Facilitating student placements – FAQs for Higher Education institutions

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

Universities and other higher education institutions often play a role in promoting or facilitating these arrangements. The Fair Work Ombudsman recommends that they have a clear policy and guidelines around student placements to avoid inadvertently facilitating unlawful unpaid work arrangements.

Student placements can be paid or unpaid. These FAQs will assist education institutions ensure unpaid work experience, internships, work-integrated learning or other student placement arrangements they establish are lawful.

These FAQs should be read in conjunction with the information and resources available at fairwork.gov.au/unpaid work.

Vocational placement exemption

1: What does the Fair Work Act 2009 say about student placements?

The Fair Work Act 2009 (the Act) exempts persons undertaking a ‘vocational placement’ from the definition of ‘employee’. A vocational placement must meet the following criteria:

- the host organisation must be a national system employer (see question 2)
- the placement must be a required component of the student’s course of study (see question 5)
- the student must not be entitled to remuneration (see question 8), and
- the course or unit offered by an education provider must be authorised under a Commonwealth, State or Territory law or administrative arrangement (see question 7).

If a placement does not meet all of the above criteria, it is not a ‘vocational placement’ under the Act. The parties must then consider whether the arrangement constitutes an employment relationship. If a student is an employee, they must be paid their minimum employment and associated entitlements.

For more information, see our Student Placements fact sheet.

2: Does the vocational placement exemption apply in all states and territories?

Yes, but it only applies where the host organisation is a national system employer and thereby covered by the Act. Most businesses in Australia are national system employers. If a host organisation is a national system employer, then students can lawfully undertake unpaid vocational placements (as defined in the Act). For host organisations that are not covered by the Act, the relevant State or Territory industrial laws will apply.

Further information about which employers are covered by the Act is available at fairwork.gov.au.
3: What is meant by “placement” in vocational placement?

There must be some form of arrangement between the student, their education institution and the host organisation. For example, this may include:
- the education institution arranging the student placement with the host organisation; or
- the student making their own arrangement, but in accordance with requirements specified by the education institution. The requirements may, for example, cover matters such as the type of host organisation, activities to be undertaken, and duration of the placement.

4: Does there need to be an agreement in writing?

There is no requirement for a written agreement. Education institutions should however consider implementing written agreements to establish a clear understanding of the expectations of a placement.

5: Must the placement be a requirement of the student’s overall course of study?

No. To satisfy the vocational placement exemption, the placement can be a required component of either:
- the student’s overall course of study, or
- a particular unit or subject (compulsory or elective) undertaken as part of the course of study.

The placement, unit or subject does not have to be an assessed component of the course for the purpose of the vocational placement exemption.

6: What if work experience is not a course requirement but may be counted towards a course of study, in lieu of tutorials or assignments?

The ability to count work experience towards a course of study is not sufficient to meet the vocational placement exemption. The work experience must be part of a placement that is a requirement of that course, unit or subject.

7: What types of courses are “authorised”?

Any course offered by the education institution pursuant to its authorisation or accreditation under a Commonwealth, State or Territory law or administrative arrangement. For universities, this means any award course. For registered training organisations, this means any accredited course.

Courses that are accredited or authorised by overseas bodies do not meet the criteria of a vocational placement unless there is a corresponding or reciprocal Australian law or administrative arrangement.

8: Do vocational placements need to be paid?

No, if a student placement meets the vocational placement exemption, then it can be lawfully unpaid.

However, a host organisation may elect to provide payment at their discretion and under no obligation. This may include payments like gratuities or scholarships.
9: Do student placements that don’t meet the vocational placement exemption need to be paid?

This will depend on the nature of the arrangement. If a student placement creates an employment relationship, then the student must be paid their minimum employment and other associated entitlements.

For more information on identifying an employment relationship, see our Unpaid Work fact sheet.

10: What if the student signs an agreement not to be paid?

A student who is an employee must be paid their minimum entitlements under the Act. They cannot contract out of this by signing an agreement.

If a student placement meets the vocational placement definition, it can be lawfully unpaid.

