



SUBMISSION TO THE PRODUCTIVITY COMMISSION WORK PLACE RELATIONS FRAMEWORK

Chapter 20: Alternative Forms of Employment

RE: INFORMATION REQUEST -

“The Productivity Commission seeks feedback on the extent to which unpaid internships have become more commonplace across the economy, whether any growth in such arrangements has led to problems rather than opportunities, as well as the potential remedies to any specific issues.”

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Acknowledgments

The **Australian Law Students' Association** ('ALSA') is a not-for-profit nonpartisan organisation and is the peak representative body of all Australian law students and law student societies and associations. ALSA is committed to promoting the interests of law students across Australia, by advocating on issues of national concern to Australian law students.

This Submission is based on information gathered by the ALSA through its *National Advocacy Survey* as well as through our ongoing consultative work with partnering organisations.

The substance of this Submission is also primarily based on the work of our dedicated research team:

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I Introduction

The current job climate for Australian law students and graduates has been an ongoing concern for ALSA, particularly as we have seen an increase in the intake of law students by some law schools and an increasing number of new law schools created across the country. This has occurred despite the retraction of the employment market, whereby it was reported earlier this year that one quarter of law graduates in 2014 that sought a full-time job, could not find one within four months of graduation.¹

From 106 responses received by ALSA in our recent *National Advocacy Survey*, we found that 88.6% of respondents believed that there is an oversupply of graduates in the current job market. A significant number of respondents identified that this will make finding employment increasingly difficult. This oversupply of graduates has become a source of great anxiety and stress in law students, whereby many have expressed a willingness or pressure to undertake unpaid internships or unpaid work experience in order to remain competitive. While this is not necessarily a new trend, ALSA is concerned about the increasing number of firms and private businesses whom are offering unpaid internships or unpaid work as a substitute for previously paid employment.

ALSA's view is that business models that prey on the vulnerabilities and desperations of law students are unethical and exploitative of the current oversupply of graduates. In particular, we are concerned by the recent proposal by one Adelaide law firm who are asking law graduates to pay \$22 000 for a graduate placement. For fear of this being emulated by other Australian firms or businesses, ALSA has publicly opposed this business model in the media.² However, what is concerning are reports that suggest there are indeed a number of students who are willing to pay for such a position and that there is not an insignificant

¹ Felicity Nelson, 'Law Graduate Unemployment Hits Record High', *Lawyers Weekly* (online), 9 January 2015 <<http://www.lawyersweekly.com.au/news/16023-law-graduate-unemployment-hits-record-high>>.

² See, eg, Bridget Brennan, 'Law Firm Adlaw asking junior lawyers to pay \$22 000 for a job; Fairwork Ombudsman investigating', *ABC News* (online), 24 June 2015 <<http://www.abc.net.au/news/2015-06-23/junior-lawyers-asked-to-pay-22000-for-a-job/6568174>>.

demand for this service.³ As such, ALSA is alarmed about the increasing rate of unpaid internships and opportunities being offered to law students and graduates and accordingly we have detailed below some of our key concerns about this trend.

II The Trend of Unpaid Internships in the Legal Profession

The phenomenon of unpaid work experience placements is certainly not new. However, ALSA is aware of a growing number of larger and mid-sized law firms moving away from remunerating students and graduates in favour of offering unpaid positions. Alongside this change, firms are requiring students to commit more time to their placements. Given the status of the legal profession's employment market, ALSA is concerned that these firms are exploiting students who are desperate to remain competitive. Moreover, ALSA is concerned that with the continued increase in the supply of law graduates, this practice will also increase.

