

Submission  
No 39

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

**Organisation:** Cleaning Accountability Framework

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**The Cleaning Accountability Framework**

**Submission to the NSW Parliament's Modern Slavery  
Committee inquiry - *Modern slavery risks faced by  
temporary migrant workers in rural and regional New  
South Wales***

**February 2025**





## About Us

[The Cleaning Accountability Framework](#) (CAF) is an independent, not-for-profit, multi-stakeholder organization. It was established to address the systemic exploitation of cleaners, a vulnerable and predominantly migrant workforce at high risk of exploitation and modern slavery in Australia, through a comprehensive industry-wide approach.

We were founded by AustralianSuper and the United Workers Union, with support from the Fair Work Ombudsman, private sector, academics and industry associations.

CAF continues to operate in a collaborative vein, where we bring together all stakeholders, across the cleaning supply chain, to effectively mitigate the risks of modern slavery, promote fair contracting practices and empower cleaners.

We have a proven track record in uncovering non-compliance issues and, working in partnership with the United Workers Union, remediating labour rights violations experienced by cleaners. Since 2019, when [CAF Building Certification](#) launched, we have identified and investigated over 1000 compliance issues across over 60 commercial office buildings and shopping centres in Australia (Note: this is only a minor proportion of both the Australian property market and the commercial cleaner cohort, which indicates the scale of the challenge).

**CAF Building Certification is recognised globally as one of the few effective worker-driven due diligence schemes and, in Australia, as an effective [anti-slavery mechanism](#).**

The Fair Work Ombudsman, Australia's workplace regulator, has publicly advocated that [all public and private companies undertake CAF certification](#), and that CAF's model in building a culture of compliance could be a [best practice model](#) in workplace relations for other industries.

- Decades of research into supply chain compliance mechanisms have found that traditional desk-based audits are insufficient in identifying exploitation and modern slavery.<sup>1</sup>
- CAF is different to typical auditing and social auditing frameworks due to the **central role that workers themselves and their union play in compliance. We have found that 70% of labour rights violations are uncovered through worker engagement alone**, as opposed to 30% through desk-based audits.<sup>2</sup>

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<sup>1</sup> Nolan and Boersma (2019). Addressing Modern Slavery. See also: ETI (2016); Bermingham and Zhou (2021). Bribes, Fake Factories and Forged Documents: the Buccaneering Consultants pervading China's Factory Audits, South China Post.

<sup>2</sup> <https://www.cleaningaccountability.org.au/news/if-you-arent-doing-worker-engagement-youve-got-blind-spots-in-your-supply-chain/>



- CAF Worker engagement can identify modern slavery indicators such as forced labour, debt bondage, and coercion and threats related to immigration status.
- CAF’s class-leading [Building Certification](#), [Contractor Prequalification](#), [Procurement Advisory](#) and the newly launched [Portfolio Certification](#) services address supply chain compliance from both ends – top-down (through procurement, management and employment processes) and bottom-up (via worker engagement) to drive compliance and mitigate modern slavery risks.
- Under the CAF model, cleaners (supported by their union) are actively involved in verifying, monitoring, and enforcing labour standards at their workplaces, as shown by these testimonials from cleaners:

*“CAF is important to me and my colleagues because it addresses real problems we face in the cleaner industry, such as low wages, unsustainable workloads, and cases of harassment and even discrimination. It gives us a helping hand to fight for fairer conditions, ensuring that our efforts are valued and respected” – Jenny, Cleaner*

*“I have experience working many years here, and there have been fewer and fewer workers with more and more workloads. Machines are always broken. Through CAF and the Union, we were able to raise issues at work with immediate action from our supervisors, owners, and contractors. CAF helped us guide the owners and contractors for their cleaners. Without CAF, nothing would change at my workplace.” – Rosalie, Cleaner*

*“I worked at a site where safety standards were ignored, and we were forced to use broken equipment, risking injury. CAF helps prevent such horror stories by promoting accountability and improving working conditions for all cleaners.” – Rajesh, cleaner*

