



UNDERPAID AND OVERLOOKED: THE WAGE CRISIS FACING YOUNG WORKERS IN AUSTRALIA

Final Report of the Fair Day's Work Project

Centre for Employment and Labour
Relations Law

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Centre for Employment and Labour Relations Law

The Centre for Employment and Labour Relations Law was established in the Melbourne Law School in 1994. Its broad aims are to consolidate the teaching of, and research into, labour and employment law at the University of Melbourne, to contribute to the development of labour and employment law teaching and research throughout Australia, and to engage with labour and employment law scholars throughout the world. Centre Members are responsible for teaching labour and employment law subjects in the undergraduate and graduate programs at the Law School, with the graduate program leading to both Masters Degrees and Graduate Diplomas specialising in labour and employment law.

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Executive Summary

Underpayment remains one of the most pervasive issues confronting Australian labour law. In this context, young persons are a group especially vulnerable to workplace exploitation. Young workers' lack of knowledge of their entitlements, low rates of union membership, precarious employment arrangements and limited leverage to negotiate working conditions each contribute to their susceptibility to mistreatment by those for whom they work.

Against this background, the University of Melbourne partnered with the Paul Ramsay Foundation to undertake research into the prevalence of young worker exploitation within the Australian labour force, and into the ways in which this exploitation may be combatted through the use of digital tools and data science. Underpinned by a survey of 2,814 workers aged 18-30 (**Survey**) and a series of workshops involving other workers of that age group (**Co-Design**), this report identifies, examines and makes recommendations to address difficulties encountered by young workers in Australia. We have made the results of the survey available at the following publicly accessible web portal: <https://fairdayswork.researchsoftware.unimelb.edu.au>.

The Survey affirmed the alarming rate at which young workers are underpaid. Overall, we found that 33% of respondents were likely underpaid, receiving \$15 per hour or less. At the time of writing, the adult minimum wage is \$24.95/hour. 43% had been required to complete additional work outside of their usual responsibilities without pay. Other instances of exploitation were shown to be commonplace among young workers: 36% had been forbidden to take breaks they were entitled to; 35% had their timesheet hours reduced by their employer; 34% were not paid for work during a trial period; 24% had not been paid superannuation; 9.5% received food or products in lieu of money; and 8% had been forced to return some or all of their pay to their employer.

The Survey results revealed a number of indicators of exploitation: transgender status, disability, non-permanent and precarious working arrangements, non-permanent residency, and a native language other than English. It showed nine sectors in which noncompliance with labour laws and instances of exploitation were most frequent: electricity, gas, water and waste services; manufacturing; mining; transport, postal and warehousing; public administration and safety; information media and telecommunications; accommodation and food services; retail trade; and education and training.

The Survey also asked respondents about whether, and from where, they had sought advice about their employment rights. The Survey illustrated the reluctance of persons aged 15-19 to seek assistance from the Office of the Fair Work Ombudsman (**FWO**) and Fair Work Commission (**FWC**) — despite the experiences of those who had sought help from either regulator being described by respondents broadly as positive. Analysis of the Survey data

concluded with six recommendations for measures to combat

young worker exploitation: (1) compliance actions directed toward commonly noncompliant industries; (2) regulatory strategies grounded in identifying and addressing the most serious instances of noncompliance; (3) enforcement and educational efforts directed toward avoiding young workers' payment for work-related goods and services (eg PPE, training, fuel, accommodation), especially in mid-sized businesses; (4) consideration of a 'loaded rate' for junior employees, aimed at combatting unpaid overtime; (5) more active promotion of the purposes and capacities of the FWC and, especially, the FWO; and (6) further exploration of data science and digital tools.

The Co-Design, which featured a 'co-design sprint' involving a series of six workshops involving 12 young people aged 18-30, identified three key issues which trigger the mistreatment of young persons in the workplace: (1) lack of awareness and education; (2) lack of employer accountability; and (3) lack of a safe place to speak up. By reference to these issues, participants of the **Co-Design formulated two proposals for reform each of which** involved the use of digital compliance tools: (1) the development of a self-assessment tool and checklist that provides small- and medium-sized business with a means to check and demonstrate their compliance with workplace laws; and (2) the creation of an online tool which allows vulnerable and uninformed young workers to better understand, and enforce, their rights at work.

PART

1

Introduction

Part 1: Introduction

Wage underpayment and other forms of noncompliance with workplace laws have been the subject of sustained media attention and numerous government inquiries throughout the past decade.¹ In Australia, we enjoy a comprehensive minimum wage setting regime under the Fair Work Act 2009 (Cth) (FW Act).

Minimum wages are set by awards made by the federal Fair Work Commission (FWC) at industry and sectoral level, with rates rising from an underpinning 'National Minimum Wage' based on job classifications in each industry. Higher wages are set for overtime and penalty rates for work at nights and on weekends. Other standards are set by the legislation itself, with all minimum standards being enforced by a national regulator, the Fair Work Ombudsman (FWO). Notwithstanding the existence of these minimum standards, there has been widespread evidence of underpayment of employees across a broad range of industries and employee demographics. However, the underpayment disproportionately impacts certain types of workers, including low-paid workers, young people, overseas students, migrant workers and women.²

Young people are one category of workers that is particularly vulnerable to underpayment of mandated wage rates and contravention of other minimum labour standards.³ Young people are often employed in casual, insecure jobs. Borland and Coelli⁴ have posited that recent economic downturns, and the associated competition for jobs, has led to young people being forced to accept underpayment and exploitation. In the current economic circumstances where youth unemployment is high, young workers may be less likely to complain about wage theft due to the risk of losing their job and not being able to find another job.⁵ Employees may also threaten young workers with replacement if they complain about wage theft.

In its 2022-23 Annual Report, the FWO identified young workers as a 'priority' cohort due to the fact that they are 'often vulnerable' owing to the presence of a number of characteristics, including that they may:

- be new to the workforce
- be hesitant to approach an employer due to their age and lack of work experience.
- have a limited knowledge of industrial relations due to their age and lack of work experience
- Fear losing their jobs if they speak up about workplace issues.⁶

A study by the Young Workers Centre (YWC) in 2017 found that 1 in 5 young workers were not being paid the minimum wage, less than half of young workers working nights, weekends or public holidays were being paid penalty rates, and 1 in 5 worked unlawful unpaid trials in order to obtain a paid job.⁷ The FWO reported that in 2022-2023 young workers submitted 34% of the anonymous reports the regulator had received, and lodged 24% of all formal disputes; a trend that appears to have persisted in the most recent reporting period.⁸

In a recent study of migrant workers, the Grattan Institute found that young workers are more likely to be underpaid than older workers: '20-30 year olds are almost six times more likely than 30-40 year olds to be underpaid by more than \$3 per hour vis-à-vis the minimum wage'.⁹

However, to date there have not been any systematic studies focused on young workers and their experiences of underpayment and other forms of unlawful employment practices.¹⁰

We developed a research project to investigate the scope of data available on the extent of, and risk of, underpayment of young workers. We also set out to explore what mechanisms might be used to prevent wage theft from young workers, including the use of data science and emerging technologies. This included the possibility that digital tools could improve young workers' access to information about their work rights and that predictive technology could help identify risk of wage underpayment, to enable young workers to avoid wage theft wherever possible.

As we have detailed in an earlier paper, we found accessing data on wage compliance levels for young workers to be very difficult.¹¹ This impeded our capacity to ascertain the extent and nature of noncompliance, and to develop appropriate responses. We therefore instigated our own survey of young workers to assess the nature and extent of non-compliance with work laws among that cohort. We also asked these workers what avenues they used to obtain information and take action in relation to their rights.

1: THE SURVEY

To obtain our own dataset, we developed an online survey questionnaire for workers under 30 years of age in consultation with a survey firm, YouGov. The survey firm administered the survey through their networks, and it was also publicly promoted and advertised. The survey consisted of 88 possible questions, and was translated into several languages other than English. The survey was designed to elicit responses concerning the circumstances of the individual respondents; information about their work history, including how they obtained the work; the nature of their employment; the location, size and industry of the business they worked for; their pay and working hours; their awareness of work rights; and their experience of underpayment and other contraventions of the law. Most relevantly to this paper, we asked a series of questions about where these workers had sought help, and how helpful this source had been.

We obtained 2814 responses to the survey, with 310 respondents under 18 years of age. Demographic details of the respondents is outlined in Part 3. We asked participants to answer a number of questions about their working conditions in their lowest paying job. We also asked participants about the types of supports they would access if they experienced an issue with their pay and, if they had experienced such an issue, from where they had sought assistance and how helpful they found it. Below we provide an overview of the descriptive insights generated in the survey about young peoples' working conditions and support pathways.¹²

2: THE CO-DESIGN

In addition, we organised a human-centred co-design process with young workers, to find out what would be of most value to them in accessing information and support about their rights. We engaged YLab, a co-design and consulting social enterprise established by the Foundation for Young Australians, to design and deliver a human-centred co-design¹³ project focused on the experiences and concerns of young people. In collaboration with our research team¹⁴ YLab organised a 'co-design sprint' involving a series of six co-design workshops involving 12 young people aged 18-30. The participants were chosen from 90 applicants based on their diversity, lived experience of employment issues, employment history and ability to engage in the workshops. YLab's report on the process and outcomes of the co-design sprint is attached as Appendix A to this report.

The survey also included questions about where respondents sought assistance in relation to their employment rights, and the value of that assistance. These results can be read alongside the findings of the human-centred co-design process run with young workers to highlight some approaches to prevention of wage underpayment from this cohort. The results of that process are set out in Part 5. We identify three key issues which contribute toward young workers' experiences of underpayment and workplace exploitation. We also outline three proposals aimed at addressing those issues that were generated by the co-design process.

In the final part of the report, Part 6, we discuss the implications of our findings, before concluding.

3: THE FAIR DAY'S WORK REPORT

This report sets out the findings from these studies, supplemented by the [web portal](#) discussed above which presents the survey data. In the following part, Part 2, we elaborate on the problem of wage underpayment in the Australian context, existing studies on the key indicators of underpayment, and the particular vulnerability of young workers. Part 2 then sets out the 'state of play' in the development of data science tools which assist with compliance, focusing on those most relevant to labour law compliance, and the challenges which must be met in ensuring that the potential of these tools is maximised. One of these challenges is access to relevant data. We then outline the extent of existing survey studies of underpayment.

We then discuss the findings of our survey of young workers in Part 3. Overall, we found that 33% of respondents were likely underpaid, receiving \$15 per hour or less. At the time of writing, the adult minimum wage is \$24.95/hour. 35.5% of respondents said they never received overtime payments they were entitled to. 43% had been required to complete additional work outside of their usual responsibilities without pay. Among various other significant results, we find that 36% had been forbidden to take breaks they were entitled to and 60% were required to pay for work-related goods, services or activities. We also make note of traits and characteristics in combination with the age of respondents which appeared from the results to be consistent with experiences of exploitation: transgender status; the experience of a disability; engagement as a casual employee or independent contractor; non-permanent residency; and work within particular industries and sectors.

PART

2

Prior Studies of Wage Underpayment

Part 2: Prior Studies of Wage Underpayment

A: Underpayment and Noncompliance with Workplace Laws

Wage underpayment and other forms of noncompliance with workplace laws have been the subject of sustained media attention and numerous government inquiries throughout the last decade.¹⁵ As has been recognised in contemporary literature, the spectrum upon which labour law noncompliance occurs is broad.

Some infringements are ‘genuinely accidental, others negligent, others deliberate.’¹⁶ While some instances of noncompliance may occur on a minor scale and entail only trivial contraventions, other breaches of labour laws may involve unlawful action being taken to the detriment of thousands of employees.¹⁷ The phrase ‘wage theft’ has gained prominence in modern discourse concerned with labour law noncompliance, not limited to the underpayment of wages.¹⁸ In common parlance, ‘wage theft’ is used as an ‘umbrella term’ used to describe a ‘common plight’ of workforce exploitation.¹⁹ The Senate Economics References Committee stated that wage theft:

‘is characterised by non- or underpayment of wages, penalty rates, meals and other loadings, allowances, overtime, time off in lieu (TOIL) and ...superannuation.’²⁰

It may also include the nonprovision of breaks, the withholding of gratuities, the payment of piece rates in place of time-based wages and compelling workers to purchase items such as uniforms or accommodation by direct deduction from workers’ wages.²¹ Notwithstanding its widespread use, we have avoided using the term ‘wage theft’ in this report as it underpins recent amendments to the FW Act which attach criminal liability to reckless or deliberate underpayments in the circumstances listed in Part 2-9, Division 2B of the Act.

