

**Submission  
No 18**

**INQUIRY INTO MODERN SLAVERY RISKS FACED BY  
TEMPORARY MIGRANT WORKERS IN RURAL AND  
REGIONAL NEW SOUTH WALES**

**Organisation:** Australasian Meat Industry Employees' Union

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# THE AUSTRALASIAN MEAT INDUSTRY EMPLOYEES' UNION

Federal Council



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26 February 2025

**To: Modern Slavery Committee  
Parliament of New South Wales**

**Re: Inquiry into modern slavery risks faced by temporary migrant workers in rural and regional New South Wales**

## Background

1. The AMIEU is a registered trade union representing workers in the meat industry. The meat industry is defined to include meat processing, meat manufacturing, and the retail and wholesale sectors.
2. The Australasian Meat Industry Employees' Union (AMIEU) has prepared this submission for the *Inquiry into modern slavery risks faced by temporary migrant workers in rural and regional New South Wales* being conducted by the Modern Slavery Committee of the New South Wales Parliament.
3. The AMIEU offers this submission based on its experience of organising and representing workers in the meat industry, and in particular the meat processing sector, which has made extensive use of migrant labour since 2004. The AMIEU has been active in representing the rights and interests of migrant workers in the industry in a variety of forums, including our participation in parliamentary or government inquiries aimed at reforming either migration or employment laws.

## Temporary Migrant Labour and the Meat Industry in Australia.

4. There has been a significant influx of temporary migrant labour into the meat industry since 2004. Indeed, it is fair to say that the meat processing industry in particular has developed a dependence upon migrant labour. The industry employs large numbers of migrant workers across the country, primarily in rural and regional areas, where most processing establishments are located.

5. Broadly speaking, the meat processing industry has access to foreign workers under the following broad categories:
  - (a) Skilled workers on temporary visas accessed by way of the Meat Industry Labour Agreement;
  - (b) Unskilled workers on temporary “working holiday maker” visas;
  - (c) Unskilled and semi-skilled workers on temporary visas under the Pacific Australia Labour Mobility (PALM) Scheme.
6. These submissions will briefly discuss each category, but will focus primarily on the latter two groups.

### **Skilled Foreign Labour – Subclass 482 Visas and the Meat Industry Labour Agreements**

7. In Australia, the vulnerability of skilled migrants entering under the (then) 457 visa program was also to be due to visa status. The right of these migrant workers to work in Australia depended upon sponsorship from employers. Application for permanent residence status, likewise, depended upon employer sponsorship. Migrant workers were plainly aware that they could be sent home at the employer’s whim.
8. There is a long history surrounding the entry of skilled workers under this program, and there is no real need to expound on it here. Suffice to say that reforms to the program, including the development of the Meat Industry Labour Agreement, introduced important protections for these visa workers. Just as important, in terms of avoiding exploitative practices, has been the ability of these workers to change sponsors and move to other establishments in an industry suffering from a (largely self-inflicted) shortage of skilled labour.
9. This does not mean that there do not exist examples of exploitation or ill-treatment amongst skilled migrant workers. However, the AMIEU thinks it is fair to say that they are not exposed to the same degree as risk as working holiday makers or PALM workers.

### **The “Working Holiday” visas and unskilled labour**

10. As a result of Australian governments entering into bilateral agreements with an increasing number of countries, there was significant expansion of the working holiday maker visa. The expansion of the Subclass 418 “Backpacker” visa to countries such as South Korea, Taiwan, and Hong Kong, enabled the industry access to an ongoing cycle of unskilled temporary workers from non-English speaking backgrounds.
11. The AMIEU’s experience of the industry has been that working holiday makers were employed through labour hire arrangements. Such arrangements allow ‘backpacker visa’ workers to be employed at award rates, rather than the higher enterprise agreement rates which apply to direct employees of the establishment. Despite the advantage which accrue

to employers in engaging visa workers on inferior award rates, non-compliance with even minimum safety net entitlements was rampant. More commonly, sham contracting arrangements or labour hire operators functioned on a business model which depended for its profitability on undercutting competitors by unlawfully underpaying workers.

