

Behind the Australian backpackers hostel fire: young tourists used as cheap labour

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Last month's fire at the Palace Backpackers Hostel in the Australian fruitpicking town of Childers, in which 15 young tourists lost their lives, drew a prominent response from federal and state politicians. The Howard government set aside a special session of the national parliament for MPs to express their sorrow and condolences to the victims' families.

Prime Minister John Howard, Governor General William Deane, the British High Commissioner, the Governor of the state of Queensland, and Queensland Premier Peter Beattie attended a memorial service in Childers. A member of the British royal family, Princess Anne later visited the fire scene and spoke to survivors.

Beattie flew to London in an effort to assure officials and the public in Britain and Europe that the backpacker industry was safe. After discussions with Beattie, both Qantas and British Airways offered to help fly British relatives to Australia.

What accounts for this sensitivity to the outcome of the tragedy? After all, none of these dignitaries is on record as previously expressing any concern about the living conditions or safety of backpackers, at least 28 of whom had already died in hostel fires over the past 20 years.

Part of the answer can be found by examining an Australian government report, *Working HolidayMakers: More than tourists*, compiled by the parliamentary Joint Standing Committee on Migration in August 1997.

It reveals that over the past decade in particular, not only have backpackers become one of the most lucrative sectors of the tourism market but many industries, including fruitpicking, have become dependent on them for cheap and easily exploited labour.

The bipartisan MPs Committee—whose members included a prominent Labor Party “left” Senator Jim McKiernan and Australian Democrats deputy leader Natasha Stott Despoja—unanimously gave the green light for the Howard government to expand the Working Holiday Makers visa program.

Under this scheme, first initiated by the Whitlam Labor government in 1975, young tourists from certain countries are given special visas enabling them to work unlimited hours in Australia over a 12-month period. Other tourists are barred from seeking employment, as are family visitors, and overseas students have strict limits on the hours they can work, but the holders of working holiday maker visas are exempted from such restrictions.

Over the past four years, the Howard government has doubled the annual quota of such visa-holders—from 33,000 in 1995-96 to 78,000 this year. Just before the Childers fire, Immigration Minister Philip Ruddock announced the removal of the cap on the program, accepting one of the committee's recommendations. The upper age limit has also

been raised from 26 years of age to 30, in line with another recommendation.

Between 1975 and 1996 the number of countries included in the scheme, under reciprocal arrangements, grew gradually. Canada, the Republic of Ireland, Japan, the Netherlands, South Korea and Malta joined Britain on the list. Since 1996 the Howard has moved to extend the program to Spain, France, Singapore, Malaysia, Hong Kong, Germany, Italy, Greece, Israel, Cyprus and the United States.

According to the *Working HolidayMakers* report, nearly half the young tourists—42 percent—are employed as labourers, including fruitpickers, factory hands, builders' labourers, kitchen hands and cleaners. Another quarter of the jobs is in sales. Twenty percent are hired for clerical work, in areas such as call centres, banks, reception and data entry. The health industry recruits nurses, midwives, radiographers and mammographers.

Some businesses are now completely reliant on this workforce. For example, in its submission to the parliamentary committee, the Swan Hill Rural City Council noted: “One large scale horticulturist packing fresh fruit for export markets has over 60 percent of its staff on a working holiday visa—mostly English female travelers.”

The government literally acts as a procurer of low-wage workers for these industries. The visas set a three-month limit on any single job, forcing the young tourists to move from one employer to another. This restriction, imposed to prevent expectations of obtaining permanent work, assists employers to take advantage of their recruits. It prevents them from staying long enough to become more familiar with their rights and to organise collectively.

Not all backpackers are given working holiday maker visas. Last year, 352,200 backpackers visited Australia, spending a total of \$1.6 billion during their stays. These tourists, generally young, are also vulnerable to employer exploitation. Surveys, some cited in the parliamentary report, show that backpackers, whether working legally or not, are not well informed about working conditions and wage rates. Often low on cash, they can be enticed into working for lower hourly rates of pay, cash in hand, and longer hours without penalty rates.

Buried away in the parliamentary report are comments by two itinerant workers that provide a glimpse of how and why employers take advantage of these guest workers. One said: “They are more likely to agree to payment by cash, thereby avoiding tax. They are less likely to know the award rate of pay and will not belong to a union. They are generally less trouble than Australians, particularly concerning the rights of employees and responsibilities of employers. They are more likely to move on rather than cope with problem employers who have a high turnover of employees. They are less

likely to stay for the full season (usually twelve weeks) and do not receive accrued penalty rates due to them for Sundays or public holidays.”