B: Indicators of Wage Underpayment and Other Labour Law Noncompliance

1: INDICATORS OF NONCOMPLIANCE GENERALLY

Literature concerned with the conditions of Australian workers emphasises that the indicators of wage theft and other labour market exploitation are numerous: ‘[a]ny workers at any level can be underpaid’.²² That being so, it is well recognised that there remains a ‘direct link’ between insecure or precarious work and underpayment.²³ Sectors where employers’ noncompliance has been found to be widespread — social care, hospitality, cleaning, accommodation and higher education — are sectors in which

casualisation and other forms of precarious work are prominent.²⁴ Further to the classification of the working arrangement by which a person is engaged to perform services, that person’s age, disability, ethnic or cultural background and language barriers may each also contribute to the likelihood of their exploitation.²⁵ Relatedly, migrant workers commonly experience wage theft and other similar unlawful practices and have been the subject of extensive academic analysis in this respect. Migrant workers’ comparatively limited social protections — reduced access to welfare benefits and medical care — increases their vulnerability.²⁶ Many migrants also lack comprehensive or detailed knowledge of their workplace entitlements.²⁷ Even where migrants are meaningfully aware of the nature and extent of their working rights, volatile visa statuses and informal working arrangements complicate individual enforcement efforts.²⁸ The difficulties encountered by migrant workers in relation to labour law noncompliance are greater in rural areas due to the existence of fewer employment opportunities, higher rates of unemployment and limited access to support services.²⁹ A lack of union membership, fears of job loss, pessimism as to potential outcomes of formal or informal disputes, perceptions of the insignificance of the sum of unpaid wages and temporariness of stay in Australia each further contribute to migrant workers’ hesitance and inability to enforce the rights they do possess under workplace laws.³⁰

2: YOUNG WORKERS

Young workers’ difficulty in acquiring and maintaining prosperous work is not isolated to the period in which they are adolescents; in many cases it carries into early adulthood.³¹ Young workers are often unfamiliar with the nature and degree of their workplace entitlements and also retain comparatively low rates of union membership.³² Many are underemployed and want greater working opportunities even when subjected to substandard or unlawful conditions.³³ Young workers further tend to have ‘easily replaceable skills’ and a ‘need to gain work experience’; they may thus more readily accept poor workplace conditions for fear of losing work.³⁴ Young persons who work often do so on a part-time or casual basis or outside of conventional employment relationships. These precarious or insecure arrangements afford youth workers limited labour protections and reduced avenues for enforcement at the individual level.³⁵ Similarly to migrants, young workers’ experiences are complicated further in regional localities. In rural areas where ‘low job vacancy rates are the norm’, high rates of unemployment and fears of reprisals in the form of ‘word of mouth’ comments between employers deter young workers from reporting underpayment and other modes of exploitation.³⁶

C: The Use of Data Science to Identify and Evaluate Labour Law Noncompliance

The potential for data science to improve the monitoring, detection and prevention of noncompliance in the labour sphere is substantial. Academic studies have indicated that young persons are especially responsive to technology and communication

through social media and other digital tools.³⁷ Regulatory bodies — such as the FWO and FWC — have each invested in data science tools to assist with their respective oversight and compliance functions.³⁸ For example, the FWO has developed a ‘Pay and Conditions Tool’ (PACT) to aid both employers and employees in the calculation of correct wages. The FWC maintains a ‘Modern Awards Pay Database’ with detailed information on minimum pay rates, allowances, overtime, and penalty rates in awards. The database is accessible to the public and an Application Programming Interface (API) is available to allow software developers and other users to integrate the data into their systems. Worker representatives have also utilised digital tools to organise and represent workers, especially young workers.³⁹ In recent years there have been several national and international level initiatives utilising data science to improve monitoring, detection and prevention of non-compliance in various domains of regulation. In the labour sphere, these include: the use of data and machine learning to improve occupational health and safety on high-risk construction sites in Italy; using data to predict underpayments among businesses in California; and use of satellite vessel monitoring approaches to identify forced labour on the high seas.⁴⁰

noncompliance. For instance, many of these tools are in substance commercial initiative[s] targeted to employers: to the extent that the tools may prevent underpayment, this is ultimately incidental to their principal purpose of advancing the fiscal interests of those who purchase them.⁴⁴ Further, these tools are various and developed by a range of distinct providers, and there is presently no means of verifying their consistency or effectiveness in minimising the occurrence of underpayment.

While international experiments which utilise data and machine learning to identify noncompliance were optimistic about the opportunity to use government data to identify and prevent workplace risks, these studies also identified challenges that arise when seeking to utilize this data through machine learning. A common theme was that the mere availability and transparency of data is not enough to train a machine learning model. To produce an effective model, the dataset must also be of a sufficiently large sample size, labeled for the condition the model is to predict, and capable of being linked to other government and nongovernment datasets. This is why few machine learning models have been used for enforcement purposes despite the volume of open government data available in the public domain.⁴⁵

1: THE USE OF DATA SCIENCE TO AID WORKPLACE REGULATION

Figure 1:
Challenges to the use of data science and digital tools to determine noncompliance

| | |
|---|---|
| 1 | Resource intensive for regulators, trade unions and other worker groups |
| 2 | Tools are often marketed to employers, and will prioritise employers’ interests |
| 3 | No means of determining the reliability or efficacy of payroll tools |

While the utilisation of data science and contemporary technology presents vast potential for workplace regulation, efforts to date have not been without difficulty. Regulatory bodies such as the FWO and FWC retain wide fields of responsibility and inhibiting resource limitations.⁴¹ These circumstances complicate attempts to identify noncompliance even with the use of digital tools. Worker representative groups encounter similar issues — addressing noncompliance is both resource intensive and is only one of many responsibilities held by trade unions.⁴² ‘Digital unions’ which seek to engage young workers predominantly through technology — such as Hospo Voice — have fallen short of developing into ‘ongoing union vehicle[s] for improving workers’ wages and conditions through collective bargaining.’⁴³ Digital tools which assist employers with payroll functions do, of course, retain the potential to prevent accidental instances of underpayment. Nevertheless, there are evident issues in attaching significance to these tools when considering regulatory approaches to preventing

2: WORKERS’ SURVEYS

The potential for the utilisation of data science methods to identify noncompliance through large workers’ surveys has been recognised internationally. David Weil argues that regulatory enforcement efforts in the US, while significant, are secondary to ‘changing the incentives of employers to underpay in the first place.’⁴⁶ An analysis of the ‘structures of industries’ and the ‘factors that lead employers to decide not to comply’ is stated by Weil to be essential to preventing ongoing exploitation.⁴⁷ A similar rationale has been adopted in relation to Canadian labour regulation by Noack, Hoe and Vosko, who advocate for a more ‘strategic use of complaint data’ for the purpose of guiding inspections and investigations conducted to identify employers likely to be operating in noncompliance with labour laws.⁴⁸

This being so, and similarly to the use of data science elsewhere within the labour sphere, generating meaningful findings and positive reform using workers’ surveys has proven challenging. As Pósch et al observed in a report concerned with workplace law noncompliance in the UK, worker surveys directed toward labour market abuses are ‘extremely rare.’⁴⁹ Of the surveys that have been conducted, most feature a ‘relatively small’ sample size — ‘a couple of thousand people at maximum.’⁵⁰ This is said to have undermined the value of their findings. The empirical value of the few worker surveys which have been conducted is further eroded by the surveys tending to be ‘relatively short’ and delivered only in English. Pósch et al ultimately considered the evidence base on labour market noncompliance to be ‘limited and fragmented overall’, a circumstance contributed to by a ‘scarcity of relevant worker survey-based research.’⁵¹ Nevertheless, the potential for worker surveys to expose indicators of noncompliance remains well understood.

D: Previous Surveys

1: YOUNG WORKERS SNAPSHOT

The Young Workers' Centre, a non-government organization established by the Victorian Trades Hall Council in Melbourne, conducted a study of over 1000 young workers in 2017 using a survey and interviews. The findings were published in a 'Snapshot' published by the YWC.⁵² The study included a spotlight on the retail industry which included analysis of 220 young workers in that industry, which found that 1 in 3 of young retail workers were not being paid the minimum wage under the retail award. The YWC's larger survey of 953 young workers found that 75.8% were working nights, weekends or public holidays, with 45.9% of those workers not receiving penalty rates for those hours. The Snapshot found that there was a significant 'knowledge gap' among young workers. More than half of the young workers identified by the YWC study as underpaid believed that they had been paid the minimum wage.

2: THE NATIONAL TEMPORARY MIGRANT WORK SURVEY

The National Temporary Migrant Work Survey (NTMWS) involved 4,322 migrant participants who had undertaken work in Australia. The NTMWS — the findings of which were published in a 2017 report authored by Bassina Farbenblum and Laurie Berg⁵³ — required participants to respond to prompts relating to working conditions and instances of exploitation within their lowest paid job. The study found widespread and severe underpayment of this sector of the workforce. 30% of participants reported having earned \$12 per hour or less within their lowest paid job. 38% of participants had worked their lowest paid job at a cafe, restaurant or takeaway establishment. The worst paid jobs were in fruit- and vegetable-picking and farm work: 15% of participants in these industries earned \$5 per hour or less and 31% earned \$10 per hour or less. Many participants were aware that their earnings were below minimum wage, including 73% of students and 78% of backpackers. Many of the respondents reported being paid in cash, and 50% reported having never received payslips or having only rarely received them. Additionally, 5% paid an upfront 'deposit' to acquire their job, 4% were required to return money in cash to their employer after receiving wages, and 5% had their passport confiscated by their employer or accommodation provider.⁵⁴

3: INTERNATIONAL STUDENTS

Following the NTMWS, Farbenblum and Berg conducted a further survey of 5,968 international students between 9 April 2019 and 30 May 2019 in relation to issues encountered by those students in their lowest paid jobs.⁵⁵ 49% of respondents were paid below the statutory minimum wage, 77% were paid below the minimum casual hourly wage and 26% earned \$12 per hour or less. Chinese students 'fared far worse than others at the most egregious levels of underpayment': 71% earned less than the statutory minimum wage, 83% less than the minimum casual hourly wage, and 54%

were paid \$12 per hour or less.⁵⁶ A lack of English proficiency was positively correlated with underpayment: \$12 per hour or less was earned by 39% of respondents with 'fair' or 'poor' English and 20% of respondents with 'good' or 'very good' English. Those enrolled in bachelor's degree programs suffered worse than their postgraduate counterparts, with 32% of the former having received \$12 per hour or less.⁵⁷ Of those who encountered difficulties with their working conditions, 62% did not seek help or even relevant information. Farbenblum and Berg attributed students' reluctance to seek assistance to fears of job loss and inability to effect change, visa concerns, perceptions of culpability, lack of knowledge of entitlements, social factors and attitudes, and other practical barriers.⁵⁸

4: THE UK AND THE US

In a 'novel'⁵⁹ survey of 2,011 private sector employees in the UK conducted in 2023, the youngest and oldest workers were found to be 'especially exposed' to risks of exploitation.⁶⁰ Migrant status was positively associated with denial of workplace entitlements, as was belonging to an ethnic minority group. Workers engaged by small businesses and low-paid workers were also more likely to be subjected to unlawful treatment. Within a 2007 survey of 4,387 workers in low-wage industries in Chicago, Los Angeles and New York City, Bernhardt et al found that 26% of participants were paid below the minimum wage, 76% did not receive overtime entitlements and 70% did not receive any pay for work performed outside regular shifts.⁶¹ 69% did not receive meal break entitlements, and 57% did not receive mandatory documentation of earnings and deductions.⁶² Of those who lodged a complaint with their enterprise or made efforts to unionise, 43% experienced one or more forms of illegal retaliation from their employer or supervisor. Foreign-born workers, women and those who worked within businesses with fewer than 100 employees reported greater rates of exploitation, while higher levels of education, longer job tenure and English proficiency each correlated with reduced noncompliance.

In summary, there have been a number of survey-based studies which have empirically tested the extent of wage underpayment and other employment standards contraventions in Australia and overseas.⁶³

Although there have been several studies have focused on migrant workers, the YWC study is the only one to have investigated wage exploitation of young workers.

PART

3

Findings: The Young Workers Survey

Part 3: Findings: The Young Workers Survey

A: Overview

The findings below derive from the content of the Survey: the answers of 2,814 respondents to a series of questions posed to them relating to workplace experiences in their youth.⁶⁴ The full survey results can be found at <https://fairdayswork.researchsoftware.unimelb.edu.au/>

Of those 2,814, 1,201 identified as men, 1,498 as women, and 88 as non-binary or gender diverse. A further 47 preferred to either not state their gender identity or to self-describe it. Respondents were taken from each Australian state and territory, and all respondents were aged between 15 and 30 at the time at which the Survey was conducted. 2,781 respondents stated English to be their preferred language; the remaining 33 respondents stated a language other than English.⁶⁵ 1,991 respondents were Australian Citizens from birth, and 185 were temporary residents or temporary visa holders. The Survey was principally concerned with respondents' respective lowest paid jobs and the circumstances connected with them. In relation to their lowest paid job, respondents were asked of its location, industry and the role they performed. Respondents were also asked to self-describe the classification of the working arrangement associated with their lowest paid job — permanent employment, casual employment, fixed-term employment or independent contracting — and were asked to state whether they were an apprentice, intern or 'gig' worker.⁶⁶ Respondents were queried about the size of their employer, specifically whether it was small (0-19 employees), medium-sized (20-199 employees) or large (200+ employees). At the heart of the Survey were questions concerned with unlawful, unfair or exploitative practices encountered by respondents within their lowest paid jobs.

Further to those questions and for the purposes of context, respondents were asked how many jobs they had held throughout their lives. Respondents most commonly reported having had 1 job (30.88%). This was followed by 2 (21.29%), 3 (18.98%), 6 or more (11.13%), 4 (10.59%) and 5 (7.14%). Respondents were also asked of their belief as to the minimum wage. Respondents most frequently believed the minimum wage to be \$20AUD/hour (11.55%). 7.06% believed the minimum wage to be between \$0AUD and \$12AUD per hour, and 12.12% believed it to be between \$12.50AUD and \$15AUD/hour. **At the time of the Survey, the National Minimum Wage was \$23.23 per hour.**

| Figure 2: Key figures - beliefs as to minimum wage (\$AUD) | |
|---|------------------|
| Criteria | % of respondents |
| \$20/hour | 11.55% |
| \$0-12/hour | 7.06% |
| \$12.50-15/hour | 12.12% |

B: Respondents' Lowest Paid Jobs

1: GENERAL

State: The location of respondents' lowest paid jobs broadly adhered to the location at which they reported to be currently living within. Generally, the data did not suggest that a person is more likely to find, work in or experience their lowest paid job in any particular state or territory.

