



The Executive Officer  
Economic, Education, Jobs and Skills Committee  
Parliament House, Spring St  
EAST MELBOURNE VIC 3002

15 December 2017

Dear Committee,

**Young Workers Centre**  
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RE: SUBMISSION TO THE PARLIAMENTARY INQUIRY INTO CAREER ADVICE ACTIVITIES IN VICTORIAN SCHOOLS

On behalf of the Young Workers Centre (YWC), I thank you for the opportunity to make a submission to this important inquiry.

The Young Workers Centre, based at the Victorian Trades Hall Council (VTHC), was established in 2016 to break the cycles of exploitation at work for young Victorians. We educate young people on their rights, safety and wellbeing at work via training programs available to all Victorian high schools, TAFEs and technical colleges. We provide free legal advice to young people to resolve workplace issues. We organise and train young people to develop campaigns to improve their workplaces. We document life at work through our young workers research project.

This submission will outline our view that current career advice frameworks are well placed to not only guide students about future career decisions, but also their *current* working lives. It is pivotal that career advice is built around the reality that many young people have already entered the world of work during high school. Young people's experiences of work in their formative years shapes how they understand workplace norms and practices, how they engage with colleagues and customers and how exercise their workplace and health and safety rights.

We recommend that career advice frameworks be blended with a comprehensive *Work and Industrial Foundations* program so that young people are entering the world of work fully informed of their rights and with a grasp on the bigger picture trends and challenges facing Australian workers. It is YWC's view that such a program of training be mandated in Victorian high schools for students Year 10 and above.

For queries, please don't hesitate to contact me on (03) 9659 3567.

Yours sincerely,

Keelia Fitzpatrick  
Young Workers Centre  
Coordinator and Solicitor



## **YOUNG WORKERS CENTRE SUBMISSION**

### **Inquiry into Career Advice Activities December 2017**

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## About the Young Workers Centre

The Young Workers Centre (YWC), based at Trades Hall, was established in 2016 to break the cycles of exploitation at work for young Victorians.

We educate young people on their rights, safety and wellbeing at work via training programs available to all Victorian high schools, TAFEs, and technical colleges. We provide free legal advice to young people to resolve workplace issues. We organise and train young people to develop campaigns to improve their workplaces. We document life at work through our young workers research project.

## Our Vision

A state in which young people are safe at work, do not suffer harassment or bullying, and are provided their legal entitlements. For this vision to be realised, we must encourage young people to speak up without fear and join with other young workers to make change and improve their workplaces and communities.

## Introduction

Many young Victorians enter the world of work during their high school years. This is a significant milestone that can be a positive experience providing an opportunity for young people to gain confidence, develop their interpersonal skills and have their first taste of financial independence. For many, however, a first job can be memorable for the wrong reasons: insecure and precarious work; where young workers' health and safety, and conditions are often undervalued. Young workers often face rampant wage theft. The combination of junior wages and low pay in young worker industries results in young people being treated as cheap and disposable.

These lived experiences in the world of work are largely ignored by traditional approaches to career advice in our high schools. Existing strategies to prepare students for the world of work, often referred to as 'work readiness', similarly fail to provide students with the knowledge and resources they need to be safe and confident in their current and future workplaces.

Young people's experiences of work in their formative years shapes how they understand workplace norms and practices, how they engage with colleagues and customers and how they exercise their workplace and health and safety rights. They set the expectations of work that young people carry throughout their working lives. Poor experiences in their initial jobs, particularly for disadvantaged young workers, shape their entire career trajectory.

Further, faced with complex and worrisome issues like casualisation and underemployment, young workers can feel apprehensive about their prospects of employment now and into their future. Jobs are fast changing and many traditional skills becoming obsolete. Gender discrimination in the workplace may also affect young working women and impact on long-term financial security and career prospects.

Career advice frameworks must be modernised to incorporate a comprehensive *Work and Industrial Foundations* program. Doing so will allow the current work and safety rights of young people to be prioritised at the same time as deepening their understanding of the 21st century world of work their careers will be shaped by.

