

## Inquiry into modern slavery risks faced by temporary migrant workers in rural and regional New South Wales

Hearing: 30 April 2025

#### Answers to Supplementary Questions from Modern Slavery Committee

Contact: Seri Feldman-Gubbay and Sean Stimson Date: 29 May 2025

#### Acknowledgment

We acknowledge the Gadigal and Bidjigal Clans, the traditional custodians of the Sydney Coast. We pay respect to Elders, past and present, and express gratitude for the opportunity to work and learn on their lands.



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Representatives of Redfern Legal Centre (**RLC**) provided evidence at hearing before the Modern Slavery Committee on 30 April 2025. On 8 May 2025, RLC received a copy of supplementary questions, and a transcript of the hearing, containing a question on notice. This document sets out our answers to those questions.

#### 1. What specific legal changes would you recommend to NSW legislation?

As set out in our submission provided to the inquiry on 26 February 2025, we recommend the following specific legislative changes:

A. The NSW Government should introduce legislation to mandate licensing and compliance requirements for labour hire companies.

Labour hire companies in NSW currently operate with limited accountability and often exploit legal grey areas that enable unscrupulous practices to persist with minimal oversight. Labour hire companies often mediate employment for temporary migrants, creating layers of accountability that obscure direct responsibility for worker conditions. This layering complicates the enforcement of basic employment standards, allowing labour hire firms to transfer workers between worksites with few protections and little transparency. Migrant workers employed under these conditions are frequently underpaid, denied entitlements and required to work under substandard conditions, with little recourse for addressing grievances. Labour hire practices also present challenges for regulatory agencies, as companies may shift operations or rebrand to evade accountability, further complicating regulatory enforcement. To enhance the transparency and integrity of the labour hire industry in NSW, in line with legislation and schemes in Victoria, Queensland and South Australia, the Government should implement legislation and a scheme that requires businesses that provide labour hire services to obtain a licence, meet certain standards, and comply with relevant laws.

- B. That the Modern Slavery Act 2018 (NSW) be amended to:
  - i. include penalty provisions for entities that do not comply with reporting requirements; and
  - ii. enable victims of modern slavery to bring civil claims against perpetrators, to obtain compensation and penalties.

Currently, individual victims of modern slavery have no recourse under the Modern Slavery Act to obtain compensation our recourse. While the perpetrator may be prosecuted, no benefit flows to the person who has been the subject of the unlawful conduct. An employee may bring a claim under the *Fair Work Act 2009* (Cth) (**Fair** 



**Work Act**) and utilise the civil remedy provisions to recover unpaid wages and/or be paid penalties, however such proceedings are drawn out, and require the particularisation for specific industrial breaches to make a case because there is no standalone modern slavery offence under the Fair Work Act. The Government has an opportunity to take serious deterrent action against rogue employers who engage in modern slavery, while also centring the needs of the individual victim.

- C. We recommend that subsection 9(1) of the *Residential Tenancies Act 2010* (NSW) (**RTA**) be amended as follows:
  - 1. An agreement or arrangement under which a person is given the right to occupy premises for the purpose of a residence:
    - (a) by a person who is also the person's employer, or an associated entity of the employer; or
    - (b) in return for, or as part of remuneration for, carrying out work in connection with the premises or the person's employment,

is taken to be a residential tenancy agreement.

Such a change will ensure that employees who are provided accommodation by their employer, or whose accommodation relies heavily on their ongoing employment, will have rights under the RTA (for example, in relation to notice periods or applicable grounds for eviction).

The current section 9(1) of the RTA does not provide protection for employees who pay for their accommodation, including by way of deductions; it only covers employees who are provided accommodation in exchange for their work or as part of their remuneration (i.e. they do not pay rent). However, employees who are both required to live in specific accommodation by their employer and to pay rent, (ironically likely amounting to an unlawful requirement to spend or deduction under the Fair Work Act), currently have no explicit tenancy rights under the RTA. The current status for an employee who is being underpaid their wage and provided accommodation, but crucially, not payslips, by their employer, is unclear. It might be the case that an employee is 'paying' for their rent by way of a deduction, however without a pay slip demonstrating the deduction/payment, such an employee's status under the RTA is unclear and contestable.

The provision of safe, affordable housing is a critical issue for temporary migrant workers, particularly those in regional and rural NSW who routinely depend on their employers for accommodation. In our experience, migrant workers are often subjected to unlawful deductions or requirements to spend in exchange for (often subpar) accommodation.



It is also our experience that employer often charges greater than market rates for accommodation provided to employees. We recommend that the Government considers a way to regulate and limit the cost of rent that can permissibly be charged to an employee to live in accommodation provided by an employer. Some Modern Awards provide such maximum amounts; however, most do not contain such provisions.

