



Submission to the
**Select Committee on Working Families
in the ACT**

March 2007

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Introduction

The Youth Coalition is the peak youth affairs body in the Australian Capital Territory. We are responsible for representing, promoting and protecting the rights, interests and wellbeing of people aged between 12 and 25 years and those who work with them.

As an advocate for the rights, interests and wellbeing of young people in the ACT, we hold serious concerns about the affect that the WorkChoices legislation will have on young people in the ACT and indeed across the country.

Our concerns on the impact this legislation will have on young people are shared by many other individuals, organisations and government agencies across the country and are concisely expressed by the NSW Office of Industrial Relations who state that:

Young people combine a low level of awareness of their fundamental employment rights with a high degree of exposure to exploitation, confirming that they are an extremely vulnerable group in the workforce.¹

The WorkChoices legislation removes many existing safeguards for young people in their relationship with employers. The legislation is also likely to have indirect and systemic impacts on young people in the workplace with lower rates of pay and conditions. It will also directly impact on young people's experience in the workplace as many young people have low levels of knowledge about workplace practices and conditions. The impact on young people will therefore be interrelated and lead to an overall decrease in working conditions and positive work experiences.

We strongly believe that this legislation should be repealed or significantly amended in order to prevent the decrease of wages, conditions, job security and safety standards for young people in the workplace. While such discussion and action is outside the scope of this inquiry we believe this inquiry can contribute to this debate in recognising these impacts of the WorkChoices legislation, even when they are outside the jurisdiction of the ACT to take action.

Our submission is structured around 6 key areas:

1. Profile of Young Workers
2. Young Workers Knowledge
3. Young Workers Complaints
4. Young Workers Bargaining Power
5. Young Workers and Youth Wages
6. Review of Other Jurisdictions

The Youth Coalition makes six recommendations. These are the actions we believe must be taken in order to ameliorate the negative effect that WorkChoices will have on young people in the ACT.

¹ NSW Office of Industrial Relations, *Young People at Work*
<http://www.youngpeopleatwork.nsw.gov.au/young+people+and+work+survey+2005+-+summary+and+key+findings.html>
(Accessed 5 February 2007)

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Summary of Recommendations

Recommendation 1.

The ACT Government provides funding for the development of resources and training for young people on industrial relations, workplace rights, occupational health and safety and for the face to face delivery of this resource to young people across the Territory.

Recommendation 2.

The ACT Government provide funding for the establishment of a legal advice position that would specifically provide employment advice to young people.

Recommendation 3.

The ACT Government advocate for the Workplace Relations Amendment (WorkChoices) Act 2005 to be repealed to ensure that young people have sufficient protections in workplace relations and create a fair and balanced industrial relations system.

Recommendation 4.

The ACT Government review its current initiatives targeted at youth unemployment and consider additional programs to reduce the unacceptably high rates of youth unemployment.

Recommendation 5.

The ACT Government advocates for a fairer system of youth employment that involves increases to the minimum wage for young people.

Recommendation 6.

The ACT Government advocates for the Youth Wages scheme to be abolished or significantly amended to increase the remuneration rates for young people.

Background

The introduction of new industrial relations legislation under the Workplace Relations Amendment (WorkChoices) Act 2005 has made significant changes to the workplace environment. According to the Australian Government, the introduction of this legislation was introduced in order to achieve a number of objectives:²

- A better process for setting minimum wages and conditions
- Guaranteeing minimum conditions in legislation
- The ongoing role of the Australian Industrial Relations Commission
- Simplifying agreement making
- Providing modern award protection
- Better balancing unfair dismissal laws
- Creating a national workplace relations system
- Providing an increased emphasis on direct bargaining between employers and employees³

The Youth Coalition believes that the impact of the new legislation will have on employees is significant and is likely to be complex and interrelated. Young people are particularly at risk of being negatively impacted by this legislation as they are likely to have:

- Low levels of knowledge about industrial relations
- Limited experience in workplace bargaining
- Low levels of accessing complaints processes
- Significant power imbalances between themselves and their employers
- Work in low skill industries
- High levels of unemployment

The implementation of WorkChoices must be accompanied by changes to the broader environment in which young people engage to ensure that these changes are accompanied by increased support in this deregulated and individualised environment. Changes to legislation such as this, then, should be accompanied by action to ensure that young people know that these changes mean for them and that they are supported to engage in the new environment.

