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Inhospitable workplaces? International students and paid work in food services

Iain Campbell, Martina Boese, and Joo-Cheong Tham

Abstract

Most international students in Australia take up paid work during their studies, generally as part-time employees in low-wage, low-skill labour markets. Though little is known about the detail of their work experiences, scattered reports suggest that wages and working conditions are often poor and pose significant issues of social justice. This article examines the characteristics of jobs held by one group of international students, drawing on in-depth qualitative interviews that form part of a case study of Melbourne's café, restaurant and takeaway food services sector. The evidence indicates that precariousness in employment is widespread in this sector and that it centres on underpayment and non-payment of wages, in breach of labour regulation. The article suggests that such illegal employer practices are facilitated by use of undeclared casual work. Underpayments are most severe in what are typically regarded as ethnic cafes and restaurants, which concentrate on employment of international students, but they are also widespread in mainstream cafes and restaurants, where international students share precarious work conditions with other workers. The findings underline the case for more concerted research and new policy initiatives.

Keywords: international students, labour regulation, low-paid workers, precarious work, casual work

Introduction

The number of international students has increased to the point that they currently constitute a substantial part of the Australian workforce, with particular significance in industries such as retail, hospitality, and cleaning. Until recently, however, their role as workers has been neglected (cf Marginson et al. 2010; Nyland et al. 2009). Strong evidence of poor wages and working conditions for international students in 7-Eleven convenience stores sparked controversy in late 2015 (Ferguson et al. 2015; Senate 2016). This article adds to the emerging debate by presenting findings from a case study in the cafés, restaurants and takeaway food services industry group (ANZSIC 451, hereafter 'food services'). The article suggests that poor treatment of international students is widespread in food services as well as retail, although it takes a different form and it is experienced not only by international students but also by a wide range of workers. The article contributes to discussion both by presenting detail on the work experiences of international students in a leading sector of employment and by sketching out important elements of the industry context that contribute to poor treatment.

The first section of the article presents a profile of international students in Australia and reviews existing research on their work experiences. The second section introduces our study. The third section presents selected findings on wages and work conditions for international students in food services, arguing that many experience high levels of precariousness, generally centred on illegal employer practices of underpayment, and indeed non-payment, of wages. The fourth section draws attention to the concentration of international students in two specific segments within food services, which we label 'ethnic' and 'mainstream'. The final section concludes by outlining several challenges for future research and policy.

International students and paid work in Australia

International students in Australia numbered 410,925 in 2013 (AEI 2014). Most (52.9 per cent) were enrolled in higher education, but substantial groups could be found in vocational education and training (VET) courses (24 per cent) and English language intensive courses for overseas students (ELICOS) (22.7 per cent), while smaller numbers were enrolled in non-award courses and schools (AEI 2014). The main flow, especially into higher education and the VET sector, was from Asia, with China as the leading source, accounting for 119,237 students in 2013, followed by India, Republic of Korea, Vietnam, Malaysia, Thailand, and Indonesia (AEI 2014).

Temporary residence visas for international students are multiple and varied. Rules differ for each visa and have changed in complex ways over the years, but the main features of regulation are straightforward. The primary visa holder must be enrolled in and attend a course. S/he may be accompanied by a spouse and dependent children, who are then classified as secondary visa holders. Applicants must demonstrate that they are able to cover their tuition costs and return airfare

and that they have access to financial resources (\$18,000 per year for the primary visa holder) to cover their living expenses in Australia (Reilly 2012: 186).

Two features of the program help to explain the rapid growth in the number of international students over the past fifteen years. First was the introduction of easier access to permanent residency (PR) for international students on completion of their course (Robertson 2013). This proved to be a powerful incentive, boosting numbers and altering the composition of the student intake. Though the official nexus between study and migration has been loosened in recent reforms, many international students continue to pursue PR and can be usefully described as ‘student-migrants’ (Baas 2013; Robertson 2013).

Second was the introduction of what, in international comparison, represents generous work rights for primary and secondary visa holders (Berg 2015: 92, 94–95; Reilly 2012: 189). With one exception, primary visa-holders can undertake paid work up to 40 hours per fortnight when the course is in session, and unlimited hours during course breaks, while secondary visa-holders can undertake up to 40 hours per fortnight. The exception concerns international students undertaking a Masters by research or a doctoral degree; in these situations, unlimited work rights apply to both primary and secondary visa-holders. Unlimited work rights are also available for both the primary and secondary visa-holders if a 485 (Temporary Graduate) visa is granted upon graduation.

