

**Submission
No 20**

VOLUNTEERING AND UNPAID WORK PLACEMENTS AMONG CHILDREN AND YOUNG PEOPLE IN NSW

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To: Rohan Tyler
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For: Committee on Children and Young People
Parliament House
Macquarie St
Sydney NSW 2000

RE: Volunteering and unpaid work placements among children and young people in NSW (Inquiry)

Dear Inquiry Members,

We would like to take this opportunity to provide information about our industry. We hope this information will contribute toward the development of balanced and supportive legislation for internships, such that genuine arrangements can proceed to the benefit of providers, hosts and interns alike.

We recognise that your focus is on the experience of Australian youth but feel that our expertise in the field of internships can contribute to identifying areas of importance relevant to unpaid work placements. Much of the following information has previously been provided to the Office of the Fair Work Ombudsman for the Report "Experience or Exploitation?" (January 2013)¹.

PREAMBLE

In this response the following terms will be used and primarily refer to:

- **AIIA:** The Australian Internship Industry Association
- **Providers:** organisations who liaise between the intern applicant and the hosting organisation/business, in this instance specifically members of AIIA.
- **Interns:** those persons (students and recent graduates) who apply to receive supervised experience in a career field, either to develop their skill sets in their chosen career and/or to "test out" different professions to see where they may wish to direct their future efforts.
- **Hosts:** Organisations, businesses, companies, etc who agree to host an intern, or interns, in their operation.

The *Australian Internship Industry Association* (AIIA) brings together organisations active in the domestic and international internship industry in Australia. Membership is open to organisations and educational institutions that deliver Internship programs (send and receive participants), or offer services to interns, or new program providers developing their Internship program(s). Members meet regularly to discuss current issues affecting the industry and to ensure maintenance of best practice standards across membership. The Association has a rigorous application process to ensure only providers of the highest quality internships access membership and are in agreement with association values.

(Source URL: <http://www.aiia.org.au/aboutus.htm>)

We support any initiative to legislate for clarity for internship placements such that there is protection from exploitation for internship applicants and also the ability to identify and remove "sham internships". We appreciate the opportunity to move the conversation away

from the “headline grabbing” reporting on the issue of internships that has occurred in the media in the past and again most recently with the article: “Companies freeloading on unprotected interns”². We support a more balanced discussion of the value of internships to the Australian social, cultural and economic environments as well as to the individual interns as well as to the providers and hosts involved. Providers with AIIA, whilst operating as businesses in arranging internships, see their activity as high quality and innovative practice designed to provide mutually beneficial arrangements for all parties involved.

In 2012, for the FWO Report, we reached out to our members to provide summary information about their activities in relation to the facilitation of internships throughout Australia. Please note that the following information is a compilation of information provided by members and does not reflect any particular AIIA member or members. In addition, some members may not have responded, or responded in the same detail, thus we are unable to present a complete picture of current member activities. Whilst most respondents focused on their international market, that is, applicants from overseas seeking an internship placement within Australia we believe the picture this provides can be useful for your inquiry into the unpaid work experience of NSW youth. Lastly, it should be noted that not all providers of internships within Australia are members of AIIA. However, we believe the following information to be reliable within these limitations.

FINDINGS FROM AIIA

Numbers

Members reported the following number of internships as happening in the past 12 month period (2012).

- 2,040

This figure reflects a focus on international (overseas) applications for internships in Australia, although a small percentage of domestic, on-shore, applications (from local international students/graduates) are also factored into this figure.

Duration of internship placements

There was a vast diversity in duration of internships, with placement durations ranging from 6 weeks to 26 weeks. Some students come out for a total of 44 weeks as part of the Professional Year or Skilled Migration Internship Programs but the actual internship component comprises only 12 of those weeks.

The average placement duration appears to be for approximately 12 weeks (3 months).

Characteristics of interns

- Interns are generally aged between 18 and 30 years, with the majority aged between 19 years to 24 years.
- Interns are primarily current tertiary students or recent graduates (within the past 18 months).
- There are a very few who are yet to start university and wanting an internship to help to decide what direction to shape their future.
- Some interns are from English-as-a-second-language but the internships are English-language internships. For these placements, minimum standards of English proficiency are expected and determined prior to commencement of the placement.

Unpaid internships

Primarily the internships provided are for “unpaid” placements. These placements require hosts to commit to providing the following for the interns, in lieu of payment:

- career-relevant experience, frequently project driven
- nominated supervision for the intern, with regular meetings and/or feedback
- flexibility with hours/days expectations

- some interns are only on-site four-days per week, to allow time to travel
- some interns are on-site for less hours per day
- some interns may have flexible contact hours, negotiated in advance
- sick leave and/or leave for other reasons are more leniently accommodated
- reporting as required, to enable monitoring of the placement and/or for purposes of receiving academic credit and/or professional association recognition for placement.
- supportive and encouraging environment, with the intern's needs in mind
- opportunities to learn in response to intern's career direction and requirements
- opportunities to practice language skills and soft (generic skills), as well as develop discipline specific knowledge related to their studies and/or career direction
- exposure to common "workplace" activities such as teamwork, meetings, administration, policies, hierarchical structures and interactions, to name a few
- placements are for a limited duration, with start and end dates set prior to commencement. They are not meant to lead to a permanent position with the host.