² Australian Department of Employment and Workplace Relations *Our Plan for a Modern Workplace* (Commonwealth of Australia 2006), <https://www.workchoices.gov.au/ourplan/overview/Ourplanforamodernworkplace.htm> (Accessed 15 February 2007).

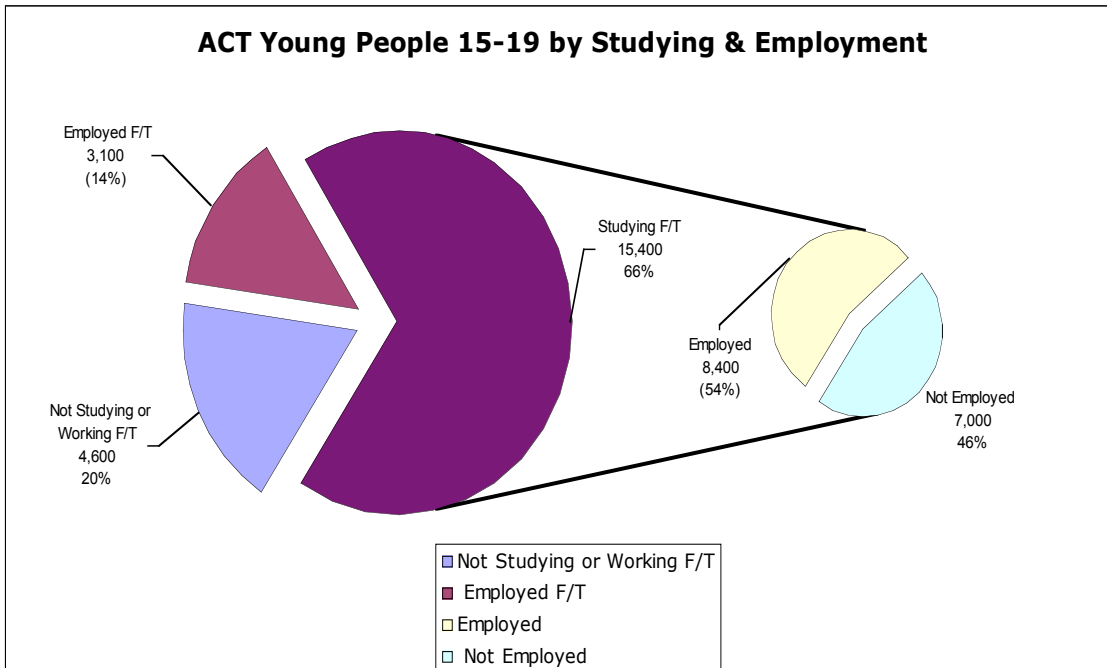
³ Kevin Andrews *Simpler Agreement Making and Workchoices* (Media Release: Sunday 9th October 2005) <http://mediacentre.dewr.gov.au/mediacentre/AllReleases/2005/October/SimplerAgreementMakingWorkchoices.htm> (Accessed 10 February 2007)

Section 1: Profile of Young Workers

Young people engaged in employment and affected by WorkChoices have a different profile and different characteristics to previous generations of young workers – in particular, they are working more hours per week and significantly more are employed in casual employment. As a result, young workers are likely to be more heavily impacted by WorkChoices than young workers would have been in the past and to the way in which other groups in the labour force will be affected presently.

Firstly, young people engaged in employment are diverse and WorkChoices will have a different impact on different groups of young people. For young people who are studying fulltime and working part-time they are highly likely to be casual employees and in low paid employment. However, they are also likely to be content with the amount of hours they are working. This contrasts to the experience of young people who have left school and are working part-time because they cannot find fulltime work. For these young people, the issues they experience are not having enough hours to financially support themselves, unable to find fulltime work and earning substandard wages.