This submission will draw on previous research produced by YWC and the views of young workers gathered through an online survey of the YWC community in November 2017. The following terms of reference will be addressed:

2. *Investigating the extent to which career advice activities meet the needs of school leavers;*
3. *Examining the challenges advisers face helping young Victorians transition from education to the workforce;*

## Preparing students for the real world of work through *Work and Industrial Foundations*

Existing school approaches to preparing students for the world of work largely fall under the banner of 'work readiness'. Work readiness focuses on preparing students for specific tasks like job interviews and CV creation as well as broader skills like electronic and verbal communication, organisation and teamwork. These are essential but do not represent the full world of work picture that students must understand.

To prepare students for the real world of work, career advice frameworks should embed *Work and Industrial Foundations*, a more robust and rights-driven approach to 'work readiness'. It should include:

- A thorough description of rights and entitlement for workers: extending to minimum award wages, including penalty rates, payslips, superannuation, minimum OHS rights.
- Where to go for assistance, such as how a young worker can join their relevant union, or contact YWC, community legal centres or the Fair Work Ombudsman.
- An extensive explanation about various industries, and their realistic prospects; including precarity, automation, conditions, and wages.
- A detailed understanding of the likely position of workers in the labour market depending on markers such as gender, ethnicity and social status.
- A program that equips students to understand how to enforce their rights and maximise their choices and power at work.

This submission will use this concept of *Work and Industrial Foundations* to demonstrate how current career advice is not adequately preparing young workers for the realities of the world of work.

## Young people are working now

It is pivotal that our education system acknowledges that by Year 10, many young Victorians have already entered the world of work, and have already started learning fundamental skills they will utilise throughout their careers: learning professional and personal boundaries, experiencing managerial styles, organisational cultures, how to work in small and large teams and how to work independently.

ABS labour force statistics confirm this. Over 55% of Victorians aged 15-24 are currently working, representing nearly 457,000 young workers or 15% of the total state workforce.<sup>i</sup> Of this, 198,700 are attending full-time education and working. Younger Victorians aged 15-19 are also working – the participation rate for this group is 37.1%, which sees 79,500 in this age group working.<sup>ii</sup>

According to analysis conducted by the Australian Institute of Health and Welfare (AIWH), 40% of young people live out of home.<sup>iii</sup> Work for young people is rarely a bit of extra pocket money, but a core component of how they make ends meet and survive.

Despite this, much of the literature surrounding young people and work is about the 'choices' they must make to 'secure their future', and what they must do to make themselves more appealing to potential employers. This demonstrates some disregard for the difficult reality that thousands of young people are facing, and delegitimises any intermediary work they may already be doing.

Career advice frameworks must recognise the reality that for many young people their first jobs are fundamental to their current and future wellbeing. These frameworks should not treat the employment of young people as prospective only, and ensure their initial work experiences are valuable and empowering.

## Young workers are being injured and facing exploitation

Research conducted by YWC has found that young workers are being injured or becoming ill due to their work at alarming rates and are not reporting it. WorkSafe Victoria reports that 49 young people aged 15-24 were injured every week in 2015-16.<sup>iv</sup> YWC found that the true figures are much higher due to underreporting, linked to young workers' fear of retribution for speaking up.

The research finds:

- Young workers are being injured at an alarming rate, with nearly 1 in 4 (23.2%) reporting being injured or ill due to their work.<sup>v</sup>
- 1 in 2 (49.98%) of young people reported incidents of bullying or harassment at work, with 32.1% reporting that instances of bullying came from customers or clients.<sup>vi</sup>
- 1 in 4 (25%) of young workers had been asked to do something that made them feel unsafe at work, and over half (55.6%) said they did it anyway.<sup>vii</sup>
- Of those injured at work, nearly a third (32.8%) did not tell their boss or supervisor.<sup>viii</sup>

Further, the research found that young workers are systematically denied their full wages:

