# **Reforming Pacific Australia Labour Mobility**

# **Submission from**

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## **Summary of recommendations**

**Recommendation 1: Diversifying across sending countries.** Introduce incentives and mechanisms to increase the supply of PALM workers, absolutely and proportionately, from PNG, Timor Leste, Solomon Islands and Kiribati.

**Recommendation 2: Reducing exploitation for all migrant workers.** As per government policy, fully implement the recommendations of the 2019 Report of Migrant Workers' Taskforce.

Recommendation 3: PALM-specific measures to improve worker welfare. Promote PALM worker welfare by: (i) making all contract information available in the worker's language; (ii) setting a floor on workers' take-home pay; (iii) requiring employers to publicly and in writing reassure workers that complaints are welcome and will not be used against them or impact their employment; (iv) obtaining worker feedback through regular, confidential surveys, both scheme-wide and employer-specific; (v) encouraging employers to build suitable accommodation for their workers; and (vi) mandating sending countries to place at least one liaison officer in Australia once their number of workers reaches a certain minimum.

**Recommendation 4: To reduce absconding** (i) implement the recommendations to improve worker welfare (see Recommendation 3); (ii) speed up processing times for onshore protection claims; and (ii) crackdown on employers who hire migrant workers illegally, with increased funding for compliance activities by the Australian Border Force and the Fair Work Ombudsman.

**Recommendation 5: Single administration.** Pacific labour mobility should be administered by a single government department.

**Recommendation 6: To improve data and dialogue**: (i) commission annual or biannual surveys of PALM employers and workers; (ii) make anonymised PALM data available to researchers directly and automatically from government, and place non-anonymised data into the key Australian Government data integration products; (iii) publish six-monthly reports on the PALM schemes; and (iv) support an annual conference in Australia, similar to the RSE conference, to analyse and discuss practice and problems.

**Recommendation 7: Family accompaniment principles.** Family accompaniment policy development should begin with a statement of principles, emphasising the harm of mandated family separation, and recognising that the principal decision maker regarding family accompaniment should be the family concerned. Any pilot phase in which the application of these principles would be limited should be clearly defined as such, and be time-bound.

**Recommendation 8: Family accompaniment implementation.** After the initial pilot phase, unless the employer has a justified objection (see Recommendation 9), PLS workers without children should be free to bring their partner to Australia, and PLS workers with children should be free to bring their family provided they can access free schooling. Extensive effort must be put into ensuring PLS workers are in a position to make informed choices. Consider the recommendations of the National Advocacy Group on Women on Temporary Visas Experiencing Violence

**Recommendation 9: The role of employers in family accompaniment.** After the pilot phase, employers should only be allowed to mandate family separation on reasonable grounds, agreed to by government.

**Recommendation 10:** Family accompaniment and permanency. The option of family accompaniment should not be restricted to those PLS workers who are on a pathway to permanency.

**Recommendation 11: Pathways to permanency** should be made available and promoted. DFAT should encourage interested meat industry employers to pilot the existing PLS-to-TSS pathway for meatworkers. Aged care workers should not be recruited through the PLS until a pathway to permanency for such workers has been created. Exemptions for PALM workers to TSMIT requirements should be considered.

**Recommendation 12: Increasing portability.** A Joint Approval to Recruit mechanism, based on the New Zealand model, should be added to the SWP.

**Recommendation 13:** Relaxing geographical restrictions. Postcode restrictions should be removed for meat processing. Subsequent reforms should consider removing all postcode restrictions from the PLS.

#### 1. Introduction

The Development Policy Centre is a think tank for aid and development serving Australia, the region and the global development community, based at the Crawford School of Public Policy at the Australian National University. Established in 2010, we undertake independent research and promote practical initiatives to improve the effectiveness of Australian aid, support the development of Papua New Guinea and the Pacific Islands region, and contribute to better global development policy. We have been working on labour mobility since our establishment, including with support from the Department of Foreign Affairs and Trade through the Pacific Research Program.