A The high rate of law students and graduates undertaking unpaid internships:

The increasing prevalence of law firms moving to an unpaid work experience model and the lack of transparency on this type of work is an alarming trend. ALSA's recent survey revealed that **over 66% of the respondents have engaged in unpaid work** experience, at some stage of their degree or since graduating from their law degree. When asked if the experience helped students and graduates to access paid positions, twice as many respondents claimed that it had not helped them, than those who had thought it had.⁴ For those who answered yes, the common theme was that all experience was useful and helped them

³ Liz Burke, 'Desperate Law Graduates are apparently willing to pay for their jobs', *News.com* (online), 3 September 2015 <<http://www.news.com.au/finance/work/desperate-law-graduates-are-apparently-prepared-to-pay-for-their-jobs/story-fnkgbb3b-1227510570892>>.

⁴ There were 67 responses to this question, 32 expressed that their unpaid internships had not helped them acquire a paid position, 16 said they had, 8 said it was too early to tell and 12 either were unsure or had thought it valuable but had not received a paid position.

eventually achieve a paid position.⁵ More disturbing was the experience of some students in relation to the type of work offered, whereby a number of students described the process as 'slave labour'.⁶

B The pressure on law students and graduates to undertake unpaid work:

Given the heightened anxiety in law schools across the country, due in part to the employment market, ALSA has observed an increased willingness by students to take these unpaid positions. Of the 106 survey responses received by ALSA, **60% of respondents had felt pressured at some stage to undertake an unpaid position.** For example, one respondent to the ALSA survey stated that the current job market:

[P]laces increased pressure to perform well, and get experience in the legal field. I also work to support myself, so I am constantly exhausted, do not get any days off during semester, and suffer from stress and anxiety.

Another respondent stated they had 'been pressured to accept a role for below minimum wage for the sake of experience.' This creates alarming potential for exploitation with students claiming that they would do, 'anything to get some legal experience on the [sic] resume'. Finally, one responded concluded that 'while competition breeds motivation and innovation etc, the high number of students is putting an unreasonable burden on graduating law students (even those with good results)'.

C The requirement to undertake Practical Legal Training and limited paid positions available:

Another factor which may be contributing to the increasing trend of unpaid internships in the current legal job market is the requirement of law graduates to undertake Practical Legal

⁵ One student responded, "Yes, all experience helps. You can't just talk about centrelink in your job interviews", while another said, "Elsewhere I found it useful due to the 'soft skills' learned from working there, e.g. Initiative, communications skills etc (after this experience I never wanted to work in a law firm again)."

⁶ Students responded, "It is just slavery", "No. I felt like free slave labour" and "Possibly, but not as useful as they found having me as a free paralegal"

Training ('PLT') in order to be admitted into the legal profession. While ALSA is strongly of the position that this is a necessary requirement to equip graduates entering the profession, we have also been made aware of an increasing number of students who are unable to find paid or unpaid opportunities to complete their PLT. This could be playing a role in the increasing number of mid-sized and larger firms offering unpaid work experience to students desperate to fulfil their required hours of PLT, ahead of admission. Of particular concern however was the number of students who highlighted the extreme cost of undertaking unpaid work experience, while also paying high fees for PLT providers. One respondent stated: 'Public interest organisations do not generally paid [sic] for PLT and the fees [at PLT institutions] are unrealistic for students who have already reached their FEEHELP limit'. Many students who have been unable to acquire paid employment with mid-sized or larger firms who cover these PLT expenses raised similar concerns, with one respondent highlighting: 'PLT has disproportionately high costs for those who aren't sponsored by a top or mid tier firm. Additionally, those who have already maxed out their FEE-HELP loans studying a JD will have to find another \$8K-\$12K to pay for their PLT'.

Further surveys are necessary to understand the number of students that are failing to find the necessary days to complete their PLT. These students have in many cases also completed their university studies but have not secured employment and therefore fall into a vulnerable middle ground.

III Problems and Opportunities associated with the Growth of Unpaid Internships

ALSA has identified a number of problems and opportunities associated with the growth of unpaid internships, as detailed below.

