



# The Experiences of Young People with Insecure and Precarious Employment



Youth Action's Submission to the Select  
Committee on Job Security

# Acknowledgment of Country

Youth Action acknowledges the Traditional Custodians of Country throughout Australia and understands that sovereignty was never ceded. Our office is located upon the land of the Gadigal people and we recognise their traditional and ongoing Custodianship and pay our respects to Elders past, present and emerging.



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# About Youth Action

Youth Action is the peak organisation for young people in NSW and the youth services that support them. Our work helps build the capacity of young people, youth workers and youth services, and we advocate for positive change on issues affecting these groups.

It is the role of Youth Action to:

- Respond to social and political agendas relating to young people and the youth service sector.
- Provide proactive leadership and advocacy to shape the agenda on issues affecting young people and youth services.
- Collaborate on issues that affect young people and youth workers.
- Promote a positive profile in the media and the community of young people and youth services.
- Build capacity for young people to speak out and act on issues that affect them.
- Enhance the capacity of the youth service sector to provide high quality services.
- Ensure Youth Action's organisational development, efficiency, effectiveness and good governance.

# Introduction

Youth Action welcomes this opportunity to make a submission to the Select Committee on Job Security Inquiry. We are calling on the government to mitigate the impact of insecure and precarious employment upon young people. While young people see opportunity within the tech-driven on-demand and gig economies, they also expect job opportunities that are reliable and provide decent working conditions. Security is increasingly important as Australia recovers from the COVID-19 pandemic.

Young people's voices and lived experience should be central to government approaches to job security and young people are eager to participate in decision-making processes impacting them. Youth Action encourages the government to consult young people in an ongoing and meaningful manner on these issues.

This submission adopts a broad definition of insecure work, which includes employment that lacks regular and predictable hours; access to paid leave; predictable pay; hours that are not too long or too short; or not having a voice on pay rates and working conditions (Alexander 2018, p. 3). Permanent part-time employment may also be insecure when it is not preferable to an employee, however the only position available (Alexander 2018, p. 3). It can also extend to include the portion of the population employed through fixed-term contracts.

Youth Action has engaged two groups of young people to inform our submission. The first was 18 young people who responded to an online survey regarding their attitudes and experiences of insecure work in its various forms. The second group was forty year nine students at a public high school in Western Sydney. During an advocacy workshop, we explored their views on work, housing and retirement.

Youth Action's research revealed that young people value job security and are concerned about the casualisation of the workforce. Young people have mixed attitudes towards insecure work and work in the gig economy. More than 80% of young people surveyed thought it was important or very important that their job provides regular and predictable working hours, predictable pay, a voice on pay rates and working conditions and superannuation. Young people are actively engaged in issues impacting their future lives, including concerns about housing and dignity in retirement.

## Recommendations

1. Strengthening the rights of insecure and precarious employees. Including, but not limited to, the expansion of the casual conversion provision under the *Fair Work Act 2009* (Cth), ensuring the classification of workers with large businesses as employees and the criminalisation of wage theft.
2. A comprehensive Youth Employment Strategy. Young people's voices and lived experience should be at the centre of any Youth Employment Strategy. This strategy should promote secure work and training opportunities for all young Australians, the benefits of gig and on-demand economies, and future investment in sustainable industries.
3. Urgent intervention to combat the lack of housing affordability. These changes should work towards making home ownership a reasonable prospect for young Australians.

## **The extent and nature of insecure or precarious employment in Australia.**

Casual employment and insecure work regularly coincide. Without access to paid leave and the other entitlements afforded to permanent employees, casual staff are often positioned as “powerless”, with insecurity being a permanent theme of their employment (Peetz 2020). While 1 in 4 Australians are in casual jobs, young people are disproportionately employed casually (Gilfillan 2018). Approximately 76% of employees aged 15 – 19 are casual, and about 41% of those aged 20 – 24 are casual (Gilfillan 2018).

Insecure working arrangements disproportionately impact marginalised groups of young people. This includes young people who are recent migrants or temporary workers. For instance, job advertisements in foreign languages are being used to recruit staff at lower pay rates than minimum Award rates (Unions NSW 2018). Youth Action supports the Multicultural Youth Advocacy Network (MYAN) submission, which comprehensively addresses the experiences of insecure work for young people from refugee and migrant backgrounds.

The experience of work is also highly dependent upon location. Recent research commissioned by the NSW Council of Social Service (NCOSS) shows that the social sector faces increasing challenges in retaining staff, particularly in regional areas (Equity Economics 2021, p. 20). Job insecurity is a significant contributor due to "low wages, vulnerability of the workforce... and worker fatigue" (Equity Economics 2021, p. 20). Previously commissioned research by Youth Action has addressed young people's employment in Western Sydney (O'Neill 2017). It found that through the decade to 2016, full-time jobs for young people aged 15-19 fell by 124,200, while part-time jobs for the same cohort rose by 26,500 (O'Neill 2017, p. 13).

