



A BROKEN SYSTEM: HOW INSECURE WORK HURTS YOUNG WORKERS

2021 REPORT INTO YOUNG WORKERS' EXPERIENCES
IN ACT WORKPLACES



Young Workers
CENTRE

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The Young Workers Centre is an initiative of UnionsACT, established in 2019. The Centre supports young workers in Canberra to develop the skills, leadership, knowledge and confidence to organise and protect their rights at work. The Young Workers Centre advocates for the rights of young workers to secure, safe and decent work.

In addition, the Centre runs The Young Workers Advice Service which provides free, confidential support and information to workers in the ACT under the age of 25. The Advice Service is supported by the ACT Government.

UnionsACT acknowledges that Canberra has been built on the land of the Ngunnawal and Ngambri people. We pay our respect to their Elders and recognise the strength and resilience of Aboriginal and Torres Strait Islander Peoples.

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About This Report

This report provides up to date data and first hand accounts of the experiences of young workers in the ACT as we recover from the Covid-19 pandemic.

Between March and May 2021, the Young Workers Survey 2021 (the Survey) was conducted and over 360 young people living or working in the ACT were surveyed. The Survey was distributed widely with the help of various community groups and organisations. Young workers were asked about their experiences at work, whether their rights are being respected, and how their work impacts on their lives, finances, health and wellbeing.

The 2021 survey saw a significant increase in the number of responses from workers under the age of 18. In 2021, 39.5% of respondents were aged under 18 compared to only 9.5% in 2020 which allowed us a much stronger insight into the problems faced by minors at work.

Respondents were mostly employed in hospitality and tourism (27.48%) and retail and sales (26.5%). The majority were young women (59.5%) and there were some responses from young migrant workers (13.5%).

360+
survey responses

39.5%
respondents under 18

This report details the responses we received to the Survey and importantly, highlights the prevalent issues facing young people in today's labour market. Importantly, this report highlights the ongoing crisis of exploitation of young workers that is facilitated by the overwhelmingly precarious nature of their employment. As illustrated in the statistics drawn from the Survey, young workers are vulnerable to wage-theft, unsafe work and bullying and harassment as a direct consequence of the insecurity of their work.

The Young Workers Centre calls on Government, regulators and industry bodies to take urgent action to ensure young workers in the ACT have secure, safe and decent work. This report identifies priority areas for immediate action and provides a number of recommendations for changes needed to protect young workers.

Summary

This Report shows that the systematic exploitation of young workers is still at epidemic levels in the ACT. Statistically, it is undeniable that wage-theft and unsafe work practices are routine experiences for young workers. The exploitation they face at work impacts on young workers' standard of living, general wellbeing, mental health and studies.

Insecure work is a key contributor to this issue. Of those young workers who responded to the Survey, 72.9% are insecurely employed. Insecure work puts young workers in a precarious and uncertain position which affects their wellbeing, mental health, studies, and their ability to participate in the economy.

More notably, insecure work inhibits young workers from standing up to exploitation in the workplace and allows employers to subvert the rights and entitlements of young workers. While many employers are doing the right thing by young workers, the power imbalance created by insecure work allows unscrupulous employers to more easily steal wages and force work in unsafe conditions.

42.1%
unpaid for work hours

36.9%
injured in the last 12 months

72.9%
insecurely employed

49.2%
**won't speak up at work
for fear of losing their job**

Summary

The common experience of young workers illustrated by the survey responses was that of low-paid, insecure and exploitative work. Cumulatively, this leaves young workers struggling to meet their financial needs and suffering negative repercussions on their wellbeing and mental health.

Another important takeaway from the Survey is the lack of awareness that many young people have about their workplace rights and entitlements. Many respondents said that they felt their employer was compliant with workplace laws but also noted that they don't actually receive all of their legal entitlements such as payslips, breaks, penalty rates or superannuation. These contradictory responses are indicative of the lack of awareness young workers tend to have around their entitlements at work.

Where the survey asked for their opinions and comments, respondents strongly expressed a desire for more secure work for young people, and for the increased provision of rights at work education for young people in the ACT.

Young workers need protection of regulatory change to reduce insecurity, and improved access to education and their unions in their workplaces to enable them to raise and resolve issues of exploitation at work.