A Problems associated with the Increase in Unpaid Internships and Unpaid Work Opportunities

1. Equity Concerns

The current employment market for law graduates and the heightened anxiety around jobs

has also created an equity issue for students that cannot afford to work up to 3 or 4 days a week unpaid versus those who can. As highlighted above in relation to the requirement to undertake PLT, this becomes a grave concern when a student has reached their limit under the Fee-Help scheme (which is of specific concern to those who have completed a post-graduate JD law degree) and are required to undertake part-time or full-time unpaid work to satisfy their PLT requirements ahead of admission. This creates a particular issue with regards to social mobility and access to the legal profession. In relation to these financial concerns, one respondent to the ALSA survey stated: 'I am not in the financial position to work unpaid (as idont [sic] get Centerlink or HECS help). This puts me at a severe disadvantage in gaining experience in the legal field where other students who live at home can do volunteer experience.' This situation could create a situation where students that already face a number of barriers to study law will be further disadvantaged due to financial considerations.

There is also a significant issue in the fact that most internships or opportunities are offered in metropolitan areas, which poses a significant disadvantage to students who reside or study in rural, regional or remote ('RRR') areas. For example, one respondent to the survey made the following comment:

I will have to move to Melbourne to do the training included in the [PLT] program. I am so tired of the lack of respect for RRR Law students. Have to go to the big smoke, get some training that is mandatory and compete with the Melbourne students. I am not interested in legal training in a Melbourne law office etc. I need work experience in RRR because that is the area of legal service I want to undertake.

In addition, the opportunity costs of undertaking an unpaid internship are high, forcing some students to forego sources of paid employment whilst they work for free. Many unpaid internships are full-time, with the intern often having to work for long hours while financially supporting themselves during the process. This acts as a deterrent to those law students who do not receive financial support from their family or have access to alternative sources of funding such as scholarships, as they find it difficult to generate enough income to pay for rent and other living expenses. In contrast, students who live at home or who are still supported by their parents can afford to absorb the opportunity costs and the lost income

streams by working for free. This potentially provides wealthier students greater opportunities to gain legal experience and potentially greater job opportunities. The fact that internships are often unpaid, therefore, favours those students from higher-income families.

2. Broad characterisation of interns' work where some firms or businesses are merely profiteering from cheap or unpaid labour

The lack of transparency and accountability in the current system has also seen a worrying increase in unpaid administrative roles. These roles are utilising free student labour without providing students with legal learning opportunities or experience. For example, one firm in Victoria recently posted an advertisement asking for 'two (2) law students to join our team on a volunteer basis for a long-term basis', where some of the duties included 'receptionist duties' and 'general administrative duties'.⁷

In addition, there is an increasing trend for some firms to also offer **unpaid paralegal positions**, which are positions that would have previously been paid or would have been undertaken by paid staff. This demonstrates an increasing trend of some firms and businesses taking advantage of the current oversupply of graduates and the desperation of law students looking for work experience and sourcing free labour from students and graduates.⁸

Further, as the quality of work provided to some unpaid interns is often low and unskilled, it provides little practical experience to the law students undertaking them. As one respondent to the ALSA survey stated: 'I spent more time doing filing and office work than valuable networking. After nearly 6 months they still did not offer me paid work, or even travel subsidies.' Often the firms appear to be merely taking advantage of the free labour source without providing any realistic opportunity for further employment in the firm, nor providing any real exposure to legal tasks. This provides little overall benefit to the unpaid interns. This was also reflected upon by one respondent in the survey who stated: 'They just took the free labour then spat me out without any feedback just because they had Put students in and

⁷ This job was advertised on a job-search site called *Indeed* and can be accessed online here: <<http://au.indeed.com/cmp/Monica-Shamon-Lawyers/jobs/Volunteer-Law-Student-78cfcb8a1c1fd441?q=Volunteer+Legal>>

⁸ One law firm on the job-search site called *Indeed* advertised for a voluntary paralegal position and this is not uncommon to find on other job sites. See, <<http://au.indeed.com/cmp/Lambeth-Lloyd-&-Associates/jobs/Paralegal-1777a2d29b361bc1?q=Volunteer+Legal>>.

having them in made the firm look bigger and better than it was from the outside.'