The employment rate of international students is high (although the rate amongst local students may be even higher – see Marginson et al. 2010: 124). Thus, in a 2005 study of international students in universities, 57 per cent stated that they were employed at the time of the interview and a further 13 per cent had worked at an earlier time during their studies in Australia (Marginson et al. 2010: 134). One 2011 estimate suggests that in excess of 200,000 international students were in paid employment, accounting for between one and two per cent of the total Australian workforce of 11.4 million people (Reilly 2012: 185). As a result of this extensive involvement in paid work, international students can be aptly characterised as ‘student-migrant-workers’ (Neilson 2009) or perhaps just ‘student-workers’ (Nyland et al. 2009). Viewed from a labour market perspective, they represent part of a large and growing group of *temporary migrant workers* (Mares 2012), understood as ‘persons who live in a host country without a right of long-term residence and who undertake paid work during their stay’ (Boese et al. 2013: 317).

Academic studies of the work experiences of international students during their studies are scattered and sparse, but they suggest that international students are clustered in a narrow range of low-wage, low-skill jobs – as kitchenhands, waiters, cleaners, security guards, or petrol pump attendants – and that they are often subjected to poor treatment in these jobs (Marginson et al. 2010). The most startling finding concerns the low wage rates, generally in breach of minimum provisions in awards. A 2005 study of international students at universities reveals that the majority (58 per cent) of those who reported an hourly rate for their employment earned below the legal minimum for casual employees, often well below the minimum (Marginson et al. 2010: 136). Similarly, a recent survey

of international university students indicates that 60 per cent earned less than a legal minimum of \$17.29 per hour (Clibborn 2015), while a survey of Korean international students suggests that 50 out of 89 (56 per cent) were paid under \$16.87 an hour (Kang 2015). Though high, these last two estimates of the proportion experiencing underpayments may well be underestimates, since they use the minimum hourly rate for *permanent* workers as the benchmark, while most international students are likely to be employed as casual employees and should be entitled to a higher rate that includes a 25 per cent ‘casual loading’ (see below).

Poor work experiences amongst international students are detailed in several non-academic sources. Trade union accounts include two reports from United Voice on contract cleaning in Melbourne, which point to experiences of poor working conditions, sham contracting, and cash-in-hand payments below the rates set in collective agreements and awards (VTI & United Voice 2012; United Voice 2013). Reports from industry campaigns and court cases run by the Fair Work Ombudsman (FWO) often mention international students as workers subject to underpayments (for example, FWO 2015a). The most dramatic evidence, including powerful testimony from individual workers, derives from an investigative journalism report in late 2015 that documented heavy reliance on the low-wage labour of international students in stores organised under the banner of the franchise network 7-Eleven (Ferguson et al. 2015). One prominent employment feature was the ‘half-pay scam’, whereby student-workers were provided with a pay slip recording legal minimum wages for, say 20 hours per week, but were obliged in practice to supply 40 hours of work for this money. Other illegal employment practices included long trials or training periods without pay and a ‘cashback scam’, whereby workers would be paid at legal rates but were obliged to return some of the wages to their employer (Ferguson et al. 2015; Ferguson 2015). The investigation also uncovered evidence of employer links to fake courses that allowed students to obtain a student visa without being constrained to engage in study, as well as employer demands for payment for help in obtaining an international student visa or a 457 visa (Ferguson & Danckert 2015). Further cases of abuse in the same industry were uncovered in a Senate inquiry into exploitation of temporary migrant workers (Senate 2016).

As well as employer violations of labour and taxation regulations, existing research points to at least one practice that contravenes immigration regulations. Long weekly hours of paid work, though acceptable under labour law, breach the visa limit of 40 hours per fortnight when a course is in session, and may also indicate that the student-worker is not fulfilling the requirement of full-time attendance. Such a breach of the visa rules carries severe risks for student-workers; they become in effect illegal workers, subject to penalties that include cancellation of the student visa and deportation (Reilly 2012: 191). When student-workers are employed for long hours in the one job, the employer thereby acquires increased leverage, since s/he can threaten to report the international students to the immigration authorities if they complain about their wages or work conditions.

The existing research suggests that the treatment of international students at the workplace is an important social justice issue, demanding a policy response. International students appear to constitute a ‘new vulnerable workforce’, exposed to harsh treatment at the workplace in breach of minimum labour standards (Nyland et al. 2009). But the research leaves several important questions hanging, even at the basic level of description. Both the extent and form of any poor treatment of international students are likely to differ according to industry (Bray & Waring 2009), as shown by the differentiated experiences of 457 visa holders (Tham et al. 2016; Wright & Constatin 2015) and the specific difficulties of Working Holiday Makers in farmwork (Reilly 2015; Underhill & Rimmer 2015). We know about poor treatment – centring on widespread underpayments – of international students in convenience stores, and a little about the slightly different case of cleaning. But other significant industries in which international students find employment, in particular cafes and restaurants, are missing from the debate.