*“After completing my regular shift from 12:00 PM to 9:00 PM, both the day and night supervisors asked me to then start a night shift from 9:00 PM to 5:00 AM [i.e. effectively 17 hours straight]. The next morning, while I was at university, the manager messaged me, questioning why I worked overtime and stating I wouldn't be paid for it. Being unsure of how to address this, I reached out to HR. Unfortunately, the manager found out and threatened me for not following the chain of command, even saying he would sue me. Being new to the industry, being threatened and facing wage theft made me feel helpless. It was then that I learned about CAF through the United Workers Union. During a CAF meeting, I gathered the courage to share my experience. CAF took my concerns seriously, engaged all stakeholders, and ultimately, the company acknowledged their fault. They compensated me for the unpaid wages, assured me such issues wouldn't happen again, and the manager in question was dismissed” – Bishal, cleaner*

- CAF’s innovative multistakeholder model, engaging both firms procuring cleaning services ("price makers") and cleaning companies employing the workers ("price takers"), is more



effective than companies acting alone. It addresses a market failure that the national regulator (FWO) cannot tackle, as its enforcement powers are limited to direct employers.<sup>3</sup>

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<sup>3</sup> [Parliament of Australia \(2018\). The exploitation of general and specialist cleaners working in retail chains for contracting or subcontracting cleaning companies, - https://www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Education\\_and\\_Employment/ExploitationofCleaners/Report/section?id=committees%2freportsen%2f024233%2f26806](https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Education_and_Employment/ExploitationofCleaners/Report/section?id=committees%2freportsen%2f024233%2f26806) (See Chapter 5)

## CAF Submission:

# 1. Cleaning: a high-risk Sector for exploitation and modern slavery

CAF is familiar with the NSW Anti-Slavery Commissioner's report ['Be Our Guests: Addressing urgent modern slavery risks for temporary migrant workers in rural and regional New South Wales'](#) and welcomes the opportunity to make a submission to the inquiry which was recommended by the report.

CAF recognises that cleaners are not the specific focus of the Committee's inquiry, nor are the concerns of the Cleaning Accountability Framework specific to rural and regional areas.

However, commercial cleaning, wherever in Australia it takes place, is a high-risk area for modern slavery.<sup>4</sup>

Common issues include wage theft, withholding wages, sham contracting, immigration-related coercion, deceptive recruitment, excessive overtime, debt bondage, confiscation of documents, and unsafe working conditions. Sexual harassment and assault are also frequently reported.

These problems start at the point of procurement of cleaning services, where tender processes encourage undercutting. This results in contracts that do not cover minimum wages or ensure safe workloads, perpetuating issues through opaque and unaccountable supply chains. This is likely particularly marked in rural and regional areas (see section 2 below).

### **The cleaning industry has some of the most egregious labour practices in Australia:**

- The Australian cleaning industry is notorious for labour exploitation, with the Fair Work Ombudsman (FWO), Australia's workplace regulator, singling out cleaning as being one of the most at-risk sectors.<sup>5</sup>

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<sup>4</sup> [https://www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Education\\_and\\_Employment/ExploitationofCleaners/Report/section?id=committees%2freportsen%2f024233%2f26706](https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Education_and_Employment/ExploitationofCleaners/Report/section?id=committees%2freportsen%2f024233%2f26706)

<sup>5</sup> PWC / FWO (2012) Phoenix activity: Sizing the problem and matching solutions, June 2012, p. 16.

