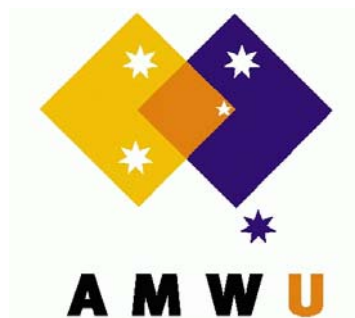


# AUSTRALIAN MANUFACTURING WORKERS' UNION



## SUBMISSION

**Senate Employment, Workplace Relations and Education  
References Committee Inquiry into Pacific Region Seasonal  
Contract Labour**

March 2006

## **Introduction**

1. The Australian Manufacturing Workers' Union (AMWU) welcomes the opportunity to make submissions to the Senate Employment, Workplace Relations and Education References Committee Inquiry into Pacific Region Seasonal Contract Labour.
2. The full name of the AMWU is the Automotive, Food, Metals, Engineering, Printing and Kindred Industries Union.
3. The AMWU represents approximately 140,000 workers in a broad range of industry sectors and occupations within Australia's manufacturing industries, including almost 10,000 workers in the food preserving and confectionery industries, many of whom work in rural and regional areas.
4. The AMWU is a strong supporter of a multicultural and diverse society. Migration has made a very positive contribution to our society; in varied areas as economic, social, cultural, sporting etc. However, the use of temporary workers by businesses introduces a range of issues that must be dealt with in order to avoid both the exploitation of the imported temporary workers and the use of imported temporary workers undermining opportunities and/or wages for Australian workers.

## **Labour Shortages in Rural and Regional Australia**

5. In relation to the first of the Committees terms of reference, the AMWU submits that there is little or no reliable evidence of widespread labour shortages in rural and regional Australia. Generally it is our experience that where reasonable wages are paid and appropriate facilities provided, workers are available.
6. That is not to say that some improvements could not be made to assist in better matching workers with jobs, particularly given the location, duration and intensity of seasonal work in rural and regional Australia, however proposals to increase the number of temporary overseas workers are misplaced. Indeed claims of significant labour shortages must be put in the context of comparatively high rates of unemployment and underemployment in many rural and regional areas.
7. The AMWU is aware that a number of "pilot programs" are currently being run involving the use of overseas seasonal workers. For example, the Sunraysia Mallee Economic Development Board in Mildura, Victoria, is reportedly piloting a seasonal labour program to bring in between 20 and 50 seasonal workers from China. The AMWU has concerns about the purpose, transparency, oversight and legislative basis for such programs.

8. Moreover, the AMWU, like the broader union movement, has concerns about working visas more generally. As the ACTU has highlighted, the use of short stay (456) and long stay (457) temporary business visas appears to be out of control. The number of temporary business visas issued in 2004-05 was 389,280. In 1996-97 the number of temporary work visas issued was 197,941. This is an increase of 96 per cent. It means that temporary work visas are currently being granted at almost 8,000 each week. With many instances of abuses of the system reported in the media in recent months, it would appear that the government already lacks the capacity, or the will, to adequately monitor the current system.
9. The AMWU notes and strongly supports the request the ACTU has made to the ombudsman for an independent inquiry into the temporary working visas.

### **Guiding Principles For The Use of Imported Temporary Labour**

10. As a general proposition, where imported temporary labour is used in Australia, such use should be guided by the following principles.
  - 10.1 Australian governments at all levels, employers and unions should work together to maximise the employment of Australian labour and investigate medium to long term solutions to actual shortages of labour, both skilled and unskilled, within Australia.
  - 10.2 Employers who wish to use temporary labour from overseas should be required to work with the relevant union/s and/or the ACTU to:
    - Develop a comprehensive recruitment process to ensure that all avenues of recruitment of Australian workers are exhausted.
    - Agree on the numbers of imported labour required.
    - Where skilled labour is required, develop a plan to provide appropriate levels of training to Australian workers.
    - Where appropriate, undertake consultations with local indigenous leaders in areas where temporary imported labour may be utilised.
  - 10.3 In the event that there is agreement to engage any temporary imported labour:
    - The workers should be directly engaged by the employer.
    - The workers should receive the same wages and conditions, and where appropriate accommodation standards, which apply to other workers.

- Membership of the relevant union/s should be encouraged.
- No worker should be employed on an Australian Workplace Agreement.
- Unions should have access to temporary labour at all times and employers must facilitate such access.
- Unions should have access to the information necessary to enable verification that all agreed conditions associated with the importation of the workers are met.
- All imported workers should receive cultural training; specialised health and safety training; and specialised management and work systems must be in place to eliminate potential problems due to the lack of a common language on-site.
- Appropriate support mechanisms should be provided for the satisfactory resettlement of imported labour on return to their home country.

10.4 Where skilled labour is being imported it will also be appropriate that the employer with the cooperation of the relevant union/s or the ACTU:

- Conduct skill audits of its employees to identify opportunities to upgrade skills and reclassify Australian employees.
- Conduct skill analysis and skill recognition processes in relation to imported workers with specific skill upgrading training available on site.
- The employer be obliged to fund an agreed number of apprenticeships in Australia to completion.
- The employer's role in skill development in Australia be regularly reviewed.

10.5 Where *multinational* companies are importing temporary workers those companies should reach an agreement with the relevant international union secretariat, for example the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers Associations (IUF), to cover arrangements for imported labour on Australian projects reflecting the above principles. Such agreements should also include:

- A commitment to the standards contained in ILO conventions and the principle of equal pay for work of equal value; and

- A small payment proportional to the salary cost of the imported labour to be forwarded to the relevant international union secretariat for use in co-development and union building projects with local (overseas) unions.
11. However, even assuming all of the above principles were met, it is the AMWU's view that there would nevertheless remain serious and potentially complex issues to be address in relation to the proposal for seasonal workers the subject of this inquiry, including issues relating to:
- employment security;
  - workers compensation insurance;
  - health and medical services and insurance;
  - the meeting of transport costs and accommodation; and
  - the capacity for effective government monitoring of the program.

## **Conclusions**

12. The AMWU understands the experience of the United Kingdom in relation to seasonal workers was a disaster for local and overseas workers. It is important that such an experience is not repeated in Australia. Recent instances of abuses of Australia's current visa system are not encouraging.
13. Rather than rushing headlong into creating another subcategory of temporary imported labour, the AMWU supports a general review of the *entire* temporary working visa program to ensure that the program is not used to exploit either Australian, or overseas, workers.