



# **ACTU**

House of Representatives Standing  
Committee on Education and Training

Inquiry into Combining School and Work:  
Supporting Successful Transitions

**Submission by the Australian Council of  
Trade Unions (ACTU)**

16 January 2009

## Introduction

1. The ACTU welcomes this opportunity to make a submission to the Committee's Inquiry into Combining School and Work: Supporting Successful Youth Transitions.
2. The ACTU believes that all young people should be given the support and assistance they need to make a successful transition from school to further education and training and/or employment.
3. While many teenagers (aged 15-19 years) in Australia make a successful transition from school to further study and work, around 13 percent of teenagers are not engaged in either full-time study or full-time employment.<sup>1</sup> Young people who do not achieve well in school, who are from low socio-economic backgrounds and who finish school early are most likely to struggle to find secure full-time employment and are unlikely to engage in further training and education.<sup>2</sup> These young people are at a much greater risk of social and economic exclusion.<sup>3</sup>
4. It is widely recognised that involving secondary students in the workplace while still at school can assist students identify their chosen pathway to the world of work and develop skills relevant to employment. Today, engagement of students in the workplace generally takes one of three forms:
  - work experience;
  - VET in school programs; and
  - paid part time or casual employment.
5. Work experience programs are offered by all secondary schools in Australia and generally involve student placement in a workplace for a period of one or two weeks in duration for the purpose of sampling a career area of interest.<sup>4</sup> The ACTU recognises that properly structured and monitored work experience programs of brief durations may assist students make informed choices about their future careers. We do not address work experience further in this submission.
6. The second main way in which secondary school students engage in the workplace is through VET in schools. VET in schools is a broad term used to describe a range of programs which provide

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<sup>1</sup> ABS, *Labour Force Australia*, May 2008, Cat. No. 6291.0.

<sup>2</sup> Foundation for Young Australians, *How Young People are Faring '08: An Update about the Learning and Work Situation of Young Australians*, Melbourne, 2008, 12-16.

<sup>3</sup> M Long, *How are Young People Faring?* Dusseldorp Forum, Sydney, 2004.

<sup>4</sup> E Smith and A Green, *How Workplace Experiences While at School Affect Pathways*, National Centre for Vocational Educational Research, 2005.

training to secondary school students in a vocational area, and normally lead to a VET qualification or statement of attainment (part qualification) and count towards the senior secondary certificate. These qualifications are usually at Australian Qualifications Framework Level I or II.<sup>5</sup> VET in schools training may be provided by schools, at a TAFE or another registered training organisation (RTO). Many, though not all, VET in schools programs involve structured work placements.

7. The third form of student engagement in the workplace – paid casual or part time employment – has received relatively little attention from policy makers. However there is increasing recognition that the numbers of students who combine study with paid employment raises a raft of policy issues, including the potential for work to interfere with education, the role of paid work in facilitating school to work transitions and the potential for exploitation of young people in the workplace.
8. This submission addresses a range of issues pertaining to school and work. It is structured in accordance with the Committee’s terms of reference. However it includes an additional section which the ACTU believes is central to the issues under consideration by the Committee, which goes to the quality of work undertaken by young people.

**Providing opportunities to recognise and accredit the employability and career development skills gained through students’ part time or casual work**

9. Increasing numbers of young people are engaged in paid employment on a casual or part time basis while still at school. According to ABS data, more than 10 percent of children aged between 10 and 14 are engaged in some form of work, and over half of these are employed.<sup>6</sup> Around 52 percent of young people between the ages of 15 and 19 are employed.<sup>7</sup>
10. ABS data indicates that 63% of young working women and 49% of young working men undertake full-time education while working, and that these casual and part time workers complete an average of 12 hours work each week.<sup>8</sup> The average full-time junior employee (under 21) earns \$411 per week in ordinary time earnings, equivalent to a wage of \$10.82 per hour.<sup>9</sup> The average part-time or casual worker between 15 and 19 years of age earns \$149 per week.<sup>10</sup>

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<sup>5</sup> National Centre for Vocational Education Research, *Submission to the House of Representatives Inquiry into Vocational Education in Schools*, October 2002, 4.

<sup>6</sup> ABS, *Child Employment*, June 2006, Cat. No. 6211.0.

<sup>7</sup> Ibid.

<sup>8</sup> ABS, *Labour Force*, January 2008, Cat. No. 6202.0, table E14.

<sup>9</sup> ABS, *Employee Earnings and Hours*, May 2006, Cat. No. 6306.0.

<sup>10</sup> ABS, *Employee Earnings, Benefits and Trade Unions Membership*, August 2007, Cat. No. 6310.0.

