



**United Voice Submission:
Senate Standing Committee on Education and Employment
Inquiry into impact of Australia's temporary work visa
programs on the Australian labour market and on the
temporary work visa holders
1 May 2015**

About United Voice

United Voice is a union of workers organising to win better jobs, stronger communities, a fairer society and a sustainable future. United voice members are citizens of Australia, permanent residents, and on different visa classes, who come from culturally and linguistically diverse backgrounds, and work in a range of industries including aged care, early childhood education and care, cleaning, hospitality, healthcare, security and manufacturing.

Introduction

United Voice endorses the comprehensive submission made by the Australian Council of Trade Unions (ACTU).

As unemployment in Australia remains above 6%, and youth unemployment stands at more than double that, it is important that Australia's temporary work visa program does not displace employment and training opportunities.

It is imperative that temporary work visa classes are only being used for their true intended purpose – to fill gaps where specific expertise is lacking – and not as an alternative to investing in local training and skills development.

United Voice from the outset would like to place on record our preference for permanent migration pathways where people come to Australia independently. In saying that, United Voice recognises

that temporary work visas can play a role to fulfil genuine skills shortages at a particular point in time that cannot be met through the employment and training of permanent residents and citizens.

Recent media on the investigations undertaken by the Fair Work Ombudsman and the Federal Police, where vulnerable workers have been exploited by employers who are currently using temporary work visas, illustrate the need for a robust program of enforcement. United Voice is particularly concerned that the current system allows for the exploitation of overseas workers by creating a situation where employees are bonded to their employers.

In addition to the recommendations made in the ACTU submission, United Voice recommends that:

1. Employee eligibility requirements are strengthened;
2. Current data collection requirements are strengthened and enforced;
3. The Temporary Skilled Migration Income Threshold is indexed, and the minimum benchmark salary is enforced;
4. Designated Area Migration Agreements have the same minimum standards as temporary work visas; and
5. Employees are protected through cross-agency cooperation.

Employee eligibility requirements

United Voice supports the recommendations made by the ACTU in relation to training benchmarks. In addition, United Voice recommends that employers be required to demonstrate that they have adopted training plans to overcome ongoing shortages in areas of particular concern. This could include cooperation with local training providers and other programs within the community.

The government should also establish a specific skilled workforce database, which employees can register with and employers can contact to find suitable employees locally.

There are sectors across the labour market where the issues of low pay and poor working conditions need to be addressed before overseas workers on temporary work visas are appointed to fill these roles. Difficulties in finding local workers per se should not be justification for employing workers on temporary work visas. Instead it should be incumbent on employers to demonstrate that the wage rates and conditions of employment reflect expected labour market standards for the work.

Sectors where temporary workers are being relied on over a long period should be investigated to ensure that businesses are compliant with their requirements, and that current government policies and initiatives are robust in supporting any training and skill development deficits.

It is important that certain sectors do not see the ongoing use of temporary work visas as a permanent solution, particularly when skill shortages can be addressed through improving pay and conditions and investing in local training could be relied upon instead.

Data collection and publication

The Department of Immigration and Border Protection should be required to publish information for which temporary visa nominations have been approved, including data by industry sector and detailed occupation groupings.

The Department, or an authorised agency such as the Australian Tax Office, should also collect and publish regular data on actual salaries paid to temporary visa holders.

The Fair Work Ombudsman should also be required to publish information on temporary visas where their investigations uncover issues relating to workers on these visas; information should include salary level, occupation, and sector.

This would allow the public a clearer view of the use of these visas, and ensure that current salary requirements are being met.

Temporary Skilled Migration Income Threshold

It is important that overseas workers are able to live comfortably in Australia and be participants in our tax system. It is therefore essential that the indexation of the Temporary Skilled Migration Threshold (TSMIT) is reintroduced, and that a minimum benchmark salary is properly enforced.

While the current minimum benchmark salary is appropriate, a lack of proper enforcement allows for the exploitation of overseas workers who either do not know their rights or are unable to properly exercise them.

Designated Area Migration Agreements

There has been an increase in the number of regional areas that are looking to use a Designated Area Migration Agreement (DAMA) to fill the shortfall of workers in particular occupations and sectors where Awards are the dominant mechanism by which conditions of employment are determined. United Voice generally does not support the use of a DAMA to recruit to workers on temporary visas to fill these vacancies.

These generalised responses to labour market shortages often occur in isolated locations where costs of living are high, and workers recruited to vacant positions are unlikely to be in a situation where they will have income that is high enough to independently support themselves in the community. This is especially the case for sectors that largely rely on Awards to set wages and conditions.

A DAMA allows the designated region to have wages that are up to 10% lower than the TMSIT, which is calculated as being approximately \$48,510. Taking into consideration the issue of the worker being required to pay for private health insurance, the price of the rental market, higher costs associated with cost of living in regional areas (including food, electricity and petrol), as well as PAYG tax, United Voice is concerned that workers recruited from overseas on temporary work visas would not have sufficient income to independently support themselves.

United Voice therefore recommends that DAMA's have the same minimum standards as temporary skilled migration visas.

Employee Protection

There needs to be strong cross-agency cooperation in enforcing visa conditions, particularly in relation to the activities of employers who consistently undermine migrant workers employment conditions. Government policy should recognise and address the concern that one agency's desire to enforce visa breaches may inhibit another agency's ability to prosecute under another jurisdiction. This tension means that vulnerable migrants end up bearing a disproportionate amount of sanctions.

Given the number of recent cases coming to light where employers have flouted immigration laws by exploiting workers on temporary visas, a dedicated immigration inspectorate within the Office of the Fair Work Ombudsman is necessary.

The role of unions and collective bargaining rights are crucial in empowering workers to make choices and have a better work experience in Australia. To do this, unions need better access to workplaces to allow us to work with people who may be in breach of their visa conditions. This needs to be done without the threat of deportation in order to allow them to create the conditions needed to work legitimately.

United Voice welcomes this important inquiry and the opportunity to make a submission.

David O'Byrne
National Secretary