

Pacific Australia Labour Mobility Transition Team

Pacific Labour Operations Division

Australian Government Department of Employment and Workplace Relations

GPO Box 9828

Canberra ACT 2601

By email: PALMconsultations@dewr.gov.au

Dear PALM Team,

RE: PALM: New Deed & Guidelines

Thank you for the opportunity to provide feedback on the next round of proposed changes for the PALM scheme. Upon reading the Deed and Guidelines provided, we are left perplexed as to what has happened with the previous feedback from industry as it seems industry-wide concerns communicated from the beginning of this consultation period have not been addressed.

Queensland, as the largest users of PALM workers across the nation, has much to lose if this PALM scheme breaks. Pacific nation workers have been a part of horticulture in Queensland since the first Pacific Seasonal Worker Pilot Scheme in 2008. Seasonal worker schemes, once regarded as a 'triple win', benefiting the migrant, sending country, and receiving country, are now regarded as unworkable. Although growers held out hope that the government would make good on their election commitment to reduce red tape, while increasing workplace and living standards for employees, it seems the government is delivering the exact opposite on both counts.

RED TAPE

As you will undoubtedly hear loud and clear from industry across the nation, red tape and resulting heavy administrative burden will make growers walk away from the scheme in droves. Not because they don't need labour, but because the additional investment of time and resources it will take to be compliant in this space will outweigh any issue they have of finding an alternative labour source.



Some examples of industry feedback on this issue include:

Approved Employers of Australia

"The additional burden collectively is where the problem actually lies with the new Deed & Guidelines. We are being forced to accept and sign this Deed & Guidelines under duress as the two weeks consultation process is nothing short of disrespectful. Most, if not all AEs will be non-compliant with the new Deed & Guidelines and will have to rewrite all their policies and procedures. The unintended consequences will be that a large number of clients will withdraw from the program. PALM want AEs to increase productivity and upskill workers, but this Deed & Guidelines does the opposite as we will spend more time reporting and checking compliance than getting on with the job. One of our major members has already made the decision to downscale the employment of PALM workers and has switched to alternative sources of labour. One has to question the future of food security in Australia if small and medium enterprises exit the business because of these unrealistic requirements."

National Farmers Federation - Hort Council

"The proposed changes to the Deed and Guidelines, taken together, represent a significant additional burden of cost and complexity on Approved Employers, within a scheme that already has a series of heightened safeguards in place to protect workers and employers alike. This additional burden will make it prohibitive for smaller employers to engage with the scheme and entirely negate any investments the government in support services or compensation for recruitment costs where workers don't arrive in the country. Moreover, this burden also makes it likely the scheme will witness a number of employers exiting, including both long term participants and those who have joined since the start of COVID. Members of the Council report several employers have already intimated their readiness to exit the scheme based on this latest round of consultations."

Australian Fresh Produce Alliance

"The changes to the Deed and Guidelines will generate a significant increase in administration both for Approved Employers and DEWR. Given the increase in PALM workers participating in the program (with the program having doubled year on year since 2020), it is likely that this will have an impact in the short to medium term on AEs ability to recruit workers due to the administrative burden of the program.

There is a significant risk that these changes to the Deed and Guidelines will reduce the number of PALM workers engaged in the program; this is both due to a decrease in demand due to capacity to manage the scheme from an AE side, and also the ability to administer such an intensive program from DEWR's perspective.



The AFPA holds serious concerns that the proposed changes to the Deed and Guidelines, while developed from positive intent, will result in an unworkable program which sees a reduction in Pacific visa holders, a decline in the number of AEs, greater administrative burden for Employers, the Australian Government and sending countries, which would be counterproductive and counter to the Australian Government's stated intent for the program. There are a number of changes required to support successful implementation, if the Government then requires further changes they can be implemented over time."

Berries Australia

"Berries Australia considers the amendments to the PALM Guidelines and Deed will make the program fundamentally unworkable. We also consider that the consultation has been tokenistic at best and has not considered previous input from industry. We contend that there will be significant unintended consequences whereby employers will pull out of the scheme due to the bureaucratic burden and we will go back to widespread use of backpackers."

Ausveg

"The new Deed and Guidelines do include some welcome additions, however on-the-whole the proposed changes ignore our previous feedback, and the consequences of implementing the new PALM Deed and Guidelines is likely to have significant adverse impact on Australian vegetable growers."

These impacts include, but not limited to:

- Growers exiting the PALM scheme due to the inability to manage the additional compliance burden of the new Deed and Guidelines.
- Growers exiting the PALM scheme due to the additional costs to their business for example the additional welfare and wellbeing requirements.
- Small growers who we have historically advocated for to adopt PALM will not attempt due to the excessive new compliance requirements. Noting that the existing Deed and Guidelines were seen as too cumbersome to smaller growers, as was made clear from results of an AUSVEG survey of growers in early 2023.
- Growers not utilising PALM workers through Labour Hire due to increased costs passed on by the Labour Hire to offset the additional compliance administration.