12. Such arrangements commonly featured the following:
  - (a) Underpayment of basic award conditions, often due to blatant disregard of award entitlements;
  - (b) Attempts by the union to ensure award compliance are hindered by inadequate record keeping by the employers, and intimidation of visa workers;
  - (c) Many of the labour hire companies operating in this sector were “\$2 companies” with no significant assets or capital, allowing them to go into liquidation if attempts to enforce entitlements are successful;
  - (d) Inappropriate deductions from workers’ wages;
  - (e) Disregard of workplace health and safety obligations, including instances of failing to ensure workers are vaccinated against Q Fever (which, if contracted, can become a chronic, debilitating condition);
  - (f) When exploitative practices by labour suppliers are brought to the attention of meat industry employers, the invariable reaction has been a refusal to investigate or take remedial action. Employers invariably (and often, implausibly) purport to have no knowledge of unlawful activity on the part of the labour hire company, and wilfully ignore any indication to the contrary.
13. Lack of English language comprehension combined with the limited period of employment with a single employer meant that many working holiday maker visa workers were either unaware of their rights, or unaware of how to seek redress.
14. The extent of the exploitation of temporary migrant workers is well documented in a range of sources, including:
  - (a) The Report of the Fair Work Ombudsman into the practices of the Baiada Group (2015):  
[https://oia.pmc.gov.au/sites/default/files/posts/2017/03/fair\\_work\\_ombudsman\\_report\\_into\\_baiada\\_group.pdf](https://oia.pmc.gov.au/sites/default/files/posts/2017/03/fair_work_ombudsman_report_into_baiada_group.pdf)
  - (b) The report of the Australian Senate Education and Employment References Committee inquiry into temporary work visas, entitled *A National Disgrace: The Exploitation of Temporary Work Visa Holders*, published 17 March 2016:  
[http://www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Education\\_and\\_Employment/temporary\\_work\\_visa/Report](http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Education_and_Employment/temporary_work_visa/Report)

- (c) The Report of the Migrant Workers' Taskforce, 7 March 2019:  
<https://www.dewr.gov.au/migrant-workers-taskforce/resources/report-migrant-workers-taskforce>
15. None of the above should even be surprising, given the extent of international literature on the subject. Such literature is not new, but examples include:
- (a) The experience of migrant workers in the "meatpacking industry" and poultry industry in the United States is analogous to that in Australia. In the United States, the vulnerability of migrant populations stems not from temporary visa status, but from the undocumented or unlawful status of the migrant workforce. Worker agitation around substandard working conditions is met not with cancellation of visas but with workers being reported to immigration authorities. The literature on the US experience is extensive, but see, for example, the Human Rights Watch Report, *Blood, Sweat, and Fear: Workers' Rights in U.S. Meat and Poultry Plants* at <https://www.hrw.org/report/2005/01/24/blood-sweat-and-fear/workers-rights-us-meat-and-poultry-plants>
- (b) The exploitation of so-called "guestworkers" in the European Union has been the subject of several studies by the European Union Fundamental Rights Agency, the most recent of which is *Protecting migrant workers from exploitation in the EU: workers' perspectives* in June 2019, which can be accessed here:  
[https://fra.europa.eu/sites/default/files/fra\\_uploads/fra-2019-severe-labour-exploitation-workers-perspectives\\_en.pdf](https://fra.europa.eu/sites/default/files/fra_uploads/fra-2019-severe-labour-exploitation-workers-perspectives_en.pdf)
- (c) Human Rights Watch produced a study on the appalling treatment of domestic workers in the Middle East and elsewhere, noting, amongst other factors, the vulnerability to exploitation created by the visa sponsorship system tying a worker's visa status to an individual employer. The 2010 report, *Slow Reform: Protection of Migrant Domestic Workers in Asia and the Middle East*, can be accessed here:  
<https://www.hrw.org/report/2010/04/27/slow-reform/protection-migrant-domestic-workers-asia-and-middle-east>
16. The AMIEU points out that the exploitative features of temporary migrant visa schemes are not only well-documented, but surely notorious. Given the extensive literature on the topic, it is difficult to escape the conclusion that the attraction to employers of a system of temporary visas for unskilled or semi-skilled foreign workers is precisely because such schemes produce the opportunity to exploit workers and circumvent labour standards.
17. The AMIEU, along with the ACTU and many other unions and community stakeholders called upon the Federal government to introduce a licensing system for labour hire companies. The Federal Liberal National coalition government declined to do so, and several State governments stepped in to regulate the field. Such legislation was introduced in Victoria and Queensland, and to some extent, in South Australia.
18. The introduction of labour hire licensing legislation had immediate impact in those states in which it was introduced. First introduced in Queensland, those labour hire operators

engaging in the worst exploitative practices (i.e. those operating on a business model predicated on below Award payments and unlawful treatment of workers) effectively disappeared from the jurisdiction. This successful outcome resulted from a simple but effective approach to regulating the sector. The legislation introduced a straightforward, easily verified, obligation: host employers could only use licensed labour hire companies. The legislation introduced detailed criteria for obtaining a license, satisfying which would be effectively impossible for those labour hire companies involved in the worst exploitative behaviour. Requirements for obtaining a licence included a fit and proper person test which required a labour hire operator to demonstrate it had sufficient capital to operate lawfully, meeting its obligations to workers, and a capacity to comply with workplace laws.

