



## Vocational placements

Vocational placements provide students with the opportunity to apply the theory and skills they learned while studying in a professional workplace.

Under these arrangements students can gain the skills they need to transition successfully from study to work, while giving industry the opportunity to enrich student learning experiences and increase the number of work-ready graduates.

Vocational placements that meet the definition under the *Fair Work Act 2009* (the FW Act) are lawfully unpaid. Students completing vocational placements are not considered to be employees and therefore are not entitled to the minimum wage nor other entitlements provided under the FW Act.

### What is a vocational placement?

Under the FW Act, a vocational placement is lawfully unpaid if it meets all the following criteria:

- 1. There must be a placement.** This can be arranged by the educational or training institution, or a student may initiate the placement with an individual business directly, in line with the requirements of their course.
- 2. There must be no entitlement to pay for the work the student undertakes.** Where a student's contract with the host business or organisation entitles them to receive money for the work they perform, the vocational placement will likely have turned into an employment relationship. Similarly, work arrangements covered by industrial awards or agreements are not vocational placements.
- 3. The placement must be done as a requirement of an education or training course.** The placement must be a required component of the course as a whole, or of an individual subject or module of the course. It doesn't matter whether that subject is compulsory or an elective chosen by the student.
- 4. The placement must be one that is approved.** The institution delivering the course which provides for the placement must be authorised under an Australian, state or territory law or an administrative arrangement of the Commonwealth or a state or territory to do so. Courses offered at universities, TAFE colleges and schools (whether public or private) will all satisfy this requirement, as will bodies authorised to offer training courses under state or territory legislation.

When all of the above criteria are satisfied, hosts are not required to pay students entitlements under the FW Act. However, a host may elect to provide payment(s) at their

discretion and under no obligation.

If the placement doesn't meet all of the above criteria, it won't be a vocational placement under the FW Act. However, this doesn't automatically mean that the person is an employee and entitled to payment. The next step is to determine whether or not the person is in an employment relationship.

For more information on determining whether or not an employment relationship exists see our [Unpaid Work Fact Sheet](#).

#### Example 1

Katrina is in her 3rd year of a nursing degree. As part of her course, Katrina is required to complete a minimum of 4 weeks' work experience with a registered hospital in her state in order to graduate.

Katrina approaches her local hospital as they have a pre-existing relationship with her university and have regular student placements. The placement is authorised by her university, and Katrina understands it is a learning exercise and that she won't be paid.

As the arrangement meets the definition of a vocational placement under the FW Act, it can be unpaid.

#### Example 2

Jayne is in her final year of a mechanical engineering degree and has completed her formal class studies. As a requirement to graduate, Jayne has to organise professional engineering work experience at a business for 12 weeks.

While Jayne has to organise the placement herself, the University has strict criteria about needing to assess an employer to ensure her vocational placement provides the relevant learning environment, and gives final sign-off on the placement.

As this arrangement meets the definition of a vocational placement under the FW Act, it can be unpaid.

If the business decides to get Jayne to sign an employment contract and pay her wages for her work, it may turn the placement into an employment relationship. If an employment relationship is created, Jayne is entitled to at least the legal minimum rate of pay for the type of work she is performing.

### Example 3

Mitchell is choosing his elective units for the following year's study as part of his undergraduate degree. One of the electives is a 3 month unpaid placement organised by the university at a host business that provides a structured learning experience related to his degree. This placement counts as credit towards meeting his total course requirement.

Because the elective forms part of his course, Mitchell's placement meets the definition of a vocational placement under the FW Act.

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### Important

While the FW Act does not provide entitlements to students doing vocational placements, there may still be obligations in other legislation, such as those about work health and safety or discrimination that apply to them.

### Further information

For information and resources to help you understand your rights and obligations on the topic of unpaid work, visit [www.fairwork.gov.au/unpaidwork](http://www.fairwork.gov.au/unpaidwork) or contact the Fair Work Infoline on 13 13 94.

### Contact us

Fair Work Online: [www.fairwork.gov.au](http://www.fairwork.gov.au)

Fair Work Infoline: **13 13 94**

#### Need language help?

Contact the Translating and Interpreting Service (TIS)  
on **13 14 50**

### Hearing & speech assistance

Call through the National Relay Service (NRS):

For TTY: **13 36 77**. Ask for the Fair Work Infoline **13 13 94**

Speak & Listen: **1300 555 727**. Ask for the Fair Work Infoline **13 13 94**