11. Young people are disproportionately represented in a narrow range of industries. Around two-thirds of employed female teenagers are employed in two industry groups; retail trade and the accommodation and food services industries. The majority of male teenagers also work in these two industries, however a significant minority of male teenagers are employed in the construction and manufacturing industries.<sup>11</sup>
12. There is general consensus that paid employment may play an important role in facilitating school to work transitions through helping students understand the world of work, develop general employment skills (such as knowledge of the labour market, communication skills and increased self-confidence)<sup>12</sup> and make informed choices about future pathways.<sup>13</sup>
13. Research suggests that paid work is more informative for students and more effective in developing general employment skills than school-organised work experiences as it is more authentic, entailing “...an employment arrangement, immersion in workplaces and the exercise of the obligations and requirements on the part of both employees and employers.”<sup>14</sup>
14. There is increasing recognition that the casual and part-time work performed by students could be formally considered as part of a wider network of learning opportunities for students beyond the classroom.<sup>15</sup>
15. The ACTU supports the development of opportunities to recognise and accredit the broad employability and career development skills gained through students’ part time or casual work.
16. Any system of recognition and accreditation of skills gained by students in the workplace must be focused on broad employability skills. It is not appropriate to recognise industry-specific skills, as industries that school students tend to access through casual/ part-time work are largely limited to retail and fast food/ hospitality. These tend not to be industries in which the students intend to make

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<sup>11</sup> P Flatau, M Dockery and T Stromback, *The Economic and Social Circumstances of Australian Young People Aged 15 – 20 Years*, Report commissioned by the Australian Fair Pay Commission, May 2008, 8.

<sup>12</sup> Australian Centre for Educational Research, *Work Experience, Work Placements and Part-Time Work among Australian Secondary School Students*, LSAY Briefing No. 3, October 2001.

<sup>13</sup> Australian Centre for Educational Research, *Work Experience, Work Placements and Part-Time Work among Australian Secondary School Students*, LSAY Briefing No. 3, October 2001; and OECD, *From Initial Education to Working Life: Making Transitions Work*. Paris, OECD, 2000, 103.

<sup>14</sup> Australian Centre for Educational Research, *Work Experience, Work Placements and Part-Time Work among Australian Secondary School Students*, LSAY Briefing No. 3, October 2001., 3; S Billett and C Ovens, ‘Learning about Work, Working Life and Post-School Options: Guiding Students’ Reflections on Paid Part-Time Work’ (2007) 20(2) *Journal of Education and Work* 75.

<sup>15</sup> E Smith and A Green, *How Workplace Experiences while at School Affect Pathways*, NCVER, 2005.

their careers and contrast to work experience and structured work placements, which are more widely distributed across a range of industry areas.<sup>16</sup>

17. The ACTU supports the recommendation in the AEU submission that a Code of Practice be developed in relation to the involvement of business in educational activities so as to ensure that arrangements designed to provide credit for part-time work undertaken by students is properly managed, ethical, appropriate and non-exploitative.<sup>17</sup>

***How can skills gained through paid employment be assessed and accredited?***

18. Since the early 1990s, generic employability skills have been assessed in Australia using the Mayer Key Competencies.<sup>18</sup> These competencies were developed by the Mayer Committee in close cooperation with unions and employer organisations, and were the outcome of an extensive research program and community consultation. Following their publication, the Mayer Key Competencies were adopted by ANTA and integrated into training packages (which establish qualifications and standards within the vocational training system).
19. In 2002, the Australian Chamber of Commerce and Industry and the Business Council of Australia published a report emphasising the need to review our current approach to generic employment related skills. This report was the outcome of a project funded by the Commonwealth Department of Education, Science and Training (DEST) with some support from the Australian National Training Authority (ANTA). The ACCI/BCA Report, entitled *Employability Skills for the Future*, proposed a revised Framework comprising skills and attributes that ‘contribute to overall employability’. The eight skills identified in the ACCI/BCA report were subsequently adopted by the relevant Ministerial Council as forming the basis of a national approach towards generic and employability skills.
20. The ACTU has recognised that ‘employability skills’ (however named) can contribute to the development of a modern generic skills model that supports and assists individuals in developing skills relevant to initial employment and ongoing career development. We recognised that, after more than a decade, the Mayer Key Competencies warranted review. Such review must be based on

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<sup>16</sup> Australian Centre for Educational Research, *Work Experience, Work Placements and Part-Time Work among Australian Secondary School Students*, LSAY Briefing No. 3, October 2001, 3; and E Smith and A Green, *School Students’ Learning from their Paid and Unpaid Work*, NCVER, 2001.

<sup>17</sup> Australian Education Union, *Submission to the House of Representatives Standing Committee on Education and Training Inquiry into Combining School and Work: Supporting Effective Transitions*, January 2009.

<sup>18</sup> *Putting Education to Work: The Key Competencies Report*, 1992.

the changing nature of work and skills required by enterprises to ensure long-term economic growth.

21. The ACTU had, and maintains, a number of key concerns with the ACCI/BCA Report. These include:

- the report only identified the needs of employers. The successful development of a revised framework must be predicated upon an inclusive approach that addresses the needs and interests of both parties involved in the employment relationship, namely employers and employees;
- the report appears to endorse the Mayer Key Competencies but then replace them with an entirely new structure; and
- the eight skills identified in the report are underpinned by presumption that the primary role of the worker is to enhance the productivity and profitability of the enterprise in which they work. There is little, if any, recognition of the wider social or community role of the worker or of the interests or needs of that worker during their working life.