One important area of uncertainty in contemporary research concerns the explanation for poor treatment of international students, in turn linked to uncertainty about the fundamental nature of labour market processes. We follow recent research on the employment experiences of migrant workers, which adopts a useful concept of ‘precarious’ workers, in preference to the more traditional notion of ‘vulnerable’ workers (Anderson 2010). The concept of precariousness, linked with the rich literature on precarious work and precarious workers (Campbell & Price 2016), facilitates a broad agenda of explanatory research into labour market processes, which goes beyond supply-side characteristics to include the impact of state regulations on immigration, minimum labour standards, taxation and social welfare, as well as demand-side processes associated with specific industries and employers (Vosko et al. 2009). Analysis couched in terms of precariousness has been used for the study of temporary migrant nurses in Australia (Boese et al. 2013) and for studies of migrant workers in hotels in the United Kingdom (for example, McDowell et al. 2009), but it is yet to be applied in food services, which remains a neglected sector of research in most countries (cf Bloch & McKay 2013).

Research methods and profile of interviewees

This article draws on an industry case study of food services, conducted as part of an ongoing research project on temporary migrant workers and precarious work in Australia. Food services is an important source of employment, comprising an estimated 534,450 persons nationwide in 2013 (Department of Employment 2013: 1) – just under five per cent of the total workforce. In particular, it is a major sector of employment for young workers, especially full-time secondary school students and full-time tertiary students (ABS 2015). It was chosen as the site for a case study because it has become the most important sector for the employment of each of the three main groups of temporary migrant workers – not only international students (Marginson et al. 2010), but also Working Holiday Makers (Tan et al. 2009) and even 457 visa holders (DIBP 2014: 15).

The industry case study entailed research on background statistics, secondary literature, legal documents, official reports, and submissions to inquiries and reviews. We conducted in-depth, semi-structured interviews during 2014–15, with a total of 44 temporary migrant workers (21 international students, 19 Working Holiday Makers, and four 457 visa holders) and two local workers. In addition, we conducted professional and industry informant interviews with five café and restaurant owners, a representative of the main employer association, Restaurant and Catering Australia (R&CA), two migration agents, one immigration lawyer, a representative of the FWO, and representatives from several community organisations.

This article draws on our interviews with the sub-sample of international students, taking advantage of the value of in-depth qualitative interviews for exploring the detail of wages and conditions, especially in circumstances that are unresearched and may be blurred and subject to illegality. International students were initially recruited for interview through advertisements in early 2014 posted around the Parkville campus of Melbourne University and the city campus of RMIT University, as well as in student accommodations and hostels in Carlton, the area between the two universities. The advertisements asked for participants who were working in a cafe, restaurant or fast food outlet. In a second wave of recruitment later in 2014 similar advertisements were also posted on the internet website Gumtree. All interviews were conducted face-to-face by experienced interviewers, taking place in an interview room at RMIT University and lasting between 1 and 1.5 hours. The interviews canvassed a range of topics, including biographical data, migrant pathways and migrant status, experiences of life in Australia, experiences of looking for a job, and employment experiences. For employment experiences, the interviews concentrated on the current or most recent job in food services, but we also collected information on jobs outside the sector and previous jobs, particularly if these were also in cafes, restaurants, and takeaway food services. Participants received a \$30 supermarket voucher in compensation for their time. The interviews were recorded and transcribed, with a pseudonym assigned to each interviewee, and were then analysed with the help of qualitative data analysis software (NVivo). We are conscious of the danger that interviewees may seek to colour their experiences, but we are confident that most were candid and provided reliable information on their working conditions.

The final sample for this article consists of 20 international students who had current or recent experiences of working in food services – one interview proved to be out of scope because the only job held was as a kitchenhand in the restaurant of an international hotel. Most were, or had been, employed as kitchenhands or waiting staff. The participants included thirteen women and seven men, with a median age of 24 years. Most were single, although two had come with family members and two had married while in Australia.

While not representative, the sample does offer a reasonable balance according to nationality, with most interviewees originating from the Asian countries that supply the majority of international students (AEI 2014). Thus, six were from China, three from Vietnam, two from India and one each from Indonesia,

Singapore and Myanmar, as well as two from Italy, two from Brazil and one each from Colombia and Mexico. However, the sample is strongly biased to university students, and indeed to coursework Masters students, with seventeen students from universities and only three from the VET and ELICOS sectors. The bias to university students is largely due to the initial locus of recruitment around the University of Melbourne, though it may also be due to the greater confidence of university students and their greater willingness to talk about difficult work experiences. University students, especially at the University of Melbourne, are a relatively privileged group with substantial financial support and a strong commitment to their courses of study. The sample does include some students from less-privileged backgrounds and limited financial support, for example, the three students outside of higher education, but it remains true that students under intense financial pressure, who might be committed to building up income and working hours, are likely to be under-represented.

