

**CONSTRUCTION
FORESTRY
MINING
ENERGY
UNION**



**CONSTRUCTION &
GENERAL DIVISION**

VIC FITZGERALD
National President

JOHN SUTTON
National Secretary

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29 April 2003

Mr Richard Selth
Secretary
Joint Standing Committee on Migration
Parliament House
CANBERRA ACT 2600

Dear Sir,

RE: Review of Skilled Migration

Please find attached a submission on behalf of the our union to the
Review of Skilled Migration.

Yours faithfully

per John Sutton
National Secretary
Construction & General Division



**Submission of the
Construction Forestry Mining and Energy Union
Construction & General Division**

to the

Review of Skilled Migration

April 2003

Summary

The Construction Forestry Mining and Energy Union, Construction & General Division (CFMEU) has taken an active interest in the issue of skilled migration.

In our experience, there are significant numbers of immigrants working “illegally” in the Australian building and construction industry. Those who employ these workers often use the threat of deportation to prevent them from complaining about illegally low wages, conditions and dangerous occupational health and safety standards.

This provides the employer with a cost advantage not open to those employers who do the right thing. As a consequence, law abiding employers lose tenders, Australian workers (and those with adequate visas) lose jobs and Australian wages and conditions are undermined.

The existence of an “illegal” worker is usually not an isolated incident. In the construction industry, the CFMEU has uncovered several large illegal labour rackets operated by employers and involving many workers.

It should be emphasised that the CFMEU respects the rights of all workers, whether they be foreign or domestic, and whether or not they possess the correct working visas. It is the exploitation of such “illegal” workers that the CFMEU objects to and it is the absence of an individual’s working rights that allows such exploitation to occur.

It is our submission that the Committee needs to consider the extent to which the temporary entry program for skilled labour is being, and can be, abused or circumvented. Measures need to be established to protect workers inside and outside the program. To this end, there needs to be a tough penalty regime for those who employ “illegal” migrant labour. The government has talked for too

long about a sanctions regime which keeps being deferred presumably because of political pressure by certain employer interests. Further, the Federal Government should desist with using immigration as an instrument to overcome long term labour market deficiencies (deficiencies of the Government's making). Consultation with industry bodies, including trade unions, should occur to ensure the program is not given priority over long term skills and training initiatives.

The Scope of the Problem

The CFMEU has actively confronted the issue of "illegal" migrant labour for many years. We encourage the Joint Standing Committee on Migration to review the following documentation attached to this submission;

- **Appendix 1** – A small sample of the correspondence between the CFMEU and various politicians on the issue;
 - Letter from John Sutton to The Hon Phillip Ruddock MP dated 18 May 1999
 - Letter from John Sutton to The Hon Phillip Ruddock MP dated 16 February 2000
 - Letter from John Sutton to The Hon Phillip Ruddock MP dated 15 March 2000
 - Letter from Andrew Ferguson to The Hon Phillip Ruddock MP dated 3 May 2002
 - Letter from Andrew Ferguson to The Hon Peter Costello MP dated 1 October 2002
 - Letter from Andrew Ferguson to The Hon Phillip Ruddock MP dated 8 October 2002
 - Letter from The Hon Phillip Ruddock MP to Andrew Ferguson dated 7 November 2002

- **Appendix 2** – the CFMEU's Submission to the *Review of Illegal Workers in Australia*, May 1999

Also attached to this submission are the following recent newspaper clippings and media releases reporting on illegal labour scams;

- **Appendix 3** – Various clippings relating to the Lake Cargelligo tragedy in New South Wales where 2 workers were killed when the roof of a water tower being constructed collapsed. One of the workers who was injured in the accident was hustled back to South Africa afterwards despite needing another 10 days hospitalisation. This worker was allegedly part of an illegal labour scam operated by his employer and was paid only \$100 per month.
- **Appendix 4** – Various clippings relating to the Indian Temple Stonemasons racket in New South Wales. The CFMEU discovered 8 Indian workers who had been employed under a working visa arrangement on the site for 3 years and were living in small site sheds (5 to a room). They were each paid only \$45 per month.
- **Appendix 5** – Various newspaper clippings and media releases relating to the following incidents;
 - In October 1999 five men were charged with fraud over the operation of a an “illegal” worker labour hire scam nicknamed “the bodgie”.
 - In February 2000 five Lebanese workers were found to have been underpaid and forced to work 14 hour days by their work sponsor under the temporary business entry scheme.
 - Also in February 2000, an “illegal” labour scam was found in Sussex Street, Sydney involving Malaysian, Indonesian and Chinese workers.

- In March 2000 two labour hire companies in Sydney employed over 80 "illegal" workers (many Korean) and paid them only half the legal minimum.
- In April 2000 eight South African workers brought to construct a fertiliser plant in Kwinana, Western Australia were sent home.
- In October 2000 twenty-two suspected illegal Chinese immigrants were found on a building site at Yowie Bay.
- In November 2000 twelve backpackers were exposed to asbestos in New South Wales. They were not given adequate safety equipment.
- In March 2001 between 5 and 8 "illegal" workers were found on a site in Dee Why.
- In September 2001 "illegal" workers were found on the Becton's Honeysuckle hotel site in Sydney.
- In December 2001 the CFMEU uncovered 9 "illegal" workers on a Holdmark Construction site in Strathfield.
- On the Mersey River tunnel project in Devonport, Tasmania, Czech labourers were found being paid just \$35 a day.
- Release by the CFMEU dated 3 September 1999 headed "Building Work for Young Australians – Not Backpackers"
- Release by the CFMEU dated 14 March 2000 headed "Exposed! Major immigration racket in Sydney construction"
- Release by DIMA dated 10 December 2001 headed "Illegals in Construction Industry Detained"
- In September 2002 seven workers were detained by DIMIA after found working on sites in Sydney.
- Also in September 2002, five "illegal" workers were found on a site in Baulkham Hills, Sydney.
- In October 2002 three "illegal" workers were found on a site in Artarmon.

- Also in October 2002, thirty people were arrested on the World Tower Meriton site in the Sydney CBD in a search for illegal labour rackets.
 - Again in October 2002, an employer was fined \$132,000 for using backpackers to illegally move asbestos from a building site in Victoria.
- **Appendix 6** – Three newspaper clippings dealing with the issue generally.

Clearly, “illegal” labour poses a significant problem in the Australian construction industry. Unfortunately, our experience suggests that the problem is growing.

The Lesson

In our view, the Committee must remember that whatever form the temporary entry program for skilled labour takes, there are unscrupulous figures within the building industry, and other industries, who will attempt to circumvent or abuse the system for profit. Some employers will seek to use the threat of deportation to prevent “illegal” workers from complaining about wages, conditions and occupational health and safety standards. We urge the Committee to address these issues.

Recommendations

The Committee must balance the need to attract skilled migrants where demonstrable skill shortages exist, with the need to deter “illegal” labour scams. In this regard, internationally competitive entry programs can be a two edged sword.

The CFMEU recommends strong penalties for employers who operate “illegal” labour rackets. As well, basic rights should be afforded to those foreign workers

who are exploited by such rackets. Currently employers sponsoring overseas workers must give an undertaking to pay the correct wages and entitlements. Clearly this kind of self-regulation is inadequate. Government inspectors should be deployed to ensure that foreign workers are not underpaid or exploited. These same inspectors should also actively root out and shut down "illegal" labour scams.

Moreover, employers should be prohibited from using the threat of deportation. Foreign workers who lose their sponsorship should have the opportunity for redress to an independent body such as the Australian Industrial Relations Commission.

Employers should have a positive obligation to ensure that all employees have the right to work in Australia. Tough sanctions should apply where this obligation is not discharged.

In the long run, government should be working toward skills and labour market programs which overcome skills shortages and reduce any need for skilled migrant labour. In New Zealand, government consults with industry bodies, including trade unions, on such shortages. The overarching issue here is that the Australian Government should be putting in place a comprehensive vocational training and skills regime which prevents skills shortages and reduces any substantial need for skilled migrant labour.





CFMEU

e/raoul/letter phillip ruddock illegal workers
18th May 1999

Doc.....
File... 7-23-009

Minister for Immigration and Multicultural Affairs
Phillip Ruddock
Parliament House
Canberra
ACT 2600

CONSTRUCTION

FORESTRY

MINING

ENERGY

UNION

Dear Minister

Re : Review on Illegal Workers in Australia

I write to congratulate you on your recent efforts to reduce illegal workers in Australia.

However, I would have to state the situation seems to be getting dramatically worse in the construction industry. With the current building boom there has been a flood of young holiday makers from Northern Europe coming onto major building sites. Many of these young guest workers are simply taking the jobs of young Australians, often at cheaper rates and conditions which make them more attractive to employers than our own youth.

Recent investigations by the CFMEU has led to Adecco, the world's largest labour hire company, implementing a new monitoring system for visa compliance. The company informed your department that at least 35 people working under visa conditions had been with them for longer than 3 months. I have attached a copy of correspondence forwarded to us for your information. If these young people held Working Holiday Makers Visas, as would seem likely, then they would only be entitled to work for Adecco for 3 months.

It should be pointed out that Adecco is one of the more reputable labour hire companies. The CFMEU believes this example represents the tip of the iceberg. Therefore, a coordinated effort is necessary to get to grips with the dimensions of the problem and to then implement solutions.

I would like to arrange a meeting, at a time convenient to you to discuss this problem and examine options to limit the use of illegal overseas labour in the construction industry.

Yours faithfully

JOHN SUTTON
National Secretary
Construction and General Division

attachments :



CONSTRUCTION &
GENERAL DIVISION

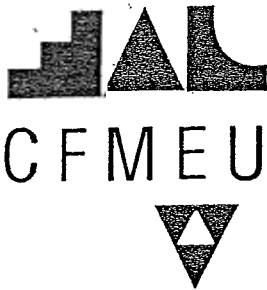
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National President

JOHN SUTTON
National Secretary

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Doc.....
File...7-23-009.....

16 February 2000

FILE

CONSTRUCTION

FORESTRY

MINING

ENERGY

UNION

The Hon Philip Ruddock
Minister for Immigration & Multicultural Affairs
Parliament House
CANBERRA 2600

Dear Minister

Further to my letter of 15 February, I wish to inform you of current developments in the construction industry.

Over the last week four companies have announced significant lay-offs due to declines in available work. This is a clear indication that the construction industry labour market has peaked. Official statistics, such as those released by Mr Reith on construction industry skill shortages, do not reflect the current situation.

We would argue that it would be wrong for the Government to assume there is a skill shortage in the industry when the evidence shows a contraction of the labour market. These are matters that the CFMEU would expand upon within your Department's consultative process.


CONSTRUCTION &
GENERAL DIVISION

VIC FITZGERALD
National President

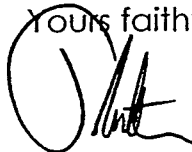
JOHN SUTTON
National Secretary

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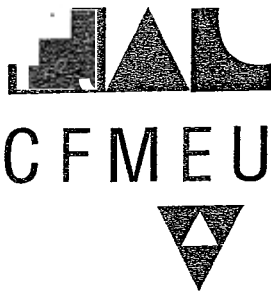
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Yours faithfully



John Sutton
National Secretary
Construction & General Division



CFMEU



Doc.....
File..... 7-23-009

FAXED

e/raoul/L007-00
15 March 2000

The Hon. Philip Ruddock
Minister for Immigration and Multicultural Affairs
Parliament House
Canberra
ACT 2600

CONSTRUCTION

FORESTRY

MINING

ENERGY

ION

Dear Minister

It has recently come to my attention that your Department has advised the Recruitment and Consulting Services Association (RCSA) that the 3 month limit of work with any one employer under visa subclass 417 does not apply to labour hire arrangements.

In a letter to Mark Carmichael of RCSA by Fiona McCulloch (Manager of the Rocks Business Centre) on 23/2/2000 the RCSA are advised that the 'employer' for the purposes of visa condition 8108 is the organisation for whom the work is actually performed, not the labour hire agency.

This advice not only reverses the Department's previous position it also contradicts the thrust of mainstream industrial relations regulation.

Labour hire companies are being allowed the best of both worlds when it comes to the engagement of these workers. Labour hire firms are recognised as the employer when it comes to industrial law and taxation law, but when it comes to migration law, the client becomes the employer.

As would be expected, the RCSA have been enthusiastic in advising their membership of the new direction of the Department.

Therefore, we call on you to act swiftly and reiterate that the Department's original advice prevails and the three month limit applies to labour hire firms as it would to any other employer.

Yours faithfully

JOHN SUTTON
National Secretary

**CONSTRUCTION &
GENERAL DIVISION**

VIC FITZGERALD
National President

JOHN SUTTON
National Secretary

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Steven Smith 7-23-009 ✓
Construction Forestry Mining & Energy Union

Construction & General Division

New South Wales Divisional Branch

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Locked Bag 1 LIDCOMBE NSW 1825

3 May 2002

The Hon P Ruddock MP
Minister for Immigration
Parliament House
CANBERRA ACT 2600

COPY

Dear Minister

The CFMEU writes to express concern at the ongoing failure of the Department of Immigration to address the problem of illegal workers in the construction industry.

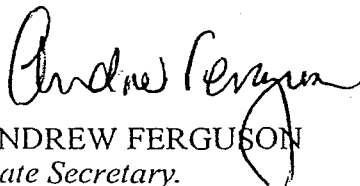
As you are aware the CFMEU has raised this issue with your department on numerous occasions. We have notified your compliance officers of sites where illegal workers have been engaged. However, we do not believe this action is being effective. The employers are continuing unhindered by the government to engage growing numbers of illegals.

The workers are paid cash in hand, are not covered for workers compensation and receive no award benefits or superannuation. They are used as cheap labour to undermine labour standards denying jobs to those with the legal right to work.

On many occasions illegals have been apprehended. However, illegals continue to be employed by shonky operators on the sites of the same builders and developers. To date there have been no penalties or prosecutions of employers caught with illegal workers, nor of these builders or developers that are receiving the benefit of this cheap labour.

The CFMEU believes that unless your government introduces and applies effective sanction on employers caught with illegals the problem will only continue to worsen in Australian workplaces.

Yours faithfully



ANDREW FERGUSON
State Secretary.

Secretary Andrew Ferguson • President Peter McClelland



JOHN JONSON
Construction Forestry Mining & Energy Union

Construction & General Division R 01045

New South Wales Divisional Branch 7-23-009

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1 October 2002

COPY

The Hon P Costello MP
Treasurer
Parliament House
CANBERRA ACT 2600

Dear Minister

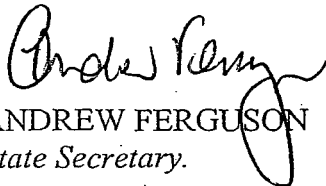
The CFMEU writes to protest the failure of the Australian Taxation Office to investigate employers engaging illegal immigrants 'cash in hand'.

These employers have not only used the illegals as cheap labour but have not complied with Australian tax laws. Companies that do comply with labour laws and tax requirements are being undercut by these illegal operators. I note in a recent article in the Daily Telegraph that Greg Phillips of the Department of Immigration and Multicultural Affairs has stated that 'there is no power for us to pass on our knowledge to the Australian Tax Office'. If this is true the CFMEU would like to know what the ATO intends to do about this non-disclosure.

Also we would like to know why the ATO does not raid the sites where illegals have been caught and do a tax blitz. The names of these employers and the addresses of their workplaces have often been publicised.

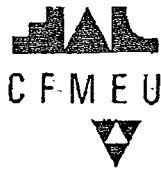
This inaction by the Australian Tax Office is not acceptable. There are millions of dollars being ripped off from Australian taxpayers.

Yours faithfully


ANDREW FERGUSON
State Secretary.

RECEIVED
- 7 OCT 2002
Ans'd

Secretary Andrew Ferguson ♦ President Peter McClelland



Construction Forestry Mining & Energy Union Construction & General Division

New South Wales Divisional Branch

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8 October 2002

The Hon P Ruddock MP
Minister for Immigration & Multicultural Affairs
Parliament House
CANBERRA ACT 2600

COPY

Dear Minister

I write to confirm your undertaking to do a thorough audit of '457 visa' workers engaged in the building trade.

As advised to you, the CFMEU is convinced the overwhelming majority of these workers are being paid inappropriately. We have particular concern about illegal practices in the tiling and stonemasonry industries. We specifically seek a systematic audit of the taxation and payroll records of all companies engaged in these sectors.

The majority of these 'visa workers' are not being paid in accordance with award and statutory obligations (ie. workers compensation, superannuation etc) and Australian taxation laws. These sponsoring employers have a substantial competitive advantage over legitimate contractors complying with the law. It is probable that a majority of these 'visa workers' are not even working for the sponsoring employer. In respect of 'visa workers' the union makes it very clear, we are opposed to the entry of more 'visa workers' into the building trade in NSW. There are already high levels of unemployment in the industry. We have ongoing concern about the use of illegals as cheap labour and welcome the recent action by the Department of Immigration in respect of this concern. As you would be aware a substantial number of individuals not having the right to work have been apprehended in recent weeks. However, we again reaffirm that this problem will not be simply arrested by detentions and / or employer awareness. We have witnessed employers who are caught with employing illegal workers then engaging a new gang of illegals on the same site the next day.

The CFMEU believes the introduction of effective sanctions is essential. We appeal to you to urgently address this issue so that we can combat what is a serious and growing problem for building workers and their families.

Yours faithfully

ANDREW FERGUSON
State Secretary.

Secretary *Andrew Ferguson* ♦ President *Peter McClelland*

Incorporating the NSW Branches of the BWIU, FEDFA, OPPWFA & OPDU. Registered under Federal & State Industrial Relations Acts.



DEPARTMENT OF IMMIGRATION AND MULTICULTURAL
AND INDIGENOUS AFFAIRS

7 November 2002

Mr Andrew Ferguson
State Secretary
Construction Forestry, Mining and Energy Union
Locked Bag 1
LIDCOMBE NSW 1825

Dear Mr Ferguson,

Thank you for your letter of 8 October 2002 in which you express concerns about abuse and exploitation of persons who have entered Australia under the temporary business entry program.

Australia's temporary business entry program provides for the entry of people to Australia for specific purposes that result in benefit to Australia. Protecting the employment opportunities of Australians is a key objective of the temporary business entry program. Entry arrangements for workers coming to Australia to meet temporary skill shortages use a number of mechanisms to ensure that this does not diminish employment opportunities for Australian workers. The attached Temporary Business Entry booklet explains the requirements of this visa class.

The department recently undertook a comprehensive review of the temporary residence program. A copy of the report 'In Australia's Interests' is enclosed. Many of the review's recommendations relate to improving sponsorship arrangements. These include: increasing the awareness of sponsorship undertakings; boosting existing monitoring activity; introducing sanctions when undertakings are not met; and developing further avenues for greater transfer of information and data between this department and other relevant government agencies to assist in the enforcement of legislation in relation to temporary residents and their sponsors.

The NSW Business Centre Monitoring Unit has recently taken steps to increase the integrity of the temporary business entry program. The number of site visits has been significantly increased, the interviewing of subclass 457 visa holders has commenced and enhanced liaison has occurred between the NSW Department of Industrial Relations and the Australia Tax Office and DIMIA. Instances of possible



non-compliance with award and statutory requirements and Australian taxation law, are being referred to the relevant authorities.

In your letter you requested information on the number of temporary business entry (subclass 457) visas granted in NSW and nationally for the building trade since 1997. You also asked for a profile of subclass 457 visa grants across specific trades.

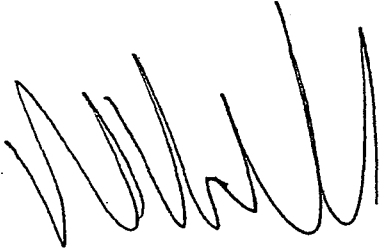
We are not able to provide an accurate historical profile of subclass 457 visa grants by trade, as the department only recently began recording grants against trades as specified by the Australian Standard Classification of Occupations (ASCO Dictionary). The figures below refer to nominations in the building trade. As not all approved positions are filled, the figures are likely to be slightly higher than the actual number of visas granted for each occupation.

The table shows total number of nomination approvals, with the number for NSW in parentheses. To put these figures into context, the 195 nomination approvals for the building trade in 2001/02 represent 0.76% of total nominations approved in the temporary business entry program.

Subclass 457 Nomination Approvals for Building Workers						
No.	ASCO Code	Occupation	Approvals			
			1998/99	1999/00	2000/01	2001/02
1	441613	STONEMASON	24 (17)	104	57	32 (15)
2	441611	WALL AND FLOOR TILER	4 (4)	46	56	32 (23)
3	441113	CARPENTER	19 (19)	18	25	28 (23)
4	441311	ROOF SLATER AND TILER	12 (11)	8	18	3 (2)
5	441511	SOLID PLASTERER	8 (8)	26	17	10 (7)
6	441111	CARPENTER AND JOINER	15 (13)	8	16	13 (12)
7	441101	SUPERVISOR, CARPENTRY AND JOINERY TRADESPERSONS	6 (6)	4	10	7 (6)
8	442111	PAINTER AND DECORATOR	10 (9)	5	10	13 (9)
9	443111	GENERAL PLUMBER	2 (1)	0	7	2 (1)
10	443115	DRAINER	3 (3)	0	7	16 (16)
11	441401	SUPERVISOR, BRICKLAYERS	0 (0)	4	6	0 (0)
12	442101	SUPERVISOR, PAINTERS AND DECORATORS	4 (1)	2	6	2 (1)
13	441411	BRICKLAYER	11 (9)	7	5	8 (5)
14	442301	SUPERVISOR, FLOOR FINISHERS	0 (0)	2	4	2 (2)
15	443101	SUPERVISOR, PLUMBERS	4 (3)	0	4	5 (3)
16	443119	MECHANICAL SERVICES AND AIRCONDITIONING PLUMBER	1 (0)	17	4	1 (1)
17	442311	FLOOR FINISHER	0 (0)	1	3	4 (2)
18	443117	ROOF PLUMBER	1 (1)	1	3	5 (5)
19	441211	FIBROUS PLASTERER	2 (1)	2	2	2 (2)
20	441301	SUPERVISOR, ROOF SLATERS AND TILERS	0 (0)	1	1	2 (2)
21	441601	SUPERVISOR, WALL AND FLOOR TILERS AND STONEMASONS	4 (4)	3	1	6 (5)
22	441115	JOINER	0 (0)	1	0	1 (1)
23	441501	SUPERVISOR, SOLID PLASTERERS	2 (0)	0	0	1 (1)
Total			136 (114)	260	262	195 (144)

Thank you for raising these issues with me.

Yours sincerely

A handwritten signature in black ink, consisting of several large, sweeping, and somewhat abstract strokes that form a cursive-like shape.

Nick Nicholls
NSW State Director

7-11-02

**Submission of the
Construction, Forestry, Mining
and Energy Union**

to the

**Review of Illegal Workers in
Australia.**

May 1999

Contents:

1. Executive Summary
2. Illegal Workers in the Construction Industry
3. Adequacy of Compliance Measures Against Illegal Workers
4. Recommendations

1. Executive Summary

The CFMEU believes that there are a substantial number of illegal overseas workers in Australia's construction industry. It is clear that labour hire companies commonly assist backpackers to find casual work in the construction industry.

We recommend that the Department focus on improving compliance with visa work conditions both in relation to the construction industry and labour hire in general.

The CFMEU believes that the total number of Working Holiday Maker visas should be reduced and further work should be done to measure the impact of the program on the Australian labour market.

Further, the CFMEU believes it is vital that compliance measures are focussed not only on overseas workers breaching visa conditions but also on those employing them. Not only are young Australians disadvantaged by non-compliance through reduced employment opportunities, but also the young visitors are also often denied Award pay and conditions by employers. Sanctions against employers who engage overseas workers illegally must be strengthened.

2. Illegal Workers in the Construction Industry.

2.1. The CFMEU

The Construction, Forestry, Mining and Energy Union, Construction and General Division, is the major union in Australia's building and construction industry. The CFMEU plays a leading role in policy development on issues which have an impact on workers in the construction industry.

The construction industry is one of Australia's largest and most valuable industries. In February 1999, 624,500 people were employed in the construction industry and the industry's contribution to the nation's G.D.P. has been estimated at 6.7%.

Construction is a project based industry. The typical construction site will often have four layers of management and control, including the developer, project manager, and sub-contractors. The construction industry workforce is highly mobile, both in terms of changing locations and employers.

2.2. Defining the problem

As pointed out by the Joint Standing Committee on Migration in their Report on Working Holiday Makers (WHM) in 1997 it is difficult to discuss the impact of WHM on the labour market with any precision. The Committee pointed out at the time that there was a limited amount of statistical data and research on the topic.

Due to this we can not state how many WHM visa holders are working in the construction industry. We can not point to comprehensive data on the level of compliance with visa conditions amongst this group. Nor can we state how many tourists on visitor visas are working in the industry.

In many ways this lack of data is one of the problems. Decision makers are asked to review or design programs without knowing fully what the impact may be. Industry participants such as the CFMEU are left with little option but to put forward anecdotal evidence and recommendations based on 'hands on' experience rather than statistical data. The CFMEU believes that there are a significant number of backpackers working in the construction industry. The situation is most common in Sydney, and there is a clear relationship between backpackers and labour hire companies.

2.3. Examples from the construction industry

The CFMEU believes that there are a substantial number of illegal overseas workers in Australia's construction industry. The problem seems to be more serious in Sydney, Western Australia and Far North Queensland. There also seems to be a clear connection with labour hire agencies. The CFMEU believes the presence of a large

number of illegal overseas workers in Australia's construction industry could have several serious impacts. Not only does it limit access to the labour market for Australian workers but it also places a reliance on workers who have no long-term commitment to the industry and are willing to accept lower pay and conditions.

One example uncovered by the CFMEU involved the world's largest labour hire company, Adecco. Union investigations showed that a significant number of overseas workers had worked with Adecco at placements in the construction industry for periods exceeding three months. Correspondence forwarded to the CFMEU is attached at Appendix A. This example is important because it provides clear evidence that one of Australia's largest and most reputable labour hire firms obviously struggles with the issue of overseas workers and work rights. If this is the case, what level of compliance can be expected from less reputable or less organised firms?

Information from the Backpacker's Resource Centre in Melbourne also clearly shows that there is a serious problem with compliance. The information states that by simply registering with the Centre a holiday maker is assured of work. There is no mention of the need to have the correct visa. The registration form, which can be downloaded from the Internet, requests information such as boot size and credit card number but again there is no mention of visa conditions.

The CFMEU can not say whether the Backpacker's Resource Centre is placing tourists in work when they hold only a visitor visa. The Centre informs applicants that there is work available in the construction industry. However, at the very least, the information provided is misleading in that it does not point out that no work can be performed while in Australia on a visitor visa. Further information is attached at Appendix B.

In 1998 the *Irish Echo* reported that an Irish immigrant, William Broderick, had been arrested in England for money laundering. The laundering scheme was based in the NSW construction industry and it was alleged that the profits being laundered were generated through the illegal hiring out of Irish backpackers. (Further information on this case can be found at Appendix C).

Examples of South African labour hire companies contravening visa conditions have been uncovered by the Australian Manufacturing Workers Union in Western Australia. One case involved the labour hire company Extraman. The *West Australian* newspaper subsequently ran an article where a labour hire 'industry insider' claimed labour hire companies were making a mockery of immigration controls. (See Appendix D).

