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Senate Standing Committee on Economics
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Parliament House
Canberra ACT 2600
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Dear Committee Secretary,

Re: Inquiry into the Superannuation Legislation Amendment (Fair Super for Young Workers) Bill 2026 (the Inquiry)

Super Consumers Australia welcomes the opportunity to make a submission to the Inquiry into the Superannuation Legislation Amendment (Fair Super for Young Workers) Bill 2026 (the Bill). We strongly support the reform.

Super Consumers Australia is the advocate for people on low and middle incomes in Australia's superannuation system. We were founded to fight for an accountable and fair super system that delivers great service and great financial outcomes in retirement. Formed in 2013, we are an independent, not-for-profit organisation and a leading voice for consumers of superannuation products and services.

Young workers, often in some of the lowest paid jobs in the country, experience vulnerability in the workplace by virtue of their age and inexperience navigating workplace rights. A worker under age 18 performing the same work as an 18 year-old worker for the same employer is currently treated differently under the law for reasons unrelated to the work itself or their ability to do that work. Young people are capable and do valuable work. It is fair and right to pay them superannuation, just like anyone else doing that same work.

A key value of our superannuation system is that it is designed to be universal. As the Bill's Explanatory Memorandum notes, under the current law, our system excludes over 500,000 workers under age 18 from participating in our super system, on the basis of their age and hours worked. A system that excludes 93 per cent of workers under age 18 solely on the basis of their age is not universal (Source: Explanatory Memorandum). This Bill is a simple fix; it does not introduce anything that does not already apply to the rest of the workforce, but can make a positive difference for hundreds of thousands of working Australians.

This reform can also serve a significant role in narrowing the retirement income gender gap, which starts before workers are even old enough to vote. Analysis of HILDA data suggests that young women make up 55 per cent of workers under age 18, but only 35 per cent of those meet the 30-hour threshold required to be paid super (Source: SMC, 2025). ATO data supports this trend. Female under-18s make up 49% of all under-18s with superannuation accounts, but their median superannuation balances were 42% less than male under-18s (Source: ATO, 2023-24). The same gap appears in aggregate balances, with female under-18s holding 39% fewer total assets compared to male under-18s (Source: ATO, 2023-24).

As such, young women are disproportionately disadvantaged by the exclusion. By the time women reach the 60-64 age bracket, the median superannuation gender gap stands at 26 per cent, or around $61,000 (Source: ATO, 2023-24). Every year that a worker is excluded from the superannuation system is a year that sets them back in retirement. Contributions made by teenagers have up to 50 years to compound before retirement, and missing out on them is not a small, one-off loss.

Analysis of HILDA data shows that 30 per cent of under-18 workers already receive super contributions voluntarily despite working fewer than 30 hours per week (Source: SMC, 2024). This indicates that many employers already find it fair, practical and efficient to pay super to their young employees. The reform would simply extend existing best practice to the rest of the workforce.

Removing this exemption is a simple way to ensure that young workers can participate in the system on the same terms as everyone else.

Yours Sincerely,

Xavier O'Halloran, CEO
Super Consumers Australia