- 1 in 5 (19.7%) young workers were not paid the minimum wage,<sup>ix</sup> and
- On average, \$3.12 an hour was stolen from young workers. The average weekly stolen wages were \$59.02.<sup>x</sup>
- Of the young workers who reported being paid below minimum wage rates, over half (56.8%) believed they were paid at the correct minimum wage.<sup>xi</sup>
- Despite 3 in 4 young workers working unsociable hours (work nights, weekends and evenings) less than half (45.9%) reported being paid the penalty rates they're entitled to for those hours.<sup>xii</sup>
- Unpaid trials are illegal, yet nearly 21% of young workers reported working an unpaid trial shift before being offered a job.<sup>xiii</sup>
- Nearly 2 in 5 (39.9%) say they have worked off the books for 'cash-in-hand'.<sup>xiv</sup>

YWC engages with young people experiencing these issues on a daily basis. Young workers are increasingly challenging and speaking out against wage theft, particularly as more and more high-profile cases are widely reported in the media. Since launching in early 2016, YWC has helped young workers win back over \$400,000 in compensation and unpaid wages.

Young people are entering the workforce without knowledge of their rights and entitlements and thus assume that what employers offer accurately reflects what they're legally entitled to. Many are developing behaviours in line with an expectation of employer non-compliance with our wage, employment and health and safety laws. These experiences and behaviours are carried over into their next job and those that follow, and shape a workers' capacity to claim their entitlements and assert their rights.

## Young workers face a precarious future

Young workers are concerned about their future employment prospects, as well as the security of those jobs. In response to the question, 'Are you worried about your working future?', overwhelmingly young workers responded in the affirmative:

*"Yes. I'm privileged to be well-educated and in an excellent job currently, but contract work seems like the likely future for me, and hopping from contract to contract is stressful. I also come from a lived experience of extreme job insecurity, and I know how easy it is to go from some work to no work at all, and once you hit no work at all, it's really hard to get back to even some work."*

- Footscray, 23 yrs

*"Yes, due to the lack of job availability in regional Victoria."*

- Bendigo, 30 yrs

*"Yes, I am worried about casualisation and the gig economy. Even if employers are hiring more contractors and fewer employees. I am concerned that in the future I will not enjoy the benefits and perks of full time work that my parents did."*

- Elsternwick, 22 yrs

According to the AIWH, the rate of casualisation amongst young workers aged 15-25 is 50%, and at least twice as high as any other aged group aged 25 years or older.<sup>xv</sup> The underemployment rate has been steadily rising, having increased to 9.1%, from 7.6% in 1997.<sup>xvi</sup> For young people, this rapid escalation is stark, having increased from 11.9% to 18.5% today.<sup>xvii</sup>

Further, young workers are facing a future of technological, economic and global uncertainties.<sup>xviii</sup> Some reports indicate that 40% of Australian jobs are at risk, and this could rise to more than 60% in rural and regional Australia.<sup>xix</sup> The Foundation for Young Australians warns of automation and notes a downward employment in occupations such as machinery operators, trades, technicians, labourers and administration workers.<sup>xx</sup>

Young people must be equipped to make decisions that maximise safe and dignified work. They must, from an early stage in their career decision making, understand the realistic prospects of various industries into the future. Career advice activities must therefore ensure that students can comprehend the macro trends shaping Australian industries and its labour market. Without this knowledge, they may be entrenched in precarity and economic disadvantage.

## **Young women workers are especially vulnerable**

Young women workers face further disadvantages when it comes to their future of work. Research conducted by Victorian Trades Hall Council strongly indicates that Victorian working women experience gendered violence in the workplace. Over 60% of respondents recorded experiencing some form of gendered violence, which may include actions and behaviours that express power inequalities between men and women and cause physical, sexual, psychological or economic harm.<sup>xxi</sup>

Women are also more likely to undertake caring responsibilities, and as a result be employed in lower-paid and less secure employment. An Australian Services Union and Per Capita study found that on retirement, women workers averaged \$120,000 less superannuation than their male counterparts.<sup>xxii</sup> A large part of this difference is due to the gender pay gap, which is currently sitting at 15.3% for full-time wage earners in Australia, and 13.3% in Victoria.<sup>xxiii</sup>

Women workers also face a highly segregated workforce. Women heavily dominate in industries such as health care and social assistance (79.2%), education and training (70.6%), retail trade

(54.5%), and accommodation and food services (53.9%).<sup>xxiv</sup> Whereas typically male-dominated industries have a very small proportion of women workers, such as construction (where the percentage of women workers is 12%), mining (12.9%), and electricity, gas, water and waste services (20.8%).<sup>xxv</sup> Further, female dominated industries are generally the lowest paid industries. For example, the early childhood sector is 97% female, and many of these workers earn less than \$45,000 per year.<sup>xxvi</sup> The proportion of women in almost all female dominated industries rose over the last 20 years.

