

REVIEW OF THE PACIFIC LABOUR FACILITY

Renée Leon

October 2020

KEY FINDINGS

The Pacific Labour Scheme (PLS) is intended to enable citizens of Pacific countries¹ to take up low-skilled and semi-skilled work opportunities in rural and regional Australia. The PLS contributes to Australia's foreign policy goal of promoting economic cooperation and integration between Australia and the Pacific.² It is intended to benefit Pacific workers and their families, and the economies of the Pacific countries, as well as to provide Australian employers in rural and regional areas facing labour shortages, with access to a reliable workforce.³

The Pacific Labour Facility (PLF) delivers the core components of the PLS, working in partnership with the Department of Foreign Affairs and Trade (DFAT) and Pacific countries. The goal of the PLF is to contribute to the inclusive economic growth and social development of Pacific island communities. The key roles of the PLF encompass facilitating the supply of suitable workers, to meet the demands of Australian industries, while ensuring the welfare of the workers.⁴

The delivery model for the PLF is sound. The integrated management of supply from Pacific countries, demand from Australian employers, and welfare of Pacific workers in Australia is appropriate and effective for the goals of the program.

The PLF is making good progress against most of its objectives. Prior to the cessation of worker recruitment and mobilisation due to COVID-19, the PLF had rapidly increased the number of Australian employers and Pacific workers participating in the PLS, and provided high levels of support for the welfare of Pacific workers. Plans were also in place for a significant pipeline of activities that could reasonably have been expected, were it not for the impact of COVID-19, to drive continued growth.⁵ While the first 6-12 months required considerable effort to recruit staffing and establish the Facility, the PLF has also established early credibility and trust with key stakeholders in the Pacific and in Australia.

However, the PLF is not as well advanced on the future sustainability of the scheme. The program will not be a value for money investment unless it achieves significant scale. The PLF has commenced work on the strategies that will be necessary to achieve and sustain delivery at scale, but these are at an early stage of development. The pathway to sustainability at scale will depend on Pacific countries and Australian employers investing more time, effort and financial resources in Pacific labour mobility, commensurate with the benefits it will deliver them. The PLF recognises the need to build towards sustainability, but its plans to achieve that goal are developing too slowly and without sufficient focus and discipline.

Pacific countries are developing more capability to support labour mobility but will need support into the medium term. Some Pacific countries are already sending significant numbers of temporary workers to Australia, but many lack sufficient capacity and capability to support the PLS as it grows. The PLF has inserted additional resources into Labour Sending Units in Pacific countries, to assist with the recruitment and preparation of workers. This has been important in achieving the growth to date. Going forward, there needs to be a careful examination of the extent of capacity substitution that continues to be provided by the PLF. There is also an important role for DFAT in highlighting to Pacific countries the benefits that labour mobility brings,

¹ The PLS is delivered in Fiji, Kiribati, Nauru, PNG, Samoa, Solomon Islands, Timor-Leste, Tonga, Tuvalu, and Vanuatu. For simplicity in this report, "Pacific countries" includes Timor Leste.

² *Foreign Policy White Paper* (2017), see pp 110 & 136

³ Pacific Labour Facility, Investment Design Document, June 2018, (i) ⁴

Pacific Labour Facility, Investment Design Document, June 2018. (ii) ⁵

PLF Annual Report, July 2020, p.5

and encouraging support for the Pacific Labour Sending Units (LSUs) across other ministries in Pacific countries.

While employers should have more responsibility for worker welfare, it will still be necessary for the PLF to provide oversight and targeted support. The PLS differs from other labour mobility schemes (such as in New Zealand and Canada) in that it aims not only to provide workers to Australian industry, but primarily to support the aid and development of Pacific countries. The primacy of development goals justifies a strong focus on worker welfare. Nevertheless, the existing model of intensive support for workers will not be sustainable within the resources of the PLF as the number of workers and employers increase, once international movements resume. Employers are able, and many are willing, to provide more support than currently expected. A move to greater employer responsibility will require a risk-managed approach and a higher tolerance for some mis-steps and incidents, and should be backed up with adequate oversight and clear escalation protocols.

Alternative delivery models need to be considered and piloted. The PLF is Brisbane-based, and manages relations with employers and workers by site visits and, increasingly since COVID-19, by virtual platforms. The PLF has made a practice of connecting workers with local community organisations that assist workers with settling into life in Australia and provide some informal support. There is potential for local or regional organisations to undertake a more explicit role in worker support and welfare, drawing on their local connections and knowledge, and their experience in navigating Australian systems. There is also opportunity for devolution of demand activities to employer groups and an increased private sector role in the recruitment and training of workers in Pacific countries. The PLF has identified these areas for future work, but no significant development has yet been undertaken.

The program is ambitious and needs discipline to develop towards scale within its budget envelope. The PLF is “building the plane while flying it”, so the work is necessarily iterative, adapting to learnings along the way. Scope is expanding, both in response to needs on the ground and to additional tasking from DFAT. There has not so far been a strong focus on costing and projecting expected outputs and timeframes. Greater discipline on milestones and deliverables will increasingly be needed to ensure that clear choices are made about priorities and that longer-term actions are set in train with enough runway to land the expected outcomes.

There would be merit in greater alignment between the PLS and the Seasonal Worker Program (SWP). The SWP is administered by the Department of Education, Skills and Employment (DESE) and focusses primarily on meeting labour shortages in the Australian horticulture industry, where temporary unskilled labour is needed for the growing and picking of seasonal fruit and vegetables. The SWP is now operating at sufficient scale to be important for Pacific economies. The Government’s policy aims could be better met by aligning the policy frameworks and objectives that underpin the two programs. There is also an opportunity to substantially reduce differing or duplicated requirements and processes across the two schemes, to produce a more consistent experience for workers, employers, and Pacific countries.

Recommendations

Recommendation 1: The PLF should establish an expanded role for employers in supporting the welfare of Pacific workers in Australia.

- (a) Monitoring and protecting worker welfare should continue to be a high priority.
- (b) Employers should be carefully assessed for their capability and preparedness to provide appropriate levels of support, with a risk-managed approach to determine the level of PLF oversight needed.
- (c) The PLF should continue to provide an avenue for direct contact by workers where needed.
- (d) The PLF should establish a clear escalation model for employers, to clarify the matters that are the employer's responsibility, the matters on which the PLF will assist, and the more serious matters where the PLF will take the lead.
- (e) Smaller employers will likely need a higher level of PLF support than larger businesses that have corporate HR teams; DFAT should consider the option of a modest levy on smaller employers for the higher ongoing support provided by the PLF.
- (f) The FWO should be resourced commensurate with the growing scale of the PLS, to ensure external scrutiny of compliance with workplace laws.

Recommendation 2: The PLF should establish and implement with greater urgency the strategies that will be necessary to manage the program sustainably at scale. These include:

- (a) exploring potential private sector involvement in recruiting workers in Pacific countries
- (b) developing industry-led demand strategies, and
- (c) scoping and piloting welfare support by NGOs in Australia.

Recommendation 3: The PLF should adopt a more rigorous project management approach to forecasting and tracking its activities and deliverables. This will ensure a focus on the successful establishment of key strategies and platforms that will sustain the program into the future. It will also enable greater visibility to DFAT of the trade-offs that may become necessary as demands increase.

Recommendation 4: There should be greater alignment between the PLS and the SWP. At a minimum, there should be common rules and processes and, depending on government priorities, a common policy framework. DFAT and DESE should also consider amalgamating the provision of welfare support to workers in Australia under both schemes. There will be resource implications.