The 20 interviewees provided detail on 22 current or most recent jobs in food services (two interviewees had more than one current job in the sector). Table 1 summarises selected characteristics of these 22 jobs, in ranked order according to the hourly wage cited by the interviewee.

The discussion of findings in the next two sections of the article focuses on these 22 jobs, but we also draw on information concerning other jobs held by the interviewees, both in food services and outside, as well as information on jobs in food services held by other workers who participated in the case study. A small qualitative study cannot be used for statistical inference to an entire population, but it may still be used to generate robust transferable results (Gobo 2004). Our study is useful for exploring work experiences in more depth than is usual in quantitative survey research, drawing out descriptive detail, exploring interpretations – meanings – offered by the workers themselves, and suggesting social patterns that can guide further research and theoretical development.

Findings: wages and working conditions

This section begins with an account of paths of recruitment into food services, before summarising the interviewees' testimony concerning job characteristics. Based on the conventional understanding of the multiple dimensions of precariousness in employment (Vosko et al. 2009), the discussion of wages and working conditions begins with lack of social protection, employment insecurity, limited control over wages and working hours, and low wages. We deploy an implicit comparison, drawing on what is known about poor treatment of international students in convenience stores and cleaning, with the aim of sketching out ideas for what might be common and what might be distinctive about employment of international students in food services.

Recruitment

Our interviews revealed pull factors drawing students into jobs in food services, most obviously the availability of part-time schedules that can be readily combined with full-time study. In addition, several international students

Table 1. Profile of current or most recent jobs in food services held by interviewees

Current or most recent job	Employment type	Declared job (with payslip & TFN)	\$/ Hour	Worked on Weekends	Paid Extra for weekend work	Pseudonym
Waitress in tourist restaurant on the outskirts of Melbourne	Casual	Y	23	Y	N	Yuan
Kitchenhand and counter sales in fast-food restaurant	Casual	Y	22	Y	Y	Sudip
Occasional shift for events	Casual	Y	21	Y	Y	Sophia
Barista and sales in franchise cupcake café	Casual	Y	21	Y	Y	Dinda
Waitress (food runner) at Japanese restaurant	Casual	Y	19	Y	Y	Amanda
Waitress in Italian restaurant	Casual	N	19	Y	N	Sabrina
'All-rounder' in café	Casual	N	18	N	-	Laura
Waiter ('runner') in Italian restaurant	Casual	Y	18	Y	N	Marco
Waitress in Mexican taco restaurant	Casual	Y	18	?	?	Sophia
Kitchenhand/cook in fast-food restaurant	Casual	Y	18	Y	Y	Mateo
Waitress and cook/kitchenhand in café	Casual	N	17	N	-	Ha
'All-rounder' in cafe	Casual	N	17	N	-	Tuan
Sandwich hand at lunchtime in franchise takeaway	Casual	N	17	Y	N	Laura
Waiter in Italian restaurant	Casual	N	16	Y	N	Gustavo
Kitchenhand in restaurant	Casual	N	15	?	?	Lanh
Kitchenhand in a café	Casual	N	15	N	-	Mikesh
Waiter in fast-food restaurant	Casual	Y	13	Y	N	Arun
Waitress in Chinese restaurant	Casual	N	12	Y	N	Ning
Waitress in Chinese restaurant	Casual	N	11.5	N	-	Mei
Cashier in Chinese takeaway	Casual	N	9	N	-	Li
Waitress in Chinese-owned sushi restaurant	Casual	N	8	N	-	Huan
Waitress in small Chinese restaurant	Casual	N	8	N	-	Bo

complained of discriminatory recruitment practices in other sectors, which in effect pushed them into low-skill jobs in sectors such as food services. Jobs in food services appeared to be readily available, especially given high turnover in many low-skill jobs in the sector, but, even so, many interviewees cited a long and laborious process of job search, dropping off countless resumés before eventually being offered employment. In contrast to sectors such as farmwork (Underhill & Rimmer 2015) or hotels (Knox 2011), labour intermediaries have little influence in recruitment for low-paid work in food services.

Lack of protection

We found no evidence of sham contracting in the sector: all jobs held by our interviewees in food services were waged jobs. More specifically, all were casual jobs. When quizzed about payment, the interviewees explained that payment was simply for hours at the workplace and did not include any entitlement to paid holidays or payment if the worker had a day off sick, thereby meeting the standard ABS definition of a casual job (ABS 2008).