This submission was prepared by Evie Sharman, Research Officer, and Professor Stephen Howes, Centre Director. The submission responds to three of the four headings provided in the Terms of Reference for the PALM reform consultation. We do not comment on making the PALM scheme more attractive to employers, since this has mainly to do with the issue of visa extensions for backpackers in return for agricultural work (which is beyond the scope of this PALM review) and with cracking down on illegal labour, which is covered elsewhere in the submission.

### 2. Expanding and improving PALM

Pacific Australia Labour Mobility (PALM) includes the multi-month Seasonal Worker Program (SWP) and the multi-year Pacific Labour Scheme (PLS).

In this section, we discuss various ways in which PALM can and should be expanded and improved, namely by: (A) diversifying across sending countries; (B) protecting worker welfare; (C) tackling absconding; (D) unifying scheme administration; and (E) collecting better data

#### 2A. Diversifying across sending countries

Vanuatu, Samoa and Tonga have consistently taken up the most seasonal work opportunities in Australia and New Zealand, and last year provided 72% of all new PALM workers in Australia. This reflects the employer-driven nature of the program, as employers prefer to employ returning workers.

Both to meet increased demand and to maximise developmental impact, there needs to be a diversification to the more populous, less integrated, and less represented countries of Papua New Guinea, Timor Leste, Solomon Islands and Kiribati. While this is underway to some extent, a lot more needs to be done. Without introducing country caps, the Australian government should encourage and support employers to recruit from the less-represented countries and should help those countries to send more workers.

**Recommendation 1: Diversifying across sending countries.** Introduce incentives and mechanisms to increase the supply of PALM workers, absolutely and proportionately, from PNG, Timor Leste, Solomon Islands and Kiribati.

#### 2B. Protecting worker welfare

Because the PALM schemes are highly regulated, they report fewer incidents of exploitation than other, less regulated, temporary pathways (e.g., backpackers, students, and partners), but they are not exempt from exploitation. PALM workers are tied, via the conditions of their visas, to one employer, making them intrinsically vulnerable to exploitation. Given this, while there is room for legitimate debate over the appropriate degree of regulation, the scheme will always need to be a regulated as a counterbalance.

The most persistent problems reported by workers have included poor quality accommodation and living conditions, and inflated costs for wrap around services (e.g., transportation and accommodation). During border closures, a lack of work hours and inability to make money became a bigger concern.

It would be a mistake to think that allof the solutions to mistreatment of PALM workers lies within PALM reforms. To the contrary, the most important reform is to ensure all workers are treated well in horticulture. As long as some employers are cutting corners, there will be financial pressure on other employers to follow suit, and there will be little moral suasion on them to do otherwise. From this point of view, the new government's commitment to fully implement the 2019 *Report of the Migrant Workers' Taskforce* is welcome.

Nevertheless, there are some PALM-specific issues. One issue frequently raised by sending countries and workers is the misunderstanding of workers' contracts. Eliminating this problem would not only improve worker welfare, but would send a strong, symbolic message by the new Australian government, that workers matter, that PALM should be based on the principle of informed consent, and that agreements with workers should begin "where they are" (see quote below).

"Immediate need: meeting (and protecting) the workers where they are. In Bislama – pre-departure training, contracts/insurance information. Starting to build programme for new generation of workers." - Vanuatu Labour Commissioner Murielle Meltenoven<sup>2</sup>

The UK's new Seasonal Worker Visa requires employers to provide contracts in first language as well as a copy of the contract in English. These workers are recruited from linguistically diverse places all across the world.

While it may not be possible for translated contracts to be legally binding in Australia, at a minimum key conditions and information (pay, hours, deductions, location) should be provided in the worker's first language, at pre-departure briefings and online. This is especially important given that seasonal workers have no minimum English language requirement.

Deductions are normally high at the start of an assignment due to airfare costs. We have argued in favour of a floor on take-home pay (and so a cap on deductions) to avoid undue financial stress in these early weeks.<sup>3</sup>

<sup>&</sup>lt;sup>1</sup>For backpackers, see the 2017 report by Joanna Howe and her colleagues "Sustainable solutions: the future of labour supply in the Australian Vegetable Industry", the key relevant findings of which are summarised in this blog: <a href="https://devpolicy.org/guardian-seasonal-workers-poor-journalism-20170804/">https://devpolicy.org/guardian-seasonal-workers-poor-journalism-20170804/</a>. For a comparison with issues reported by undocumented workers, see <a href="https://www.unitedworkers.org.au/wp-content/uploads/2021/02/UWU-NALAC-Submission-2020.pdf">https://www.unitedworkers.org.au/wp-content/uploads/2021/02/UWU-NALAC-Submission-2020.pdf</a>.

