

ISA Media Release

Action on wage theft welcome, but fix for unpaid super still MIA

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The Federal Opposition's plan to help victims of wage theft recoup entitlements is a welcome development, but stops short of necessary reforms to ensure super is paid to workers' accounts at the same time as wages, Industry Super Australia says.

Industry Super Australia Chief Executive Bernie Dean said the only way to stop the millions of Australians being robbed of their super entitlements every year is for the major parties to commit to changing the law and requiring all employers to pay super at the same time as salary.

"Anything less is a band-aid solution that won't fix the problem and will see millions of Australians end up worse off at retirement," Mr Dean said.

New polling conducted by UMR has revealed that Australians overwhelmingly want the major parties to take action on unpaid super at this election, with 89 per cent of people polled supporting a law that would require employers to pay super at the same time as salary.

Of those polled, more than half said the issue would influence how they vote at this election. Mr Dean said people's outrage on unpaid super was justified.

"Super is meant to be guaranteed for everyone, but we're seeing that it's not guaranteed at all for about a third of eligible workers," he said.

"Hardworking Australians rightly expect that the super they are legally entitled to is paid into their account. Instead, rogue employers are ripping off these workers, and because the penalties are lax and enforcement is weak, they are getting away with daylight robbery."

Mr Dean said the establishment of a new claims jurisdiction to help workers recoup lost entitlements was welcome, but didn't fix the cause of the problem.

"If the law was changed we wouldn't need to help workers' get their super back because employers wouldn't have been able to steal it in the first place," he said.

"It's disappointing the major parties are turning a blind eye to the fact that nearly 3 million Australians are having close to \$6 billion in super entitlements stolen from them every year.

"Politicians are looked after – they have their own special law that guarantees they get paid super at the same time as they get paid their wage. But what about the rest of Australians? It's a double standard to have one rule for politicians and another for average Australians."

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