

6 February 2019

Ms Natalie James  
Chair, Inquiry into the On-Demand Workforce  
Victorian Department of Jobs, Precincts and Regions  
Via email: [ondemandinquiry@ecodev.vic.gov.au](mailto:ondemandinquiry@ecodev.vic.gov.au)

Dear Ms James

The Victorian Health Promotion Foundation (VicHealth) is pleased to respond to the Inquiry into the On-Demand Workforce in Victoria. VicHealth has a long history in the development of evidence and knowledge in how work and workplaces impact the mental and physical health of Victorians.<sup>1</sup>

Workplace risk factors such as having low job control with high demands, and precarious and casualised work conditions are associated with the on-demand workforce. These factors are linked to poor mental health and particularly affect young people, including people from migrant and refugee backgrounds and Aboriginal youth, who are among the vulnerable groups most likely to be exposed to these work conditions.<sup>2</sup>

### **Sources of VicHealth insights into young people, employment and working conditions**

VicHealth conducted a deliberative forum called Staying on Track with 54 young people from across the state.<sup>3</sup> We asked them what mattered to them about the issues they face in making the transition to work and in the work environment. This process elicited 11 recommendations detailed in the [Staying on Track participants' report](#) that participants see as critical to policy formation for the youth of Victoria, several of which are relevant to the on-demand workforce.

VicHealth commissioned CSIRO to research the impact of megatrends<sup>4</sup> on the wellbeing of young people,<sup>5</sup> including those [living in rural and regional Victoria](#) and from [refugee and migrant backgrounds](#). This research highlights particular issues that impact the mental wellbeing of young people, including

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<sup>1</sup> <https://www.vichealth.vic.gov.au/search/creating-healthy-workplaces-program>

<sup>2</sup> Milner, Krnjacki, LaMontagne (2017). Psychosocial job quality and mental health among young workers: a fixed-effects regression analysis using 13 waves of annual data. *Scand J Work Environ Health*. 43(1):50-58

<sup>3</sup> VicHealth 2018, *Staying on Track Participants Report*, <https://www.vichealth.vic.gov.au/search/staying-on-track>

<sup>4</sup> Megatrends refers to long-term changes that affect societies, governments and economies permanently over a long period of time.

<sup>5</sup> VicHealth & CSIRO (2015) *Bright Futures: Megatrends impacting the mental wellbeing of young Victorians over the coming 20 years*. <https://www.vichealth.vic.gov.au/search/youth-megatrends-report>

these vulnerable groups, and how these relate to engagement with the increasing flexibility of work and the gig economy.

Based on young people's views and the research, VicHealth makes the following recommendations focused on Terms of Reference b(i), b(ii) and b(iv), which are discussed further in the subsequent section.

### Summary of recommendations

1. Ensure adequate support for and enforce the rights of young people engaged in insecure work.
2. Inform young people about employment trends.
3. Increase awareness and support for mental health in businesses that engage young people as workers and subcontractors.
4. Review existing legislation to ensure that it includes businesses that engage on-demand workers.
5. Increase opportunities and improve access to on-demand work for young people living in rural and regional Victoria.<sup>6</sup>
6. Protect the rights of young people who are from refugee and migrant backgrounds working in the gig economy.<sup>7</sup>

### Recommendations and context

**Recommendation 1:** Ensure adequate support for and enforce the rights of young people engaged in insecure work.

As noted in sections 3.1.1 and 3.1.2 of the Inquiry background paper, young people make up a sizable proportion of the on-demand workforce, but are especially vulnerable to exploitation or mistreatment. Young people told us at the deliberative forum that they need education on their rights and where to go when those rights are violated by employers.<sup>8</sup> Supporting young people in this way was viewed as important to reducing the incidence of mental ill-health, increasing work motivation and improving employers' respect for employees. The young people also stated that harsher penalties are needed for employers who mistreat workers.

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<sup>6</sup> VicHealth 2018, *Bright Futures: Spotlight on the wellbeing of young people living in rural and regional Victoria*, <https://www.vichealth.vic.gov.au/search/young-regional-victorians-face-challenges-to-mental-wellbeing>, pp. 8–9.

<sup>7</sup> VicHealth 2017, *Bright Futures: Spotlight on the wellbeing of young people from refugee and migrant backgrounds* <https://www.vichealth.vic.gov.au/search/new-report-identifies-trends-impacting-young-refugees-and-migrants-wellbeing>, pp. 10–11.

<sup>8</sup> VicHealth 2018, *Staying on Track Participants Report*, <https://www.vichealth.vic.gov.au/search/staying-on-track> pp7&9.

