Submission to the *Inquiry into the Value of Skilled Migration to Australia*

Migrant Workers Centre

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About

The Migrant Workers Centre (MWC) is a community legal service that empowers migrant workers in Victoria to understand and enforce their workplace rights. Our activities include free employment law services, education programs to raise awareness of workplace rights, and an advocacy program to amplify and support migrant workers' voices through research and policy development. Since we were established in 2018, we have been working closely with government, unions, and civil society organisations to advance the rights of migrant workers in Australia.

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1 Introduction

1.1 The Migrant Workers Centre (MWC) welcomes the opportunity to make a submission to the Joint Standing Committee on Migration's Inquiry into the Value of Skilled Migration to Australia (hereafter 'the Inquiry').

1.2 Australia has long relied on migration to drive economic growth, fill labour shortages, and mitigate the effects of an ageing population. It is an enduring pillar of both our nation-building and our multicultural project. Skilled migration continues to deliver significant economic, social, and cultural benefits, supporting key sectors to thrive while enriching our multicultural society. Much of Australia's economy depends on migrant workers, whose contributions span our supply chains, frontline care and service sectors, and professions that drive innovation and productivity.

1.3 **Most importantly, migrant workers, including temporary visa-holders, are members of our society and potential future citizens**. Their rights and entitlements must anchor the design and operation of the skilled migration program.

1.4 Although recent reforms reflect a growing recognition of migrant workers' rights, significant systemic challenges remain. Many continue to face insecure work, exposure to exploitation, uncertain pathways to permanency, and structural barriers that push them into roles below their skill level. At the same time, migration is often politicised for short-term gain. Racial discrimination and anti-immigration rhetoric — amplified by the rise of far-right movements — have fuelled misconceptions that blame migrants for broader social and economic crises that are, in large part, the product of decades of policy failures across housing, infrastructure, and social security. These populist narratives undermine evidence-based, rights-focused reform.

1.5 **This submission calls for a return to a skilled migration program that is grounded in rights, fairness, and dignity.** In our view, migration policy that focuses primarily on ***what can be gained*** from migrants has produced adverse outcomes that harm both migrant workers and Australian society. Grounding the program in the ***rights and entitlements*** of migrant workers is fundamentally about recognising the inherent dignity and worth of all people, *regardless* of migration status. Secondary to that, a rights-based approach also strengthens Australian society, generating benefits that extend beyond narrow, economic assessments of the 'utility' of skilled migration. It produces systems-wide benefits by lifting labour standards for all workers, and diminishing the conditions that foster inequality, exploitation, and other social harms, such as racism, division, and discrimination. Efforts by governments to address these harms in discrete ways will remain limited if they fail to interrogate the structural conditions that create them and that, too often, allow migrants to be used as political scapegoats.

1.6 Accordingly, this submission addresses the key terms of reference of the Inquiry, with particular attention to:

1.6.1 Interrogating the underlying policy logic of the skilled migration program, and the need to recalibrate governance through a rights-based lens;
1.6.2 Tackling migrant worker exploitation by strengthening protections, and improving knowledge about and access to those protections;
1.6.3 Addressing visa uncertainty by improving pathways to permanency and abolishing reliance on employer sponsorship; and
1.6.4 Reforming skills recognition processes to better facilitate access to decent work and improve employment outcomes.

1.7 Overall, this submission calls for greater alignment with an integrated, rights-based approach to skilled migration, which provides for stronger protections against exploitation, clearer pathways to permanency, and more equitable skills recognition processes. It re-engages with the concerns raised in the **Migration Review** (2023) and the commitments outlined in the subsequent **Migration Strategy** (2023), highlighting the need to place rights and wellbeing at the centre of reform. Embedding these as core principles, and recognising migrants' economic, social and cultural contributions as integral rather than instrumental, will strengthen labour standards, support a more inclusive and cohesive society, and deliver better outcomes for all workers.

2 Summary of recommendations

Recommendation 1. The Australian Government must strengthen its commitment to migrant workers' rights by ratifying key international labour migration instruments, including the *International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families*.

Recommendation 2. Urgently resource and implement the National Anti-Racism Framework, establish a Taskforce to oversee its delivery, and include a dedicated plan for affected communities, including visa-holders. The Framework should be supported by sustained, evidence-based strategies to improve public understanding of skilled migration through community campaigns, partnerships with migrant-led organisations, and resources that counter harmful stereotypes and misinformation.

Recommendation 3. Make the Workplace Justice Visa and the Strengthening Reporting Protections a permanent fixture of Australia's migration system, and implement the reforms set out in our Policy Brief to address current design and implementation limitations.

Recommendation 4. Provide ongoing, dedicated funding for education, information, and outreach initiatives that inform migrant workers of their workplace rights, including the *Protecting Migrant Workers – Information and Education* package.

Recommendation 5. Remove visa conditions that heighten the risk of migrant worker exploitation for prospective skilled migrants, including Conditions 8105 and 8547.

Recommendation 6. Replace the current skilled and employer-sponsored migration schemes with an accessible, worker-led (self-nominated) temporary visa scheme in areas of identified skills shortage, with a clear pathway to self-nominated permanent residency after two years.

Recommendation 7. Give effect to the recommendations of Settlement Services International's *Billion Dollar Benefit* report and the Activate Australia's Skills campaign by:

- investing in workplace-ready English language programs;
- streamlining overseas qualifications assessment and recognition;
- expanding targeted pathways into skilled employment, particularly for migrant women and secondary applicants; and
- addressing discrimination in the labour market.