- Over 20 years of investigations by the FWO, United Workers Union, and researchers reveal that non-compliance is both persistent and widespread.<sup>6</sup> The FWO’s most recent published compliance activity in this sector found cleaners being underpaid at a staggering 90% of audited sites.<sup>7</sup>
- These issues have been well-documented in successive inquiries by the Australian Parliament. See Commonwealth of Australia (2016) [A National Disgrace: The Exploitation of Temporary Work Visa Holders](#); Commonwealth of Australia (2017) [Hidden in Plain Sight](#); Commonwealth of Australia (2018) [Wage theft? What wage theft?!](#)

### An appalling Safety record - one of the highest-risk industries for workplace injury

- Outsourcing of cleaning services and work intensification – demanding more cleaning by less cleaners in less time – has contributed to the high prevalence of slips, falls, and musculoskeletal disorders from rushed work, bad posture and heavy lifting.<sup>8</sup> Inadequate equipment, supplies, and training worsens the problem.
- Government data from Safe Work Australia reveals that cleaning has higher injury rates than even construction and mining.<sup>9</sup> The real number of injuries is likely to be even higher due to underreporting by vulnerable migrant workers.

### What are the key drivers of non-compliance?

The key drivers of non-compliance in the cleaning sector include:

- A largely migrant workforce, often with precarious visa conditions
- Complex subcontracting arrangements;
- Opaque and negligent contracting practices resulting in under-priced contracts
- Low barriers to entry for contract service providers; and
- Aggressive price competition<sup>10</sup>.

<sup>6</sup>. Fair Work Ombudsman (2016) ‘Cleaning industry compliance needs to improve’, Media Release, 13 May 2016, accessible at <https://www.fairwork.gov.au/about-us/news-and-media-releases/2016-media-releases/may-2016/20160513-cleaning-compliance-campaign-presser>

Fair Work Ombudsman (2018) An inquiry into the procurement of cleaners in Tasmanian supermarkets, accessible at <https://www.fairwork.gov.au/reports/inquiry-into-the-procurement-of-cleaners-in-tasmanian-supermarkets>

Black Economy Taskforce – Final Report, October 2017, accessible at: <https://treasury.gov.au/review/black-economy-taskforce/final-report>

Hunter, L. (2017) ‘United Voice reveals wage theft in Victorian schools’, InClean, 16 May 2017, accessible at <https://www.incleanmag.com.au/united-voice-reveals-wage-theft-victorian-schools/>

Fair Work Ombudsman (2019) ‘FWO recovers entitlements for school cleaners’, Media Release, 29 November 2019, accessible at <https://www.fairwork.gov.au/about-us/news-and-media-releases/2019-media-releases/november-2019/20191129-victorian-government-school-cleaners-report>

<sup>7</sup>. FWO (2018) ‘An inquiry into the procurement of cleaners in Tasmanian supermarkets, accessible at: [www.fairwork.gov.au/reports/inquiry-into-the-procurement-of-cleaners-in-tasmanian-supermarkets](https://www.fairwork.gov.au/reports/inquiry-into-the-procurement-of-cleaners-in-tasmanian-supermarkets)

<sup>8</sup>. Lin, Jia-Hua, Wonil Lee, Caroline K. Smith, Nanette L. Yragui, Michael Foley, and Gwanseob Shin. “Cleaning in the 21st Century: The Musculoskeletal Disorders Associated with the Centuries-Old Occupation – A Literature Review.” Applied ergonomics 105 (2022): 103839–103839. See also [WorkSafe Victoria – Cleaning industry](#)

<sup>9</sup>. Patty, Anna. “Cleaning Can Be More Dangerous than Construction Work.” The Sydney Morning Herald, 25 Aug. 2017

<sup>10</sup>. Hepworth, K. (2021) [Cleaning up their Act? Modern slavery due diligence in the Australian property sector](#), ACCR 15 June 2021.

The problems often stem from complex supply chains that create ‘legal distance’<sup>11</sup> between those at the top of the chain procuring outsourced cleaning services and the vulnerable workers at the bottom performing the cleaning.

## 2. Additional challenges faced by cleaners in Rural and Regional areas

Based on our experience to date, CAF suspects the challenges and modern slavery risks faced by cleaners are amplified in rural and regional areas of NSW (and similarly in rural and regional areas of other jurisdictions).

Federal Government Immigration Policy aims to promote regional areas, providing, inter alia, separate regional provisional visas that provide a pathway to permanent residence, a skilled regional permanent resident visa, additional points under the Skilled Migration Points Test for skilled migrants nominated to live and work in regional Australia and more options for international students who graduate from regional universities<sup>12</sup>.