Specific Industry: Retail trade (23.95%) and accommodation and food services (23.21%) were the most common industries for respondents' lowest paid jobs. Other common responses include 'other services' (12.19%), education and training (5.72%), financial and insurance services (4.48%), health care and social assistance (4.34%) and manufacturing (4.12%).

Union membership: 82.27% of respondents were not members of a union at the time they were engaged within their lowest paid job. Union membership was more common for men (23.90%) and non-binary persons (23.86%) than women (12.28%). It was most common in electricity, gas, water and waste services (42.86%) and manufacturing (38.79%), and least common in gardening, cleaning and security (6.25%) and agriculture, forestry and fishing (6.82%).

How the job was found: Respondents most frequently found their lowest paid job through word-of-mouth (43.57%). Other common answers included online jobs websites (36.53%) and social media or online notice boards (17.16%).

2: HOURS & REMUNERATION

| Figure 3: Summary - hours and remuneration | |
|---|------------------|
| Criteria | % of respondents |
| Paid \$10/hour or less | 9.40% |
| Paid \$10.01 - \$14.99/hour | 16.48% |
| Paid less than agreed before starting | 14.04% |
| Not paid at all for work completed | 17.91% |
| Forced to return pay to employer | 8.24% |
| Given food or products in lieu of money | 9.52% |
| Paid in cash | 19.12% |
| Hourly rate varied | 34.54% |
| Amount of hours varied | 69.4% |

Hours worked each week: Respondents most frequently worked 20 hours per week in their lowest paid job (10.77%). 29.63% worked between 0-10 hours, 28.30% between 11-20, 14.97% between 21-30, 21.36% between 30.5-40, 4.37% between 41-50, and 1.48% 50 or more.

Amount paid per hour: While the nonreceipt of minimum wages may pose the most obvious difficulties to workers, it does not illustrate the total extent of noncompliance: for instance, these figures do not account for the non-payment of superannuation, penalty rates or any allowances owed under a modern award or enterprise agreement. All the more concerning, then, even allowing for youth wage rates under awards, was that respondents were most frequently paid \$15AUD/hour (7.25%), followed by \$20AUD/hour (7.14%). 5.69% reported receiving piecemeal rates (5.69%). Alarming, 9.40% of respondents were paid \$10AUD/hour or less. A further 16.48% were paid between \$10.01AUD/hour and \$14.99AUD/hour.

Paid less than agreed before the worker started: This was encountered by 14.04% of workers. Non-binary persons suffered more than men or women: 26.14% compared with 13.32% and 14.02%. This was suffered by permanent, casual and fixed-term employees at rates of 14.84%, 13.2% and 14.35% respectively, and by independent contractors at a rate of 19.44%. Small-sized business workers were affected more than their medium- and large-sized business counterparts: 17.68% compared with 14.1% and 10.83%. Preferred English speakers suffered almost half as frequently as non-preferred English speakers: 13.92% compared with 24.24%. Payment of less than that which was agreed prior to starting was most common in mining (31.25%), electricity, gas, water and waste services (28.57%) and manufacturing (24.14%).

Not paid at all for work completed: This was encountered by 17.91% of respondents, including 16.65% of men, 18.02% of women and 34.09% of non-binary persons. Fixed-term employees and independent contractors suffered most: 24.47% and 27.08% compared to 17.2% of permanent employees and 16.53% of casual employees. Surprisingly, this was encountered at rates far greater for citizens from birth and preferred English speakers than temporary visa holders and non-preferred English speakers: 18.83% and 18.09% compared with 11.5% and 3.03%. It was most frequent for workers in public administration and safety (35.29%), manufacturing (26.72%) and information media and telecommunications (26.39%). Persons aged 26-29 (27.93%) and 23-26 (26.03%) during their lowest paid job were markedly more vulnerable than those aged 20-23 (16.74%), 17-20 (18.69%), 14-17 (19.35%) and 11-14 (16.39%).

Forced to return some or all of a worker's pay to their employer: The unlawful practice of employers formally paying workers their lawful entitlements, and then requiring payment of some pay back to employers 'under the table' was highlighted in the 7 Eleven wage theft scandal. This practice was encountered by 8.24% of respondents. Non-binary persons suffered most: 29.55% compared to 11.74% of men and 4.14% of women. Casual employees suffered least: 4.85% compared to 10.96% of permanent employees, 17.3% of fixed-term employees and 20.14% of independent contractors. Medium-sized business workers

were most affected: 15.42% compared to 7.48% of small-business workers and 3.3% of large-business workers. Non-preferred English speakers encountered this almost twice as frequently as preferred English speakers: 15.15% compared with 8.16%. It was most common in electricity, gas, water and waste services (28.57%), mining (25%) and public administration and safety (23.53%).

Given food or products in lieu of money: The FW Act requires payment of employees in money (s 323). The unlawful practice of paying employees with food or products instead of their monetary entitlements was encountered by 9.52% of workers. Non-binary persons suffered more than men or women: 13.64% compared with 9.66% and 9.21%. Independent contractors were most affected at 16.67%, compared to 11.39% of fixed-term employees, 11.1% of permanent employees and 8% of casual employees. Workers in large-sized businesses encountered this far less than others: 4.8% compared to 12.26% and 12.53% for small- and medium-sized business workers respectively. Temporary visa holders and non-preferred English speakers suffered more than citizens from birth and preferred English speakers: 11.5% and 18.18% compared with 8.69% and 9.42%. This occurred most frequently in agriculture, forestry and fishing (29.55%), mining (24.99%) and construction (17.72%).

Method of payment: While payments in cash are permitted under the FW Act, they may nevertheless be indicative or suggestive of noncompliance. For instance, employees who are paid in cash may (i) be uncertain as to whether their income tax has been paid; (ii) have no record of the payment of their superannuation; and (iii) encounter difficulties in comparing their hours worked with the pay they received. 80.03% of respondents were paid by bank transfer in their lowest paid job, with 19.12% having been paid in cash. Non-binary persons (23.86%) were most likely to have been paid in cash, followed by men (22.31%) and women (16.22%). Expectedly, receiving cash payments was more common in small- (34.27%) and medium-sized (20.96%) businesses than large businesses (4.61%). Independent contractors (32.64%) were more likely to have been paid in cash than fixed-term employees (21.52%), casual employees (19.16%) and permanent employees (15.67%). Preferred English speakers (18.43%) were less likely than non-preferred English speakers (34.85%) to have received cash as payment. A similar trend was present between citizens from birth (18.03%) compared with temporary visa holders (24.50%). Workers most commonly received cash payments in electricity, gas, water and waste services (42.86%), gardening, cleaning and security (33.34%) and construction (31.64%). Those aged between 26-29 (36.04%), 11-14 (29.51%) and 23-26 (27.85%) during their lowest paid job were the most likely to be paid in cash.

Variance of hourly rate: Young workers, whose incomes are comparatively low, may be disproportionately affected by volatile hourly rates; a matter which may in the future demand attention, given that 34.54% of respondents' hourly rates varied. Variance in hourly rate was more common for men (36.30%) than women (33.38%) or non-binary persons (30.68%). The hourly rates of independent contractors (48.61%) varied more frequently than the rates of fixed-term employees (45.57%), permanent employees (33.15%) and casual employees (32.42%). Variance was less common for workers in small businesses (31.45%) than workers in medium-sized (39.04%) or large (33.71%) businesses. Industries in which variance was most common were information media and telecommunications (55.56%), financial and insurance services (55.56%), transport, postal and warehousing (50%) and construction (48.10%). Respondents aged 26-29 during their lowest paid job (53.15%) were the most susceptible to variation in hourly rate, followed by 23-26 (38.81%) and 11-14 (36.07%).

Variance of hours week-to-week: Variance of hours, while preferred by some young workers, may pose substantial challenges to others. Like the variation of hourly rates, inconsistent hours may prove especially challenging to young workers as a result of their typically lower incomes. This may make the financial circumstances of young workers perilous and, consequently, lead to further imbalances within their employment relationships and make them more receptive to suffering exploitation if it is perceived to be necessary to preserve their job and source of income. 69.4% of respondents' hours varied week-to-week. Non-binary persons (73.86%) and women (71.56%) were worse affected than men (66.19%). Expectedly, this was most common for casual employees: 76.99% compared with 72.22% of independent contractors, 58.65% of fixed-term employees and 54.37% of permanent employees. Variance was most common for workers in large-sized businesses: 75.8% compared to 65.06% of medium-sized business workers and 65.94% of small-sized business workers. Variance was consistent between citizens from birth (69.63%) and temporary visa holders (67.5%), and was less frequently encountered by non-preferred English speakers (54.55%) than preferred English speakers (69.58%). Variance in hours was most common in electricity, gas, water and waste services (82.15%), accommodation and food services (81.16%) and retail trade (75.08%). Hours most frequently varied for persons aged 14-17 (77.01%).

3: PENALTY RATES

Figure 4:
Summary - receipt of penalty rates for unsociable hours

| Criteria | % of respondents |
|--|------------------|
| Received penalty rates (nights) | 19.26% |
| Received penalty rates (public holidays) | 42.08% |
| Received penalty rates (weekends) | 42.36% |

Penalty rates (nights): Only 19.26% of respondents received penalty rates for working at night. Women (17.36%) were worse affected than men (21.4%) and non-binary persons (21.59%) in this respect. Surprisingly, casual employees were less likely to have received penalty rates (19.04%) than permanent employees (20.8%). Small-business workers were less likely to have received penalty rates (11.39%) than medium-sized (19.28%) or large (26.08%) business workers. Payment of nighttime penalty rates was especially infrequent in administrative and support services (4.23%), education and training (5.59%) and transport, postal and warehousing (9.61%).

Penalty rates (public holidays): 42.08% received penalty rates for working on public holidays. Women (45%) and non-binary persons (44.32%) were more likely to receive public holiday rates than men (38.47%). Casual employees (46.79%) received public holiday rates more frequently than permanent employees (38.14%), fixed-term employees (31.65%) and independent contractors (22.92%). Workers in small businesses (26.57%) were less likely to receive public holiday rates than workers in medium-sized (37.95%) or large (58.76%) businesses. Payment of public holiday penalty rates was infrequent in education and training (16.77%), transport, postal and warehousing (17.31%) and administrative and support services (18.31%).

Penalty rates (weekends): 42.36% received penalty rates when working on weekends. Non-binary persons were less likely to receive weekend penalty rates (34.09%) than men (42.38%) and women (42.86%). Casual employees (46.85%) were more likely to receive these rates than fixed-term employees (38.82%), permanent employees (36.06%) and independent contractors (26.39%). Weekend penalty rates were less commonly paid in small businesses (31.78%) than in medium-sized (41.33%) and large (52.36%) businesses. Weekend rates were paid infrequently in transport, postal and warehousing (19.23%), professional, scientific and technical services (23.91%) and education and training (22.98%).

4: REQUIREMENTS TO PAY FOR ITEMS IN RESPONDENTS' LOWEST PAID JOBS

Section 325 of the FW Act prohibits employers from unreasonably requiring employees to spend money on goods or services which relate to the performance of work. A bakery which required its employee to pay other staff and to balance its till was found to be in breach of this section; but an airline which obliged the payment of a 10% 'facilitation' fee for pilot training was determined to be compliant with the legislation.⁶⁷ Overall, whether an employer fulfils their obligations under section 325 will turn on whether their requests are reasonable; this will necessarily be resolved case-by-case and without a definitive line. Against this background, there are obvious risks to young workers: a class which may simultaneously be the *most* likely to acquiesce to employer demands and the *least* able to accommodate additional expenses relating to their work.

Figure 5:
Summary – requirements to pay for items

| Required to pay for | % of respondents |
|---------------------------------|------------------|
| Training | 13.22% |
| Uniform | 29.46% |
| Personal protective equipment | 11.83% |
| Fuel | 21.57% |
| Leasing, rent and accommodation | 6.97% |
| Tools for work | 12.19% |
| Materials needed for work | 11.37% |

Training: 13.22% of workers were required to pay for training in their lowest paid job. 19.44% of independent contractors encountered this, compared to 14.77% of fixed-term workers, 12.32% of casual employees and 13.6% of permanent employees. Payment for training was most prevalent in medium-sized businesses, though not significantly so. Persons with a preferred language other than English suffered more than those who do prefer English: 21.21% compared to 13.12%. 25% of workers in each mining; electricity, gas, water and waste services; and gardening, cleaning and security were required to pay for training.

Uniform: 29.46% of workers were required to pay for uniform. This was most commonly encountered by women: 34.18% compared to 31.82% of non-binary persons and 23.48% of men. Casual (32.01%) and permanent (29.4%) employees were far more likely to be required to pay for uniform than fixed-term employees (19.41%) or independent contractors (15.97%). Workers in large-sized businesses suffered most: 34.09% compared to 27.47% of medium-sized business workers and 25.92% of small-sized business workers. This was common in accommodation and food services (36.75%) and retail trade (36.05%).