Clearly, these trends are continuing and young women workers are ill-informed when it comes to discriminative structures and conditions of the workplace. YWC submits that a *Work and Industrial Foundations* approach that considers how to better empower young women to claim their rights and deconstruct entrenched gender inequalities at work must be adopted.

## Current career advice does not prepare young workers for the reality of work

The current Victorian Career Advice Curriculum Framework ('the current Framework') does not adequately prepare students to face the existing and future challenges they will face as outlined above. Key sections of the current Framework are 'Stages of Career Development' and 'Career Action Plans', as well as further teaching resources and additional support for specific groups. The focus of the current Framework encourages personal reflection by the student on careers that interest them and school subjects they enjoy. Emphasis is placed on tertiary pathways such as university or TAFE. The listed goals of 'Stages of Career Development' are self-development, career exploration, and career management.<sup>xxvii</sup>

Whilst these are important components, they focus wholly on the individual and their individual choices. It is vital that students are also taught to understand the external factors that shape their current and future worlds of work. Failing to teach students about *Work and Industrial Foundations* is failing to prepare them for work and does not allowed them to make informed choices about their careers.

Young workers also agree that career advice is failing to prepare them for work. They emphasised a lack of practicality to the advice they received.

*"Looking back, these activities did not make me feel ready for work at all. At the time, I was employed in an after-school part-time job, but I had no real understanding about how minimum wage worked, or what I was allowed to challenge or say no to.*

*The school training about careers is also extraordinarily tertiary-focused - the discussion was about what [university] do you want to go, and what do you want to study? There was little discussion about [students] who wanted to do TAFE or vocational education, or for [students] who wanted to go straight into a job.*

*There were a lot of [students] from my (public, regional) high school who did go straight into employment, and they were not prepared to know what was on and what wasn't [regarding] expectations from their boss and their co-workers."*

- Footscray, 23 yrs

*"I didn't understand my rights at all. I didn't even know that it's (almost always) illegal to be paid cash. I really didn't know anything."*

- Elsternwick, 22 yrs

*"[It] was helpful in thinking about 'careers' and how to write a resume etc but not at all helpful for entering the workforce as a teenager. [There was a] big emphasis on career and future without covering our rights at work or anything practical."*

- Carlton, 22 yrs

In response to a question about what young workers would like to see in a career advice framework, they emphasised the need to understand their rights and conditions at work, as well as more real-world experience.

*"Teach students about their rights. Teach them how to find their award, do role plays about talking to employers about pay, leave, super etc. Having a resume isn't enough. Young workers need to know what fair treatment is, because often employers don't know or care about rights at work."*

- Elsternwick, 22 yrs

*"I think we need to be shown that there are a lot of other options not just university and not just specific universities ... We were all pushed in one direction and not shown options including TAFE, or industry experience or travel. It was just "if you want a good job you need to get a degree" but also, they never mentioned that even a degree may not be good enough [to get a job]."*

- Brighton East, 20 yrs

*"I would have loved to have been taught about the actual rights of young people at work (and of all people at work), especially things like what the minimum wage is and what to do when you're not being paid it. Being taught that teenagers can join unions too would have been great, but the devaluing of trades and vocational work in my careers advice was so prevalent and should be turned around immediately - the degradation of TAFE and apprenticeships is only making things worse for [young workers], and for wider society."*