It is important that we do not assume all young people are experiencing similar issues in the workplace nor that all young people are employed in addition to studying. The statistics for the ACT show that of the 23,200 young people aged 15-19 in the Territory, 33% are not studying fulltime and of those not studying fulltime, 40% are employed fulltime.⁴



⁴ ABS *Labour Force Australia* (Cat. No. 2602.0, Canberra: Australian Government 2007)

On a national level, young people aged 15-19 years of age in the workforce number over 700,000⁵ and the past 20 years has seen a significant shift in the percentage of young workers working in part-time and casual jobs from 28.1% in 1983 to 66.5% in 2003.⁶ This has been the impact of increased school retention and the combination of study and employment through secondary and tertiary education - accounting for almost 80% of 15-19 year olds in part-time work.⁷

Key Points

- Young people are employed in jobs that provide less job security than most workers have.
- Young people work in industries that pay poorly
- Young people face unacceptably high levels of underemployment and disengagement from fulltime study and work.
- Young people are significantly more likely to be studying and working now than a decade ago

Industries that employ young people

Young workers are likely to work in specific occupations with almost 75% of young people working part-time employed in either Retail Trade or in Accommodation and Hospitality.⁸ This accounts for approximately 350,000 young people across Australia. Importantly, the Australian Bureau of Statistics (ABS) notes that young people's "low levels of work experience and educational attainment, the occupations in which young people are employed are generally less skilled".⁹

Type of Employment

Young people under the age of 18 are highly likely to be working in part-time and casual employment and are increasingly likely to be working while studying. The number of young people studying at school and working has increased from 23.7% in 1986 to 34.4% in 2006.¹⁰ Even more significantly, the rates of combined tertiary study and employment have increased from 33.9% in 1986 to 49.2% in 2006. These statistics show that increasingly young people are being exposed and engaged in the labour force at an earlier age than in the past. Furthermore, the rates of employment while in school demonstrate that employment experiences are very common with one in three school students also engaged in formal employment.

Remuneration – Full-Time Employees

The industries in which most young people are employed are both low skilled and low paying industries. The ABS also notes that the hospitality and retail industries have both high levels of part-time employees and significantly lower levels of cost per employees at around \$24,000 and \$25,000 per employee respectively, compared to the national average of just over \$42,500.¹¹ Young people are also likely to be remunerated at low rates that are inadequate to support their own living. Young people working full-time earn a mean income

⁵ Australian Bureau of Statistics [ABS] *Year Book, Australia 2005, "Young People in Employment"* Table 6.26 Labour Force Participation of Young People (Cat. No. 1301.0, Canberra: Australian Government 2005)

⁶ Ibid

⁷ Ibid Table 6.27 People Employed Part-time, by student status May 2003

⁸ Ibid Table 6.30 Major Industries of Employed Young People (a)(Ab) – 2003-04

⁹ Ibid

¹⁰ ABS *Labour Force Australia, ST LM3* (Cat. No. 2602.0, Canberra: Australian Government 2005)

¹¹ ABS *Year Book, Australia 2005, "Labour Costs"* Table 6.60 Major Labour Costs per Employee, By industry (Cat. No. 1301.0, Canberra: Australian Government 2005)

of \$448 per week - this equates to under \$12 per hour and compares with the Australian average of \$1047 per week.¹²

Remuneration – Part-Time Employees

Young people working casual hours are remunerated at even lower rates. For young people working in a retail job – for example as a retail assistant at a leading supermarket chain – the remuneration is \$8.17 per hour for a worker aged under 16. For the same worker working at a leading fast food outlet, the remuneration would be \$6.16 per hour. As these rates are casual, the young people are not entitled to annual leave or sick leave. A young person working for eight hours a day on both Saturday and Sunday will receive less than \$100 for their time. This illustrates the gap between young people's work their remuneration for their time and the expectations in remuneration as the majority of adult workers would not want to spend their entire weekend at work for under \$100, yet young people have no choice but to do this.

Experiences of Work

Research conducted by the NSW Commission for Children and Young People with 11,000 young people found that most young workers were very satisfied with their work and enjoyed working.¹³ However, young people may also have negative experiences of work with high rates of bullying and of workplace injury. The significant impacts on young people of serious injury in the workplace is of concern and is an issue that has been raised by a variety of reports and investigations into young people in the workplace.