There were important differences, however, in the type of casual job held by the interviewees. The most pertinent distinction from our perspective – and indeed from the workers’ perspective – concerned whether the work was declared or undeclared, where the latter can be defined as ‘work which is in itself legal but is not declared to the authorities for tax, social security and/or labour law purposes’ (Eurofound 2013). The best marker for this distinction in Australia is whether the worker receives a pay slip that accurately records hours and pay, including deductions, a Tax File Number (TFN) is in place, tax is deducted from the workers’ pay where applicable, and – together with superannuation payments, where applicable – tax deductions are forwarded to the Australian Taxation Office (ATO). The presence of a verbal rather than written contract of employment and practices of cash payment are not illegal under Australian law, but non-provision of payslips, absence of proper employee records, non-deduction of income tax, and non-remittance to the ATO are proscribed. It is true that even declared casual work lacks social protection in several ways and can lead to poor treatment (Campbell et al. 2009). Nonetheless, the distinction between declared and undeclared work is important for research, because ‘undeclared’ jobs are even less protected and provide a fertile field for a wide range of illegal employer practices, in particular underpayment and non-payment of wages.

Our interviews included questions about pay slips and the use of a TFN. The answers indicated that the majority of the jobs described by our interviewees were undeclared jobs (see Table 1). For many interviewees, what was called ‘casual’ was understood as ‘off-the-books’ or ‘cash-in-hand’ employment that fell outside the tax and labour regulation system (Li 2015).

Working-time and employment insecurity

Some poor practices experienced by the interviewees were consonant with any form of casual employment, and not necessarily in breach of labour law. One familiar irritant was lack of control over hours, comprising problems such as too few hours, irregular shifts, and short notice of shift changes, all of which could

make it difficult to feel secure about schedules and successfully combine paid work with study (Campbell et al. 2009).

Working-time insecurity overlaps with employment insecurity, given that employers are able to discipline and even dismiss casual employees by reducing their shifts or letting the offer of shifts dry up entirely (Pocock et al. 2004). This is a crucial feature of the practice of casual employment, which weakens workers' bargaining power. The lack of employment security and meagre power of casual employees was well understood by many of our interviewees, and indeed several reported personal experience of having shifts reduced as a punishment after either calling in sick or querying their payments, while others reported not being offered any more shifts and in effect losing their job.

Low wages: underpayment

Some rights and entitlements for casual workers are specified in the *Fair Work Act*. However, in the absence of collective agreements, the crucial protections, including wage rates, derive from award regulation. The two critical awards are the Restaurant Industry Award and the Fast Food Industry Award. As can be seen from Table 2, a casual employee under these two awards is entitled to: a) a higher hourly wage rate compared to an ongoing employee – the 25 per cent 'casual loading'; b) a minimum payment if called in to work; and c) extra increments on the hourly rate if work is undertaken late at night or on weekends and public holidays – 'penalty rates'. Casual employees, like all employees, are entitled to be paid for time at the workplace. Thus, unpaid trial or training periods beyond a brief period directed at assessing a prospective employee's skills are unlawful. This is because beyond such a period a contract of employment would have formed, resulting in the application of minimum wage entitlements under the *Fair Work Act*, relevant award and/or enterprise agreement.

In assessing low wages we focus on wage rates below the prescribed minimum. We take \$21 as the cut-off point for underpayments, since \$21.09 is the minimum hourly rate for casual employees under the *Restaurant Industry Award*. The rate is higher, at \$23.15, under the *Fast Food Industry Award*. This cut-off point is conservative because most workers in our interview sample would be entitled to the higher penalty rates that are paid for evening work, weekend work and work on public holidays, which are in addition to the casual loading.

Using \$21/hour as a rough cut-off for determining underpayments, we can conclude that underpayment was widespread, though not universal, amongst our sample of international student jobs (see Table 1). Four jobs could be seen as approximating the wage level specified for casual employees in the award. This group included Yuan's job in a tourist restaurant, Sudip's job at a major fast food chain, and the occasional shifts for events mentioned by Sophia. Dinda's job in a franchise cup-cake café appears as a fourth case, because she had been paid regularly and relatively well for a long time, complete with a pay slip and on the basis of a written contract. But she confessed in the interview that she had not received a pay slip since the owner switched franchises some three months ago, and indeed her pay was now two weeks late.