Personal protective equipment: 11.83% of persons were required to pay for personal protective equipment (PPE). 17.05% of non-binary persons encountered this, compared to 13.74% of men and 10.08% of women. Medium-sized business workers more commonly paid for PPE than workers within large and small businesses: 14.82% compared with 11.49% and 9.54% respectively. Requirements to pay for PPE were most common in mining (37.50%) and gardening, cleaning and security (22.92%).

Fuel: 21.57% of respondents were required to pay for fuel. Non-binary persons suffered more than men and women: 26.14% compared to 19.07% and 23.5%. Surprisingly, permanent employees more commonly paid for fuel than casual or fixed-term employees and independent contractors: 24.6% compared to 21.09%, 20.25% and 19.44%. The worker's business size had minimal impact on requirements to pay for fuel. Requirements to pay for fuel were most common in mining (43.75%) and agriculture, forestry and fishing (36.36%).

Leasing, rent and accommodation: 6.97% of workers were required to pay for leasing, rent and accommodation. This was especially common for non-binary persons: 21.6% compared to 4.81% of women and 8.33% of men. Casual employees suffered less than permanent and fixed-term employees and independent contractors: 4.15% compared with 10.12%, 14.35% and 12.5%. Surprisingly, workers in medium-sized businesses were most affected: 11.33% compared with 6.18% of small business workers and 4.24% of large business workers. Individuals with a temporary visa suffered more than twice as frequently as citizens from birth: 13% compared with 5.84%. A similar trend was present between non-preferred English speakers compared to preferred English speakers: 12.12% and 6.9% respectively. Payment for leasing, rent or accommodation occurred most often in mining (25%) and information media and telecommunications (20.83%).

Tools for work: 12.19% of respondents were required to pay for tools necessary for their work. This included 20.45% of non-binary persons, 14.74% of men and 9.61% of women. Unsurprisingly, independent contractors encountered this most frequently: 28.47% compared with 17.3% of fixed-term employees, 15.95% of permanent employees and 8.53% of casual employees. Workers in medium-sized businesses suffered more than those in small- and large-sized businesses: 18.43% compared with 10.95% and 8.38%. Payment for work tools was most common in manufacturing (26.72%).

Any materials needed for work: 11.37% of respondents were required to pay for materials needed for their work. Expectedly, this was most common for independent contractors: 20.83% compared to 12.2% of permanent employees, 10.16% of casual employees and 11.81% of fixed-term employees. Business size was impactful, though not significantly: workers in businesses of all sizes encountered this at a rate between 9.98% and 12.36%. It occurred most often in mining (25%) and information media and telecommunications (22.22%).

5: PROVISION OF ENTITLEMENTS

Figure 6:
Summary – receipt of entitlements

| Criteria | % of respondents |
|---|------------------|
| Didn't receive compulsory superannuation | 25.05% |
| Didn't receive break entitlements | 36.53% |
| Didn't receive overtime entitlements | 35.5% |
| Didn't receive pay during trial period or training | 33.93% |
| Required to complete additional work duties without pay | 43.14% |
| Didn't receive annual leave entitlements | 27.26% |
| Timesheet hours reduced by employer | 35.54% |
| Denied access to unpaid leave | 24.73% |

Compulsory superannuation: 25.05% of respondents reported not being paid compulsory superannuation. Non-binary persons were disproportionately affected (39.77%). Workers within small businesses also suffered greater than other workers: 31.78% did not receive superannuation that was owed to them, compared to 27.59% and 17.3% of medium- and large-sized business workers respectively. Electricity, gas, water and waste services (57.14%) and financial and insurance services (38.10%) were the worst effected industries.

Disallowed breaks to which the worker was entitled: The denial of paid break entitlements has attracted the attention of media outlets and trade unions in recent times, most prominently the Shop Distributive and Allied Employees Association seeking of \$250 million in compensation from McDonald’s owing to the fast food giant’s alleged failure to provide over 250,000 employees with paid breaks.⁶⁸ 36.53% of respondents were disallowed breaks to which they were entitled. Casual workers were disallowed breaks at a greater rate than permanent workers, and only minimal difference was present between workers at small, medium and large sized businesses — 37.74%, 36.27% and 35.69%. Mining (50%) and public administration and safety (47.06%) were among the worst affected industries.

No payment of overtime: 35.5% of respondents stated that they were not paid overtime to which they were entitled. This was suffered at a greater rate by non-binary persons and women than men; 51.14% and 39.85% compare to 30.06%. Small business workers again suffered more than those engaged by medium- and large sized businesses: 39.48%, 36.27% and 31.45% respectively. Persons with a preferred language other than English suffered

most: 39.39% compared with 35.45%. The most impacted industries were electricity, gas, water and waste services (50%) and professional, scientific and technical services (47.83%).

Not paid during a trial period or training: 33.93% of respondents were not paid during a trial period or training. Again, non-binary persons and women suffered most; 48.86% and 35.91% compared to 30.47% for men. Independent contractors encountered this more frequently than permanent or casual employees, and workers within small- and medium-sized businesses suffered at a greater rate than those large-sized business workers. It was most common in mining (50%) and electricity, gas, water and waste services (46.43%)

Required to complete work outside of usual responsibilities without additional pay: 43.14% of respondents reported having been required to complete additional work without pay. In line with other unfair experiences, this was encountered more frequently by women and non-binary persons than men. Small- and medium-sized business workers suffered more than their large-business counterparts, though not significantly: 45.34%, 42.17% and 42% respectively. It was particularly common in electricity, gas, water and waste services (60.71%) and public administration and safety (52.94%).

No provision of annual leave: 27.26% of respondents reported not having been provided with annual leave. Non-binary persons suffered at a greater rate than men and women, 46.59% compared with 27.89% and 25.57%. Expectedly, independent contractors and casual employees encountered this at a greater rate than permanent employees. 30.36% of medium-sized business workers were not provided with annual leave, compared to 29.72% of small-business workers and 22.69% of large-business workers. Temporary visa workers suffered more than citizens from birth: 33% compared with 25.37%. A similar trend was present between individuals with a preferred language other than English compared to those who did prefer English. The non-provision of annual leave was most common in electricity, gas, water and waste services (53.57%) and agriculture, forestry and fishing (50%).

Timesheet hours reduced by the employer: Alarmingly, 35.54% of workers reported having had their timesheet hours reduced by their employer. 50% of non-binary persons reported experiencing this, compared with 33.06% of men and 35.11% of women. Expectedly, independent contractors and fixed-term and casual employees suffered more than permanent employees: 40.27%, 37.56%, 35.4% and 30.37% respectively. Little difference was present between small, medium and large business workers: 33.19%, 35.78% and 34.75%. This occurred most often in electricity, gas, water and waste services (60.71%), information media and telecommunications (50%) and manufacturing (43.10%).

Not provided access to unpaid leave: 24.73% of workers were not provided access to unpaid leave. This included 44.32% of non-binary persons, 34.03% of casual employees and 29.16% of workers in medium-sized businesses. It occurred most often in mining (43.75%) and electricity, gas, water and waste services (42.86%).

6: WORKING CONDITIONS

**Figure 7:
Summary – working conditions**

| Criteria | % of respondents |
|--|------------------|
| Paid 'off the books' (some of the time) | 21.6% |
| Paid 'off the books' (all of the time) | 12.22% |
| Short notice hours change (some of the time) | 51.31% |
| Short notice hours change (all of the time) | 32.31% |
| Received payslips (some of the time) | 23.6% |
| Received payslips (never) | 18.41% |

Paid 'off the books': Similarly to payments in cash, payment 'off the books' may be indicative of noncompliance and underpayment. Unlike cash payments, however, payment off the books is made unlawful under the FW Act to the extent that it involves the non-provision of payslips. 21.6% of respondents reported having been paid off the books some of the time, and a further 12.22% all of the time. Non-binary persons (29.54% and 21.59%) and men (27.89% and 13.74%) suffered worse than women (15.62% and 10.41%). Independent contractors (44.44% and 19.44%) encountered this more frequently than fixed-term employees (37.79% and 14.35%) and permanent employees (27.46% and 13.18%). Surprisingly, casual employees were the least affected: 14.54% and 10.92%. 34.7% of workers in medium-sized businesses were paid off the books some of the time, compared with 21.8% of small-business workers and 10.55% of large business workers. However, small-business workers were more likely than medium-sized and large-sized workers to be paid off the books all of the time: 18.98% compared to 12.89% and 5.84%. Non-preferred English speakers were twice as likely to have been paid off the books all of the time than preferred English speakers: 24.24% compared with 12.08%. The industries in which workers were most commonly paid off the books 'all the time' were rental, hiring and real estate services (34.62%) and electricity, gas, water and waste services (28.57%).

Employer informs of a short-notice hours change: 51.31% of respondents were, some of the time, informed at short notice by their employer of a work hours change; this was encountered by 32.31% of respondents all of the time. Non-binary persons (44.62% and 46.15%) were affected more than women (51.21% and 30.69%) and men (51.95% and 33.84%). Surprisingly, this was encountered by permanent employees (52.04% and 33.67%) at rates similar to casual employees (51.14% and 31.26%). Respondents' experiences were relatively consistent between small (52.3% and 34.21%), medium (54.81% and 33.33%) and large businesses (48.2% and 30.19%). Also consistent were the experiences of citizens from birth

(50.79% and 31.64%) and temporary visa holders (48.15% and 34.81%). Non-preferred English speakers encountered this all of the time at a rate greater than preferred English speakers: 44.44% and 32.2% respectively. 54.55% of mining workers' hours were changed 'all the time', while workers in financial and insurance services (57.65%), construction (56.86%) and electricity, gas, water and waste services (56.52%) were most often confronted with short notice changes some of the time.

Provided with payslips: The FW Act requires employers to provide their employees with a payslip when they are paid for the performance of work.⁶⁹ 23.6% of respondents received payslips some of the time and 18.41% never received them. Non-binary persons (34.09% and 17.05%) were worse affected than men (28.14% and 18.23) and women (19.16% and 18.49%). Independent contractors (38.89% and 36.11%) were, expectedly, more likely to have not received a payslip than fixed-term employees (38.4% and 15.19%), casual employees (17.76% and 21.55%) and permanent employees (29.54% and 10.68%). 'Never' receiving a payslip was most common in gardening, cleaning and security (37.50%), arts and recreation services (26.23%) and education and training (23.60%). These statistics suggest widespread noncompliance with the provisions of the FW Act requiring that employers provide payslips to employees (s 536).

C: Seeking Assistance

In addition to questions relating to respondents' lowest paid jobs, a series of questions was put to respondents in relation to their experiences in and receptivity to seeking assistance in connection with suspected employer noncompliance and other workplace issues.

Sought help about a pay issue: 33.72% of respondents reported having sought help about a pay issue. Non-binary persons (45.45%) and women (33.51%) were more likely to have sought assistance than men (33.14%). Persons aged 25-30 (36.82%) sought help at a higher rate than those aged 20-24 (32.90%) and 15-19 (28.67%).

Where help was sought from: Of those who had sought help in relation to a pay issue, speaking with friends was most common (40.25%). This was followed by searching online (33.19%), the FWO (20.79%), the FWC (20.65%), social media (15.91%) and unions (12.86%).

Experiences seeking help: The experiences of respondents who sought help in relation to a pay issue were broadly consistent between genders and ages. Private legal services were most frequently described as 'very helpful' (43.39%), followed by the FWO (41.12%), legal aid (41.03%), the FWC (40.31%) and unions (35.25%). Each was unlikely to be described as either 'not helpful at all' or 'not very helpful': private legal services (7.55%), the FWO (16.75%), legal aid (10.26%), the FWC (16.32%) and unions (20.49%).

**Figure 8:
Summary – helpfulness of sources of assistance**

| Criteria | Very helpful | Not helpful/not very helpful |
|------------------------|--------------|------------------------------|
| Private legal services | 43.39% | 7.55% |
| Fair Work Ombudsman | 41.12% | 16.75% |
| Fair Work Commission | 40.31% | 16.32% |
| Trade unions | 35.25% | 20.49% |
| Legal aid | 41.03% | 10.26% |

Where help would be sought from: Of those who had not sought help in relation to a pay issue over half indicated that, if they were to seek assistance, it would be through family members (50.46%). This was followed by the FWC (32.39%), other colleagues (30.62%), the FWO (25.42%) and unions (15.76%). As shown in Figure 9, respondents' inclination toward different sources of assistance varied markedly dependent on age.

**Figure 9:
From where respondents would seek help
(grouped by age)**

| Source of help | 15-19 | 20-24 | 25-30 |
|------------------------|--------|--------|--------|
| Fair Work Ombudsman | 12.92% | 28.38% | 29.59% |
| Fair Work Commission | 28.47% | 37.74% | 29.84% |
| Government agency | 12.20% | 13.08% | 14.08% |
| Community legal centre | 5.26% | 6.84% | 10.47% |
| Private lawyer | 4.55% | 5.94% | 11.11% |
| Union | 10.29% | 16.64% | 17.96% |
| Social media | 8.61% | 8.02% | 13.70% |
| Another colleague | 32.54% | 29.87% | 30.23% |
| Family member | 66.03% | 52.75% | 40.05% |

D: Discussion: The Young Workers Survey

Several trends were consistent throughout the various criteria which comprised the Survey.

For one, non-binary persons suffered more than men and women in most categories. These results accord with international research which reports the disproportionately high frequency at which nonbinary individuals experience discrimination and harassment in the workplace.⁷⁰ Non-preferred English speakers and temporary visa holders suffered worse than preferred English speakers and permanent residents. Considering the substantial body of literature concerned with these matters,⁷¹ any other outcome would have been striking.