11: Do co-ops, internships, work integrated learning programs (WIL) or industry based learning schemes (IBLs) have to be paid?

While the Act refers to vocational placements, the terminology differs in practice. For example, a WIL program that meets the vocational placement exemption under the Act can be lawfully unpaid. It’s important to examine the nature of the placement rather than focussing on what it is called.

Regardless of the label, if the arrangement meets the definition of a vocational placement under the Act then it can be lawfully unpaid.

If the placement does not meet the definition and the student is actually an employee, then the student must receive their minimum employment entitlements.

Common scenarios

12: What if the student and host organisation agree to extend the placement beyond the duration required by the education institution?

Once a placement exceeds the requirements of the course of study, it may no longer meet the vocational placement exemption. This means it may no longer be lawfully unpaid.

It is recommended that the education institution makes it clear to both the host organisation and student when the placement ends. Once that period has passed, the parties must consider the nature of the relationship and whether an employment relationship has formed.

13: What if the student undertakes tasks or activities outside of what is required by the education institution? For example, a law student on a placement is asked to fill in for the host organisation’s secretary who is on sick leave.

Work that a student undertakes beyond what is required by the education institution for the placement may not meet the vocational placement exemption.

The parties would be required to consider the nature of their relationship with respect to the additional tasks and activities.
Best practice vocational placements

14: Are education institutions obliged to set up vocational placement programs?

No. However, student placements give learners the opportunity to apply the theory and skills they gained while studying in a professional workplace.

15: Are there minimum or maximum hours for vocational placements?

The Act does not prescribe minimum or maximum hours for a vocational placement; however occupational health and safety considerations should be taken into account. Education institutions should consider the learning outcomes and requirements of the course before setting the duration of the placement.

16: Are there any additional considerations for international students undertaking vocational placements?

The Act applies to all national system employers and employees working in Australia. In relation to the vocational placement exemption, the Act does not prescribe any additional requirements or exceptions regarding international students.

International students should seek advice about their visa conditions from the [Department of Immigration and Border Protection](https://immigration.gov.au).

17: Should education institutions implement student welfare initiatives?

Some students may lack the skills and experience to address issues that may arise during a placement.

While there’s no requirement under the Act, education institutions might consider implementing some of the following as best practice:

- a policy that governs student placements, ensuring that the placements they advocate or promote are in accordance with relevant Commonwealth, State or Territory laws
- a contact person or placement coordinator as a key point of contact between the student, host organisation and education institution
- a process to allow students to notify the education institution if a placement is not being conducted as expected or has become exploitative
- a complaint handling process to address any issues or concerns raised by a party to a placement
- clear, accessible information for students and hosts outlining the expectations for the placement
- a process to record and monitor exploitative host organisations to prevent further student placements at those organisations
- require that students receive approval from the education institution prior to commencing the placement and grant credits prospectively rather than retrospectively
- a written agreement between the education institution and the host organisation for the placement to confirm that there is a learning arrangement in the event of any miscommunication.
18: What if the education institution becomes aware that the host organisation is running the placement in a manner that creates an employment relationship?

The education institution should bring this to the attention of the host organisation and request the host organisation either restructure the placement accordingly or properly acknowledge the student as an employee and provide them with their minimum employment entitlements.

19: What are the risks of facilitating an unpaid student placement that is actually an employment relationship?

If an employment relationship exists, a host organisation is required to comply with minimum employment obligations under the Act. Employers who fail to meet their obligations may face financial penalties.

Further assistance for students and businesses

20: Where can students or businesses go for further advice?

Students and businesses can find further information on fairwork.gov.au or by contacting the Fair Work Infoline on 13 13 94.

A business can also contact an industry or business association for tailored advice and assistance. For information visit:

- the Australian Chamber of Commerce and Industry’s website for a list of industry organisations and chambers.
- the Ai Group, who represent employers across a variety of industries.
- fairwork.gov.au/registeredorgs for a list of registered organisations.

Students may also wish to contact their union. For more information visit:

- the Australian Council of Trade Unions
- fairwork.gov.au/registeredorgs for a list of registered organisations.