Background

1. The Pacific Labour Scheme (PLS) is a core component of Australia's Pacific Step-Up initiative. Commencing from July 2018, the PLS allows Approved Australian Employers to recruit Pacific workers for unskilled to semi-skilled roles for between one and three years in any sector in rural and regional Australia. The PLS is administered by the Department of Foreign Affairs and Trade (DFAT), which has contracted its delivery to the Pacific Labour Facility (PLF), consistent with its broader aid delivery practices. Palladium is the Contractor for the PLF.
2. This Review assesses the PLF's value for money, using DFAT's value for money principles of economy, efficiency, effectiveness, and ethics. The report considers the performance of the PLF, the delivery model in this scheme as against other labour mobility schemes, the effectiveness and sustainability of the welfare function, and the PLF's approach to building the partnerships that will be needed to underpin the future sustainability of the scheme. The report also considers the potential for greater integration with the Seasonal Worker Program (SWP). The full terms of reference for the Review are at [Attachment A](#).
3. The Review considers the activities of the PLF since its commencement in October 2018 until mid-2020. Many of the activities of the PLF, and the operation of the PLS, have been impacted since March 2020 by the COVID-19 pandemic, which led to the closure of international borders and the repatriation of most PLF staff from Pacific countries. The impact of COVID-19 has been taken into account in assessing the performance of the PLF.
4. The PLF is already subject to a range of regular reporting and monitoring processes. It is required to submit to DFAT an Annual Plan by May each year, and to report its progress against the Annual Plan in its Annual Reports to DFAT and in mid-year briefings.⁶ Consistent with its Investment Quality reporting processes, DFAT has undertaken an Aid Quality Check⁷ and Partner Performance Assessment,⁸ and contracted an independent third party to undertake the PLF's 1st Annual Review.⁹ Each of these reviews and reports has provided detailed, and largely positive, analysis against the PLF's deliverables. This Review has drawn on those assessments, but does not repeat their findings in detail.

Section 1: Performance of the PLF against its objectives

5. The PLF has four end of program outcomes (EOPOs) for the PLS:
 - i. An increase of appropriately skilled women and men mobilised to work in Australia (**supply**)
 - ii. A sustainable and growing demand for Pacific workers (women and men) from Australian employers (**demand**)
 - iii. An Australia-Pacific circular labour mobility system that is efficient, inclusive, maximises benefits and minimises risks to Pacific workers and communities (**welfare and sustainability**)
 - iv. Evidence enables stakeholders to enhance the social and economic impacts of Pacific labour mobility (**evidence base**)¹⁰

⁶ See PLF Annual Plan, July 2019-June 2020; PLF Annual Report, January 2020; PLF Annual Plan 2020-21, May 2020; PLF Annual Report, July 2020.

⁷ AQC INM389, approved 01/07/2020

⁸ PPA Pacific Labour Facility Implementing Managing Contractor, approved 21/04/2020

⁹ Clear Horizon, Pacific Labour Mobility QTAG: 1st Annual Review, April 2020

¹⁰ This review is focussed on the key elements of supply, demand and worker welfare, and does not examine the performance of the PLF on its evidence outcome. Baseline research has been delayed, as data collection was done remotely due to international and state border closures during 2020.

6. The PLF has made good progress for a new program, in growing both supply and demand. It has done so while building positive relationships with key stakeholders; the Review received positive feedback about the activities and approach of the PLF from employers, Pacific countries, and Pacific workers.

I found them to be very good communicators and they understand what they are doing. They are really good when they come to Samoa – LSU representative

My experience with [the PLF] has been really good... picking up the phone and getting the answers needed, or being connected to people, .. and fixing things. Always good feedback from others too – hospitality employer

Our company is 100% satisfied with PLF support and PLS workers – aged care employer

I always work with someone from PLF regarding any problems [at work]... They are the ones that can solve all our problems here – Pacific worker

7. The PLF QTAG 1st Annual Review highlighted strong performance and achievements across all four EOPOs.¹¹ The number of Approved Employers has increased substantially since the inception of the program, as has the number of workers mobilised to Australia (noting that the closure of international borders due to COVID-19 has largely halted further arrivals since April 2020). As at August 2020, there were 101 PLS Approved Employers (AEs) and approximately 1000 Pacific workers, across five industries: meat processing - 66% of PLS visas, agriculture and horticulture 16%, hospitality and tourism 8%, aged care 6%, fishing and aquaculture 3%, forestry 1%.¹²

8. The PLF has built good relationships in Pacific countries and has embedded Engagement Managers in Pacific Labour Sending Units (LSUs), which have been invaluable to both the Pacific countries and to DFAT posts. The PLF has achieved its Annual Plan forecast of establishing Labour Mobility Annual Country plans for all ten Pacific countries in the PLS, and has commenced (interrupted by COVID19) demand-supply workshops in Pacific countries, which have been welcomed by LSUs. Improvements by PLF to the pre-departure briefings delivered by LSUs have increased the readiness of workers, as has new training provided by the Australia Pacific Training Coalition (APTC) in response to PLF feedback. PLF is fulfilling an important role as intermediary between employers, training providers and LSUs, improving the match between demand and supply.

9. PLF is providing good support to worker welfare, and received consistently positive responses during the Review from workers, employers and Pacific country representatives. The PLF provides end-to-end support for workers from arrival and throughout their time in Australia.¹³ The PLF has extended some welfare support to SWP workers who did not have the benefit of a similar level of support under that program, and has worked closely with DESE to coordinate and escalate support as needed.

10. In addition to providing the end-to-end support needed for normal times, the PLF provided substantial additional support for workers and employers affected by the bushfire crisis over the 2019-20 summer. The PLF further pivoted its support activities in response to the COVID-19 pandemic, which led to job losses and redeployments for some workers, and which has prevented return to home countries for nearly all the PLS workers in Australia. PLF has strongly stepped up its communications effort in response to COVID-19, providing workers with information about safety and health issues, and producing products that have helped to build community, connect

¹¹ See [Attachment B](#) for summary of achievements highlighted by QTAG.

¹² PLF Annual Plan 2020

¹³ See paragraph 30

with home, and address risks of isolation.¹⁴ Worker welfare issues are discussed in more detail in section 3 below.

11. Progress has been less than expected in several areas:

- LSUs are still awaiting the finalisation of the in-country recruitment database, needed to expedite and facilitate recruitment. This has taken longer than expected and is now further stalled by COVID-19 impacts, as PLF staff need to visit LSUs to deploy the database .
- High demand for low-skilled workers from a few large employers (primarily in meat processing) has skewed the worker cohort away from the semi-skilled roles that the PLS is also intended to target. This will need attention in the next phases of training and mobilisation, including active engagement with potential future employers and with training providers to ensure a pipeline of semi-skilled workers.
- Work on setting the PLS towards a more sustainable footing, as intended in its original design, has taken a back seat to the immediate demands of establishing the PLF and rapidly growing worker numbers. This problem has been recognised by the PLF, as noted in its 2020-21 Annual Plan:

‘While the PLF was successful in delivering rapid employer and worker growth in 2019-20, it was on occasion more reactive than strategic. As the Facility attempted to simultaneously understand, design, deliver and grow to meet labour mobility objectives, it at times lacked a coherent strategic direction to bind together and direct its streams and activities.’¹⁵

12. Both DFAT and the PLF recognise that unexpected events and demands have impacted the PLF’s trajectory. DFAT has asked the PLF to undertake additional activities that were not foreseen in the original project scope; the PLF has been providing increased levels of support to the SWP; and national and global events (bushfires and pandemic) have compelled urgent and additional action by the PLF to protect worker welfare.

13. It must also be recognised that the PLF’s implementation of the PLS is based on an action learning approach and adaptive programming. This approach reflects that the PLS is a new approach to labour mobility:

- the PLS expressly has aid and development goals
- its aim is to provide low/semi-skilled Pacific workers rather than only unskilled workers
- it operates within a broader range of industries compared to the horticulture focus of similar programs in both Australia and New Zealand
- the PLF is developing new models to match supply and demand, work that has not been undertaken in Australia before, and is offering end-to-end support from initial recruitment through eventually to strategies for reintegration.

14. Piloting of new arrangements and learning through experience is one of the mechanisms used to support PLF’s adaptive programming approach. While this approach is appropriate for a new and emerging program, and required under the PLF contract, it is unclear that these adaptive approaches are also being developed and applied with the necessary rigour and discipline to keep the PLF moving forward in a timely way towards the achievement of its goals. Annual Plans are developed in partnership with DFAT and these, together with mid-year briefings and monthly management meetings, are the vehicle for adjusting expectations and agreeing on future

¹⁴ “Since COVID, the PLF communications work has been stellar, bringing information in language to workers about health, staying safe, visas, etc. ... PLF has arranged redeployment of nearly 100 PLS workers that were stood down during border closures – exceptional support” – DFAT interview

¹⁵ PLF Annual Plan 2020-21, p.11

trajectory. DFAT may need to consider whether additional clarity as to objectives and priorities is needed now, close to the mid-point of the current contract, so that the risks of scope creep and consequent outcome drift are avoided.