Table 2. Minimum wage entitlements under the Restaurant Industry Award and Fast Food Industry Award as at 1 July 2014

	Restaurant Industry Award	Fast Food Industry Award
Minimum hourly wages for ‘full-time’ and ‘part-time’ employees at the lowest classification	\$16.87	\$18.52
Minimum hourly wages for ‘casual’ employees at the lowest classification	\$21.09	\$23.15
Definition of ‘casual employee’	A casual employee is an employee engaged as such	A casual employee is an employee engaged as such
Minimum payment (hours) per engagement for ‘casual employees’	Two hours	Three hours
Penalty rates for ‘casual’ employees (on top of casual loading)	Additional 10–15 per cent loading for work between 10 pm – 7 am on weekdays Additional 25 per cent loading for work on Saturdays Additional 50 per cent loading for work on Sundays Additional 125 per cent loading for work on public holidays	Additional 10–15 per cent loading for work between 9 pm – 7 am on weekdays Additional 25 per cent loading for work on Saturdays Additional 50 per cent loading for work on Sundays Additional 150 per cent loading for work on public holidays

Source: Restaurant Industry Award, Fast Food Industry Award

Apart from this small group, the remaining jobs were characterised by wage rates below the level specified in the award, in many cases well below, falling down to the basement level of \$8 an hour in two jobs in Chinese restaurants. The median hourly rate cited for our small sample of jobs was \$17, which is about twenty per cent below the minimum specified for casual employees in the Restaurant Industry Award, even before taking into account the effect on pay of missing penalty rates and periods of non-payment. The evidence here, albeit from a small sample, suggests that low wages based on underpayments may affect a higher proportion of international students in food services than in other industries (Marginson et al. 2010; Clibborn 2015; Kang 2015).

Our interviews also provided important information about the form of underpayment. We found no evidence of the half-pay scam cited for convenience stores; instead, the main mechanism of underpayment in food services was a straightforward low hourly rate, paid directly to the worker, often in cash, weekly or fortnightly. This was generally a flat rate, applicable at any time of the day or week; few interviewees who were underpaid reported being paid penalty rates for weekend shifts, although many participants had worked during these hours.

Table 1 indicates a close connection between undeclared casual work and underpayments. It is true that some jobs categorised as ‘declared’ were linked to low wage rates, for example, Arun’s job in a fast food restaurant. Moreover, declared jobs might still incorporate illegal practices such as a failure to pay full penalty rates for weekend work. Nevertheless, the main site of below-minimum wage rates and other illegal payment practices was clearly located among the

undeclared casual jobs, where *not one* had an hourly rate that approximated the level specified for casual work under the relevant award.

Underpayments, though resented by many international students, were viewed as normal, and most students acquiesced to them. Three students mentioned success in asking their employer for a small increase in their hourly rate, although this remained well below the minimum specified in labour regulation. However, most who asked were unsuccessful. Several students spoke of a typical 'going rate' in cafes and restaurants in precincts such as the Italian precinct of Lygon Street or Chinatown, and others referred to a low hourly rate for certain kinds of restaurants, such as Chinese, Indian, and Vietnamese restaurants. All interviewees knew they were being underpaid in relation to the requirements of labour regulation, but almost all felt there was little they could do about it. Apart from those few who had undergone dangers of complaining, such as Marco, who asked about missing hours on his pay slip and saw the shifts in his first job disappear, many students argued that it was futile to complain. Gustavo had worked in various waiting jobs for two and-a-half years and claimed to be fully aware of his entitlements according to the Award, but he insisted that he would never ask for them:

I don't think they are going to say 'yes'.... And if they say 'no', I cannot say: 'Okay, I go to the restaurant on the corner'. The restaurant on the corner is going to do the same thing. They are all wrong, you know, like you cannot fix one by one. It's not my job to fix all the restaurants in Australia I'm not going to change anything doing this. I cannot change from the bottom, have to change from the top It's not fair [but] ... that's how it is.
(*Gustavo, Brazilian undergraduate student*)

Acquiescence was connected with an awareness of employer power rather than other factors. We can note here that none of the international students interviewed mentioned concern about contravening immigration rules. Nor did any of the interviewees indicate an interest in avoiding the tax system. Indeed, there is little incentive for students to be complicit in undeclared work, since their income is unlikely to be affected by tax deductions. An hourly rate of \$21 will mean that 867 hours can be worked before the income tax threshold of \$18,200 is exceeded. This is an average of 33 and-a-third hours per fortnight, as compared to the maximum of 40 hours per fortnight permitted under international student visas for when the semester is in session.

Low wages: non-payment

Non-payment can be regarded as simply a form of underpayment, but it is useful to treat it separately, because it tended to be less frequent and harder to predict. Moreover, in contrast to underpayments, non-payment often sparked outrage and action, as in Lanh's dogged efforts, extending over weeks, to recuperate two days' wages owed to him by a previous employer.