22. Following the release of the ACCI/BCA Report and subsequent discussion, the ACTU released its own report on the way in which the skills, descriptors and other matters covered in the ACCI/BCA report required modification to ensure that any outcomes properly reflected the aims of the National Training Framework and the commitment to a competency based approach. This report, *Developing the Employability Skills Framework*, was released in March 2005.<sup>19</sup>

23. The eight employability skills identified in the ACCI/BCA Report have now been integrated into the competency assessment for all training packages. In 2005, the Australian Centre for Educational Research (ACER) recommended that that schools and education authorities give priority to developing, and recognising young people's progress in relation to the eight employability skills developed by ACCI and the BCA.<sup>20</sup> Following this recommendation, DEST funded a study into how senior secondary students' achievements of these skills could be assessed and reported at the secondary school level. This study formed the basis of a report recently released by the Deputy

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<sup>19</sup> These skills are those relating to communication; teamwork; problem solving; initiative and enterprise; planning and organising; self-management; learning and technology.

<sup>20</sup> G Masters et al, *Australian Certificate of Education: Exploring a Way Forward*, Centre for Educational Research, March 2006.

Prime Minister entitled *Study into the Assessment and Reporting of Employability Skills of Senior Secondary Students*.<sup>21</sup>

### ***Access to employment opportunities***

24. The ACTU is concerned to ensure that any initiatives towards formal recognition of the employability skills developed by students through their casual employment recognise and address the associated equity issues.
25. Not all students have equal access to paid job opportunities. Studies indicate that students from lower-income households are less likely to engage in paid work than those from higher income households.<sup>22</sup> Research conducted in NSW suggests that children living in economically disadvantaged areas, including regional areas, are much less likely to work than those living in more advantaged areas.<sup>23</sup>
26. If the skills developed by students through work are recognised through some form of formal process, there is the real risk that disadvantaged students who do not engage in paid work will be further disadvantaged. This potential for disadvantage is further exacerbated by the fact that paid employment appears to have a positive impact on subsequent labour market outcomes (discussed further below).
27. The ACTU notes that, in a recent report, the NSW Commission for Children and Young People expressed its concern over access to work for children living in economically disadvantaged areas. The NSW Commission recommended that DEST and DEWR examine ways in which formal & informal work opportunities for children in disadvantaged areas can be improved and for employer organisations to encourage and support businesses providing paid vacation jobs for young people from disadvantaged areas so they can gain work-based learning experiences.<sup>24</sup>
28. The ACTU supports this recommendation. We emphasise the need to ensure that any initiative to formally recognise the employability skills of senior secondary students is complemented by

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<sup>21</sup> The Hon Julia Gillard MP, *New Research on Assessment of Students Job Readiness*, Media Release, 16 October 2008.

<sup>22</sup> L Robinson, *School Students and Part-Time Work*, LSAY Report No. 2, 1996; M Vickers, S Lamb and J Hinkley, *Student Workers in High School and Beyond: The Effects of Part-Time Employment on Education, Training and Work*, LSAY Research Report No 30, February 2003; N Biddle, 'The Labour Market Status of Australian Students: Who is Unemployed, Who is Working and for How Many Hours?' (2007) 20(3) *Journal of Education and Work* 179

<sup>23</sup> T Fattore, *Children at Work*, NSW Commission for Children and Young People Sydney, 2005.

<sup>24</sup> NSW Commission for Children & Young People, *Children at Work – Recommendations*, 2006, 4-5.

initiatives directed at facilitating paid work opportunities for students who would otherwise struggle to find paid casual employment.

### ***The Job Ready Certificate***

29. The ACTU understands that the findings of the *Study into the Assessment and Reporting of Employability Skills of Senior Secondary Students* will inform the Australian Government's Job Ready Certificate.<sup>25</sup>
30. The Government has proposed that this Job Ready Certificate will recognise the achievement of employability skills by secondary students undertaking vocational education and training in schools and Australian Apprenticeships. It will be used by employers to assess whether a young person is ready for work.<sup>26</sup>
31. The ACTU reiterates its concern to ensure that any initiative to formally recognise the employability skills of senior secondary students is complemented by initiatives directed at facilitating paid work opportunities for students who would otherwise struggle to find paid casual employment.
32. The ACTU supports the implementation of a job ready certificate as part of a suite of measures designed to recognise the employability skills held by secondary students undertaking VET in schools. The ACTU looks forward to working with government to ensure that this certificate is robust, nationally recognised and portable. We also seek to ensure that the skills recognised by the Job Ready Certificate reflect, and are integrated into, the national training framework.