3. Some unpaid internships are not creating an increase in the supply of employment

ALSA is concerned that some unpaid positions are not creating any additional supply of jobs for law students, while potentially reducing the supply of paid positions available. As discussed under section C below, ALSA supports the increase in the supply of legal experience for law students, particularly where such opportunities are practical and educational or lead to the increased opportunity for students and graduates to access paid employment. Of particular note, it should be made clear that ALSA also strongly supports students and graduates to undertake volunteer positions with some smaller regional firms or community legal centres, particularly when such firms or organisations are not in a position to offer paid positions. However, ALSA opposes unpaid internships which are not offered with the appropriate level of support or supervision and we oppose internships where they do not increase the overall supply of legal experiences in the market. Further, as discussed in section B below, ALSA is strongly opposed to any organisation or firm that charges graduates or students for legal experience, with the exception of bona fide charities or not-for-profits or where the fees are associated with travel and accommodation expenses.

4. Mental health concerns

Through ALSA's recent survey, many students highlighted an increased burden and stress which has been caused by the pressure to undertake extra work experience to remain competitive in the current job market. This may become a productivity issue in the long run as issues affecting students' mental health and wellbeing impacts their productivity at university and in the workplace. As one student highlighted that this pressure to undertake extra legal experience 'adds exponentially to the amount of stress I feel. It greatly affects my work/life/study balance. Ironically, this also impacts on my grades.'

Furthermore, given the high importance being placed on work experience for law students, many who cannot secure internships over the summer may feel compelled to undertake part-time or casual unpaid internships during the semester. This is particularly the case for low-income students who need paid employment during the holiday periods. Trying to balance one to three days a week at a law firm in addition to a normal study load can reduce the

amount of time available for study, and can negatively impact some students' academic results. This can lead to, and in fact compound already elevated levels of stress, anxiety among students as well as potentially result in burnout among law students and graduates. These detriments fall hardest on the students who are unable to undertake unpaid internships during the summer, and thus can disproportionately affect low-income students.

B Alarming trend of firms charging interns or graduates for work experience

ALSA has identified that the growth in these sorts of programs is increasing: some firms, and companies are adopting this predatory approach to seeking free labour. There are a number of prominent examples of these programs.

1. Adlawgroup

Adlawgroup first came to prominence in May 2015, touting itself as the 'the future in law'. In essence, the firm charges its 'employees' \$22,000 for a post-admission position but then, rather than pay them a salary it allows them to 'derive' their income through their billings.⁹ Presumably, this denotes some kind of commission structure. In its various written materials, Adlawgroup variously refers to this program as a 'law investment',¹⁰ a 'continuing education program',¹¹ and 'employment'.¹² The firm's somewhat anomalous classification appears to have placed it in a legal grey area, with the Fair Work Ombudsman deciding to take no action despite initial concerns that the firm's structure and policies might be unlawful.¹³

Adlawgroup markets their program with phrases such as 'gateway opportunity',¹⁴ 'additional

⁹ Adlawgroup, *Getting Started* (24 May 2015) <<http://adlawgroup.com.au/Getting%20Started.pdf>>.

¹⁰ Ibid.

¹¹ Ibid.

¹² Adlawgroup, *About Us* (24 May 2015) <<http://adlawgroup.com.au/About%20Us.pdf>> (Adlawgroup, *About Us*).

¹³ Michael Owen, 'For \$22k, law firm will mentor grads to practising certificates', *The Australian* (online), 24 August 2015 <<http://www.theaustralian.com.au/business/legal-affairs/for-22k-law-firm-will-mentor-grads-to-practising-certificates/story-e6frg97x-1227495639256>>; Bridget Brennan, above n 2.

¹⁴ adlawgroup, above n 9.

option',¹⁵ and describes it as a 'viable alternative to ... unnecessary tertiary studies'.¹⁶ The firm has targeted its materials at students and graduates who are feeling disenfranchised by the state of the employment market in South Australia, and the lack of opportunities for recently graduated law students and newly admitted lawyers. In that same vein, Adlawgroup claims that their structure will contribute to growth in the job market,¹⁷ though ALSA queries whether increasing the number of underemployed junior lawyers constitutes a contribution to growth.

