

ADDITIONAL COMMENTS BY THE AUSTRALIAN LABOR PARTY

1.1 Labor supports the committee's recommendations. However, unfortunately the Bill does not ultimately prevent the continued abuse of the 457 temporary work visa to undercut Australian wages and conditions.

1.2 Labor does not support the use of temporary skilled migration to drive down wages and conditions. Unfortunately this Bill has not addressed the issue of 457 temporary work visas being used as a source of cheaper labour rather than as measure to address a skills shortage.

1.3 Labor notes that the National Farmers' Federation (NFF), in its submission to the committee, stated that 'the current minimum salary is not representative of market rates in agriculture'.¹

1.4 Labor believes 457 visa holders should be paid the going local market rate of pay, while maintaining the Minimum Salary Level (MSL) as a base salary for temporary work visa holders.

1.5 Temporary skilled migrant workers are entitled to the effective market rate of pay based on the principle of equal pay for equal work. An assessment of the effective rate of pay would guarantee that salaries are not effectively undermined through a system of deductions.

1.6 The Explanatory Memorandum to the Bill notes that proposed paragraph 140IC(1)(b):

...provides that the approved sponsor must pay the sponsored visa holder in the manner specified in the legislative instrument referred to in paragraph 140IC(1)(b). This will allow the instrument to specify such things as the way in which the person may be paid and the types of deductions (if any) that may be allowed to be made from the person's salary.²

1 NFF, *Submission 2*, p. 2.

2 *EM*, Item 7.

1.7 Labor supports the stated intent of this new subsection, namely preventing employers from making deductions from a 457 visa holder's salary, and thereby undercutting the MSL. Unfortunately, this Bill will not prevent an employer from undercutting the MSL by arranging for kickbacks from an employee's bank account.

Senator Patricia Crossin
Deputy Chair

Senator Linda Kirk

Senator Joseph Ludwig