### **Identifying more flexible, innovative and/or alternative approaches to attaining a senior secondary certificate which support students to combine work and study**

33. The ACTU believes that all young people should have access to education, training and employment opportunities delivering Year 12 completion or its equivalent, as a minimum expectation for making a successful transition from school.
34. Research shows that completion of year 12 or its equivalent is critical. Young people who complete year 12 or its equivalent are more likely to enter further study and to secure full-time employment.<sup>27</sup>

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<sup>25</sup> The Hon Julia Gillard MP, *New Research on Assessment of Students' Job Readiness*, Media Release, 16 October 2008.

<sup>26</sup> The Hon Julia Gillard MP, *New Research on Assessment of Students' Job Readiness*, Media Release, 16 October 2008.

<sup>27</sup> Foundation for Young Australians, *How Young People are Faring '08: An Update about the Learning and Work Situation of Young Australians*, Melbourne, 2008, 17-18.



Young people who leave school early are twice as likely as those who complete school to not be studying and to be unemployed, in part-time work or not in the labour force.<sup>28</sup>

35. We believe that the Australian education system should recognise that the minimum benchmark of 12 years of education and learning can be attained through multiple pathways. All young people should have equal access and opportunities to these pathways and should be able to access education, training and employment that are relevant to their circumstances.
36. The ACTU supports the adoption of more flexible approaches to attaining a senior secondary certificate which recognise individual pathways from school to work, which involve measures to recognise young peoples' previous learning and current competencies, regardless of how they have been developed.
37. The ACTU supports the adoption of multiple pathways and curriculum choices from year 10 through to year 12. We believe that young people should be entitled to publicly funded education to year 12 or a certificate III vocational qualification.

**Support that may be required to assist young people combining work and study to stay engaged in their learning, especially where work and study intersect with income support**

38. Research suggests that most school students who work part-time do so in order to earn some extra spending money and to gain independence.<sup>29</sup> However studies suggest that around 10 percent of school students work to help meet living expenses.<sup>30</sup>
39. No school-aged child should be in paid employment because they need to be. Australia's income support system must be designed and delivered in such a way as to ensure that school-aged children receive the financial support necessary to remain in full-time study until completion of secondary school or its equivalent, without having to engage in paid employment to meet living expenses for themselves or to supplement their family's income.
40. All students should have access to the full range of educational opportunities. No young person should be compelled to choose a particular stream or career pathway because they are financially disadvantaged.

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<sup>28</sup> Ibid, 18.

<sup>29</sup> E Smith and L Wilson, 'The New Child Labour? The Part-Time Student Workforce in Australia' (2002) 28 *Australian Bulletin of Labour* 120, 122.

<sup>30</sup> Ibid, and E Smith and A Green, *School Students' Learning from their Paid and Unpaid Work*, NCVER, 2001, 3.

## **The potential impact of combined study and work on educational attainment (including the prospects for post-compulsory qualifications and workforce productivity)**

41. Existing research suggests that part-time work can help facilitate the transition from school to work. Studies from within Australia and internationally have found a clear relationship between part-time employment while at school and a lower incidence of unemployment following completion of school.<sup>31</sup> In Australia, the Australian Centre for Educational Research (ACER) has found that students who work part-time during Years 11 and 12 are less likely to be unemployed at the age of 19 than those who did not work during secondary school.<sup>32</sup> Studies have also found that, for students who do not wish to complete tertiary study, part-time employment while at school is associated with higher rates of participation in apprenticeships or traineeships and full-time employment rather than unemployment on leaving school.<sup>33</sup>
42. There is no evidence to suggest that casual or part time work of itself reduce the likelihood of a student completing schooling or affects their academic performance in year 12.<sup>34</sup>
43. There is evidence, however, to suggest that excessive hours of employment can negatively affect student's academic performance.<sup>35</sup> In 1999, Robinson found that 17 year olds who worked in excess of 10 hours per week were less likely to complete year 12 and generally had lower grades.<sup>36</sup> In 2003, Vickers et al found that participation in employment beyond the level of 5 hours per week was associated with an increased likelihood of dropping out before the end of Year 12, especially for males. The more hours per week that students work, the more likely they are to drop out of school.<sup>37</sup> The negative impact on academic achievement of working long hours is also found overseas.<sup>38</sup> However, it is unclear from existing studies whether working part-time *causes* students

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<sup>31</sup> OECD, *From Initial Education to Working Life: Making Transitions Work*, 2000, 103.

<sup>32</sup> NCVER, *Work Experience, Work Placements and Part-Time Work among Australian Secondary School Students*, LSAY Briefing No. 3, October 2001, 3-4.

<sup>33</sup> M Vickers, S Lamb and J Hinkley, *Student Workers in High School and Beyond: The Effects of Part-Time Employment on Education, Training and Work*, LSAY Research Report No 30, February 2003.

<sup>34</sup> See, for example, L Robinson, *The Effects of Part-Time Work on School Students*. Longitudinal Surveys of Australian Youth, Research Report No. 9, Australian Council for Educational Research, Melbourne, 1999.