As the Office of the NSW Anti-slavery Commissioner’s report indicates approximately 30 percent of Australia’s temporary migrants are based in NSW; working predominately in in “*agriculture, horticulture, meat processing, cleaning, hospitality, retail and tourism*”.<sup>13</sup>

The Anti-slavery Commissioner’s report focussed largely on the experiences of migrant workers employed in agriculture, horticulture and meat processing and utilising the Pacific Australia Labour Mobility (PALM) visa scheme. However, the report also noted that many of the issues and concerns could affect migrant workers in other industries and utilising other visa types, such as Working Holiday Makers.

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<sup>11</sup> [Parliament of Australia \(2018\). The exploitation of general and specialist cleaners working in retail chains for contracting or subcontracting cleaning companies.](#) (See Chapter 5)

<sup>12</sup> Australian Government Department of Home Affairs "[Working in Australia - Regional Migration](#)"

<sup>13</sup> Office of NSW Anti-Slavery Commissioner (2024) '[Be Our Guests: Addressing urgent modern slavery risks for temporary migrant workers in rural and regional New South Wales](#)' at 5



CAF's experience demonstrates that a number of the 'drivers' of Modern Slavery or exploitation risks outlined in the Commissioner's report are applicable to other classes of migrant workers and are likely similarly amplified in a rural and regional setting.

Specific examples of this include

**a) Widespread use of labour hire, complex subcontracting or other legal arrangements**

The Commissioner's report highlighted the widespread use of labour hire in agriculture and meat processing and the high prevalence of labour exploitation by some labour-hire companies in NSW.<sup>14</sup> The Report went on to note that NSW does not have a labour hire licensing scheme (unlike several other Australian jurisdictions), although a national scheme is being legislated and implemented.

This problem is amplified in rural and regional areas where CAF understands that subcontracting is more prevalent than in urban centres. Cleaning companies that usually hire employees directly tell CAF that they rely on subcontractors or alternative legal arrangements in these areas. This is due to several factors: regional contracts are often sporadic and ad hoc, it is resource intensive even for larger cleaning companies to engage, train, induct and supervise the work of direct employees in regional areas; and companies cannot offer flexible shifts at multiple sites when they only have a few contracts in a rural or regional area.

Contractors working with CAF report terminating subcontractors for non-compliance in regional areas. The large cleaning companies that CAF interacts with generally report that they use subcontracted labour or other legal arrangements to engage staff in rural or regional areas. In CAF's experience it is therefore more likely that the direct employers of cleaners in these areas are smaller and may have less sophisticated and mature employment systems and checks. It also suggests that there is likely to be an increased prevalence of sham contracting and other exploitative business models in those areas.

**b) Isolation and social marginalisation**

As the Commissioner's report noted stakeholders in some regional areas reported that temporary migrant workers face significant language barriers and a lack of cultural competency on the part of employers and service providers. This can lead to isolation and social marginalisation including a lack of culturally-appropriate welfare support and interpreters.

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<sup>14</sup> Ibid at 25

CAF observes this to an extent in urban centres however these will, at least in some instances, engage larger workforces where cleaners are more likely to meet other workers of a similar background, have access to their employers' support systems and are able to meet in person with, for example, Union officials from the same background. This greater access to colleagues and representatives can assist cleaners in sourcing assistance that is not directly related to their working conditions, for example legal assistance with visa issues. This is likely to be far less accessible in regional areas.

### **c) Lack of access to Government safety nets**

The lack of access to the social safety net in Australia is a key issue for all temporary migrant workers, particularly those in rural and regional areas. As the Commissioner noted a lack of access to the Federal Government's Fair Entitlements Guarantee scheme is a particular vulnerability. The commercial cleaning industry involves high levels of phoenixing, and with labour the highest cost for cleaning companies, migrant workers are particularly vulnerable to losing redundancy payments and unpaid wages and entitlements when an employer ceases operating and has limited assets.

