



# **How to stop the exploitation of migrant workers in Australia**

**July 2023**

Submission by Brendan Coates, Trent Wiltshire, and Tyler Reysenbach

## How to stop the exploitation of migrant workers in Australia

---

We welcome the opportunity to make a submission to the Senate Legal and Constitutional Affairs Legislation Committee on the *Migration Amendment (Strengthening Employer Compliance) Bill 2023*.

The exploitation of migrant workers in Australia is widespread. Our recent report, *Short-changed: How to stop the exploitation of migrant workers in Australia*, showed that recent migrants are twice as likely as long-term residents to be underpaid, and up to one in six recent migrants are paid less than the national minimum wage.

We support the Bill's expansion of the powers of the Australian Border Force (ABF) to crack down on unscrupulous employers and prevent employers found to be taking advantage of migrant workers from hiring temporary migrants.

But the expanded powers will only be effective if the ABF enforces the law. The government has committed an additional \$50 million over four years for additional compliance and enforcement activities, with ongoing funding subject to an evaluation of the effectiveness of the activities.<sup>1</sup> The evaluation should assess how effectively the ABF is using all the powers available to it.

The amendments that facilitate a stronger Assurance Protocol, particularly legislating the protections currently only available under policy, will encourage more migrants to come forward and report exploitation. Fear of migration consequences is one of the main reasons migrants don't try to recover unpaid wages: a survey of migrants who suffered wage theft found that one-in-four did not try to recover their wages because they feared immigration consequences.<sup>2</sup> We support the reforms to the Assurance proposed by the Migrant Justice Institute and the Human Rights Law Centre, which would give

stronger protections to migrants who reported exploitation, but also guard against potential misuse.<sup>3</sup>

The amendments to the Act are a good start, but there is much more work to be done to tackle migrant exploitation. The government needs to reform visa conditions to make migrants less vulnerable to exploitation. The Fair Work Ombudsman needs a major overhaul, including more powers and resources, and the right strategy, structure, and culture to better enforce labour laws for Australians and migrants alike. We also need to make it easier for migrants to come forward to pursue their claims .

Further detail can be found in our attached report: *Short-changed: How to stop the exploitation of migrant workers in Australia*. Of most relevance to this inquiry:

- **Chapter 1** shows that the exploitation of migrant workers in Australia remains widespread. Rates of underpayment fell during the pandemic as many temporary visa-holders left Australia and the unemployment rate fell, but we risk underpayment rising again now that many temporary visa-holders are returning.
- **Chapter 2** shows how visa rules should change to make migrant workers less vulnerable to exploitation, including a stronger Assurance Protocol and a new Workplace Justice Visa.
- **Chapter 4** argues that the ABF should do more with the powers it has, as identifies additional powers and resources it should be granted.

---

1. Australian Government (2023).

2. Farbenblum and Berg (2018).

---

3. Migrant Justice Institute and Human Rights Law Centre (2023).

## How to stop the exploitation of migrant workers in Australia

---

### Bibliography

Australian Government (2023). *Budget 2023-24: Budget Measures: Budget Paper No. 2*. Commonwealth of Australia.  
[https://budget.gov.au/content/bp2/download/bp2\\_2023-24.pdf](https://budget.gov.au/content/bp2/download/bp2_2023-24.pdf).

Farbenblum, B. and Berg, L. (2018). *Wage Theft in Silence: Why Migrant Workers Do Not Recover Their Unpaid Wages in Australia*. <https://static1.squarespace.com/static/593f6d9fe4fcb5c458624206/t/62621a72d737a96241d7cdae/1650596473879/Wage%2Btheft%2Bin%2BSilence%2BReport.pdf>.

Migrant Justice Institute and Human Rights Law Centre (2023). *Breaking the silence: A proposal for whistleblower protections to enable migrant workers to address exploitation*. <https://static1.squarespace.com/static/593f6d9fe4fcb5c458624206/t/63fd30440d52f05db56908a0/1677537355550/Feb+23+Breaking+the+Silence+Proposal+for+Whistleblower+Protections.pdf>.