- Footscray, 23 yrs

## Recommendations

1. YWC recommends that *Work and Industrial Foundations* become embedded in career advice frameworks for high school students. The foundations must include the following key components:
  - a. A thorough description of rights and entitlement for workers; extending to minimum award wages, including penalty rates, payslips, superannuation, minimum OHS rights.
  - b. Where to go for assistance, such as how a young worker can join their relevant union, or contact YWC, community legal centres or the Fair Work Ombudsman.
  - c. An extensive explanation about various industries, and their realistic prospects; including precarity, automation, conditions, and wages.
  - d. A detailed understanding of the likely position of workers in the labour market depending on markers such as gender, ethnicity and social status.
  - e. A program that equips students to understand how to enforce their rights and maximise their choices, and power at work.
2. Training in *Work and Industrial Foundations* should be mandated in all Victorian high schools for students Year 10 and above.

## Endnotes

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- <sup>i</sup> 6202.0 Labour Force, Australia October 2017 – Table 16. Labour force status for 15-24 year olds by State, Territory and Educational attendance (full-time)
- <sup>ii</sup> 6202.0 Labour Force, Australia October 2017 – Table 13. Labour force status for 15-24 year olds by Sex – Trend, Seasonally adjusted and Original
- <sup>iii</sup> <http://www.aihw.gov.au/australias-welfare/2015/young-people/#t6>
- <sup>iv</sup> WorkSafe (2016), “Young Workers vulnerable to workplace injuries”, <http://www.worksafenews.com.au/news/item/524-young-workers-vulnerable-to-workplace-injuries.html>
- <sup>v</sup> Young Workers Centre (2016) *Young Workers Health and Safety Snapshot*, page 9
- <sup>vi</sup> Young Workers Centre (2016) *Young Workers Health and Safety Snapshot*, page 4
- <sup>vii</sup> Ibid page 7
- <sup>viii</sup> Ibid page 9
- <sup>ix</sup> Young Workers Centre (2017) *Young Workers Snapshot: The Great Wage Rip Off*, page 7
- <sup>x</sup> Ibid, page 8
- <sup>xi</sup> Ibid page 7
- <sup>xii</sup> Ibid, page 11
- <sup>xiii</sup> Ibid, page 16
- <sup>xiv</sup> Ibid, page 15
- <sup>xv</sup> Australian Institute of Health and Welfare (2015) <http://www.aihw.gov.au/australias-welfare/2015/young-people/#t6>
- <sup>xvi</sup> 6202.0 Labour Force, Australia – Table 22. Underutilised persons by Age and Sex – Trend, Seasonally adjusted and Original
- <sup>xvii</sup> Ibid
- <sup>xviii</sup> <https://www.pwc.com/gx/en/services/people-organisation/workforce-of-the-future/workforce-of-the-future-the-competing-forces-shaping-2030-pwc.pdf>
- <sup>xix</sup> <https://theconversation.com/australia-must-prepare-for-massive-job-losses-due-to-automation-43321>
- <sup>xx</sup> <http://www.fya.org.au/wp-content/uploads/2015/08/The-New-Work-Order-FINAL-low-res-2.pdf>, page 12
- <sup>xxi</sup> VTHC, Stop Gendered Violence at Work: Women’s Rights at Work Report (2016)
- <sup>xxii</sup> Per Capita, ASU (2017) “Not so Super” [https://percapita.org.au/wp-content/uploads/2017/07/Not-So-Super\\_FINAL-v2-1.pdf](https://percapita.org.au/wp-content/uploads/2017/07/Not-So-Super_FINAL-v2-1.pdf)
- <sup>xxiii</sup> WGEA (2017) “Australia’s Gender Pay Gap Statistics”
- <sup>xxiv</sup> Workplace Gender Equality Agency (2016) “Gender Segregation in Australia’s Workforce”, page 5
- <sup>xxv</sup> Workplace Gender Equality Agency (2016) “Gender Segregation in Australia’s Workforce”, page 5
- <sup>xxvi</sup> <http://www.smh.com.au/nsw/childcare-workers-hit-the-streets-to-campaign-on-pay-20160226-gn4py4.html>
- <sup>xxvii</sup> Victorian Department of Education and Training, “Careers Curriculum Framework”, <http://www.education.vic.gov.au/school/teachers/teachingresources/careers/carframe/Pages/framework.aspx>