Although the firm and its structure have not been universally well-received by the profession,¹⁸ the Law Society of South Australia has 'no regulatory powers' and cannot 'prevent the firm from proceeding with its plans.'¹⁹ Adlawgroup project manager Tina Hailstone claimed that Adlawgroup's concept has 'a strong social justice element'²⁰ but whether this is Adlawgroup's primary motive remains to be seen.

2. The Intern Group

Although the Intern Group's terms and conditions do not provide any clear statement of exactly how much their program costs,²¹ their website indicates that a 24-week non-summer placement comes at a cost to graduates of \$19,428 AUD. The Intern Group uses at least part of this sum to pay for 24 weeks of accommodation in addition to some other events and functions. The Group guarantees a placement in an 'award-winning international internship program' in a major business centre.²² Though the Group appears well resourced and well

¹⁵ adlawgroup, above n 12.

¹⁶ Ibid.

¹⁷ Ibid.

¹⁸ Felicity Nelson, *Firm asks law grads to cough up \$22,000 for 'job'* (19 June 2015) Lawyers Weekly <www.lawyersweekly.com.au/news/16700-firm-asks-law-grads-to-cough-up--000-for-a-job>.

¹⁹ Owen, above n 5.

²⁰ Liz Burke, *Desperate law graduates are apparently prepared to pay for their jobs* (3 September 2015) News.com.au <<http://www.news.com.au/finance/work/desperate-law-graduates-are-apparently-prepared-to-pay-for-their-jobs/story-fnkgbb3b-1227510570892>>.

²¹ The Intern Group, *Terms and Conditions* (14 September 2015) <<http://www.theinterngroup.com/documents/interngroupc.pdf>>.

²² The Intern Group, *How It Works* <<http://www.theinterngroup.com/how-it-works/>>.

organised, ALSA finds it difficult to justify the cost on these grounds. Further, as has been canvassed in this submission, this kind of program prioritises those with more ample financial means over those who excel academically.

3. Some 'Pro bono' internships and related programs offered by larger law firms

ALSA has identified a number of law firms who have advertised unpaid internships or voluntary work experience using such descriptors like 'pro bono'; that is, the internship places the student or graduate in the pro bono team. However, unlike lawyers, graduates or employed paralegals working in the pro bono team, the intern is not paid. Note that in most cases the firms identified were often medium-to-large in size and commercial in nature with a significant capacity to remunerate their interns. Whilst ALSA strongly supports law students undertaking work that supports the broader community or serves the public interest, we are concerned that opportunities such as these benefit the firms by increasing their pro-bono targets. This may provide significant promotional benefit to the firm or may add directly to the prestige of the firm, at the expense of appropriately remunerating desperate law students. In ALSA's view, these kinds of positions also contribute to underemployment and furthermore may expose these firms or businesses to reputational damage, if they are investigated or found to be in breach of employment regulations.

C Opportunities associated with some unpaid internships or work experiences

While ALSA strongly recommends that the Productivity Commission look to reforming the regulations surrounding internships, we also acknowledge that there are many unpaid programs, placements, and internships that students, graduates, and junior lawyers find valuable.

For example, many law schools across Australia provide students the opportunity to participate in short-term part-time positions with community legal groups,²³ such as the

²³ See, eg, University of Queensland, *Clinical Legal Education (LAWS5180)* (2015) <https://www.uq.edu.au/study/course.html?course_code=LAWS5180>; University of Adelaide, *Clinical Legal Education Program* (2015) <<https://law.adelaide.edu.au/free-legal-clinics/clinical->