Section 2: Delivery model

Comparative analysis of labour mobility schemes

15. The PLS is a different style of labour mobility scheme to other similar programs both in the Pacific and elsewhere.¹⁶ Its focus is on economic cooperation and integration between Australia and the Pacific, and it involves a much greater involvement than those programs in the in-country activities of Pacific nations and a greater focus on positive experiences for Pacific workers, in order to establish and maintain a positive reputation and a strong growth path for the PLS.

16. In pursuit of these goals, a key attribute of the current PLF delivery model is that the PLF is deeply involved at every stage of the worker's journey:

- The PLF is supporting recruitment by the LSUs in Pacific countries, including by providing additional locally engaged staff into LSUs and by providing locally-based Engagement Managers as single points of contact and support in each Pacific country.
- The PLF is promoting the scheme to employers and supporting them through approval and recruitment processes.
- The PLF takes primary responsibility for worker welfare; this is the responsibility of the employer under the SWP in Australia, under New Zealand's Recognised Seasonal Employer program (RSE), albeit with some back up from Government staff, and under the equivalent program in Canada, the Seasonal Agricultural Worker Program (SAWP).
- The PLF delivers add-on skills training for Pacific workers in SWP and PLS; under the SAWP, no training is available; under the RSE, workers can access government-provided training if locally available and if the employer permits.
- The PLF actively seeks out and facilitates community engagement activities for Pacific workers in their local communities; this is not a feature of the RSE or SAWP, and is available for SWP workers only to the extent that employers choose to facilitate these links.
- The PLF intends to work with Pacific countries to support re-integration at the end of the period of employment in Australia; this is not provided under the SWP, RSE or SAWP, noting however that these programs all have shorter periods away from home countries (7-9 months for seasonal work, compared to up to 3 years for the PLS).

17. The models in place in Canada, New Zealand and under the SWP prioritise meeting employer needs for labour. Their advantage is their ability to mobilise large numbers of workers at relatively low cost to government. The SWP now brings about 12,000 Pacific workers into Australia, at a cost in 2019 of \$5.2m.¹⁸ The scale and cost of the New Zealand RSE is comparable, although given New Zealand's smaller size, operational costs are lower; New Zealand also invests via other programs to enhance Pacific capability and mobility. However, these models are not as well-suited as the PLF model for managing worker welfare and building Pacific engagement. The impact of COVID-19 on Pacific workers highlighted the need for additional welfare support in both Australia and New Zealand under the employer-driven models. The PLF has been providing additional support to workers who are in Australia under the SWP, and NZ has privately indicated it may revisit the way workers are supported under the RSE.¹⁹

¹⁶ A detailed comparison of labour mobility schemes is at [Attachment C](#).

¹⁸ Support to the SWP supply side in Pacific countries is provided by PLF, and prior to the PLF by predecessor DFAT programs. Further detail on the costs of the SWP that are supplemented by the PLF is at paragraph 63.

¹⁹ New Zealand Ministry of Business Innovation and Employment interview 21/08/20

18. The PLF is a more interventionist and more high-cost model. It is investing directly in capacity building and support in Pacific countries and providing a higher level of worker support at all stages of the process. This is reflected in both higher costs but also higher satisfaction of Pacific countries, employers and Pacific workers, as expressed in multiple interviews undertaken for this Review.

19. To a large extent, the current delivery model reflects both scheme design – aid and foreign policy goals drive a greater level of support to Pacific countries and workers – and the relative immaturity of the PLS. The PLS is a new program, providing workers to industries previously not exposed to Pacific labour, in roles with a higher skill level, and on visas that extend over several years. These factors bring challenges that have to be identified and solved, and create additional demands for partnerships and pathways. For example, the focus on more skilled roles requires specific skills to be found in Pacific countries, or developed by working with APTC or other training providers, and to do so in a sufficiently timely way to meet current and emerging demand. The end-to-end model of the PLF is effective in meeting these challenges, which can arise at multiple inter-related points along the labour mobility journey.

Future opportunities

20. The PLS will need to grow to larger numbers across all the sending countries if the benefits of the program are to be realised. Before the disruption of COVID, the PLF's projections were for 2240 incoming workers in 2020-21, 3620 in 2021-22, and 5245 in 2022-23. Managing greater numbers under a more self-sustaining model require that participants'²⁰ own motivations and incentives drive continued engagement and growth with lower levels of external support. The current high cost of the program for a relatively small number of workers is justified in the early stages due to the quantum of effort going to establishment and capacity building, but the existing model would not be able to sustain the increased numbers that the program aspires to achieve.

21. While the model as so far deployed has been effective in establishing the program and getting its activities well underway, there would be opportunities to extend or diversify the model, such as outsourcing or devolution of some activities, that would enable greater sustainability and efficiency. It is not too soon to be more actively exploring such alternative modalities, and there needs to be a more active recognition for all participants that the current high-touch arrangements are transitional.

22. On the supply side, having a single entity to manage both demand and supply is an important feature of the PLF model, particularly in these early stages.²¹ The PLF should now focus more on building connections between Approved Employers and Pacific countries, so that employers are able to keep Pacific countries more directly informed of their labour needs and to build trust and licence to participate more actively in worker selection.

23. Employers are already interested in taking a more direct role, particularly larger employers and labour hire firms. The NZ RSE model is largely driven by employers, and the largest employer of workers from Vanuatu into NZ has established a Vanuatu office to source workers. In Australia, the Fresh Produce Alliance, representing 30 growers who employ Pacific workers under the SWP, advised that larger growers are already moving towards more direct involvement in recruitment,

²⁰ Participants include workers, sending countries, and Australian employers.

²¹ "It is really necessary for the demand and supply to meet in order to make these schemes work well.... There are so many information asymmetries and it takes a long time to bridge the information gaps between the different parties" – World Bank economist interview

while the main labour hire firm employing PLS workers in Australia is already closely involved in recruitment and worker preparation in Pacific countries.

24. There was a widely shared view amongst stakeholders interviewed for this Review that Pacific countries will need assistance with managing supply for some time. The impact of COVID-19 has strained the already-limited resources of Pacific countries, reducing their ability to provide more funding or capability to LSUs. LSUs will need support to identify workforce needs and ensure the provision of training to prepare a pipeline of workers in demand. The APTC will have a key role in this respect. DFAT will need to play its part in continuing to promote to Pacific countries the benefits of labour mobility²² and in addressing capacity gaps with bilateral programs where needed.

25. Support to LSUs should include building their capacity to explore in-country outsourcing of some of the LSU functions, such as worker screening and pre-departure preparation. An agent model, as operated by Vanuatu to share the workload of recruiting the large number of workers coming to Australia and New Zealand each year, has potential for wider application in more Pacific countries if they are amenable, but will need aid support to develop regulatory capacity and systems to manage corruption risks. Pacific NGOs could support the delivery of pre-departure training, the maintenance of links with workers' families and communities during the period of employment in Australia, and support for worker re-integration. Local organisations will be more able to bring cultural awareness to this role, and also likely at a considerably lower cost than the Australian-based PLF

26. These potential avenues for devolving functions to other players in both Australia and the Pacific will take time to scope, pilot and develop. The PLF recognises the need for this work. Its Annual Plan 2020-21 forecasts assessing the Vanuatu agent model, increasing engagement with private sector operators in the Pacific, and fostering greater connections between employers and LSUs.²³ While this work needs to be iterative and careful, the current and planned pace would see the PLF still in exploratory mode for some years yet. Progress needs to be made, accompanied by adequate project management discipline, to ensure opportunities for local devolution are developed before dependency on the PLF is cemented.

27. On the demand side, the PLF has been promoting the scheme to employers in Australia and assisting employers with the application and recruitment processes. As more employers become established in the scheme, the extent of promotion and support should be able to be reduced. The goal should be to highlight and build on the value that Pacific labour mobility represents for employers in meeting their workforce needs. The PLF has commenced building partnerships with industry associations and other stakeholder groups, and these will be important foundations for the transition to a more self-managed demand program in the future, where key industries recognise the benefit they derive from access to Pacific labour, and undertake a greater role in facilitating labour mobility. However, that transition will not happen unless the goal of sustainability is kept clearly in mind during this phase of the PLS, and informs the engagement with industry that is currently occurring.