Underemployment

An unacceptable number of young people are working in employment that is not fulltime when they have a preference for fulltime work. Of young people aged 15-19 and not in fulltime education, two-thirds want more hours and almost a quarter are in part-time employment because they could not find fulltime employment.¹⁴ These young people working part-time are much less likely to have security in their employment with 86.9% of young people studying fulltime and working part-time in casual positions while 70.5% of non-studying part-time workers in casual positions compared to just 12.5% of full time employees.¹⁵ This has important implications for the security of young people's employment, standard working hours and associated benefits such as sick and annual leave.

Unemployment

Young unemployed people face significant challenges and this is a key issue that requires an urgent and holistic response. ABS statistics from January 2007 shows that of 15-19 year old young people in the ACT not attending fulltime education, 21.8% are unemployed.¹⁶ This is well above the national average of 18% and compares poorly with states such as Western Australia with 12% unemployment¹⁷ and is vastly disproportionate to the general ACT unemployment rate of 3.7%.¹⁸ Young people who are unemployed do want to work, with 88% of unemployed 15-19 year olds reporting that they wish to find fulltime employment.¹⁹ Young people aged 20-24 face similar challenges with 23.2% not in

¹² ABS *Employee Earnings, Benefits and Trade Union Membership* (Cat. No. 6310.0, Canberra: Australian Government August 2005) p14

¹³ NSW Commission for Children and Young People, *Children at Work*, (Sydney: 2005) p70

¹⁴ Dusseldorp Skills Forum, *How Young People are Faring* (Melbourne: Monash University 2006) p37

¹⁵ Ibid

¹⁶ ABS *Labour Force Australia* (Cat. No. 6202.0, Canberra 2005) p21

¹⁷ Ibid p17

¹⁸ Ibid p21

¹⁹ ABS *Labour Force Australia LM3*, (Cat. No. 6291.0.55.001, Canberra 2006)

fulltime education or employment.²⁰ This equates to 337,500 young people across the country not in fulltime employment or education. This is an issue that needs to be addressed urgently and that is all too often ignored in reports of unemployment.

Unemployment – School Leavers

A key group in unemployment statistics are school leavers who do not go onto further study or become engaged in employment. Of the cohort of 2005 school leavers, 30% were not in employment or education by May 2006, this is a significant number of young people, accounting for over 86,000 individuals throughout Australia.²¹ Of young people in the ACT, the situation has been deteriorating significantly from 2000 where 26.9% of school leavers not engaged in fulltime education or employment the following May to 33.7% not engaged in fulltime education or employment in 2006.²² The highest year of schooling achieved is an important factor also with 48.9% of year 10 graduates not engaged in fulltime education or work compared to 19.8% of year 12 graduates. In order to address this problem, transition planning and supports are essential as is education and training that is relevant to the workforce.

Length of Employment

Young people are also likely to change employers regularly as the research undertaken by Job Watch indicates. In a survey that included 650 young people throughout Victoria working in the fast food industry, over 50% had been employed with their current employer for less than 12 months.²³ Casual employees are also excluded from unfair dismissal protections if they are employed for less than 12 months, thereby reducing important safeguards for young workers.²⁴ With high rates of turnover, it is important that young people know what their rights are when terminating employment and what constitutes unfair and unlawful dismissal.

²⁰ Ibid

²¹ Ibid

²² Ibid

²³ Job Watch, *Fast Food Industry: A Research Study of the Experiences and Problems of Young Workers* [http:// www.job-watch.org.au/jwinfo/fastfoodreport.pdf](http://www.job-watch.org.au/jwinfo/fastfoodreport.pdf) (Accessed 10 February 2007) p17

²⁴ WorkPlace Info, *Casuals and WorkChoices* <http://www.workplaceinfo.com.au/nocookie/alert/2006/060426299.htm> (Accessed 15 February 2007)

Section 2: Young Workers' Knowledge

Young workers' knowledge is a key indicator and determinant of their ability to navigate the workplace environment successfully. By ensuring that young people are educated about workplace matters, we make sure they are empowered in the workplace.

The knowledge that young workers have about industrial relations directly impacts on their ability to engage positively and effectively in the labour market. Young people who are aware of their rights and who are informed about workplace relations are far better placed to participate in a system that has an increased focus on direct bargaining between both employers and employees.

Education plays a key part in young people's empowerment in the workplace however, many young people currently have low levels of knowledge about their rights in the workplace and the responsibilities of employers for their employees.