16 of the 18 young people surveyed by Youth Action had been in insecure working arrangements. Positive reflections from this group of young people repeatedly included flexibility, with one young person stating, "it allowed more freedom to make time for nearly anything I wanted to do". Young people mentioned that working on a casual basis "was helpful whilst studying" and ensured they "didn't get bored of doing the same hours all the time". Unsurprisingly, there was a correlation between insecure work and young people's early job opportunities. Young people were grateful for the learning and development this work provided, such as being "good for my social skills".

The young people surveyed by Youth Action primarily reported negative experiences and attitudes surrounding insecure work. The precarious nature of employment was a frequent concern, for instance, "no guaranteed hours", "no access to paid leave and not knowing what my shifts or pay would look like", and that this is "very anxiety-inducing". These conditions cause significant financial stress and hardship. For instance, when discussing shifts, one young person wrote, "I'd have to take whatever was given to keep going". Employer misconduct was also addressed, with some "employers who haven't paid staff for weeks". One young person's said their "employer decided to stop giving [them] shifts after working there for over two years... this had a large impact on [their] self-confidence as it showed they did not value [them] after years of working".

Youth Action spoke with young people with divergent attitudes towards the gig economy, grounded in different motivations and experiences surrounding such work. Some young people described that the gig economy "creates employment opportunities for some Australians who may struggle finding work in other areas", that it is "good for a second source of income" and "a great way to earn extra money". Contrastingly, others characterised gig economy work as having "terrible pay and no rights" and being "quite a stressful form of employment". One young person reflected on being a "delivery rider on a push bike, in the freezing rain, on a minimum wage trying to battle traffic". Overall, these young people were appreciative of the gig economy's additional opportunity; however, they did not believe it was a suitable alternative to permanent employment. Their responses demonstrated concern around poor working conditions and awareness that such work involves "permanent insecurity" (Peets 2020).

## **The aspirations of Australians including income and housing security, and dignity in retirement.**

Of particular concern for young people is that insecure work occurs alongside the unprecedented costs of home ownership. This has created a growing misalignment between young people's housing goals and feasible options. The Australian Housing and Urban Research Institute (AHURI) has conducted comprehensive research on the "housing aspirations and constraints" for Australians (Parkinson et al. 2017, p. 1). AHURI indicates that one-third of young Australians aged 18-25 "did not feel it would be possible to purchase or were not intending to purchase a dwelling" (Parkinson et al. 2017, p. 3). Despite this, owner-occupation was desirable for most young Australians (Parkinson et al. 2017, p. 2). The share of young people aged 18-24 living with parents increased from 58% to 66% between 2003-04 and 2015-16, with living arrangements directly impacted by precarious incomes (Parkinson et al. 2017, p. 2-3).

Concerning dignity in retirement, most high school students who met with Youth Action had already thought about retirement plans. This attitude coincides with the survey results highlighting the importance of superannuation to young workers. Some comments about retirement goals include:

**"Having enough money to live the rest of my life"**

**"Enough to live in a proper home"**

**"My own place where I can settle down and enjoy life with my partner"**

**“Having a relaxing life but also being active”**

**“Not in a nursing home”**

Young Australians' experiences and aspirations around housing security and dignity in retirement are strongly associated with their income and employment. Decent, reliable and fair employment will be an essential foundation for other milestones across the life cycle.

**The risks of insecure or precarious work exposed or exacerbated by the COVID-19 crisis.**

The ongoing impacts of COVID-19 highlighted the precarity of employment for young people. COVID-19 revealed the severe impact of insecure work and the associated lack of entitlements upon young people's lives. 26.4% of employees aged 15-24 were casual workers who had been with their employer for less than 12 months, making them ineligible for the JobKeeper Payment (Gilfillan 2020).

Uncertainty remains as to the longer-term impact of COVID-19 on the employment opportunities of young people. This is particularly concerning in the hospitality and service industries, as many businesses have closed, which ordinarily employed young people on a casual basis (Gilfillan 2020).

High school students told Youth Action:

**“I think it will be hard to find a job that's secure now”**

**“I'm not able to get the job I want because of COVID-19”**

**“It’s made me realise that at any time your job could be taken away”**

**“COVID-19 shut down local businesses that could’ve been an option for me”**

**“COVID-19 has drastically impacted my goals”**

In relation to COVID-19 and future work, young people are highly concerned about the negative impact the pandemic will continue to have on their futures. Their insights demonstrate that COVID-19 has already impacted their current and future work prospects for school-aged young people.

# Conclusion

Youth Action and the young people we represent are concerned about the rise of insecure and precarious employment in the labour market. Youth Action recommends that the government implements our recommendations to strengthen the rights of insecure and precarious employees, develop a comprehensive Youth Employment Strategy and urgently intervene to combat the lack of affordable housing.

Support for policy solutions that would shift the future trajectories of young Australians exists amongst the broader Australian public. A recent poll of 1,100 Australians revealed that 84% of people support “the right of workers to convert from casual to permanent after six months”; 80% believe we should “recognise the status of gig-based workers who do regular hours as permanent”; and, 74% support “mobile leave entitlements for casuals and contract workers” (Essential Research 2021).

We call upon the government to assist young people in realising the opportunities within the gig and on-demand economy without negatively impacting working conditions, job security and workplace entitlements. We strongly recommend that the government consult young people in the development of future policy in this area.

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