The CFMEU believes there is a clear connection between the use of overseas labour and labour hire companies. This connection will be dealt with in more detail below.

In Queensland, particularly northern Queensland, the CFMEU has uncovered numerous examples of builders employing backpackers for a flat hourly rate on a cash in hand basis. The rate of pay is usually very low and there are no payments made for superannuation, redundancy or workers compensation. The visa status of these workers is not checked by employers who obviously see backpackers as a cheap source of labour.

2.4. The size of the problem

The very size of the WHM program means that the impact on any industry could be severe. When the likelihood of many visitors without work rights undertaking employment is also factored in the impact is multiplied. As the Joint Standing Committee stated;

“The adverse labour market impact of working holiday makers is compounded if they breach the work conditions of the visa or if the employers allow backpackers on visitor visas to undertake work illegally because they have not distinguished between visa conditions for visitors and working holiday makers. Although there was no statistical evidence before the Committee, it appears that there is a high probability that a percentage of backpacker on visitor visas work while they are in Australia”.

(Page 49)

WORKING HOLIDAY VISAS GRANTED OVERSEAS

Year	Grant	% variation
1988/89	45 136	
1989/90	41 538	-8.0
1990/91	39 923	-3.9
1991/92	25 873	-35.2
1992/93	25 557	-1.2
1993/94	29 595	+15.8
1994/95	35 391	+19.6
1995/96	40 273	+13.8
1996/97	50 000	+25
1997/98	57 000	+14

Information from DIMA shows that until December 1995, no limit had been set on the number of people who could visit Australia under the working holiday scheme. On 1 December 1995, a limit of 33,000 new visas issued overseas for 1995-96 was announced, to better control the impact of working holiday makers on opportunities for the long-term unemployed. Since then the limit has been increased gradually, and for 1997-98, the limit was set at 57,000 places.

Last year, more than 22,000 young Australians traveled overseas to undertake working holidays.

Between July 1997 and June 1998, a total of 2,767,197 non-business visitor visas were granted. In 1996-97, 2,779,485 were granted. The Department also stated that in December 1998, 51,000 people were in Australia illegally and 38,850 of these people had overstayed a visitor visa. It is estimated that at least 50% of overstayers are working.

The result of all of this is that there are 57,000 people on WHM visas allowed to work and approximately 25,000 overstayers and an unknown number of people on visitor visas working illegally.

WHM VISAS ISSUED : AGREEMENT AND NON-AGREEMENT
COUNTRIES OFFSHORE GRANTS

Post of Visa Issue	1993/94	1994/95	1995/96	1996/97	1997/98
United Kingdom	17 085	17 915	20 526	-	29,857
Japan	5 256	6 117	5 590	-	8,933
Canada	2 506	2 928	3 420	-	3,706
Ireland	2 381	3 395	4 316	-	8,451
Netherlands	1 635	2 040	2 616	-	3,527
Korea	NA	2	603	-	1,451
Non-Agreement Countries	732	2 994	3 202	-	1,075
Total	29 595	35 391	40 273	50,000	57,000

3. Adequacy of Current Compliance Measures

3.1. Are current compliance measures adequate?

The CFMEU does not believe that current compliance measures are adequate to prevent WHM visa holders breaching their visa conditions or ensuring that those on visitor visas do not work at all. The CFMEU congratulates the Department on recent compliance efforts in relation to fruit picking and the hospitality sector. However, there has been little activity in relation to the construction industry. Of the examples noted in section 2 of this submission, not one related to compliance activities on the part of the Department. Breaches of visa conditions were uncovered through investigations by the CFMEU, other unions, or the National Crime Authority.

3.2. Data collection

Until the department develops an adequate data collection process for work conducted by WHM visa holders they will not be able to ensure compliance. The Department should be in a position where they are aware of all work completed by WHM's. The Department requires this information to be able to properly judge the impact of the program on the Australian labour market. (see recommendation 1.).

3.3. Limit to the overall amount of work

The purpose of the Working Holiday Maker program is to allow young people from overseas to experience the Australian lifestyle and culture and to fund their trip through short-term casual work. This purpose can not be met if the young people spend the entire 12 month period working. The Joint Standing Committee stated in 1997 that the position of employers using affiliated companies to circumvent work limitation should be addressed (page 100).

The Committee heard evidence that WHM's simply continued doing the same job for 12 months, yet changed their employer every 3 months. Despite the Committee's report, this can still occur. However, even a situation where a WHM is employed in 4 entirely different positions should be of concern as the purpose of the program is to mix work with travel. In order to uphold the purpose of the program the CFMEU believes there should be a cap on the total amount of work a WHM can receive. (see recommendation 2).

3.4. Increased sanctions against employers

Compliance in relation to the visa conditions of WHM's or visitors will always be impossible to police while employers are virtually immune from sanction. At the moment only the visa holder is disadvantaged if they are discovered working in breach of visa conditions. The employer can simply state that they were not aware that the visitor had no right to work or the WHM could only work for a limited time.

The CFMEU believes the current provisions of the Crimes Act, where it is an offence for employers to knowingly aid or abet foreign nationals working illegally in Australia, are not adequate. It is too easy for employers to avoid prosecution through making a conscious effort to remain unaware of the work rights of applicants. If they do not investigate a person's right to work then they cannot be accused of knowingly employing someone illegally. A system should be introduced where employers face a mandatory fine if they are found employing foreign nationals illegally. Fines should be increased for repeat offenders. (see recommendation 3).

3.5. Construction industry focus

In order to maximise compliance of visa conditions in the construction industry the Department should establish a unit dedicated to the industry. Due to the particular nature of the construction industry the CFMEU believes specialist officers would be required. Such a unit would also increase the visibility of the Department in the construction industry, which would, in itself, improve compliance. A process should be established for the Department to consult with industry representatives on a regular basis. Such a process could take the form of a Taskforce or a Working Committee. This body should include the CFMEU, employer representatives and the Department (see recommendation 4).

3.6. Labour hire industry focus

The CFMEU has noted a strong connection between labour hire companies and the use of illegal labour in Australia. In order to improve compliance we believe the Department should work closely with the labour hire industry to assist them to introduce a process to check the work rights of applicants. Further, the Department should liaise with the State Government authorities responsible for the licensing of labour hire agencies to report any breaches of immigration legislation with a view to ensuring that companies who repeatedly flout the law are prevented from operating (see recommendation 5).

3.7. Limit to the WHM program

The CFMEU believes the very scope of the WHM program leads to difficulties in ensuring compliance. Without adequate data on the work being done by WHM's it is impossible to measure the impact of the program on the Australian labour market. One way of limiting the impact of WHM's would be to tie the number of people coming into those going out.

Figures from the Department show that last year 22,000 young Australians took the opportunity to work overseas, while 57,000 WHM's came in. We note the economic benefits of the WHM program (estimated at between \$400 mil and \$450 mil by Joint Standing Committee) however, we believe that a call by the Australian Tourism Commission to increase the numbers of WHM's fails to adequately take into account their impact on the local labour market. (See Appendix E). The CFMEU opposes calls to extend the scope of the program and calls for a reduction in the total number of WHM visas. (see recommendation 6).

4. Recommendations

Recommendation 1.

The Department should work in conjunction with the Australian Tax Office to develop the capability to track all employment undertaken by Working Holiday Maker visa holders. This data should then be used to inform future decisions on the program and any likely impact on the Australian labour market.

Recommendation 2.

A working holiday maker should not be able to complete more than 26 weeks of work during any 12 month period without the prior approval of the Department.

Recommendation 3.

The Crimes Act should be amended to include mandatory fines for employers found engaging foreign nationals illegally in Australia. These fines should start at \$500 for a first offence and should increase for subsequent offences. The Department should ensure that employer associations are informed of the intended changes and it should be clearly spelt out that the onus will be put on employers to check that applicants have the right to work.

Recommendation 4.

The Department should establish a Unit dedicated to compliance issues in the construction industry. Further the Department should establish a process of ongoing consultation with the CFMEU and other industry representatives to ensure it is fully informed of developments or trends in the industry.

Recommendation 5.

The Department should concentrate on improving compliance in the labour hire sector. The Department should liaise with the CFMEU, labour hire companies and State Government authorities to explore ways of improving compliance in this area.

Recommendation 6.

The number of WHM visas issued in any year should be reduced. The CFMEU believes that the gap between the number of young Australians who take the opportunity to have a working holiday overseas and the number of working holiday makers coming in is far too great.

APPENDIX A
(3 pages)

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;61 1 9242 6044. # 2/ 2

GEMVALE NON RESIDENT EMPLOYEES

SURNAME	FIRST NAME	D.O.B.	START DATE	TERMINATION DATE
Carrig	Jason	6.9.74	3.9.98	9.3.99
Denning	Dave	25.6.71	6.11.98	9.2.99
Dodd	Chris	2.5.67	9.9.98	2.3.99
Duffy	Colin	11.10.71	16.3.98	2.3.99
English	Andrew	4.3.75	7.9.98	16.2.99
Gemmell	Lawrence	25.8.71	24.7.98	9.3.99
Gibbons	Sean	22.6.73	16.6.98	9.3.99
Hough	Michael	20.10.74	8.12.98	2.3.99
Hunt	Robert	19.2.73	13.5.97	9.3.99
Kennedy	Victor	6.12.74	5.9.98	9.3.99
Keohane	Jason	30.9.71	28.8.98	9.3.99
Kinzett	David	5.12.75	18.11.98	9.3.99
Leggett	Martin	21.5.74	6.8.98	9.3.99
Leighton	Brett	11.2.75	3.9.98	2.3.99
Logue	Steve	12.9.76	9.9.98	9.3.99
McGregor	James	17.5.75	26.10.98	12.1.99
Mc Keena	Niall	9.5.72	24.6.98	9.3.99
Molloy	David	30.3.75	24.10.98	23.2.99
Moorhouse	Malcolm	27.4.76	10.9.98	2.2.99
Moran	Vincent	8.1.78	19.6.98	9.3.99
Morgan	John	27.7.77	25.6.98	2.3.99
Murphy	David	24.8.74	2.9.98	19.1.99
Murphy	Barry	12.9.74	23.9.98	23.2.99
O'Connor	Donal	30.9.74	3.11.98	9.3.99
O'Sullivan	William	28.12.78	29.9.98	2.2.99
Phillips	Michael	9.5.73	2.9.98	9.3.99
Ronaghan	Peter	5.2.75	25.9.98	9.3.99
Rutherford	David Samuel	23.7.74	11.12.98	23.2.99
Ryan	Vincent	24.10.68	30.9.98	2.3.99
Stack	Oliver	18.6.77	29.7.98	9.3.99
Stevenson	James	20.2.70	9.9.98	9.2.99
Supple	John	23.2.75	30.7.98	2.3.99
Towler	Jed	12.11.73	3.9.98	9.3.99
Vesey	Martyn	28.12.74	23.9.98	19.1.99
Wymes	Paul Reginald	7.8.74	14.10.98	2.3.99

Adecco

Official Staffing Services Supporter
of the 2000 Olympic Games

15 March 1999

Andrew Ferguson
State Secretary
CFMEU
361 Kent street
SYDNEY NSW 2000

Dear Andrew

Re: Employment of "Backpackers" and the Department of Immigration & Multicultural Affairs

Further to our meeting of Tuesday 9 March 1999 where we discussed the issue of "backpackers", please find enclosed a copy of a letter that I have sent to the Department of Immigration and Multicultural Affairs ("the Department").

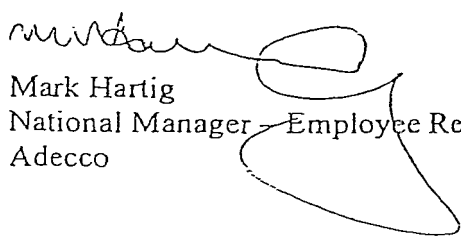
As I am not an immigration specialist, I thought it prudent to allow the Department to review the employment and immigration status of those persons who have worked with Adecco Gemvale so that they can take action as appropriate.

In regards to what Adecco Gemvale is doing to monitor the employment status of employees, I have enclosed a copy of the form that Adecco policy requires all candidates to complete. It is then a management issue to monitor compliance with visa conditions.

I must reiterate my comments from our meeting that Adecco Gemvale is actively recruiting and employing Australian citizens/residents to work in the construction industry and that this directly supports your position on employment in the industry.

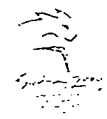
Should you wish to contact me to discuss this or any other matter, please do not hesitate to contact me on 0418 476 451.

Yours faithfully,


Mark Hartig
National Manager - Employee Relations
Adecco

Adecco. The employer for the new millennium.

Adecco Holdings Pty Ltd - ACN 003 652 088 Adecco Services Pty Ltd - ACN 003 253 336
Adecco Australia Pty Ltd - ACN 006 253 336 Adecco Industrial Pty Ltd - ACN 004 366 634
Adecco Projects Aust. Pty Ltd - ACN 076 981 756


SUPPORTER



Official Staffing Services Supporter
of the 2000 Olympic Games

12 March 1999

Mr Michael Edwards
Compliance Section
Department of Immigration and Multicultural Affairs

Facsimile Number: 03 9235 3955
Telephone Number: 03 9235 3086

Dear Sir,

Re: ADECCO GEMVALE PTY LTD IN NSW

Further to our telephone conversation on Friday 12 March 1999, I wish to confirm our conversation and to provide you with details of those people who were employed under visa conditions so that you may be able to determine if any person has been employed contrary to their Visa conditions.

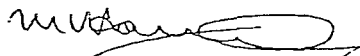
After a change in Adecco Gemvale management in our Sydney operation, our current manager conducted a review of the employment status of people who are either registered with or working for Adecco Gemvale.

The review identified several persons who may have been employed contrary to their visas. As such, I have included a list of all employees who were working under visa conditions for your review and action as appropriate.

Current Adecco Gemvale management has not knowingly employed any person contrary to their visa conditions. Since the review, Adecco Gemvale has implemented procedures to regularly monitor the employment status of its employees.

Should you require additional information or wish to discuss this matter further, please do not hesitate to contact me on 03 9954 2100.

Yours faithfully, - - - -

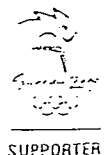

Mark Hartig
National Manager – Employee Relations
Adecco Australia

Attachment:

- *List of Employees Working under Visa Conditions.*

Adecco. The employer for the new millennium.

Adecco Holdings Pty Ltd – ACN 003 652 088 Adecco Services Pty Ltd – ACN 003 253 336
Adecco Australia Pty Ltd – ACN 006 253 336 Adecco Industrial Pty Ltd – ACN 004 366 634
Adecco Projects Aust. Pty Ltd – ACN 076 981 756



SUPPORTER

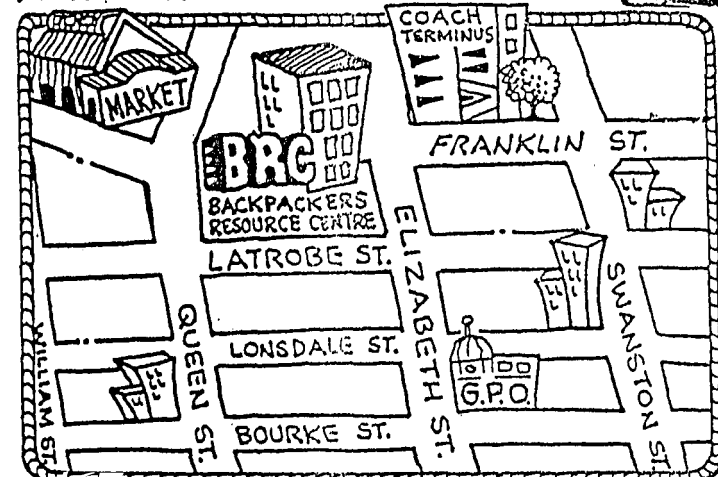
BRC

PASSPORT
TO A WORKING
HOLIDAY IN
AUSTRALIA

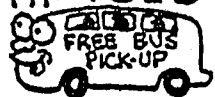
BACKPACKER'S RESOURCE CENTRE

INHOUSE EMPLOYMENT SERVICE

- ★ JOB PLACEMENT
- ★ RESUMES FAXED ALL AROUND MELB.
- ★ MESSAGE SERVICE
- ★ WAKE UP CALLS
- ★ WORK DROP OFFS
- ★ DETAILED TRANSPORT INFO
- ★ TAX ADVICE
- ★ REFERENCES



167 FRANKLIN ST. MELBOURNE
VICTORIA, 3000 AUSTRALIA
PH: 9328 3513 FAX: 9326 7667



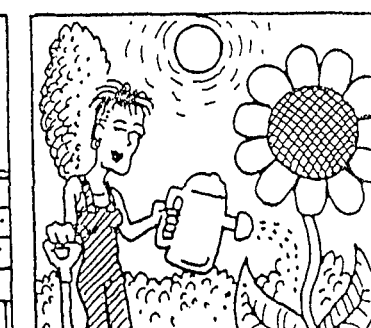
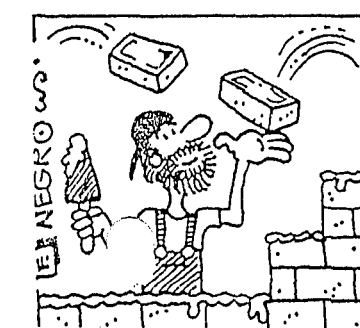
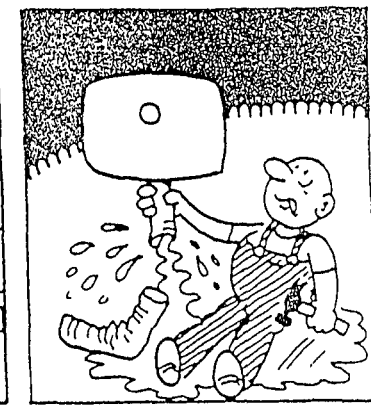
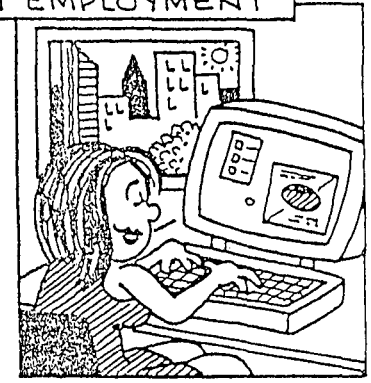
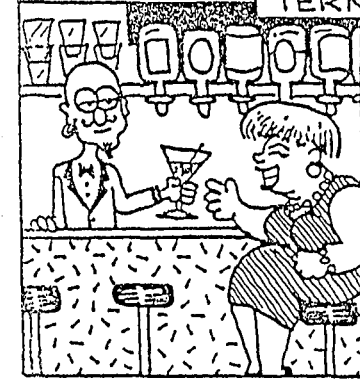
w. w. bakpak.com/brc
e. mail: brc@bakpak.com

APPENDIX B
(4 pages)

BRC

BACKPACKERS RESOURCE CENTRE

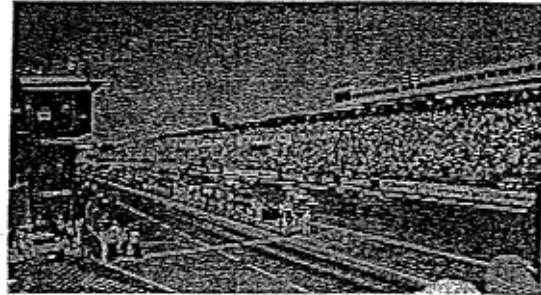
SHORT OR LONG
TERM EMPLOYMENT





The BRC Passport hands a job to you on a platter

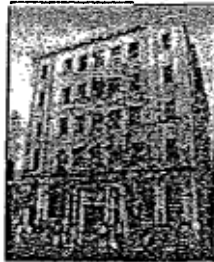
A working holiday is the ideal way to see Australia on a shoestring budget. But, unless you're well connected downunder, it can be a nightmare to organise and be ages before you actually land a job. That's why we've taken the hard work out of a working holiday by doing all the leg work for you.



This is one of the venues you could be working in.

By simply registering with the Backpackers Resource Centre (BRC) located inside Hotel BakPak in Melbourne, you're assured a job when you arrive! You'll find everything taken care of, from legal advice to a message service and even a dedicated workers' accommodation floor within Hotel BakPak.

Slap bang in the middle of Melbourne, the BRC at Hotel BakPak is the only backpacker's in Australia to offer such a specialist, comprehensive employment and resource centre. The CBD, banks, shops, restaurants, nightclubs, airline offices, GPO, Queen Victoria Market and interstate bus terminals are all only a stone's throw away. And after a hard day's work, you can kick-back in the cafe, work out in the gym or catch a film in our private theatre.



Working at the F1 Grand Prix.

Take a look at some more photos of the different jobs you could be doing on our [photo page](#).

Our full time local staff will help you put your resumé together and organise Tax File Numbers (TFN). We'll have the job interviews waiting for you when you roll up, and there's lorryloads of jobs and employment periods to choose from. Alternatively, you can take advantage of our 'Do It Yourself' plan



15.

which takes you through all the steps and outlines all the protocols followed in Australia.

See the latest jobs we have found for people, in our constantly updated work file.

And when you've saved enough cash and are ready to head off, you'll have references under your belt, plus all the travel advice and bookings you need.

Take advantage of our "Worker's Passport" offer today!

Backpacker's Resource Centre
167 franklin street melbourne victoria
3000 australia
phone 61 3 9329 7525
fax 61 3 9329 7667
e-mail brc@bakpak.com



Marshaling on the Aussie Rules Grand Final Parade.



We supply many people for office work.

THE BRC \$250(AUD) 'Worker's Passport' OFFER.

Our 'Worker's Passport' Offer includes:

- BRC Registration
- Meet and greet service at Melbourne Airport
- 1 pair of Blundstone boots
- 7 nights accommodation at Hotel BakPak
- 1 complimentary breakfast
- \$20 phone card
- \$10 Travel Voucher
- Choice of 'Neighbours' or Carlton United Breweries tour
- Assured work*



*Conditions apply in relation to qualifications, presentation, punctuality, and standards of behaviour.

Backpack Resource Centre
Hotel BakPak 167 Franklin St Melbourne Australia 3000
Tel 61 3 9329 7525 Fax 61 3 9326 7667
email brc@bakpak.com

Check out these other Bakpak Hostels & Bakpak Services:
[[Hotel Bakpak](#) | [Coconuts-Magnetic Island](#) | [Enfield House](#)]
[[Glebe Village](#) | [Central Reservations Depot](#) | [The Nunnery](#)]

16.



Please print this out and send it along with the registration fee to one of our agents listed.

Name _____

Address _____

Suburb, State/Province _____

Post/Zip Code _____ Country _____

Contact Phone Number _____ Fax Number _____

Arrival Date __/__/__ Nationality _____

Passport Nationality _____

Languages Spoken _____

Resume Attached () Yes () No

Tertiary Qualifications _____

Skills/Work Experience _____

Boot Size: () UK _____ () Europe _____ () US _____

Cheque/Money Order Enclosed () Yes () No or please deduct payment from my Credit Card

() Mastercard () Visa Card Number: _____ - _____ - _____ - _____ Expiry Date __/ __

Signature _____

Irish link in major Oz cash laundering scam

Arrested Cork-man facing extradition back to Sydney

Irish Echo May 7-20 1998

THE National Crime Authority in Australia, the Gardai and Interpol have uncovered a \$12 million money laundering operation allegedly operated by six Irish emigrants operating out of Sydney.

One man, William Broderick, from Churchtown, North Cork, has been arrested in London and is now facing extradition proceedings to Australia in connection with the scheme.

The son of former Cork County Council chairman, Michael Broderick, the 31-year old had been living in Australia for about five years.

If he is extradited, he faces charges of defrauding the Commonwealth, money laundering, tax evasion, and structuring (forming a company to evade tax), an NCA spokesperson said.

Broderick allegedly laundered money through the construction industry and posted cash drafts to Ireland which were lodged in accounts around the country. He was arrested at Heathrow on April 7 and appeared on an extradition warrant at Bow Street court. At the time of going to press he had been granted conditional bail but was still in custody.

The NCA only becomes involved in "complex organised crime" which is multi-jurisdictional. A spokesman confirmed that they were investigating other individuals. More arrests are likely to follow.

An NCA spokesperson said the investigation was more "widespread" than money laundering and involved more than \$12 million. The Australian Tax Office is also involved in the investigation.

The Criminal Assets Bureau in Ireland traced part of the

EXCLUSIVE
by Annette Blackwell



IN CUSTODY - William Broderick

money laundering operation to an Allied-Irish Bank (AIB) in Charleville and brought in an assistant bank manager for questioning. He was held for 12 hours before being released without charge.

Irish banks are obliged to report any money lodgement they suspect may not be totally above board. The AIB is refusing to comment as to whether the large sums of money being deposited raised suspicions.

The bank described as "unsubstantiated" an allegation that it refused to accept a lodgement of £800,000 from Mr Broderick earlier in April because they already had £500,000 on deposit.

"However, we can reiterate that it is AIB's policy to comply fully with regulations to counter money laundering," a spokeswoman told the Irish media.

If the extradition is contested the proceedings could take up to a year.

Corkman to face extradition hearing

by Annette Blackwell

WILLIAM Broderick, the Corkman arrested in London in connection with an alleged money-laundering operation in Australia will be back in a London Court on June 27.

Broderick, arrested following an investigation involving the Australian National Crime Authority (NCA), the Gardaí and Interpol, is facing extradition to Australia. The June hearing is the first leg of this process.

If he contests the attempts by the Australian authorities to have him brought back to face charges of defrauding the Commonwealth, structuring and money laundering, the process could drag on for a year.

Meanwhile in Sydney it is understood the NCA has been interviewing a number of people in connection with the alleged money-laundering scam (see details right).

An authority spokesman said he could not confirm or deny if they had been interviewing 30-84 people who allegedly laundered money to evade tax liabilities.



William Broderick

It is understood however, that there are many Irish names on the NCA list, among them some Irish contractors known in the NSW Irish community.

He said that many of those employed by contractors using the scheme were now out of work and heading back to Ireland. The Irish Echo checked with travel agents in Sydney who handle a high percentage of Irish booking. They confirmed that there were an unusual number of "one way tickets" being bought but were thought that this might be related to the changes in superannuation refunds.

The 'bodgie' - how the scam was organised

IN 1995, a report was published by AUSTRAC which estimated that between \$1,000 million and \$4,500 million in 'black' money is believed to be generated in Australia and laundered, either here or overseas.

In this incidence, the NCA investigation is believed to take in a scheme run through the construction industry along the south-eastern coast.

And it is alleged that among the chief operators was a group of six Irish emigrants who laundered money, 'saved' by the use of underpaid labour, much of it provided by young Irishmen who were working here illegally.

The scheme is understood to have worked like this:

A big company hires a sub-contractor who quotes a low rate for labour in his tender. A contract labourer in Australia costs \$38 an hour. The sub-contractor in this instance charges only \$25.

The sub-contractor gets his cheque from the big company and launders it through a bogus company and hands back cash minus a 7.5 per cent commission. The launderer provides bogus company receipts under false names etc.

The sub-contractor takes his slice of the laundered money (\$5 of the \$25) and pays his labourers \$18.50 an hour.

On a contract of \$50 million for example, labour content at proper rates should be about \$10 million.

If the big company saves \$13 on \$38 labour cost it gives them about a \$3.4 million saving.

The sub-contractor supplying the labour is then paid \$6.6 million. He goes to the person laundering it who runs it through an Australian bank usually in a four-day turn-around period.