3 Policy logic of the skilled migration program

3.1 Public and policy discussions about the skilled migration program have often centred on the economic, social, and cultural benefits that it brings to Australia. While the program undeniably delivers substantial and ongoing value,[1] an exclusive focus on these outcomes as the primary measure of success advances an overly instrumentalist view of migration. It frames migrant workers chiefly in terms of their 'economic utility', obscuring their rights, personhood, and place within Australian society. As Carrick argues:

> *"The extent of permission to reside [as defined by immigration law] also signifies the degree to which the state endorses a person's inclusion in the national community, and the reason for their entry or residence impliedly conveys the individual's value to the nation, as determined by the state."*[2]

3.2 This instrumentalism reflects what scholars describe as the predominant *'management of migration'* approach, which frames migration as a technical or administrative issue to be calibrated in line with market demands (see **Table 1**). In Australia, this approach has been entrenched to an increasing degree since the mid-1990s.[3] Grounded in neoliberal market ideology, it positions migration as a tool to smooth labour-market fluctuations, address employer-defined shortages, and maximise competitiveness – often seen as a 'win-win' for all.[4]

3.3 **In practice, however, this approach has significant negative consequences.** It routinely subordinates rights and wellbeing to labour-market flexibility, elevates employer interests above worker protections, and encourages prolonged or indefinite precarity. Migrant workers are rendered legitimate only to the extent that they fill shortages, enhance productivity, and remain compliant. This not only increases exposure to exploitation but also normalises social hierarchies in which migrants are treated as peripheral and ultimately disposable. In contrast, an *'integrated, rights-based'* approach centres dignity, inclusion, and fair treatment, and embeds rights and wellbeing across visa settings and workplace protections. It treats migrants as rights-holders and community members, not as contingent labour.

Table 1. Approaches to migration governance

Approach	**'Management' of migration**	**Integrated, rights-based**
Core values	• Technocratic, system-efficiency • Legalistic, state-centric • Market needs first; rights conditional or instrumental	• People-centred and dignity-driven • Equality, inclusion, and social justice • Rights as political, social, and economic entitlements that shape power relations
Key features	• Control, regulation, and administrative streamlining • Temporary, employer-driven programs • Prolonged or indefinite temporary status common; limited mobility • Rights confined to formal legal frameworks, minimal civil society engagement	• Grounded in social struggles and collective organising (unions, NGOs, migrant associations) • Migration as transnational and embedded in global structures • Rights realised through participation, mobilisation, and institutional reform • Emphasis on portability of rights, decent work, and structural change
View of migrants	• Labour to deploy; flows to regulate • Economic contributors evaluated through productivity • Responsible for managing own risk	• Members of society with inherent and indivisible rights • Political actors capable of organising, claiming rights, and shaping institutions
Impacts	• Fragmented rights and vulnerability to exploitation • Social exclusion and power imbalances	• Strengthened protections • Equitable participation in labour markets and communities • Resilient, cohesive societies

3.4 The impacts of 'migration management' become particularly pronounced during periods of global uncertainty, when economic shocks, geopolitical tensions, and political anxieties can fuel reactive narratives that position migrants as either economic assets or liabilities, rather than members of our communities.[5] The COVID-19 pandemic is a particularly salient example of how this can unfold (see **Case study 1**).

Case study 1. Australia's response to the COVID-19 pandemic

In 2020, as Australia's public health response to the COVID-19 pandemic intensified, the then Prime Minister told temporary visa-holders to "go home". This was despite the significant financial, emotional, and social investments many had made in settling in Australia, and the practical difficulties they faced in returning to their countries of origin. An exception was made for those with "critical skills," whose continued presence was framed as necessary to support the national response to the crisis.[6]

Migrant workers reported to the MWC that they felt disposable; valued when economically useful but disregarded once no longer seen as essential. Research has evidenced the extent of these harms.

A national study documenting temporary migrants' experiences during the pandemic found that participants consistently described feelings of exclusion, abandonment, and dehumanisation. Many reported being treated as "garbage" or "cash cows"; others spoke of escalating financial stress, facing racism and xenophobia, and feeling deliberately overlooked by government policy settings, which offered no support or reprieve during a time of profound crisis.[7]

These experiences were not isolated. Multicultural communities and residents of public housing were disproportionately affected by pandemic-related racism,[8] over-policing and criminalisation, and discriminatory emergency measures, some of which were later found to breach human rights.[9] Beyond these immediate harms, 'pandemic racism' had wide-ranging social and health impacts, including heightened mental distress, social isolation, and reduced access to essential services.[10]

3.5 **Case Study 1** illustrates how quickly instrumentalism can render migrant workers peripheral and disposable. Framing migrants as valuable only when productive makes their belonging conditional on continuous economic or demographic utility. Even when well-intentioned, they reinforce the premise that migrants' value is conditional and revocable, regardless of how multicultural the host society claims to be.[11] In conditions of crisis, this framing can produce immense harms. Research shows that Australia's response to the pandemic has had lasting adverse consequences for our multicultural communities, and for the nation's reputation as a safe and welcoming destination for work and study.[12] These impacts are still being redressed.

