

Exploitation of Indian workers on 457 visas

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Recent research, by Dr Selvaraj Velayutham published in a forthcoming issue of *The Economic and Labour Relations Review*, published by SAGE, details the exploitation of Indian immigrant workers in Australia on 457 visas.

Whilst the exploitation was often by fellow-countrymen, it is the 457 visa system that makes this exploitation possible. Unless temporary immigrants accept the poor conditions offered, they face [deportation](#). In effect they have been tricked into coming to Australia by false promises, and have often had to borrow heavily to pay dishonest recruitment agents. They have little choice but to work very long hours for very low pay under substandard conditions, in an effort to repay their debts. In effect their employers are breaking Australian law, and the [workers](#) are in debt bondage.

Case 1:

B, an experienced boilermaker, came to Australia with a group of six others.

They were recruited in Singapore by an agent in Singapore, where they signed a contract based on the offer of a salary of AUD 40,000 for a 40-hour week. The letter of offer was for 4 years, with standard conditions. When they arrived in Australia, the Indian HR manager produced a revised contract and gave the group 24 hours to sign or face termination. The new contract stated that they would be required to work 11 hours per day (overtime without penalty rates), accept termination

without notice and leave Australia if terminated by the company. On refusing to sign, their passports were confiscated.

Case 2:

After [borrowing money](#) to pay an agent \$12,000 to secure a job in metal fabrication in Australia, a skilled Indian tradesman discovered that his employment conditions were much worse than he had been led to believe.

The accommodation he had been promised turned out to be a shared room at the back of a factory, with 5 bunk beds, for which 5 workers each paid rent of \$100 week, deducted from their pay, along with repayments to the agent. The workers also had to pay for their own training and licences. Other concerns were:

- At external construction sites, there was no induction or safety training once they had commenced employment.
- Sick leave was unlawfully deducted from annual leave, despite medical certificates;
- There were long hours without paid overtime
- Workers were forced to work in unsafe conditions and required to do jobs they were not trained to do. Often this work involved dangerous tasks that required specialist skills they did not possess.

When they complained to their supervisor about their treatment, and questioned why their conditions were so much worse than their local colleagues', their employer told them that overseas workers do not have same rates of pay and conditions of employment as local workers. He threatened to terminate their employment and send them back to India, and eventually fired them for joining the union.

Case 3

Recent research into the conditions of Indian restaurant workers on 457 visas has found that the use of 457 visa labour has driven down wages and conditions such that few locals (including Indian permanent residents) are willing to do this work. The research found that low, sporadic or sometimes entirely absent wages were common, as were exceptionally long hours, typically 15 or more hours a day, 7 days a week. Few workers had time off, other than short periods between meal shifts, and all told of being lured to Australia under the false impression that they would be working in good, well-paid jobs.

All the workers interviewed reported 'two contracts' – one they signed in India prior to departure and an amended one presented to them upon arrival with far less favourable conditions. They were left with little option but to sign, having borrowed to pay agents, airfares and visa fees.

Complaints about overwork and underpayment mostly went unreported. This was due to a number of factors, including English language difficulties, fears of losing employment and visa, and physical and psychological intimidation by the employer. There was also a lack of awareness of the correct pay and conditions and little knowledge about how to seek redress.

Complaints to the employer about [conditions](#) were often met with threats of early termination and loss of visa. In one case, a restaurant owner threatened to kill the employee and harm his family in India.

More information: The research detailing these cases is published in "Precarious experiences of Indians in Australia on 457 temporary work visas", The Economic and Labour Relations Review, 24 (3), August 2013. elr.sagepub.com/content/24/3/340.full.pdf+html

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