28. The PLF's Annual Plan for 2020-21 proposes to identify some demand functions that could be outsourced and to commence a pilot with a small number of regional partners that could assist with demand activities. These are steps in the right direction, but need to have a clear focus on timeframes that will build to sustainability within the current program. Engagement with employers and industry associations outside the pilots also needs to be laying the foundations for

²² The PLF estimates that over \$14m has been saved and remitted back to Pacific countries by PLS workers since the inception of the scheme.

²³ PLF Annual Plan 2020-21, p.15

a more active role going forward so that expectations of permanent PLF support are not embedded.

29. Greater employer engagement does not mean an entirely devolved employer-driven model would be appropriate. The PLS is not only aimed at filling labour shortages in Australia and should not be driven only by the aspirations and incentives of employers. The RSE, for example, has been operating for over thirteen years in NZ, and still requires significant management and oversight by NZ government agencies to ensure the RSE policy objectives are kept in balance. Scheme reputation and Pacific relationships will always be a high priority for Australia, given the overall goals of the PLS. A level of oversight, standard setting, quality control and escalation will need to be actively provided as the PLF moves to greater employer ownership of the process.

Section 3: Effectiveness and sustainability of the welfare function

Welfare support

30. The PLF is providing a high standard of welfare support. It helps LSUs to ensure workers are well-prepared for arrival in Australia, it supports worker arrival and on-boarding, it provides on-site visits (now limited by COVID-19 but supplemented by virtual contact), it operates a 24/7 hot line, it checks employer compliance, and it is actively involved in resolving disputes or issues affecting worker wellbeing both in and outside the workplace. The PLF also engages with local community organisations, such as churches, sporting groups, diaspora communities, and local councils, to foster their connection with Pacific workers.

31. A significant level of welfare support is expected under the PLF contract, which requires that the PLF contractor will *'ensure the health, safety and welfare of workers under the PLS is a high priority for approved employers and for the PLF'... [and] ... will provide a number of services to support workers' transition into Australian working and community environments, to ensure their wellbeing throughout, and to maximise the benefit workers gain'*.

32. This model is largely effective in managing and averting worker welfare issues, an important outcome given the aid and development underpinnings of the PLS. Pacific nations are more likely to be willing to participate in the program if they feel assured their people are well supported and not subject to exploitation or other risks in Australia. This is not a theoretical concern, in light of the known risks that foreign workers face.

33. At an individual level, foreign workers in Australia are unfamiliar with the systems and processes that enable Australians generally to manage life events such as health issues, workplace disputes, or financial or legal concerns. On a systemic level, foreign workers are vulnerable to potential exploitation at work; they will be unfamiliar with Australian workplace laws and they are likely to be reluctant to challenge poor conduct by an employer when their right to remain in Australia is dependent on their continued employment. Many foreign workers, including those from the Pacific, are employed in industries dominated by precarious and casualised employment, where exploitative practices have been widespread. There has been significant community and government concern about exploitation of foreign workers in these contexts, leading to the establishment of the Migrant Workers Taskforce in 2016. The Government accepted in principle of all the recommendations of the Taskforce²⁴ in 2019. These recommendations have not yet been implemented, pending a broader review of workplace relations laws underway in the Attorney-General's portfolio.

²⁴ Report of the Migrant Worker Taskforce, March 2018

34. Although the PLF's active involvement in worker welfare issues ensures a higher degree of protection from these risks for Pacific workers, this level of support comes at a cost²⁵ and is unlikely to be able to be sustained within existing resources as the number of employers and workers increases.

Employer role

35. The original Deed that governed employer participation in the PLS states that the responsibility for worker welfare and provision of worker support is 'shared' among the workers themselves, employers, local communities, the Australian Government and the PLF contractor. But few specific responsibilities are allocated to employers²⁶ and in practice the PLF takes the primary role on all worker welfare matters.

- This is in contrast to the SWP and New Zealand RSE, where employers are explicitly responsible for worker welfare.
- Under the SWP, employers have a detailed list of specific obligations to support worker welfare, including the requirement to submit a Worker and Wellbeing plan, appoint a dedicated Welfare officer, and meet a range of specified needs such as on-arrival briefings, access to unions, assistance with bank accounts, shopping and transport, and workplace induction.
- Under the RSE, there are some obligations mandated by government though these are less extensive than the SWP; however, NZ has advised that most RSE employers are highly motivated to provide good working conditions and support to their workers in order to meet the supply chain expectations of their export markets.
- In Canada, under the SAWP, employers are responsible for worker welfare, but with no government-mandated standards or obligations; one commentator has described the effect of these arrangements as '[the workers] arrive and are immediately left to fend for themselves'.
- There is a limited role for government staff under the RSE and SWP:
 - i. Under the SWP, DESE checks on employer compliance as part of contract management, but mainly in response to tip-offs or complaints, rather than proactively visiting all worksites or contacting workers directly as does the PLF.
 - ii. The relevant NZ department provides assistance to employers in the form of Relationship Managers to help employers manage disputes or more difficult issues, and in Australia DESE assists in critical incidents under the SWP, such as where a worker suffers serious illness or injury, or death, or is terminated from employment.

36. It is clear that employers are able to do more than is currently required of them under the PLS. Over 150 employers are Approved Employers under the SWP, a program that places much greater obligations on employers. Their participation in the program, and the substantial increase in employers and workers under the SWP over recent years, demonstrates that access to a reliable and productive workforce provides sufficient economic motivation for employers to sign up even to a substantial worker welfare obligation.²⁷ Similar motivations led to the establishment of the RSE in New Zealand and have underpinned its continued strength. Many employers interviewed for this Review clearly recognised the benefits to them of supporting the welfare of their

²⁵ \$2.5m in 2019-20 for direct costs of the Welfare team, plus share of whole of organisation overheads (total \$2m) and proportion (not broken down) of communication expenditure (total \$1.3m).

²⁶ Recent amendments to the Employer Deed, rolled out in October 2020, will allocate some responsibilities to employers, including a more direct responsibility for worker arrival and mobilisation, and support for workers' practical financial needs, such as setting up a bank account.

²⁷ One large employer (labour hire firm) noted that the additional costs of recruiting Pacific workers and supporting their welfare in Australia were more than compensated by the benefits of lower turnover and higher productivity.

employees, thus gaining their loyalty and continued engagement over several years, as well as the likelihood of benefiting from further recruits from the home communities of returning workers.

We value the program, we really see that we own the responsibility and need to do that [look after the workers] to be successful – labour hire employer

Compared to backpackers, the Pacific worker positives are: high return rates, reliability, productivity, and better skills and experience – horticulture employer

Annual approval process [under SWP] is a burden, but it's not a burden to be helping the workers – horticulture employer

37. The PLF will need to move to a model in which employers carry a greater responsibility for worker welfare than is currently envisaged, with the risks to worker welfare carefully managed. This will not only be more cost-effective, but it will place responsibility for worker welfare at the closest point where workers can be supported with their work and life needs. Such a model recognises that employers benefit from access to Pacific labour and should shoulder some of their support needs. These benefits need to be quantified and promoted.

38. The PLF has begun to use a risk-based assessment process to calibrate the level of support needed by workers with each new employer. This model takes account of factors such as the employer's level of experience with Pacific workers, the extent of local connections and support available, the number of Pacific workers in the workplace, and the workers' own agency and experience. This model should be more actively developed and applied, against a model where employers increasingly take on more responsibility for worker support.

39. Employers do need a degree of support. Even experienced employers who can effectively handle routine issues for Pacific workers may not be well placed to manage very difficult issues, such as a worker becoming involved in the criminal justice system or suffering serious health or mental health problems. In consultations for this Review, employers and Pacific labour mobility experts in academia supported a calibrated model for both PLS and SWP, in which the responsibilities of employers and the PLF/ DESE respectively are more clearly defined:

- employers would be responsible for supporting workers with routine issues in the workplace or outside of work
- employers would be primarily responsible for support on some more serious issues but with notice to the PLF/ DESE and guidance where needed
- the PLF/ DESE would be responsible for taking the lead on the most serious issues.²⁸

40. This model will mean that the PLF would not be directly involved in, or even necessarily aware of, every welfare case. Many matters that may be of concern to Pacific workers would be directly handled by their employer, such as disputes with other workers, concerns about accommodation, or questions about pay deductions. The calibrated model proposed above should give clear guidance as to the types of matters that need to be escalated to the PLF, including for example, matters that are attracting media interest or stakeholder concern.