## 2.1 Are international students particularly targeted for rural jobs during holidays or off-semester periods, and what risks do they face when isolated from city-based supports?

While most international students are based in the greater Sydney region of New South Wales, encompassing Sydney, Wollongong and Newcastle, NSW is also home to numerous rural and regional education providers, including universities, Tafe, private colleges and schools.

New federal visa policies encouraging students to study at rural and regional education providers, will drive a surge in international student arrivals to these areas. We expect this will result in an increase in the number of students residing and working outside of metropolitan areas of New South Wales, amplifying the need for safeguards against exploitation.

There are approximately 250,000 international students currently enrolled to study in New South Wales, 1% of which are studying in regional areas. This 1% equates to approximately 2,500 students, which is greater than one third of the population of Moree, or the entire population of Berry. However, these rural and regional students accounted for 7% of the international students we assisted during the period of 2018-2023. That is a sevenfold over representation, a clear indication that the legal need in regional areas is significantly higher than their numbers alone would suggest.

International students studying in regional New South Wales face particular challenges in accessing information regarding their rights as workers, and legal assistance if they are experiencing issues. International students face issues which are particular to the nature of them holding Sub class 500 (Student) visas.

One example of the vulnerability of international students is the use of Education Agents in a students' home country, which is prevalent in the international education sector. Education Agents facilitate a students' pathway to study, including assisting students to choose an education provider and apply for a visa. Education Agents are an unregulated industry, although there are voluntary schemes for agents to be endorsed and qualified.

These agents lure international students to Australian educational institutions with false promises, claiming that upfront tuition payments are unnecessary. Instead, students are misled into believing that their education provider will cover the costs, with the expectation that they will repay the fees through work placements.



In reality, these 'placements' are exploitative labour schemes. Students are denied the education they were promised and are instead forced to work long hours in conditions misrepresented to them as part of their course requirements. Despite their efforts, they make no progress toward earning a qualification. Many are eventually sent back to their home countries under the guise of visa issues, permanently cutting off any chance of completing their studies in Australia. Students based in rural and regional New South Wales are particularly vulnerable as they are unfamiliar with the Australian legal system, in particular their employment rights, as well as experiencing isolation, lack of culturally appropriate support and low levels of access to free or low-cost legal assistance.

Similar to their metropolitan counterparts, many international students are hesitant to speak out against mistreatment experienced at their workplace, as they fear doing so may jeopardise their visa status or prospects for future residency. This fear creates a culture of silence, where workers endure exploitative conditions to preserve their employment so they can continue their studies in New South Wales.

Overall, the risks faced by international students in the workplace are the same in both metropolitan and regional areas. However, the lack of access to legal assistance means rural and regional students are often in a more vulnerable position than their metropolitan counterparts.

### 2.2 Should education providers be required to do more to educate students on their rights and prepare them for work safely, especially in regional placements?

Redfern Legal Centre works with education providers to provide resources and present legal education to both students and staff.

From 2018-2023, 14 out of the 46 legal rights webinars, community legal education sessions, and university engagements ISLS conducted were to regional universities, enriching the legal education of regional universities' international student cohorts and staff alike.

Due to time and funding constraints faced by the community legal sector, providing resources and education to staff is key, as staff are often the first point of contact for a student experiencing issues. We recommend international students are provided a general overview of their legal rights when they first begin their studies.

From our experience, education providers can do more to facilitate educating clients on their legal rights, especially regarding workplace rights. Providing resources to regional providers, community or cultural groups, would be beneficial to all international students.

## 3. What does a trauma-informed legal response for exploited migrant workers look like in a place like Moree or Taree? Could this be delivered by community legal centres, or do we need a new model?



Expanding funding to existing community legal centres is the most cost-efficient model, avoiding duplication of existing services. Redfern Legal Centre provides advice to clients by telephone or video meeting, a model which allows us to provide services to clients across the State.

Legal education is key to improving the knowledge of workplace rights. Although international students and educators are key, regional communities could benefit from community members being 'touchpoints' for international students. This would include General Practitioners, NSW Health staff, community workers and elected officials, including Local Council and State Parliament Members. Electorate office staff provide a range of advice and services, and this could be expanded by providing legal education to them, and information materials to distribute.

An expansion of services provided by community legal centres could also include an outreach service where legal practitioners travel to regional and remote communities to provide legal education both direct to community, but also to upskill community lawyers in the area, and drop-in clinics to provide legal advice to international students and other temporary migrant workers, on a rotating basis.