Labour Hire AE's have already signalled that there will be significant additional burdens to hosts in terms of costs and compliance requirements.



WORKPLACE AND LIVING STANDARDS

Regarding increasing workplace and living standards for employees in the scheme, although we understand the desire of government to ensure an adequate standard of accommodation for our Pacific family, the standards they can provide back to their home, have in fact, decreased. Growers are hugely concerned with our current and future relationships with our pacific neighbours, with a high level of dissatisfaction towards the Australian Government being reported to growers whilst on the ground in these countries. Comments along the lines of 'you're taking away our best people' and 'the Australian Government is now treating us like slaves' have been reported by multiple sources.

The potentially unintended consequence of changes in Australian workplace law has resulted in less money being available for workers to send back to their home. Whereas originally workers came to Australia to work as long as they could, as quickly as they could so they could send as much money back home as possible, workers are now subject to 38-hour weeks thereby reducing available discretionary funds.

Rather than the win, win, win scheme which used to exist, growers now are starting to view the scheme as a grower administered and funded Australian migration scheme/aid program, and Pacific worker satisfaction with the scheme seems to also be waning.

SOCIAL LICENCE

Many horticultural areas by their very nature are in outer regional Australia. Given the shorter work hours now available to many PALM scheme workers, there is now more social time available to workers. Outer regional Australia is not known for the huge list of "Things to do or Places to see" and in fact is known for drinking and pubs. Queensland Police have seen a huge spike in poor behaviour and in many cases criminal behaviour from workers employed under PALM.

We have now lost count of the growers who have either reported absconding, domestic violence, violence, sexual assault, and rape to both Queensland Police and DEWR for nothing to be done.

Mayors across Queensland are now rallying to see these issues attended to, whilst the growers who have been charged with the responsibility of bringing these people into small communities are being condemned for doing so.

If allowed to continue, these social issues will also detrimentally impact growers taking up the scheme into the future.



ATTORNEY GENERAL'S PRINCIPLES FOR CLEARER LAWS

Without being privy to the internal workings of government we can only make wild guesses as to how such a complex piece of potential legislation/policy/guidelines has come about, particularly in the face of such repeated and consolidated opposing viewpoints of industry.

In this most recent consultation period of two weeks, we have been unable to adequately address each item contained within the deed and guideline document, with our growers. For those able to make comment, they reported being overwhelmed with the complexity of operationalising the potential changes.

Given we don't have adequate time to have meaningful and genuine engagement with our growers on these changes, we instead request that the team responsible for the future of PALM take heed of those industry representatives that did engage meaningfully during the time period and also request that the team revisits and ensures alignment with the Attorney General principles of clearer laws.

As QFVG is the founder of Fair Farms, we can attest to the challenges growers face when confronted by complex laws, policies, and guidelines. Many growers are not at a corporate level and as such the HR, IR, administrative, and finance functions of the business is usually performed by the same person. As is stated on the Attorney-General's website, "Complex legislation can create uncertainties about the law. This can impose unnecessary burdens on business and restrict the ability of those affected by the law to understand their legal rights and obligations."

A horrible, unintended outcome of an overly complex, onerous and unworkable PALM scheme would be to see unwillingly and unknowingly non-compliant growers. Given we all do not want this as an outcome, careful attention should be given to allow enough time for developing this scheme moving forward, with special attention given to the 5 principles for clearer laws.

- 1. Consider all implementation options—don't legislate if you don't have to.
- 2. When developing policy, reducing complexity should be a core consideration.
- 3. Laws should not be unnecessarily complex to give effect to policy.
- 4. Legislation should enable those affected to understand how the law applies to them.
- 5. Achieving clearer laws requires:
 - A. designing policy for clarity
 - B. instructing for clarity
 - C. drafting for clarity, and
 - D. assessing for clarity



In summary, we leave you with three important takeaways from Queensland:

- 1. The future of the PALM scheme will be jeopardised should the unworkable be retained.
- 2. Growers are already distancing themselves from the PALM scheme.
- 3. Unintended consequences have already started, and are detrimentally impacting regional communities.

Kind regards

Rachel Chambers

CEO

Queensland Fruit and Vegetable Growers

Bree Watson

Chair

Queensland Horticultural Council

CC Hon Mark Dreyfus KC MP

Hon Tony Burke MP

Hon Andrew Giles MP

Senator the Hon Murray Watt

Hon Mark Furner

Acting Head of Advocacy LGAQ