The launderer has a tax exemption number which shows zero deductions so what he is doing looks OK, but he or the company disappears before the tax is due, having made almost \$495,000 (close to half a million on the \$6.6m transaction).

The sub-contractor takes his cut out of the returned cash (about 20 per cent giving him \$1.32 million in undeclared cash) and the labourer (sometimes and in the case of Irish sub-contractors, usually, a young Irish working holiday person who has overstayed his visa) gets \$18.50 an hour.

Money is believed to have been lan-

dered on many small building projects.

The main losers in the scheme are the young Irish backpackers who are being underpaid for their labour and are working without insurance.

"Everyone runs a mile when there is an accident. No one knows who the employer is as there are no records of employees", said one contractor familiar with the scheme.

Our source did not wish to be named but said legitimate Irish sub-contractors would be delighted the scheme had been uncovered as they found it hard to compete in a market where they were being undercut by 'bodgie' operators.

He was also concerned that the young Irish have no union protection because they are despised as 'the visa boys'.

They have no holiday, sick pay, no medical fund or do not benefit from the vet days and protective clothes schemes.

They are invisible, so no firm will give references, they will not own up to employing them", the contractor said.

He also alleges the NCA's investigation has caused nervousness among many Irish contractors in Sydney.

They fear they will now be open to intense tax scrutiny.

Irish Echo May 21 - June 3 1998

Jobs racket claimed

Foreign workers find it easy to beat controls, says insider

By John Filat

LABOUR hire companies are making a mockery of Australia's immigration controls, an industry insider has claimed.

Hundreds of foreign workers have been matched up with jobs in WA which would otherwise have gone to Australian workers.

They are all legal because labour hire companies know how to play the system, claims the insider, a former manager of a WA-based firm.

Workers from countries such as South Africa, Korea, Thailand and

the Philippines can be brought into Australia through several schemes to meet perceived temporary shortages of skilled labour.

Visas are granted if labour hire companies can show they have gone to reasonable lengths to find suitable candidates in Australia.

But the former manager claimed efforts to find qualified tradesmen in Australia were often superficial.

Job advertisements were placed in newspapers simply to meet immigration requirements.

Foreign labour was considerably cheaper to hire and, not being unskilled, was generally preferred by clients in the construction, metals fabrication and mining industries.

Guest workers were cheap not simply because they were paid less. Their

charge rate to clients could be reduced further by getting them to pay their own superannuation and workers compensation premiums.

This was done by getting the workers to set themselves up as private companies so they were subcontractors rather than employees.

"The control over the labour once it gets here is nil," he said.

"There is no control.

"Most welding shops have Koreans. There is a perception in the marketplace that they are more diligent, harder working and take less breaks."

Trades and Labor Council of WA secretary Tony Cooke says staff cuts in the Immigration Department have left the system open to abuse.

"Reports from sympathetic officials inside the Department of Immigration indicate the downsizing of their

department has undermined their ability to scrutinize, monitor and enforce existing visa entry arrangements," he said.

Mr Cooke claimed that further changes being proposed in the department would make it even easier for labour hire firms to bring in overseas workers to the detriment of the local workforce, particularly tradesmen.

"There must be a genuine concern in our community about the extent to which importation of skilled labour is used as a quick fix for the harder issues of investment in training," he said.

"There has also been downsizing in the Department of Employment, Training and Youth Affairs who do the labour market testing to establish whether the claims by employers of a skills shortage have any veracity."

South African workers leave

By GARETH MALPELL

THREE men brought to WA by a South African labour hire company have been told to leave after they were caught working without the right visas.

The Immigration Department told the men to leave after a complaint from the Australian Manufacturing Workers' Union.

An immigration spokeswoman said the men went back to South Africa voluntarily last week. They had been unaware they had breached visas they had been issued.

Action was taken after the AMWU complained to the department's compliance section about the men.

AMWU assistant State secretary Jack Ferguson said the men had been brought to WA by a South

African labour hire firm. The men had worked for Perth engineering firms on visitors' visas.

"We passed on the information once we had names of workplaces and individuals concerned," Mr Ferguson said.

"The AMWU has no qualms in reporting breaches of the Immigration Act where people are working illegally and taking the jobs of Australians."

Mr Ferguson claimed an agent of the company had canvassed local businesses claiming the company could supply tradespeople to make up a perceived shortfall in the labour market of skills such as welding and pipe fitting.

The agent had said the company would set up an office in WA and would

bring in as many as 300 workers.

Mr Ferguson said the three men had not been paid for the work they had performed before they left and were considering legal action against the labour hire company.

He said stricter controls were needed to prevent foreign workers flooding the local labour market.

"It is time there was an effective national policy to ensure the skills Australia needs can be accessed through its own workforce," Mr Ferguson said.

The latest complaint comes after a separate incident in March, when the union condemned the hiring of 15 South African construction workers for Goldfields projects by WA labour hire company Extraman.

APPENDIX D

25 F Australian 21/4/92 24

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COME ON DOWN Olympic work appeal targets young Irish

By Annette Blackwell

'Y'ALL come" is the heartfelt message to Irish backpackers from the Sydney Olympic Games official recruitment agency.

As surveys indicate that Olympics organising committee SOCOG could be facing a serious labour shortage of between 20,000 and 25,000 people needed as caterers, cleaners, security guards, bus drivers and house keepers, Adecco the official Sydney 2000 staffing services agency has revealed plans to recruit overseas.

Di Pass, the agency's Olympics General Manager, said they would more than welcome "the wonderful young Irish" working holiday makers.

"Tell them to come, they will have the time of their lives ... there will be plenty of work, good money and after the Games they can travel and see the country."

Her appeal comes at a time when the Australian Tourist Commission (ATC) is petitioning government to abolish the limit on backpacker visas. The limit is 55,000 a year and just under one fifth of those are taken up by young Irish people.

Phil Young, the managing director of ATC says working holidaymakers spend \$450 million a year and are a great boost to regional tourism. He wants the granting of visas to be demand driven.

Meanwhile Adecco is advising that people wanting to work for the Games come to Sydney well in advance of the September 15 opening date. This is not just because the visa quota could be reached quite early, but because Olympic jobs will come on-stream early next year.

"It will really grow from April on", Di Pass says.

Adecco is now forming a consortium of recruitment agencies to help fill the unprecedented demand for labour. While work will not be a problem, says Pass, accommodation could be, so she is advising those coming to work "bring their sleeping bags" and make provision for somewhere to stay as soon as possible.

Adecco has just conducted another labour survey that has yet to be fully analysed but Pass says early responses show that the demands will be considerable.

In the next few weeks the national and international recruitment drive will start.

Backpackers with the appropriate skills and work permits will be among those targeted.

Pass says there will be plenty of opportunities for people with driving licences, a second language, or hospitality experience. People who can work as cleaners, as furniture movers, will also be very welcome.

The logistics on how to handle applications are currently being worked out.

Pass expects the easy way will be to get people to e-mail applications. Details will be publicised within the next few months when the recruitment drive takes off in earnest, she says.

Earlier in the month SOCOG's deputy CEO Jim Sloman told the media his greatest concern was recruiting capable staff and stopping them being poached during the Games.

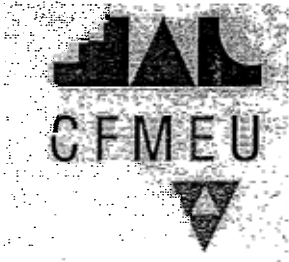
"The biggest issue for me and one that keeps me awake at night from time to time is people".

The Australian appeal for Irish labour ironically comes at a time when Ireland has taken its jobs bandwagon into Europe to recruit a workforce for the thousands of jobs now coming on-stream there.

Doc.....K00531.....
File.....7-23-009.....

**Proposal for a Department of
Immigration and Multicultural Affairs
Project to Improve Compliance with
Immigration Regulations within the
Australian Construction Industry.**

PREPARED BY



August 1999

Introduction

The CFMEU is concerned that labour hire companies active in the Australian construction industry systematically flout the law in relation to work restrictions for overseas workers.

We believe that the preparation of the employment kit 'Employing Overseas Workers – Doing the Right Thing' is a commendable first step.

However, further initiatives are required if compliance is to improve in the construction industry. To this end, we recommend the following pilot project.

Objectives

To improve compliance with Working Holiday Maker (WHM) visa work restrictions within the construction industry.

To prevent holders of visitors visas from accessing employment in the construction industry.

To research to impact of the WHM program on the construction industry labour market.

Focus

Labour Hire companies – construction industry.

Sydney CBD.

Description

This proposal recommends that;

The Department implement a pilot program based in Sydney.

Within the program the Department should work with a defined number of labour hire companies active within the construction industry.

Methods used by those companies to investigate the visa conditions of employees to be examined.

Companies should be advised how to check the work entitlements of prospective employees.

Method

Compliance officers from the Department will liaise with construction industry employers and Unions.

A project consultative committee will be formed comprising of Department officers and the industry representatives.

Labour hire companies identified by the committee as being active in the construction industry will be approached and their hiring procedures in relation to investigating work restrictions for overseas workers will be evaluated.

Department officers would assist those companies in improving their hiring procedures where required.

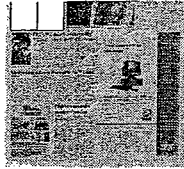
Specific building projects identified by the committee as having a high proportion of 'backpacker' labour hire would be investigated for compliance with visa conditions.

Department officers will gather data on the participation of WHM visa holders in the construction industry labour market, and evaluate whether rate of participation increases in relation to the size of the overall program (see table below).

Working Holiday Maker Program – Visas Granted – 1992/93 to 1998/99

<u>Year</u>	<u>Grant</u>	<u>% Increase</u>
1992/93	25,557	-
1993/94	29,595	+15.8%
1994/95	35,391	+19.6%
1995/96	40,273	+13.8%
1996/97	50,000	+25%
1997/98	57,000	+14%
1998/99	65,000	+14%

(2)



Australian Wednesday 30/10/2002
General News Page 5
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Water tower fall victim a 'black slave'

Stefanie Balogh
• Work writer

A SOUTH African who lost his leg in last week's collapse of a partly built water tower at Lake Cargelligo was being exploited as "black slave labour" in a "Mafia-style" immigration racket, claims South Africa's high commissioner.

Zolile Magugu yesterday raised concerns about the treatment of Oagiles Malothane, 42, whom he claims was "whisked" out of the Wagga Wagga Base Hospital, in southern central NSW, on Sunday just six days after the fatal accident that claimed two lives in the NSW Riverina.

Mr Magugu called for an investigation into allegations that Mr Malothane was taken by someone involved in a labour scam and placed on a Johannesburg-bound flight on Monday.

"I think they are trying to hide something. There's something fishy about the whole thing," Mr Magugu said. He said a minority of "racist right-wing" South Africans were "rotten and abusing" Australia's immigration system with a "Mafia-style" labour racket, in which they brought black and uneducated South Africans to Australia to work for slave wages.

"I must say this is not the first issue we have encountered here," he said.

CFMEU NSW secretary Andrew Ferguson said the case of Mr Malothane highlighted flaws with Australia's immigration controls and again raised the issue of safety for all workers on construction sites.

Mr Malothane travelled to Australia on August 5 and is understood to have been on a business migration visa. The father of four began work almost immediately as a labourer in the construction industry. He told South African high commission officials he received only \$100 during his three months of work, which included shifts of up to 14 hour days, seven days a week.

He said he was promised full remuneration when he returned to South Africa. His wife is understood to have received a weekly stipend of about \$100.

"It was slave labour being used on an Australian building site and, of particular concern, it was a state government site," Mr Ferguson said.

"The job was a deathtrap ... they have a legal obligation to ensure the contractors they use understand and observe safety laws."

Workcover and the NSW Coroner are

investigating last Tuesday's accident, in which the roof of the partly built water tower collapsed on workers who were pouring concrete. Two workers, includ-

'It was slave labour being used on an Australian building site'

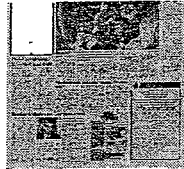
Andrew Ferguson
CFMEU NSW secretary

ing the owner of the company employing Mr Malothane, died in the accident.

A spokesman for NSW Public Works Minister Morris Iemma said the department was co-operating with investigations but "until such time as they are complete it is inappropriate (sic) to speculate on the causes of the accident".

The CFMEU has enlisted the help of the Congress of South African Trade Unions in Johannesburg to ensure Mr Malothane's safety and inform him he is eligible for a \$100,000 permanent disability benefit.

Mr Ferguson and Mr Magugu and Opposition immigration spokeswoman Julia Gillard have called for the Department of Immigration to look into his case.



Australian Friday 1/11/2002
Edition Changes Page 5
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Size: 137.79 sq.cms.

'Black slave' sent back to Africa

Stefanie Balogh
• Work writer

OAGILES Malothane, the man at the centre of diplomatic claims that a black slave-labour scam is operating in Australia, was recovering in a NSW hospital from a badly broken leg when a friend of his late boss burst into his ward and demanded he leave.

The South African High Commission's first secretary, political, Rasheeda Adam, said Mr Malothane did not understand why he was being discharged on Sunday, just six days after he survived the collapse of a giant water tower at Lake Cargelligo in NSW.

His boss, Anton Beytell, and another man were killed in the tower collapse.

"He was in great pain," Ms Adam said.

"In fact, his leg was so swollen they couldn't get his pants on and he had to put on shorts."

He was given only enough time to grab his watch before he was whisked into a car and driven to Sydney.

On Monday, Mr Malothane was put on a Johannesburg-bound flight and given \$83 pocket money. When he arrived in Johannesburg he said he was met at the airport and offered \$667 as a "gift".

It was more money than he had seen during the four months he worked in Aust-

ralia after gaining entry on a business migration visa.

Ms Adam, who spoke to Mr Malothane in South Africa yesterday, said he had told her his wife and four children had received only \$150 over the four months he worked as a labourer in Australia.

Ms Adam has appealed to Immigration Minister Philip Ruddock to look into claims a Mafia-style immigration scam is operating in Australia, importing black South Africans as slave labour.

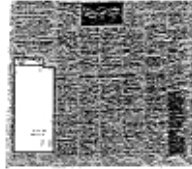
She said his response had been "unsympathetic".

But Mr Ruddock said it was "wrong to claim there is a racket when there is no evidence".

He said there was no evidence of widespread abuse of business migration visas. "There is nothing to suggest we are dealing other than a one-off example."

CFMEU NSW secretary Andrew Ferguson said Mr Malothane's case vindicated the union's stance in highlighting the issue of illegal workers being exploited by unscrupulous employers in Australia.

"Why is the immigration minister so unwilling to acknowledge what is an organised scam being run out of Johannesburg impacting on Australia's labour standards and health and safety issues?"



Sydney Morning Herald Friday 1/11/2002
General News Page 10
Circulation: 253,740
Size: 190.94 sq.cms.

The Sydney Morning Herald

A mystery of \$100 a month

Construction is tough and dangerous enough without workers being ripped off by exhaustingly long hours and a pittance for pay. Just ask three workers injured when the roof of a giant concrete water tank at Lake Cargelligo in western NSW collapsed last week, killing two men. Overlaying the tragedy now are allegations that one injured man, Oagiles Malothane, 42, a black South African, was brought to Australia in July to work on the project 14 hours a day, seven days a week for \$100 a month.

Furthermore, Mr Malothane's Government and the building workers' union say he was discharged from Wagga Wagga Hospital and hustled back to South Africa even though he needed 10 more days of hospital care. The South African High Commission says Mr Malothane was the victim of an immigration rort targeting financially desperate black South Africans. The Construction, Forestry, Mining and Energy Union calls it a case of slave labour.

Worker exploitation diminishes overall living standards, disadvantages law-abiding companies competing for contracts and sales, and harms a nation's reputation for decency. For the victim, it is cruel and demeaning. Exploitation is concentrated in workplaces that are difficult to police, such as building sites and "cottage industries",

and in occupations which require little formal education.

The allegations demand thorough investigation, but also require hard evidence from accusers. Having made its claims, the South African High Commission was unable to provide the Immigration Department with anything more than suspicions about two unrelated cases – the Malothane matter and that of a black South African who killed himself at the Villawood detention centre about a year ago, says the department. The Immigration Minister, Philip Ruddock, says there has been "no evidence of anything our people can investigate".

Mr Malothane was brought to NSW by his former South African employer, Anton Beytell, owner of a small South Australian builder, BGA, which won the NSW Public Works Department contract for Lake Cargelligo. Mr Beytell's widow (he was killed in last week's accident) confirmed that she had bought Mr Malothane's return ticket to Johannesburg.

The CFMEU's push for an end to Australian visas for building workers would not have halted Mr Malothane, who entered the country on a business visa. Investigation of that should continue. In the meantime, the Immigration Department should cast wider for evidence to test whether there is more to the Malothane case than an isolated incident.



Daily Advertiser (Wagga Wagga) Thursday 31/10/2002
General News Page 5
Circulation: 14,287
Size: 277.61 sq.cms.

Wagga caught in controversy

By **KEN GRIMSON**

WAGGA has become embroiled in allegations of an international slave labour scam involving white South Africans bringing black workers into Australia.

The claims surfaced yesterday amid revelations one of the men injured in last week's collapse of a water tower at Lake Cargelligo had been "whisked" out of the country after being discharged from Wagga Base Hospital on Sunday.

However, immigration Minister Phillip Ruddock has rejected the claims.

The South African High Commission's first secretary (political), Rasheeda Adam, told *The Daily Advertiser* yesterday afternoon she had information indicating the worker, 42-year-old Oagiles Malothane, was given an air ticket back to South Africa by the wife of the man who brought him to Australia and was his employ-

er, Anton Beytell. Mr Beytell, 37, was one of two men who died when the roof of the water tower collapsed on October 22.

Three others were injured.

The South African diplomat has made serious claims of a slave labour scam following another official's interview with Mr Malothane in Wagga Base Hospital last Friday night.

Ms Adam said Mr Malothane, who barely speaks English, claimed he had been brought to Australia in July and had been paid only \$100 in three months.

In that time he had worked 14-hour days without a day off.

She said Mr Malothane had also

been offered \$100 a month for his family in South Africa, but there was no evidence that money had been paid.

The South Africans and the Construction, Forestry, Mining and Energy Union (CFMEU) suspect Mr Malothane was only one

of many people being exploited through a scheme under which they wrongly enter Australia on business sponsorships (456 visa), even though there are no plans for them to start businesses, and they work as labourers.

"We want an inquiry into how a labourer working on a building site got one of these visas," said CFMEU state secretary, Andrew Ferguson

"He was not the director of a company, he should never have been given a 456 visa, and in fact should not have been in the country in the first place," Mr Ferguson said. "We are absolutely convinced this is widespread."

The South Africans were shocked to discover he had been discharged after expecting a long stay in hospital. They then filed a missing persons report with the Australian Federal Police.

The NSW Labor Council claims Mr Malothane was removed from

the country to prevent him from being questioned.

"The worker concerned has survived a fatal workplace accident and would have important information for WorkCover and the coroner," said Labor Council secretary, John Robertson.

Reports that Mr Malothane's leg had been amputated were

wrong. Greater Murray Area Health Service's public affairs manager, Stephen Bennett, said that Mr Malothane had been discharged according to normal hospital procedure.

"He was declared fit to be discharged on Saturday and he was discharged on Sunday morning," Mr Bennett said.

"I can confirm the gentleman in question only had minor leg injuries that required hospitalisation until Saturday.

"He was discharged in the company of others."

Mr Bennett said he was unable to say who the "others" were.

Mr Beytell, who had an Adelaide address, was a director of a company called BGA Projects Pty Ltd, which had a contract with the New South Wales Department of Public Works to build the tower.

The CFMEU has complained to the Minister for Public Works, Morris Iemma, about a lack of department supervision.

"The job was a death trap with every safety requirement ignored," the union said in a letter to Mr Iemma.

There was no evidence of a mafia-style immigration racket operating in Australia, the Federal Government said yesterday.

Immigration Minister Phillip Ruddock said he was disappointed the high commission was unable to support claims of a "mafia style" immigration racket during a meeting with departmental officers yesterday.

2162

Slave labour fear as survivor vanishes

Sarah Crichton

A black worker, badly injured when the roof of a water tower collapsed, was hustled back to Johannesburg by two suspected white South Africans even though he needed another 10 days in hospital, a senior South African diplomat said yesterday.

Australian immigration officers yesterday met South African diplomatic officials who were concerned that the man was part of a slave-labour scam.

However, a spokesman for the Immigration Minister, Philip Ruddock, said last night there was no evidence of such a racket.

"They have got no evidence of anything our people can investigate," he said of the high commission. "Unfortunately they're making claims with no evidence to substantiate it."

The union investigating last week's accident in which the roof of a water tower partly collapsed at Lake Cargelligo, 590 kilometres west of Sydney, says practices at the NSW Department of Public Works project were the worst of any of 23 fatal accidents it has investigated in the past two years.

The concreting job was contracted out to BGA, a little-known South Australian-based company. Its director, South African Anton Beytell, was the foreman on-site and one of the two men who died when five workers, their scaffolding and around 120 tonnes of wet and dry concrete plunged almost 20 metres.

One of the survivors, Oagiles Malothane, 42, of Potchefstroom



Injured... Mr Malothane is flown to hospital after the accident. Photo: Steven Siewert

in South Africa's North West province, required a splint in his left leg and was flown to Wagga Wagga Hospital.

An official from the South African high commission in Canberra interviewed him late last week. Mr Malothane told the official that Mr Beytell was a former boss of his from South Africa. He had arrived in Australia in July to work for him at Lake Cargelligo, working 14-hour days, seven days a week, in return for just two \$50 pay cheques.

He said he was not permitted any contact with the outside world and was promised by Mr Beytell that his wife and four children back in South Africa would receive \$100 a month for his work, a pledge that officials were still checking yesterday.

A senior diplomat, Rasheeda Adam, said the high commission found out that Mr Malothane had been spirited out of the country only after ringing the hospital to check on his condition on Monday morning.

"We are actually very con-

cerned the hospital discharged him at all, but they were under the impression he was being discharged with the blessing of the South African high commission," Ms Adam said.

"We were told he needed 10 days in hospital and intensive physio for a long period.

"We are very concerned that he was taken out of Australia in such circumstances for a 14-hour flight. I am sure he must have been in great pain."

Mr Beytell's widow confirmed that she bought a ticket for Mr Malothane to return to Johannesburg and that he arrived there on Tuesday.

Ms Adam said the high commission believed the incident had "a racial bias - a white South African, Mr Beytell, employing a black South African as a virtual slave".

WorkCover and the NSW coroner are investigating the incident and a spokesman for the NSW Public Works Minister, Morris Iemma, said it would be inappropriate to comment before the outcomes of those investigations.

Peer pro



Linda Doherty Education Writer

Sebastian Yuen's mother knew her son was bright when she recognised the alphabet at two but she never imagined he would sit for the HSC by the time he was 14.

Now 15, Sebastian is an F-1 veteran, who has three exams this year - chemistry, economics and software design - after year tackling four-unit mathematics and physics.

Next year he will study three subjects and be off to university the age of 16. He aims to do a degree. Sebastian, a student at St

Twenty bucks the bottom line for a fake

Brigid Delaney

A depiction of a depiction of Wendy Whiteley's rear sold for \$20 last night as the auction of innuendoes, or fakes, went ahead at Harold Park Raceway, despite a legal threat to stop the auction by the model herself.

The widow of artist Brett

strongly worded letter from her solicitor, which was read out at the start of the sale.

It stated that any paintings depicting works by Whiteley should carry a warning on the back, which in case anyone was in doubt, was to read: "Not an original Brett Whiteley painting."

Of course they were not orig-

on, the frame's worth more," Andrew Wright beseeched at one point.

"Come on, it's an Australian classic, look, it's beautiful. A great depiction of Nolan," was heard at another.

But the real success of the night was not Whiteley or even Wendy and her solicitor. It was



Wendy Blundell, the originator of... Auctioneers tough it out with



Gundagai Independent Thursday 24/10/2002
General News Page 1
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Bodies recovered

The bodies of two men have been recovered yesterday from a collapsed water tower near Lake Cargelligo

About 11.30 a.m. on Tuesday, a section of the tower collapsed while being worked on by six men. It's believed the men were pouring concrete at the time of the incident.

One man escaped injury and has been interviewed by detectives from Parkes Police Station.

Meanwhile, three men were released from the water tank on Tuesday afternoon.

A 20 year old man from Griffith was flown to Orange Base Hospital suffering serious injuries while a 42 year old man from South Africa was

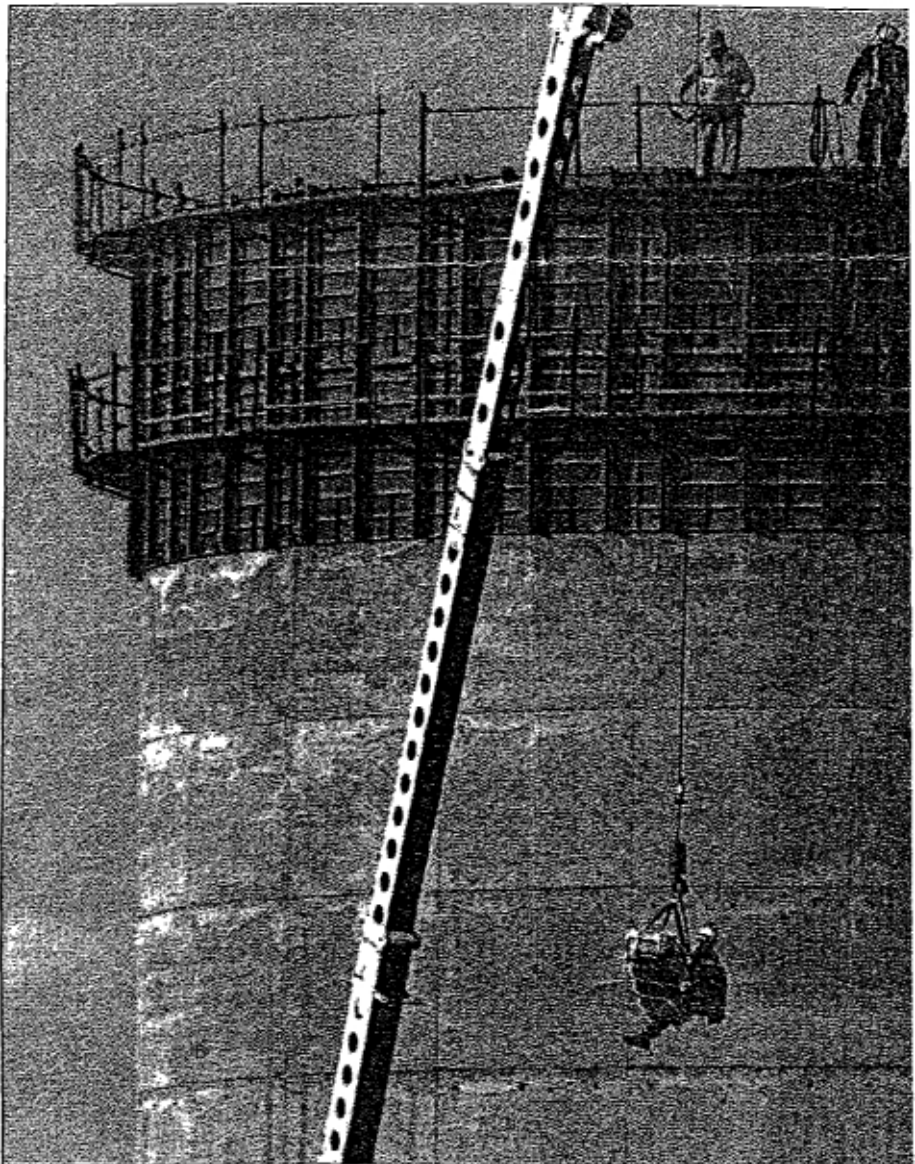
flown to Wagga Base Hospital, also in a serious condition. Both men are now believed to be in a stable condition.