Research conducted by Job Watch into young people working in the fast food industry found that 43% of young people did not know their legal minimum wage while 40% did not know if they were being paid the correct entitlements when they left their employer.²⁵ Research by the Australian Centre for Industrial Relations Research and Training found that almost a quarter did not receive pay slips and half did not have any written information about their pay, conditions and safety in the workplace.²⁶

Research and anecdotal information from young people indicates that they are often unaware of their rights in the workplace. They are likely to be unsure of whether or not they should be paid for trials, whether they can be forced to work unpaid overtime, whether they should be paid minimum shift allowances and what their employer should pay for if they are injured at work. This means that young people often will choose not to stand up for their rights as they do not know what they are entitled to as employees.

Some of the most significant gaps in knowledge are centred on young people knowledge of their minimum wage. In order for young people's most basic right to a wage that complies with the standards set by the Australian Fair Pay Commission and those negotiated through awards, it is imperative that young people know what their minimum wage is and are paid accordingly.

There has been scarce research conducted on young people's knowledge of more advanced matters of industrial relations such as the differences between different types of agreements and processes for workers compensation. However, anecdotally and logically, it is clear that most young people's knowledge of advanced matters of industrial relations is very sketchy given their knowledge of basic matters is quite low.

To ensure that young people have the capacity to engage meaningfully and successfully in the workplace, we must make all possible attempts to provide them with education about industrial relations. This is the most substantial and important contribution we can make to help ensure young people are supported and not exploited in the workplace.

²⁵ Job Watch Op Cit., p40

²⁶ NSW Office of Industrial Relations, Op. Cit.

Recommendation 1.

The ACT Government provides funding for the development of resources and training for young people on industrial relations, workplace rights, occupational health and safety and for the face to face delivery of this resource to young people across the Territory.

Section 3: Young Workers' Complaints

One of the most concerning aspects of young people's employment is that young workers are highly likely to experience an injury or illness while at the workplace and to be treated in a way that contravenes legislation, regulations or workplace agreements.

Research by Job Watch²⁷ found that:

- 10% of young people were being paid under the minimum wage
- 9.1% were not paid on time
- 39% were not paid for training and staff meetings they were entitled to be paid for.
- 24.2% did not get a 30minute meal break when working 5 hours or more.
- 46.2% had been injured in the workplace, of which 59.1% were burns.
- 29.7% had been verbally harassed in the workplace.
- 19% experienced some form of discrimination in the workplace.

Young people in the workplace experience a range of problems that impact both on their satisfaction with work and on their health and wellbeing. Since young people are also unlikely to be confident in knowing their rights in the workplace, they face a disproportionate chance of being treated unfairly and exploited in the workplace.

Young people are also unlikely to access complaints processes and are likely to accept decisions made by employers which are a result of their limited experience in the labour force and low levels of knowledge of their rights.

Research conducted by the Australian Centre for Industrial Relations Research and Training found that if young people felt ripped off by an employer, 4.1% would do nothing while 18.5% would find a new job.²⁸ This is highly concerning as many young people would not approach neither a legal information centre nor a union, but would accept what has occurred and move on. This leaves young people open to exploitation without any repercussions to those businesses that exploit them.

Young workers addressing grievances is closely tied to their knowledge of industrial relations and also to their knowledge of complaints processes. In order to feel empowered enough to take action to address problems that have occurred in the workplace we must ensure that young workers are aware of their rights and what to do if these are impinged upon.

Recommendation 2.

The ACT Government provide funding for the establishment of a legal advice position that would specifically provide employment advice to young people.

²⁷ Job Watch Op. Cit., p40

²⁸ NSW Office of Industrial Relations, Op. Cit.

Section 4: Young Workers Bargaining Power

One of the most significant changes implemented through the WorkChoices legislation is the “increased emphasis on direct bargaining between employers and employees”.²⁹ WorkChoices has both provided for and encouraged an environment where employees and employers will be increasingly reliant on individual bargaining agreements. This has particular implications for young workers who often lack power in the workplace.

From the profile of young workers in Section 1, it is evident that young people work in industries where there are high turnover rates, low skill levels and poor working conditions. Young people also have limited knowledge about workplaces practices and standards, as detailed in Section 2. Many young workers, therefore, are in a position where they have very limited bargaining power.