1 in 3
'just getting along'
financially

30%
say studies/mental health
are negatively impacted
by work

Responses to 'What would you change about the world of work?':

"Have workers know their rights"

- hospitality worker, 21

"More security!"

- hospitality worker, 19

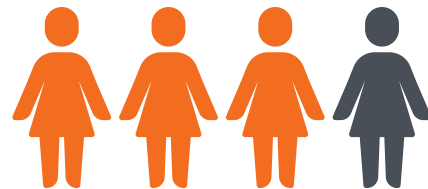
Insecure Work

The 2021 Survey results show a clear link between the exploitation and insecure employment of young workers.

Almost 3 in 4 respondents reported being in insecure employment. Most are casually employed meaning they have no guarantee of ongoing work or access to paid leave. Additionally, some respondents reported being employed illegally through cash-in-hand arrangements (7.9%) or sham contracting (2.2%) meaning they have no access to employment rights and protections.

While traditionally casual workers are expected to be paid at a higher rate than permanent workers, this was revealed to not be the case with many respondents reporting being in low-paid work. The most common wage rate for survey respondents is \$15 - \$20 per hour and almost half of the adult respondents aged 18-25 are earning less than \$400 per week.

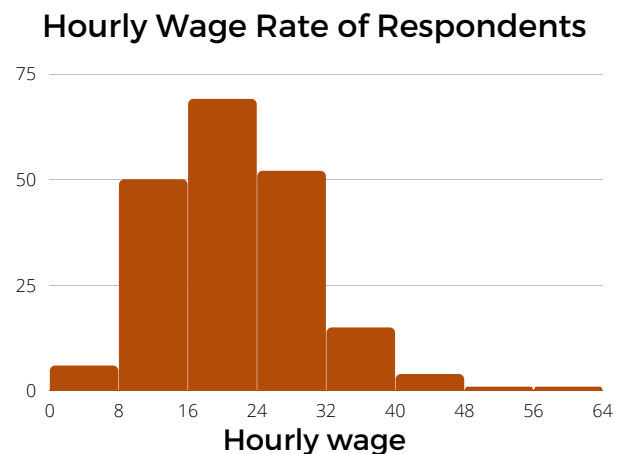
44.8% of respondents also reported that they are not feeling positive about having enough paid work over the next 12 months to meet their financial needs. This level of uncertainty and precarity impacts young workers in every aspect of their lives.



are insecurely employed

7.9%

**are employed through
illegal cash in hand
arrangements**



43%

**of 18-25 y.o. earn less
than \$400 per week**

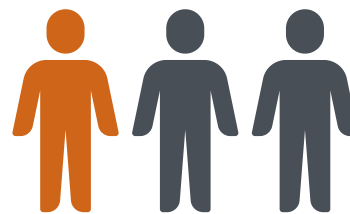
Insecure Work

Without guaranteed, secure, ongoing work young workers are struggling to get enough work to have sufficient income. Many young workers are forced to juggle multiple jobs to make up enough ongoing income to meet their financial needs. Thirty four percent of respondents reported working 2 or more jobs while 14.7% reported being unemployed.

Young workers facing insecurity and uncertainty at work also suffer broader personal and social impacts. More than one third of survey respondents who were casually employed reported finding it hard to plan their lives around their work. This was in large part due to unreliable and unpredictable rosters which are often released with very little notice. The prevalence of casual and insecure work means that young workers are being treated as disposable.

One young worker noted that they are asked to provide their availability weeks in advance but are sometimes only given hours notice for their shifts.

For young workers who struggle to make ends meet while balancing uncertain hours of work across multiple jobs, work can have a negative impact on mental health and personal wellbeing.



working 2 or more jobs

14.7%
unemployed

"The weekly roster usually comes out only a day in advance"

- Retail worker, 17

37%
don't have rosters they can predict and plan for

Insecure Employment

When employers control access to shifts and they are able to simply stop offering shifts without providing a reason, as is the case in insecure work, young workers are essentially in a state of constant threat. Young workers frequently do not stand up for their rights at work or even seek help for the simple reason that they do not want to risk their livelihood.

Almost half of those young workers who were surveyed said that they would not speak up about issues at work out of fear that they would lose their job. Although punishing or penalising workers for enforcing their rights is illegal, in practice this is common and enabled by insecure working arrangements which allow employers to simply stop offering work.