41. The PLF should continue to have roles in standard setting and quality assurance. Assurance processes should be geared to ensuring that worker welfare is being appropriately managed by

²⁸ Agriculture employer interview; ANU interview; Fresh Produce Alliance interview; Aged care employer interview.

the employer and that more serious matters are escalated quickly to the PLF. The PLF should play a more active role to help new employers to the PLS gain the necessary cultural competence and to oversight their initial implementation of welfare support. The PLF also needs to continue to be directly available to workers to assist where their employer cannot, for example in disputes with the employer. This is a role played in New Zealand by Relationship Managers who act as intermediaries between all parties to resolve disputes or complex situations.²⁹

42. External oversight systems must also be in place to ensure that employers who may mistreat or fail to support their employees are rapidly identified. There will be risks of mistakes or incidents, as is inevitable even in tightly regulated systems. In recognition of the risk of deliberate underpayment or exploitation by some employers, it will be essential that the Fair Work Ombudsman (FWO) continues to have an active role in scrutinising compliance with Australian workplace laws; FWO resourcing will need to be scaled as worker numbers increase.

Small employers

43. While large employers and labour hire firms can carry the overhead of worker welfare support, more onerous obligations could be barriers to entry for smaller operators. Smaller operators, even if willing, may lack sufficient knowledge or capacity to discharge these obligations effectively.³⁰ While more than half of the current PLS workers are employed by larger employers, two-thirds of the employers in the PLS currently employ 10 or fewer workers.

44. In developing the model for greater employer responsibility, the PLF and DFAT should consider how smaller employers can be supported. Options include:

- offering a greater level of support for smaller employers as they develop capability
- exploring the willingness of peak bodies or industry associations to provide additional support
- imposing a levy on employers who do not have the ability to provide comprehensive welfare support themselves³¹
- encouraging smaller employers to access Pacific workers via larger labour hire operators.

Role of community organisations

45. Consideration also needs to be given to whether the PLF is best placed to be the direct provider of back up case management support in the new model. Local organisations would have local connections and knowledge, and be physically closer to worksites around the country. The PLF recognises the need to move to a more sustainable model and is developing a 'community of care' approach, in which workers will be connected with local community organisations that can support them with issues or problems, backed up by access to their sending countries' consular services.³² The PLF Roadmap for sustainable worker welfare services envisages building a partnership approach with employers, consular Liaison Officers, community organisations, and potentially outsourced providers who would continue to provide the case management currently provided by the PLF.

46. However, only early steps have been taken to develop this approach. Workers are being connected with local community organisations, but there is no express expectation on the workers

²⁹ <https://devpolicy.org/go-betweeners-needed-troubleshoot-pacific-labour-mobility-schemes-20190206/>

³⁰ "The large growers are happy to take on extra costs and responsibilities. They have a larger footprint and they want to great their employees well. But the less sophisticated employers may not be able to do so" – Agriculture department interview

³¹ Levies and cost recovery arrangements are familiar to agriculture sector participants, where the overhead costs of research and development are met by industry levies, and where scaled fees and charges cover the costs of regulatory and other services that support the industry.

³² Some Pacific countries have dedicated Liaison officers in Australia but most do not.

to turn to those organisations for support, and no obligation on the organisations to assist, nor any standard setting as to what assistance should be provided. It is possible that some workers do seek support or advice about settling into Australia in the context of church or sporting group involvement, but, as one employer put it, any such support 'should be treated as a bonus, rather than a certainty'.³³ The PLF Annual Plan 2019-20 proposed that minimum standards for case work support would be developed and that a pilot of outsourcing of welfare would be conducted, but these did not occur before COVID-19 required the welfare team to pivot to enhanced welfare support. The PLF Annual Plan for 2020-21 now envisages that pilots will be conducted late in 2020-21, depending on the extent to which COVID restrictions have eased.

47. Work needs to proceed more rapidly on the exploration of community organisations who could provide support and case management, to test the cost-effectiveness of an outsourced model, and to identify whether there are suitable organisations with regional spread and the ability to develop Pacific cultural competency in order to provide these services. The organisations already contracted by the Department of Home Affairs for the provision of settlement services to humanitarian migrants may be suitable candidates, noting that refugee populations are not necessarily located in the same regions as Pacific workers at this stage. DESE received funding in the 2020-21 Budget for Pacific Labour Mobility Officers to be based each state and territory. These officers will provide an 'on the ground' presence to establish direct links with SWP workers. This will see 19 additional staff focussed on worker welfare and employer monitoring; it will be useful for PLF and DFAT to be informed by DESE on the effectiveness of these arrangements as an input to decision making about future welfare support under the PLS.

48. The PLF needs to develop the specifications and standards for the work that could be outsourced and undertake a more active scoping and timetabling of this project than is currently planned. Otherwise there is a risk that, as the program grows, the number of workers will outstrip the capacity of the PLF to support them effectively before outsourced options have been explored and developed.³⁴

49. It is not proposed that DFAT manage the procurement and provision of outsourced services by local organisations; its skills are in foreign policy, aid and diplomacy rather than in social services. An outsourced model could continue to be managed by the PLF, where that is more cost-effective than direct service provision by the PLF. Alternatively, the provision of outsourced welfare support could be managed by another department, such as Department of Home Affairs if aligned with settlement services. If responsibility for aspects of delivery were to be carried by another agency, arrangements must be in place to ensure DFAT maintains oversight of the whole program and the ability to ensure the policy goals of the PLS continue to be met.

Section 4: Partnerships with community organisations and other stakeholders

50. Partnerships and effective stakeholder engagement are critical to achieving the goals of a sustainable labour mobility scheme. The PLF recognises that partnerships with LSUs are critical to successful supply of Pacific workers, partnerships with employers are critical to fostering demand, and partnerships with community groups are needed to support workers in Australia.

51. The PLF has invested a good deal of effort into establishing relationships across a range of stakeholders, including an explicit partnering approach in its relationship with DFAT.

³³ Horticulture employer interview

³⁴ "You can't have the current situation, where the PLF is really involved, at the scale that is required", World Bank interview.

"PLS won't get the intended growth in worker numbers under the current delivery model", ANU interview

52. The PLF has entered into formal partnership arrangements with five peak bodies / industry associations in Australia, and has scoped nine more that will be progressed when COVID restrictions ease. Relationships have also been developed with local councils and community organisations. The PLF has a Community Engagement Strategy that is designed to underpin its work in local communities to prepare for the arrival of Pacific workers and to connect workers with supportive community organisations. Under that Strategy, the PLF has engaged with, for example: The Salvation Army, the Fijian Methodist Church in Australia, Australian Catholic Religious Against Human Trafficking, Sunraysia Mallee Ethnic Communities Council, the Vanuatu Church Partnership, local sporting clubs, and diaspora/community representatives.

53. Much of the assessment of the PLF's partnering approach has been covered in earlier sections of this report. The PLF is taking the right approach in building a broad and strong foundation for the partnerships that will be needed to ensure the future sustainability of the program. However, it needs to identify which participants have or should have an active reason to take a greater role, and move those into more active involvement and investment before they develop an expectation that the PLF will continue to do all the heavy lifting.

54. This observation applies at the supply end, as discussed in Section 1, although tempered by the reality that Pacific countries will need a higher degree of support for some time. It applies most strongly in the demand part of the spectrum, where employers and employer associations stand to gain considerable benefit from access to Pacific labour as discussed in Section 2.

55. The partnerships being built with community organisations are important for Pacific workers to settle well into Australian life, particularly given that visas under the PLS are for up to three years. The PLF will need to continue to build these relationships for the time being in the areas where Pacific workers are mobilised, but their role in this respect would reduce if local support were outsourced to regionally-based organisations, and employers were expected to include community connection as part of their welfare support for workers.

56. Across all aspects of its operations, the PLF has launched a range of partnership-building efforts. Around 30 key stakeholder groups have been identified by PLF for current and future engagement, with a distinction made between 'transactional' stakeholder relationships and 'transformational' partnerships. The PLF aims to test the feasibility of outsourcing marketing, industry outreach and employer engagement activities in the shorter-term, and in the longer term, outsourcing employer vetting, on-boarding and worker welfare processes.