<sup>35</sup> L Robinson, *School Students and Part-Time Work*, LSAY Report No. 2, 1996; M Vickers, S Lamb and J Hinkley, *Student Workers in High School and Beyond*, LSAY Report No. 30, 2003

<sup>36</sup> L Robinson, *School Students and Part-Time Work*, LSAY Report No. 2, 1996.

<sup>37</sup> M Vickers, S Lamb and J Hinkley, *Student Workers in High School and Beyond: The Effects of Part-Time Employment on Education, Training and Work*, LSAY Research Report No 30, February 2003.

<sup>38</sup> See N Biddle, 'The Labour Market Status of Australian Students: Who is Unemployed, Who is Working and for How Many Hours?' (2007) 20(3) *Journal of Education and Work* 179, 182.

to leave school, and the extent to which those who are working part-time have *already* decided to leave and are seeking to establish a track record in the labour market.<sup>39</sup>

44. In light of studies suggesting that significant hours of paid employment impact negatively upon education achievement, it is with some concern that the ACTU notes that many school students in Australia work more than 10 hours a week. A 2007 survey of NSW school students, for example, found that *half* of all students surveyed in Years 10, 11 & 12 worked ten or more hours per week and nearly 20 percent of students worked more than 16 hours per week.<sup>40</sup> The survey also found that, on any given school night, approximately one fifth of working students are rostered to work after 7 p.m., cutting into time for homework and assignments.<sup>41</sup> A 2006 survey found that 25% of students surveyed worked 16 hours or more a week.<sup>42</sup>

45. The ACTU recommends that:

- more research is done on the relationship between part-time work and school outcomes; and
- the Federal Government develop guidelines stipulating suitable working arrangements (including hours of work and working conditions) for school-aged children.

**The effectiveness of school-based training pathways and their impact on successful transitions, including opportunities for improvement (particularly in relation to pathways to employment for disadvantaged young people)**

46. This section focuses on VET in schools and its effectiveness in facilitating successful transitions for young people. There are three main arrangements for the delivery of VET in schools: stand-alone VET; VET embedded in a course of study; and VET included as part of a school-based apprenticeship/traineeship.

47. There has been a significant expansion of vocational education and training in schools since the mid-1990s. In 2005, there were 182 900 VET in schools students, representing 37.4% of school students undertaking a senior secondary certificate. Around 7 percent of these students (13,000)

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<sup>39</sup> M Vickers, S Lamb and J Hinkley, *Student Workers in High School and Beyond: The Effects of Part-Time Employment on Education, Training and Work*, LSAY Research Report No 30, February 2003.

<sup>40</sup> New South Wales Teachers' Federation, *You're Gold... if You're 15 Years Old: the Perceived Impact of Work Choices on Youth Employment and Education in NSW*, July 2007, 5.

<sup>41</sup> *Ibid* 6.

<sup>42</sup> E Smith and A Green, *School Students' Learning from their Paid and Unpaid Work*, NCVER, 2001, 26.

were school-based apprentices and trainees and the remaining 170,000 (92.9 %) of students were enrolled in other VET in schools programs.<sup>43</sup>

48. The ACTU recognises the value of VET in schools in providing alternative pathways to further education, training and employment for young people.
49. School-based training pathways can assist in achieving a number of objectives, including assisting students develop employment-based competencies, gain nationally recognised VET qualifications and units of competency, increase their understanding of the world of work and encourage students who would otherwise leave to remain at school. Participation in VET in schools can also have positive effects on student well-being through helping to generate improved self-confidence and social engagement.<sup>44</sup>
50. International research suggests a positive relationship between high quality vocational education and training programs in schools and higher school completion rates.<sup>45</sup>
51. While the ACTU generally supports VET in schools, there is considerable scope for improvement. Key areas in need of reform are listed briefly below.
52. First, there is evidence to suggest that many schools face significant challenges in providing the infrastructure and funding necessary to run VET programs.<sup>46</sup> Many schools do not appear to be making decisions as to the VET in schools programs they offer on a strategic basis. Rather, they offer programs because the schools already have the facilities in place, can do the subjects without additional facilities or they have the teachers who can deliver the curriculum. While this approach is understandable, it is not in the best interests of students nor does it ensure that there is some corollary between the skills students gain through VET in schools programs and the needs of the labour market.
53. At present, the costs to students of some VET in schools subjects are a deterrent to participating in VET programs or undertaking a specific course which genuinely interests them. The cost of an

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<sup>43</sup> NCVER, *Australian Vocational Education and Training Statistics: VET in schools 2005 - Summary*, February 2008.

<sup>44</sup> See, for example, A Taylor, *Entering Industry: a Case Study of the Links between a School VET Program and the Building and Construction Industry*, NCVER Research Message, 2004.

<sup>45</sup> Foundation for Young Australians, *How Young People are Faring '08: An Update about the Learning and Work Situation of Young Australians*, Melbourne, 2008, 34-35.