In addition, the regulatory protections which should stop this from happening are themselves complicated, expensive and time consuming. For many young workers, the regulations in place to protect them often act as a barrier to seeking help or redress when they need it. Survey respondents reported a number of barriers to seeking help with the most common being not knowing what to do (52.3%) then not wanting to lose their job (49.8%), followed by worrying that it will take too long and be too time-costly (34.2%).

Insecure work creates a power imbalance which unscrupulous employers can take advantage of, making standing up for your rights or seeking help while continuing to work for the same employer near impossible. There is a strong connection between the exploitation of young workers and the overwhelming incidence of precarious employment. The responses make it clear that until the insecure and precarious nature of young workers' jobs is addressed, young workers will not be adequately protected from wage theft and unsafe work.

"I am afraid of trying to recover the money I believe I am owed"

- Services worker, 21

25.7%

feel they wouldn't be able to find another job as good if they lost theirs

49.7%

won't speak up at work for fear of losing their job

Wage-Theft

The epidemic of wage-theft from young workers is well known and has been the subject of much media attention in recent years.

Underpayment for hours worked, non-payment of penalties for weekends and public holidays, and non-payment for meetings and trainings and non-payment of superannuation are all frequently reported to the Young Workers Centre.

For many young workers, wage theft is not an accidental or occasional occurrence, but is a common experience of their working lives. Consistently, the Young Workers Centre's annual survey reveals 35-55% of young workers have been underpaid or unpaid for work.

While respondents themselves report wage-theft at relatively high rates (38%) this year's survey responses show that *the actual rate of young workers experiencing wage-theft is much higher.*

This is confirmed by the discrepancies in answers when young workers are asked if they've experienced wage theft compared to when they are asked more specific questions. For example, a much higher proportion of respondents (42.13%) said they have been illegally unpaid for opening or closing the business, meetings or training.

It is likely the case that identifying wage-theft is difficult for young workers as many (37.1%) report that their employers are not providing payslips as is legally required.

Similarly, a lack of awareness around workplace rights and entitlements also acts as a significant barrier to young people identifying and addressing wage-theft. This lack of awareness was demonstrated throughout the survey responses.

42.1%
unpaid for work hours

37.1%
not getting payslips

"(At my last job) I was paid cash in hand... I would work 10 hours on a Saturday with only a 20 min break for \$100."
- Retail worker, 18

"One of my workplaces does not pay weekend rates."
- Young worker, 17

Wage-Theft

About half (49.5%) of the survey respondents reported not knowing which legal instrument they are employed on (e.g. Modern Awards, Enterprise Agreements) highlighting both a lack of awareness around workplace laws, and an issue with employers not communicating important information about their employment to young workers.

Particularly for young workers under the age of 18, a lack of knowledge about rights at work and less work experience exacerbates the power imbalance between them and their employer leaving them more vulnerable to exploitative employment practices.

Of the respondents under the age of 18, 42% said they don't always get pay slips when they should, 82.35% said they were unsure if they were being paid superannuation and 44.3% were unsure of the national minimum wage rate. Even despite this demonstrated lack of awareness, only 46.4% of respondents under the age of 18 think their employer complies with all laws regarding their pay and conditions.

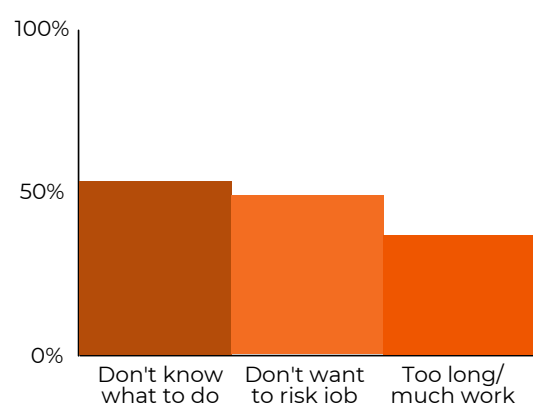
"I've experienced underpayment in almost every job I have had since I was 14."
- Education worker, 20

Young workers show significant interest in recovering stolen wages with almost half (49.76%) of the Survey respondents saying they would like to try to recover stolen wages in the future.