57. While all of these are appropriate and desirable, the PLF's partnership efforts would be enhanced if they were anchored into a strategy framework which includes clear goals, intended outcomes, specific deliverables, timeframes, and criteria to measure success.

Section 5: Options for greater integration and efficiencies between the PLS and SWP

58. The PLS and SWP were developed to some extent for different reasons and in different forms; nevertheless, there is a high degree of overlap in their operation. Stakeholders express confusion and concern about the areas of duplication between the two programs, and the differences between them.

Everything is a double up as far as SWP and PLS administration and compliance requirements are concerned” - agriculture employer interview

Industry want to tell their story once and don’t want to have to go through the same process over and over again - Agriculture department interview

It’s very confusing for Pacific stakeholders having two different programs run by two different government departments with different rules - PLF interview

59. At a minimum, activities that are common to both programs should be standardised in common frameworks with common processes, to reduce effort and confusion for stakeholders. There is no good reason for the nature of welfare support to be different for Pacific workers who are in Australia under the SWP or the PLS, or for the process of employer approval and monitoring to be different between the two programs. Some employers in agriculture and in tourism engage workers under both programs and describe having to meet different requirements for Pacific workers who are working and living side by side. Such employers also have to apply under both programs to become Approved Employers and are subject to monitoring and compliance activities by two different departments. It is likely this duplication will increase as the PLS grows; for example, one large SWP employer plans to also recruit PLS workers, with their longer visa status enabling deeper training to fill the role of team leaders.

60. There are differences between the two programs that will continue, and will necessarily impact the degree of commonality that can be achieved in some areas. SWP recruits unskilled and low-skilled workers in a limited range of work types, while the PLS recruits semi-skilled workers across potentially all industries. This means that the same recruitment process will not be suitable for all workers across the two programs. For example, SWP horticulture employers can recruit in large numbers from work ready pools, where the principal requirements are physical fitness and good attitude/ aptitude, compared to PLS employers seeking workers with specific skills such as aged care qualifications or hospitality experience who will need a more selective process to find suitable workers. Further, PLS workers are in Australia for longer durations, and will need a greater degree of support to maintain connections with home communities and to prepare for re-integration on return.

61. If the decision is taken to achieve the minimum level of alignment, DFAT and DESE should systematically examine all aspects of the two programs to identify and streamline, to the greatest extent possible, those areas that are common. This should include the possibility of mutual recognition of Approved Employer status so that employers do not have to apply under both programs. Removal of differences will, on some matters, depend on the decisions DFAT (and where relevant DESE) might take in response to recommendations of this Review. For example, standardising the Deed of Agreement for employers under both schemes will only be feasible if DFAT were to agree to employers under the PLS taking a greater role in worker support, and if DESE were to agree to employers under the SWP having access to intermediaries to resolve problems under a more calibrated model as proposed in section 3.

62. The process of alignment will also be an opportunity for SWP to adopt PLS practices and processes that have met with approval by employers and workers, subject to resource considerations. Employers using the SWP have expressed appreciation for the faster and more business-aware approval processes under the PLS and the higher degree of welfare support

provided.³⁵ There needs to be some caution about drawing conclusions from the satisfaction of employers with the PLS compared to the SWP; employer satisfaction relates to the standard of PLF support currently provided, which is considerably higher than the support that would be available under a more sustainable model.

63. Common approaches will have resource implications. Annual base funding for the SWP is \$3.3m³⁶. This covers the work of DESE in vetting and monitoring SWP Approved Employers and in providing policy and program management advice to government on seasonal worker issues. There is only a limited involvement by DESE in worker welfare issues, where these are at the critical end of the spectrum. Current DESE base funding would not support a greater role in worker welfare. The PLF's funding already supports a number of activities that underpin the SWP. The PLF estimates that 75% of its Supply expenditure supports SWP (DESE is not involved in Pacific recruitment and capacity building) and 28% of its Welfare expenditure, with smaller amounts across communications, quality and research. Taken together, a total of approximately \$3.3m of PLF funding in 2019-20 supported the SWP.³⁷ It will be necessary for DFAT and DESE to carefully assess the costs of the proposed calibrated model, which will involve a higher degree of welfare support than funded in DESE but a lower level of welfare support than currently provided by the PLF, in order to assess the resources required for a common approach.

64. It may be attractive to consider amalgamating the welfare function (whether provided by PLF or outsourced), so that a single entity has responsibility for welfare support of workers under both PLS and SWP. This is likely to be more efficient than DFAT and DESE operating two similar welfare models for Pacific workers, and would be welcomed by employers who operate under both programs.³⁸ If this approach is to be pursued, arrangements would need to be in place to maintain appropriate communication and alignment between knowledge of worker welfare issues and compliance processes for Approved Employers within DESE.

65. The Review has considered whether full integration of the two programs should be pursued. Full integration would necessitate a range of administrative arrangements be considered, none of them ideal. Bringing the two programs together within DFAT would involve DFAT in a substantial domestic interface that is outside its usual skills and knowledge, a concern that already needs to be recognised even in the management of the PLS alone. Transferring the PLS to a domestic agency would risk dilution of the focus on Pacific goals. Dividing delivery between DFAT and another agency could be managed but risks losing the synergies currently being achieved between demand, supply and worker welfare.

³⁵ "Since COVID, the guidance and frameworks of the PLF have been incredibly helpful to the SWP" – Fresh Produce Alliance interview; "PLS is well-regarded by employers, particularly the first time they are hiring. There is a marked difference between the level of support provided by PLS than by SWP" – Fresh Produce Alliance; "The PLF welfare team coming on board has been a breath of fresh air. Many are Pacific Islanders so they have the language" – horticulture employer; "Nothing is a problem for PLF, very responsive, whereas can wait weeks for SWP to respond" – horticulture employer; "PLF moves very quickly through the approval process. A critique of SWP is that it moves very slowly, it's hard to get accommodation plans and the like approved. SWP is run on a shoestring though, so they are doing what they can" – Agriculture department interview

³⁶ Baseline budget \$3.3m in 2019-20, supplemented by non-ongoing funding of \$1.9m from a range of terminating measures and internal supplementation

³⁷ PLF notes that these are estimates only and are based on current operations, including the enhanced response to COVID-19 and the focus on re-starting targeted labour mobility.

³⁸ The continuation of the PLF welfare team is vital to support both PLS and SWP ... there is no benefit in having a separate welfare team in DESE" – SWP Approved Employer

66. None of these issues are unique across government, where there is often overlapping interests or shared responsibility between portfolios for different aspects of policy or delivery; however, to manage these shared responsibilities well requires clarity of expectations and strong mechanisms to ensure good governance and collaboration. A summary of available administrative options is outlined in Attachment D.

67. Government may also wish to consider the overarching policy framework for the two schemes. The SWP is focussed primarily on filling domestic short-term labour shortages, but operates in the same arena where the PLS is geared to achieving aid and foreign policy goals. It may be in Australia's interest to ensure that the totality of its Pacific labour mobility effort operates to enhance economic stability and security in the Pacific and to deepen people to people links between Australia and its Pacific neighbours. If foreign policy and development goals are paramount for the government, both programs could be brought under a single policy framework, with the primary focus being to foster positive economic outcomes for Pacific countries and deepen Australia's relationships in the Pacific, while also assisting industries in Australia to meet unmet workforce needs as a secondary benefit.

ATTACHMENT A

Terms of Reference – Review of the Pacific Labour Facility

Introduction

Expansion of labour mobility is a key government priority under the Pacific step-up initiative. This includes the Seasonal Worker Programme (SWP), administered by the Department of Education, Skills and Employment (DESE), and the Pacific Labour Scheme (PLS), administered by the Department of Foreign Affairs and Trade (DFAT). Ten countries are currently participating in both labour initiatives, including: Fiji, Kiribati, Nauru, Papua New Guinea, Samoa, Solomon Islands, Timor-Leste, Tonga, Tuvalu and Vanuatu.

The labour mobility initiatives contribute to the development of the Pacific and Timor-Leste, improve productivity of Australian business through the provision of a stable and productive workforce, reinvigorate rural and regional Australian locations and develop stronger people-to-people links between Australia and the Pacific.