Another worker commented: “The farmers' argument is that Australians will not do the work and they have to rely on foreign labour to get their crops off. In reality it is an excuse not to increase wages and conditions for pickers and packers.”

These remarks point to how the backpackers are being used to undermine the conditions of all workers. To compete internationally, employers are more and more seeking out cheap labour that is casualised, young, single, and poor. Some, unable to force Australian workers to accept sweatshop conditions, are turning to backpackers as a means of introducing such work regimes.

The Australia Chamber of Commerce blurted out in its submission. “The working holiday makers (WHMs) are less averse to working in difficult physical conditions than many Australian workers. More importantly, they are not discouraged from seeking work for short engagements, as they are continually moving and are not seeking permanence in any job. As a result the WHMs have long played an important and positive role in Australian industries, especially those in the agricultural and hospitality sector, by undertaking work that Australian workers have long been unwilling to do.”

Despite this, the Chamber of Commerce has a partner in the Australian Council of Trade Unions. The ACTU told the parliamentary committee that the program gave young people a chance to visit other countries and experience other cultures. But students and young workers should have the right to travel and live in other countries without being subjected to these conditions.

The real reason for the ACTU's enthusiasm for the program lies in its boost to national industry. According to the parliamentary report, a research study found that on average the working holiday makers spend at least \$8,230 each while in Australia, including 60 percent of what they earn. This represents an annual expenditure of \$400 million to \$450 million based on 1996-97 figures. Although the backpackers are generally less affluent than other tourists, spokesmen for the tourism industry emphasise that they stay in the country for three times as long as normal and spend twice as much as average.

For all the official expressions of grief over the Childers tragedy, there is one glaring omission in the Joint Standing Committee report. In its 167 pages, there is no mention of the standard or safety of the accommodation provided for working holiday makers, whether in cities or rural towns. Most are housed in backpacker hostels that serve as employers' dormitories, as in Childers, where local agricultural businesses used the Palace Hostel as a recruitment centre. The Palace was a typical firetrap, with 90 people packed into two- and three-tier bunks in the 98-year-old wooden structure.

This week the Queensland government has suddenly ordered the closure of four hostels in the northern city of Cairns. This only indicates that a blind eye has been turned in the past to overcrowding and lack of elementary fire safety measures. Gavin Holding from the Queensland Fire and Rescue Authority said: “Fire safety standards in many unregistered hostels are appalling. Unfortunately the standards in those hostels are pretty low. There's very little in them in the way of fire equipment or early warning or detection.”

When the *World Socialist Web Site* spoke to backpackers in Sydney's King Cross it soon emerged that many are being taken advantage of by both employers and landlords. We found Matthew from Essex, England handing out leaflets for a travel company.

“I'm looking for any work really,” he explained, “from delivering

leaflets like we are now, to fruit picking or telemarketing. I'm a chef by trade, but we are just going to move on and get whatever job we can get. Jobs are advertised on the notice boards at the hostels.”

He revealed that he was not even being paid for leafletting. Instead, the travel company deducted \$10 an hour off the price of a bus pass. We asked him to explain how the system worked.

“It's run by a travel business—it is their leaflet. We just work for them a couple of hours a day and they pay for our pass and then we get other jobs in between to pay for our living. The leaflet job works out as \$10 an hour but we don't get it as cash. They work out how many hours we do and then take it off the travel pass.”

Later inquiries revealed that a bus pass from Sydney to Cairns costs \$220. Backpackers would work for 22 hours to earn a pass, or work less and pay the rest in cash.

Asked about his response to the Childers fire, Matthew said it was “scary”. “We now look around our hostel to make sure it has fire alarms. The hostel is now putting in some more fire doors.”

Lynette from England said she had no working visa. “I want to be here for two months and travel up the coast. I want to do any work. Because I have no visa I've been doing cash in hand work, mostly baby-sitting.

“People at the hostel told me about the baby-sitting work. They openly said it was cash-in-the-hand work. It happens quite a lot—employers come around to the hostels looking. Mostly they want blokes to do labouring work or removals but sometimes they offer babysitting. My baby-sitting job was not very good. I got \$5 an hour, which is nothing really. I had to phone at 10 at night and then be told where to go at 8 in the morning.”

Asked for her response to the Childers fire, she described overcrowded and unsafe conditions in a Sydney hostel. “I thought the fire in Childers was terrible, to be honest. I had not been aware of safety issues. It might sound silly but we're here to see things and work. You don't expect your hostel to go up in flames.

“I was staying at a hostel in the city. It had 300-400 people staying there but it didn't seem to have a fire escape as such. There were something like eight floors to the building and in each room there were six, eight, or ten people.”



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