The power that employees have to bargain is derived from two sources - collective arrangements that can alter employer-employee relations and outcomes on a mass scale and when there are particular labour market shortages.³⁰ The introduction of a system based on more direct employee-employer negotiations is unlikely to benefit many young people as most young people work in an environment where the labour market has an oversupply of labour – as is evident through the high rates of underemployment of young workers cited in Section 1.

Young workers are also generally satisfied with their work conditions – even when these are poor compared to adult conditions.³¹ Young people’s willingness to accept substandard working conditions is a result of the unacceptably high rates of unemployment, lack of knowledge of whether conditions are award level or substandard and the social construction of young workers as less valuable employees, even if there is often no difference between the productivity of young workers and older workers.

The WorkChoices legislation also introduced no disadvantage tests that will remove the need for employers to ensure that any Australian Workplace Agreement (AWA) will balance the removal of some conditions with increased benefits in other conditions. This means that AWA’s can significantly reduce the standards in an award by removing all conditions except for the five allowable matters that cover minimum pay, annual leave, personal leave, maximum hours and parental leave.³²

The submission to the Commonwealth Inquiry into WorkChoices by 151 industrial relations, labour market and legal academics predicted that “In industries and workplaces where labour is plentiful and turnover costs low, it is very likely that wages and conditions will fall below award standards”.³³ This has particular relevance for young people who are highly likely to work in these industries.

²⁹ Kevin Andrews, Op. Cit.

³⁰ A Group of One Hundred and Fifty One Australian Industrial Relations, Labour Market, and Legal Academics, *Research Evidence About the Effects of the ‘Work Choices’ Bill* http://www.aph.gov.au/SENATE/committee/eet_cte/wr_workchoices05/submissions/sub175.pdf (Accessed 2 February 2007)

³¹ NSW Commission for Children and Young People Op. Cit., p70

³² A Group of One Hundred and Fifty One Australian Industrial Relations, Labour Market, and Legal Academics, Op. Cit., p9

³³ Ibid

The Youth Coalition fears that the tendency of young workers to accept substandard conditions will further reduce the already unacceptably low remuneration, workplace conditions and occupational health and safety conditions for young workers. If young workers accept increasingly reduced conditions in the workplace, it is likely that the retail and hospitality industries will continue the 'race to the bottom' in conditions for young workers.

Young workers need to have increased bargaining power in order to maintain their current conditions in the workplace. In order to prevent young workers from being exploited by employers, the NSW Government has introduced legislation exempting workers under the age of 18 from the WorkChoices legislation. This will give young people more experience in the workplace and therefore increased bargaining power by the time they turn 18. Unfortunately, as the ACT is a territory and does not have state powers, this is not an option for the ACT.

Ensuring that young people have the appropriate knowledge to negotiate effectively with employers is the second strategy that needs to be undertaken to protect young workers from experiencing exploitation under WorkChoices. Young workers need to be aware of the minimum wage and minimum conditions in place in addition to a sound understanding of occupational health and safety.

Finally, young people must be participating in a labour market that has a sufficient demand for young workers. The current rate of youth unemployment combined with underemployment is unacceptable. With high rates of unemployment, employers are able to pay lower rates and are less concerned about dismissing employees when there continues to be an excess of young people needing employment. A large pool of unemployed workers seeking employment therefore drives down the working conditions of the whole cohort.

Recommendation 3.

The ACT Government advocate for the Workplace Relations Amendment (WorkChoices) Act 2005 to be repealed to ensure that young people have sufficient protections in workplace relations and create a fair and balanced industrial relations system.

Recommendation 4.

The ACT Government review its current initiatives targeted at youth unemployment and consider additional programs to reduce the unacceptably high rates of youth unemployment.

Section 5: Young Workers and Youth Wages

The Youth Coalition of the ACT believes that youth wages are fundamentally discriminatory against young workers and are significantly and detrimentally affecting young people's standard of living. Paying young people less for doing the same work as an older worker is fundamentally wrong and contravenes core Australian principles of equality and fairness. Youth wages also undermine Australia's commitment to human rights agreements it is a signatory to while simultaneously reducing Australia's moral legitimacy in promoting equality, fairness and human rights in the international arena.