3.6 **Australia is currently facing another crisis**. Racialised and nationalist rhetoric has resurged, mobilised by discriminatory politics that blame migrants for underlying social and economic conditions, particularly housing affordability. This is despite evidence-based analysis consistently showing that migrants are not the cause of these issues.[13] Racism contributes to the conditions that allow migrant workers to be treated as less deserving of rights and protections. When migrants are framed as expendable or responsible for broader social problems, it becomes easier to justify insecure visas, precarity, and weak enforcement of labour standards. Left unchallenged, these narratives risk entrenching further marginalisation and exploitation.

3.7 To guard against further harm, the skilled migration program must prioritise migrant rights, rather than narrow economic outcomes. We also strongly urge the Federal Government to fund and implement the **National Anti-Racism Framework**, which was developed in 2024 and has yet to be substantially committed to. The Framework recognises that all forms of racism are interconnected and must be addressed through a whole-of-society response. Committing to the Framework will help challenge the racialised narratives that contribute to migrant worker exploitation.

3.8 As we discuss below, Australia has made some significant advancements in migrant worker rights and arguably does not sit squarely within the 'migration management' model. However, substantial work remains to address ongoing systemic challenges, including migrant worker exploitation.

3.9 The MWC endorses an **integrated, rights-based** approach (see **Table 1**) to collectively address these challenges and offers a series of non-exhaustive recommendations to better embed it across the skilled migration program. This approach does not reject economic considerations; rather, it situates them within a broader framework that acknowledges migrant rights, dignity, and agency. It does so by foregrounding both the costs of undermining migrant rights and the broader societal benefits of strengthening them. Secure status, access to decent work, and clear pathways to permanent residency contribute not only to individual wellbeing but also to fairer working conditions for all, and to communities that are more resilient and inclusive in the face of social, economic, and demographic challenges. It also provides a stronger foundation for policy reform by centring principles of dignity, equality, and shared prosperity, rather than reactive or transactional notions of 'value' that dehumanise and harm all workers.

Recommendation 1. The Australian Government must strengthen its commitment to migrant workers' rights by ratifying key international labour migration instruments, including the *International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families*.

Recommendation 2. Urgently resource and implement the National Anti-Racism Framework, establish a Taskforce to oversee its delivery, and include a dedicated plan for affected communities, including visa-holders. The Framework should be supported by sustained, evidence-based strategies to improve public understanding of skilled migration through community campaigns, partnerships with migrant-led organisations, and resources that counter harmful stereotypes and misinformation.

4 Addressing migrant worker exploitation

4.1 The policy logic outlined above has direct and measurable consequences in the labour market. An increasing body of evidence shows that migrant workers in Australia are routinely subjected to labour exploitation. In recent years, serious infringements of the rights of migrant workers have brought national attention to the issue, prompting significant policy and legislative reform. These include stronger government oversight of employers who sponsor skilled workers, increased penalties for serious contraventions of workplace laws, and the introduction of innovative visa protection pilots that support workers to pursue workplace justice.

4.2 These reforms are important because research has demonstrated a strong link between migrant worker exploitation and visa insecurity.[14] This risk is primarily shaped by the acute power imbalance between employers and visa holders, which gives employers significant leverage over working conditions, and in many cases, workers' lawful status in Australia. As a result, many workers fear that reporting exploitation will lead to employer retaliation, jeopardising their visa or future pathway, particularly if they are pursing permanent residency. Gaps in enforcement further discourage action, as wage recovery systems are often ineffective and difficult to access.[15] These pressures are further compounded by widespread misconceptions and knowledge gaps about workplace rights, which inhibit action and allow exploitation to persist, particularly where the cost, effort, and personal risk involved in pursuing a claim outweigh the likely benefits for workers.[16]

4.3 Exploitation does not only harm migrant workers; it has significant flow-on effects across society, distorting labour markets and undercutting workplace standards for all workers. We commend the Albanese Labor Government for the work undertaken thus far to address migrant worker exploitation. Recent policy and legislative changes, including the introduction of visa protection pilots,[17] have made some progress in addressing the drivers of exploitation, and encouraging migrant workers to report exploitation. It is vital that these gains are preserved and strengthened in line with the rights-based approach discussed above.

Strengthening the visa protection pilots

4.4 Introduced in July 2024, the **Workplace Justice Visa** (WJV) and **Strengthening Reporting Protections** (SRP) together form the suite of visa protection pilots, operating until June 2026. These visa protections provide exploited migrant workers with greater choice and agency in how they pursue workplace justice. The WJV is a temporary substantive visa that allows eligible temporary visa holders to remain in Australia for 6 or 12 months to pursue legal action if they have been exploited at work. The SRP allows some temporary visa holders who have been exploited at work to apply for protection against their visa being cancelled, because they have breached a visa condition, provided certain conditions are met.

4.5 These reforms are long overdue and should be extended beyond the pilot phase to become a permanent fixture of our migration system. They enable migrant workers to enforce their rights and hold employers to account without risking their visa status, or being forced to leave the country before their workplace exploitation matter has been addressed through the Australian legal system. Visa security is critical to enabling workers to come forward. As discussed above, the decision not to report exploitation is often a rational response to significant personal and immigration-related risks.[18] By reducing the threat of visa cancellation, the pilots directly address one of the most significant barriers to reporting. This, in turn, enables more effective enforcement.