While the desire to recover stolen wages is present, young workers lack the job security and access to simple, low cost and quick ways to address it. When asked why they don't try to recover stolen wages, the most common response was not knowing what to do. Additionally, just under half said that they wouldn't try to recover stolen wages because they don't want to risk losing their job. Those who do want to try and recover stolen wages will commonly wait until they have left the job so they are not penalised at work.

The link between wage-theft and insecure work was made clear by a young migrant worker who said *"when you need a job sometimes you have to go for lower rates."*

Why Young Workers Don't Recover Wages



Unsafe Work

Young workers generally report a lack of compliance with workplace health and safety laws, especially when asked about specific issues in their workplace.

While 63.9% of survey respondents said that they think their boss complies with health and safety laws, their responses to other questions show that there are in fact many more breaches by employers of work health and safety laws. For example, only 57.6% of respondents were told what to do if they got injured at work which shows that many employers are not meeting their basic workplace safety obligations and do not have adequate safety systems.

Comments left by many young workers in the workplace safety section of the Survey frequently mentioned cuts and burns as common risks of the job and a culture of leaving employees to deal with injuries themselves.

Safety is clearly not prioritised by many employers of young workers as only half of the survey respondents report having a first aid officer in their workplace and 43.1% having a Health and Safety Representative at work. This lack of safety systems in young workers' workplaces is particularly problematic given that 1 in 3 reported not feeling comfortable discussing health and safety issues at work for fear of risking their job.

35.9%

NOT told what to do if injured at work

1 in 2

have a first aid officer

"We just suck it up. I still have scars/burn marks on my arms from months ago."

- Hospitality worker, 18

"Blistering burns and sprained wrists from hot plates and heavy, over-stacked trays. We are yelled at if we do not continue to work... and the supervisors are usually too busy to listen."

- Hospitality worker, 19

41%

would like more support to make their workplace safe & healthy

Unsafe Work

It is of little surprise then that injuries are common among young workers with 36.9% saying they've been injured at work. An additional 31.9% reporting having seen on or more of their co-workers get injured at work in the last 12 months.

The culture of fast-paced work and overworking employees is likely a contributing factor to the high injury rates with only 34.1% saying they are always allowed to take their rest breaks and a meagre 12.7% saying they *haven't* been pressured to work faster.

This culture was described well by one young hospitality worker, "Blistering burns and sprained wrists from hot plates and heavy, over-stacked trays. We are yelled at if we do not continue to work as it is a fast paced and stressful environment, and the supervisors are usually too busy to listen."

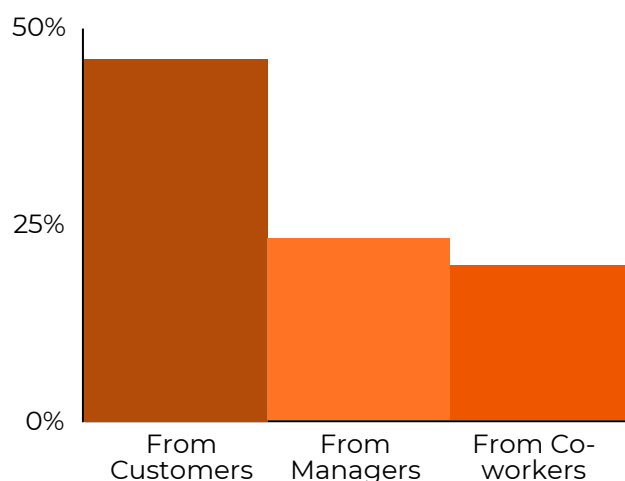
There is also strong evidence of a greater prevalence of psychosocial injury among young workers. Bullying and harassment were highlighted as a common issue with most saying they had experienced it from customers and clients (45.1%), the second highest percentage experiencing bullying from managers and supervisors (21.7%), then from co-workers (17.2%).

The comments left by young women workers when asked about workplace safety show that sexual harassment is a significant problem for many in their work. The effects of working in high risk and high pressure environments were also made clear with only 14.8% disagreeing that what happens at work makes them feel stressed or anxious.

36.9%
injured in the last 12 months

2 in 3
not getting all rest breaks

Bullying and Harassment at Work



Spotlight: Hospitality

Hospitality was identified as an especially exploitative industry for young people to work in. On most measures of exploitation, particularly wage-theft and unsafe work practices, the statistics show worse experiences for young hospitality workers.

