

growcom

# Submission

**Australian Government Department of Home Affairs**

Planning Australia's 2022-23 Migration Program

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## About Growcom

Growcom is the peak representative body for the fruit, vegetable and nut growing industries in Queensland, providing a wide range of advocacy, research and industry development services. We represent the second largest and fastest growing agricultural sector in Queensland. And as a state, we deliver approximately one third of all horticultural value of production nationally.

We are the only organisation in Australia to deliver services across the entire horticulture industry to businesses and organisations of all commodities, sizes and regions, as well as to associated industries in the supply chain. We are constantly in contact with growers and other horticultural business operators. As a result, we are aware of the outlook, expectations and practical needs of our industry.

The organisation was established in 1923 as a statutory body to represent and provide services to the fruit and vegetable growing industry. As a voluntary organisation since 2003, Growcom now has grower members throughout Queensland and across Australia, and works alongside other industry organisations, local producer associations and corporate members.

To provide services and networks to growers, Growcom has over 20 staff located in Brisbane, Bundaberg, the Sunshine Coast, Innisfail, and Toowoomba. We are a member of various state and national industry organisations and use these networks to promote our members' interests and to work on issues of common interest.

## Background

The Australian Government is committed to improving and expanding the Pacific Australia Labour Mobility (PALM) scheme and has an ambitious reform agenda.

The Seasonal Worker Programme (SWP) and the Pacific Labour Scheme (PLS) are highly valued by Australia and the Pacific and Timor-Leste. The programs support Australian businesses by helping address critical workforce shortages in rural and regional communities. This enables businesses to grow and thrive, creating stronger regional economies and supporting national economic growth.

The programs are also central to Australia's stepped-up engagement with our Pacific neighbours and Timor-Leste, providing employment opportunities for Pacific and Timorese workers to develop skills, earn income and send home remittances to support their families and the economic growth of their countries. Pacific labour mobility fosters links between people, businesses, and communities, creating deeper connections between Australia and our Pacific family.

The continued success of Pacific labour mobility will be dependent on maintaining the breadth, quality and integrity of programs, ensuring safeguards remain in place to protect the welfare and wellbeing of workers and enabling demand-driven growth.

The Australian Government is seeking views on ways to improve, streamline and align Australia's Pacific labour mobility initiatives, the SWP and PLS, to maximise benefits for employers, workers and participating countries.

Growcom, as the peak body for horticulture in Queensland, in consultation with members of the Queensland Horticultural Council, and its broader membership are writing to express concerns with the scheme. Although Queensland Horticulture is committed to the PALM scheme as one of the horticultural labour puzzle pieces, there are concerns as to some of its suggested reforms.

## Response

The COVID-19 pandemic has caused significant disruption to the Australian horticulture industry generally, and in particular concerning the availability of both seasonal and skilled labour.

While it remains, as ever, our desire to first attract and retain Australians into every role within the horticulture industry, it must be recognised we are currently, and likely into the foreseeable future, an industry dependent in large part on a migrant workforce.

Much has been made through the media recently of our overreliance on the Working Holiday Maker program, where before the pandemic upwards of 80 percent of our unskilled labour needs were met by backpackers. Highlighted less often publicly are equally significant shortages of skilled workers required to keep our industry moving.

It has been suggested that if only better wages or conditions were on offer within the horticulture industry that many more Australians would take up positions on offer. As part of a covid response package the Australian Government offered a \$6000 incentive program to try to support Australian workers into agricultural jobs, an incentive which failed to yield any results. In the meantime, in response to the current and ongoing critical shortage of workers and the increasing competition for what labour is available, wages have risen significantly, and employers have double down on whatever competitive advantage they can use as a means of attraction.

There has never been a better time to work in horticulture, and yet we've not seen a scale in the response from domestic workers that would suggest our need for sizeable temporary and permanent migration programs is in any way diminished. In fact, now due to the competitive nature of available labour both locally and internationally, horticulture is experiencing substantial workforce issues.

## SEASONALITY

Seasonality of workers means little appetite of domestic workers to take up the many horticultural labour jobs available. However, the seasonality of produce and its short harvest periods also acts as a prohibitor for growers to take up the PALM scheme. A scheme which requires a minimum time frame of guaranteed work. Seasonality seems not to be often given the credit it is due; however, it should remain front of mind as many decisions in horticulture are founded on this.

### COMPETITION BETWEEN SECTORS

Traditionally horticulture has relied on the 88-day visa conditions to attract the numbers of necessary workers. There is already significant evidence that this change alone has severely impacted the sector as visa holders are choosing tourism/hospitality over agricultural roles. With this removed and an expansion of PALM workers into other sectors there is an expectation that this will have a negative impact on the amount of workers available to horticulture.