4.6 However, current design and implementation settings risk limiting the effectiveness of the pilots. These limitations are comprehensively discussed in our Policy Brief. Briefly, these include:

4.6.1 significant capacity constraints for Accredited Third Parties (ATPs);
4.6.2 restrictive eligibility settings for the WJV, which exclude many highly precarious workers;
4.6.3 the discretionary element of the SRP, which creates uncertainty and may deter reporting;
4.6.4 the 'future compliance' requirement for the SRP, which risks penalising workers whose non-compliance arose directly from exploitation (particularly those in coercive arrangements); and
4.6.5 the limited scope of the SRP, which apply only for breaches of visa conditions and not to other grounds arising due to exploitation.

4.7 Targeted reforms to the design, resourcing, and scope of the visa protection pilots are needed to ensure that they can fulfil their intended purpose of enabling migrant workers to report exploitation and access workplace justice. These protections should also be extended beyond the pilot phase and established on a permanent basis.

> **Recommendation 3**. Make the Workplace Justice Visa and the Strengthening Reporting Protections a permanent fixture of Australia's migration system, and implement the reforms set out in our Policy Brief to address current design and implementation limitations.

Building awareness and capacity

4.7 Recent policy responses in Australia have largely focused on strengthening individual legal remedies, including the criminalisation of wage theft. While recent industrial and migration reforms are welcome and overdue, they do not, on their own, address the structural conditions that enable exploitation. There remains a significant underinvestment in building the capacity of migrant workers and their communities to understand and enforce workplace rights. Without 'upstream', collective capacity-building measures, the current reform agenda risks falling short of its objective of preventing migrant worker exploitation.

4.8 A rights-based response to migrant worker exploitation must be accompanied by sustained and proactive efforts to build awareness of workplace rights, available visa protection mechanisms, and the forms that exploitation can take. Given the continual arrival of new migrant workers, education and outreach must be ongoing rather than one-off, and delivered early through priority entry points such as universities, using accessible, in-language and culturally appropriate channels.[19]

4.9 Government investment is needed to help scale work rights capacity-building programs and ensure that they can complement industrial reforms. This is because migrant workers must be first empowered to understand workplace rights in order to enforce them. It is equally important that migrant communities have a say in how these investments are implemented. Their involvement ensures the development of tailored solutions that cater to specific community needs, enhancing the success of such initiatives. Recent investment through initiatives such as the *Protecting Migrant Workers* grant program mark an important shift towards preventative, community-based responses. To be effective, reforms must be supported by continued and sustained investment in upstream, in-language education and community-led capacity-building initiatives.

> **Recommendation 4.** Provide ongoing, dedicated funding for education, information, and outreach initiatives that inform migrant workers of their workplace rights, including the *Protecting Migrant Workers – Information and Education* package.

Closing the loop – restrictive visa conditions

4.10 Exploited visa holders are often pushed into breaching visa conditions as a direct consequence of that exploitation. Although the visa protections, particularly the SRP, are critical to safeguarding workers who breach visa conditions due to exploitation, they do not remove the underlying vulnerability created by restrictive visa conditions. As long as these conditions remain in place, employers will continue to retain significant leverage over workers, including prospective skilled migrants seeking to transition from temporary visas. The threat of visa cancellation can extinguish future migration pathways entirely. Restrictive visa conditions can therefore be used as a powerful tool of coercion, especially where a worker is seeking permanence. For example:

4.9.1 **Condition 8105** applies to the Student visa (subclass 500) and limits students to 40 hours of work per fortnight while their course is in session. In practice, many students work in excess of this limit due to severe underpayment by employers. Employers may allow, encourage, or even require students to work additional hours, and then use the risk of visa non-compliance and cancellation to deter students from reporting exploitation or raising concerns about underpayment (see **Case Study 2**).

4.9.2 **Condition 8547** applies to those on working holiday vias (subclass 417 and 462, some exceptions apply). It limits work with any single employer to a maximum of six months. It discourages workers from raising concerns about exploitation, particularly if they wish to complete specified work requirements to qualify for another visa.

Case study 2. Noor's story

Noor (not her real name) came to Australia in 2024 from Indonesia to study Fashion Design and Sustainability, seeking global exposure and industry experience. Like many international students, she struggled to secure work aligned with her qualifications. As she explained, *"Visa also becomes a big issue... whether you have to be sponsored, student and PR can be a huge difference to get accepted."* Unable to find relevant employment, she took a casual retail role that did not contribute to the skills assessment she hoped to pursue.

With limited lawful hours available, Noor felt pressure to accept poor conditions and irregular scheduling, as refusing shifts or raising concerns risked losing her job altogether. The lack of transparent record-keeping meant that her actual working hours were obscured, increasing her anxiety about inadvertently breaching visa conditions while remaining dependent on the employer for income.

The impact on her health was severe. Noor described feeling constantly exhausted and unwell after shifts, often unable to eat properly or use the bathroom at work. Low pay made it difficult to meet basic living costs, and exhaustion affected her ability to concentrate on her studies. When she raised concerns about breaks, her employer dismissed them, telling her to "figure out" how to take breaks during shifts. Fear of job loss left her unable to assert her rights.

Noor attended information sessions delivered by the Migrant Workers Centre at Study Melbourne, which she described as critical: "*This is very helpful as the first stepping ground to know the foundation of worker law and rights in Australia*." Through these sessions, Noor received practical advice on tracking her working hours, understanding her rights, and improving her resume and interview skills. This enabled her to move on to "*a much better company with proper wage and worker rights*", allowing her to sustain herself financially and focus on her studies.