<sup>46</sup> J Porter, *What makes Vocational Training Programs in Schools Work? A Study of New South Wales and Queensland Schools*, NCVER, 2006; J Polesul et al, *VET in schools: A Post-Compulsory Education Perspective*, NCVER Research Report, 2005.

engineering subject at TAFE, for example, can reach \$1000. This cost can be prohibitive, particularly for students from disadvantaged backgrounds.

54. Second, there are issues concerning the quality of the VET programs run in some schools. Research suggests that a number of students who complete VET in schools programs encounter difficulties in receiving recognition of this prior learning when enrolling in training institutions due to issues surrounding the quality of the qualification obtained.<sup>47</sup> A recent study of industry expectations in VET assessment observed that ‘there appears to be a serious lack of confidence in assessments in VET in schools programs.’ Employers are far less likely to ‘recognise’ skills developed in VET in schools programs where there is little or no real workplace based component to learning and/or assessment is not conducted in the workplace. This is particularly concerning for students undertaking VET in schools as a legitimate pathway to work.

55. Third, statistics suggest that students are accessing a relatively narrow range of VET courses. NCVER statistics suggest that 25% of students undertake VET courses in business, administration or economics. The second major fields of study are courses in services, hospitality and transportation (21.5%).<sup>48</sup>

56. Fourth, research indicates that many students encounter difficulty in combining their general education commitments and VET activities.

57. The ACTU recommends:

- School-based VET programs receive adequate long term funding so as to ensure that all schools are capable of consistently delivering high quality programs which provide a range of genuine alternatives for students.
- Measures are adopted to ensure that all students have an equal right of access to and participation in high quality VET irrespective of their location, their capacity to pay or other factors.
- Strategies are put in place to ensure that VET programs in schools deliver qualifications that meet the required Australian Quality Training Framework standards.

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<sup>47</sup> J Porter, *What makes Vocational Training Programs in Schools Work? A Study of New South Wales and Queensland Schools*, NCVER, 2006; K Barnett and R Ryan, *Lessons and Challenges: Vocational Education in Schools – Research Overview*, NCVER, 2005, 36-38.

<sup>48</sup> National Centre for Vocational Education Research, *Submission to the House of Representatives Inquiry into Vocational Education in Schools*, October 2002, 4.

- The national curriculum recognise VET as a legitimate part of study and universities accept VET in schools as being legitimate for university entrance purposes.
- Measures are put in place to support and strengthen cooperation between schools and the TAFE sector, so as to enable school students to access a wider range of VET courses.
- VET in schools programs be properly integrated into study timetables so as to ensure that students can meet the requirements of the VET program (particularly hours required to be worked).
- All students are able to access independent advice and guidance to assist them make informed choices about VET subject selection and career pathways. There needs to be capacity in the system and resources for such guidance, which must also particularly take into account the needs of young people most at risk of disengaging from study. Information must also be disseminated to counter negative perceptions within schools or communities towards, or perceived inferiority of, VET and VET students.<sup>49</sup>

58. The ACTU has welcomed the Rudd Government's policy initiative concerning trade centres in schools and believe that, with adequate funding, this initiative can go some way in ensuring VET in schools meets industry standards and in expanding the scope of VET courses available to students. We note that, in time, these trade schools will need to be expanded to a broader range of subjects.

59. The ACTU supports the recommendation in the AEU's submission for a national body, including representatives from government, employer representatives, unions, and public VET providers to be established to develop a coherent national policy position that clarifies and priorities the objectives and expectations for VET in schools.<sup>50</sup>

### *Structured work placements*

60. The ACTU believes that VET in schools must involve structured work placements. Structured workplace placements enable students to spend time in a workplace setting in a manner that is recognised and accredited as part of their formal VET in School studies. These placements can play an important role both in helping students gain an understanding of the world of work and in

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<sup>49</sup> J Porter, *What makes Vocational Training Programs in Schools Work? A Study of New South Wales and Queensland Schools*, NCVET, 2006.

<sup>50</sup> AEU, *Submission to the House of Representatives Standing Committee on Education and Training's Inquiry into Combining School and Work: Supporting Successful Transitions*, January 2009.

equipping students with experience and skills relevant to a specific occupation. There is also research to suggest that structured work placements encourage students who would otherwise leave without completing year 12 to remain in school.<sup>51</sup> VET in schools programs which are limited to purely classroom-based learning do not provide students with real work experience or real work skills.

61. We welcome the Rudd Government's commitment of \$84 million to enable interested VET in schools students' access one day a week of on-the-job training for 20 weeks a year.
62. The ACTU, however, believes that there are a number of areas in which the delivery of structured work placements should be improved.
63. These placements can vary in quality, ranging from "work experience" programs — where little structured learning or assessment takes place and having in some cases little direct connection to the VET course being undertaken — to structured experiences of work including specific on-the-job training and assessment which is fully integrated into the VET course.<sup>52</sup>
64. The ACTU also notes that there are issues concerning access to structured workplace placements: in particular the capacity for students in regional areas to access structured workplace placements and the capacity of students to access placements in a range of industries.
65. The ACTU recommends:
  - all VET in schools programs include structured work placements.
  - work placements be appropriately structured and monitored to ensure that participating employers are aware of their roles and obligations and that students are receiving genuine training in an appropriate range of tasks.
  - employers are educated on the importance of structured workplace learning in ensuring successful training of VET in school students.