The third man, aged 26 from Lake Cargelligo, has been released from Lake Cargelligo Hospital after suffering minor injuries.

At 10.05 a.m. yesterday, the body of one of the men was retrieved, while the body of the second man was removed from the water tank about 11.30 a.m.

They were taken to Lake Cargelligo Hospital for formal identification. The bodies are believed to be Anton Beytell, a 37 year old man from Adelaide, and Craig McLeod, a 34 year old man from Port Pirie in South Australia.

Town weeps as tower



"It looks like a construction site's rubbish bin - as if junk's just been tossed in" . . . how a witness d

Sarah Crichton

It was to have been the town's salvation, a new water tower that would give Lake Cargelligo's 1300 residents decent water pressure all summer long.

Yesterday, it was the scene of tragedy, after five workers subcontracted to the Lachlan Shire Council project plummeted almost 20 metres - two of them to their deaths.

The five, including survivor Scott Woods, a 26-year-old Lake Cargelligo man married with one child, were inside the tower finishing pouring concrete for the roof when the reinforced steel scaffolding they were on collapsed.

A day earlier they had poured part of the roof - made of quick-



Survivor . . . one of the injured men is taken to an ambulance

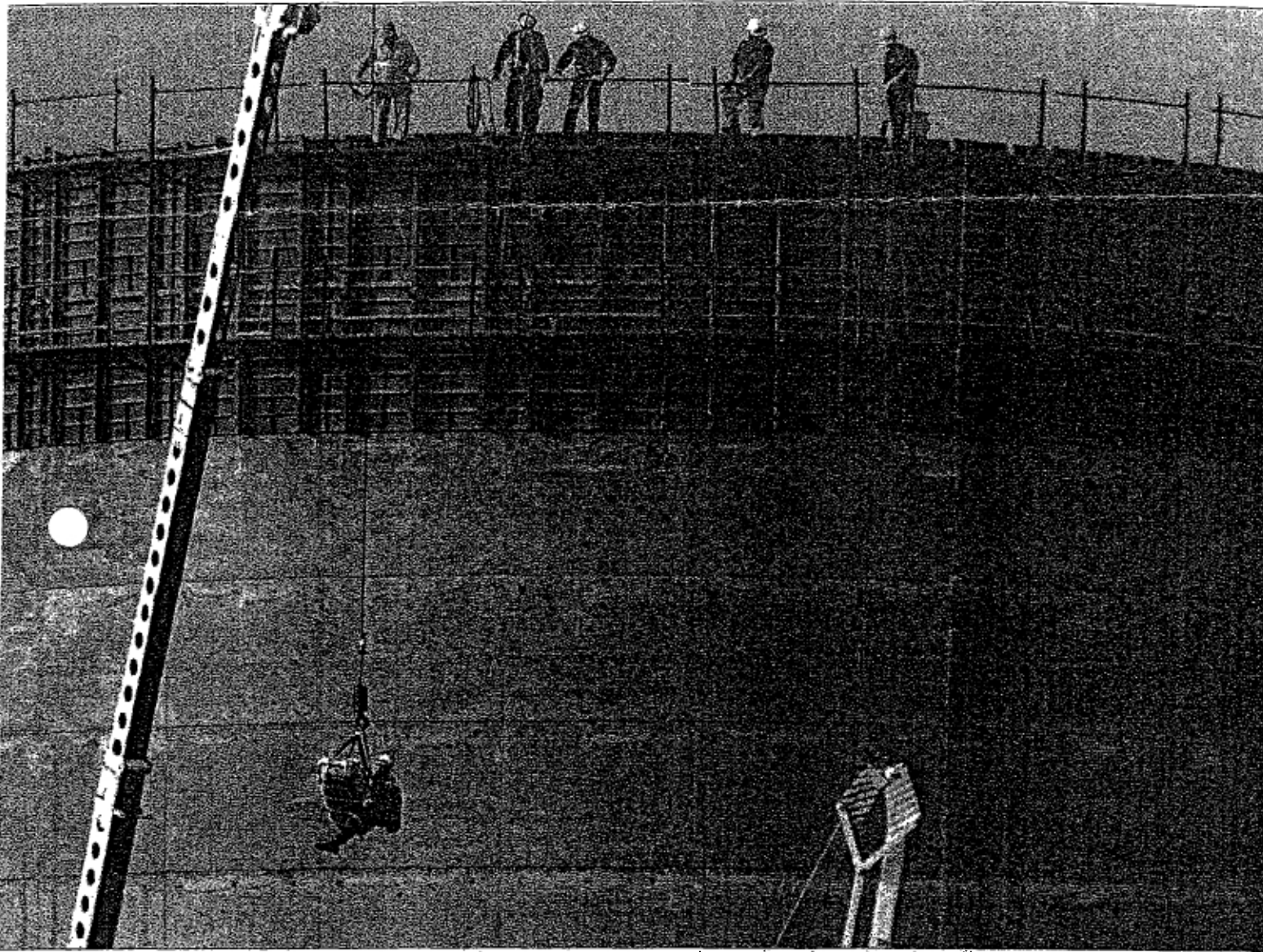
setting cement - and had recommenced another pour of 40 cubic metres early yesterday.

The accident sent the men, their scaffolding and the freshly poured

concrete to the top. The result was a scene that NSW Ambulance Gavan Ellis, who on cue, said resembled

SMA Oct 23

weeps as tower claims two friends



on site's rubbish bin - as if junk's just been tossed in" . . . how a witness described the scene inside the tower where the two men died. Photos: Steven Siewert

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Survivor . . . one of the injured men is taken to an ambulance.

setting cement - and had recom-
menced another pour of 40 cubic
metres early yesterday.
The accident sent the men, their
scaffolding and the freshly poured

concrete to the tower base. The
result was a scene of devastation
that NSW Ambulance commander
Gavan Ellis, who oversaw the res-
cue, said resembled the inside of a

dump skip. "It looks like a con-
struction site's rubbish bin - as if
junk's just been tossed in."

Ralph Storr, a concreter who
was working alongside the con-
struction crew on the site, esti-
mated the rubble load at more
than 100 tonnes, or the equivalent
of eight truck loads of concrete.

One of the dead men was partly
buried and the other completely
buried in the collapse. In a
5 1/2-hour rescue operation, emer-
gency workers plucked three men,
including Mr Woods and a South
African man, to safety.

Earlier, James Pratt, a local
journalist, told AAP that close to
half the township watched quietly
as cranes and cherry pickers
lowered rescue crews into the
belly of the unstable tower.

"There's people just sitting
the back of ute's, sitting in the
cars just watching a water tow
everyone just feels helpless."

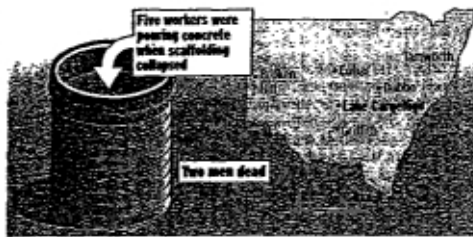
Rescue workers were last night
still trying to extricate the bodies
of two men, both from South Au-
ralia, as the relatives of one man
the journey from Port Pirie.

The accident shocked Lal
Cargelligo, a close-knit townsh
about 590 kilometres west
Sydney that services local whe-
barley, sheep and cattle farms.

Like most small communiti
facing disaster, the town turne
in on itself yesterday, loca
visibly distressed.

"Small towns like ours out he
in the bush are hurting. Alrea
we've lost people from Leeto
Continued Page 2

SMALL TOWN TRAGEDY



A town weeps as tower collapse claims two friends

From Page 1

Griffith, Coolamon, Wagga and especially Forbes to Bali, and that hit hard," said one local woman, who did not want to be named.

"Now you've got this. In the bush everybody knows everybody so it's hit much closer to home when things like this happen."

Another said: "We're a sad town tonight."

The rescuers, with SES personnel and a disaster response team flown in comprising people who had worked at the 1997 Thredbo disaster, raced to try to free the men.

Three Beechcraft King air ambulances flew from Sydney to transport the injured.

By 12.55pm Mr Woods was winched to safety with relatively minor injuries. Mr Ellis said: "He had cuts to his arms and chest and a broken arm, but considering what occurred that's unbelievable."

He was recovering in Lake Cargelligo hospital last night.

Using cherry pickers and three cranes, the risky operation continued, and at 1.40pm a second man, the South African, was winched to safety. He

speaks no English and the town's sole other Afrikaans speaker was recruited to translate.

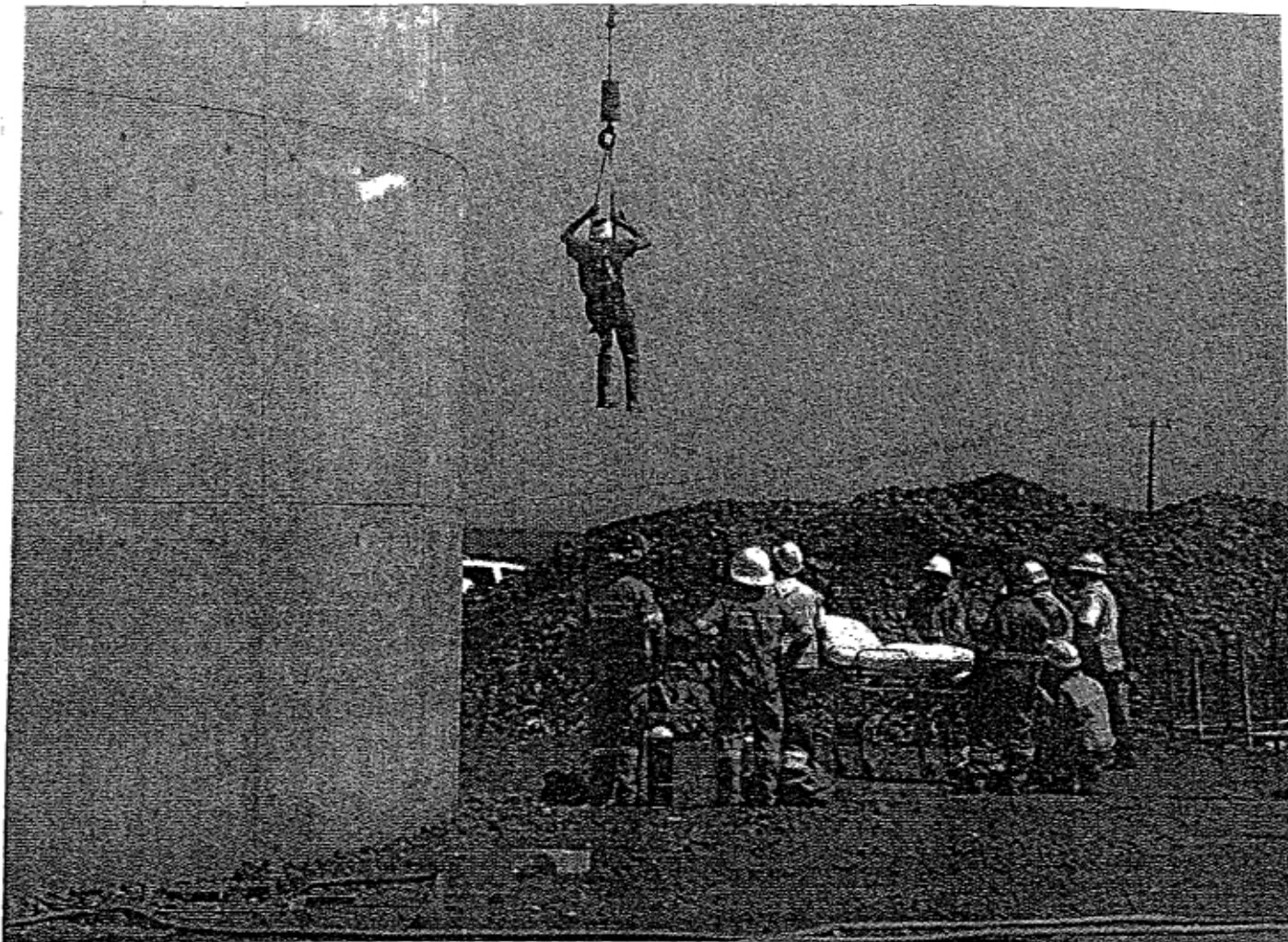
The injured man was flown to Wagga hospital, with cuts to the face and head, and a gash that penetrated almost to the bone of one knee.

The third man was rescued about 5pm. His leg was impaled during the fall by a piece of scaffolding. To recover him rescue workers had to cut through the steel, leaving the metal in his leg while he was taken by Care Flight helicopter to Orange hospital.

Speaking of one of the two dead men, resident Sue Vitucci said: "He was just a lovely guy, we had dinner only the other night. He fitted in around here and was extremely well liked. You can live in the town a long time and not feel as much as we felt for him after such a remarkably short time. It's a real shock."

Other locals gathered in the Commercial Hotel told the *Herald*: "This town only has 1300 people, and to lose two people from anywhere is just awful."

The tower is the first stage of a project aimed at providing up to 4 million litres of water to the town, which often runs out of water in the height of summer.



Rescue: An injured worker is winched by crane from the damaged water tower yesterday

Picture: Vince Bucello

Tank collapse kills two workers

**Benjamin Haslem
AAP**

TWO men were killed and three injured after the partly built roof of a giant water tower collapsed in a NSW country town yesterday, sending a team of workers crashing to the ground.

Late yesterday one of the injured was freed from the rubble and rushed to hospital with chest, abdominal and leg injuries. Two other workers, one seriously injured, were freed shortly after the collapse, at about 11.30am in the central western slopes town of Lake Cargelligo.

Those killed were Anton Deytell, 37, from Adelaide, and Craid McLeod, 34, from the NSW Riverina city of Griffith.

'It was one big crack and after that the whole lot collapsed'

**Ralph Storr
Concreter**

One of the injured is believed to be Lake Cargelligo man Scott Wood, 20, who suffered a broken collarbone and other arm injuries and is in a serious condition. Mr Wood's father, John, is captain of the local fire brigade and was involved in the rescue.

The other local involved in the collapse was Jason Quinn, whose father Alan operated a cherrypicker during the rescue operation. Mr Quinn's condition was not known.

A 26-year-old South African man employed by an Adelaide construction company to help

build the new tower had a steel rod through his leg.

The men were pouring concrete for the roof when scaffolding gave way and crashed into the empty tank, taking wet cement and the workers with it. Police said it was believed the men fell about 8m.

Concreter Ralph Storr said he heard a "big crack" before the roof of the tower collapsed.

Mr Storr was standing on a scaffold outside the tank when the accident happened and said he had a lucky escape.

"It was one big crack and after that the whole lot col-

lapsed," Mr Storr said. "I was next to this bloke, maybe a metre away, but I was on the outside of the tank. One was a workmate and the other one was a local bloke from here, Lake Cargelligo.

"The only thing I know about my workmate is he had a steel bar through his legs. I heard his voice. It's a round tank — in the middle it's a big column to go up to the top to hold the roof in the middle."

Rescue workers were lowered into the tank, which is being built to replace a 100-year-old predecessor.

Paramedics, State Emergency Services volunteers, firefighters, WorkCover officials and Salvation Army volunteers were all involved in the rescue effort after the tower's collapse.

Workers in tower deathtrap

By KARA LAWRENCE

Police Reporter

THE roof of a huge outback water tower yesterday collapsed on workers pouring concrete, killing two men and trapping other workers in a tangle of rubble, formwork and cement.

Three of those caught in the wreckage were eventually pulled free by rescuers and taken to hospital where two remain in a serious condition.

One of the injured men was speared through the leg with a steel girder and could not initially be moved by rescuers who feared the entire tower would collapse.

The 26-year-old was freed after five hours and was treated by paramedics at the scene before being flown to hospital with part of the girder still attached to his leg.

Police said the bodies of a 37-year-old Adelaide man and 34-year-old Griffith man killed in the accident were still in the water tower late last night.

It is expected they will be removed early today.

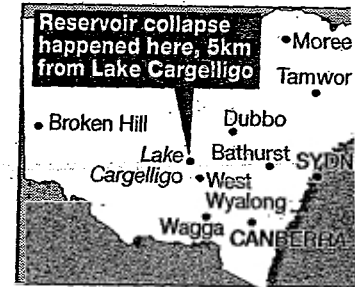
The workers were putting the finishing touches to the 16.25m-high reservoir — planned to supply Lake Cargelligo township with water — when its roof collapsed.

The incident happened at 11.30am yesterday, 5km north of the Lake Cargelligo township.

The men were pouring concrete on to the roof of the tower, which was being built by BGA Projects for the NSW Public Works Department.

The tower, the central feature of the Lake Cargelligo/Tullibigeal Water Supply Scheme, was to be handed over to Lachlan Shire Council on completion.

The structure is 18m in diameter



and, when finished, will have capacity to filter 14.5 million litre water a day.

Lachlan Shire Council general manager Roger Bailey, who was briefed at the scene yesterday said: "The community would be quite upset by this tragedy."

The rest of the tower was still intact, he said.

"From the outside, apart from the emergency workers, you would not have a clue that anything had happened — it's just the roof that has fallen in," he said.

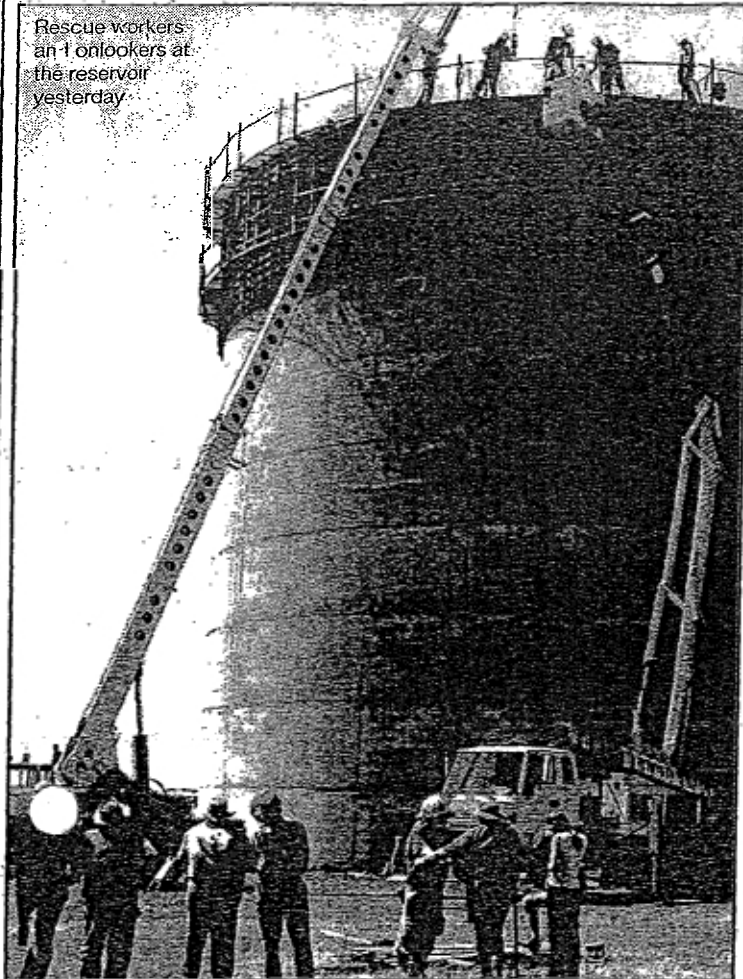
At any one time there were about 50 police, firefighters, ambulance officers and other emergency workers at the scene, he said.

One of the injured workers was understood to be a local young man who worked for the concrete supply company.

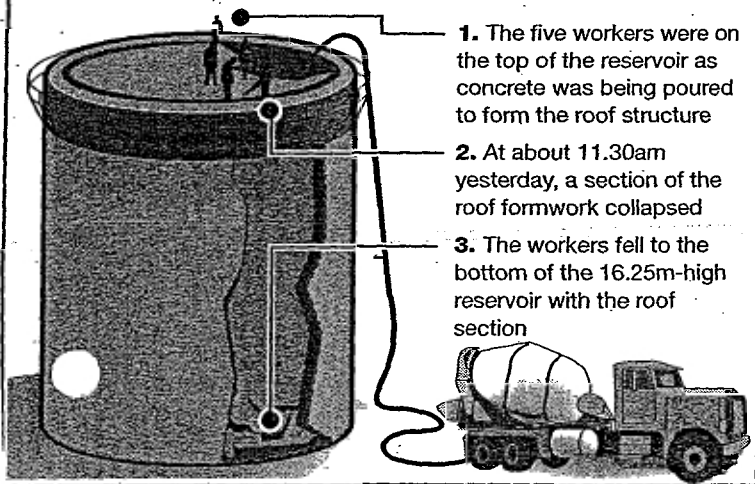
The four others were believed to be contractors for BGA Projects, a South Australian firm that had the contract for building the tower for completion by next February.

WorkCover investigators were at the scene and will try to piece together how the tragedy occurred.

Rescue workers and onlookers at the reservoir yesterday



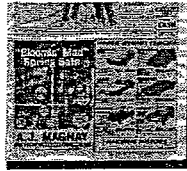
How the collapse happened



1. The five workers were on the top of the reservoir as concrete was being poured to form the roof structure

2. At about 11.30am yesterday, a section of the roof formwork collapsed

3. The workers fell to the bottom of the 16.25m-high reservoir with the roof section



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General News Page 5
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One dead in tower collapse

ONE man was dead and one remained missing after a water tower collapsed in the NSW Riverina yesterday.

Three others had been pulled injured from the rubble and taken to hospital, NSW Police said yesterday.

The five men plunged 18 metres when the roof of the massive water tank at Lake Cargelligo collapsed just before noon during a concrete pour.

A police spokesman said the body of the dead worker remained inside the tank as the search continued for the fifth person.

Of the three survivors, police said one had severe leg injuries, one had minor head injuries while the third escaped with minor cuts.

Concreter Ralph Storr told of hearing a 'big crack' before the roof collapsed. He was standing on a scaffold outside the tank and said he had had a lucky escape.



TWO FATALITIES AT LAKE CARGELLIGO

Two workers were killed at Lake Cargelligo when a water tower under construction collapsed.

Police have confirmed Anton Beytell, 37, from Adelaide, and Craig McLeod, 34, of Port Pirie, were killed when the roof of the partially constructed 18 metre high water tower at Lake Cargelligo gave way on Tuesday at 11.15 a.m.

Three other workers were also injured in the accident.

A 20-year-old Griffith man was flown to Orange Base Hospital with serious injuries, while a 42-year-old was airlifted to Wagga Wagga Base Hospital, he was in a serious condition.

Well known local identity and business operator, 26 year-old Scott Woods of Lake Cargelligo was admitted to Hospital with minor injuries.

It was first thought that Scott had suffered

a broken collarbone, but a medical examination at the Hospital found no fracture and Mr. Woods escaped serious injury.

A sixth worker escaped injury by clinging to some scaffolding as the tower collapsed, before being moved to safety.

They were all working on a new reservoir, which was being completed by contractors for the Department of Public Works as part of a \$5 million upgrade of water services in the Lachlan Shire.

The work being carried out was in its final stages with the pouring of concrete on the tower roof.

Inspector Richard Harvey of Parkes Police said, "At 10.20 a.m. on Wednesday morning we recovered one of the deceased and the other body was not recovered until later in the afternoon.

"Recovery efforts were hampered by the twist-

ed steel and the hardened concrete."

When the Lachlander was in Lake Cargelligo on Wednesday morning the townspeople were in a state of shock.

Many of the locals were too shocked to speak about the incident but one did say, "This is a terrible thing to happen to our community.

"For a small community we seem to be having one disaster after another, but this one has resulted in loss of life.

"The two workers killed have lived here for some time and fitted in with our everyday life.

"They have been in town for six months while the work was being carried out on the tower.

"They were living in a town unit and had become well known to the people of Lake Cargelligo."

• Photo: Water tower at Lake Cargelligo where the accident took place.



Praise for community's efforts following water tower accident

Praise for the efforts of Lake Cargelligo rescue services and community members has been flowing in the wake of the water tower collapse last week.

Members of the local community rose to the occasion after the accident last Tuesday, which claimed the lives of two men.

Despite the efforts of local and specialist rescue services, Craig McLeod, 34, of Griffith and 37-year-old Anton Beytell were killed when the top of the water tower collapsed.

Three other men were also injured in the accident, including Lake Cargelligo's Scott Wood.

Scott's father, John, is also captain of the Lake Cargelligo Fire Brigade, and was another full of praise for the community and its response to the incident, (see adjoining letter).

Mr Wood said this week his son, 26-year-old Scott, was 'going well' and at home recovering from his injuries.

Mr Wood (jnr) suffered bruises and gravel rashes, and despite still being fairly stiff and sore, was starting to move a bit more freely.

Inspector Richard Harvey, Duty Officer Lachlan Lower Area Police Command, extended a thanks to the local rescue organisations and the community of Lake Cargelligo and surrounding areas for their assistance

following the accident.

Federal Member for Parkes, John Cobb, extended sympathy to the families of the two men killed in the accident.

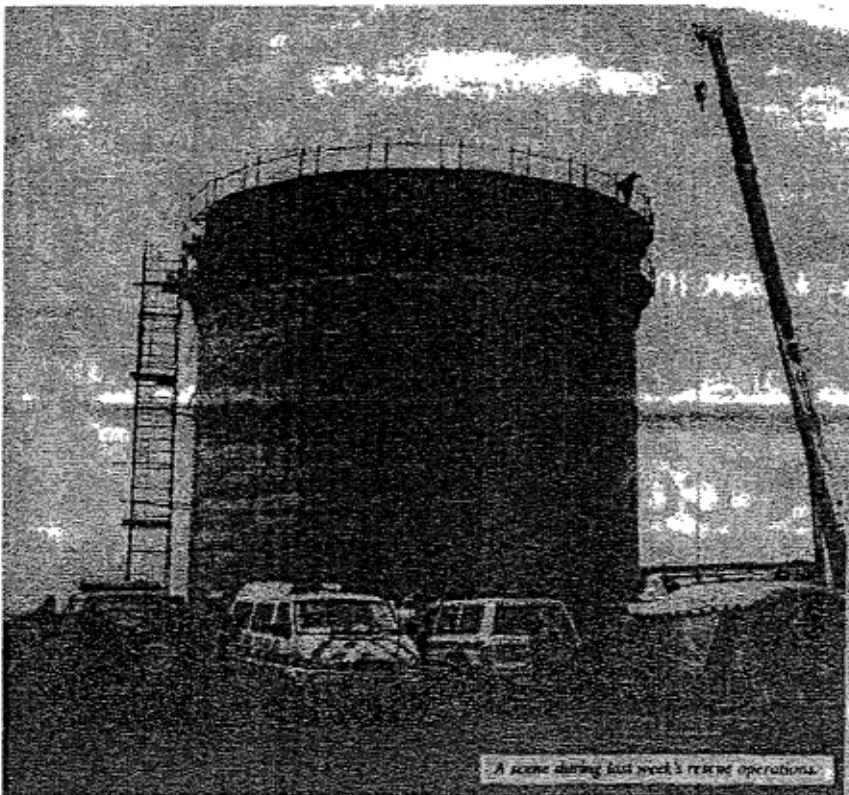
"I am truly sorry to the families of the two men who died in this tragic accident," Mr Cobb said. He added that police, ambulance, and SES workers and a disaster response team flown in should be commended for their efforts at the scene.