Adelaide Legal Outreach Service.²⁴ The University of New South Wales Law School also provides a robust and valuable clinical legal education program, offering students the opportunity to undertake work experience with a range of valuable public interest clinics and community legal centres, in exchange for course credit.²⁵ The advantage of these programs is clear: it gives students hands-on experience with legal practice in a supervised environment, but without adding to their existing academic workloads. These positions are unpaid but student participation in the program often allows work to contribute to degree credits, overall GPA/WAMs, or the practical training component of admission requirements. Indeed, such programs arguably assist in alleviating some of the employment problems faced by law students. Many employers in the legal profession seek graduates with real-world experience in a legal practice but with many firms facing a shrinking number of new clients and matters, it can be hard to secure an entry-level position as an undergraduate. These programs allow undergraduates to cut their teeth on legal practice and position themselves to be more competitive as employment candidates.

It is of course open to argument that community legal groups and outreach clinics ought to remunerate their employees who are, in essence, working on legal matters in the same vein as law clerks or post-admission lawyers under supervision. However, ALSA does not view these organisations as seeking to exploit the free labour of students. Rather, the voluntary participation of students allows the organisations to provide free legal advice and services to vulnerable members of the community. In many cases, the behaviour and attitude of larger firms and profitable organisations causes students to feel as if they must work for free in order to succeed in the profession. By contrast, ALSA views the legal outreach model as providing the option for students with a passion for social justice to forgo payment in favour of being able to provide ongoing assistance to vulnerable, marginalised, and disadvantaged clients. Given that one of the priorities of the profession is community-centric work and 'giving back', programs such as these that encourage and further social justice causes ought

legal-education/;> Monash University, *Clinical legal education* (2015) <<http://www.monash.edu/law/about-us/legal/cle>>.

²⁴ University of Adelaide, *Adelaide Legal Outreach Service* (2015) <<https://law.adelaide.edu.au/free-legal-clinics/adelaide-legal-outreach-service/>>.

²⁵ See, eg, UNSW Law, Current Students, *Clinics* (2015) <<http://www.law.unsw.edu.au/current-students/law-action/clinics>>.

to continue. Further, the legal profession finds it difficult to maintain a meaningful and positive interface with the public and in ALSA's opinion any programs that allow this to occur should be encouraged.

Thus, ALSA is a strong supporter of these sorts of programs. Accordingly, it submits that any action entered into by the Productivity Commission must take care not to throw out the baby with the bathwater. Continuing Legal Education ('CLE') courses, outreach clinics, and support services ought not to be dismantled. It is a fine line to walk, but ALSA is confident that future regulatory schemes can take into account the importance and value of these programs while still discouraging unscrupulous organisations from taking advantage of the desperation of students in seeking employment.

V Proposed Remedies and Solutions

In 2014, the Law Society of New South Wales called for more statistics and data collection on graduate employment to develop a framework that enables state-based law societies to take a coordinated approach in addressing the issue of growing unemployment among law graduates.²⁶

ALSA supports this view and recommends that further research with a view to creating more equitable access to the legal profession as well as curbing the predatory behaviour of some employers and third-party job placement providers. Currently, much discussion and planning is taking place about the issue at a lower level, and an integrated approach would be able to channel those efforts as well as address the concerns of those who feel affected by this issue. ALSA believes a coordinated approach can be extended to involve collaboration with the Fair Work Ombudsman and the Law Council of Australia in developing education, support and enforcement mechanisms that are consistent with current employment laws.

As such, we propose the following recommendations as remedies or solutions to the current problems we have highlighted in this Submission:

²⁶ See, Law Society of New South Wales, 'Future Prospect of Law Graduates: Report and Recommendations' *Law Society of New South Wales* (2014) <<http://www.lawsociety.com.au/cs/groups/public/documents/internetcontent/980877.pdf>>.

A Recommendation 1: Undertake further research in this area

That the Law Council of Australia conduct a comprehensive study of the nature and prevalence of unpaid work in the legal profession.