4.8 This underlying vulnerability is compounded by the fact that many of these visa-holders are recent arrivals, may be working in regional or isolated settings, and often have limited knowledge of their workplace rights or the existence of visa protection pilots. International students may be particularly reluctant to assert their rights given the significant financial and personal investment made by them and their families to study in Australia.[20] Removing restrictive visa conditions would complement the pilots by eliminating a key mechanism through which exploitation occurs, preventing it from happening in the first place.

4.9 A preventative approach is especially important for international students, many of whom transition through Australia's skilled migration program through various pathways, including the Temporary Graduate Visa (subclass 485). Historically, student visa holders have accounted for the highest proportion of transitions to skilled visas (up to 36% in 2021).[21] Preventing exploitation at this stage is critical to ensuring that students are not subjected to harm before they enter the skilled migration system, and that their skills, health, and career prospects are not eroded by prolonged exposure to insecure and exploitative work. This rationale is reflected in recent reforms to the subclass 485 visa, which have revised post-study work settings to reduce prolonged skills mismatch and re-emphasise the visa's role as a transitional pathway aligned with Australia's labour-market needs. These reforms respond to findings of the Migration Review (2023), which identified particularly high levels of skills under-utilisation among international students, with around half 485 visa holders employed in roles below their qualification level.[22]

4.10 To ensure these pathways function as intended and to retain skilled graduates who have invested significant time and resources in Australia, migration reforms must be complemented by a range

of preventative and early-intervention measures. As discussed above, awareness-raising and capacity-building initiatives are a critical component of this approach (see **Case Study 2**).

Recommendation 5. Remove visa conditions that heighten the risk of migrant worker exploitation for prospective skilled migrants, including Conditions 8105 and 8547.

5 Bridging the gap in migration pathways

Pathways to permanency

5.1 Australia's migration system has increasingly shifted toward a 'multi-step' model, in which most migrants arrive on temporary visas, often moving through multiple temporary visa categories before becoming eligible for permanent residency (PR). Although about half of permanent skilled visas are now granted onshore to migrants already living and working in Australia, the overall number of permanent places has remained effectively static for more than a decade, at approximately 190,000 per year.[23] At the same time, temporary migration has historically been uncapped, allowing Australia to benefit economically from large numbers of temporary migrants without extending to them the full rights and protections that come with permanent status.

5.2 As a result, the system prioritises short-term labour market flexibility over visa security. It has resulted in a large cohort of people who live and work in Australia for many years without a clear or reliable pathway to PR. Prolonged temporariness risks creating an underclass of workers who contribute to the community but are denied stability, rights, and the ability to fully belong, while also serving as a pool from which permanent residents are eventually selected through a lengthy and complex process. As a result, the system places greater weight on economic considerations than on the social and civic consequences of long-term temporary residence.[24] Lengthy visa and citizenship processing times have compounded the problem, leaving many migrants in extended periods of uncertainty and administrative limbo. During this time, temporary visa holders often face significant barriers to securing stable and decent work, further reinforcing precarity.[25]

5.3 The lack of a clear and timely pathway to permanent residency also has direct consequences for workplace safety and fairness. Where visa security is uncertain, workers are less able to assert their rights or challenge exploitation. Our recent report, *Visa on Arrival and Migrant Worker Exploitation* (n= 959), examined differences in workers' experiences of exploitation based on their visa on arrival, specifically whether that visa provided a **pathway to permanent residency or not** (see **Box 1**).

Box 1. Visa on arrival and pathways to permanency

Pathway visas are permanent or temporary visas that provide a clear and certain pathway to qualify for permanent residency after meeting specific criteria, such as skilled occupation requirements, nomination or sponsorship, and health and character requirements.

Non-pathway visas do not provide a clear or formal process for the visa holder to transition to permanent residency or long-term status in the country. These types of visas are typically limited in duration, have restrictive conditions, and may be tied to specific purposes like tourism, short-term work, or temporary study.

5.4 The findings confirm that the absence of a pathway is itself a key marker of ongoing precarity, shaping workers' vulnerability to exploitation. Across the sample, high rates of workplace abuse (62%) and injury (34%) were reported irrespective of visa status.[26] However, non-pathway arrivals were significantly more likely to experience underpayment (44% compared to 34% of pathway

arrivals), including wage theft practices such as non-payment of superannuation (22%) and not receiving payslips (18%). They were also more likely to report being pressured to work in hazardous or unsafe conditions without proper training, equipment, or breaks (18%). These differences are shaped not only by visa status itself but also by the socio-demographic profile of non-pathway arrivals, who are more likely to be younger, recent arrivals, casually employed, and concentrated in industries strongly associated with unsafe and exploitative practices, such as Accommodation and Food Services.

5.5 Secure and accessible pathways to permanent residency are therefore critical, not only to reduce exploitation, but to ensure that long-term residents are able to participate fully in the labour market and wider community. **Table 2** maps the skilled visas (both temporary and permanent) currently in operation, the conditions attached to each PR pathway provided by the visa, and the stages at which workers are most likely to fall short. Across the system, eligibility for permanent residency is frequently contingent on employer sponsorship, which, as discussed below, creates risks for migrant workers.