The hospitality workers who responded to our survey were 10% more likely to experience wage-theft with almost half reporting having been unpaid or under-paid for their work in the last year. Additionally, they were *less likely to have received their correct superannuation* with only 27% saying they had (compared to 36.6% for all respondents).

Hospitality work is seemingly also unsafe work with only 62.5% of respondents feeling that their workplace was safe, a significantly lower percentage than for all respondents. Respondents who work in hospitality reported getting injured at higher rates (40% in the last year) and report being less likely to have a first aid officer in their workplace (only 38.2% compared to 50.5%).

This was similarly the case when it comes to bullying and harassment. The number of respondents reporting experiencing bullying and harassment, regardless of who it's coming from, jumps by approximately 10% when looking at respondents working in hospitality compared to those in all industries.

The higher rates of exploitation in hospitality is somewhat explained by the higher rates of insecure work. Respondents working in hospitality were also more likely to be insecurely employed (77.5% compared to 72.9%). This insecurity also showed through in their attitudes, where hospitality workers were 10% less likely to feel able to discuss their pay and conditions at work without fearing they would lose their job.

"We don't get paid minimum wage, technically I get some penalty rates but at a lower rate than minimum."
- Hospitality worker, 17

"At every shift I normally work between 30 minutes to an hour of overtime and do not get paid for it."
- Hospitality worker, 18

46.7%

**unpaid or underpaid
for hours worked**

77.5%

**of hospitality workers are
insecurely employed**

Young Worker Experiences

Work has a significant impact on young peoples' lives - from their mental health to their financial position. Many young workers struggle to afford necessities due to low and insecure incomes. Only 39.8% reported finding it easy to make rent payments, 30% to meet their health care costs and 47.9% reported delaying getting help from a health care professional due to costs in the last 12 months.

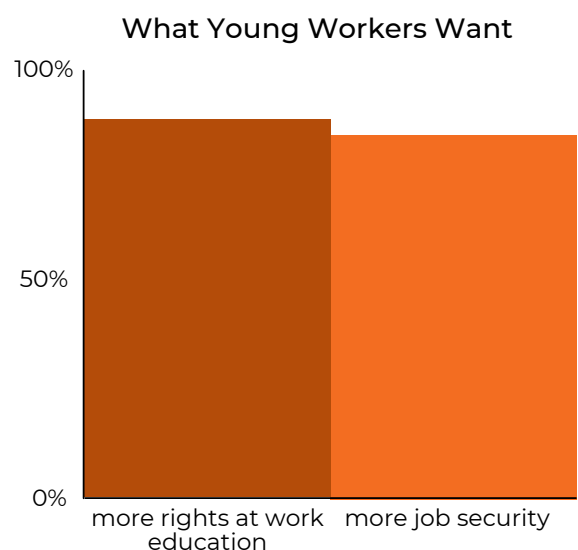
Of those who responded to our survey, 36.5% labelled themselves as 'just getting along', 'poor', or 'very poor'. In order to meet their financial needs, 34.2% of respondents have had to access income support and only 16.2% felt that the process for accessing such support was easy.

The impacts of work are not just financial, survey respondents also reported more broad negative impacts. Of those surveyed, only 38.8% said that work has a positive impact on their mental health and only 34.2% said that work doesn't negatively affect their studies.

36.5%
'just getting along', 'poor' or 'very poor'

Additionally, only just over half felt that they could easily take off work when they were sick, despite the prevalence of 'flexible' work arrangements. Given the context of the survey, this statistic is particularly concerning not just for young worker health but also for the health of our community.

The key concerns identified by young workers themselves were insecure work and education about the rights and entitlements of workers. 84.6% of survey respondents said that it was either 'important' or 'extremely important' to provide more young workers with job security and an even greater number (88.7%) said that they would like to see more education for young people about their rights at work.



Young Workers Say...

We asked young workers what they would change about the world of work if they could:

"Greater penalties for employers who exploit people."

- Hospitality worker, 21

"To make it easier for young people to speak up to their boss about pay."

- Young worker, 16

"More transparency in pay rate/superannuation rates and employer responsibility"

- Education worker, 20

"Have workers know their rights"

- Hospitality worker, 21

"I would change the harassment and bullying from co-workers and customers so I could feel safe and comfortable at work."