# 4.1 You argue that existing federal remedies like the Fair Entitlements Guarantee are inaccessible to many. Could you give an example of a case that fell through the cracks and how a NSW scheme might have changed the outcome?

Currently, temporary migrant workers are not eligible for the Fair Entitlements Guarantee (**FEG**). Given the high number of migrant workers being exploited at work, and unscrupulous pheonixing practices deployed by employers to avoid paying lawful employment entitlements, RLC, as part of the Employment Rights Legal Service, has previously advocated for the eligibility criteria of the FEG to be expanded to include temporary migrant workers.



Case Study

Ammon\* started remotely working from his home country of Turkey for a Sydney-based IT company during the COVID-19 pandemic. Ammon's employer promised to relocate him and his entire family to Sydney once the pandemic eased. Because Ammon was working for a national system employer, he was entitled to the benefits set out in the Fair Work Act and his applicable modern award. Ammon was underpaid just over \$50,000 throughout his employment, and when he raised concerns around his unpaid wages with his employer, they stopped communicating with him entirely. Ammon was never relocated to Sydney.

RLC represented Ammon in a small claim at the Federal Circuit and Family Court of Australia, and obtained a default judgment in Ammon's favour for the entire debt, however Ammon's former employer was unresponsive and did not pay the judgment debt. RLC obtained a garnishee, but shortly thereafter, learned the employer had gone into liquidation.

As Ammon is not an Australian citizen, he is not entitled to FEG, despite being owed more than \$50,000 under Australian industrial laws.

### **4.2** Would you support the establishment of a NSW Workplace Exploitation Fund that does not require a federal immigration or Fair Work finding?

Yes. We support the establishment of a NSW Workplace Exploitation Fund that doesn't require such a finding. Similarly, to the Workplace Justice Visa pilot, the NSW Government could implement a scheme whereby Authorised Third Parties can provide certification for migrant works, by way of a statutory declaration, setting out the underpayment and entitlements that are owing. This would allow migrant workers a non-litigious path to recovering amounts owed by employers who have gone into liquidation. The NSW Government has an exciting opportunity to be a leader in migrant justice.

### 5.1 Do you track patterns across employers or locations that suggest some forms of exploitation are business models rather than exceptions?

While we do obtain data about employees' industries and locations of work, we are not resourced to analyse this data. Anecdotally, low-skilled industries and occupations appear to systemically underpay and exploit migrant workers. Geographically, exploitation appears just as rife in metropolitan areas, however workers in metropolitan areas generally have greater access to services, support networks, and assistance, and generally are less restricted in obtaining legal advice.



### 5.2 How could the NSW Government better identify and flag employers or regions with repeated complaints – is there a role for a central tracking mechanism?

We recommend the implementation of a tracking mechanism for employers who are repeat offenders. The NSW Government could consider funding legal centres to undertake the production of reports capturing and analysing this data each year.

## 6. Have you observed any regional councils trying to intervene where workers are exploited in their communities? Could councils have a formal role in licensing or oversight?

No, we are not aware of regional councils interviewing – that is not to say it isn't happening. We support any assistance and intervention from government, including council, to assist I curbing and eliminating workplace exploitation. However, we consider that legal centres are better placed to assist vulnerable workers than council, given our expertise and trauma informed practices. However, there may be a valuable role for council to play in educating and enforcing standards for employers.

## 7. Could you tell us about the partnership between Redfern Legal Centre and NSW Health?

One of the more promising developments we have seen at RLC's is our ongoing collaboration with NSW Health. Frontline medical professionals often occupy a position of unique trust, particularly for international students and temporary visa holders, who may be reluctant to seek support from legal or government services due to fear or uncertainty. In many cases, health professionals are the first and sometimes the only people to whom individuals disclose complex issues affecting their safety, legal rights, or wellbeing.

In recognition of this, ISLS has been delivering targeted training to NSW Health staff to build confidence in identifying when legal assistance may be needed, and how to make safe and effective referrals. These sessions have helped establish clearer, more responsive referral pathways, enabling earlier intervention and more coordinated support. This work underscores the importance of trusted, accessible touchpoints in ensuring vulnerable individuals do not fall through systemic gaps.

At the same time, we continue to observe considerable hesitation among clients when it comes to engaging with certain government agencies, particularly enforcement bodies. Fear of visa cancellation, loss of employment or study opportunities, housing instability, and social isolation

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remain significant deterrents to seeking help. For many, the perceived risks of coming forward remain too great.

We are currently developing a new webinar in collaboration with NSW Health, tailored to support frontline health professionals working within child and family services. This initiative aims to enhance early identification of legal issues and strengthen coordinated, cross-sector responses.