5.6 We note that the points test and occupation lists are undergoing significant reform to better assess skills in line with labour market needs. We look forward to examining the outcomes of these reforms. Our concerns regarding the points test, and our recommendations for reform, are outlined in previous submissions.[27] In our experience, the inaccessibility of points-tested pathways means that many temporary migrants are effectively pushed toward employer-sponsored routes as the primary means of securing PR.[28] Taken as a whole, **Table 2** shows that for many skilled migrants, pathways to PR are narrow, conditional, and easily disrupted, even where individuals are working, contributing, and meeting labour market needs.

Table 2. Skilled visa pathways

Visa	Subclass	Key Requirements	PR pathway	Barriers to PR
Skills in Demand (3 streams)	482	• Employer nomination by approved sponsor • Stream-specific requirements	Indirect only (commonly via 186, e.g. Temporary Residence Transition stream [TRT], if eligible)	• High dependence on employer nomination • Loss of sponsorship can lead to visa cancellation
Temporary Graduate	485	• Recent Australian qualification • Age requirement (generally under 35, with limited exceptions)	Indirect only (may transition to other skilled visas if eligible)	• Time-limited visa may expire before meeting skills assessment or points-test requirements • Limited time to secure employer sponsorship or state nomination
Skilled Work Regional (Provisional)	491	• Points-tested and invitation-based • State/territory or eligible family nomination • Eligible occupation and suitable skills assessment	191	• Must meet criteria • Limited job mobility in regional labour markets • Loss of employment or income can derail PR eligibility
Skilled Employer Sponsored Regional (Provisional)	494	• Employer nomination by an approved regional sponsor • Eligible occupation	191	• Amplified employer dependency due to regional location • Limited alternative employers in regional areas

		• Suitable skills assessment and minimum work experience (stream-dependent)		• Loss of sponsorship can jeopardise PR eligibility
Employer Nomination Scheme	186	• Employer nomination • Stream-specific requirements (e.g. skills assessment for Direct Entry; different criteria for TRT)	PR	• Dependence on employer nomination • Difficulty securing timely skills assessments (where required) • Limited access for workers unable to remain with one employer
Skilled Independent	189	• Points-tested and invitation-based • Eligible occupation and suitable skills assessment	PR	• Competitive points threshold • Limited places and long waiting periods
Skilled Nominated	190	• Points-tested and invitation-based • State or territory nomination • Eligible occupation and suitable skills assessment	PR	• Limited nomination places
Permanent Residence (Skilled Regional)	191	• Hold an eligible visa for 3 years • Income requirement • Evidence of regional residence	PR	• Regional labour markets • Reliance on sustained employment over multiple years

Decoupling pathways from employers

5.7 Employer-sponsored temporary visa holders typically require their employer not only to sponsor them initially, but also to nominate them for PR. Research consistently shows that where workers are bound to a single employer, face restrictions on mobility, lack access to collective representation, and have insecure or conditional pathways to PR, they are significantly more vulnerable to exploitation and less able to exercise their workplace rights.[29] Recent reforms have addressed some of these risks by improving visa portability. Under the new settings, sponsored workers may:

5.7.1 leave their sponsor and remain in Australia for up to 180 days while seeking an alternative sponsor,

5.7.2 work for any employer in any industry during that transition period, or choose not to work; and

5.7.3 access cumulative transition periods of up to 365 days over the life of their visa, during which they may remain in Australia while seeking a new sponsor or an alternative pathway.[30]

5.8 These reforms represent an important shift in addressing the profound power imbalance and "hyper dependence" inherent to employer-sponsored visas.[31] By enabling workers to leave exploitative employers without immediately jeopardising their visa status, the reforms strengthen migrants' capacity to exercise workplace rights and reduce tolerance of exploitative conditions. This is supported by research, which indicates that workers who are afforded longer transition periods to secure an alternative sponsor are better able to exit exploitative employment than

those with shorter timeframes or no ability to change employers.[32] Over time, improved portability may shift competition toward job quality, requiring employers to attract and retain skilled migrants by offering fair and safe work.

5.9 However, access to PR remains contingent on securing an employer willing and able to nominate at the time of application. As many principal pathways to PR rely on employer sponsorship, this preserves a structural dependency. Employers are under no obligation to nominate, and offers of sponsorship may be delayed, withdrawn, or never realised, particularly as a worker's temporary visa approaches expiry. This dependence exposes workers to exploitation and the sudden loss of both employment security and a viable pathway to permanency, even after years of work and residence in Australia. These outcomes are especially harsh where sponsorship ends due to employer misconduct or other circumstances beyond a worker's control (see **Case Study 3**), and are compounded by limited access to social security, which heighten financial reliance on sponsors,[33] particularly where alternative nomination is difficult to secure.[34]

Case study 3. Loss of sponsored pathway

Ahmet (not his real name) was on an employer-sponsored visa, working as an information technology professional. An audit by the Australian Border Force (ABF) found that Ahmet was being paid significantly less than his contractual and award entitlements.

The employer repaid some but not all of Ahmet's outstanding entitlements. In response, the ABF cancelled the employer's approval as a sponsor and barred the employer for 24 months from making applications for approval as a sponsor.

As a result, Ahmet lost both his employment and his sponsored pathway to permanent residency (PR), despite having lived and worked in Australia for approximately 14 years while attempting to secure PR. His visa was due to expire, without full payment of the monies owed to him by the employer.

