



Pacific Australia Labour Mobility (PALM) scheme Reform

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Via Email:

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About AMIC

The Australian Meat Industry Council (AMIC) is the Peak Industry Council representing 2,000 post-farm gate red meat industry enterprises. AMIC members include businesses processing for domestic and export consumption, smallgoods manufacturers, boning rooms, cold stores, wholesalers, distributors and independent retail butchers.

The post-farm gate meat industry employs around 200,000 people directly and indirectly and is often the single largest employer in rural/regional areas, underpinning vitality and sustainability of Australia's agricultural sector and regional communities.

It is well acknowledged that the red meat industry in Australia delivers significant value to the economy, domestically and via export markets

It is estimated that there are approximately 160 red meat processing facilities, 3,000 independent butcher shops and 400 specialist smallgoods manufacturers in Australia, accounting for approximately 16.9 billion in revenue in the 2020 financial year.

Australian Red Meat Industry Workforce Shortages

AMIC and our members recognise that the preferred position is to employ Australian resident workers and to reduce the reliance where possible on international workers. However, the difficulty in recruiting and retaining local workers is well recognised.

Labour is regularly identified as the number one challenge for all post farm gate meat businesses, with several businesses indicating that without access to an international workforce they would be forced to close their operations.

A survey of AMIC processors members undertaken in 2022 indicated a daily vacancy of 35 general labourers, 26 skilled workers and 3 leading hands / supervisors per meat manufacturing establishment.

Critically, only 35% of respondents were operating at or above 80% operating capacity.

80% of respondents cited a lack of international worker availability as the key reason for the workforce shortages they are experiencing.

Typically, meat processing plants struggle with sourcing sufficient labour supply locally, due to a range of issues primarily around lack of willingness to engage in meat processing work and the isolation associated with regional lifestyles. While processors in urban areas do not always experience the same difficulties, labour supply is significantly more threatened by other available opportunities for work.

Several meat processors have indicated that without overseas workers they would be forced to close their operations.

VISA Reform

The Australian meat industry recognise training, development, leadership and workforce planning are all critical aspects to building a sustainable industry. However, a visa system which is not fit-for-purpose significantly contributes to the difficulties in attracting appropriate labour

(skilled and unskilled) and contributing to the labour supply struggles commonly experienced by industry. Industry requires suitable (long-term) duration visas which incorporate pathways to permanent residency.

AMIC were supportive of the introduction of the Australian Agricultural Visa Program (AAVP) and worked closely with the Australian Government on the proposed program settings and parameters of the program to ensure the AAVP supported long-term agricultural labour into the meat industry.

The recent policy change that the AAVP is to be relocated to sit as a third visa stream under the PALM Scheme has stalled the introduction of pathways to permanency for workers in the meat sector.

The meat industry support and utilise the PALM scheme, with the recruitment of over 5,000 PALM workers into the Australian meat industry since the recommencement of the PALM Scheme in August 2020, however the program continues to have limitations, such as visa duration and is not suitable for all roles and businesses.

To ensure industry can recruit a suitable and sustainable workforce, visa reform and flexibility is essential.

Obstacles to Employers Joining the PALM Scheme

Although many AMIC members are Approved Employers, many more are forced to access PALM workers via labour hire organisations or not at all. Obstacles to employers joining the PALM scheme include:

- Difficulty in understanding the requirements to become an approved employer. Many AMIC members have indicated that the process of application is overwhelming and should be simplified. Particularly in respect to exemptions for metropolitan businesses.
- Financial losses associated with the recruitment and mobilisation of PALM workers. Employers face significant losses if workers abscond. These costs include but are not limited to the cost of recruitment, flights and transport, accommodation, medical, administrative and on-boarding costs.
- Internal resourcing capacity and capability. Within a business, specific skills sets are required to manage the PALM Scheme. This includes international recruitment, approval and entry processes and ongoing management and pastoral care of workers once on-shore. In a tight labour market these skills can be difficult to attract and add significant additional costs to operations.
- Difficulty in securing accommodation for workers and the on-going management of those accommodation options. AMIC are aware of the establishment of the establishing an Accommodation Working Group and appreciate the opportunity to participate to work towards addressing this critical challenge.