The ramifications of the erosion of permanent employment in Australia came to bear in the Survey results. Much has been written of the contemporary transition from the traditional permanent employment models to 'fissured' workplaces and the prevalence of non-permanent work.⁷² The Survey results are consistent with the prevailing concerns within the literature: independent contractors and fixed-term and casual employees were subjected to exploitation at greater rates than permanent employees. Also troubling are the outcomes for medium-sized and large businesses. It is sometimes thought that those engaged by small businesses are the most susceptible to egregious instances of exploitation,⁷³ and in some respects this sentiment carried within the Survey. But this was not a universal trend. Indeed, small business workers fared better than either or both of medium-sized and large business workers in a range of criteria within questions concerning 'hours and remuneration', 'requirements to pay for', 'provision of entitlements' and 'working conditions'.

Solutions to these challenges will not easily be identified. This is especially true of issues tied to sex, gender, race, social origin and citizenship. Adverse treatment connected with these grounds does not occur in a vacuum; it can rarely be addressed through the lens of any one lone characteristic.⁷⁴ Additionally, enforcement mechanisms in the field of discrimination are notoriously deficient.⁷⁵ Similar circumstances would also affect any reform efforts directed toward addressing the experiences of those who work outside of permanent employment relationships. Many rights and entitlements which arise under the FW Act are not — whether in law or in practice — able to be exercised by fixed-term or casual employees.⁷⁶ This circumstance is even more perilous for independent contractors who are altogether deprived of the safety net entitlements within the FW Act's National Employment Standards. On one view, it is unsurprising that contractors and non-permanent employees indicated high levels of exploitation within their lowest paid jobs; firms' detachment from the conventional employment model is motivated substantially — if not primarily — by efforts to circumvent the suite of rights afforded to permanent employees under workplace legislation.⁷⁷

The matters discussed above are equal parts significant and complex. They are each deserving of detailed, comprehensive analysis — the likes of which is beyond the scope of this paper. Nevertheless, and notwithstanding the complex challenges inherent within crafting broad-reaching workplace laws, the Survey results are in multiple respects capable of providing meaningful direction for future reform, which is explored in our recommendations at the end of the report.

PART

4

Findings and Discussion: The Co-Design

Part 4: Findings and Discussion: The Co-Design

A: Understanding Young Workers' Preferences for Access to Information and Justice

Recognising that the results from the survey, and from other reports, suggest that young people are not seeking support for workplace issues, and when they are seeking support tend not to rely on formal support pathways, we sought to explore young workers' preferences for accessing information on and assistance with their employment rights.

We engaged YLab, a co-design and consulting social enterprise established by the Foundation for Young Australians, to design and deliver a human-centred co-design⁷⁸ project with young people, in collaboration with our research team⁷⁹ YLab organised a 'co-design sprint' involving a series of six co-design workshops involving 12 young people aged 18-30. The participants were chosen from 90 applicants based on their diversity, lived experience of employment issues, employment history and ability to engage in the workshops. **This section draws upon YLab's report on the co-design process and its outcomes which is attached as Appendix A.**

Participants interviewed one another and undertook self-directed research to identify challenges and barriers faced by young people in Australia's employment system. Through a process of mapping these issues, developing problem statements (where the issues are synthesised into a problem statement from the point of view of a young worker), and voting, three key problem statements were developed relating to the underpayment and exploitation of work rights of young people, including:

- 1) Lack of awareness and education;
- 2) Lack of employer accountability; and
- 1) Lack of a safe space to speak up.

1: LACK OF AWARENESS AND EDUCATION

Participants found Australia's employment and labour law system difficult to understand and navigate. Young people from diverse and disadvantaged backgrounds, newly arrived migrants, and migrants and international students were considered as disproportionately disadvantaged by the current system. Several related issues identified in the workshop discussions which underpinned this issue included:

- lack of education and awareness about workplace issues;
- lack of understanding of where to go for help;
- support services being difficult to find and navigate; and

- that young people from diverse and disadvantaged backgrounds and those who work in industries at high-risk for worker exploitation, are let down by the system.

2: LACK OF EMPLOYER ACCOUNTABILITY

Young people have experienced a general lack of accountability from employers when it came to employers' compliance with their legal obligations. Participants experienced employers normalising bad workplace practices and culture. Several related issues identified in the workshop discussions which underpinned this issue included:

- the lack of accountability from employers for workplace issues;
- the onus currently being on the worker to seek to enforce their work rights;
- cultures of avoiding taking action when issues arise at work;
- that fair working conditions are not the norm; and
- the existence and frequency of both *explicit* and *implicit* types of exploitation.

3: LACK OF SAFE SPACES TO SPEAK UP

Participants outlined that young people hold a general fear of speaking up about workplace issues. Job security is a significant factor, particularly for those from diverse backgrounds, when deciding whether to raise workplace issues with their employer or through formal support pathways. Participants identified a lack of meaningful, low resource pathways for young workers to achieve resolutions to workplace issues. Several related issues identified in the workshop discussions which underpinned this issue included:

- a lack of opportunities in a workplace for safe and meaningful discussions about work rights;
- complex power dynamics and relationships between employers and employees;
- fears of retribution for raising workplace issues;
- cultures of avoiding taking action; and
- a lack of pathways for workers to achieve a meaningful resolution to problems.

4: BUILDING SOLUTIONS

Having identified three issues to focus on, the co-design process moved into a 'building solutions' phase, where participants brainstormed solutions to the three issues. Participants explored various solutions before prioritising and voting on the solutions they wanted to further develop. Participants prioritised solutions that were low-medium effort but with a high impact. Participants were broken into groups to prototype and further develop, test and evaluate their proposed solutions.

The solutions developed through the co-design process were not necessarily focused on the use of digital or data tools. For example, one suggestion proposed an education and awareness campaign that could be rolled out online, in print and through the community, supported by social media and a website.

Another proposal suggested tapping into existing small business community networks to foster social accountability and educate members of employment rights.

However, there were two proposals which were more focused on using digital tools. One proposal to increasing employer accountability was to develop a self-assessment tool and checklist that provides small-to-medium-sized businesses with a simple means to check and demonstrate that they are compliant with employment law. The ideal was that this would begin as a voluntary initiative but become a compulsory scheme, backed up by inspections and audits.

A second data science-based proposal — designed to address the lack of safe spaces for speaking up — was to create a one-stop online shop, utilising online infrastructure to support vulnerable workers to identify, understand and enforce their workplace rights. Semantic web technology would be used to connect young workers to the information they most need regarding their employment rights. The online tool would draw upon successful international interventions, combining AI with psychographic personas to tailor information and provide translation services to users. This could be integrated within existing government platforms as a virtual point of entry for taking action when their rights are infringed.

The Co-Design ultimately delivered three recommendations, informed by insights gathered from the process and by the proposals put forth by participants:

- 1) Co-develop prototypes with young people and key stakeholders:** Further developing prototypes with a diverse group of young people and other target users, including employers, community legal centres and key systems actors. This could help ensure prototypes are developed and implemented in a way that delivers the greatest impact.
- 2) Further engage vulnerable cohorts:** Further engage with cohorts disproportionately disadvantaged by Australia's labour law systems. This includes migrants and international students, and young people working in high-risk industries such as hospitality, labour hire, aged care and agriculture.
- 3) Deepen collaboration with system actors:** Deepen collaboration and knowledge sharing among key systems actors (eg, FWC, FWO, Paul Ramsay Foundation) to share learnings from this project and identify opportunities for long-term change, and ensure that young people are able to contribute to these conversations.

PART

5

Where to
From Here?

Part 5: Where to From Here?

This study fills a gap in the literature on young peoples' experience of workplace underpayment and exploitation. While previous research has identified various other groups vulnerable to workplace issues, this research provides unique insights into the issues young people experience and their needs when it comes to support.

In relation to the broader aims of this project on exploring the use of data science and digital tools by regulators to support compliance, enforcement and engagement, this study identified the critical need for more data on young people's experiences at work to effectively target this risk in regulatory activities. The findings also suggest that young people require tailored support pathways that draw on social media, digital tools and local community networks.

Many of our findings can be addressed through a combination of law reform, targeted resourcing and strategic enforcement set out in the following recommendations:

**Figure 10:
Recommendations**

| No | Recommendations |
|----|--|
| 1 | Compliance measures directed toward poorly performing industries |
| 2 | Regulatory strategy with reference to serious noncompliance |
| 3 | Addressing requirements to pay for work items, specifically for mid-sized businesses |
| 4 | Equitable 'loaded rates' for junior employees |
| 5 | Promoting resources for assistance, especially the FWO |
| 6 | Further exploration of data science and digital tools |

- 1) Compliance measures directed toward poorly performing industries:** All respondents designated their lowest paid job into one of 21 separate industries. Of those 21, nine consistently featured as poor performers: electricity, gas, water and waste services; manufacturing; mining; transport, postal and warehousing; public administration and safety; information media and telecommunications; accommodation and food services; retail trade; and education and training. It appears that the frequency with which these nine industries were the site of exploitation and noncompliance would provide to regulators a mandate to direct time, attention and resources to the situation of young workers in each of these industries.

- 2) Regulatory strategy with reference to serious noncompliance:** Guidance may also be sought by reference to a consideration of some of the most concerning instances of exploitation. For one, it is alarming that young workers in the mining industry were among the most likely of any respondents to experience (i) payments in food or products in lieu of money; (ii) requirements to return pay to an employer; and (iii) payment less than that which was agreed before work had commenced. Similar trends were present within electricity, gas, water and waste services. For the purpose of conducting compliance efforts strategically and with a view of identifying the greatest degree of unlawfulness that resources permit, these sectors represent an appropriate starting point. Indeed, it appears unlikely that firms, employers and managers who adopted the practices listed above would otherwise act in compliance with workplace laws. A regulatory approach focused upon industries which most frequently engage in exploitative conduct to the detriment of young workers⁸⁰ would, in line with the FWO's Compliance and Enforcement Policy, appear to constitute an 'effective, ethical, economical and efficient use of public resources'.⁸¹

- 3) Mid-sized businesses and requirements to pay for items relating to work:** To the authors' surprise, young workers within medium-sized businesses were by some distance the most likely to be subjected to requirements to pay for items or services relating to work. This invites consideration of both enforcement and reform. As to the former, to the extent to which regulators are concerned with the passing of business costs from firms to young workers, it appears that medium-sized businesses would constitute an appropriate priority. As to the latter, regulators should consider the formulation of educational programs which guide mid-sized firms in deciding what services costs *should* and *should not* be charged to their workforce.

- 4) Unpaid work and equitable loaded rates for junior employees:** 47.26% of respondents reported never having received overtime pay in their lowest paid job, including 54.91% of casual employees. Less than half of all respondents received penalty rates on public holidays; the same was true of penalty rates for weekends. Less than one fifth of respondents received nighttime penalty rates, and 17.91% of respondents were not paid at all for work they had completed. The nonpayment of young workers is endemic. No doubt, the factors which drive underpayment would often prove only more pervasive for young or otherwise vulnerable workers — a matter which led the YWC, the Migrant Workers Taskforce and the Senate Economics References Committee to call for greater civil penalties for employers' noncompliance with wage laws.⁸²

To address these difficulties, the introduction of ‘loaded rates’ for young employees may present an attractive solution. These rates would form the entirety of an employee’s wages and would be intended to encompass all overtime or penalty rates to which workers in a given industry would otherwise be entitled. Such an initiative would not be without its own challenges. For one, it is apparent that firms’ engagement of young workers is often made attractive through reduced minimum wages. A higher base cost associated with the employment of youths may deter firms from engaging those youths.

Most important in this context, however, is that a loaded rate proposal must be truly comprehensive. Loaded rates must not, as has occurred in the past, be presented as an equitable measure while operating in practice as a vehicle used by employers to cut wages. To this end, the further provision of an ‘equalisation’ or ‘reconciliation’ term permitting the recovery by an employee of any amounts which would otherwise have been earned via loadings may be desirable if not absolutely necessary.⁸³

5) Seeking assistance and promoting the FWO to teenage workers:

Respondents’ perceptions of the FWC and FWO appeared broadly positive. 41.44% of respondents who had sought help in relation to a pay issue did so from either of the two regulators. Each the FWC (40.31%) and FWO (41.12%) were frequently described by respondents as ‘very helpful’, and were rarely described as ‘not helpful at all’ or ‘not very helpful’; 16.32% and 16.75% respectively. It is significant that respondents’ receptivity to seeking help from the two regulators was affected significantly by age, especially in respect of the FWO: while respondents aged 20-24 (28.38%) and 25-30 (29.59%) expressed a willingness to seek help from the FWO, this was not the case for those aged 15-19 (12.92%). This trend persisted with the FWC, though less dramatically: 37.74% for ages 20-24, 29.59% for ages 25-30 and 28.47% for ages 15-19.

