# Australia: Report reveals “Harvest Trail” exploitation of overseas workers

**Hugh Peters**
**30 July 2018**

The federal government’s Fair Work Ombudsman (FWO) last month released the preliminary findings of its Harvest Trail inquiry into the exploitation of temporary overseas workers, including backpackers and international students, by labour hire companies and agricultural businesses.

The investigation, which began in 2013, included inspections at farming enterprises across the country. The full report is not due to be released until later this year. The initial findings, however, provide a glimpse into the dire conditions facing these workers, and the widespread extent of the abuses.

Speaking to the Australian Broadcasting Corporation, Jennifer Crook, FWO’s assistant director in compliance and enforcement, stated that in some cases, workers had been “virtually bonded like a slave to a particular provider, on the basis they have been told they won’t have their visa extension signed unless they see out the season with them.”

In other cases, Crook said workers had been “driven to their accommodation via ATMs and asked to provide money in advance for bond, transport and accommodation costs.” She stated: “We saw backpackers being lured to regional centres by dodgy labour hire operators, treating them poorly, bullying and sexually harassing them and ripping them off to the tune of hundreds—and sometimes thousands—of dollars per person.”

Labour contractors operate with impunity. Despite employers being required to provide piecework agreements in advance, workers are regularly paid unnegotiated rates. Payments to workers are frequently made off the books without any records.

Some contractors simply refused to pay their employees. Crook said the FWO had documented cases of “contractors disappearing at the end of harvest season with hundreds of thousands of dollars in wages that haven’t been paid to sometimes hundreds of employees.”

Businesses and contractors had sought to distance themselves from any culpability by creating multiple tiers of subcontractors.

The horticulture industry, with annual revenues of $70 billion, depends heavily upon temporary migrant labourers. The Australian Bureau of Agricultural and Resource Economics and Sciences estimated that 70 percent of farmers rely on foreign labour. A separate University of Adelaide report placed the figure at 78 percent.

The FWO findings are the latest in a series of reports examining the exploitative practices in the sector.

A 2016 FWO inquiry into the wages and conditions of employees on short-term 417 visas, found that 66 percent of the 4,000 foreign workers surveyed indicated that underpayment was routine. Around 28 percent said they did not receive any payment for some, or all, of the work that they performed.

The majority of those who spoke to the FWO said they did not report mistreatment for fear of further persecution.

The *Wage Theft in Australia—Findings of the National Temporary Migrant Work Survey*, published last year by the Migrant Worker Justice Initiative (MWJI), similarly found that 65 percent of international students, and 59 percent of backpackers, were paid $17 per hour or less, well below the official minimum wage of $22.13. A third of backpackers and a quarter of international students earned $12.

A substantial minority were subjected to severe abuse. Some 5 percent said their employer or accommodation provider seized their passport. Another 5 percent had to pay a deposit for a job, while 6 percent

© World Socialist Web Site

indicated they were charged a potentially unlawful fee for workplace training. As many as 45,000 foreign workers were working in forced labour conditions.

Despite these reports, nothing has been done to halt the super-exploitation. The FWO, a pro-business agency, has blamed the workers' conditions on "dodgy labour hire contractors" but the abuses are systemic.

By focusing on supposed "rogue" operators, the FWO is covering up the responsibility of successive Labor and Liberal-National governments, along with the trade unions.

The Hawke and Keating Labor governments, with the support of the unions, initiated the elimination of tens of thousands of permanent jobs in the late 1980s and the early 1990s, gutting labour protections and creating a vast reserve of casual labour.

Every government since has deepened the process. Refugees, young migrants and holiday workers have become a key component of the rural workforce, with thousands performing low-paid seasonal work.

During the early 2000s, the Liberal-National government of John Howard introduced an option for 417 visa holders to stay an extra year in Australian if they performed 88 days of "specified work" in regional areas in the first year of their visit. The visa is designed to facilitate the type of exploitation documented by the FWO.

The National Union of Workers (NUW) recently said it is seeking to unionise the agricultural sector in a bid to end the mistreatment. For years, however, the NUW and other unions have displayed indifference to the plight of foreign workers. Because of their limited financial resources, the foreign workers have not been viewed as a potential market from which the union bureaucracy can extract membership dues.

At the same time, the unions have waged xenophobic campaigns, scapegoating foreign workers for the deepening social crisis. Based on a nationalist and pro-capitalist program, the unions are implacably hostile to the fight to unite workers, foreign and native-born alike, in a common struggle for decent jobs, wages and conditions for all.

To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact

© World Socialist Web Site