<sup>&</sup>lt;sup>2</sup> See Murielle Meltenoven's presentation from the Pacific Update <a href="https://devpolicy.org/2022-Pacific-Update/Pacific Migration Murielle Metsan.pdf">https://devpolicy.org/2022-Pacific-Update/Pacific Migration Murielle Metsan.pdf</a>

<sup>&</sup>lt;sup>3</sup> See <a href="https://devpolicy.org/its-time-for-a-minimum-earning-guarantee-for-pacific-workers-20220815/">https://devpolicy.org/its-time-for-a-minimum-earning-guarantee-for-pacific-workers-20220815/</a>

Employees are often worried about making complaints against their employer. They worry in particular that making a complaint will reduce their probability of return employment (e.g. the next season), or lead to their visa being cancelled. While it is impossible to remove this risk entirely, a public statement that workers are entitled to raise complaints and a requirement that employers publicly commit to welcoming complaints and not use complaints against workers when making future employment decisions should give workers greater confidence needed to raise workplace complaints. Workers should also be informed of the significance of the new firewall between Fair Work and Home Affairs.

It is also important that worker feedback be obtained through confidential surveys. This can be done scheme-wide (as the ANU-World Bank surveys do) and/or through individual employers as initiated by industry (as per the Ethical VOICE product developed in NZ).

Accommodation has been a recurring headache for many PALM workers and employers, with complaints around availability, cost and quality. A focus of the new Agricultural Workforce Working Group should be to come up with solutions to housing and accommodation issues for seasonal workers in horticulture. As in New Zealand, Australian employers should be encouraged to build suitable accommodation on-site for seasonal workers. This will require co-investment from industry and local/state government to provide high quality accommodation at a low cost. Good employers who provide high-quality accommodation at affordable rates should be actively promoted as models for others to aspire towards.

Without accommodation available you are limited to only workers living within commuting distance. Rather than working out how much accommodation will cost you to provide, you need to calculate how much it will cost if you don't have it and cannot attract the workers you need to get your crop to market. - MADEC<sup>4</sup>

Sending-country liaison officers play an important support and advocacy role for workers. Some sending countries have been slow to place liaison officers in Australia, despite sending thousands of workers, e.g. Vanuatu. The Australian government could make country liaison officers mandatory for all sending countries with the number of workers in Australia above a certain minimum.

**Recommendation 2: Reducing exploitation for all migrant workers.** As per government policy, fully implement the recommendations of the 2019 Report of Migrant Workers' Taskforce.

Recommendation 3: PALM-specific measures to improve worker welfare. Promote PALM worker welfare by: (i) making all contract information available in the worker's language; (ii) setting a floor on workers' take-home pay; (iii) requiring employers to publicly and in writing reassure workers that complaints are welcome and will not be used against them or impact their employment; (iv) obtaining worker feedback through regular, confidential surveys, both scheme-wide and employer-specific; (v) encouraging employers to build suitable accommodation for their workers; and (vi) mandating sending countries to place at least one liaison officer in Australia once their number of workers reaches a certain minimum.

#### 2C. Addressing absconding

Absconding has become a serious problem for the PALM scheme, one that is undermining worker, employer, sending-country and community confidence in the scheme. Better treatment of workers, including the strategies discussed in the previous sub-section, will reduce absconding. Two other key factors that will reduce absconding are to reduce the value of making a meritless application for an onshore protection visa, and to increase the costs of employing workers illegally. The importance of both of these factors is evident from the experience of New Zealand, where the Pacific seasonal labour scheme (the RSE) has not been plagued by problems of absconding.

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<sup>&</sup>lt;sup>4</sup> See https://madec.edu.au/accommodation-for-seasonal-workers-2/.