19. While the introduction of licensing systems in Queensland and Victoria did prove effective in removing from the industrial scene those operators who were blatantly unlawful in their treatment of migrant workers, the AMIEU does wish to stress that the success of this approach was not simply a matter of enacting the legislation. These governments demonstrated a commitment to adequately staffing and resourcing compliance mechanisms, and the political will to enforce the new law. In Queensland, for example, the government had an experienced industrial inspectorate ready to act immediately upon the commencement of the legislation, both in terms of conducting rigorous assessment of licence applicants, and investigating license contraventions.
20. Unfortunately, while the AMIEU welcomed the disappearance of the worst labour hire operators from those jurisdictions which introduced labour hire licensing regulation, anecdotal evidence suggests that at least some of those operators merely decamped to those jurisdictions where labour hire is less regulated.
21. The AMIEU has made representations in other (Commonwealth) forums calling upon the Federal government to introduce national labour hire licensing legislation. The AMIEU also understands there have been delays to that process, and if this lack of progress is not resolved promptly, the AMIEU considers those state jurisdictions yet to introduce labour hire licensing should proceed to do so. In our view, such measures are probably the single most effective measure that could be taken at State government level to alleviate the risks of modern slavery amongst temporary migrant workers.

### **Pacific Labour Scheme / Pacific Australia Labour Mobility Scheme**

22. The coronavirus pandemic and subsequent border closures put an end to international travel and disrupted use of the working holiday visa. Most of these visa workers travelled home. This created a labour problem for the meat industry, during which the industry turned to yet another temporary migrant solution in the form of Pacific Island workers.
23. Again, vulnerability to exploitation under this scheme was facilitated by individual visa sponsorship, allowing labour hire companies to employ visa workers (something not

permitted under the Meat Industry Labour Agreement, for instance), allowing workers to amass significant debts which had to be repaid to their employer, and a failure to provide adequate information about their workplace rights or even their working conditions. As was commonplace with earlier migrant contingents, many Pacific Island workers have reported to the AMIEU that they had been threatened with being sent home if they joined a union.

24. There have already been significant reforms made to the PALM scheme. These have included amendments to the requirements and obligations of those employers approved to employ labour under the PALM scheme. This has included greater clarity on what deductions can be made from a PALM worker's wage, and what costs can, and cannot, be charged to PALM workers. More importantly, the reforms included a requirement for "pay parity" requiring PALM workers employed by labour hire companies to be paid the same as Australian workers at the same establishment. (e.g. where the host employer has an enterprise agreement with above Award wages and conditions). Reforms also included the right of trade unions to participate in arrival briefings to inform PALM workers of their rights and the benefits of union membership.
25. While these reforms have been beneficial, there is still scope for exploitative practices amongst PALM workers. There is particular concern in the area of accommodation. The quality of accommodation for PALM workers varies widely. The AMIEU is aware of some labour hire companies which have done a very good job of arranging good quality accommodation at reasonably price. Other PALM workers, even those on the long-stay PALM program, can be required to live in hostel style accommodation with thoroughly inadequate privacy. More concerning, however, is the degree of control some employers seek to exercise over PALM workers in their accommodation. This includes restrictions on the social activities of PALM workers, inappropriate searches of PALM workers' accommodation, and preventing visitors to their accommodation (including visits by union representatives in some instances). Employers use their involvement in the provision of accommodation to PALM workers as an excuse to intrude into the lives of the PALM workers outside working hours.
26. Unfortunately, one of the consequences of introducing these protections for PALM workers is that the industry is increasingly turning back to the use of working holiday makers. With the return of international travel in the aftermath of the coronavirus pandemic, employers again have access to workers on working holiday maker visas. These visa workers largely remain unprotected, although the AMIEU understands the Commonwealth government is actively considering a range of changes to the migration system, including whether changes should be made to the way in which working holiday maker visas are regulated.
27. Nevertheless, the return of working holiday makers creates some urgency in that these workers will invariably be employed by labour hire companies, but without the regulatory obligations upon them that accompany schemes such as PALMs. In jurisdictions, like New South Wales, without labour hire licensing legislation, the AMIEU considers there is a real risk of unscrupulous operators