While the Law Society of NSW's *Future Prospects of Law Graduates* report²⁷ was a positive step towards identifying the broad challenges and limitations that law graduates face, a national inquiry investigating unpaid work would be an important next step. It will paint a clearer picture of instances of exploitation within the market and across industries, as well as underemployment among graduates that goes hand in hand with their mismatch in relation to the industry's needs.

Furthermore, it will give the Law Council and associated bodies, such as ALSA, an idea of the particular areas which norms and guidelines could address within the profession. While consultations such as these can point towards the problems as students and graduates are experiencing them, more information is required as to the scale of the problem and the actors and causal mechanisms involved.

B Recommendation 2: Establish clear guidelines relating to the rules and codes for unpaid work

ALSA also recommends that the Law Council of Australia establishes clear guidelines within the rules and codes of conduct pertaining to legal practitioners who provide supervision to students and junior graduates, and that these guidelines are adopted by affiliated organisations.

The current legal status of internships and other work experience is unclear and the rules around payment rely on the "vocational placement" exemption in the *Fair Work Act 2009* (Cth). Clear guidelines provided by the peak professional body can educate and assist both students and employers in gaining a firm understanding of their rights and obligations.

These guidelines should include provisions regarding the advertisement of unpaid jobs,

²⁷ Ibid.

especially via education providers and through various employment or graduate noticeboards. PLT and Graduate Diploma of Legal Practice ('GDLP') providers often allow the worst offenders to advertise on their noticeboard, as it is seen as a way of providing the most opportunities to students. Establishing guidelines around this practice could encourage a collective response.

These guidelines should also take into consideration a requirement that certain opportunities contribute to an increase in the overall supply of employment and that these unpaid positions do not reduce the supply of paid positions. ALSA believes it to be sufficient if this were to be as simple as a 'genuine best effort' requirement to increase the supply of legal experiences and not a strict test.

These guidelines should also include sufficient provisions to ensure that the work that is being completed is in fact practical legal work and is not solely administrative in nature. Where there is use of unpaid interns or volunteers, firms and organisations must make a bona fide attempt to maximise the practical experience and learning for that intern, volunteer or unpaid employee.

Ultimately, these guidelines will be useful empowering law student societies to advocate on law students' behalf and in turn provide education to students from the early stage of their legal career as to the minimum standards they should expect from any position.

C Recommendation 3: Establish a formal complaint channel which has capabilities to address reported breaches of the *Fair Work Act 2009* (Cth)

A centralised complaint channel that allows for effective responses to mistreatment and breaches in guidelines should be developed to ensure that the vehicle of vocational placement is not abused by employers. This can be done by way of resourcing the Fair Work Ombudsman to collaborate with the relevant professional bodies to create sector-specific disincentives for negligent or intentional breach of vocational placement practices.

Law Societies in each jurisdiction should in turn include these guidelines within their respective *Solicitors' Rules* and such that breach thereof is considered professional misconduct, or at the very least unsatisfactory professional conduct. The potential for

damaging one's reputation and losing clients and money currently acts as an effective disincentive for other types of misconduct within the legal profession, and so it should for such non-complying practices.

VI Concluding Remarks

As is clear by our Submission, ALSA remains concerned over the increasing number of exploitative and predatory unpaid opportunities being offered to law students and graduates, in cases where such positions should be remunerated or where firms are in a position to pay students for such work. While we agree that some well regulated and supervised unpaid internships provide students and graduates with valuable educational and practical experiences, we remain cautious of other unpaid opportunities which appear to be a substitute for free labour. As the number of law graduates continues to increase, we are anxious that so too will the expectation on students and graduates to undertake unpaid work in order to remain competitive in the job market. ALSA will continue to appeal to universities, peak representative organisations, regulatory bodies and the broader legal profession to monitor this current trend and to take necessary action to prevent the exploitation of Australian law students and law graduates. We will also continue to publicly oppose predatory businesses and firms who are taking advantage of the current anxieties of law students about the oversupply of graduates and the tightening job market. We urge the Productivity Commission to look towards implementing much needed reform in this area to ensure unpaid internships are better regulated.