### MULTIPLE GOVERNMENT DEPARTMENT INVOLVEMENT

Whilst we applaud any acknowledgement of the complexity of issues by sharing across departments, we have noted that there seems to be a lack of cohesiveness in conversations between the three government departments responsible for PALM.

### PRECLUSION OF SMALL TO MED GROWERS

The PALM scheme, as a different stream of labour brings with it very different employer financial obligations roles and responsibilities. The amount of responsibility, red tape, upfront costs, seasonality of work and lack of accommodation will mean it won't appeal to many small to medium enterprises.

To access the scheme in its current form, smaller growers rely on labour hire contractors. This will potentially create a host of associated issues. See Southern Downs Regional Council Question 1(a) for a list of some concerns shared by growers.

### TRAVEL COSTS

With the government reneging on its election commitment Growcom now aligns with the AEA position on the governments underwriting plan being:

The underwriting of flight costs is supported based on the following provisos:

Covering the cost of airfares is only one component of the upfront costs. Employers still need to cover visas, transfer costs, staff advances, deposits for accommodation and vehicles, etc.

- The process of claiming unrecovered flights is quick and easy with minimal intervention.
- The underwriting of flights to include workers who do not board a flight, workers that disengage, terminated workers for poor performance and behaviour and breaches of Australian law.
- Underwriting of flight costs should be applicable to short- and long-term workers.
- The flight matrix be cancelled immediately as COVID is no longer a factor as commercial flights are now operating in most Pacific countries.
- The underwriting of flight costs should include other costs incurred by the AE for the benefit of the worker prior to arrival in Australia.

#### FAMILY ACCOMPANIMENT

Although there is widespread empathy surrounding long absences from family and friends, it is profoundly agreed that family accompaniment be approached cautiously at best. There needs to be clarity on the arrangements, obligations and responsibility for health care, education, housing, and welfare for the entire family. Trials with experienced and willing Approved Employers are supported.

#### POST CODE EXPANSION

With horticulture already competing with other sectors for workers, the expansion of the post code area would further dilute available staff. It is further questioned, if the postcode system is the best indicator of need for the scheme?

#### ACCOMODATION

Sourcing labour was the initial concern amongst growers however now sourcing accommodation is the greatest barrier to a workforce. Low vacancy rates, on farm construction challenges, accessing capital to provide solutions have all been cited as reasons for the barrier. Growers in many areas have bought up all the available residential accommodation to try to help fulfill their needs. There seems to be an interesting development in accommodation where PALM employers are causing the removal of worker accommodation from the local/smaller grower workforce. It is important that as accommodation shortages abound that any PALM scheme accommodation does not adversely impact other grower accommodation ie. Move growers' workers out to move PALM workers in.

#### ONLY PART OF THE PUZZLE

Labor's decision to abandon the Australian Agricultural Visa (AAV) has resulted in an exacerbation of labour shortages which was inevitable as a result of the removal of an 88-day farm work requirement for UK backpackers as part of the UK-AUS FTA negotiations.

There is still a need for both skilled and unskilled labour attraction to horticulture.

Given the forementioned concerns, the PALM scheme isn't filling this gap effectively or within an essential timeframe. With each season of produce unable to be staffed adequately, more and more growers are at financial risk.

## AG VISA ALTERNATIVE

As suggested in the Approved Employers submission, any alternative visa must maintain high standards, ensure worker welfare, and complement the PALM scheme. There is mainstream support not to introduce any further standards of compliance when there are existing arrangements such as Fair Farms, which can be utilised to provide this outcome.

## PORTABILITY AND MOBILITY

Although the notion of both portability and mobility is supported to allow more employers to have access to labour when and where they need it, there are questions around who ultimately bears responsibility of these workers. Time required for approval for mobilisation, costs and responsibilities involved in transfer arrangements of workers, outstanding debt, risk to the Approved Employer, risk mitigation, recording movements outstanding debt recovery are just some of the questions surround this.

A proactive approach rather than a reactive one may yield best results in these circumstances. Training, accreditation and pre-approvals, rather than rushed transfers to ensure obligations are standardised between sponsor and host.

## ABSCONDING

There is concern throughout Queensland growers as to the reputation of the scheme if cases where abandonment of employment, wilful damage, non-compliance with company policies such as sexual harassment and other inappropriate behaviours are not skilfully and swiftly managed. There are multiple reports of growers reporting issues to appropriate authorities without the issue being resolved. Growers need to be able to achieve a safe, and productive work environment for all their staff, and the wider community of which their business is a part of.