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MEDIA RELEASE

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**China FTA review should ditch controversial temporary worker clause, says
AFTINET**

“The Australian and Chinese governments’ announcement of a review of the Investment Facilitation Memorandum of Understanding attached to the China-Australia free trade agreement should result in the MOU’s cancellation,” AFTINET convener Doctor Patricia Ranald said today

The MOU is separate from the main trade agreement, is not legally binding and can be easily cancelled by the Australian government. It allows employers with infrastructure projects valued at only \$150 million with a minimum of 15% Chinese investment to bring in unlimited numbers of temporary skilled workers without testing if local workers are available. No other Australian trade agreement has similar arrangements.

Dr Ranald said the MOU is controversial because it allows relatively small investment projects to bypass the local workforce and employ many workers at a minimum rate for temporary migrant workers which is lower than the rates paid to local workers under enterprise agreements. The projects are supposed to comply with the Australian workforce law but there is no clear means of enforcement.

AFTINET’s [submission to the Parliamentary review of the China FTA](#) detailed the MOU’s content and argued against it before the agreement was ratified.

“The MOU allows the workers to be tied to one employer, isolated from the local workforce and extremely vulnerable to exploitation. We have seen [many examples](#) of temporary migrant workers being exploited in recent studies and media reports,” said Dr Ranald.

“The Australian government should take the opportunity to ditch the MOU”.

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