Ahmet sought the assistance of the Fair Work Ombudsman, which did not assist. The Migrant Workers Centre provided Ahmet with a certificate to support an application for a Workplace Justice visa. Ahmet was granted a six-month visa and in that time was able to negotiate with his employer for payment of more than $10,000 in outstanding employee entitlements and superannuation contributions.

Although the employer provided Ahmet with a reference letter to assist his future employment prospects, the loss of sponsorship meant that the time he had spent working toward a permanent residency nomination could not be carried over. To pursue permanent residency, he has to secure a new sponsor and recommence the relevant eligibility requirements.

5.10 As **Case Study 3** illustrates, where sponsorship is withdrawn, delayed, or never realised, workers can lose access to PR despite years of work, residence, and skills contribution, often for reasons beyond their control, including employer misconduct or exploitation. The cumulative effect is the unnecessary loss of skilled migrants from Australia's workforce and community.[35] Employer-sponsored pathways can also create structural incentives that distort labour-market outcomes. The prospect of PR is frequently used as leverage to retain workers in less desirable roles or conditions, limiting their ability to change employers, negotiate pay, or fully deploy their skills. Further, employer-sponsored visas do not independently assess skills shortages, instead relying on individual employer demand, which may be shaped by short-term business interests rather than genuine or system-wide labour-market need.

5.11 A more effective and resilient system would decouple migration pathways from individual employers, align visa settings with independently verified skills and workforce needs, and coordinate migration policy with broader labour market settings, including education and training. Crucially, this must be accompanied by strong institutional protections, including the

above-mentioned visa protection pilots, and greater access to collective representation, to ensure that migrant workers can exercise their rights.

Recommendation 6. Replace the current skilled and employer-sponsored migration schemes with an accessible, worker-led (self-nominated) temporary visa scheme in areas of identified skills shortage, with a clear pathway to self-nominated permanent residency after two years.

6 Activating migrant skills

6.1 Persistent barriers to skills recognition and access to decent work continue to undermine migrant workers' rights in Australia, resulting in widespread underemployment and skills mismatch. Many migrants arrive with the qualifications and experience needed in key occupations yet face systemic obstacles that prevent them from working at their skill level, particularly in the early years after arrival. This under-utilisation is not merely an inefficiency within the labour market. It is also a rights issue because it exposes migrant workers to prolonged insecurity, deskilling, and discrimination.

6.2 Our joint report with Unions NSW, *Unlocking Talent*, drew on survey responses from more than 1,200 migrant workers and examined experiences of labour-market access, racial equality, inclusion, and skills recognition. The research found that discrimination and visa-related barriers continue to shape migrants' employment outcomes, with many workers facing unequal treatment at the point of entry into the workforce. In particular, the survey found that:

6.2.1 39% of respondents were denied job opportunities because of their visa type;
6.2.2 37% were paid or offered a lower salary due to their visa type;
6.2.3 21% were paid or offered a lower salary because of their nationality; and
6.2.4 56% were required to undertake additional study in order to practise their occupation in Australia.[36]

6.3 Consistent with other research, common barriers include challenges with qualification recognition, low English language proficiency, and discrimination in the labour market, including racial bias and employer preferences for local experience. In particular, occupational licensing can restrict access to many trades and professions through minimum education thresholds, work experience requirements, examinations, and complex assessment processes for overseas qualifications. Research shows that while licensure is associated with better labour-market outcomes for those who successfully obtain it, migrants who are unable to meet licensing requirements frequently experience prolonged, and sometimes permanent, occupational mismatch.[37] Together, these barriers contribute to skills under-utilisation and wastage, whereby migrant workers are employed in roles below their skills, qualifications, and professional experience. This limits the transferability of those skills in Australia.

6.4 These structural barriers are not limited to low-paid or entry-level occupations. They also affect highly skilled migrants whose qualifications and experience have already been recognised through Australia's migration system. **Case Study 4** illustrates how skills under-utilisation can persist even after PR is granted.

Case study 4. Hardeep's story

Hardeep is a senior academic in food science with nearly 25 years of experience in higher education and research. His career spans roles from lecturer to full Professor, with approximately 79 peer-reviewed publications in high-impact journals, international postdoctoral appointments in Spain and the United

States, and extensive experience in PhD supervision and conference leadership. He has maintained academic collaborations with Australian universities since 2010.

In 2018, he applied for a Distinguished Talent (subclass 124) visa, sponsored by an Australian academic. The application process took approximately 20 months and involved significant cost, formal skills assessment, English language testing, and multiple international referees. The visa was granted in 2024, after which he resigned from his professorial position in India and migrated to Australia at the age of 54.

Since arriving in May 2024, Hardeep has applied for more than seven academic positions across Australian universities. In most cases, he was not shortlisted, despite meeting or exceeding the advertised selection criteria. He was interviewed only once, and attributes this to personal familiarity between himself and a member of the selection panel. Universities declined to provide feedback or disclose comparative merit assessments. Hardeep felt that his overseas experience and internationally recognised achievements were systematically discounted.

Despite having been assessed as distinguished for migration purposes, Hardeep has been unable to secure employment in Australia and has not earned income locally. He has undertaken short-term consulting work overseas to support himself, while his family remains in Victoria. The prolonged underemployment has had a severe impact on his mental health and relationship with his family.