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<sup>51</sup> See NCVER, *Work Experience, Work Placements and Part-Time Work among Australian Secondary School Students*, LSAY Briefing No. 3, October 2001, 2-3.

<sup>52</sup> AEU, *Submission to the House of Representatives' Standing Committee on Education and Training Inquiry into Vocational Education in Schools*, October 2002; Shop, Distributive & Allied Employees' Association *Submission to the Inquiry into Combining School and Work: Supporting Successful Youth Transitions*, January 2009.

- the expansion of partnerships and links between schools and industry to enable schools to offer a wide range of workplace placements and to ensure that all VET in school students have equal access to structured work placements.

66. The ACTU supports the recommendation in the SDA's submission that all students should be covered by a signed training agreement which specifies the agreed training plan, provides for proper structured on and off-job training and ensures equivalent educational outcomes and procedures for school students as for others undertaking the same certificate.<sup>53</sup>

#### *School Based New Apprenticeships*

67. School-based New Apprenticeships (SBNAs) are a specific vocational program that involves young people in employment under a contract of training while they continue at school on a full or part-time basis. SBNAs may be undertaken by students who have not reached Year 11 but who otherwise may be eligible for New Apprenticeships. They differ from other school VET programs, since on-the-job training is mandatory. A proportionate wage is paid to the trainee.

68. Research suggests that SBNAs are an effective pathway, especially for young men, and can help students make a smooth transition from study to full-time employment or to a further traineeship or apprenticeship.<sup>54</sup>

69. The ACTU recognises that SBNAs can be an important introduction into a trade for a school student. It is the ACTU's view that any time spent in a school-based new apprenticeship should be given as credit towards an apprenticeship: that is, that the skills should be recognised and the period of apprenticeship reduced accordingly.

70. The ACTU notes that school-based new apprenticeship and traineeship enrolments are concentrated in the services sector: namely, in hospitality, business services and retail.<sup>55</sup> The ACTU believes that there is scope for expansion of school-based apprenticeships to other industries. The use of school-based apprenticeships should be considered on an industry-by-industry basis by the industry partners.

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<sup>53</sup> Shop, Distributive & Allied Employees' Association *Submission to the Inquiry into Combining School and Work: Supporting Successful Youth Transitions*, January 2009.

<sup>54</sup> See, e.g., E Smith and A Green, *School Students' Learning from their Paid and Unpaid Work*, NCVER, 2001; D Curtis, *VET Pathways Taken by School Leavers*, LSAY Research Report 52, April 2008.

<sup>55</sup> NCVER, *Australian Vocational Education and Training Statistics: VET in schools 2005 - Summary*, February 2008.



71. For many young people considering SBNAs against other options of combining study with employment, low wages can act as a barrier to increased take up of new apprenticeships. This is particularly the case for young people from low socio-economic backgrounds.
72. The ACTU, while acknowledging the benefit of SBNAs, believes that there are some fields of work where such programs may create OHS risks to students who have only intermittent access to worksites. This may particularly be the case in some trades areas. In this respect, the ACTU believes that there should be a detailed risk assessment of SBNA offerings that has the interests of the student at its core, particularly in high risk industries.
73. The ACTU is also concerned at the completion rates for New Apprenticeships, following the completion of schooling by students undertaking SBNAs. Anecdotal evidence suggests a high non-completion rate of New Apprenticeships post-school completion. This is an area that requires more detailed study.
74. The ACTU recommends:
- Wage rates properly remunerate for the work undertaken and must be set at such a rate as to provide a real incentive for young people to engage in school-based training.
  - Measures are put in place to ensure that students who are unable to complete their apprenticeships with their original employer have the opportunity to complete their apprenticeship through a state supported mechanism.
  - That data be gathered on the completion rates for students undertaking SBNAs.

### **Quality of work for young people**

75. The ACTU believes that policy initiatives that take account of the increasing numbers of school students engaged in the workplace must be accompanied by initiatives to ensure that the paid work undertaken by students is decent work.