The SWP allows Approved Australian Employers to recruit Pacific and Timorese workers for unskilled to low skilled roles for up to nine months in the horticulture sector and in the accommodation sector in Northern Australia. The PLS allows Approved Australian Employers to recruit Pacific and Timorese workers for unskilled to semi-skilled roles for between one and three years in any sector in rural and regional Australia.

The Seasonal Worker Programme is administered internally within DESE while DFAT has contracted the administration of the Pacific Labour Scheme to Palladium (the Pacific Labour Facility – PLF). DFAT conducted a procurement process consistent with the Commonwealth Procurement Rules and entered a contract with Palladium for the PLF. The PLF has four end of program outcomes (EOPOs):

- An increase of appropriately skilled women and men mobilised to work in Australia;
- A sustainable and growing demand for Pacific workers (men and women) from Australian employers;
- An Australia-Pacific circular labour mobility system that is efficient, inclusive, maximises benefits and minimises risks to Pacific workers and communities;
- Evidence enables stakeholders to enhance the social and economic impacts of Pacific labour mobility.

Purpose of the review

The purpose of this review is to assess the PLF's value for money utilising DFAT's value for money principles. This will include an examination of the PLF's performance to date and a comparison against potential alternative delivery models. The review will also provide an assessment of the effectiveness of PLF welfare services and approach to stakeholder partnerships. Finally the Review will provide recommendations for better integration and efficiencies between the SWP and PLS, and ways to improve value for money and the effectiveness of welfare services.

Scope of review

The final review report will assess the value for money of the PLF and the suitability of PLF welfare and partnership approaches utilising DFAT's value for money principles. This will include a thorough examination of:

- the current performance of the PLF against its objectives;
- the model of delivery against other delivery models (e.g. Seasonal Worker Programme (SWP) or New Zealand's Recognised Seasonal Employer (RSE) program);
- the effectiveness and sustainability of the welfare function, including in comparison with other temporary labour schemes in Australia and globally;
- the approach to building partnerships with community organisations and other stakeholders.

The report will also provide recommendations for better integration and efficiencies between the PLS and SWP and ways to improve value for money and effectiveness of welfare services.

The report will be developed through a desktop review of the Pacific Labour Facility and other similar labour mobility programs (including SWP and RSE), and consultations with key stakeholders including the Australian Government (including DFAT and DESE) and the Pacific Labour Facility. Secondary level stakeholders for consultation include the New Zealand Government, SWP and PLS Approved Employers, Australia-based Pacific and Timorese Liaison Officers, Pacific and Timorese workers, researchers with experience related to labour mobility and other relevant stakeholders.

Final Product

The final review report (maximum 15-20 pages) will assess the value proposition of the PLF and appropriateness of PLF welfare and partnership approaches utilising DFAT's value for money principles, and make recommendations for better integration of the SWP and PLS and ways to improve the value for money and effectiveness of welfare services.

Outputs and timing

Output	# of days	Timeline
Pre-meeting with DFAT	1	20 July 2020
Confirmation of timelines and outline draft review plan and methodologies	4	27 July 2020
Conduct review/interviews	24	
Draft review provided to DFAT		28 August 2020
Comments from DFAT reviewed and report finalised	5	
Final report submitted		11 September 2020

Documentation available for the reviewer

PLS Deed and policy handbook
SWP Deed and Approved Employer Guidelines
PLS Worker Welfare protocols
PLS stakeholder partnerships protocols/agreements
DFAT/FWO Information Sharing Protocol
PLF Community of Care Framework
PLF Community Engagement Framework
PLF Worker Welfare Model/Standard Operating Procedures
PLF Incident Management Protocol
PLS Process Audit Report
PLF Design
PLF Annual Plan 2019-20, and 2020-21
PLF Annual Report, January 2020
PLF Monitoring, Evaluation, Research and Learning Framework
DFAT Aid Programme Guide (July 2020)
QTAG Report
Contractor Performance Assessment
ANAO Value for Money in the Delivery of Official Development Assistance through Facility Arrangements
Relevant academic publications

Review team

The review team will consist of a lead individual supported by team members with relevant Pacific and labour mobility experience.

The team must have the following skills:

- Over ten years' experience in government or the private sector
- Familiarity with Australian Government processes, including program/service delivery
- Strong strategic policy development skills
- An understanding of the Pacific context
- An understanding of labour mobility
- An understanding of value for money assessments
- Strong organisational and time management skills

Strong analytical and writing skills

ATTACHMENT B

PLF Key achievements

- Drawn from *Pacific Labour Mobility QTAG: 1st Annual Review (April 2020)*
 - MOUs signed with all 10 Pacific countries
 - 933 PLS workers from all 10 Pacific countries working in Australia across a range of sectors
 - Engagement Managers embedded in 8 LSUs
 - LSU capacity self-assessments completed collaboratively with LSU staff
 - Country plans are in place
 - 47 active Approved Employers (as at 31 January 2020)
 - 60+ recruitment visits by employers to all 10 Pacific countries
 - Design and development of the In-country Recruitment Database, and piloting in the Solomon Islands
 - APTC/ PLF recruitment event in Fiji, November 2019
 - PLS promotional materials developed for employers, industry, LSUs potential workers, indigenous stakeholders and other parties
 - Commencement of work of labour market demand forecasting
 - Well-considered worker welfare policy
 - Development and delivery of mobilisation activities including pre-departure and on-arrival briefings
 - Individual case management of PLS workers
 - Pacific staff employed in worker welfare team, ensuring cultural competence
 - Church partnership program pilot established
 - Research company contracted to undertake baseline studies for evidence base
 - Comprehensive GEDSI strategy and action plan

Highlights from supplementary QTAG report (September 2020):**Communication:**

- Prior to COVID, the team's work focussed on Approved Employers (AEs). Since COVID, their work has focused on workers: videos in language to communicate important information; "postcards home" for workers to record messages and send home; and extensive social media presence and outreach. Aiming to create a digital community of workers.

Supply:

- All 10 countries now have a labour mobility plan.
- Pre-departure training resources developed, and LSU staff trained in its use.
- Very positive responses about the work of in-country Engagement Managers (DFAT Posts, World Bank interviews).
- In-country supply/demand workshops in process of being completed, involving industry, APTC and TVET providers plus officials. Some delayed due to COVID.
- In-country partnering workshops conducted involving DFAT Canberra, Posts, LSUs and PLF. Reported as having improved relationships (LSU interview).
- In response to AE feedback, APTC has provided work and life readiness workshops for prospective workers in Vanuatu, PNG, and Solomon Islands.

Demand:

- Work ready competencies required by AEs developed; AE-specific worker profiles developed.
- 35% employers have their AE application processed in PLF & DFAT in under 50 days; 61% in under 70 days; 85% in under 90 days.
- Independent process audit of Demand Team processes completed to improve efficiency.

Welfare:

- Consistently positive responses from PLS and SWP AEs about the support provided by the team.

Quality, Learning and Performance:

- Providing data required for operational decision making.
- Supporting other teams in developing, monitoring and reporting on pilots.
- In-country QLP coordinators appointed. This role will collect and monitor data for use by the LSU for strategic planning and operational purposes.

ATTACHMENT C

Comparative analysis of labour mobility schemes¹

	SAWP (Canada)	RSE (NZ)	SWP	PLS
Year started	1966	2007	2012	2018
Size 2019	<ul style="list-style-type: none"> - 46,707 approvals (2019) - Employer-driven. No cap on total number of workers admitted. - c.70% of workers employed in Ontario and Quebec. - Primary objective of scheme is to meet Canadian growers' demand for labour. 	<ul style="list-style-type: none"> - 12,581 RSE arrivals (2019) - Employer-driven but scheme subject to annual cap. Cap currently set at 14,400. - C.80% workers in 4 regions. - RSE implemented to meet needs of NZ hort employers. Contributing to development of PICs a secondary objective. - Large no. of direct employers with established relationships with PIC workers/communities. 	<ul style="list-style-type: none"> - 12,202 SWP approvals (2019) - No cap - SWP workers are located in all states and NT. QLD, VIC, NSW are 3 top states for SWP workers. - Started as pilot scheme and initiated by AU govt in response to pressure from PICs. - Primary objective of SWP is to contribute to econ development in PICs. Meeting employer demands for labour a secondary objective. - Little industry/employer involvement from outset. - Large no. labour hire co's rather than direct employers. 	<ul style="list-style-type: none"> - 1,231 PLS approvals (to June 2020) - No cap - PLS workers located in all states and NT. NSW, QLD and VIC top 3 states for PLS workers. - Primary objective of PLS is to contribute to econ development in PICs. Meeting employer demands for labour a secondary objective. - Major role played by PLF, including supporting AEs, reduces need for AE buy-in esp. around worker welfare.