Recommended Improvements to The PALM Scheme

- Reduced time to approve recruitment plans. Time to approve recruitment plans can be excessive, although this appears to have improved in recent times, members have reported excessive wait times for approval of recruitment plans.
- The deployment of a Welfare Officer for each Labour Sending Unit would be beneficial as a touch point for workers who may require additional support. A role such as this would also be valuable in building relationships between businesses and LSUs.
- Mobilisation of workers prior to being accepted into the program. LSUs should have the ability to mobilise or approve workers into the program before employment is offered. For example, workers should be able to undertake medicals before being eligible for the program and before visas are paid for.
- Greater oversight from the Pacific Labour Facility and Border Force in respect to workers who abscond from their host employer. Currently a host employer covers significant expenses from a worker who absconds with seemingly little action taken against the worker.
- The ability to transfer PALM employees between business entities as required due to seasonal or other operational needs would be beneficial to both employers and employees.

Family Accompaniment

AMIC support allowing long-term PALM workers to bring their families to Australia. And the proposed key settings.

- employer sponsorship will be required to bring family to Australia
- secondary visas will be available for partners and dependent children
- family members to meet health and character requirements
- secondary visa holders are entitled to live, work and study in Australia.

AMIC would support the implementation of similar conditions for family accompaniment as the current Meat Industry Labour Agreement conditions (MILA). Noting the meat industry is experienced in matters regarding family accompaniment and well placed to support families accompanying workers it is expected there would be a high level of uptake of the opportunity.

Pending suitability, accompanying family members would have opportunities for employment with the host employer

What criteria, if any, should workers and families be required to meet in order to participate?

Workers would need to serve a minimum period with their employer where they display appropriate workplace behaviours. For example, good attendance before their family is sponsored. Suitability and timeframes would be managed on a case by case basis by employers as it currently is under the MILA.

Workers must be able to financially support their accompanying family members in Australia.

Workers and their families must be educated around expected community behaviors in Australia. This includes aspects of socialising in Australian communities but also around violence and criminal behaviors. Workers and their families must be willing to adjust to Australian community and cultural values.

Are there any circumstances under which you would not support family accompaniment?

The welfare of workers and accompanying family members must be considered, for example: assimilation, schooling for children, health insurance, cost of living, housing availability, cultural and community group support.

AMIC members have indicated they could not support family accompaniment for any workers who had displayed anti-social behaviors or violence in their communities or if they were not following the requirements of their host employers.

Another concern raised is the current restraints on accommodation and the ability for workers to be able to secure suitable accommodation for their families.

Streamlined Employer Accreditation Options and Industry Accreditation Schemes

The current Trusted Trader program should be utilised to recognise compliance and performance. Nothing the current program is based on trading, resetting this program as a 'Trusted Partner' program and extending to employment aspects should be considered rather than introducing another program for employers to comply with.

Once finalised AMIC will seek recognition of our Voluntary Code of Conduct for the Management of Migrant Workers.

The primary objective of the Code is to protect the interests and promote the welfare of Migrant Workers.

To achieve this, the industry has determined a set of Guiding Principles, contained in this Code which represent continuous improvement goals for Signatories. The Code is currently being trialled by industry.

Permanent Residency

The introduction of a pathway to permanency is required. The opportunity for workers to transition to permanent residency with their host employers will allow the opportunity to upskill to higher levels and therefor earn higher incomes to support families. These successful transitions also assist host employers in building workforce capacity and reduces the businesses future reliance on visa holders.

Permanent migration also offers significant opportunity to strengthen regional areas from a socioeconomic perspective through sporting, community, education and religious social activities in the regional, rural and remote towns in which the majority of our meat processors are utilising the PALM Scheme.

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