**Recommendation 2: Inform young people about employment trends.**

Young people need clarity on the professional landscape in Australia for the next decade. They need information about past and future trends in location of jobs, work mode (e.g. office, home, digital), work type (casual, part-time, full-time, on-demand), growing versus shrinking industries, and major employers of young people. The information should be provided in an easily accessible and understandable format for young people. This will help young people by providing direction as to how to prepare for the changes, for example through selecting training for growing industries or moving to areas with job growth. Currently young people can feel helpless and lack direction on how to deal with changing employment trends.<sup>9</sup>

**Recommendation 3: Increase awareness and support for mental health in businesses that engage young people as workers and subcontractors.**

Young people want workplaces to be prepared for mental health challenges and create safe spaces for those with mental health conditions and neurological differences.<sup>10</sup> Safe workplaces implement wellbeing strategies, encourage discussion around mental health and break down stigma, adapt to different worker needs and accept that workers can be unavailable for work due to mental ill-health. Despite the difficulties in defining on-demand work and workplaces, these strategies should be delivered wherever people are engaged in work, whether online, off- or on-site, or at home. Campaigns, training and information should be directed to businesses that engage on-demand workers.

**Recommendation 4: Review existing legislation to ensure that it includes businesses that engage on-demand workers.**

Young people need the protection of legislation to help protect their rights, because so many young people work in the on-demand context and report exposure to poor treatment.<sup>11</sup> New and emerging modes of work are often not covered by existing legislation, and there can be a lag between their emergence and legislative change, meaning workers are vulnerable during that time. The protection that legislation offers has flow-on effects for their mental health, sense of themselves as respected citizens and motivation to work.

**Recommendation 5: Increase opportunities and improve access to on-demand work for young people living in rural and regional Victoria.**

Young people living in rural and regional Victoria told us that opportunities to earn an income through the gig economy are not widely available in their communities. While young people are the biggest

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<sup>9</sup> VicHealth 2018, *Staying on Track Participants Report*, <https://www.vichealth.vic.gov.au/search/staying-on-track-p9>.

<sup>10</sup> VicHealth 2018, *Staying on Track Participants Report*, <https://www.vichealth.vic.gov.au/search/staying-on-track-p13>.

<sup>11</sup> VicHealth 2018, *Staying on Track Participants Report*, <https://www.vichealth.vic.gov.au/search/staying-on-track>, p7.

users of ride-sharing services like Uber,<sup>12</sup> services have only extended to large regional Victorian towns as late as December 2018,<sup>13</sup> and are lacking in smaller regional towns and centres. Increases in online retail trade are contributing to the contraction of traditional retail jobs in rural and regional areas which may be contributing to the higher youth unemployment rate in rural and regional Victoria (15% regional vs 12% metropolitan). Young people in these areas also have poorer access to the internet compared to metropolitan Melbourne, reducing opportunities to engage with the gig economy.<sup>14</sup>

**Recommendation 6: Protect the rights of young people who are from refugee and migrant backgrounds working in the gig economy.**

Young people from migrant and refugee backgrounds can be entrepreneurial and use global and technological networks to develop work opportunities. But they can also lack specific knowledge about Australian culture and business environments, exposing them to the risk of mistreatment. Temporary migrants may be inclined to take up jobs in the gig economy as a way of earning income without breaching their visa conditions; however this may lead to exploitation by employers if they do not know their rights.<sup>15</sup> Information campaigns to help inform young people from migrant and refugee backgrounds of their rights and appropriate workplace regulations are needed.

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We congratulate the Minister for Industrial Relations and the Department of Jobs, Precincts and Regions on holding the Inquiry into the Victorian On-Demand Workforce, and we thank you for the opportunity to respond to the Inquiry's terms of reference.

If you have any questions about our submission, please contact Kristen Moeller-Saxone, Principal Program Officer on [\[redacted text\]](#) or [\[redacted text\]](#).

Yours sincerely



**Dale Mitchell**  
Acting Chief Executive Officer

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<sup>12</sup> VicHealth & CSIRO (2015) Bright Futures: Megatrends impacting the mental wellbeing of young Victorians over the coming 20 years. <https://www.vichealth.vic.gov.au/search/youth-megatrends-report>. See 2018 Update, p3.

<sup>13</sup> <https://www.abc.net.au/triplej/programs/hack/uber-launching-in-regional-australia/10442598>

<sup>14</sup> VicHealth 2018, *Bright Futures: Spotlight on the wellbeing of young people living in rural and regional Victoria*, <https://www.vichealth.vic.gov.au/search/young-regional-victorians-face-challenges-to-mental-wellbeing>, pp. 8–9

<sup>15</sup> VicHealth 2018, *Bright Futures: Spotlight on the wellbeing of young people from refugee and migrant backgrounds*, [https://www.vichealth.vic.gov.au/search/new-report-identifies-trends-impacting-young-refugees-and-migrants-wellbeing\\_pp\\_10-11](https://www.vichealth.vic.gov.au/search/new-report-identifies-trends-impacting-young-refugees-and-migrants-wellbeing_pp_10-11)