The current system of youth wages in Australia contravenes Australia's commitment to a range of international treaties and conventions, including both the Universal Declaration of Human Rights (UDHR) and the United National Convention on the Rights of the Child (CROC). As key human rights documents, a direct contravention to the UDHR is unacceptable and should be addressed as a matter of urgency.

Article 23(2) of the UDHR states that "everyone, without any discrimination, has the right to equal pay for equal work". The CROC states that every child has a right to "a standard of living adequate for physical, spiritual, moral and social development" under Article 27 Youth wages in Australia currently undermine both of these commitments to international standards by systemically discriminating against young workers and by discriminating to the extent that many young people live under the poverty line as a result of youth wages.

Australia has failed to heed the experience of other nations with similar economic and social profiles to Australia when they have scaled back youth wages systems. Common arguments for keeping youth wages are based on an erroneous assumption that the employment of young people is significantly influenced by and correlated to the youth wages model and therefore, increases of youth wages, or their elimination, would lead to marked increases in youth unemployment rates.³⁴

The experience of New Zealand is relevant and important in discussing youth wages in Australia. New Zealand reduced the age at which young people were eligible for the adult minimum wage to 18 and increased the ratio of adult minimum wage to youth minimum wage from 60% to 80%.³⁵ This did not increase the rates of unemployment in young workers, but in fact increased the rates of young people in employment. Far from the anticipated outcome suggested by youth wages supporters of a marked decrease in youth employment, New Zealand had a 2.3% increase in the numbers of young people employed.³⁶ This experience is similar to many other countries that have abolished youth wages including countries such as Canada.

Youth wages disempower young people by restricting their ability to obtain money in order to enjoy an adequate standard of living. A young worker aged 16 commencing with a well known retailer to work a fulltime (38 hour) week will earn just \$282.50 per week (\$256 after tax). The median cost of rent in Canberra for a room in a three bedroom house is just over

³⁴ For example: A. Daly et. al. *Youth Wages and Employment*, (Canberra: Productivity Commission Staff Research Paper 1998) and House of Representatives Standing Committee on Employment, Education and Training, *Youth Employment: A Working Solution* (Canberra: AGPS 1997)

³⁵D. Hyslop & S. Stillman *Youth Minimum Wage Reform and the Labour Market: Working Paper 04/03*, (Wellington: New Zealand Treasury 2004) pi

³⁶ Ibid p16

\$105 per week.³⁷ This leaves a young worker with \$155 per week to live on. This amount of money is clearly insufficient for young people to sustain a quality of life that most members of the ACT community would find acceptable.

This level of income is well below all indicators of sustainable living. Standard tools for poverty line calculation such as the Henderson Poverty Line are well above \$282.50 per week at \$341.30 per week.³⁸ Young people living independently face significant barriers to simply support day to day living, let alone save money to put a deposit on a house, prepare for emergencies and unforeseen circumstances or support a partner or child.

The Youth Coalition believes that Australia's continued support of the youth wages scheme is unethical, unfair and discriminatory in the most blatant of ways. We recommend in the strongest possible terms, that youth wages be immediately reviewed with the intention of a phased abolition of the scheme.

Recommendation 5.

The ACT Government advocates for a fairer system of youth employment that involves increases to the minimum wage for young people.

Recommendation 6.

The ACT Government advocates for the Youth Wages scheme to be abolished or significantly amended to increase the remuneration rates for young people.

³⁷ Real Estate Institute of Australia *Economic Indicators Brief* www.treasury.act.gov.au/snapshot/REIAMF.pdf (Accessed 21 February 2007)

³⁸ Melbourne Institute *Poverty Lines Australia: September Quarter 2006* <http://www.melbourneinstitute.com/labour/inequality/poverty/Poverty%20lines%20Australia%20September%202006.pdf> (Accessed 21 February 2007)

Section 6: Review of Other Jurisdictions

The other states and territories in Australia have implemented a range of responses to the WorkChoices legislation that aim to protect and to empower young people to navigate this new environment. These responses include existing programs that states and territories have funded.