In major urban areas there are likely to be multiple similar employers with workplaces in the same geographical area as a cleaners' former employer and therefore it will often be easier at least for a cleaner to find new employment in the event of a collapse. In a rural or regional area with less alternate employment available this may be far more difficult.

## **3. CAF Recommendations and comments on the Commissioner's Recommendations**

CAF supports the Commissioner's recommendations of;

- Instituting this inquiry;
- Ensuring relevant NSW Government frontline agencies undertake suitable training in modern slavery, as envisaged by section 19(3)(a) of the *Modern Slavery Act 2018 (NSW)*;
- Advocating for the Federal Government to review the visa settings and protection requirements for temporary migrant workers in PALM and the WHM Program;
- Complementing the work of the new Migrant Workers Centre to be established in NSW with regional migrant centre hubs;

- Ensuring funding and support to local actors, including to create a more active role in monitoring of conditions and support.

CAF supports each of these recommendations and believe they could significantly improve the conditions of all migrant workers in NSW. CAF makes the following submissions as to complementary or further measures which should be taken.

### 1/ Greater support for multistakeholder sector-based collaborations

As the Commissioner notes in his report in recent years major supermarket chains operating in Australia have increasingly required that suppliers demonstrate compliance or obtain various labour compliance certifications (Fair Farms, Supplier Ethical Data Exchange etc). However the Commissioner noted the supermarkets require these certifications but do not themselves participate in, for example, funding, achieving or maintaining these standards or certifications.

CAF encourages support for these types of sector and supply chain certifications but highlights that there should also be the involvement and support from all levels of the supply chain rather than obligations and remediations only being imposed at one end of the chain.

Fair Work Ombudsman Anna Booth has said<sup>15</sup> the following of CAF which also applies equally to other industries in which migrant workers are a feature:

*“we knew investigating and litigating could only do so much – focus was needed on the top of the supply chains and on property owners, on those who didn’t directly employ the cleaners who clean their buildings but who, due to the way in which they procure and manage outsourced cleaning services, are very much key to whether or not those cleaners will get paid properly”*

CAF also submits that this is also relevant to the Commissioner’s recommendation of funding and support for local actors. Certification or compliance schemes are, in CAF’s experience, of limited utility without face to face assistance. CAF supports the Commissioner’s recommendation of supporting to local actors such as worker representatives, approved employers, unions and local and state government representatives to monitor compliance and remediate issues.

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<sup>15</sup> Fair Work Ombudsman Anna Booth: <https://www.fairwork.gov.au/sites/default/files/2023-11/caf-10-year-anniversary-speech.docx>

## 2/ Government Procurement policies

CAF submits that the Committee should endorse policies reducing modern slavery risk in the NSW public sector.

NSW was the first jurisdiction in the world to impose a mandatory due diligence and reporting requirement on NSW public sector agencies<sup>16</sup> and the Commissioner has been very proactive in providing detailed advice and guidance to the NSW public sector on how to comply with those obligations.

In discussing the due diligence obligations the Commissioner has previously made specific reference to the risks of cleaners in both major cities and regional centres<sup>17</sup> and his view that many of the approximately 7,000 cleaners that clean New South Wales schools, “*exhibit signs of deceptive recruiting, debt bondage, or even forced labour*”<sup>18</sup>.

Similarly CAF strongly endorses the findings and the recommendations of the NSW Legislative Committee’s Standing Committee on Social Issues report: [Procurement practices of government agencies in New South Wales and its impact on the social development of the people of New South Wales](#)<sup>19</sup>.

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<sup>16</sup> Part 3, *Modern Slavery Act 2018* (NSW)

<sup>17</sup> Office of the NSW Anti-slavery Commissioner [Let’s be reasonable; what are reasonable steps to tackle modern slavery in supply chains?](#) Speech at NSW Anti-Slavery Forum 22 May 2024 at para [19]

<sup>18</sup> At para 34

<sup>19</sup> In particular recommendations 5,6, 7