"I was relieved to gear three men were recovered from the scene of the accident, in particular that Lake Cargelligo's Scott Wood managed to find his own way out the wreckage.

"This is a shocking event for Lake Cargelligo's small tight knit community, so it's important now for people in the district to draw on each other's strength and support to help get through this very difficult time," Mr Cobb added.

State Member for Lachlan Ian Armstrong also extended his sympathy to the victims, and their families, who were killed and injured in the shocking industrial accident.

Continued page 9.



A scene during last week's rescue operations.

Praise for local rescue services

From front page

Mr Armstrong said it was ironic that after waiting all these years for a water supply, the people of Lake Cargelligo have now found themselves involved in this accident.

"The Coroner has already indicated an inquiry will be held, however I will be putting the utmost pressure in the Parliament to have a full and comprehensive inquiry into Workcover's management of the industrial process."

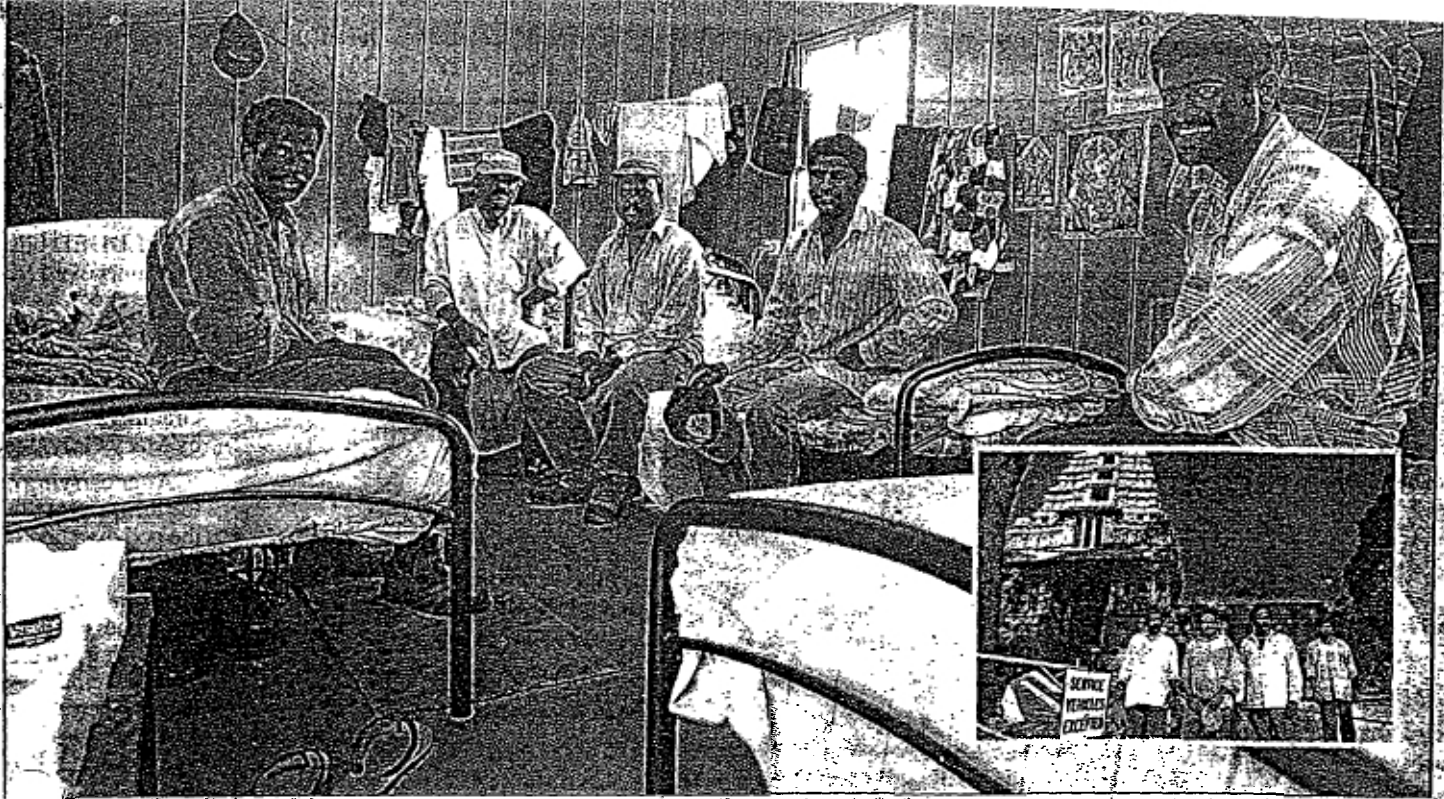
Mr Armstrong complimented the people of Lake Cargelligo who rallied and supported the injured in such a magnificent way.

"This accident made the headlines throughout the Sydney morning media and many comments have been made to me as to how this accident reflects the community spirit of country towns when things get tough."

He added that he had made urgent representations to the Minister for Public Works and was to speak with him personally to determine the current timetable for the completion of the water supply for Lake Cargelligo.

REL 30/10/2002

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Indian workers in cramped sheds at the construction site in Helensburgh. Inset, the workers in front of the temple under construction.

Pictures: SYLVIA VINCENT

Helensburgh raid uncovers a 'Third World' work force

By GEOFF FAILES

A union raid on a Helensburgh construction site early yesterday revealed a group of Indian nationals living in "third-world" conditions and being paid only about \$110 a week.

The discovery sparked calls from the NSW Labor Council for an urgent review of the working system, which it said was open to abuse by unscrupulous employers.

The raid found the eight Indian workers, employed on the site for three years, were living, five to a room, in small site sheds.

CFMEU state secretary Andrew Ferguson claimed they were paid only \$45 a month plus about \$100 a week in Indian rupees.

"It is about 20 per cent of the amount of money they should be getting. This is a gross exploitation of people who have come here in good faith to contribute to this project," he said.

Acting on a tip-off, Mr Ferguson and other union officials, including South Coast Labour Council secretary Arthur Morris and NSW Labor Council deputy assistant secretary Chris Christodoulou, went to the temple site to investigate the employees' conditions of employment.

They were shocked to find the men were living in small site sheds next door to more modern



Union officials discuss the conditions with workers at the site in Helensburgh yesterday.

accommodation housing several priests.

After being addressed by Mr Ferguson, the eight employees agreed to down tools and accept the union's offer to find them better accommodation and food.

The union said it would try to recover wages and entitlements it believed were owed to the workers.

The workers were then taken to a community trade union forum in Wollongong, where Mr Ferguson cited them as an example of why his union believed the working visa scheme needed a review.

The Mercury spoke to some of

the employees, who said their wages and conditions were no worse than what they were used to back in India.

Union officials also agreed "that by Indian standards" the living and working conditions were acceptable.

But Mr Ferguson said it was clearly unacceptable for the Federal Government to allow employers to bring overseas workers into Australia and pay them less than the appropriate Australian wages and conditions.

"It's a disgrace that this can go on under this Government," he said.

"This is not about union cards

- it's about unemployment and the rights of workers to proper wages.

"I've not seen worse living conditions. These people should be treated with respect and dignity."

Mr Morris said the fact that this level of wages would be acceptable in India "doesn't make it okay here".

Mr Christodoulou said the NSW Labor Council would discuss the matter and ask WorkCover to inspect the site to ensure occupational health and safety standards were met.

Late yesterday, the Novotel Northbeach agreed to provide two nights' free bed and breakfast accommodation for the eight workers, after an approach by the Liquor Hospitality and Miscellaneous Workers Union and NSW Labor Council.

WorkCover sent an inspector to the site and Wollongong City Council assistant general manager Tony Roach said the people living on the site had been asked to leave because of "unhealthy conditions".

The Mercury attempted repeatedly to seek comment from the president of the committee that runs the Hindu temple, but by late yesterday no calls had been returned.

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 Davarata Mercury Page 3 Feb 27 2001



Indian nationals (from left) Thykapatah Mari Muthu, Alakarsami Ramaya, Raju Kumar and Ganapathipillai Pandian play in the surf while politicians and unions argue over their future. Picture: SYLVIA VINCENT

Illawarra Mercury 28/2/01

By GEOFF FAILES

Stonemasons idle as MPs, unions argue

Four Indian stonemasons removed from their "third world" Helensburgh construction site relaxed on North Wollongong Beach yesterday, as politicians and unions argued about their future.

In Sydney, four of their colleagues joined CFMEU officials and Sri Venkateswara Hindu temple management representatives for a crisis meeting over their \$110 a week pay and appalling work-site living conditions.

On Monday, CFMEU officials raided the site and found eight Indian nationals were being paid \$45 a month plus \$100 a week in Indian rupees after being employed for three years under the working visa program.

Wollongong City Council late on Monday ruled the living quarters "unhealthy" and declared that the workers should leave the site until it had been improved to council's satisfaction.

The eight Indian nationals

spent the past two nights at the Novotel Northbeach, but their immediate future remains unclear.

In further developments yesterday:

WorkCover regional team manager Peter Harley said a prohibition notice had been served on the site ordering a stop to work because of unsafe electrical wiring, scaffolding and storage of gas cylinders.

Immigration Minister Philip Ruddock denied the low pay being given to the Indian workers was an embarrassment to his government.

South Coast Labour Council secretary Arthur Rorris called on Mr Ruddock to "stop passing

the buck" and accept responsibility for the "slave labour scam" operating at the temple.

A spokesman for Mr Ruddock said his department applied regulations when issuing work visas but it was up to State authorities to monitor workplace conditions.

"It is an industrial relations issue. The people are here lawfully," he said.

Mr Ruddock said all employers sponsoring workers to come to Australia have to give an undertaking that they will abide by our industrial relations laws and that includes paying awards, conditions of employment and if they fail to or breach those then sponsorships will be cancelled.

A CFMEU spokesman Phil Davey said after yesterday's meeting the temple management representatives claimed the eight Indian nationals were not "workers" in the conventional sense but "spiritual volunteers".

"But the union strongly disputes that view," he said.

Mr Rorris said Immigration Department officials were due to come to Wollongong today for discussions with the Indian workers at the South Coast Labour Council office.

Attempts again yesterday to contact the Sri Venkateswara Temple management for comment were unsuccessful.

Horse-riding banned to save middens

Horse-riding has been banned on McCauleys Beach, near Sandon Point, in an effort to protect Aboriginal middens from damage and erosion.

Wollongong City Council officers erected signs on the site this week at the request of the Aboriginal community, including members of the Sandon Point Tent Embassy.

Lord Mayor George Harrison said members of the Aboriginal community had told him horses' hooves could destroy the dunes and midden sites.

"Council has acted quickly on this issue to meet the concerns of the local Aboriginal people," he said.

He said his discussions with the Aboriginal

people proved he had not been put off by the angry demonstrations by members of the tent embassy at last week's council meeting which ended in the Aboriginal flag being removed from the outside of the council building.

The protest was in response to council's decision to approve stage one of the 428-lot Sandon Point development.

Do we want to be a haven for cheap migrant labour?

The discovery of a group of Indians working here for slave wages exposes the flaws in Canberra's working visas program, writes Brad Norington.

THE tale of eight Indians earning a pittance as stonemasons at a Hindu temple south of Sydney challenges our sense of fairness. How could we not feel sympathy? These men were apparently paid \$45 cash a month and lived in cramped conditions for three years, possibly much longer.

No-one could reasonably be expected to live on that little in Australia, and only those ignorant of their rights would accept it. So it is little wonder that the country's construction union, the CFMEU, believed it was morally justified to barge into the temple grounds a week ago and expose such shocking exploitation.

The union cast itself in the role of watchdog, informing the men of their legal rights and offering to fight for what they were owed. Then, like a Good Samaritan, the union whisked the men off to nearby Wollongong for a good meal and free hotel accommodation until their situation was sorted out. The CFMEU is a union better known for its roughneck behaviour on building sites. Here was a public relations coup, gift wrapped, and a perfect opportunity to pin

the blame for inaction on the Immigration Minister, Philip Ruddock, with whom the union has an ongoing battle over cheap foreign labour in the building industry.

The Indian workers' plight reveals much that is wrong with Australia's working visa program. But everyone in the affair has a vested interest.

Why were the Indians permitted to work under conditions that, on the face of it, breached the law? And how could they continue for so long, undiscovered?

According to Ruddock, companies that sponsor people on work visas are required to formally undertake to abide by Australian laws, including minimum wage and other standards. It would be very interesting to see if such a document exists, signed by the temple's management committee.

Similarly, it would be interesting to know what undertaking was given by Sydney's Regent Hotel in another case involving 11 imported Asian housekeeping staff. The 11 are expected to live on a \$100-a-week allowance in Sydney. The Regent provides food and lodging

but regards them as "technically" employed by a hotel in their home country, so it reimburses their families a further sum (thought to be \$80 a week) which is the going wage back home.

It remains unclear whether Immigration accepts food and lodging as part of the minimum wage. A hotel worker should receive at least \$440 a week. The pay for skilled stonemasons is much higher.

The main flaw of the working visa program, however, is the monitoring. According to Ruddock, only skilled personnel can be employed here. The Indians do have special skills though much of their work at the temple has been standard labouring that could be performed by locals. At the Regent, the imported workers have no special skills that could not be found here; they mostly clean rooms. The hotel's management says they are here for training, yet admits they were fully trained before arriving.

Ruddock shrugs. His department issues the visas but it is the job of State authorities to do the checking, he says. Passing the buck is hardly new to politics, but perhaps Ruddock could coordinate with the agencies he believes have the duty to police his system.

More broadly, Australian governments must confront an immediate issue: do we want to

keep our cheap foreign labour or to follow the European example and tolerate guest workers on lower wages?

Not surprisingly, the CFMEU's altruism has limits. The union is concerned not so much about the Indians' welfare as it is to stop any undercutting of local wage rates and to sign up anyone working on a building site.

Whatever happens at the Hindu temple, the CFMEU cannot lose, having reaped some wonderful publicity. Sadly, those with most at stake are the hapless workers. The only sanction that Immigration can impose if the temple's management is found to have broken the rules is cancellation of work visa sponsorship. Who loses? Not the sponsor, who, after enduring some inconvenience, can make alternative labour arrangements, but the workers who face deportation. The eight Indians would lose not just the \$45 pocket money they earn here but the \$100 a week sent home to their families. Now, \$445 a month may rate as exploitation in Australia but it is a healthy income for a family in a poor Indian village.

Let's see how long the eight Indians remain happy that the CFMEU has come to their rescue.

Brad Norington is the Herald's industrial editor.

SMM 5/3/2001

Indian workers paid \$110

smh.com.au Tuesday, February 27, 2001

News 3

a week to build temple



Cramped conditions the workers live on the temple site. Photo: Sylvia Vincent

Brad Norington
Industrial Editor

A group of Indians working as stonemasons at Australia's first Hindu temple are being paid just \$110 a week.

The eight men, all on work visas approved by the Immigration Department, have been employed for up to three years at Helensburgh, south of Sydney, by the Sri Venkateswara Temple Association.

According to the men, they have been paid \$45 a month in cash for a seven-day week. An-

other \$100 a week is sent home to their families.

The men have been living on the temple site in extremely cramped and rudimentary conditions, with five beds in one shed and three in another.

Their plight came to public attention yesterday when the State leader of the Construction Forestry Mining and Energy Union, Mr Andrew Ferguson, visited the Helensburgh temple site to speak to the workers. He said he told them they were being underpaid and should strike until further notice.

He then persuaded them to leave with him to travel to Wollongong for lunch, which is understood to have caused some commotion at the temple among priests.

According to Mr Ferguson, one telephone call was made from the temple to Helensburgh police alleging that the workers had been kidnapped.

The men were later returned to the temple in the afternoon but left again with Mr Ferguson after overnight accommodation was arranged for them at the Novotel Hotel in Wollongong.

The manager, Mr Phil Billerwell, confirmed that his hotel had offered two nights' free accommodation of four twin rooms for the men after an approach by the local hospitality union on their behalf.

Wollongong City Council yesterday ruled that the workers' accommodation should be moved because of "unhealthy conditions".

The president of the temple's management committee, Dr Perumal Janarthanan, was not available for comment but a former committee member, Mr Ken

Kanagarajan, said he believed the union had forced its way into the temple premises.

Mr Kanagarajan said the temple project had been running for many years with specialist Indian stonemasons and sculptors on work visas and "everything is paid in a lump-sum price in India".

While declining to comment on the men's low rates of pay, Mr Kanagarajan added: "I'd be extremely surprised if Immigration would be so bloody foolish to allow that to happen."

Mr Ferguson said the workers'

pay amounted to 15 per cent of their entitlements under the stonemasons' award, and he would seek guarantees on back pay and on the workers being paid legal rates in future.

The secretary of the NSW Labor Council, Mr Michael Costa, blamed the plight of the workers on what he called mismanagement by the Immigration Minister, Mr Ruddock.

He called on Mr Ruddock to investigate ways of ensuring employers paid legal entitlements to those on work visas.

Australian Broadcasting Corporation

LATELINE

Late night news & current affairs

TV PROGRAM TRANSCRIPT

LOCATION: abc.net.au > Lateline > Archives

URL: <http://www.abc.net.au/lateline/s252519.htm>

Broadcast: 27/02/01

Indian stonemasons exploited to build temple

The case of eight Indian stonemasons who were brought to Australia and then exploited has outraged the union movement. The men were employed carving stone on an Indian temple south of Sydney and were paid a pittance for their craftsmanship. They received \$145 a month and were forced to work a 7-day week. The plight of the men has highlighted the exploitation of foreign workers, both legal and illegal, across Australia.

Compere: Tony Jones
Reporter: Margot O'Neill

MARGOT O'NEILL: Every day at building sites in Sydney, union officials with the CFMEU discover illegal workers.

Sometimes they have legal visas, sometimes they're illegal immigrants.

Almost always, they're grossly underpaid and often mistreated.

The workers at the Hindu Temple in Sydney are the tip of the iceberg.

ANDREW FERGUSON, CONSTRUCTION UNION: We notified last year of one contractor that we found with 40 illegal workers on three different building sites paying no tax, working for 50 per cent of Australian wages, and nothing's been done.

It is a major growing problem for the Federal Government.

MARGOT O'NEILL: Organised crime is even getting involved.

Some workers arrive here only to find their passports confiscated and violent threats are made if they complain.

ANDREW FERGUSON: One of those workers was bashed at his home and had to go to hospital.

We notified the police and that particular contractor now has been charged with assault.

When we notified the police they indicated he had a long record of criminal activity and violence in both South Korea and Australia.

MARGOT O'NEILL: Illegal worker rackets are booming across a range of industries.

from construction to clothing to fruit picking.

But according to the union movement, very little is being done to stem the tide.

ANDREW FERGUSON: The response of the Department of Immigration and the Federal Government is pathetic.

Not one employer in this country has been prosecuted for using and exploiting illegal workers.

MARGOT O'NEILL: Immigration Minister Philip Ruddock has proposed stiff new penalties for employers who hire illegal workers, including fines of up to \$66,000.

But he's faced fierce opposition from employer groups, particularly in rural areas.

The legislation has now been waiting to be introduced into Parliament for 18 months.

Some believe it never will be.

DR MARY COOK, IMMIGRATION LAW, SYDNEY UNIVERSITY: Well, given the strength of the opposition in rural Australia, I don't see that there's any possibility of it going ahead before the next federal election.

Margot O'Neill, Lateline.

MULTIMEDIA

- **Lateline Video**
Margot O'Neill reports Indian stonemasons were employed to carve stone on a temple south of Sydney and were paid \$145 a month and were forced to work a 7-day week.
<http://www.abc.net.au/lateline/av/2001/02/20010227II-exploited.ram>

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11/12 HUSNURIAN
27/2/2001

Union backing for Indian stonemasons

Brad Norington

Eight Indians found to be earning just \$110 a week as stonemasons at a Hindu temple were signed up as union members yesterday as the Federal Government was drawn into debate over their future.

The men signed up with the Construction Forestry Mining and Energy Union and will pay \$5 a week in membership dues after the union vowed to fight for back pay and other legal entitlements.

For three years the men received \$45 cash a month and lived in on-site sheds while employed on work visas by the Sri Venkateswara Temple at Helensburgh. Their families in India have received about \$100 a week as part of the arrangement.

The union persuaded the men to stop work and leave the temple on Monday after telling them that they were being paid just 15 per cent of the legal minimum wage rate for skilled tradesmen, and were owed hundreds of thousands of dollars.

The CFMEU's State leader, Mr Andrew Ferguson, said yesterday that he accepted that work visas should be issued in cases where people from other countries had special skills. But he claimed the Federal Government was wrong to have issued visas in the first instance because most of the work performed by the men was labouring that could be done by locals.

The Minister for Immigration, Mr Ruddock, confirmed that the men's case was under investigation after it had been drawn to his department's attention by the union. A spokesman for Mr Ruddock said that the Government could revoke work visas but this often meant deportation and the Government did not want to unnecessarily penalise people. A delegation from the temple's management committee, including its president, Sydney pathologist Dr Perumal Janarthanan, yesterday met officials of the CFMEU to discuss the union's pay claim on behalf of the men.

M. K 20+

Hindu temple in worker-pay row

Michael Bachelard
Work writer

GANESAN is a master stonemason and sculptor but he has been paid just \$45 a month, with a meagre payment to his family abroad, to work almost without a break and live with four other men in a squalid hut while he carves intricate figures on a Hindu temple in Wollongong.

But after the construction union raided the temple site yesterday, the workers joined the union and went on strike. Council inspectors condemned

huts they had been living in and WorkCover ordered immediate rectification of unsafe electrical works.

The Sri Venkateswara temple brought Ganesan and seven other men to Australia from India 3 1/2 years ago to do work Australian sculptors could not.

But Ganesan said they earned just \$45 per month each in "pocket money" while their families in India are paid 10,000 rupees (\$415) a month. An Australian master stonemason earns \$35 an hour.

"They gave us very poor payment," Ganesan told *The Australian* yesterday. "We asked a lot of times in the (temple's) committee (of management). They say this is enough... But need good payment and good accommodation."

Ganesan said the men had recruited by an architect

who had arranged work visas for four years, sponsored by the temple. They wanted to stay and finish the work, he said.

The solicitor for the temple, Peter Murphy, said the Immigration Department had approved the temple's use of the workers, who have unique skills not available in Australia. He insisted the temple had complied with all tax and immigration laws.

But Construction Forestry, Mining and Energy Union state secretary Andrew Ferguson said that by making the arrangement it had, the temple had avoided industrial laws.

"We can't comprehend how workers can come in here year after year (and be) paid starvation wages without any checks by Immigration Department of compliance with Australian laws," Mr Ferguson said.

The union intends to negotiate award wages for the workers, with backpay for the past 3 1/2 years.

The president of the temple, Sydney pathologist Dr Jana, said the temple had been under construction for "20-odd years" and had an "excellent reputation" with the Immigration Department.

Temple managers called the police, complaining about the union, but the local Trades and Labour Council arranged for the eight men to be put up in the Novotel Northbeach Hotel for two nights.

Sydney Morning Herald 28/2/2001

Daily Telegraph Sat Feb 3 2000

Union victory on apprentice levy

A MAJOR construction union has claimed a victory in its campaign to force the NSW Government to introduce a training levy to support apprentices.

In the past two months more than 500 CFMEU members have walked off the job at State Government building projects across Sydney, demanding the Government act on the levy issue.

This week the Premier's Department sent the union a letter confirming it would proceed with a study into the training levy.

Under the union's proposed levy scheme, developers would have to pay a training levy before receiving approval to build. The money would subsidise builders who employed apprentices.

Land tax values ready to roll

PROPERTY OWNERS across

Workers paid \$45 a month on temple site

By LETITIA ROWLANDS

EIGHT Indian nationals have been working seven days a week for only \$45 a month at a construction site at Helensburgh, it was revealed yesterday.

They have been working at the Hindu temple for the past three and a half years, living and eating in portable sheds on site.

When Construction, Forestry, Mining and Energy Union and Labor Council officials raided the site yesterday they found the living quarters in a putrid condition with five men sleeping in mattresses in one small shed.

CFMEU state secretary Andrew Ferguson said the working and living conditions were the worst he had seen in his 20 years with the union movement.

"We want to know why it has been left up to the union movement to discover these men working in these conditions when it is [Immigration Minister] Philip Ruddock's job to issue the work visas to responsible companies which are not going to exploit the rights of workers," he said.

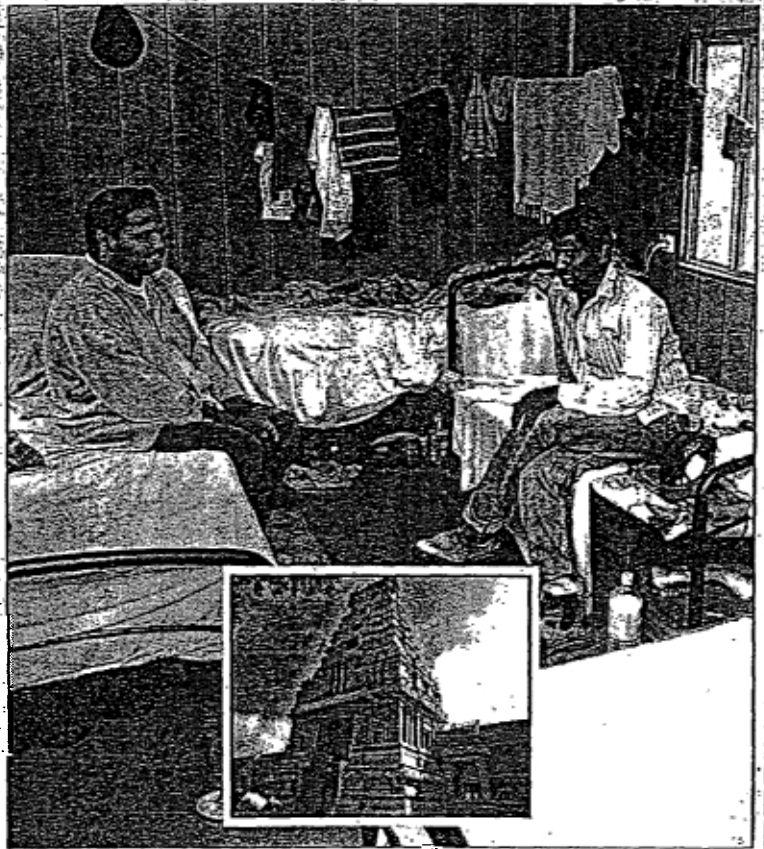
"The company is roting the system by paying these men about 15 per cent of what they would have to pay an Australian worker to do the same job, they are not providing work place insurance or superannuation and there is no tax being paid.

"These men are not doing specialised jobs, they are doing jobs which could be done by unemployed Australian workers."

Labor Council secretary Michael Costa said the plight of the workers showed the working visa scheme was open to abuse from unscrupulous employees.

"We want Phillip Ruddock to urgently investigate ways of ensuring sponsoring employers pay legal entitlements, to ensure that working foreigners are not exploited and that local workers are not undercut."