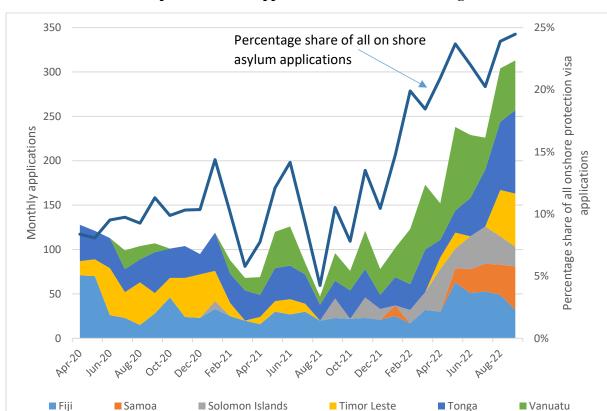
# Why is absconding not a problem in New Zealand's Recognised Seasonal Employer program? By Dr Charlotte Bedford

- Industry and government worked collaboratively to 'clean up' grower and contractor practices to eliminate the illegal use of casual workers under unacceptable working conditions.
- For both employers and workers, there are deterrents in place to reduce the risk of absconding. Employers are liable if workers abscond, and face a NZ\$3,000 fine per worker.
- Growers and contractors have little incentive to employ workers illegally. Maintaining good employment practices, offering decent wages, and ensuring the fair treatment of workers are essential requirements for New Zealand employers operating in a horticulture industry that is largely export driven. To provide fruit to export markets, growers must be GLOBAL GAP certified. This comes with regular auditing requirements. If any evidence is found of poor employment practices or any forms of worker exploitation within the grower's own enterprise, or within their supply chain, they risk losing access to lucrative export markets.
- Tackling issues quickly prevents them from escalating to a point where workers are so unhappy that absconding seems to be the best option.
- Absconding has been treated as a wellbeing issue rather than a compliance one.
- There is no pattern of RSE workers applying for asylum and being granted a bridging visa with full work rights while waiting several years for a decision. RSE workers could, technically, lodge a claim for refugee status, but they would receive a decision in a matter of months. There is therefore no incentive for RSE workers to abscond in the hopes they might be eligible for a different visa type that offers more flexibility and the opportunity to stay in the country for longer periods.

Source: https://devpolicy.org/why-absconding-hasnt-been-a-problem-in-new-zealands-rse-20220318/

There has been rapid growth in the number of Pacific migrants to Australia making onshore asylum applications, which is now more than 300 per month. Not all but most of these applications would be from PALM workers. However, this is a much bigger problem than PALM, and one that goes back several years. The underlying driver is that, once an application is made, the applicant typically has unrestricted work rights and access to Medicare under their bridging visa conditions. Moreover, even if the application is rejected, as almost inevitably it will be, the process can take up to three years, making applying for a protection visa a very attractive proposition.

Since applying for asylum is a protected right, the only way to reduce the number of asylum (protection visa) applications is to decrease processing times so that the eventual date of rejection is brought much closer, and the value of applying for a protection visa accordingly reduced.



#### Number of protection visa applications from PALM sending countries

Source: Department of Home Affairs Humanitarian Visa Statistics: Onshore Protection Visa Processing <a href="https://www.homeaffairs.gov.au/research-and-statistics/statistics/visa-statistics/live/humanitarian-program">https://www.homeaffairs.gov.au/research-and-statistics/statistics/visa-statistics/live/humanitarian-program</a>

On the second issue of rogue employers, workers almost always leave the program to work for another employer outside the program, in violation of their visa conditions. That new employer is acting illegally. Cracking down on employers who hire migrant workers illegally will reduce if not eliminate the problem of absconding.

**Recommendation 4: To reduce absconding** (i) implement the recommendations to improve worker welfare (see Recommendation 3); (ii) speed up processing times for onshore protection claims; and (ii) crackdown on employers who hire migrant workers illegally, with increased funding for compliance activities by the Australian Border Force and the Fair Work Ombudsman.

#### 2D. Single administration

Pacific labour mobility should be managed by a single government body. The fragmentation of responsibilities between departments adds unnecessary layers of complexity to what is already a complex program.

