend apply for some in the community but not to others? It may be cuts to penalty rates for retail and hospitality workers now, but who is next? Nurses? Emergency services workers?

The decision to cut penalty rates sets a dangerous precedent that Australians don't value the weekend anymore - that we are happy to work 24 hours a day, 7 days a week without fair compensation.

The SDA does not believe this is true - we do value time off to spend with family and friends and that's why will we continue to stand up and protect your take-home pay.