The workers have carried out a



Two of the temple workers inside the onsite shed in which they lived and (inset) the temple that is being built.

variety of work from cementing to tiling and have rarely left the grounds of the temple.

The men were employed by the Sri Venkateswara Temple Association. Attempts to contact the association's president, a man known only as Dr Jana, were unsuccessful yesterday.

The workers spent last night at a hotel in Wollongong and will meet with union officials today to determine their next move.

A spokesman for the minister

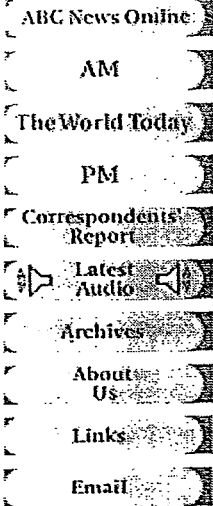
confirmed a working visa had been issued for at least one of the workers.

"At this stage the union has not been able to provide sufficient details to identify the people, except in one case. In some cases they have only been able to provide some of the workers' first names.

"But the department is aware of the situation and is following it up. It would appear to be an issue of breaches of the award wage standard and possibly tax evasion, from what the union has indicated."



Listen to this story
[Requires Microsoft Media Player]



This is a transcript of The World Today broadcast at 12:10 AEST on local radio.

Migrant temple workers paid \$45 a month

The World Today - Tuesday, February 27, 2001 12:46

COMPERE: The Department of Immigration and Ethnic Affairs is facing criticism today, not over asylum seekers but over migrant workers. In the week that the Flood report on conditions in the Woomera detention centre is due for release, one of Australia's biggest unions has revealed appalling conditions for a group of migrant artisans allowed into Australia on conditional working visas.

The union, which investigated living and working conditions at a Hindu temple site in Helensberg on the outskirts of Sydney, says the guest workers have been paid \$45 a month for the past three-and-a-half years. The work site has now been declared unsafe by authorities, and the temple workers ordered off it.

As Edmond Roy reports, negotiations are underway with their employers as a wider investigation is conducted.

EDMOND ROY: The master stonemason and his workers are surrounded by union media minders. Television lights shine on their worried faces, while in halting English he tried to explain his predicament.

It's a long way from the southern Indian village near the city of Chennai, formerly known as Madras.

Promised a princely wage and good working conditions, Ginasha soon found himself working for 6,000 rupees or \$200 a month in an environment the CFMEU says is unsafe.

He and his crew were given free accommodation and food and \$45 in the pocket every month, while \$200 was paid to their families in India.

Speaking to The World Today in his native Tamil he was relaxed but clearly uncomfortable.

GINASHA: [Translated] Only six thousand rupees a month in Indian rupees.

EDMOND ROY: 'They brought us here saying they would give us good money. We protested that this was not enough. But they said that the salary we were earning in India was above the local wage there.'

He also revealed that four years ago he and his team built a similar temple in Canada for slightly better money. And yes it was for the same people ? which is the question the CFMEU would like to ask the Immigration Department. According to the union, the department has the responsibility of investigating whether or not the temple committee that hired the stonemason from India had broken the law.

Andrew Ferguson is a union spokesman:

ANDREW FERGUSON: Well, the first thing one would think they would do is to actually check 'Does this company satisfy their own criteria? Do they have a history of employing Australian workers and training Australian workers? Do they have a training plan whereby Australian workers are engaged to receive the skills from the artisans that have come from southern India?'

EDMOND ROY: Do we have any other examples other than what's happened here at the temple, for instance?

ANDREW FERGUSON: We think this is one of many examples of abuse of working visas.

Late last year and early this year we've uncovered other examples of workers that have come in from South Korea that have been ripped off. We had one example two weeks ago where one of the workers complained about under-payments of wages. He was then assaulted by his employer. And he's got no redress if the employer wants to kick him out of the country. He can't do anything about that. We think there's a need for tougher sanctions against employers that are abusing and exploiting workers.

EDMOND ROY: Now, from where do you expect the sanctions to come? From the Immigration Department or from the industrial tribunal?

ANDREW FERGUSON: Well, at the end of the day this is an immigration issue. If for example an employer is found with illegal workers, they should be fined and prosecuted by the Department of Immigration. There has never been one fine nor one sanction nor one prosecution against any employer in this country for using and exploiting illegal workers.

EDMOND ROY: But isn't it the case that the Immigration Department doesn't have legislative laws that can do what you

want them to do?

ANDREW FERGUSON: Oh, the government needs to address that issue by legislation. We in fact do support stronger legislation here. But the Minister for Immigration has decided to have what he classifies as an employer awareness program. So rather than penalising and prosecuting the unscrupulous, they need to be educated.

Some people ? some employers might innocently engage an illegal worker, and they need the benefit of the doubt. But where you find a contractor with 10, 20, 30 illegals, no Australian residents, no Australian citizens, it's pretty obvious we've got a racket here, and we need the full extent of the law to be used against those contractors that undermine legitimate businesses that comply with the law.

EDMOND ROY: The Immigration Department for its part says they are waiting for more details on the matter and will investigate the issue seriously.

COMPERE: This was Edmond Roy reporting for us there.

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Att: Phil Davey

Guardian 7/3/2001

pose no work bans and cooperate by breaking down the barriers...

Overexploited, overworked and over here!

Within the last week there have been a series of revelations concerning the super-exploitation of overseas workers. At the Hindu temple construction site at Helensburgh, south of Sydney, a team of eight masons brought to Australia three years ago have been held in virtual isolation ever since and forced to work between 8.00am and 6.00pm, seven days a week.

Despite having agreed in writing to comply with Australian minimum wage standards, their employer, the Sri Venkateswara Temple Association had paid them just \$45 per week, plus \$100 per week which was being sent to their families in India — or so they've been told.

Despite their protests, the workers were held under virtual imprisonment, being refused exit keys and forbidden from leaving the temple complex except for closely-supervised excursions held every three months.

No tax declaration or employment forms were provided to the workers.

It appears that there are no time and wage records of their employment and that no insurance or Medicare coverage has been provided for them.

The men finally made contact with officials of the Construction, Forestry Mining and Engineering Union (CFMEU), and matters came to a head last week when the men downed tools to demand compensation.

The Temple management has so far failed to enter into direct negotiations, but lawyers acting on their behalf have offered a total of \$25,000. Not surprisingly the men turned this offer down.

It now appears that the "serial sponsorship" of sculptors and stonemasons has been going on for nine years and is by no means confined to the Helensburgh site.

In another case, which CFMEU describes as a "carbon copy" of the Helensburgh situation, workers

employed in construction of a temple in the Canberra suburb of Torrens are believed to have suffered similar treatment.

Union officials have been trying to gain access to the site for 18 months, but the temple management has refused access, simply offering the card of the Employment Advocate to

union officials.

"Guest worker" housekeepers working at Sydney's Regent Hotel are being paid at Indonesian and Hong Kong rates of pay, and in Indonesian and Hong Kong currency.

The Hotel management has defended this practice, claiming that meals, accommodation and laundry services compensate for shortcomings in pay and conditions of work.

Needless to say this line of argument has not impressed union officials, who are currently working with the Hotel workers to get a better deal.★

BHP's massive profits protected

The Australian Industrial Relations Commission last week gave BHP the go-ahead to take legal action against striking miners at the company's Queensland operations. The Commission's decision removed the protected status of the workers' industrial action, making the strike illegal and allowing BHP to legally protect its massive profits.

On February 28 more than 1,500 coal workers from five BHP central Queensland mines had walked off the job on a seven-day strike as last ditch talks on new enterprise agreements broke down in Brisbane. The mines affected are Peak Downs, Saraji, Norwich Park, Crinum and Gregory.

The Mining and Energy Division of the CFMEU has accused BHP of scuttling negotiations by resorting to a hard-line, take-it-or-leave-it ultimatum. The union said there was still room to negotiate a settlement but that BHP had to "drop its narrow ideological dictates and accept that workers have a right to important issues like job security".

The Union's District President Andrew Vickers confirmed that the differences were not about money.

"Our members want job security. In the past few years we have made considerable concessions at BHP operations in recognition of the difficult market conditions and the decline in coal prices.

"Now the pendulum has swung, BHP is reaping a bonanza with record coal profits and coal export prices have risen dramatically this year.

"All we want now is a fair share of the prosperity we have helped create", said Mr Vickers. "We want security of employment conditions restored and preference of employment for retrenched mineworkers."★

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Immigration officials back claims of temple workers

Michael Bachelard
Work writer

THE Hindu temple that paid its stonemasons \$45 a month, plus \$100 a week to their families in India, had promised to pay them Australian minimum wages, the Department of Immigration conceded yesterday.

Departmental bureaucrats questioned the eight Indians through an interpreter for four hours yesterday as part of an investigation into the workers' conditions at the Sri Venkateswara Temple at Helensburgh, south of Sydney.

Immigration officials told the workers the temple had signed documents when work visas were issued, promising to pay them Australian legal minimum wages.

The union has estimated that the \$110-a-week total payment is about 20 per cent of the minimum wage for the construction industry.

If the temple is found in

breach of its undertakings, the work visas can be cancelled and the workers sent home.

The workers told officials that during the 3½ years they had been employed carving statues at the temple, they were forced to notify the priests when they left the grounds and were paid so

'If a settlement is not reached, we will a request a full campaign'

Andrew Ferguson
CFMEU state secretary

little that they went out only once every three months.

They were never provided with tax declaration forms, no time and wage records existed, and no insurance or Medicare cover was provided. Any medical care they needed was provided by a local doctor and paid for by

the temple. The workers are on strike after the construction union received a tip-off and raided the temple premises on Monday.

They joined the union after their rights were explained, and a council inspection team condemned their accommodation as not fit for human habitation.

The Construction Forestry Mining and Energy Union will meet the temple management this afternoon to negotiate on wages and conditions.

State secretary Andrew Ferguson said the union hoped to reach a settlement of the outstanding wage claim and for new accommodation.

"If a settlement is not reached, the CFMEU will take to the Labor Council tomorrow evening a request for a fully fledged labour movement campaign against exploitation of migrant workers," he said.

SMH MARCH 10 2001

Indian stonemasons' visas may be cancelled

Brad Norington
Industrial Editor

A group of Indian stonemasons found to have been underpaid at a Hindu temple south of Sydney face deportation because the Federal Government is considering cancelling their sponsorship on work visas.

The eight Indian men were given work visas by the Immigration Department on the undertaking of their sponsor that they would receive Australian minimum wage rates and other entitlements.

But the men's sponsor, Dr Perumal Janarthanan, said yesterday that they had worked and lived at the temple for up to three years as part of their "religious duty" and all were "volunteers".

The understanding of Dr Janarthanan, who said he had signed immigration papers to sponsor the men, runs contrary to immigration rules requiring people on work visas to observe all Australian laws.

The men are currently doing no work on the temple site and have been living at a host in Wollongong found for them by the Construction Forestry, Mining and Energy Union.

They were persuaded to leave

the temple two weeks ago by the CFMEU's State leader, Mr Andrew Ferguson, who informed them they were being grossly underpaid and pledged to fight for their entitlements.

For three years the men have received pocket money in cash of \$45 a month. Another amount of about \$100 a week has been sent to their families in southern India. They have received food from the temple and lived on the site in sheds.

According to Dr Janarthanan, the \$45 comprised \$1 a day and \$11 when they help mow the lawn.

The men are now in limbo because the temple's management committee, headed by Dr Janarthanan, cannot agree on back pay and other terms of settlement for them to return to work.

Dr Janarthanan said: "Unless they come back, how can we give them work?"

One of the men faces deportation as early as next Friday, when his visa expires. Visas of the other seven are due for renewal in June but they will be sent back earlier if their sponsorship is cancelled.

Dr Janarthanan said much misunderstanding surrounded

the men's plight because of true assertions by the CFMEU.

He said that the men were building a temple according to their religious duty, not building a hotel under Australian conditions.

He said that temple work was considered like working on the body of a god and the men were required by the chief architect who lives in India, to live on the site.

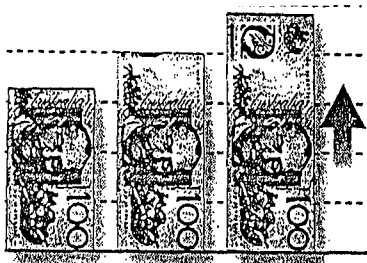
"They are not allowed to leave the temple site and the community looks after their needs," Dr Janarthanan said.

The CFMEU yesterday lodged a claim for back pay in a Sydney local court and held a protest rally over the temple workers outside the Sydney office of the Immigration Minister, Mr Ruddock.

In a separate development, Mr Ruddock said his department had detected 13 illegal immigrants working on building sites. He criticised the CFMEU over the case of one man, who was a union member and worked alongside two CFMEU delegates.

Mr Ferguson said that the CFMEU had no legal right to check the immigration status of workers because of privacy laws, although employers could do so.

"The Australian" Page 5 1 March 2001



crack down on budding bodgie

How fast can the Australian economy grow? On Tuesday Stephen Koukoulas presents the AFR quarterly economic review with both short and long-term forecasts from the country's best market economists. With speculation rising of an interest rate move make sure you're prepared with the best information and analysis on what the economy has in store for business.

GLOBAL TRADING

All next week our series on the rise and rise of global trading continues with special attention on Australia and its role in the development of 24-hour market trading. Whether you're operating within financial markets or you're just an investor looking for new opportunities, you can't afford to miss this series.

report | Annabel Hepworth

Australia's organised crime authorities have cracked down on "the bodgie", a sophisticated multimillion-dollar tax evasion scheme in the building and construction industry.

The scheme had turned over millions of dollars in recent months and some of that had been remitted to bank accounts in Ireland.

It is understood "the bodgie" involves sham labour hire companies invoicing contractors and being paid by cheque.

Backpackers may be employed by the labour hire companies involved in such schemes, and paid in cash to avoid tax liabilities.

The National Crime Authority and Australian Taxation Office investigation uncovered well-organised and serious criminal activity operating "at a high level", according to NCA manager, investigations, Mr Andy Wells.

Equipment was confiscated from construction sites at Homebush, Darlinghurst and the M5 freeway in Sydney on Friday, under proceeds of crime legislation.

One of five people arrested in connection with the scheme, William Benedict O'Driscoll, was remanded in custody after he appeared in Sydney's Downing Local Court on Friday.

He faces charges relating to

defrauding the Commonwealth and "structuring", an offence that usually involves structuring cash withdrawals and cheque purchases to dodge reporting requirements.

The prosecution told the court there was evidence that 32-year-old O'Driscoll had had telephone contact with an Irish national, William Joseph Broderick. Broderick was arrested last year in London at the request of the NCA as part of an investigation.

"It was alleged \$14 million had passed through companies O'Driscoll operated."

into an alleged \$12 million money laundering scam in the Sydney construction industry, but vanished before his extradition hearing.

The Crown prosecutor said Irish authorities had disallowed Broderick's extradition to Australia because he was accused of a "revenue offence".

It was alleged in court that \$14 million had passed through companies O'Driscoll operated and he had been known to use false names in his dealings.

O'Driscoll's tax returns put his income at between \$6,000 and \$20,000, but he had acquired "hundreds of thousands of dollars of assets", the prosecutor said.



Backpackers may be employed by sham labour hire companies.

photo | Rob Young

GST MONITOR

Pay rises to help stem medical research brain drain

excavated during an extensive archaeological excavation in 1986 and for the past 12 years the National Parks and Wildlife Service has been working to piece together its history.

Yesterday the doors were thrown open, with the maze of drains attracting incredible interest.

Of particular fascination was that Sydney Cove once lapped up to the doorway of the cottage.

The Sydney curator of the parks service, Mr Stephen Thompson, said the secrets that had remained hidden within the floor and the rough stone walls also included artefacts such as clay pipes, coins, porcelain and animal bone fragments.

He said the cottage once boasted water frontage, literally. That was before Circular Quay and the seawalls



The way it was . . . National Parks officer Marina Di Leva and the archaeological display at Cadman's Cottage. Photograph by JON REID

were constructed, which moved the shoreline east and placed it some 100 metres beyond the cottage.

Cadman's Cottage is the oldest house in The Rocks and

the third oldest in Sydney.

Built in 1816, it was originally the Coxswain's Barracks and served as a base for the supervision of government boats. It is named

after John Cadman, the longest serving government coxswain.

The lower level was originally used to store boats, sails and oars.

The Environment Minister,

Mr Debus, unveiled the lower level yesterday, saying "by throwing open the doors we can gain a real understanding of life in Sydney Cove and The Rocks over the decades".

be diagnosed with high blood pressure and that some people already taking blood pressure drugs would need to take extra drugs.

While lifestyle changes remain the first hypertension treatment option, many people will require drug treatment to meet targets, according to the guidelines. About half of the people treated with drugs would need to take a combination of drugs to meet the targets.

Raised blood pressure is a major risk factor for stroke and heart attack but can be reduced by quitting smoking, losing weight if you are obese, exercising, eating less salt and keeping alcohol intake to less than two drinks a day.

The national medical affairs manager of the Heart Foundation, Dr Andrew Boyd described blood pressure as a dangerous "sleeper" because it exposed people to risk while they felt well.

James Mackay, Ashfield, Bilgola, Cabarita
Patricia Saunders, Ashfield
Patricia O'Shea, Ashfield
John F. Moore's, Ashfield
William S. O'Sullivan, Cabarita
1/10/99 p 7 • *Patricia O'Shea, Ashfield*
Five charged on building labour fraud

By JULIA BAIRD

Five men have been arrested and charged with fraud over an alleged labour hire scam in the building and construction industry involving "tens of millions of dollars" in Australian and Irish bank accounts.

After months of investigations by the National Crime Authority and the Australian Taxation Office into tax schemes, the NCA searched Sydney premises over the past few days and seized documents.

The investigations also involved the Department of Immigration and Multicultural Affairs, which is examining possible Migration Act offences.

The five men — from Five Dock, Ashfield, Bilgola and Cabarita — were charged with offences including defrauding the Commonwealth and opening and operating accounts in a false name.

A NCA spokeswoman said the contractors involved were "middle men", and not legitimate building companies or organisations.

Assistant tax commissioner Mr Rob Burr said the schemes involved labour hiring companies invoicing contractors and being paid by a cheque, which they then cashed and used to pay employees to avoid paying tax on the wages.

After a few months, the people

involved usually walked away from the labour hire company and set up another.

Mr Mark Carmichael, executive manager of the Recruitment and Consulting Services Association, said most recruitment agencies were scrupulous in checking references and ensuring labourers were suited for their work.

"I would be surprised if this were widespread" he said. "From our perspective, it is unknown. Our member agencies are very conscious of the credentials of the people they are placing with the client agencies."

The investigation follows the

targeting by the Taxation Office of cash-in-hand deals on Sydney building sites in the run-up to the Olympics, hitting at least 100 companies and thousands of their employees with large back-tax payments and penalties of up to \$100,000.

The Tax Office has estimated that the construction industry in NSW is evading tax of up to \$50 million a year by paying cash, especially for overtime and bonuses.

Several contractors recently were charged with tax fraud, including one for an alleged \$7 million conspiracy, and one was shut down after police raided its offices.



Corkman to face extradition hearing

by Annette Blackwell

WILLIAM Broderick, the Corkman arrested in London in connection with an alleged money-laundering operation in Australia will be back in London Court on June 27.

Broderick, arrested following an investigation involving the Australian National Crime Authority (NCA), the Gardaí and Interpol, is facing extradition to Australia. The June hearing is the first leg of this process.

If he contests the attempts by the Australian authorities to have him brought back to face charges of defrauding the Commonwealth, structuring and money laundering, the process could drag on for a year.

Meanwhile in Sydney it is understood the NCA has been interviewing a number of people in connection with the alleged money-laundering scam (see details right).

An authority spokesman said he could not confirm or deny whether they had been interviewing 10 to 84 people who allegedly laundered money to evade tax liabilities.



William Broderick

It is understood however, that there are many Irish names on the NCA list, among them some Irish contractors known in the NSW Irish community. He said that many of those employed by contractors using the scheme were now out of work and heading back to Ireland.

The Irish Echo checked with travel agents in Sydney who handle a high percentage of Irish bookings. They confirmed that there were an unusual number of "one-way tickets" being bought but were thought that this might be related to the changes in superannuation refunds.

The 'bodgie' - how the scam was organised

IN 1995 a report was published by AUSTRAC which estimated that between \$1,000 million and \$4,500 million in 'black' money is believed to be generated in Australia and laundered, either here or overseas.

In this incidence, the NCA investigation is believed to take in a scheme run through the construction industry along the south-eastern coast.

And it is alleged that among the chief operators was a group of six Irish emigrants who laundered money saved by the use of underpaid labour much of it provided by young Irishmen who were working here illegally.

The scheme is understood to have worked like this:

A big company hires a sub-contractor who quotes a low rate for labour in his tender. A contract labourer in Australia costs \$38 an hour. The sub-contractor in this instance charges only \$25.

The sub-contractor gets his cheque from the big company and launders it through a bogus company and hands back cash minus a 7.5 per cent commission. The launderer provides bogus company receipts under false names etc.

The sub-contractor takes his slice of the laundered money (\$5 of the \$25) and pays his labourers \$18.50 an hour.

On a contract of \$50 million for example, labour content at proper rates should be about \$10 million.

If the big company saves \$13 on \$38 labour cost it gives them about a \$3.4 million saving.

The sub-contractor supplying the labour is then paid \$6.6 million. He goes to the person laundering it who runs it through an Australian bank usually in a four-day turn-around period.

The launderer has a tax exemption number which shows zero deductions so what he is doing looks OK, but he or the company disappears before the tax is due, having made almost \$495,000 (close to half a million on the \$6.6m transaction).

The sub-contractor takes his cut out of the returned cash (about 20 per cent giving him \$1.32 million in undeclared cash) and the labourer (sometimes and in the case of Irish sub-contractors, usually a young Irish working holiday person who has overstayed his visa) gets \$18.50 an hour.

Money is believed to have been lan-

dered on many small building projects.

The main losers in the scheme are the young Irish backpackers who are being underpaid for their labour and are working without insurance.

"Everyone runs a mile when there is an accident. No one knows who the employer is as there are no records of employees", said one contractor familiar with the scheme.

Our source did not wish to be named but said legitimate Irish sub-contractors would be delighted the scheme had been uncovered as they found it hard to compete in a market where they were being undercut by 'bodgie' operators.

He was also concerned that the young Irish have no union protection because they are despised as 'the visa boys'.

They have no holiday or sick pay, no medical fund or do not benefit from the wet days and protective clothes schemes.

"They are invisible, so no firm will give references, they will not own up to employing them", the contractor said.

He also alleges the NCA's investigation has caused nervousness among many Irish contractors in Sydney.

They fear they will now be open to intense tax scrutiny.

Builder lured workers as slave labour

By HOLLY BYRNES

IMMIGRATION officials have been urged to punish unscrupulous business sponsors who use work visa programs to recruit "slave labour".

The plight of five construction workers from Lebanon, alleged to have been abused by their work sponsor over the past seven months, has prompted union representatives to call for a closer watch over the program.

The men, self-employed as cement-renderers in Beirut, arrived in Australia in July to work for a Sydney contractor who had offered to sponsor them for the duration of their two-year visas.

They were granted entry to work in Australia under the temporary business entry (long stay) scheme, which allows local companies to sponsor foreign workers skilled in areas of high demand.

But union officials alleged that the men had been forced to work up to 14 hours a day, sometimes six days a week, including public holidays, for \$140 a day less than award rates.

The men, aged between 31 and 50, speaking through an interpreter, alleged they were intimidated by their employer, who had seized their passports and threatened to have them deported if they complained about his work conditions.

They had been expected to begin work by 6.30am, half an hour before most building sites start and local councils approve construction work to begin, the men said.

They said they questioned why other workers were allowed to go home at 4pm.

"He would say, 'Why do you want to go home? You have no family here, so just keep working,'" one man said.

The men said they were also

denied adequate meal breaks and were shouted at if they stopped for a drink of water.

Union officials contacted about the case alleged the men were also threatened with legal action if they were 15 minutes late to a job.

The boss banned the men from working and sent them two letters warning that they would be reported to immigration officials unless they agreed to return under his terms, officials said.

The Construction, Forestry, Mining and Energy Union took up the matter with the employer, who works throughout Sydney, securing more than \$25,000 in back pay and superannuation entitlements owed to the workers.

The union's State secretary, Andrew Ferguson, said the men had been "virtual slaves" under their employer, who has been reported to the Department of Immigration and Multicultural Affairs for alleged breaches of his employment obligations.



THREATENED: But these workers wouldn't give their names. Picture: SIMON ALEKNA

Getting down to the grim reality

UNION CONDITIONS

- Normal start time 7 to 7.30am, with overtime paid for time worked after an 8-hour shift. Demand means most sites are working 10-hour shifts.
- Morning tea (15 minutes), lunch (30 minutes) and afternoon break (15 minutes), if overtime will be required.
- Renderers daily rate about \$280 (based on a 10-hour day).
- Compulsory superannuation paid by employer; public holiday work paid at double time and a half; meal allowance.

CONDITIONS THE MEN FACED

- Expected to start work at 6.30am and work between 12 and 14 hours each day.
- Meal breaks kept to a minimum, usually 15-20 minutes.
- Paid between \$110 and \$140 a day, regardless of the number of hours worked.
- No sick leave, meal or public holiday allowances available. No payslips issued to workers.
- Threatened with deportation for being 15 minutes late to work.

Hunted illegals jump for freedom



DETAINED: A suspected illegal immigrant is escorted into a police van yesterday.

Picture: HELEN NEZDROPA

By DEBBIE NEILSON and MATTHEW BENNS

SUSPECTED illegal immigrants jumped from second-storey windows in a desperate bid to escape police officers in the heart of Sydney early yesterday.

Their fall was broken by awnings over the East Ocean Restaurant in Sussex Street in Chinatown where police and immigration officers waited to take them into custody.

The move was the latest in a Government crackdown spear-headed by Immigration Minister Philip Ruddock.

The minister has vowed to find all illegal workers who disregard Australia's immigration laws.

Over the past year the Department of Immigration and Police have carried out more than 3,500 raids, with 3,574 people sent to Australia's crowded detention centres.

Yesterday's dramatic swoop was the culmination of a three-day operation that saw more than 20 suspected illegal immigrants behind bars in Sydney Central police station.

A number of people watching the raid were also taken in for questioning when they failed to produce proper identification.

Yesterday police were still dealing with the aftermath of the operation, in which at least 11 people were detained.

Inspector Geoff Wormleaton from Sydney Central police station said the operation had resulted in 17 police officers plus immigration officers raiding the restaurant at 1am on Saturday.

"This is part of the ongoing Operation Pirbright which was launched in October to target crime in the city's entertainment area," he said.

Inspector Wormleaton said: "During the normal course of Operation Pirbright's activities police became suspicious of a

number of people and contacted the Department of Immigration."

The latest arrests follow the detention of 60 illegal immigrants in a three-month joint operation by the police and immigration department which has targeted building workers in the Kensington area.

In the latest two-day operation last week, 11 men were arrested and sent to Villawood Immigration Detention Centre after officers stopped workers to check their migration status.

An Immigration Department spokeswoman said yesterday's raid had led to the arrest of 11 men and nine women - Malaysian, Indonesian and Chinese nationals.

"The Immigration Department regularly runs a number of compliance operations and targets places such as restaurants, farms or brothels to make sure those people are here legally," she said.