Non-payment of wages took different forms. Unpaid or free trials were common, usually lasting one shift of several hours. Laura from Mexico had completed four unpaid trials without obtaining a job, and in one case, where she was ordered to

wash dishes for two hours, she suspected that the café owner was simply taking advantage of an opportunity of free labour on a busy day. Rarer but still familiar were unpaid ‘training’ periods *after* being given the job. Huan had to work for two days without pay as ‘training’ before she received the \$8 an hour for her work in a Chinese restaurant. Others spoke of being offered jobs that involved little more than a *possibility* of future payment. Lanh reported on his experience in a Vietnamese restaurant:

I try also one kitchen-hand opportunity in Fitzroy. For a Vietnamese restaurant. Oh my God! I decided to quit right after my first day because it’s very dirty: very small and very dirty. They ask me to use my bare hand to wash the dishes and they don’t have a [dish-] washing machine I ask them when I would be entitled to receive wages and she said: ‘because you are unexperienced so let’s see ... just work for your trial When I see you have improvement I’ll tell you when I will pay you, but for the time being [you must work] without payment’.
(Lanh, Vietnamese post-graduate student)

Once employed, some participants reported being called in to work and then sent home again without receiving the minimum daily shift payment. However, the main danger, once employed, was failure by the employer to pay wages for hours actually worked. This could involve employers either paying for fewer hours than were due or delaying and then refusing to pay owed wages after the worker left the job. In both cases, interviewees reported that the absence of records made it difficult for them to support their claim.

Other features

Other, more contingent features of jobs in food services included health and safety risks such as cuts and burns, together with a reluctance to help when workers were injured. Although direct discrimination at the workplace was rarely mentioned, some students reported verbal abuse and bullying, sometimes suggestive of racism, from employers and managers. None of the interviewees noticed any union activity in their workplace, and none was a union member. Only one student claimed to know of enforcement activity by bodies such as the FWO, and several students expressed surprise and disappointment at the lack of attention given to enforcement.

On the other hand, one strong element in the interviews was the importance of good social relations at the workplace. Consistent with the findings of Pocock et al. (2004), good social relations at work could cushion the impact of poor pay and conditions. After a bad experience in a restaurant where she was well-paid but treated with a lack of respect and concern for her wellbeing, Sabrina was appreciative of the family atmosphere accompanying her new job in an Italian restaurant. Similarly, Huan commented on friendly relationships with fellow staff as a compensation for the poor pay and less-than perfect relationship with her manager:

I enjoy working there because the consumers they are really nice, because a lot of them are local people. I'm very happy to meet some local friends and also the waitresses who are working with me. I'm very happy. Sometimes when I miss home I can speak with them.

(Huan, Chinese post-graduate student)

Evidence for long weekly hours in breach of immigration regulations was mixed. All the current or most recent jobs were part-time jobs with relatively few weekly hours, and for most students this was their only job. Sophia, an ELICOS student from Brazil, was juggling three short-hours jobs, one in cleaning and two as a waitress, but her total hours still fell short of the limit of 40 hours per fortnight. The main exception was Amanda, a Singaporean who had first come to Australia as a secondary school student but was now finishing a Diploma of Accounting at a private vocational college, who openly admitted to having worked long weekly hours. Over the previous three or four years she had sometimes juggled several jobs, generally in hospitality, and had even once worked full-time as a restaurant manager when she had falsified her resumé to present herself as a permanent resident. Though she presented the practice of working long hours as a matter of 'survival'

I'm paying for my own way here and I've got no-one else to help, she also explained that it was part of a long-term plan to obtain PR and to be perfectly honest I didn't come back to study.

(Amanda, Singaporean VET student)

Additional evidence of long hours comes from Emre, one of the employers interviewed, who explained that in his previously owned restaurant he had appreciated the 'flexibility' of the Indian students employed as kitchenhands, who had been willing to work very hard at any time that he requested, sometimes for up to 60 hours per week. They were mainly enrolled in private VET colleges, and when he asked about their courses they had explained to him that 'they didn't need to go to class'. The evidence of our study suggests that long hours are less common for international students in food services than in retail. As the two examples above suggest, one motivator of the practice of employing workers for long hours is a supply of workers who are willing and able, largely because of their enrolment in bogus courses, to disregard their studies and devote themselves to full-time employment.

Findings: industry segments

The analysis in the previous section suggests that international students in food services suffer high levels of precariousness in employment typified by widespread underpayment. The discussion points to industry-specific practices that distinguish food services from other sectors. But it is important to add that not all parts of the industry are equally implicated. Evidence from both the interviews and the broader case study suggests that international students were clustered into certain segments of the industry that offer particularly poor wages

and conditions and were largely excluded from up-market restaurants, catering services and specialty cafés, where better pay and conditions might be available (Kellner et al. 2016; Knox 2016).