**Recommendation 5: Single administration.** Pacific labour mobility should be administered by a single government department.

#### 2E. Improving data and dialogue

For a complex system such as PALM, high-quality, timely data is essential to guide decision making. A basic building block of any data system should be an annual survey of workers and employers. NZ surveys employers annually, but workers should have the same opportunity to provide feedback.

From a research perspective, receiving anonymised data currently held by the PLF would help to improve advice and analysis on current issues in labour mobility programs. The Australian government

should also consider providing more public information on the program, such as through six monthly published public reports like those published for the Working Holiday Maker program.

As important as data is, it is also important that there be opportunities for reflection and dialogue. The annual New Zealand RSE conference is a useful opportunity to analyse and discuss practice and problems, and we recommend a similar annual PALM conference for Australia.

**Recommendation 6: To improve data and dialogue**: (i) commission annual or biannual surveys of PALM employers and workers; (ii) make anonymised PALM data available to researchers directly and automatically from government, and place non-anonymised data into the key Australian Government data integration products; (iii) publish six-monthly reports on the PALM schemes; and (iv) support an annual conference in Australia, similar to the RSE conference, to analyse and discuss practice and problems.

## 3. Family accompaniment

This section highlights the need to emphasise at the outset the key policy principles which should lie behind the removal of mandatory family separation (3A). It also discusses challenges and participation criteria for workers (3B), the role of employers (3C), and the relationship between family accompaniment and permanency (3D).

#### 3A. Statements of principle

While there are various implementation issues that will need to be ironed out to end the policy of mandated family separation, any articulation of or approach to policy in this area should begin with a statement of key principles. The two key principles we think should guide policy are:

(i) Mandated family separation causes unacceptable social costs, is un-Australian, and/or is a violation of human rights.<sup>5</sup>

**AND** 

(ii) The principal decision maker regarding family accompaniment should be the family concerned.

**Recommendation 7: Family accompaniment principles.** Family accompaniment policy development should begin with a statement of principles, emphasising the harm of mandated family separation, and recognising that the principal decision maker regarding family accompaniment should be the family concerned. Any pilot phase in which the application of these principles would be limited should be clearly defined as such, and be time-bound.

#### 3B. Challenges and participation criteria for workers

As noted immediately above, families are best placed to decide for themselves what arrangements will work for them.

PLS workers on average earn significantly less than TSS workers. Clearly, there needs to be a financially viable existence for them in Australia. For workers without children, this is not an issue, and there should be no bar to partner accompaniment. For workers with children, financial viability will require fee-free primary and high school education for their children. This is already the case in most

 $<sup>{\</sup>small 5\_See\ https://www.ag.gov.au/rights-and-protections/human-rights-and-anti-discrimination/human-rights-scrutiny/public-sector-guidance-sheets/right-respect-family}$ 

states (see below). Workers are unlikely to access formal childcare. Families should be trusted to make their own accommodation arrangements, unless the employer certifies that family accommodation is simply unavailable.

	Are there school fees for dependants in the public education system? 6
ACT	No information available for subclass 403 visa holders
NSW	No
QLD	No
VIC	No
WA	No information available for subclass 403 visa holders. 482 TSS visa holders currently pay \$4000 per annum per child for both primary and secondary education. Australia Award scholarship holder dependants are only required to pay local contributions, charges and fees payable by local students.
NT	No
TAS	No information available for subclass 403 visa holders TSS visa holders do not pay fees.
SA	No information available for subclass 403 visa holders TSS visa holders have to pay fees, but this fee is means-tested. Any family with an income below \$62k does not have to pay a fee.

The Parliamentary Budget Office estimates that the Australian government is expected to make \$79 million by allowing family accompaniment. Some of this should be used if required in negotiations with the states to ensure fee-free primary and secondary education access for accompanying children. Other priorities could be: medicare access particularly for young children, and an increase in funding for settlement-related services such as English language training or literacy and numeracy support.

Other requirements for accompanying family members – apart from access to fee-free schooling – should be the same as eligibility requirements for other temporary visa holders (have health insurance, meet character requirements, have a history of visa compliance). For accompanying children, the same requirements as TSS visa holders should also apply: if custody may be an issue (e.g. a biological parent is not included in application), workers must provide evidence to show they have legal custody over the child and the right to bring the child to Australia. Imposing additional barriers or criteria beyond those that apply under other programs would be discriminatory and should be avoided.