Activate Australia's Skills campaign

6.5 The MWC is a proud signatory to the Activate Australia's Skills campaign, supported by Settlement Services International's *Billion Dollar Benefit* report, which highlights the scale and impact of skills under-utilisation among migrants in Australia. The report found that almost half (44%) of permanent migrants are working in occupations below their skills and qualifications, with under-utilisation persisting even after a decade of residence. More than half of under-utilised migrants hold university-level qualifications, and a significant proportion experience severe mismatch, working several skill levels below their capability. Addressing this mismatch would deliver substantial economic benefits – estimated at up to $70 billion over the next decade, if migrants worked at the same skill level as their Australian-born counterparts. It would also ensure that migrants who settle in Australia can exercise their right to work to their full potential and contribute their skills with dignity.

6.6 The *Billion Dollar Benefit* report and the Activate Australia's Skills campaign recommend a coordinated, cross-sector response, across governments, employers, industry bodies, unions, and the community sector, to address skills under-utilisation.[38] Key recommendations include:

6.6.1 **Strengthen pathways into skilled employment and reform overseas qualifications assessment and recognition**: Streamline Australia's fragmented skills recognition system by reducing duplication between migration and employment assessments, improving national consistency and transparency, and removing cost and access barriers. This includes strengthening national governance and oversight, providing financial support for accreditation costs, and delivering accessible, place-based support, such as skills recognition navigators and integrated employment services, to support migrants to secure work commensurate with their qualifications and experience.

6.6.2 **Strengthen support for migrant women and secondary applicants**: Address the disproportionate under-utilisation of migrant women's skills by providing targeted settlement and employment support for secondary applicants, and reforming migration and employment systems to better recognise and leverage their skills and experience.

6.6.3 **Address discrimination in the labour market**: Reduce structural and employer-driven discrimination, including bias toward 'local experience', name-based and language-based discrimination, and racial bias, through inclusive recruitment practices such as skills-based hiring, unconscious bias training, and stronger recognition of overseas experience.

6.7 The MWC would also like to strongly emphasise the need for a multipartite approach to addressing skills mismatch, involving governments, employers, unions, and the community sector. To better integrate and utilise migrant skills, occupational licensing arrangements must be improved, the recognition of skills and qualifications streamlined, and the allowable scope of practice within licensed occupations reviewed in consultation with relevant unions. Regulating the costs of skills recognition, and offering subsidies for it, is also important due to the significant costs that migrant workers incur throughout their time in Australia.

Recommendation 7. Give effect to the recommendations of Settlement Services International's *Billion Dollar Benefit* report and the Activate Australia's Skills campaign by:

- investing in workplace-ready English language programs;
- streamlining overseas qualifications assessment and recognition;
- expanding targeted pathways into skilled employment, particularly for migrant women and secondary applicants; and
- addressing discrimination in the labour market.

7 Conclusion and recommendations

7.1 While migration has long been a cornerstone of our economic growth and multicultural identity, the current system continues to embed structural vulnerabilities that undermine migrant workers' rights and wellbeing. Public debate that remains in anchored in economic metrics, such as how quickly shortages can be filled, and how migrants can 'boost productivity', is especially vulnerable to anti-migrant rhetoric. Even well-intentioned instrumentalist arguments reinforce the premise that migrants' value is conditional and revocable. As this submission has shown, such framings obscure the structural design features of the migration system that enable exploitation, deskilling, and exclusion. Ultimately, these narratives narrow the terms of belonging and obscure the lived realities of migrant workers as people, neighbours, and members of our communities.

7.2 To build a future-ready migration system, reform must be grounded in rights-based principles that recognise migrants as members of our society – not as contingent labour. This means embedding protections against exploitation, creating clear and accessible pathways to permanency, and ensuring that skills recognition processes enable migrants to contribute at their full potential. These reforms will strengthen labour standards, foster inclusive communities, and unlock significant economic and social benefits.

Recommendation 1. The Australian Government should strengthen its commitment to migrant workers' rights by ratifying key international labour migration instruments, including the *International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families*.

Recommendation 2. Urgently resource and implement the National Anti-Racism Framework, establish a Taskforce to oversee its delivery, and include a dedicated plan for affected communities, including visa-holders. This should be supported by sustained, evidence-based strategies to improve public understanding of skilled migration through community campaigns, partnerships with migrant-led organisations, and resources that counter harmful stereotypes and misinformation.

Recommendation 3. Make the Workplace Justice Visa and the Strengthening Reporting Protections a permanent fixture of Australia's migration system, and implement the reforms set out in our Policy Brief to address current design and implementation limitations.

Recommendation 4. Provide ongoing, dedicated funding for education, information, and outreach initiatives that inform migrant workers of their workplace rights, including the *Protecting Migrant Workers – Information and Education* package.

Recommendation 5. Remove or reform visa conditions that heighten the risk of migrant worker exploitation for prospective skilled migrants, including Conditions 8105 and 8547.

Recommendation 6. Replace the current skilled and employer-sponsored migration schemes with an accessible, worker-led (self-nominated) temporary visa scheme in areas of identified skills shortage, with a clear pathway to self-nominated permanent residency after two years.

Recommendation 7. Give effect to the recommendations of Settlement Services International's *Billion Dollar Benefit* report and the Activate Australia's Skills campaign by:

- investing in workplace-ready English language programs;
- streamlining overseas qualifications assessment and recognition;
- expanding targeted pathways into skilled employment, particularly for migrant women and secondary applicants; and
- addressing discrimination in the labour market.

8 Endnotes

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