The most obvious example of a distinct industry segment employing international students is that of *'ethnic' cafes or restaurants*, where 'ethnicity' refers in the first instance to the branding of the food, but also generally overlaps with the ethnicity of the owner of the café or restaurant. Workers in this segment are often recruited on the basis of shared ethnicity. The clearest examples are Chinese, Japanese, Thai and Indian restaurants, although some Italian restaurants are similar. Table 1 points to five cases of Chinese students working in Chinese cafes or restaurants, and this can be merged with evidence from past interviewee experiences such as Lanh's job in a Vietnamese restaurant and Sudip's job in an Indian restaurant. The interviews revealed that these jobs, sometimes described in terms of 'co-ethnic exploitation' (Li 2015; Velayutham 2013), offered the worst wages and the worst conditions in the industry, and international students often constituted the dominant group in those workplaces. Although some students in co-ethnic businesses argued that they enjoyed the social support to be found in working with people from their own language group, most were resentful of the poor pay they encountered in this segment and left as soon as they felt they could. Li was in the fortunate position of having all her expenses covered by her parents and felt able to quit her disappointing job at \$9 an hour in a Chinese takeaway:

I quit because I started Uni and then became busy. Also I don't want to do the restaurant stuff anymore. It's just like a waste of time and you cannot get any experience. It's just like the employers use you to make profit.

(Li, Chinese undergraduate student)

However, only a minority of the jobs listed in Table 1 fell within the category of 'ethnic' cafes and restaurants. The largest group of jobs was located in what could be called *'mainstream' cafes and restaurants*, in which the student-worker shared the workplace with students of other nationalities as well as with other temporary migrant workers and local workers. Most were small businesses operated by owners who could be of any ethnicity. Underpayment and poor treatment were also characteristic of this segment, but wages tended to be better than in the 'ethnic' segment and poor treatment was equally shared with other workers (see FWO 2015b).

In addition to the two segments outlined above, we can mention a few jobs in the *major takeaway food chains*, such as McDonalds or KFC, where pay and conditions tended to be in conformity with labour regulation. After bad experiences, first in a job at a convenience store for which he had been unable to extract any payment and then in a job in an Indian restaurant for which he received \$8 an hour, Sudip was delighted with the minimum wages and conditions in his current job at one of the major fast food chains. Nevertheless, the business model in fast food often functions *via* labour cost savings through employing juniors at reduced rates (Allan et al. 2002). Except for Arun, an 18 year-old from Myanmar, who obtained a job in a new fast food chain on a

flat-rate payment just short of \$13 an hour, most students in our sample were too old to be employed on junior rates, with the result that they faced strong de facto barriers to obtaining employment in this segment.

Our sketch of industry segments paves the way for understanding how, as Marginson and colleagues observe (2010: 16), many international students might share experiences of poor treatment with local students, while in aggregate they nevertheless encountered worse wages and conditions. This can be understood in terms of segmentation processes that concentrate international students in food services and then distribute them to segments within the sector in slightly different ways compared to local students.

Conclusion

Findings from our case study confirm that food services is a ‘hazardous’ industry for international students (Tham et al. 2016). Wages and conditions for many international students are poor, marked by multiple dimensions of precariousness. Some aspects of poor treatment can be attributed to the standard risks of casual employment in any of its forms. But the major deficit is widespread underpayment and non-payment, in breach of award regulation. We argue that the problem of illegal employer practices of underpayment is strongly associated with, though not confined to, a particular form of casual work – undeclared casual work. We further suggest that such underpayment is concentrated in the two main segments where international students are clustered, that is, ‘ethnic’ and ‘mainstream’ cafes and restaurants.

Our sample of international students is small, but the interview findings are suggestive and offer an important contribution to the emerging literature on the work experiences of international students in Australia. They underline the argument that there is a significant problem associated with employment of international students.

Before discussing policy solutions it is necessary to explain the pattern of poor wages and working conditions outlined above. Efforts at explanation in the existing Australian literature are often framed in terms of the particular ‘vulnerability’ of international students, generally understood in terms of personal attributes such as limited employment experience and lack of knowledge of workplace rights (Marginson et al. 2010: 15–22; Reilly 2012: 186–189). More recently, vulnerability has been supplemented with ‘precarious migrant status’ (Fudge 2012), which refers to the potential impact of immigration rules, such as the 40 hours per fortnight work limit, in exposing international students to risks of abuse in labour markets (Berg 2015: 91–101; Reilly 2012: 189–195). The findings in this study, couched in terms of a broad notion of precariousness, suggest that more attention needs to be paid to employer labour-use strategies, labour regulation – poor enforcement and the problems of casual status – and individual worker agency.

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