There should not be a minimum English language requirement for accompanying family members; however, workers should be aware that schooling is conducted in English. School-aged dependants should be made eligible for intensive English support in all states.

The choices that workers and their families make should be informed. Information about the cost of living in Australia and schooling options should be made easily available (and not just delivered at pre-

Victoria: https://www2.education.vic.gov.au/pal/international-student-program/policy

NSW: <a href="https://www.deinternational.nsw.edu.au/">https://www.deinternational.nsw.edu.au/</a> data/assets/pdf file/0012/16410/Visa-Subclasses-and-Enrolment-Conditions.pdf

 $NT: \underline{https://nt.gov.au/learning/international-education/study-at-an-nt-government-school/school-fees-for-international-students$ 

Tasmania: <a href="https://study.tas.gov.au/wp-content/uploads/2019/12/TRP-Visa-Subclasses-Oct-2019-V5.pdf">https://study.tas.gov.au/wp-content/uploads/2019/12/TRP-Visa-Subclasses-Oct-2019-V5.pdf</a>
South Australia: <a href="https://www.education.sa.gov.au/parents-and-families/enrol-school-or-preschool/families-457-or-482-visas/student-fees-subclass-457-and-482-visa-holders">https://www.education.sa.gov.au/parents-and-families/enrol-school-or-preschool/families-457-or-482-visas/student-fees-subclass-457-and-482-visa-holders</a>

<sup>7</sup>https://www.aph.gov.au/About Parliament/Parliamentary departments/Parliamentary Budget Office/General elections/2022\_General\_election\_commitment\_costings

 $<sup>^{6}\</sup> Queens land: \ \underline{https://ppr.qed.qld.gov.au/attachment/de-international-schedule-of-visa-subclasses-and-enrolment-conditions.pdf}$ 

departure briefings), including through videos in first-language of workers explaining the cost and realities of living in Australia. Material should be made available online so that prospective workers and their families can start planning a long time prior to departure.

Family and sexual violence against dependant visa holders may affect the health and wellbeing of some accompanying family members. This is a broader problem not just affecting Pacific workers, and there is a significant body of pre-existing recommendations that the new Government could implement.

As called for by the National Advocacy Group on Women on Temporary Visas Experiencing Violence 'Path to Nowhere' report,<sup>8</sup> the Australian Government should ensure migration rules and eligibility requirements for support services do not disempower victims of violence or discourage them from leaving violent relationships. These steps would include:

- a. Developing appropriate visa arrangements for temporary residents who are experiencing violence.
- b. Revise eligibility requirements to enable more victims of violence to access support.
- c. Work with service providers to improve access of temporary residents to available support services.

Both employers and workers and community support partners/diaspora should have access to training and accurate information on how to identify and respond to family and sexual violence, to promote a culture of zero tolerance for violence.

**Recommendation 8: Family accompaniment implementation.** After the initial pilot phase, unless the employer has a justified objection (see Recommendation 9), PLS workers without children should be free to bring their partner to Australia, and PLS workers with children should be free to bring their family provided they can access free schooling. Extensive effort must be put into ensuring PLS workers are in a position to make informed choices. Consider the recommendations of the National Advocacy Group on Women on Temporary Visas Experiencing Violence.

#### **3C.** Employer support

While willing employers will be needed initially to enable family accompaniment pilots, employers should not have unlimited veto over a worker's rights to bring their family. To give them such a veto would be to mandate family separation for some workers, and to deny families the right to decide for themselves, all on possibly spurious grounds. Once we move beyond the pilot phase, employers who are unwilling to allow their workers to bring their family should need to justify that decision to the government.

Objections should be allowed on reasonable grounds only. For instance, extremely remote locations with no nearby primary schools, access to essential services and/or family accommodation would clearly be unsuitable for young children.

Employers should not be allowed to permit some staff to bring their families, and others not. This would be discriminatory.