Young persons’ apparent disinclination to seek help from the FWO is concerning. The FWO is Australia’s chief workplace regulator; it is principally responsible for monitoring compliance with the FW Act and fair work instruments.⁸⁴ While the FWC is capable of providing assistance to those who encounter workplace-related exploitation, its primary functions lie in the promotion of ‘cooperative and productive workplace relations’ and the resolution of disputes.⁸⁵ The FWO is, by reference to its objects and functions, better positioned than the FWC to assist young workers with pay issues; the FWO wields vast investigatory and enforcement-related powers not possessed by the FWC. Nevertheless, those aged 15-19 are more than twice as likely to seek help from the FWC than the FWO. On these bases, it appears that the FWO would be well served in pursuing educational and awareness initiatives directed specifically toward teenaged workers: a measure aligned with recommendations of the Migrant Workers’ Taskforce and with the Young Workers Centre’s call for greater education on workplace rights and safety training for high school students.⁸⁶

Of course, it is inevitable that, even with greater educational efforts on the part of the FWO, some young persons will remain reluctant to seek the assistance of a government regulator when confronted with a workplace issue. For this reason, we recommend that further to a more rigorous promotion of the FWO, resources should also be allocated toward the promotion of other avenues of assistance relevant to young workers such as trade unions, community legal centres, the Young Workers Centre and other similar bodies.

6) Further exploration of data science and digital tools:

Access to useful data is a key prerequisite for effective regulatory technology — or ‘RegTech’ — solutions to labour law non-compliance. Assuming access to useable data, then the nature and complexity of rules may still challenge the integration between machine learning tools and the data. For example, where rules are ambiguous or require interpretation, machine learning may not be able to fill gaps or correct misinformation.

Young people do not necessarily utilise digital tools and resources provided by government agencies. A lack of adequate resourcing and data science capability in alternative sources of support and advice, such as trade unions and community legal centres, hampers the availability and use of data science tools and solutions. As argued by the Young Workers Centre,⁸⁷ investment in relevant datasets, digital solutions and capability building will be essential if data science is to be used effectively in improving compliance with labour regulation and to making effective the use of digital tools to improve compliance with labour laws for young workers.

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A P P E N D I X

A

A Fair Day's Work Report: Co-designing solutions to address the underpayment and work rights exploitation of young people across Australia, YLab and the University of Melbourne, 2024

YLab.



A FAIR DAY'S WORK REPORT

Co-designing solutions to address the underpayment and work rights exploitation of young people across Australia.





YLab and the University of Melbourne acknowledge the Traditional Owners of the land where we gather, live, work and stand throughout Australia. We pay our respects to all Traditional Custodians, their Elders past and present, and acknowledge their continuing connection to culture, community, land, sea, water and skies. We acknowledge that sovereignty was never ceded. This always was, always will be Aboriginal land.

FOREWORD

A Fair Day's Work is a partnership between YLab and the Melbourne Regulation Design Network at the University of Melbourne.

This is part of a multi-pronged project that aims to first and foremost, support young people at risk of wage theft, while also providing data for regulators, policymakers and business to drive system change. To find out more about this project, check out the project summary and video [here](#).

The project was selected by the Paul Ramsay Foundation for support as part of the Inclusive Growth and Recovery Challenge led by data.org.

We would like to acknowledge and thank the amazing group of 12 young people who generously shared their stories, perspectives, lived experience and expertise as members of the co-design taskforce. Without your invaluable contributions this report would not have been possible.

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INTRODUCTION



“Looking back, I can identify instances of work rights violations in every workplace I have been a part of. At the time, I didn't really think I had any power or right to do anything about this. It's been wonderful to contribute to addressing some of these issues. I'm hopeful that our hard work and passion will be heard and put into action. Something needs to change – young people are counting on you to protect them.”

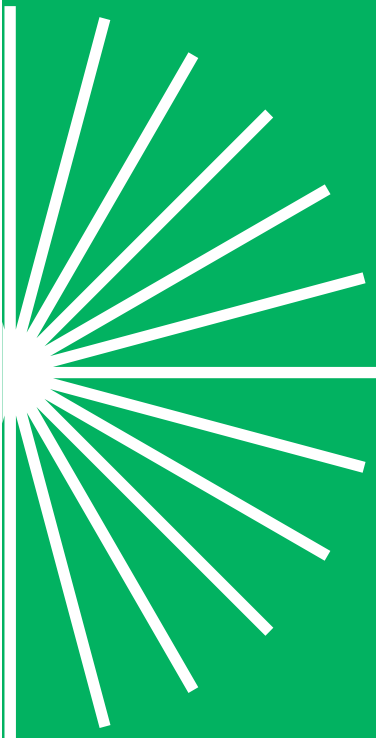
– Matilda, 28 (she/her)

It is no secret that employment rights abuse is a serious issue for young people – especially cases of underpayment and exploitation. That's why we brought together a diverse group of young Australians to help us shape a better future for young workers.

Young people have a lot to offer. We can deliver better systems and services by listening to their insights and ideas. We know that young people are best placed to help us understand the issues they face and inform the design of solutions that meet their needs and aspirations for future generations.

The purpose of this report is to share the exciting journey we embarked on, the solutions we uncovered and our recommendations to support the employment sector in its ongoing efforts to tackle this issue.

We hope that this report educates, inspires and motivates to take action – whatever that might look like in your sphere of influence. Please share this far and wide, and don't hesitate to contact us if you have any questions relating to the project.



BACKGROUND AND CONTEXT



Project background

Young workers face an epidemic of underpayment and exploitation, popularly known as wage theft.

Young people are especially vulnerable to this issue for reasons including a culture of wage theft in industries where young people make up the majority of employees, a lack of awareness of workplace rights, reluctance to complain about exploitation, and a lack of resourcing for proactive detection of non-compliance by regulators.

The burden currently falls on young people to report exploitation and underpayment to regulators, unions, or community legal centres.

To address this issue the University of Melbourne partnered with YLab in 2023 to deliver a series of co-design workshops with young people, including those that are most vulnerable to issue such as young workers in high-risk industries, migrants and international students, and young people from rural and remote areas.

The project was focused on achieving the following outcomes:

- Co-design solutions that meet the needs of young people, and help them identify breaches of their employment rights and channels for support.
- Provide opportunities for young people to improve their understanding of their employment rights, while practicing mindsets, skills and tools relevant to their future employment.
- Gather data and insights to support initiatives as part of the broader A Fair Day's Work project, including the National Young Workers Survey and the development of an online portal, database and wage theft prediction tool.

Solutions were to be developed into low fidelity prototypes and key learnings shared with stakeholders across the broader employment system.



Our approach

We designed and delivered a co-design sprint consisting of a series of six workshops, optional drop-in support sessions and take-home activities. The workshops also featured opportunities for learning and development around co-design, systems change and young people's employment rights.

The project was delivered in three phases outlined below, between March and December 2023.



Phase 1: Build strong connections

We laid the foundations for success, setting clear project goals and establishing strong project rhythms. We also recruited and onboarded our co-design taskforce, and developed creative assets to attract young people and communicate the purpose and scope of the engagement.



Phase 2: Facilitate co-design sprint

We designed and facilitated a series of workshops with the co-design taskforce and external stakeholders. We also delivered training for young people on the fundamentals of co-design and their employment rights, and shared information, resources and services relating to their employment rights.



Phase 3: Synthesise insights and prototypes

We synthesised workshop outputs into clear insights, prototypes and recommendations to support their implementation beyond the project. We also produced a report that is relevant and actionable for the stakeholders across the broader employment system.

The co-design taskforce consisted of 2 YLab Associates and 10 young people aged 18–30. They were selected from more than 90 applicants based on their diversity, lived experience of the project issue, employment history, ability to complete the required hours of the project, interest in developing new skills and networks, values alignment and level of prior support and access.

Young people were remunerated at a rate of \$50/hour and received a digital certificate and written reference upon the completion of the project to support them with their future career endeavours.

Co-design sprint outline

The co-design sprint was built around the first two phases of the YLab co-design framework - “admiring the problem” and “building solutions”.

We have provided a high-level outline of each workshop and take-home activity over the next two pages to demonstrate the journey we embarked on.



Workshop 1: Establishing the conditions

The purpose of this workshop was to kick-off the project, set expectations with one another, create an environment in which young people felt safe, connected and empowered, and learn the fundamentals of co-design. The workshop included ice-breaker activities, the development of a group charter and shared design principles, a project briefing and a co-design masterclass from YLab. Young people were invited to reflect on their strengths and growth opportunities, and develop a learning and development plan between workshops.

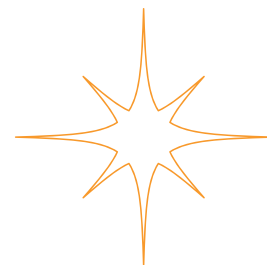
Workshop 2: Admiring the problem

The purpose of this workshop was to learn about employment rights, build empathy for each other's lived experience, and identify patterns, gaps and root causes of the problem. The workshop included an employment rights masterclass from WEstjustice, empathy interviews, empathy mapping, theming and gap identification. Young people were invited to conduct a root cause analysis and desktop research between workshops to fill in gaps in our understanding of the project issue between workshops.

Workshop 3: Defining the problem

The purpose of this workshop was to clarify the scope of the project, define the key issues relating to the problem, and reframe them into “how might we” questions to explore through ideation. The workshop included a playback of the key results from the National Young Workers Survey, rope of scope activity, problem definition and “how might we” question development. Young people were invited to research existing solutions for inspiration and brainstorm ideas of their own between workshops.





Workshop 4: Imagining solutions

The purpose of this workshop was to brainstorm, prioritise and refine ideas that address our “how might we” questions and meet the diverse needs of young people. The workshop included an energiser activity, individual and group brainstorming, dotmocracy voting, idea prioritisation and mindmapping. Young people were invited to work in small groups to refine their ideas, share feedback with other groups and develop low fidelity prototypes to demonstrate their ideas, with the option to attend drop-in sessions for coaching and support from the project team between workshops.

Workshop 5: Refining and prototyping solutions

The purpose of this workshop was to refine and prototype our solutions based on feedback and ideas from others, prepare for our focus groups and develop a business model canvas to support the implementation of our ideas. The workshop included a grounding activity, group co-working time and business model canvas development. Young people were invited to work in small groups to finalise their prototypes and develop pitch decks to present in our focus groups, with the option to attend drop-in sessions for coaching and support from the project team between workshops.

Workshop 6: Testing and evaluating solutions

The purpose of this workshop was to test and evaluate our solutions, gather a list of recommendations and next steps to support their implementation, and reflect on and celebrate our journey together. The workshop included focus groups with additional young people, subject matter experts and employment service providers, solution evaluation based on the desirability, feasibility, viability framework, a retrospective activity and the development of letters to prospective implementers of our solutions. Young people were invited to complete an offboarding form to gather feedback and wrap-up their experience.



ADMIRING THE PROBLEM

The intention of the “admiring the problem” phase of the co-design process was to identify and analyse the challenges and barriers young people face in Australia’s employment system.

During this phase of the co-design sprint participants completed activities such as empathy interviews, empathy mapping, a root cause analysis, desktop research and affinity mapping to explore and define the problem.

We identified a wide range of challenges and barriers, including not knowing where to go for help, fear of losing their jobs, feeling uncomfortable dealing with conflict, and the complex power dynamics in workplaces.

For the purposes of the co-design process, we identified and agreed on tackling the following three key problems relating the underpayment and work rights exploitation of young people.

Problem 1: Lack of awareness and education

There is a lack of education and awareness of the issue. Young people from diverse and disadvantaged backgrounds, and in high-risk industries, are disproportionately let down by the system.

Problem 2: Lack of employer accountability

There is a lack of accountability from employers. This can result in the onus on workers to be the enforcer of their work rights. It can be difficult to find organisations with fair working conditions, especially in high-risk industries.







Problem 3: Lack of safe space to speak up

There is a lack of safe spaces for young people to speak up and find low-resource pathways to achieve resolutions. This comes from the complex power dynamics that exist at the workplace and a fear of retribution.

For the purposes of this report it is also worth sharing additional insights from young people to demonstrate the breadth of the data gathered before focusing on these three problems.

Other insights included:

- A culture of accepting and avoiding taking action.
 - A lack of understanding of where to go for help.
 - Young people from diverse and disadvantaged, and high-risk industries being disproportionately let down by the system.
 - Complex power dynamics, relationships and cultural differences resulting young fearing retribution for seeking support and justice.
 - Active and passive cases of work rights exploitation.
 - Support services are difficult to find and navigate.
 - Lack of meaningful, low resource pathways for workers to achieve resolutions.
 - Difficulty finding organisations with fair working conditions.
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Problem 1: Lack of awareness and education



“Ensuring that young people who start their professional journey are equipped with the necessary knowledge, so that they are able to protect themselves, is not just important for them but for our community as a whole. I hope that young people are able to enter workplaces that value them, where they are able to receive proper compensation for the efforts that they put in and have the opportunities to learn and grow.”

– Hue Man, 25 (she/her)

Insight 1: Young people find the system difficult to understand and navigate.

- The work rights system is large and complex, and young people are often in the grey about their work rights, obligations of their employers and where to go for help and support.
- Young people don't know where to go for to seek help, resources and dispute resolution.
- Young people's lack of understand of the system, in part due to lack of education and awareness, contributes to a feeling of helplessness.
- Support services are difficult to find and navigate.



Insight 2: The system disproportionately hurts some cohorts and industries more than others.

- Young people from diverse and disadvantaged backgrounds, those working in high-risk industries such as hospitality, labour hire in aged care, fruit picking and agriculture, are disproportionately let down by the system.
- Newly arrived migrants feel the burden of having to learn about their work rights on their own, as “people don't explain work rights to you when you first arrive in Australia.”
- Migrants and international students face additional barriers due to visa restrictions. The student visa system limits the number of hours students can work, which can push students to “self exploitation” or work in industries that might exploit them e.g. working cash-in-hand or off the books.

“People don't explain work rights to you when you first arrive in Australia.”