76. As noted above, most students who work part-time are employed in a narrow range of industries: namely, hospitality and retail.<sup>56</sup> Due to their tendency to combine work and study, they are overwhelmingly employed on a casual basis.<sup>57</sup>
77. Young people face a special range of issues at the workplace. First, there is the potential for work to interfere with education. This issue has been discussed above.
78. Second is the issue of pay. Young people working in jobs covered by industrial awards are generally entitled to 'junior rates', which are a fraction of the adult rate. For example, in the fast food industry, the minimum ordinary hourly rate for adults is about \$15 per hour; however, children generally receive only 40-50% of the adult rate.<sup>58</sup>
79. Age-based pay rates provide a disincentive to continue to employ these workers beyond a certain age. Research conducted in South Australia in 2004 found that 17 percent of workers aged 15 to 19 reported that they had been fired or lost shifts after a birthday.<sup>59</sup> Similar findings were reached in a 2007 study of NSW school students.<sup>60</sup>
80. Most young people who study and work on a part time or casual basis are not eligible to receive the superannuation guarantee (SG). At present, employers are not obliged to pay the 9 percent SG contribution for their employees who are under 18 years of age and work less than 30 hours per week or earn less than \$450 (before tax) a month. If young people who engage in part time or casual work while still at school were eligible to receive the SG, this would make a real and substantial difference to their retirement income. The ACTU believes that the entitlement to SG should be extended to all workers, irrespective of age or minimum earnings.
81. Another issue is that young workers appear particularly at risk of sustaining work-related injuries. The NSW Government's 2005 report *Children at Work*, for example, found that 40 percent of workers surveyed had sustained a work-related injury.<sup>61</sup> High rates of workplace injury for young

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<sup>56</sup> See L Robinson, *The Effects of Part-Time Work on School Students*. Longitudinal Surveys of Australian Youth, Research Report No. 9, Australian Council for Educational Research, Melbourne, 1999.

<sup>57</sup> ABS, *Australian Labour Market Statistics*, October 2008, Cat. No. 6105.0.

<sup>58</sup> See, e.g., National Fast Food Retail Award 2000 [AT806313CRV].

<sup>59</sup> J Schulter and C Houghton, *Dirt Cheap and Disposable: A Report about the Exploitation of Young Workers in South Australia*, 2004, 8; NSW Teachers Federation, *You're Gold... if You're 15 Years Old: the Perceived Impact of WorkChoices on Youth Employment and Education in New South Wales*, July 2007, 13.

<sup>60</sup> NSW Teachers Federation, *You're Gold... if You're 15 Years Old: the Perceived Impact of WorkChoices on Youth Employment and Education in New South Wales*, July 2007, 13.

<sup>61</sup> NSW Commission for Children and Young People, *Children at Work*, Sydney, 2005. See also E Smith and L Wilson, 'The New Child Labour? The Part-Time Student Workforce in Australia' (2002) 28 *Australian Bulletin of Labour* 120.

people may be because of inexperience and/or because young workers may be less likely to recognise unsafe situations and/or to ask for assistance.

82. Finally, young people in employment are particularly vulnerable to exploitation at work. First, they often lack awareness of their rights concerning pay rates and working conditions.<sup>62</sup> Many young people may also not understand the employment contract they sign.<sup>63</sup> Young people are also less likely to have the confidence to challenge their employer (particularly given that many, if not most, young workers do not have protection from unfair dismissal). This problem is exacerbated in workplaces where young people may not be aware of the right to join a union and bargain collectively with their employer about their employment conditions.

83. The vulnerability of young workers has been made especially apparent over the last few years. Under the former Howard government's industrial relations laws, employers could make Australian Workplace Agreements ('AWAs') with their staff which significantly cut their pay and conditions. These AWAs were most widely used in the retail and hospitality industries, and the evidence suggests that they were mostly used to cut (young) workers' casual loadings; cut penalty rates for working on weekends, evenings or public holidays, and also to make their rosters and working hours subject to greater levels of managerial control.<sup>64</sup>

84. The ACTU recommends:

- All schools educate students on their rights and entitlements at work and on the role of unions.
- Age-based rates of pay are abolished. Wages should be based on ability, skills and work value.
- The superannuation guarantee entitlement should be extended to all workers, irrespective of age or minimum earnings.

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<sup>62</sup> See A Stewart, *Making the Working World Work Better for Kids*, A Report for the NSW Commission for Children and Young People, December 2008; Australian Centre for Industrial Relations Research and Training, *Young People at Work Survey*, University of Sydney, 2005; SA Unions, *Dirt Cheap and Disposable: A Report about the Exploitation of Young Workers in South Australia*, 2005; and NSW Teachers Federation, *You're Gold... if You're 15 Years Old: the Perceived Impact of WorkChoices on Youth Employment and Education in New South Wales*, July 2007.

<sup>63</sup> NSW Teachers Federation, *You're Gold... if You're 15 Years Old: the Perceived Impact of WorkChoices on Youth Employment and Education in New South Wales*, July 2007, 9.

<sup>64</sup> Victorian Workplace Rights Advocate, *Report of the Inquiry into the Impact of the Federal Government's Work Choices Legislation Work Choices Legislation on Workers and Employers in the Victorian Retail and Hospitality Industries* (2007).

- The Australian Government ratifies the International Labour Organisation's *Minimum Age Convention, 1973* (No. 138), which provides for the regulation of work undertaken by school-aged children.
- In cooperation with the states, the Australian Government develops a nationally consistent framework for the regulation of employment of children and young people.