What responsibility employers should have for flights and accommodation where families are concerned, and whether workers should be required to come alone for an initial, say, 6-month settling-in period requires further study.

<sup>&</sup>lt;sup>8</sup> See <a href="https://awava.org.au/2018/12/11/research-and-reports/path-to-nowhere-report-women-on-temporary-visas-experiencing-violence-and-their-children">https://awava.org.au/2018/12/11/research-and-reports/path-to-nowhere-report-women-on-temporary-visas-experiencing-violence-and-their-children</a>.

**Recommendation 9: The role of employers in family accompaniment.** After the pilot phase, employers should only be allowed to mandate family separation on reasonable grounds, agreed to by government.

#### 3D. Family accompaniment and permanency

Some argue that family accompaniment only makes sense for permanent migrants, or if a transition to permanency is expected. We disagree. Many aid-funded scholarship holders choose to bring their family to Australia, and are allowed to do so, even though they must return after the scholarship. That said, we agree that it makes little sense for families to move to Australia for four years, return for six months, and then come back to Australia. So, allowing family accompaniment certainly strengthens the case for making pathways to permanency as we discuss later in the submission (see Sections below).

#### **Australia Awards**

Australia Awards is administered by DFAT and funds study in Australia for those selected from various developing countries. Scholars receive \$1,150 a fortnight, which is \$29,990 after tax or \$31,400 equivalent before tax per annum (around \$10,000 less than the average earned by PLS workers).

Awardees who intend to bring family with them are encouraged to mobilise to Australia on their own for the first six months.

Awardees are responsible for making arrangements for accommodation, as well as schooling and childcare and health insurance for dependants. Awardees are responsible, including financially responsible, for their family members who accompany them to Australia. The Australian Government does not provide any financial or other support for the dependants of Australia Awards awardees. Family members have unrestricted work rights, and children must be under 18 to accompany parents.

Though we do not have figures (it would be interesting to see), our experience suggests that most scholars who have families bring them to Australia. This shows that: (i) PLS workers would value the opportunity to bring their family to Australia even if it is only for a few years with no prospect of permanency; and (ii) PLS families will likely be able to manage, as they will likely be on a much higher income than Australia Award scholarship families.

**Recommendation 10:** *Family accompaniment and permanency. The option of family accompaniment should not be restricted to those PLS workers who are on a pathway to permanency.* 

## 4. Relocating the Ag Visa within the PALM scheme

The government is to be congratulated on scrapping the Ag Visa, which would have undermined PALM, and which lacked rationale. That said, the discussions around the Ag Visa, even if in many cases not resolved, had some interesting elements that should be considered for PALM, namely: (A) work-based pathways to permanent residency; (B) a greater emphasis on portability; and (C) fewer geographical restrictions within Australia. Use of industry accreditation models is discussed in our colleague, Dr Richard Curtain's submission.

#### 4A. Pathways to permanency

The new government has made it clear that it does not want "permanently temporary" workers in Australia. This is not an issue for the SWP, where research shows on average workers come for about five seasons. However, it could well become an issue for the PLS, where workers may seek to return for subsequent four-year stints after completing the mandatory six-months offshore. Once families are allowed to accompany workers, the desire to migrate permanently will only increase.

<sup>&</sup>lt;sup>9</sup> See https://devpolicy.org/are-pacific-islanders-making-a-career-no-20180926/

The best prospects for PLS-to-TSS conversions are (fortunately) for the largest category of workers, namely meat workers. Details have been spelt out in a DFAT-commissioned report.<sup>10</sup> DFAT should encourage meat processing employers to examine this pathway (which requires no regulatory change) and ask for nominees for a pilot. The purpose of the pilot would be (a) to see whether the pathway is feasible, and (b) if it is, to promote the pathway.

There is one area where PALM scheme should not be used if there is no pathway to permanency, and that is in aged care. The Royal Commission on Aged Care specifically advised against building an age care workforce constituted by temporary workers. The use of the PLS to recruit aged care workers flies directly in the face of this expert advice. A similar PLS-to-TSS pathway to the one that currently exists for meat workers should be forged for aged care workers.<sup>11</sup>

An increase to the Temporary Skilled Migration Income Threshold (TSMIT) will pose a risk for any PALM pathways to permanency, and exemptions for PALM should be considered.