“Unaware of terms like exploitation in the workplace.”

“Young people are at different starting points.”



Problem 2: Lack of employer accountability



“It is not enough to simply expect young people to stand up for better pay or working rights. There should be more onus on employers to comply with employment standards. Shifting the focus from punitive action towards incentive and innovation.”
– Saja, 25 (she/her)

Insight 1: Young people have experienced a general lack of accountability from employers.

- Without employer accountability, the onus is disproportionately placed on workers to be the enforcers of their work rights.
- Young people recognise that some employers actively exploit workers while others might be doing it due to lack of awareness or understanding of workplace laws.
- For example, not being paid superannuation or for overtime can be due to both active work rights exploitation or lack of employer education.

Insight 2: Employers normalise bad workplace practices and culture.

- Employer attitudes can normalise bad behaviour, and toxic workplace cultures often makes young people feel like they can't take action. Young people have heard employers say “this is how the industry operates”.
- Young people feel the need to prioritise clients over their own needs, as “patients/clients might suffer if we don't follow the workplace culture”.
- Young people have found it difficult finding work in organisations with fair working conditions.

Insight 3: Complex dynamics in family businesses increase risk of exploitation.

- For young people working in their family businesses, complex power dynamics and relationships can be a compounding barrier to employer accountability. This challenge is particularly prevalent for young people from culturally and linguistically diverse (CALD) backgrounds.
- Cultural differences that play out in interpersonal relationships can be complex in the workplace context and may lead to questionable work practices including wage theft. For some, it's “disrespectful to ask for pay” when it comes to family.
- Different cultural backgrounds can have an impact on a young person's understanding of their rights, as “different countries have different standards” when it comes to workplace rights.
- Young people working in family-run businesses have a fear of “letting the family down.”





Problem 3: Lack of safe spaces to speak up



"I hope for a future where employers communicate effectively with and safeguard them from exploitation, and young people feel safe to access the support they need to navigate any issues they are experiencing with their work rights."

- Oslo, 20 (he/him)

Insight 1: Young people have experience a general fear of speaking up.

- Young people are often scared of conflict or confrontation, and can often lack experience and confidence in resolving workplace conflict.
- A toxic workplace culture of silence can contribute to fear of speaking up.

Insight 2: Job security has significant impacts young people, particularly those from diverse backgrounds.

- There is a fear that speaking up would result in losing their job or other punishment from the employer. Many fear the economic costs of losing their jobs, particularly in the current cost-of-living and housing crises.
- For non-citizens, such as international students, there is a fear (real or perceived) of losing your visa and deportation.
- Some young people don't want to risk burning bridges with people they care about, such as the friends and family who employ them.

Insight 3: There is a lack of meaningful, low resource pathways for workers to achieve resolutions.

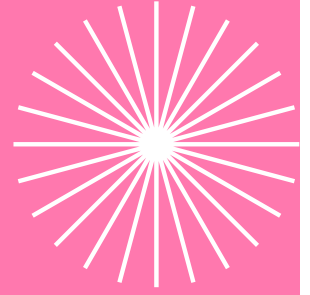
- Young people feel it is too much effort to bring up and try to resolve alone and without any low resource pathways.
- Without meaningful pathways, some accept the issue and rationalise (e.g. "it is worse in other contexts").
- Some put up with the exploitation because they love the job or because they feel the job would be useful to gain experience in competitive industries.

"Being young I don't have confidence in confrontation anyway, so I feel like I don't have the skills to have a conversation."

"Other people staying quiet, so you do too."

"Some people can't afford to ask for their rights."

BUILDING SOLUTIONS



The intention of the “building solutions” phase of the co-design process was to brainstorm solutions to the challenges and barriers young people face when they experience underpayment and work rights exploitation in Australia.

During this phase of the co-design sprint participants completed activities such as individual and group brainstorming, researching existing solutions, lo-fi prototyping, mindmapping, business model canvas development and focus group user testing to build and validate solutions.

We identified a range of employment system interventions, prioritising solutions we deemed to be low-medium effort with high impact to develop further through a series of prototyping, testing and evaluation activities.

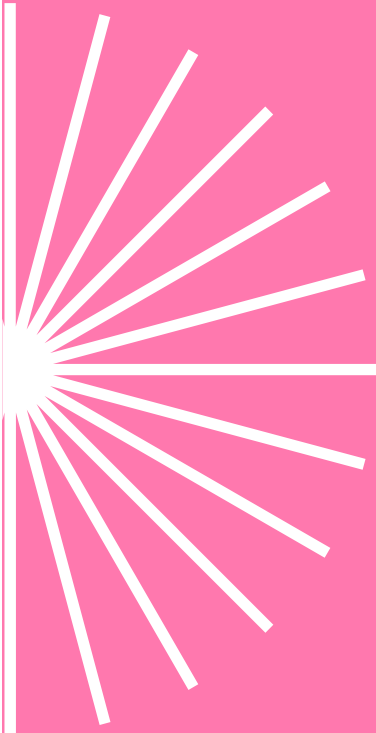
For the purposes of the co-design process, we reframed the key problems identified in the “admiral the problem” phase into the following three “how might we” questions and developed two solutions for each opportunity space.

Opportunity 1: Education and awareness

How might we educate young people and their support networks about their employment rights, so that they are aware of and feel confident to enforce them?

Opportunity 2: Employer accountability

“How might we support employers to take accountability for the protection of their employees’ work rights, so that the responsibility doesn’t fall on young people?”





Opportunity 3: Safe spaces to speak up

“How might we create safe spaces for young people to speak up and report cases of work rights exploitation, so that they can navigate complex power dynamics and relationships in the workplace without fear of retribution?”

Before sharing the solutions we prioritised, it is also worth sharing additional solutions from young people to demonstrate the breadth of the ideas generated across these three opportunity spaces.

Solutions for education and awareness included:

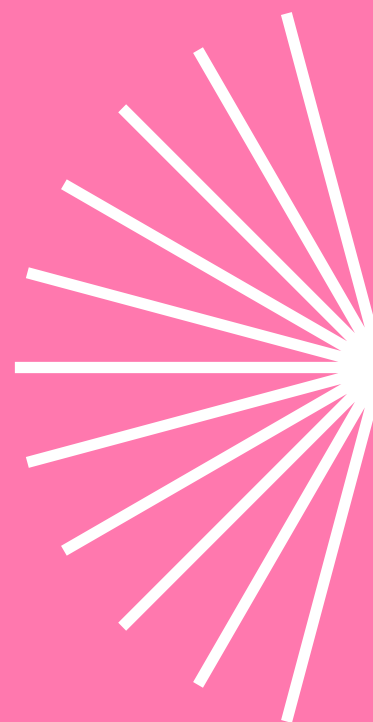
- Compulsory employment law education in school curriculum.
- Engaging online quizzes or videos to teach young people about their employment rights.
- A TV show that showcases people from disadvantaged backgrounds who have lived experience on how they enforced their rights.

Solutions for employer accountability included:

- A template that allows businesses to conduct a simple self-audit.
- A data-based tool that identifies potential work rights breaches and wage theft.
- Incentivise and publicly recognise businesses that excel in safeguarding employee rights.

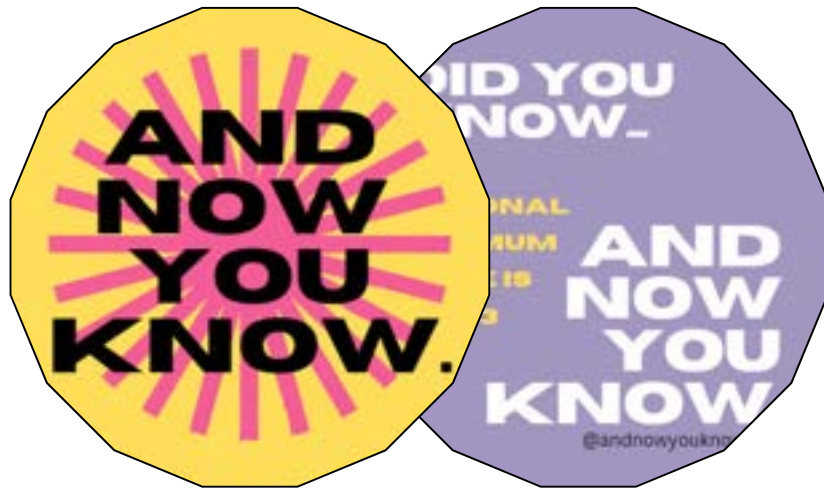
Solutions for safe spaces to speak up included:

- An external body that could come in to the work place to mediate conversations.
- A work rights hotline for people who want to speak up or take action.
- An anonymous online reporting form that allows young people to make reports of exploitation.



Opportunity 1: Education and awareness

“How might we educate young people and their support networks about their employment rights, so that they are aware of and feel confident to enforce them?”



Solution 1: And Now You Know

And Now You Know is an Australia wide awareness campaign that educates young people and their support networks about their employment rights and connects them with further resources.

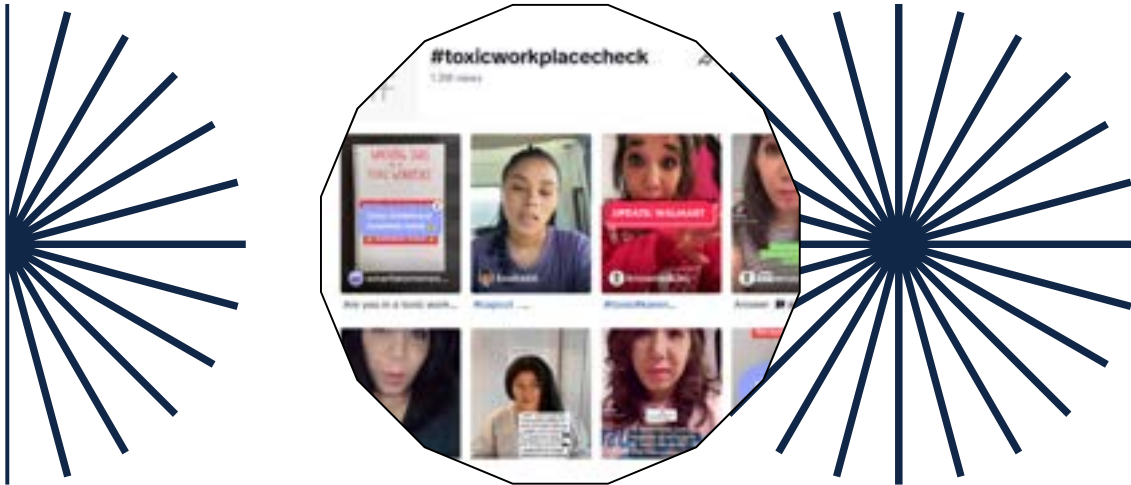
The campaign is designed to be piloted through a series of short facts that can be shared to help people learn more and take action. It will be rolled out online, in print and through community, targeting those at high risk of wage theft and exploitation, distributed through social media and linked to a website in multiple languages for accessibility.

The young people responsible for this solution prototyped a sample logo and social media tiles (pictured above), and created a [business model canvas](#) and [pitch deck](#) to communicate their idea and support its implementation.

Participants considered this solution highly desirable, though it may be only moderately feasible and viable.

Opportunity 1: Education and awareness

“How might we educate young people and their support networks about their employment rights, so that they are aware of and feel confident to enforce them?”



Solution 2: Next Viral Hit

Next Viral Hit is a TikTok campaign designed to engage and educate young individuals, particularly those aged 16–25 working in retail or hospitality, about their employment rights through compelling, user-generated content.

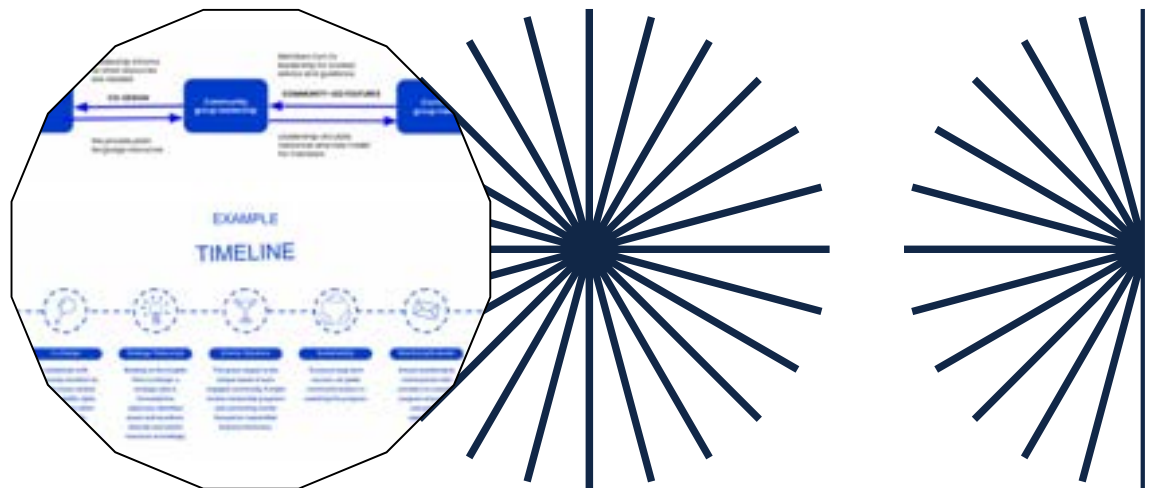
Meeting young people where they are at, Next Viral Hit seeks to create a snowball effect of peer-to-peer education and empowerment, encouraging social media users to share their work experiences, learn about their rights and connect with a supportive community. The campaign will leverage pre-existing TikTok trends, with direct links to resources and support services in its video descriptions.