"The 11 men detained in immigration custody earlier this week have been moved to Villawood Immigration Centre."

Mr Ruddock has said it will cost Australian taxpayers about \$20 million this financial year to locate and remove illegal immigrants.

He said the cost of detention centres would more than double to \$50 million and legal costs were estimated to reach \$20 million within a few years.

7-23-009 V1

Compo fight for family of tiler killed in accident

Korean workers lured here

By ANDREW WEST

BUILDERS are luring immigrant workers to Sydney with the promise of high-paying jobs in the pre-Olympic construction boom — sometimes denying them entitlements such as insurance and superannuation.

In one case, the family of a Korean worker, who died in an accident, were originally denied more than \$100,000 to which they were entitled.

According to the Construction, Forestry, Mining and Engineering Union (CFMEU), the incident is symptomatic of a wider problem in the industry: the use of immigrants, convinced they have legitimate work papers, driving down wages and conditions across the industry.

CFMEU secretary Andrew Ferguson said the Federal Government was obsessed with turning away illegal refugees, but ignored the problem of employers exploiting foreign labour.

But a spokesman for Immigration Minister Philip Ruddock said new laws, expected by November, would impose sanctions on employers.

He said the laws, recommended in a report last November, would require employers to complete a form assuring the Government they had checked the visa status of potential workers.

In the past five years, and especially since the Asian economic collapse, Koreans have become predominant in Sydney's tiling workforce. The union estimates that 1,000 work in Sydney, but 50 per cent lack legal visas.

Lee Soo Chul, 40, who worked on the Citibank site in George Street, Sydney, was killed in an accident last month.

He left a wife behind in Seoul, who is suffering heart disease and needs surgery, and a 12-year-old son who will soon begin high school.

Lee Soo Tae, who is in Australia to try to collect his late brother's entitlements, said a tiling subcontractor had lured his brother to Sydney with the prospect of \$200 a day in wages and paid accommodation.

Lee Soo Chul paid his own air fare and for three years sent about \$1,500 a month home to his family.

"They (employers) say if they come to Australia, they can earn big money," said Joon Shik Shin of the Korean Resource Centre in Sydney.

"But sometimes, if the employer pays the worker's air fare, they do not pay them for the first two months."

At the time of his death, Lee Soo Chul was working for a labour hire firm with an entirely Korean workforce.

The union said the company had not registered him with the industry superannuation or 24-hour insurance schemes. Nor was he a member of the industry's redundancy scheme.

Late last week, the CFMEU finally won \$110,000 for his family, which includes his death benefits.

"This time we got a result," said Mr Ferguson. "But where was the Federal Government in all of this?"



PROTEST: Lee Soo Tae with his brother's work mates. Picture: BARRY CHAPMAN

Union ban over 'illegals'

A building union has slapped work bans on six Sydney sites after claiming to have uncovered an illegal immigration scam.

Construction Forestry Mining and Energy Union State secretary, Mr Andrew Ferguson, said his union began investigating illegal immigrants employed on work sites after the death of a Korean tiler three weeks ago.

Mr Ferguson said despite working in the country for eight months, 40-year-old Lee Soochul had no superannuation or death benefits.

After his death, 120 tilers walked off the job on three building sites to protest against exploitation of illegal immigrants.

They also rallied to ensure that Mr Lee's 12-year-old son and his wife, who has heart disease, received a death benefit.

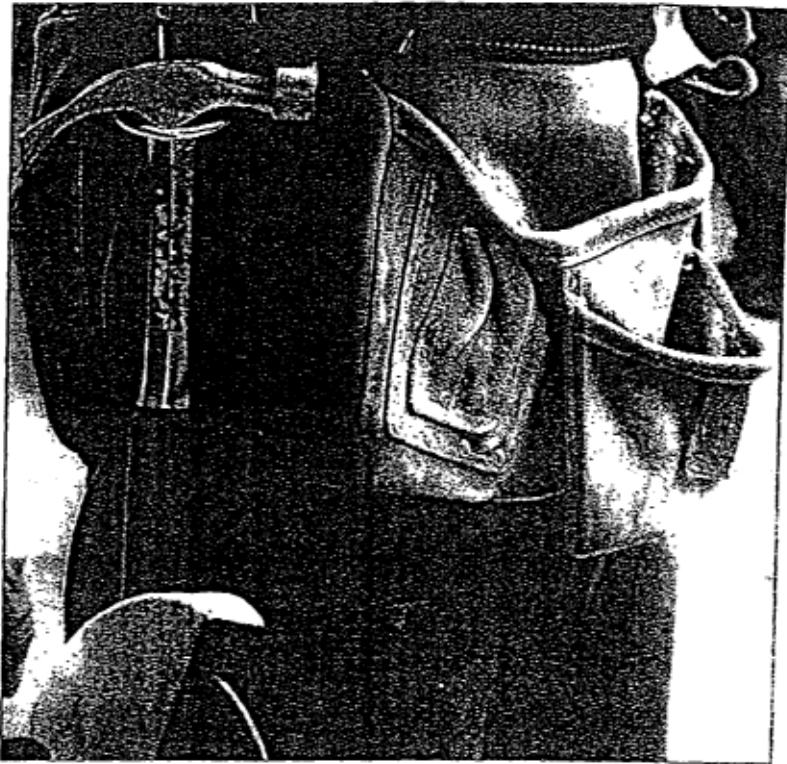
Mr Ferguson said the use of illegal immigrants for cheap labour in the industry was widespread.

Since Mr Lee's death, the union had uncovered evidence of at least two major companies employing up to 80 illegal workers who were receiving 50 per cent of award wages and entitlements.

Mr Ferguson said the union was concerned that the companies were bringing illegal workers into the country and not paying them their legal entitlements.

"We investigated further and found it was quite an organised racket," he said. "We actually believe in one of the companies there is a criminal element involved and one of our officials has even received a death threat."

Mr Ferguson stopped short of asking for the workers to be deported but said the Federal



Illegal immigrants are at risk on sites, the CFMEU claims.

Photo: LOUSIE KENNERLEY

Government should be investigating the matter.

The union would seek to recover illegal workers' entitlements from offending companies, he said.

"There's no way in the world that we would condone or support immigration laws being broken," Mr Ferguson said.

... rather than train workers for the industry these companies are bringing in illegal immigrants from overseas as cheap labour, undermining wages and conditions for com-

panies doing the right thing. Our position with these workers is if they are underpaid we will recover their entitlements because we want the employer to be taught a lesson about Australian labour laws."

Mr Ferguson said the work bans on the six Sydney building sites were only affecting trades where illegal workers were employed.

"The bans will stay in place until the companies resolve these issues with the Immigration department."

AAP

Building site bans

A BUILDING union has slapped work bans on six Sydney building sites after claiming to have uncovered an illegal immigration scam.

Construction Forestry Mining and Energy Union (CFMEU) state secretary Andrew Ferguson said his union began investigating illegal immigrants employed on work sites after the death of a Korean tiler three weeks ago.

Mr Ferguson said Lee Soochul, 40, had worked in the country for eight months, and had no superannuation or death benefits.

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D2 Daily Telegraph 15 March 2000

WORKERS ONLINE

Issue No 46

Official Organ of LaborNet

17 March 2000

News

Illegal immigrants Working Next Door to PM

By HT Lee

Building workers have uncovered shonky immigration scams involving the employment and exploitation of illegal immigrants in the industry.

The union marched on the Prime Minister's Sydney offices today claiming illegal immigrants were working on a building site next door to the government offices.

The Federal Department of Immigration is investigating this scam -- illegal workers being flown into Australia on commercial flights. The Federal Police is also looking into the whole matter.

Two subcontractors at the Piano Building site in Phillip Street right next door to Prime Minister John Howard's Sydney Ministerial office were involved in the scam. The workers were being paid less than 50 per cent of union rates. Payroll tax and workers compensation premiums were also not paid.

The Howard Government claimed in Parliament yesterday the CFMEU was exaggerating the extent of the problem of illegal labour in the Sydney construction industry.

But CFMEU state secretary Andrew Ferguson says the numbers speak louder than words--there are over 30 illegals found so far.

Ferguson says the Government needs to act now to stop the systematic exploitation of vulnerable people and the undercutting of Australians wages and conditions.

'The Government snipes from Canberra while the problem the union has identified continues. We can find illegals right next door to where the Prime Minister works in Sydney, why can't the Government find them?'

Deaths Led to Scam Being Uncovered

IN THIS ISSUE

FEATURES

■ Interview: Bob Carr's Awful Truth

The NSW Premier on Laborism, factions and why the Cabinet Office isn't running the state.

■ Unions: The Stellar Experiment

The agenda for the future job-shedding program by Telstra has been revealed via it's bastard child, Stellar.

■ Technology: Roboboss is Watching You

Behind the hype of the information age is a sinister side where workplace surveillance robs employees of all privacy and dignity. Sometimes, though, it provides welcome security.

■ International: Kiwi Reforms To Spark Union Revival

The head of the New Zealand trade union movement is optimistic that workers will come back to unions once a fair industrial relations framework is put in place.

■ Politics: Ethical Politics and the Clinton Affair

The vote by the US House of Representatives in December, 1998 on whether to impeach President Bill Clinton could be regarded as a debate about the acceptability of dirty-handed politics.

■ History: Living Library

Sydney's Mitchell Library archives house some of the most extensive records of our political heritage.

■ Satire: Reconciliation, Aussie Style

The majority of Australians want

The CFMEU uncovered the rackets when investigating the tiling sector following the death of Korean worker Lee Soo Chul. It was discovered Lee was an illegal migrant and had worked for shonky body hire companies which paid no superannuation nor insurance benefits (CTAS) to their illegal workers and therefore there was no death benefit entitlement for the workers.

The body hire companies involved in the scams include Fixton Marble & Granite, and Tae Sung. They were paying their workers less than 50% of union rates. Payroll tax and workers compensation premiums were also not paid.

Ferguson said: 'The CFMEU and its members cannot condone illegal immigrants. However, the main enemy is the builders and the bosses who use and exploit illegals to undermine union rates of pay and conditions.'

The body hire companies were supplying labour to Royal Tiles, Deemah Marble & Granite, JJStonetech and Saba Bros which in turn were working as subcontractors on the following sites: Boulderstone (Chippendale); Multiplex (Wharf 9 & 10); Lend Lease (Macquarie Towers); Lend Lease (Jackson Landing); Toga (Central); Hanson Yunken (Sussex Street); Walter Construction (Jamieson Street); and Southern Cross (Pyrmont).

Bans in Place

The CFMEU has since imposed work bans on those sites until all related matters have been resolved.

The subcontractors involved have agreed to pay \$110,000 to the widow of the worker. The money will be presented by the CFMEU to Mr Lee's 12 year old son and his wife who has a heart condition. They have also agreed to pay other workers back pay amounting to \$400,000. The money paid has been deducted by the subcontractors from monies they owed the body hire companies.

'Bosses ripping off the system will be hit hard with all workers' back pay recovered. The end result will be many of these shonky operators will be put out of business,' Ferguson said.

According to Ferguson the CFMEU will also be fining employers breaking the law with the money given to charity to fight poverty in third world countries.

'Unfortunately people from poorer countries are desperate to enter this country to find work and get a better standard of living.

'These fines will help a little and teach unscrupulous bosses a lesson.

■ [Visit the CFMEU](#)

Aboriginals to adopt 'our' values:
"Why can't they be ignorant racists too?"

■ [Review: Casino Oz](#)
Laurie Aarons' new book puts the spotlight on the growing gap being the rich and the poor.

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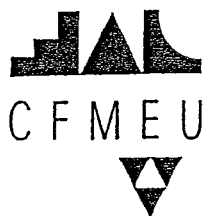
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Media alert

Construction Forestry Mining & Energy Union
(Construction & General Division) NSW Branch

—Tuesday 14 March 2000—

Exposed!

Major immigration racket in Sydney construction

A major illegal immigration racket is operating on Sydney's construction sites. Illegal workers—undercutting local workers wages and conditions—are being flown in, the CFMEU has alleged today.

Two labour hire companies employing over 80 workers and paying them less than 50% of the legal minimum wage have been uncovered—over half their respective workforces were illegal. The companies are also committing workers compensation fraud and not paying payroll tax.

The Office of State Revenue, Australian Taxation Office (ATO) and the Department of Immigration are understood to be investigating the matter.

Some principal contractors have been menaced for refusing to continue to use the sub-contract labour hire firms any longer—an official of the CFMEU has also received death threats forcing him to relocate his family.

According to CFMEU State Secretary Andrew Ferguson: 'This racket has become a major problem in the construction industry and of course its the big companies that profit. Workers and companies doing the right thing are losing out. We therefore demand the Federal Government tightens the laws to stop these rackets.'

For more information contact

Andrew Ferguson (02) 9287 9387 or 0413 837 337 or Phil Davey 0414 867 188
Press conference 3.30pm CFMEU Office, Level 1, 18-26 Commonwealth Street, Sydney

Media contact: H T Lee (02) 9287 9387 or mobile: 0419 411 240

South African workers sent home

By Chris Manly

EIGHT South African workers brought in to construct a fertiliser plant in Kwinana have been sent home in a bid to defuse a row on the use of international labour and local content in big projects.

Interpact Holdings wants to construct the plant using steel fabricated in South Africa that was deliv-

ered to Fremantle last week. The start of construction has been delayed because of the dispute involving the Australian Manufacturing Workers' Union and the Construction, Forestry, Mining and Energy Union.

Unions are outraged that the steel has been fabricated overseas and workers have been brought in to erect it while the local fabrication industry is facing a crisis caused by

lack of work. The steel, delivered in several containers, has not been moved since being unloaded.

The dispute comes ahead of a big AMWU campaign with the theme, "Make it here or jobs disappear."

News that the South African workers have been recalled emerged in the WA Industrial Relations Commission yesterday. The commission was to rule on jurisdiction and its standing to resolve the dis-

pute but allowed Interpact to withdraw the matter so that the company and the unions could attempt to negotiate a resolution.

The commission was told the workers returned to South Africa last Saturday.

Interpact operations manager Jim Walker said the recalled workers would be replaced by workers recruited locally who would be trained to carry out the specialised

construction work. Mr Walker said the remaining four workers would obtain formal Australian qualifications to allow them to train Australian workers on-site at Kwinana.

AMWU assistant secretary Jock Ferguson said the union welcomed Interpact's decision to recall the South African workers but said the dispute was not resolved and a picket line was still in place at the site.

Farmers told to adapt for a better future

CANBERRA

RURAL communities should adapt to change if they want a better future, Deputy Prime Minister John Anderson said yesterday.

Farmers must value-add and bolster export industries, identify gaps in the rural sector and use leaders to take their cases to the Government.



Mr Anderson

1986," Mr Anderson said.

"The Americans have been losing their farm numbers at the same rate and the Europeans, well over double our rate.

"Subsidies ... get built into capital and operating costs ... and farmers are no better off."

The Federal Government was trying to help rural communities with its response to the Regional Australia Summit held in Canberra last year.

But communities needed to fill in the gaps.

"Add up all the things you've got first and then look to the gaps and then if you want, ask government to play a role, what they can do to help fill the gaps," Mr Anderson said.

"So yes, the Government can play a role, but the essential ingredient in all of this in my view is strong, adaptive leadership.

"Nothing will happen without that."

"It is frightening and it is challenging to many people out in rural and regional areas," Mr Anderson said.

"The great irony is that in terms of embracing change we have to do that, to secure the things that we say matter.

"If you want to secure a future for the family farm, you want to secure a rural community base in the future, we will have to continue to change in order to keep the things that matter most — future for our families, sense of local community and opportunity for the next generation.

"We often resist most the change that's vital to securing the things we

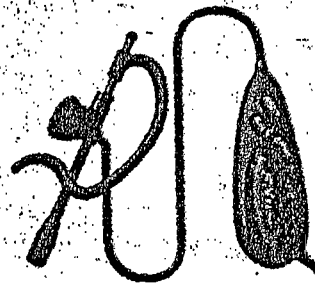
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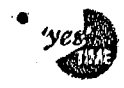
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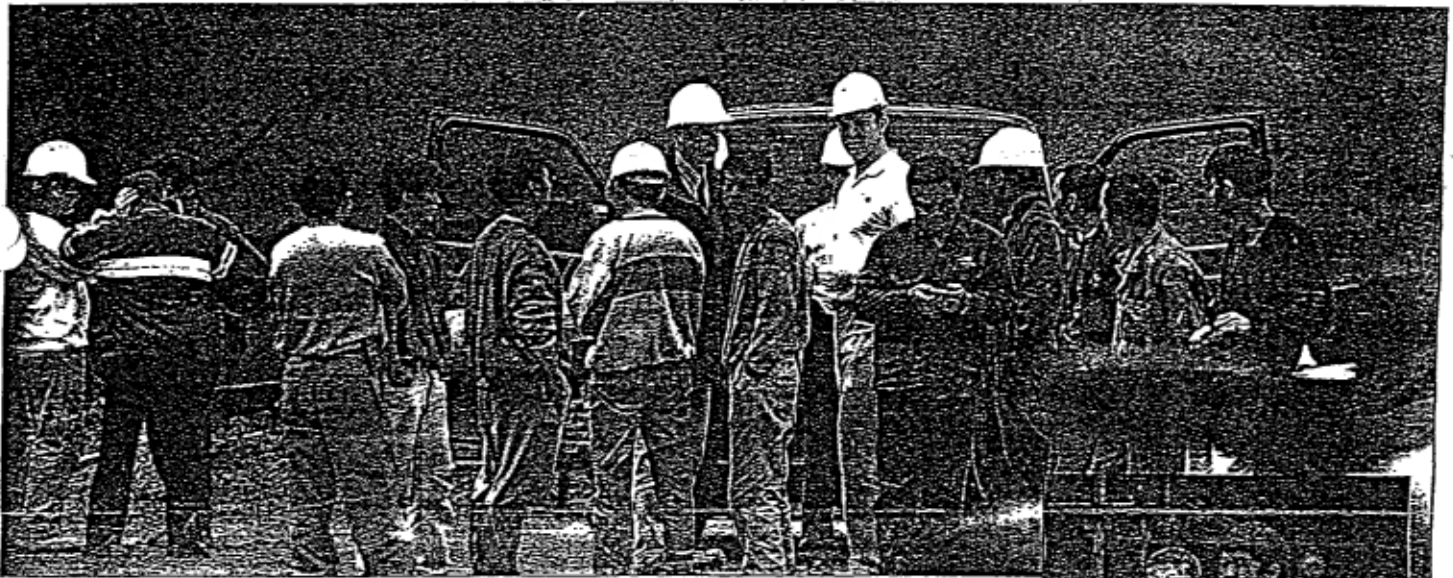
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WIN! **Little MONSTERS**
PRIZE PACKS: P29



Oatley Village Festival
SPECIAL FEATURE
SEE PAGE 36 - 37

\$17 MILLION WIN Lotto
SYSTEMS 9 tickets .SEE PAGE 15



Police collar alien workers

POLICE raided a Yowie Bay building site on Tuesday escorting 22 suspected illegal Chinese immigrants off the premises.

Construction workers looked on in disbelief as police, acting on behalf of the Department of Immigration and assisted by officers from Miranda and Sutherland, questioned the suspected illegal

Story: ANTHONY PANCIÀ
Photos: ANTHONY JOHNSON

immigrants at the Wyralla Road site of the Waterbrook retirement resort before herding them into vans.

A construction worker who did not wish to be identified said the raid came as a surprise.

"They [police officers] were coming from all

angles. It's the first time I have ever seen anything like that," he said.

A spokesman from the Department of Immigration confirmed that 17 of the workers were found to be unlawful immigrants, four were in breach of their visas and one was still

being questioned at the time.

The 21 men and one woman were contracted by Hightrade Constructions and were still being detained at Villawood detention centre as the *Leader* went to press.

The men were working as gyprockers, tilers

and kitchen installers while the woman was overseeing their work.

General manager of Hightrade Constructions Paul Haas said he had been led to believe a number of the detainees had been released.

Turn to Page 8

Union seeks action - Page 2



TOP: Police question suspected illegal immigrants at the Yowie Bay construction site.

ABOVE: A suspect is escorted from the scene.

Crackdown

From page 1
"That's news to us that they're detaining that many people still," Mr Haas said.

Mr Haas said up to 130 subcontractors worked on the Yowie Bay site for Hightrade, but he could not confirm the company or companies for which the detainees worked.

He said all subcontractors would have had to provide tax file numbers and relevant information before being allowed on to the site.

"We have been in the industry for quite some time and it is not in our interest to be someone that isn't to the rule," he said.

Union's attack on aliens

By MERRY PORTER

THE Construction Forestry Mining and Energy Union (CFMEU) has called on the Federal Government to introduce legislation to stop companies from hiring illegal immigrants.

CFMEU State Secretary Andrew Ferguson made the call after 22 suspected illegal immigrants were escorted off a Yowie Bay building site on Tuesday.

"This latest incident at Yowie Bay is further evidence of a problem with illegal labour in the building industry," he said.

"The Federal Government needs to change the laws urgently so that companies profiting from the exploitation of illegal migrants actually face some sort of sanction."

There is currently no provision under Australian Federal law to punish any business caught using illegal labour - something the union wants changed.

A spokesman for the CFMEU said the use of illegal immigrants was widespread in the construction industry.

He said illegal workers often came into the country on tourist visas as part of an organised crime racket driven by gangs such as the notorious Triads.

After arriving from places such as south-east Asia, Korea and China, their visas and passports are confiscated and they are put up in boarding houses and dormitory-style accommodation.

In exchange they work long hours - up to 15 hours a day - and are often paid less than half the award wage.

The availability of cheap labour allows companies to undercut legitimate firms and undermining Australian pay and conditions, he said.

A spokesman for Federal Immigration Minister Philip Ruddock said the government was very concerned about the problem of illegal workers and had set up a task force last year which had made a number of recommendations, including the introduction of legislation relating to the hiring of illegal workers.

The spokesman said such legislation was expected to be introduced some time next year but the government would first embark on a campaign to make it easier for employers to check an employee's work credentials.

RT
St George's Sutherland
Shire leader.

19, Oct 2000.

about 20

Asbestos scare

by LUCY TOWNSEND

A DOZEN workers, believed to be backpackers, could be facing serious health problems after being exposed to asbestos at an empty Clayton factory.

The workers were involved in the removal of asbestos from the roof of the building at 71 Whiteside Rd.

WorkCover senior publicity officer Amanda Bolch said a field officer entered the site last Wednesday and found 12 people removing asbestos from the factory roof.

Ms Bolch said the workers were not wearing protective masks correctly and a site inspection revealed that there were no toilets, wash basins or first aid kits. The employees did not have access to a

12 workers face risk of lung cancer

decontamination unit to clean asbestos fibres from their clothing and shoes.

She said the workers did not speak English well and were likely to be backpackers.

Monash University Associate Professor Michael Abramson said in the worst case scenario the workers could face lung cancer or asbestosis in 10 to 20 years' time. "Without knowing what type of asbestos they were exposed to

and the length of the exposure, it is difficult to know exactly what the risks of developing lung cancer, mesothelioma or even asbestosis are," he said.

Mr Abramson, who specialises in epidemiology and preventative medicine, said if the workers were smokers the risks of developing lung cancer would be greater.

"The bottom line is that we have known about the risks associated with asbestos for 70 years and to be in the 21st century and not take proper precautions is unacceptable."

Mr Abramson said wearing incorrectly fitted masks or removing masks for a short period would be enough to risk exposure.

He said cases of secondary asbestos exposure had been documented.

"If the workers had the fibres on their clothing and they came into contact with others, there is the slight risk of secondary exposure," he said.

The *Times* understands the work was authorised by site owner Whiteside Road Partnership. The company is believed to be in partnership with Jameswood Pty Ltd as trustee for the Alvan Unit Trust and Westvale Investment Pty Ltd as trustee for the Westvale Trust.

The *Times* was unable to contact the company for comment.

WorkCover has issued Whiteside with a notice preventing the removal of any mechanical equipment from the site, including bobcats, an elevator platform and a truck. A second notice prevents Whiteside from being involved in asbestos removal in Victoria.

Illegal workers arrested on site

A BUILDING site in Dee Why was raided yesterday afternoon by Federal Police and Immigration Department officers and three illegal workers arrested.

A department spokesman said another six workers were also detained and were still being questioned at the time *The Manly Daily* went to press.

The spokesman said the six being questioned might be in breach of student or tourist visas or might have been sponsored by employers other than those for whom they were working when detained.

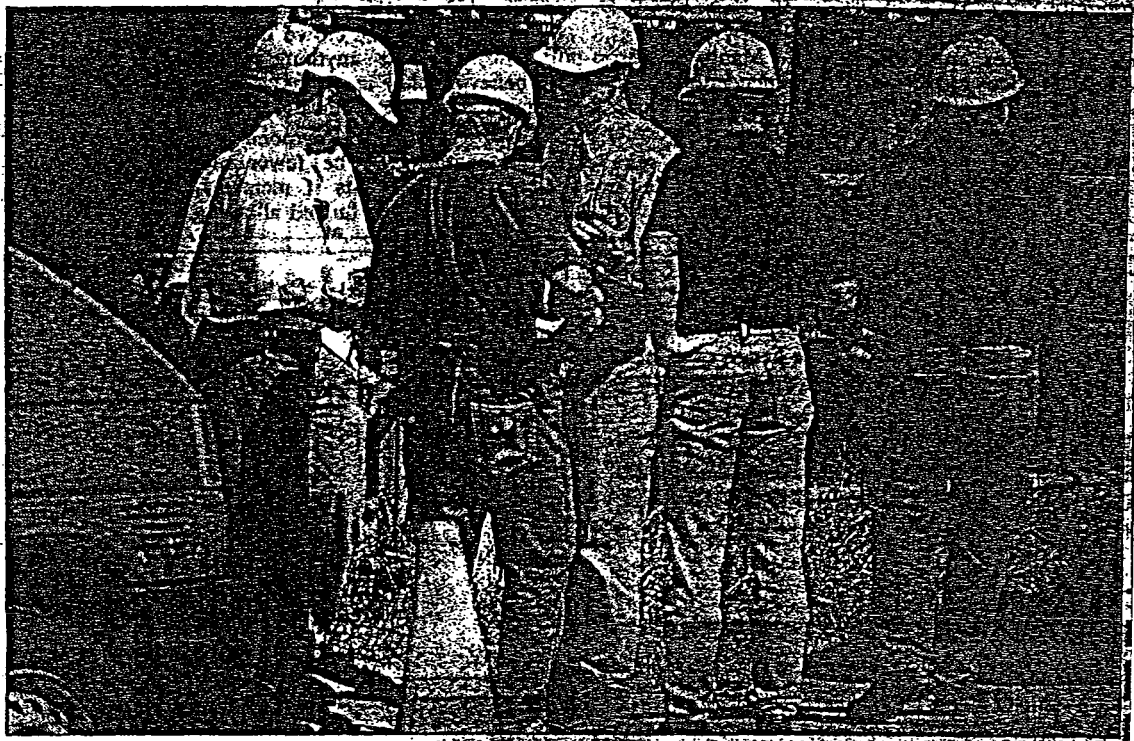
The three illegal workers will be deported.

Construction, Mining, Forestry and Energy Union state secretary Andrew Ferguson applauded the raid but said the problem of illegal workers taking jobs from Australians would continue until employers were penalised appropriately for employing illegal workers.

He said he believed some of those detained were working for a company which had previously been caught employing illegal workers.

