



media, entertainment & arts alliance
the people who inform and entertain

Media, Entertainment & Arts Alliance

submission to the

Australian Law Reform Commission

**Grey Areas – Age Barriers to Work in
Commonwealth Laws
Issues Paper**

June 2012

The Media, Entertainment & Arts Alliance

The Media, Entertainment & Arts Alliance (Alliance) is the industrial and professional organisation representing the people who work in Australia's media and entertainment industries. Its membership includes journalists, artists, photographers, performers, dancers, symphony orchestra musicians, freelance musicians and film, television and performing arts technicians.

Introduction

The Media, Entertainment & Arts Alliance (“the Alliance”) welcomes the opportunity to provide comment to the Australian Law Reform Commission regarding the Grey Areas – Age Barriers to Work in Commonwealth Laws Issues Paper.

Superannuation

Question 10: What changes, if any, should be made to the Superannuation Guarantee Scheme, to remove barriers to work for mature age persons?

The Alliance agrees with the ACTU’s conception of superannuation as a form of deferred wages, and so when workers do not receive their superannuation entitlements, this is effectively a wage cut for those workers. The Alliance therefore raises concerns with the limitation on Employer Superannuation Guarantee contributions for employees 75 years and over. Employers are generally obliged to make superannuation payments for those aged between 18 and 75. However, many of the Alliance’s members fall outside of this age bracket – be they older ticket collectors at sporting events, younger cinema workers, or actors required to play older or younger characters.

In the case of performers there is no real notion of retirement. This is due to the nature of the profession including the long periods of unemployment, the inherent value of personal expression that lies at the heart of the profession and the creative requirements for older (and younger) actors in productions. With no obligation to contribute superannuation upon employers these workers are encumbered with additional administrative burdens and costs in organising their own superannuation.

The Alliance therefore strongly argues that entitlement to super contributions should be extended to all employees, regardless of age and minimum earnings. While the Alliance welcomes the increase in the upper age limit for super contributions, this age limit should be removed entirely for those who continue working after 75.

In addition, employees currently must earn a minimum of \$450 per month from the one employer to qualify for superannuation payments. Again this places a significant proportion of our members at a distinct administrative and cost disadvantage similar to the variability problems addressed and acknowledged by the tax averaging rules. The nature of work in the media, film and television production industry is such that short term contract work with a multitude of employers every month is very common. Many workers will receive a sum less than \$450 for working with one employer one week and a similar sub-\$450 amount the next with another. In these cases no superannuation provisions are made by any of the employers. An employee may earn over the \$450 threshold but still would not be entitled to their

superannuation because they work for more than one employer. This disproportionately impacts upon older workers who continue to work as performers and as casual staff in the entertainment industry.

At the other end of the spectrum, a performer may secure a high rate of pay for a commercial that is going into mass release. For two or three days, the performer will secure an abnormally large amount of income where superannuation will then be capped at the current threshold of \$29,220 per quarter. That same performer might then find themselves without employment for the following three months or more.

The Alliance therefore strongly argues that both the minimum level of earnings from one employer triggering superannuation contributions and the cap on superannuation contributions should be abolished. The Alliance believes that superannuation contributions should be made from the first dollar of an employee's wage.

The Alliance further supports the ACTU's submission regarding contractors and the self-employed noting that they are not always eligible to receive super contributions. The Alliance believes that the super guarantee framework should be extended to support these workers.