**Recommendation 11: Pathways to permanency** should be made available and promoted. DFAT should encourage interested meat industry employers to pilot the existing PLS-to-TSS pathway for meatworkers. Aged care workers should not be recruited through the PLS until a pathway to permanency for such workers has been created. Exemptions for PALM workers to TSMIT requirements should be considered.

#### 4B. Portability

Introducing a portability mechanism into the SWP will help address concerns that the scheme is not flexible enough, and that employers cannot share workers (except by going through a labour hire company, which some do not want to do). In New Zealand, costs of recruitment and transport of RSE workers to and from New Zealand are generally shared by the employers, and each employer is responsible for the workers' pastoral care during the employment period. For example, when the second employer becomes responsible for a worker, they pay for travel costs to the new work site, a cost which is not recouped from workers.

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<sup>&</sup>lt;sup>10</sup> See <a href="https://www.dfat.gov.au/sites/default/files/palm-temporary-skills-shortage-visa-approach-paper.pdf">https://www.dfat.gov.au/sites/default/files/palm-temporary-skills-shortage-visa-approach-paper.pdf</a>

<sup>&</sup>lt;sup>11</sup> See https://devpolicy.org/the-pls-and-the-royal-commission-into-aged-care-20220901/

# Joint recruitment in New Zealand. Why not in Australia? By Dr Rochelle Bailey and Dr Charlotte Bedford

In 2009, the joint Approval to Recruit (ATR) system was made available for employers in New Zealand's Recognised Seasonal Employer (RSE) scheme, allowing them to share Pacific workers across different crops and regions. This significant change has <u>led to an overall increase</u> in the number of RSE workers employed and has provided smaller enterprises in New Zealand's horticulture and viticulture industries with the opportunity to participate in the RSE scheme.

Approved employers submit joint ATRs together to Immigration New Zealand, specifying the number of workers and periods of work on both ATRs. RSE workers enter into individual employment contracts with each employer. Once approved, workers are allocated to the employer who requires their labour first. Joint ATRs have to fit into both national and regional allocations for labour as the worker is counted as one in each region in which they're employed.

For RSE workers, joint ATRs prevent the likelihood of periods of downtime during the season that can occur due to weather or crop conditions, when workers are without work. Periods of downtime can cause significant stress as workers still have financial obligations, such as accommodation, food and travel expenses, insurance, and family commitments to pay for, even though they are not earning any money.

See https://devpolicy.org/joint-recruitment-20181012/

**Recommendation 12: Increasing portability.** A Joint Approval to Recruit mechanism, based on the New Zealand model, should be added to the SWP.

#### 4C. Relaxing geographical restrictions

The Ag Visa would have had no geographical restrictions. It would have been restricted to "agriculture", but with an expansive definition to include meat processing. Allowing urban meat-processors to utilise the PLS would mean more opportunities for Pacific workers. A mapping of current abattoir locations reveals the following:

- 26% of all abattoirs/meat processors (64/247) and the same share of all abattoirs that export (23/89) can't hire Pacific workers under current PLS geographical restrictions. Export-oriented plants are likely to be larger operations, and likely have higher compliance requirements as they must be AUS-MEAT certified.
- This number seems to be in line with ABS data, which indicates that 74% of meat process workers live outside of capital cities.
- There are a few clusters of PLS-ineligible abattoirs, mostly in suburban Melbourne Laverton North, Thomastown, Brooklyn, Beenleigh (not in Victoria), Gaston, Dandenong South.

Expanding meat processing to urban areas could also provide job opportunities in other industries, such as meat processing and butchery. For example, to become a butcher you have to undertake a four-year apprenticeship. There could be opportunities to link APTC training with apprenticeships in Australia as a part of the Australia Awards program. This would provide not only relevant, work-ready qualifications but Australian work experience.

Once postcode restrictions are removed for meat-processing, they could also be removed for all PLS employers.

**Recommendation 13:** Relaxing geographical restrictions. Postcode restrictions should be removed for meat processing. Subsequent reforms should consider removing all postcode restrictions from the PLS.