"This shows there are serial offenders in the building industry and it reinforces the union's concern that the Immigration Minister is failing to deal with the issue of illegal workers working on building sites at the expense of Australian workers and to the disadvantage of Australian workers and their wages and conditions."

Five to be deported



The Dee Why building site where eight people were detained by Immigration officials.

IMMIGRATION officials have confirmed that five of the eight people removed from a Dee Why building site on Thursday afternoon were illegal immigrants and would be deported.

The remaining three people detained for questioning were found to be working in breach of their visas, either by working on student or tourist visas or for being

sponsored by employers other than those for whom they were working when detained.

Although the officials were unable to state the nationality of the five illegal immigrants who were deported, they did reveal the eight people detained included five Korean nationals, five Polish nationals and one Chinese national.

Construction, Forestry,

Mining and Energy Union state secretary Andrew Ferguson said some of the illegal

workers were employed by companies which had previously been caught employing illegal workers and he criticised the Immigration Minister for failing to deal with the issue.

"There are serial offenders in the building industry but no-one has

ever been prosecuted or penalised for employing illegal workers," he said.

The immigration policy, in terms of compliance increases

there is high level employment yet illegal workers are being employed on Australian building sites. They wouldn't be coming here if there wasn't a soft policy on illegal workers.

Illegal immigrant workers found on hotel site: union

By IAN KIRKWOOD

THE Federal Department of Immigration is investigating union allegations that 'illegal immigrants' are working at Becton's Honeysuckle hotel site.

A spokesman for the department said the department was looking at a complaint by the Construction, Forestry, Mining and Energy Union (CFMEU) about three men the union said were discovered during an audit on Wednesday of the site office books.

CFMEU State secretary Andrew Ferguson said one of the three was an Irish tourist with no right to work and the other two were Irishmen employed in contravention of their visa conditions.

He said the men were employed by a small subcontractor run by 'an Irishman' that was in turn contracted to main hotel builder Becton.

Mr Ferguson said the men fled the

site after the union uncovered the allegedly illegal workers.

'We have high unemployment in the building industry here at the moment and we do not want to see illegals taking the jobs of locals,' he said.

Mr Ferguson said the men were being paid under-award wages of about \$16 an hour.

He said he was surprised to find the illegals working at Honeysuckle, because Becton had an enterprise agreement with the union and had a reputation in Victoria as a responsible employer.

Becton spokesman Hamish McDonald said Becton acknowledged the problem but believed there was only so much it could do.

Mr McDonald said the problem had been 'sorted' with the CFMEU and that the contractor would not be re-employed.

NEWCASTLE HERALD

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DEPARTMENT OF IMMIGRATION
AND MULTICULTURAL AFFAIRS**MEDIA RELEASE**

DPS55/2001

Illegals in Construction Industry Detained

The Department of Immigration and Multicultural and Indigenous Affairs (DIMIA) detained nine people following a successful operation at the Holdmark Construction site in Strathfield.

Staff from DIMIA conducted the operation following information from the Construction, Forestry, Mining and Energy Union (CFMEU), which led to the location of five people in Australia illegally and four people working illegally.

The group included nine men from China, Malaysia and Korea who are all required by law to depart Australia.

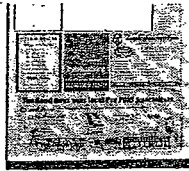
DIMIA conducts extensive employer awareness programs explaining the visa requirements and conditions non-citizens in Australia must comply with and also supplies DIMIA contact information and written material for later reference.

DIMIA officers make regular visits to workplaces in many parts of Australia, such as restaurants, farms, shops, offices, factories and brothels, in an effort to detect and locate people who are in the country illegally or who are working illegally.

DIMIA also regularly data-matches information about individuals with other Commonwealth government agencies, such as the Australian Tax Office and the Health Insurance Commission (Medicare).

In 2000-2001, 9054 unlawful non-citizens and people who had breached conditions were removed from Australia.

10 December 2001**Media Enquiries: Public Affairs (02) 6264 2244 or 0419 44 2000**



Hills Shire Times Tuesday 8/10/2002
General News Page 5
Circulation: 60,793
Size: 360.83 sq.cms.

Illegal worker row

‘They need to act quickly on information and do the right thing by young kids in the Hills’

by GERALD RILLSTONE

A row has developed between the Cole Royal Commission into the building industry and the Construction, Forestry, Mining Employees Union over illegal migrants working in the Hills.

Five migrants were discovered working illegally at a Baulkham Hills business last month and were arrested by immigration officials during a raid instigated by the union.

A sixth illegal worker broke free from officials and absconded. He has never been found.

Union secretary Brian Parker said the union told the commission about the illegal workers months ago and action should have been taken sooner.

“It was a total abrogation of the commission’s responsibilities,” he said.

He said the union had to approach Immigration Minister Phillip Ruddock to get action.

“In June this year we referred the situation to the Royal Commission and we asked Commissioner Terrence Cole to investigate and he undertook to do that,” Mr Parker said.

“What actually happened was that they sat on the information for months and chose not to even so much as refer it to the Department of Immigration.

“In fact it was only when Andrew Ferguson, the state secretary of the union, met with Mr Ruddock and threatened to have the scandal raised in Federal Parliament that a Department of Immigration raid

was organised.”

Mr Parker said the union was calling on the Royal Commission to take the issue of illegal immigrants seriously.

“They need to act quickly on information and do the right thing by young kids in the Hills area who can’t get work in the tiling sector because they cannot compete with slave labour illegal immigrants,” he said.

Commission spokesman Rick Willis said the union was using the case to beat the commission about the head and the commission was not abrogating its responsibility.

He said Mr Ferguson gave the information to the commission knowing it could not be used.

“He knew the information he supplied fell outside the powers of the commission, as its inquiry focuses on the construction and civil industries, not housing,” he said.

Steve Konarski, an investigator with the Department of Immigration and Multicultural and Indigenous Affairs, said in a statement to the commission the majority of names given to the department by the union turned out to be Australian citizens, permanent residents or holders of valid visas.

Of the 1620 persons investigated by the department over the past year, only 120 were identified as working illegally.



Call for action... a video still captures the moment an illegal worker makes a dash for freedom during the Baulkham Hills raid



Daily Telegraph Thursday 26/9/2002
General News Page 18
Circulation: 412,190
Size: 26.84 sq.cms.

21467

Illegal workers held

SEVEN illegal immigrants have been detained at Sydney building sites by the Immigration Department.

The department said the latest detention of six illegal immigrants and one person in breach of his visa conditions took the total to 80 in its ongoing crackdown on illegal workers in the construction industry. In the past two days three Chinese nationals and a Fijian man were discovered working on a building site in Paddington.

Three illegal Koreans were found at a house in Sydney's south.



North Shore Times Wednesday 23/10/2002
General News Page 7
Circulation: 75,607
Size: 131.06 sq.cms.

Three arrested in building site raid

by **SCOTT HOWLETT**

IMMIGRATION Department officers caught three illegal immigrants in an Artarmon raid on Wednesday (October 16).

Construction Forestry Mining Energy Union (CMFEU) State Secretary Andrew Ferguson said the raid on a Dasco Constructions' site in Eric Rd, Artarmon, was "just the tip of the iceberg".

He said two Chinese nationals employed as gyprockers and a

Lebanese national working as a painter were detained.

"The raid is a wake-up call to the construction industry to do more to ensure compliance with the law," Mr Ferguson said.

"It is no longer good enough for builders to turn a blind eye to illegal immigrants on their projects.

"Many North Shore projects are being built on the cheap by super exploited illegals."

Mr Ferguson said the CMFEU wanted North Shore builders to give

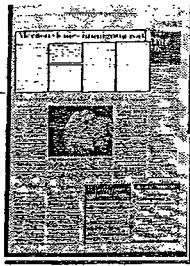
local unemployed youths a start in the industry.

"We want them to give young Australians a job at the expense of people who have no right to work here not the other way around," he said.

Dasco chief executive officer Danny Nicholas confirmed three men had been detained.

"I must stress they were not employed directly by Dasco Constructions," he said.

"They were employed by sub-contractors working for us."



Meriton denies immigrant rort

Report Ashley Crossland

Construction company Meriton on Friday denied it was profiting from the employment of illegal immigrants in the building industry, despite a major Immigration Department raid on the company's World Tower site in Sydney on Thursday.

But Australia's largest building union has rejected Meriton's claim of innocence, saying that half-rate quotes from subcontractors naturally alert major contractors to the existence of illegal practices on building sites.

The World Tower raid was the latest in a three-week-old Immigration Department crackdown involving several major building sites and which, according to the department, has netted 90 illegal workers.

A spokesman for the Immigration Department said Thursday's raid netted nine workers, all of whom were in Australia unlawfully and most of whom were working as tilers.

Citing operational reasons, the spokesman refused to confirm the

location of the raid site, to name the employers involved or comment on how many immigration officials were involved in the raid.

Meriton's spokesman said there was a significant police presence and the site was shut for 2½ hours.

The immigration official would not say whether any companies had been penalised or warned in the crackdown.

The Meriton spokesman said that the company's ACI site at Moore Park in Sydney had also been recently raided. He added that the company was doing enough to identify illegal workers.

"If anyone turns up who can't speak English they are asked to show their documentation. But in the past there have been fake documents," the spokesman said.

"It's impossible to police a building site with 400 or 500 workers."

The Meriton spokesman also denied the company benefited from cheaper subcontracting quotes made possible by the employment of subcontractors.

The NSW secretary of the Construction, Forestry, Mining and

Energy Union, Andrew Ferguson, said major companies had to take some blame.

"They receive quotes that are so low that it's obvious the subcontractors can't conceivably be complying with the law."

Mr Ferguson said no employer had ever been prosecuted under the relevant Crimes Act provision, and he accused the Federal Government of laziness on the question of reform.

"The government has been promising new legislation on this issue for three years but it has been blocked by the National Party because rural industries are riddled with cheap illegal labour."

KEY POINTS

- CFMEU rejects Meriton's denial that it profits from illegal workers.
- Meriton building sites have been raided by immigration officials.
- Meriton says it looks out for suspicious construction workers.

21544


MEDIA MONITORS
Phone: 02 9318 4000



Illawarra Mercury Friday 4/10/2002
General News Page 10
Circulation: 31,082
Size: 23.11 sq.cms.

Building site arrests

Federal police and immigration officers arrested 30 people when they raided a construction site in Sydney's CBD yesterday in a search for illegal immigrant workers, a peak building union said.

Construction Forestry Mining and Energy Union NSW secretary Andrew Ferguson said the arrests were made at the Wattle Tower Meriton site.

He said eight of those were found to be illegals and most of them were Korean nationals.



Emerald Hill Times Wednesday 30/10/2002
General News Page 5
Circulation: 45,000
Size: 200.90 sq.cms.

Backpacker job warning

By DANIELLA MILETIC
BACKPACKERS have been warned to be wary of unscrupulous employers, after two companies and a company director were fined a total of \$132,000 yesterday for using St Kilda travellers to illegally remove asbestos from a building site in Clayton.

Magistrate William White heard that casual labourers from St Kilda backpacker hostel the Coffee Palace were employed illegally to remove asbestos from the site on October 25, 2000.

The court was told the backpackers had received no training in asbestos removal and no instructions about protective clothing. Some of the workers could not speak English and did not understand the inspector when he discussed the dangers on the site.

The company had previously received quotes from two licensed asbestos removalists before choosing to use casual, unlicensed labour instead.

According to WorkSafe Victoria investigators, some of the workers were not wearing breathing apparatus and were

wearing their protective coveralls open to the waist.

Jameswood Pty Ltd, Westvale Investments Pty Ltd and company director Simon William Hodgson each pleaded guilty to failing to provide a safe working environment. They were not licenced to remove asbestos under the Occupational Health and Safety Act 1985. Mr Hodgson was fined \$12,000 but was not convicted.

A spokesman for the Construction, Forestry, Mining and Energy Union, Pat Preston, said the fines showed the matter had been taken seriously. "However, no amount of monetary fines can alleviate the concerns for the workers who will be worrying about their health for the next 15 years and more," he said.

"There was complete disregard for their safety ... they were dealing with one of the most hazardous fibres in the world."

Mr Preston said there were many dangerous diseases related to asbestos, including mesothelioma, which he described as "a death sentence".

Port Phillip mayor Darren Ray said St Kilda was a

favourite destination for overseas backpackers. "We appeal to owners of backpacker hostels to be careful as to whom they let in the doors to recruit backpacker labour. Backpackers themselves also need to be vigilant about prospective employers."

WorkSafe's construction industry program director, Geoff Thomas, said the case was a distressing breach of workplace safety laws. "There are significant risks involved with asbestos removal, and that's why it's absolutely necessary that the work is carried out by professionals using the appropriate safety equipment and procedures."

Phil King, a Coffee Palace employee, said backpackers were easily exploited by unscrupulous employers. "I had a guy come in the other day saying he wouldn't hire Australians, that he only wanted backpackers. That to me says that he's going to take advantage of them straight away."

He said backpackers often worked without visas for cash. "It's hard because they can't really say too much about it, because it is illegal anyway," he said.

\$35 A DAY FOR TUNNEL CREW

By Becher Townshend

CZECH labourers are earning \$1.55 a week more than the rate to dig a tunnel under the Mersey River in Devonport.

The startling revelation was made in Parliament yesterday by Braddon MHA Brenton Best during debate on the contentious Industrial Relations Bill.

Mr Best told the House

that he had been informed the workers were being paid about \$35 a day, which means the labourers would earn \$175 compared with the basic Newstart Allowance of \$173.45 a week.

The \$2.5m. tunnel is being built by a West Australian company, Mining and Precision Blasting, for the Devonport City Council.

When construction of the tunnel began, a total of 10 Czech labourers were hired for the job. It is believed there are now only two.

Mr Best also revealed construction at the work site had been stopped by Workplace Standards for two weeks after four crates of explosives were found next to electrical

To Page 2 C

Union acting on behalf of Slovaks

Claim for lost wages

THE Construction, Forestry, Mining and Energy Union is putting in a lost wages claim on behalf of workers employed on the Mersey tunnel project.

The union has met with consulting engineers Pitt and Sherry, who are the subcontractors on the \$2.5m. tunnel being built under the Mersey River in Devonport by West Australian company Mining and Precision Blasting.

CFMEU construction organiser Bill White said yesterday it was his opinion the Devonport City Council was no different to every other council in the State and went for the cheapest price, regardless of its social responsibility to keep work here.

Yesterday Mr White met with a representative of Pitt and Sherry on site to discuss pay and conditions on the job.

Braddon MHA Brenton Best last Friday claimed in Parliament that Slovak workers on the tunnel were being paid about \$35 a day and that work had been stopped by Workplace Standards for two weeks after four crates of explosives were found next to electrical equipment adjacent to Devonport's Coles car park.

Mr Best told Parliament it appeared safety had been compromised and shortcuts had been taken to save money.

Mining and Precision Blasting manager Vince Novac has rejected all accusations. He said yesterday

his company had complied with all award requirements and regular salaries were being paid to the families of the Slovak workers as arranged.

"The accusations are fabricated ... you can accuse anybody of anything but where is the proof?" Mr Novac said.



Mr Best said. It appears Mining and Precision Blasting paid a \$35-a-day allowance, provided a house shared by five employees and paid \$15 a day for food.

Mr White said the CFMEU had been told no salaries were being paid to Slovak workers at all but had been promised on their return home.

The Slovak workers were said to have been employed because of their specialised skills which were not available in Tasmania.

The tunnel is being built on a Devonport City Council contract awarded to the WA firm over a tender featuring a North-West Coast business which would have used local labour and equipment, but was \$870,000 more expensive

than the winning tender.

However, since then it is believed the job has cost a further \$400,000.

Mr White said councils should ensure contracts went to companies which met award conditions and the Australian standards and requirements of the relevant industry.

Devonport City Council manager of technical services David Sheargold said there had only been three tenders.

Mr Sheargold said the second was \$870,000 more expensive and used a trench technique which had already proved a suspect method.

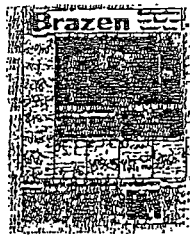
He said any wage issues were a matter between the contractor and the union but he said the council had received no complaints at all.

Mr White said the CFMEU had spoken to one Tasmanian working at the tunnel who had been paid \$15 an hour with no overtime or penalty rates, when the award stipulated casual labour be paid at \$18.88 an hour plus allowances.

He said it was believed at least four Tasmanians working at the site had been underpaid.

Mr White said a claim would also be lodged through the national office of the CFMEU for the 10 Slovak workers because the union maintained that anyone working in Australia should come under the guidelines of the national award.

6



Brazen

By MATTHEW BAYLEY

BACKPACKERS working illegally in Sydney are earning more than \$5000 a month tax-free, an investigation by *The Sunday Telegraph* has revealed.

Thousands of travellers are being paid cash-in-hand on the black economy by unscrupulous employers who are keen to exploit cheap labour.

The Federal Government believes that at least 30,000 people are working illegally in Australia, mostly in the construction and hospitality industries.

Many of these workers are backpackers from the United Kingdom and the US who overstay their visas. *The Sunday Telegraph* investigation, conducted last week, revealed just how easy it is to pick up illicit employment.

Within 48 hours, this reporter — posing as a British backpacker — was offered four jobs, despite explaining he was not allowed to work under Australian law.

"It's all cash, there's no tax," said one man who runs a business selling oil paintings.

"You should have a working visa and a tax-file number but we've got loads of people who don't. It doesn't matter."

In one instance, a man running a furniture-removal business approached me outside a Sydney hostel and offered me a job paying \$10 an hour cash-in-hand.

When I explained I did not have a working visa, the man insisted this would not present a problem. He added that he regularly patrolled streets popular with backpackers, such as Victoria St in Kings Cross, asking travellers if they want work.

The large scale of the problem has sparked outrage from the Federal Government, unions and the Labor Council.

A spokesman for Immigration Minister Philip Ruddock said: "It's something the Government

is particularly concerned about. These people are taking jobs that should belong to Australians.

"This is the bad side of the booming tourist industry and the strong economy. There are a lot of people who want to abuse that."

Travellers looking to make money have little problem finding work. Noticeboards at Sydney hostels are crammed with adverts for employment, many offering cash.

One particularly lucrative business — which readily employed this reporter — involves the door-to-door selling of oil paintings imported from art schools in Europe.

British woman Lisa, 19, in Australia on a three-month tourist visa, claimed to have earned \$5000 cash in the last month alone.

"I've earned more here than I would in Britain," she said.

"I'm going to use the money to pay for my student accommodation at home."

Backpackers selling the oil paintings visit business premises in the daytime and homes in the evenings. The average picture price is \$150, of which the seller gets to keep at least \$50.

For Lisa, a visit last week to one Baulkham Hills home yielded 30 sales, netting her a cool \$1125.

Carlos, who runs the business, said he had overstayed in Australia by three months.

"I'm not supposed to be here," the blond-haired Briton admitted. "We're illegal workers."

"You'll be all right (without a working visa) but if we get into trouble we'll just say you didn't tell us. We like people who are desperate for cash; they work harder. It's easy money. We expect everyone to sell three paintings a day, which is at least \$150 a day cash-in-hand."

While some businesses hiring travellers insist employees have

Backpackers who flout our labour laws

work visas, others are prepared to turn a blind eye.

"You have to have a working visa to work in Australia," said one man who runs a sales business.

"But you don't have to show us."

Government figures show that 14,000 visitors annually stay longer than their visas allow, with a total of 58,000 people unaccounted for at present.

The UK has the largest number of overstayers, with 6000, followed by the US on 4900 and the Philippines with 3700.

An estimated 2000 people were caught working illegally on tourist visas last year.

Travellers caught working illegally have their visas instantly cancelled and are forced to leave the country. But in hundreds of cases, the Government is forced to pay for their repatriation at a cost to the taxpayer of hundreds of thousands of dollars.

At present, no penalty is imposed on employers taking on illegal workers, but the Government is considering plans to make it a crime.

NSW Construction Forestry Mining Energy Union secretary Andrew Ferguson said an estimated 10,000 people were working illegally in the construction industry alone.

"It's a very big problem and it's getting worse," he said. "It's very easy to get a cash-in-hand job and there are a lot of unscrupulous employers who will not only employ a person illegally but actually go looking for them."

"We've got massive youth unemployment in western Sydney, where people can't get apprenticeships because the employers are using cheap labour."

NSW Labor Council secretary John Robertson said the problem of illegal workers should be tackled "as a matter of urgency".

Blitz on illegal workers

Tele Sat 12/2/00
By RACHEL RODDA

POLICE and immigration officials have been stopping workers with dusty work clothes and boots covered with plaster at train stations during a crackdown on illegal immigrants.

So far, 60 illegal immigrants have been arrested in a three-month operation in the Flemington area, targeting workers in the building industry.

In the latest two-day operation, 11 men were arrested at Flemington and Lidcombe train stations on Thursday night and early yesterday.

The men, some holding NSW drivers' licences, were found to have overstayed their tourist visas.

Acting Sergeant Tony Carlile of Flemington's Transit Police, yesterday said there were 10 Asian men and one South African.

Sergeant Carlile said most of the 11

men were doing gyprocking work on building sites in Flemington.

Some of the men had evaded detection for up to four years, while another had overstayed his visa by two months.

At least one of the men was carrying a false passport.

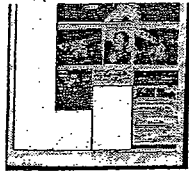
Transit police have been constantly arresting illegal immigrants over the past three or four weeks.

They report arresting an average of one illegal immigrant every shift.

Sergeant Carlile said most were discovered after committing minor offences, sometimes related to driving. In this case, the men were caught on a train platform without tickets.

He said police had also built up a profile of a likely suspect in the area.

They are targeting men wearing dusty work clothes, or work boots covered with plaster.



Daily Telegraph Saturday 28/9/2002
Inside Edition Page 31
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Size: 778.54 sq.cms.

Working in shadows

The focus is on nearly 700 asylum seekers in detention centres, but there are 60,000 illegal immigrants living and working in Australia — especially in the Sydney building industry. MARCUS CASEY reports

It wasn't an average Monday morning at the DiLorenzo Ceramics tiling factory at Baukhurst on September 9. At 6.45 a team of Immigration Department officers pulled up and put a big cat among a group of startled pigeons.

The factory was under surveillance for weeks, the officers watching teams of tiling subcontractors arrive each morning to load up before fanning out across Sydney.

Most were South Korean-born workers who make up an estimated 50 per cent of the roughly 6000 tilers in NSW. They weren't employees of DiLorenzo Ceramics but regular customers. Six had no right to be there — the Immigration Department officers checked their paperwork and discovered they were, in the language of bureaucracy, "unlawful non-citizens".

As officers detained them, one South Korean man ran from the scene, jumped a fence and bolted across a paddock and disappeared, escaping back into the shadowy and furtive world of illegal immigrants.

In the past month, 45 such raids on building sites across Sydney have netted 80 illegals, who are now waiting to be, or have been, deported. They came from all over the world — Ireland, Fiji, China, the Philippines, South Korea, Indonesia, Pakistan, Malaysia and the Ukraine.

They may have illegally entered the country, overstayed visas or were working in contravention of specific visas. Some simply entered Australia on tourist visas and never left, tapping into underground ethnic networks where a dodgy boss pays cash in hand at up to 50 per cent below the award wage.

Illegals work in restaurants, prostitution, farms, factories, shops, warehouses and as cleaners. In recent years they have become a growing problem in construction, taking jobs from legal immigrants and Australian-born workers.

They distort the cost structure of the building industry, as subcontractors paying well below the award rate put in cheap tenders, which lock out the legitimate, tax and worker entitlement-paying operators. Good guys are going broke, according to evidence at the building royal commission.

They have been found on sites run by construction giants such as Baulderstone Hornibrook, Meriton, Grocon, Leightons, Crown International and Bovis Lend Lease.

They weren't employed by those companies but shonky on-site subcontractors acting with impunity. Incredible as it seems, the only punishment for employing illegals is an immigration departmental warning letter.

A fine is imposed if employers are proved to have knowingly and systematically hired illegals but to avoid that they say they

didn't know the person was an illegal.

"There is no specific offence in Australian criminal law dealing with the employment of non-citizens who are unlawfully in Australia," departmental border control and compliance assistant secretary David Moorhouse said on Thursday.

Deputy state director of the Immigration Department, David Watt, says there "is not a great deterrence to hire illegals". There is also no legal requirement to check worker credentials, although a service is available.

In another example of systemic problems, Immigration Department policy officer Greg Phillips admits any proof of tax irregularities found during raids is not passed on to the tax office. "There is no power for us to pass on our knowledge to the Australian Taxation Office," he says.

Exact numbers are impossible to estimate — illegals don't fill in the census — but what is available shows numbers are increasing rapidly. Between March 2000 and March 2002 the Immigration Department located 155 illegal construction workers in 30 compliance operations.

The latest raids netted more than half that figure in the past month alone.

"It is a serious and rapidly escalating problem, particularly in the past two years," says Andrew Ferguson, state secretary of the Construction, Forestry, Mining and Energy Union. "Local workers are being displaced, especially in tiling, where apprenticeships have plummeted because of the number of illegals."

According to Joon Shik Shin of the Korean Resource Centre, any sympathy that legal immigrants from South Korea may have had for illegal counterparts is rapidly evaporating. "Work has been tightening up and legitimate [South Korean-born] subcontractors are realising these crooked competitors are hurting them, cheating them out of contracts through low wages," Joon says.

"But the illegals are also victims and are being exploited. Illegals who want out and have come to me have been bashed by bosses when they've threatened to go to the authorities because they're not paid enough and have no access to workers' compensation and other entitlements."

Joon is writing a PhD on the impact of illegal South Koreans on subcontracting in the tiling sector. He estimates there are up to 2000 illegals working in it.

Illegals are also employed as gyprockers, labourers, site cleaners and in other trades.

Ferguson says shonky subcontractors cleaned out by the Immigration Department turn up to sites the next day with a new gang of illegals, indicating organised rackets are operating. Shadow immigration minister Julia Gillard says the law needs to be toughened up and the department given the teeth it needs.

Laws have been reviewed and a range of fines and prison sentences for bosses who employ illegals has been recommended and accepted by the Government. But that was 18 months ago.

"I think the Government philosophically doesn't like cracking down on employers but it talks tough on immigration when it comes to asylum seekers," Gillard says.



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"The issue of illegal workers is a far bigger problem than boat people and the Government should be taking a lot more action. Employers are simply getting off scot-free."

The new bill is listed in the spring legislation program of parliament but has not yet been written.

In this void, the CFMEU has become the unofficial policeman and punisher of companies hiring illegals. It has extracted "fines" of \$25,000 from "bad" companies, which is paid

to a variety of related causes or sent to the underpaid workers once deported.

If they don't pay, these companies aren't allowed on building sites, which the CFMEU can easily shut down. It's an unregulated, wild west system causing great concern to the royal commission and Master Builders Association.

"It is a highly unsatisfactory situation," says MBA chief Brian Seidler.

On all fronts.



Not where... a man runs from Immigration Department officers after a raid on a Brisbane Hills factory this month. Photo: Chris Power?



Crackdown... (above from left) a Homebush building raided by Immigration Department officers this month; a man who was attacked after threatening to go to officials; CFMEU state secretary Andrew Ferguson; and (left) Joon Shik Shin of the Korean Resource Centre