In addition to the above arrangements in lieu of payment, hosts are expected to adhere to standard workplace health and safety requirements for the intern, including providing a safe environment, both physically and emotionally.

The ability to pay an intern whilst they gain experience, knowledge and skills, that the interns then TAKE with them (as they pursue their career) is not always feasible. In addition, permanent employees are often required to double-check an intern's output or performance. This takes the paid staff members out of their substantive role they would be fulfilling if not supervising an intern. Lastly, and not insignificantly, each time a host commits to supporting a new intern, and provide them with "real world" experience, they have to commit to providing "training" to bring them up to a level of productivity pertinent to career expectations and/or if dealing with clients run the risk of alienating established clients if the intern's performance is not up to standard. These are all risks and costs to the host that need to be weighed when they agree to accept an intern.

Types of internships

- For academic credit
- For practical English-language experience
- For professional association requirements (eg engineering, teaching)
- For career-relevant experience in another country
- Training
- Volunteer

Common fields for internships

- | | | |
|-----------------------|------------------------|-------------------|
| ● engineering | ● events | ● research |
| ● hospitality/tourism | ● marketing, PR | ● IT / computing |
| ● education | ● finance / accounting | ● human resources |
| ● social services | ● animal care | ● health care |

Services supported by AIIA providers

Internship providers offer a broad range of services to assist **both the intern and host**. This is because providers have an excellent understanding of how internships evolve and how best to optimize the experience for both host and intern. Each provider offers a different level of support for their internship placement but some examples of the type of services provided include, but are not limited to:

- Assistance with visa application
- Matching intern experience request with suitable host and placing intern with host
 - Assistance with application materials (CV, cover letter, interview)
 - Skype or phone interview prior to placement between intern and host site

- Meeting university and/or professional body expectations for placement
- Identifying nominated host supervisor
- Pre-departure support and advise
 - Assistance with booking of flights and land transfers
 - Pre-departure information about destination
 - Encouragement to prepare for placement in advance
 - For example: researching and writing a “pre-departure” paper
- Assistance with arranging accommodation in Australia
- Orientation services. These vary and can include some or all of the following:
 - Orientation handbook, including information on Australian culture, common business environments and practices, safety advise, hints for getting the most out of an internship, emergency contact information, etc.
 - Orientation presentations (face-to-face, via Skype)
- In-country support

Again, this varies between providers but can include, although not limited to, the following:

 - Orientation experience, in-country, with other interns. From half-day to multiple-days with information sessions and cultural experiences.
 - Training Journals for monitoring learning
 - Provision of “induction” checklists for hosts
 - General monitoring of the placement
 - regular evaluations and/or feedback sought
 - Emergency contact as required (for interns and for hosts)
 - Comprehensive insurance coverage for the intern
 - Support with negotiating issues between intern and host, as required
 - Relocating to a new internship site if issues are not able to be rectified
 - Support with social networking and activities outside of internship placement
 - Courses in “career readiness” skills, prior to commencement of internship
 - Newsletters (for interns and for hosts)
 - Phones
 - “Welcome Packs”
 - Support with housing/accommodation as required and relocation if required

CONCLUSION

We hope the above information is useful. Whilst obviously, paid internships would be preferable, given the costs associated with living in another country and/or simply living a period of time without an income, it is not always viable for hosts to provide. Both hosts and providers recognise that for young people to gain experience, environments need to be provided that are non-threatening and relevant. For many interns, “non-threatening” means “not employed” as employment carries with it connotations of dismissal for poor performance. Rather, an internship that allows them to learn, without having ramifications on their employment status is a more desirable option for a first (safe) step in a career.

As you can see, the commitment on the part of both providers and hosts is extensive and focused on the needs of the interns. In addition, by mediating between hosts and interns, providers offer a level of control, in terms of quality, safety and standards of practice, that individual interns negotiating their own placement direct with a host may not receive. Although both providers and hosts are businesses, and as such need to operate as profitable enterprises (charity organisations who host being the exception) the provision of internships is driven by much more than profit. Internships are an important contribution to an individual’s learning (as recognised by the increasing emphasis Universities are placing on experiential learning as part of a qualification). International internships are an important

contribution to global awareness at both an individual and corporate level. Legislation that supports responsible internships that respects the rights of the intern and the ability of hosts to sustain offering internships is the way forward in Australia and the AIIA looks forward to direction on this matter.

Yours sincerely,

Shelia Houston

For Australian Internship Industry Association

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and

Chair (2014)
Australian Internship Industry Association

Notes:

1. Stewart, AJ & Owens, RJ 2013, *Experience or exploitation? The nature, prevalence and regulation of unpaid work experience, internships and trial periods in Australia*. Report for the Fair Work Ombudsman, January 2013, University of Adelaide. URL: <http://www.fairwork.gov.au/Publications/Research/UW-complete-report.pdf>
2. Khoo, V. 2011 "Eager workers can be free and easy", *Sydney Morning Herald*, 13 August, Business, p.23.
Souter, F. 2012, "All work and no pay", *Sydney Morning Herald*, 13 October, Good Weekend, p.26
Lucas, C (2014) "Companies freeloading on unprotected interns", *The Age – Victoria*, 21 April, viewed online: <http://www.theage.com.au/victoria/companies-freeloading-on-unprotected-interns-20140420-36yxm.html>