- Hospitality worker, 18

"Pay increases to keep up with cost of living"

- Retail worker, 17

"More security!"

- Hospitality worker, 19

"... regulated casual working rights instead of inconsistency and ambiguity"

- Hospitality worker, 18

Recommendations

1. Rights Information and Awareness

It is clear from the above report that many young workers do not know their workplace rights and entitlements. 'Employment literacy' should be improved for young people through universally provided workplace rights education before they start work. This would include:

- A targeted and fully resourced Work Health and Safety education program for young workers in key industries included hospitality and tourism and retail and sales;
- Funding for the Young Workers Centre Advice Service and the education programs provided to ACT high schools and colleges through this service, should be extended and increased to provide enough capacity for the program to be delivered in all schools; and
- Requiring employers and/or tertiary education institutions to provide compulsory, ACT Government approved information and training sessions to visa holders and international students about their rights and entitlements at work at the point of their arrival of upon engagement with an employer.

2. Include workplace rights and safety in the ACT senior secondary curriculum

Young workers under the age of 18 are more at risk of wage-theft and exploitation than older workers and lack an understanding of their rights and the industrial relations framework. The ACT Government should work with Unions, teachers and education professionals to include workplace rights and safety as a part of the ACT senior secondary curriculum.

A key focus for education should be students who are undertaking Australian Schools Based Apprenticeships.

3. Ensure that employers who receive ACT Government funding, grants or licenses are not exploiting young workers

ACT government should ensure that any employer who is a recipient of ACT Government funding through either grants or procurement, or is a recipient of a license is required to certify that they are adhering to all relevant workplace laws and that they act to reduce the incidence of insecure work for their workers.

Recommendations

4. Investigate further regulatory and legislative options to support casual workers to assert and enforce their workplace rights

Casual workers are in a precarious position making it hard for them to enforce their workplace rights without risking their job due to the insecurity of the employment. As noted in the above report, many young workers do not raise concerns about their entitlements or workplace safety at work due to their insecure employment arrangements.

This report clearly shows the link between insecure employment and exploitation of young workers.

ACT Government should work closely with Unions and the Young Workers Centre to identify and implement legislative and regulatory changes to increase job security and allow young workers to raise workplace rights and safety issues, including improving access for young workers to their unions in their workplaces.

Young workers need to be able to access their unions *in their workplaces* for support, training and assistance with resolving workplace issues. When young workers can work together and with their unions, they are in a strong position to stand up to exploitation at work.

5. Mandatory reporting of Work Health and Safety incidents involving a person under the age of 18

- Require mandatory reporting to child protection authorities by ACT Government agencies/bodies (WorkSafe ACT, Skills Canberra, High Schools and Colleges) of Work Health and Safety incidents involving a person aged under 18
- Require mandatory reporting by workers compensation insurers to child protection authorities of claims paid to a person aged under 18.
- Require mandatory reporting of incidents and injuries (de-identified) to the Young Workers Centre and appropriate child welfare organisations.

6. Fund a targeted service for young migrant workers

Young migrant workers are being systematically exploited and subject to unsafe work practices and wage-theft. Migrant workers are particularly vulnerable to unscrupulous employers. The ACT Government should provide funding to create a Migrant Workers Centre with capacity to provide free assistance to migrant workers, particularly young workers, including the provisions of employment rights information to international students.

Recommendations

7. Certificate system for employers of a significant number of workers aged under 18

Establish a certificate for employers of 10 or more workers aged under 18, based on the existing and successful Secure Local Jobs Code certificate system. The system should require:

- The employer to demonstrate that they have appropriate systems in place to comply with the Fair Work Act and the Work Health and Safety Act;
- The employer to demonstrate that they are complying with the existing Standards for employing children;
- Employers to be regularly audited and subject to having their certificate reviewed, suspended or revoked using a demerit system for non-compliance with Work Health and Safety laws or the Standards, and the regulator to be able to place conditions on employers who contravene these requirements

8. On the spot fines

Establish powers for Work Safe Inspector and CSD child safety inspectors to issue on-the-spot fined for contraventions of the workplace laws and regulations including the Work Health and Safety Act, that involve a young worker under the age of 18.

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