The young people responsible for this solution prototyped video concepts (pictured above), and created a [business model canvas](#) and [pitch deck](#) to communicate their idea and support its implementation.

Participants considered this solution desirable and viable, though it may be only moderately feasible.

Opportunity 2: Employer accountability

“How might we support employers to take accountability for the protection of their employees’ work rights, so that the responsibility doesn’t fall on young people?”



Solution 1: Learning Loops and Community Circles

Learning Loops and Community Circles taps into established small business community networks to foster social accountability and educate members on employment rights.

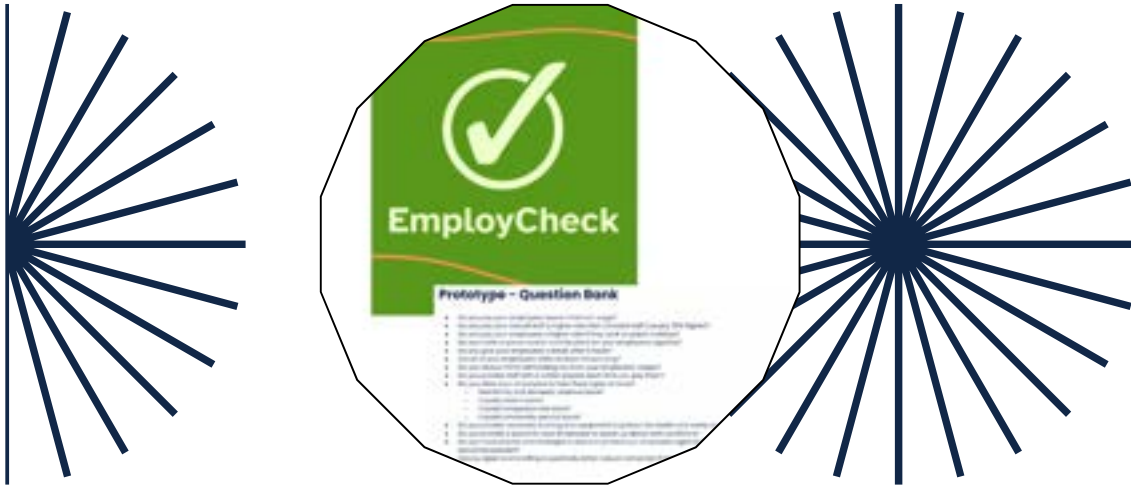
This solution will be targeted at small and family-run businesses from different cultural and linguistic backgrounds, utilising networks of trust, local partnerships and reward mechanisms to improve the employee experience for young people and celebrate responsible business practices.

The young people responsible for this solution prototyped a communication flow chart and sample timeline (pictured above), and created a [business model canvas](#) and [pitch deck](#) to communicate their idea and support its implementation.

Participants considered this solution desirable and feasible, though it may only be moderately viable.

Opportunity 2: Employer accountability

“How might we support employers to take accountability for the protection of their employees’ work rights, so that the responsibility doesn’t fall on young people?”



Solution 2: EmployCheck

EmployCheck is a self-assessment tool and checklist that provides small to medium sized businesses with a simple means to check and demonstrate that they are compliant with employment law in Australia.

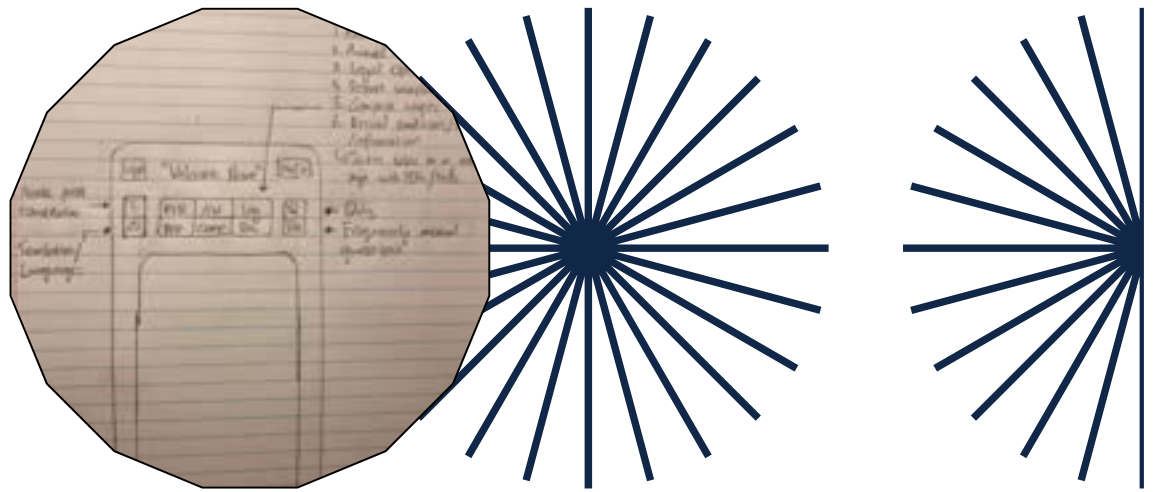
An easy and convenient way for business owners to check and share their fair working conditions with employees and job seekers, the resource will link to further information and services to assist them to improve their score. EmployCheck will be initially target voluntary users, followed by human resource service providers, with the goal of becoming a compulsory scheme with inspections and audits.

The young people responsible for this solution prototyped a logo and sample question bank (pictured above), and created a [business model canvas](#) and [pitch deck](#) to communicate their idea and support its implementation.

Participants considered this solution highly feasible, as well a desirable and viable.

Opportunity 3: Safe spaces to speak up

“How might we create safe spaces for young people to speak up and report cases of work rights exploitation, so that they can navigate complex power dynamics and relationships in the workplace without fear of retribution?”



Solution 1: Labourlink

Labourlink is a one stop online shop aiming to support vulnerable workers to seek and understand their work rights using online infrastructure.

Labourlink will employ semantic web technology to connect workers to the exact information they need about their employment rights. Drawing upon successful international interventions, the solution will combine artificial intelligence with psychographic personas to tailor information and provide translation services to users. This could be integrated within existing government platforms as points of virtual entry to empower workers to take action when their rights are infringed.

The young people responsible for this solution prototyped wireframes (pictured above) and sample scenarios, and created a [business model canvas](#) and [pitch deck](#) to communicate their idea and support its implementation.

Participants considered this solution highly desirable, as well as feasible and viable.

Opportunity 3: Safe spaces to speak up

“How might we create safe spaces for young people to speak up and report cases of work rights exploitation, so that they can navigate complex power dynamics and relationships in the workplace without fear of retribution?”



Solution 2: WorkSpace

WorkSpace is a youth-led workers rights education program that supports young people to understand their employment rights and have safe conversations to navigate cases of exploitation in the workplace.

The solution aims to support young people to access and assert their rights e.g. support services, self-advocacy and legal proceedings through the promotion of action discussion and engagement. The program will be led by young peer facilitators and key informants, taking place outside of a formal education setting to foster a safe environment for learning, self-expression and conflict resolution.

The young people responsible for this solution researched existing alternatives, and created a business model canvas and pitch deck to communicate their idea and support its implementation.

Participants considered this solution desirable and feasible, though it may only be moderately viable.

PROJECT OUTCOMES



The A Fair Day's Work co-design engagement project delivered the following outcomes for young people and the broader project.

Valuing lived experience

The project role modelled approaches to centring lived experience in discussions of employment and labour law. We recognised that young people deserve a seat at the table and to be heard and ensured that members of the co-design taskforce knew that they were in control of how and when they use their lived experience. Project sponsors also deepened their understanding of the impacts of Australia's employment system on young people, particularly those from vulnerable cohorts informed by their lived experience.



Healthy exchange of knowledge

There was reciprocity and a healthy exchange of knowledge between young people and the system. Young people shared their insights, experiences and ideas, whilst also building their own capabilities in co-design and employment law through masterclasses with subject matter experts to deepen their understanding of workplace rights. This outcome aligns with YLab's First Nations approach of reciprocity and healthy exchange.

Building relationships

We ensured meaningful engagement by anchoring key project activities on building strong relationships with young people. We made meaningful personal connections where people's stories were heard and ideas were meaningfully considered, taking a participatory design approach. These relationships will continue beyond the life of this project.



RECOMMENDATIONS



“This project has demonstrated that young people are ready to grasp our fate into our own hands. We know what the problems are in the modern Australian workforce. We demand to be part of the solution too.”

– Emma, 25 (they/them)

Our recommendations have been informed by the insights gathered through the co-design process. They serve as a framework to address the identified challenges and leverage opportunities to address wage theft and work rights abuse.

Co-develop prototypes with young people and key stakeholders

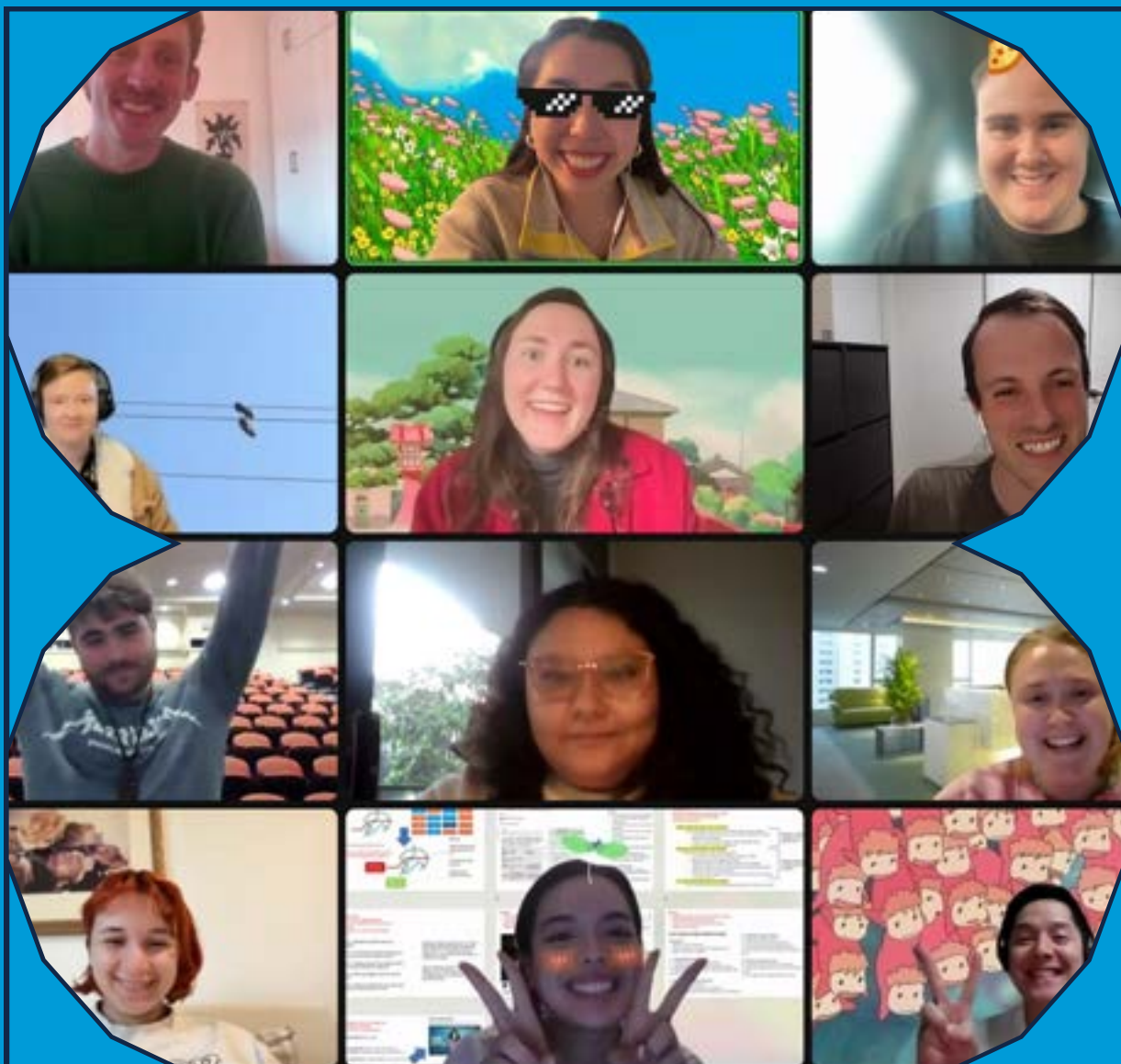
Further develop prototypes with established groups of diverse young people and other target users, including employers, community legal centres, regulators and key systems actors. This will help ensure prototypes are developed and implemented in a way that delivers the most impact.

Further engage vulnerable cohorts

Further engage with cohorts disproportionately let down by the system. This includes migrants and international students, and young people working in high-risk industries such as hospitality, labour hire, aged care and agriculture. Systems actors should collaborate directly with impacted groups, not just through peak bodies. The tripartite relationship should created space to hear the lived experience of vulnerable workers and employees., such as small business owners with diverse lived experience.

Deepen collaboration with system actors

Deepen collaboration and knowledge sharing among key systems actors, such as the Fair Work Commission, Fair Work Ombudsman and Paul Ramsay Foundation, to share learnings from this project and identify opportunities for long-term change. Ensure young people are part of these conversations.



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