New South Wales:

- **Legislation**
The NSW Government have introduced the Industrial Relations (Child Employment) Act 2006 to ensure that all young people under the age of 18 must be have employment terms and conditions at least equivalent to those applying under the relevant NSW awards and legislation.³⁹ This will reduce the potential of a reduction in working conditions for those under 18 in NSW.
- **Education**
The NSW Government has produced a booklet called “Offered a job - Know your legal rights” that has been distributed to young people across the state.
- **Research**
The NSW Government has also commissioned research into young people in the workplace both directly through the Young People and Work Survey 2005 which surveyed over 5,000 young people and the Commission for Children and Young People which surveyed 11,000 young people.
- **Advice Services**
The Fair Go Advisory Services provides telephone advice to employers and employees in NSW and also conducts workshops across the state in relation to industrial relation matters.

Victoria:

- **Education**
The Victorian Government has produced a handbook called “Helping young People Deal with WorkChoices” – a 27 page handbook for young workers. They have also produced a brochure – “WorkChoices: What Parents and Young People Should Know”.⁴⁰ The Victorian Government also funds the Youth Central website that has extensive information on employment in youth friendly language.
- **Research**
The Victorian Government has commissioned a number of research reports into the impact of WorkChoices through the first Annual update on the impact of WorkChoices and a snapshot of working conditions under WorkChoices.

³⁹ NSW Office of Industrial Relations Op. Cit.

⁴⁰ Victorian Government *Helping Young People Deal With WorkChoices*

www.business.vic.gov.au/busvicwr/_assets/main/lib60067/workchoices_young.pdf (Accessed 21 February 2007)

- Advice Services
The Victorian Government has established a statutory authority called the Workplace Rights Advocate that will provide information on employment matters to employers and employees and conduct investigations into exploitation under WorkChoices.⁴¹

The Victorian Government also funds JobWatch – an employment rights legal centre that provides advice and community education and conducts research and campaigning. This service receives around 20% of their calls from young people.⁴²

Queensland:

- Advice Services
The Queensland Government has funded the Young Workers Advice Service that exists to specifically provide information to young workers. The service has also engaged in a range of representational roles providing evidence to a number of parliamentary and statutory inquiries. The service also conducts forums and community education on employment matters.⁴³

⁴¹ Victorian Government *Workplace Rights Advocate*

http://www.business.vic.gov.au/BUSVIC/LANDING/1001/PC_61267.html (Accessed 21 February 2007)

⁴² JobWatch *Annual Report 2005-2006* p19

⁴³ Western Australian Department of Consumer and Employment Protection

<http://www.docep.wa.gov.au/lr/LabourRelations/Content/Current%20Issues/Pages/Fair%20Go%20Advisory%20Ser.html>

(Accessed 21 February 2007)

Summary

Young people engaged in the labour market will clearly be affected by the changes made through the WorkChoices legislation and will be more vulnerable than ever before to exploitation in the workplace. The ACT Government has an important role to play in ensuring that young people are supported in this environment while simultaneously advocating for legislative changes that would ensure increased protection for young workers.

Through funding the development and delivery of an education package to young people and funding an employment advice service, young people will be more aware of their rights in the workplace and will also be able to get professional advice should they have negative experiences at work. Young people knowing their rights and being able to get help when they think their rights have been infringed upon is the most significant safeguard the ACT can offer young people under WorkChoices.

The ACT Government also has a role in advocating for the amendment of this legislation to ensure that young people are afforded protection from being exploited in the workplace. We strongly urge the ACT Government to be engaged in debate on these issues and advocate for legislation that affords young people real protection and empowerment in the workplace.

Generations of workers in the past have been strong union leaders, workplace advocates and committed to fair and just employment. Advocates throughout Australia's history have built upon achievements by previous generations to give Australians some of the best working conditions in the world. The current trend of young people away from unions and in an environment where five minimum conditions are all that young workers are assured is concerning. It is concerning that the work of advocates throughout the past century will be lost and forgotten by this generation of young workers who have no other experience than that of the minimum wage with no penalty rates and no extra conditions.

The story of workplace relations in Australia is entering a new chapter and one that is vastly different from the past. It is one where young people are more vulnerable and the balance of power strongly weighted on the side of employers. In this new chapter of the story of workplace relations it is imperative that the ACT Government ensure young people's successful navigation of the system by providing access to education, information and advice as well as advocating for substantial reform to make the system fairer for all Australians.