### **Temporary Migrant Workers in New South Wales**

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28. The exploitation and mistreatment of temporary migrant workers is an issue nationally, throughout the meat industry. While the AMIEU, including its branches in New South Wales, has had significant successes in improving the conditions of its migrant members. However, the risk of exploitation remains, and the Union often finds that these struggles have to be fought anew with the arrival of new contingents of migrant workers. This is a factor which will be of increasing importance if, as the AMIEU predicts, we see increasing numbers of working holiday maker visa workers returning to the industry.
29. In terms of PALM workers, the exploitative behaviour reported by the AMIEU branch which operates in Newcastle and Northern New South Wales, is often focussed around issues of accommodation and using their visa status to be compliant with unreasonable employer demands. Examples of this kind of conduct include:
- (a) Workers being charged excessive amounts for rent or accommodation services; often this is associated with company management having a financial interest in the accommodation, or financial connection to the accommodation owners;
  - (b) Workers being required to endure inadequate accommodation: such as ten workers being required to share a five bedroom house;
  - (c) Lack of clarity about accommodation deductions; workers being charged for services (such as cleaning, transport) that have not been provided;
  - (d) Company management refusing to recognise medical certificates supplied by medical practitioners, and demanding ill or injured workers return to work; this has included instances of company management entering the accommodation of workers who have called in sick and demanding they go to work
  - (e) company management entering the accommodation of workers and searching or even confiscating their property when they are out
  - (f) Threats of deportation being used as a disciplinary tactic or to intimidate workers from raising issues or complaints;
  - (g) Workers sustaining injuries due to inadequate training; the AMIEU is aware of one instance where a worker lost an eye. The Union's investigation of the matter suggested that contributing factors included a lack of training and that the worker was being required to work despite having an injured hand;
  - (h) A pregnant worker who suffered an accident was called a taxi to take her to hospital in circumstances in which an ambulance should have been called;
30. The prevalence of accommodation-related issues suggests that this is an area worthy of further investigation by State governments. Residential tenancies and tenant's rights are generally within the legislative purview of State governments. Fruitful lines of inquiry might include providing information to migrant workers (in a variety of languages) about their rights as tenants, information about resolving tenancy disputes, or even whether tenancy legislation should be amended to include specific regulations or protections in



circumstances of worker accommodation, where the landlord and employer are the same or related entities.

- 31 The AMIEU was also involved in exposing a number of labour hire operators who were paying inferior, and in some cases, below-Award rates of pay. A number of host employers agreed to change labour hire providers or employ workers directly in order to remedy these issues. Amendments to the PALM Scheme now require a pay parity for PALM workers and locals employed by host employers, but this protection does not automatically extend to other temporary migrants.
32. Amendments to the Fair Work Act now allow for the Commission to make regulated labour hire arrangement orders. If made, such an order obligates a labour hire company supplying labour to an establishment to pay its employees the same rate of pay that is payable under an enterprise agreement that applies to the host employer. Pursuit of such orders will help to remove some of the egregious disparities in pay between temporary migrant workers and locals. While welcome, it is not going to be answer to the vexed problem of exploitation of migrant labour. One of the attractions to industry of temporary migrant workers is its ability to extract compliance from such a workforce, often using the methods described above, at paragraph 29. This only serves to emphasize that addressing the risks of modern slavery and exploitative behaviour demands a holistic range of responses, and the AMIEU therefore thinks it is commendable that State governments explore ways in which it can complement the reforms being undertaken at the Commonwealth level.

### **Concluding Remarks**

33. The AMIEU is of the view that temporary migrant workers in the meat industry remain vulnerable to risks of modern slavery-type conditions. A number of factors contribute to this vulnerability, including lack of facility with the English language, lack of awareness of Australian workplace laws and standards, employer control over visa status, and exploitative and intimidatory behaviour by employers and suppliers of labour.
34. The AMIEU also acknowledges that there has been a willingness at the Commonwealth level to make reforms addressing these issues, and important progress has been made.
35. The AMIEU's primary concern is that the issue of exploitation of working holiday makers essentially went into abeyance for several years because the coronavirus pandemic diminished the numbers of such workers to negligible levels. However, reforms to the PALM scheme (themselves necessary to protect PALM workers from intimidation) means that there is increasing employer appetite for a return to working holiday makers. Such workers are going to be particularly vulnerable to exploitative practices given the lack of regulation associated with that visa class.
36. The AMIEU of course recognises that addressing such issues will primarily be the responsibility of Commonwealth governments. However, state governments have demonstrated that they can make a significant contribution to curtailing risks of exploitation of temporary migrant workers, most notably through the introduction of labour hire licensing legislation. The AMIEU has observed the impact of that legislation in Queensland and in Victoria, and can attest that it had a significant positive impact on the meat industry. It

essentially rid the industry in those states of unscrupulous and unlawful labour hire operators within a very short span of time. The AMIEU would commend the adoption of similar regulation by the New South Wales Parliament.

Yours faithfully,

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