¹ Prepared by Clear Horizons

	SAWP (Canada)	RSE (NZ)	SWP	PLS
Source countries	<ul style="list-style-type: none"> - Mexico - Jamaica, Trinidad and Tobago, Barbados and the Organization of Eastern Caribbean States (nine countries) - c.72.5% of workers from Mexico (2019) - No data on women's participation. 	<ul style="list-style-type: none"> - Nine PICs - Fiji, Kiribati, Nauru, PNG, Samoa, Solomon Is, Tonga, Tuvalu, Vanuatu - Small no. of countries from SE Asia under pre-existing employment arrangements - c.90% from PICs - Vanuatu, Tonga, Samoa top source countries - Female participation rate: 12% PIC women (2018/19) 	<ul style="list-style-type: none"> - Nine PICs + Timor Leste - Vanuatu, Timor Leste, Tonga top source countries - Female participation rate: 18% women (2018/19) 	<ul style="list-style-type: none"> - Nine PICs + Timor Leste - Fiji, Samoa, Vanuatu top source countries - Female participation rate: c.20% (June 2020)
Targeted workers/eligible employers	<ul style="list-style-type: none"> - Low-skilled - Horticulture, agriculture, flowers, honey bees, tobacco and processed food. 	<ul style="list-style-type: none"> - Low-skilled - Horticulture and viticulture 	<ul style="list-style-type: none"> - Low-skilled - Agriculture, horticulture, accommodation. - Agriculture/horticulture – nationally - Accommodation – WA, NT, QLD, Tropical North, Kangaroo Is. 	<ul style="list-style-type: none"> - Low- and semi-skilled positions in rural and regional AU. - Unrestricted industries, but focus currently on: Meat processing (66% PLS visas), agriculture and horticulture (16%), hospitality and tourism (8%), aged care (6%), fishing and aquaculture (3%), forestry (1%)
Worker criteria	<p>Workers must be 18yrs+ and required to have:</p> <ul style="list-style-type: none"> - Pre-departure health screening incl. HIV and pregnancy - ? Police check - Health and workplace safety insurance 	<p>Workers must be 18yrs+ and required to have:</p> <ul style="list-style-type: none"> - Health check incl. chest x-ray for TB - Police check - Health insurance 	<p>Workers must be 21yrs+ and required to have:</p> <ul style="list-style-type: none"> - Health check incl. chest x-ray - ? Police check - Health insurance 	<p>Workers must be 21-45yrs and required to have:</p> <ul style="list-style-type: none"> - Health check incl. chest x-ray - Police check - Health insurance - No outstanding debts to AU govt

	SAWP (Canada)	RSE (NZ)	SWP	PLS
How governed & administered in receiving country	<ul style="list-style-type: none"> - Govt-to-Govt program - Bilateral agreements with supply countries via MOU - Instrumental framework: MOU, Operational Guidelines, Employment Agreement - Human Resources and Social Development Canada (HRSDC) – lead agency. Employers requesting CSAWP workers obtain approval from HRSDC incl. local labour market testing in accordance with ‘Canadians first’ principle. - Mexican consular staff and Caribbean liaison officers - act as liaison between workers, Canadian govt and growers. - Foreign Agricultural Resource Management Services (FARMS) – a non-profit org controlled by growers and funded by user fees acts on behalf of growers - processes grower requests for CSAWP workers and handles travel arrangements. 	<ul style="list-style-type: none"> - Govt-to-Govt program - Bilateral agreements with PICs via IAUs - Instrumental framework: IAU, Immigration Instructions, Employment Agreement <p>Three agencies oversee RSE admin</p> <ul style="list-style-type: none"> - Ministry of Business, Innovation and Employment (MBIE) – lead agency oversees scheme’s admin. - Ministry of Foreign Affairs & Trade (MFAT) – supports PIC admin of scheme via MFAT posts – liaises with LSUs. - Ministry of Social Development (MSD) - local labour market and ‘New Zealander first’ principle. - Strong govt-industry partnership in place to manage scheme. Regional Labour Governance Groups forecast demand for labour and regional allocations of RSE workers. - RSE relationship Managers support employers. 	<ul style="list-style-type: none"> - Govt-to-Govt program - Bilateral agreements with participating countries via MOUs - Instrumental framework: MOU, Implementation Arrangements, SWP Deed of Agreement, DHA TAS, Offer of Employment Letter - Department of Education, Skills & Employment (DESE) – lead agency. Employers apply to be an Approved Employer by entering Deed of Agreement with DESE. DESE manages scheme. - Department of Home Affairs (DHA) grants SWP visas. Employers must hold a Temporary Activities Sponsorship (TAS) with DHA to sponsor SWP workers. - Fair Work Ombudsman briefs SWP workers on arrival on workplace rights and obligations. Also undertakes site visits to monitor compliance. - Unions invited to on-arrival briefings. - DFAT post in each sending country monitors SWP- 	<ul style="list-style-type: none"> - Govt-to-Govt program - Bilateral agreements with participating countries via MOU - Instrumental framework: MOU, Implementation Arrangements, PLS Deed of Agreement, DHA TAS, Letter of Offer - DFAT – lead agency and oversees scheme’s management. - PLF supports admin of scheme, connects Australian employers with workers, oversees worker welfare. - DHA – grants PLS visas - FWO – educates AEs and PLS workers on pay rates and workplace conditions. Enforces compliance. - ATO – tax and superannuation

	SAWP (Canada)	RSE (NZ)	SWP	PLS
		<ul style="list-style-type: none"> - Labour Inspectorate – compliance. - PIC consulates and/or PIC Liaison Officers support workers and can act as intermediary between workers, RSE employers, NZ and PIC govts. - MFAT-funded Vakameasina program delivers worker training – English language, literacy, numeracy, life skills. 	<ul style="list-style-type: none"> - related issues and liaises with LSU. - PLF (funded by DFAT) delivers Add-On Skills training and provides worker wellbeing support through PLF 24/7 1800 Hotline. - ATO – tax and superannuation 	
How administered in sending country	<ul style="list-style-type: none"> - Workers recruited by State Employment Service in Mexico and Caribbean Ministries of Labour. - Sending country runs pre-departure briefing - 70-80% of workers are named by CSAWP employers from a previous season. 	<ul style="list-style-type: none"> - PIC Labour Sending Units (LSUs) oversee RSE admin and processing incl. supporting worker recruitment. - Mix of recruitment methods in different PICs: govt-run work-ready pool (WRP); direct recruitment by RSE employers; use of licensed agents (Vanuatu, Solomon Is). - Tendency now is for direct recruitment by RSE employers, rather than use of WRP. - LSUs run pre-departure briefing for all workers. 	<ul style="list-style-type: none"> - PIC LSUs oversee SWP admin and processing incl. support with worker recruitment. - Mix of recruitment methods in PICs: govt-run work-ready pool (WRP); direct recruitment by SWP employers; use of licensed agents (Vanuatu, Solomon Is). - LSUs with PLF support provides pre-departure briefings. - LSUs also required to provide on-return briefing which covers earnings and SWP worker goals, how to claim superannuation, keeping in touch if AE wants to re-recruit worker. 	<ul style="list-style-type: none"> - PIC LSUs over PLS admin and processing incl. worker recruitment with support of in-country PLF staff. - Two main recruitment pathways: WRP and direct recruitment by AEs. Licensed agents can be used in some PICs. - LSUs with PLF support provide pre-departure briefings. - LSUs also required to provide on-return briefing which covers money management, reintegration issues, preparing for future employment in AU.
Work permit details	<ul style="list-style-type: none"> - Employer specific - ≥8 months 	<ul style="list-style-type: none"> - Employer specific 	<ul style="list-style-type: none"> - Employer specific - ≥9 months 	<ul style="list-style-type: none"> - Employer specific - ≥36 months

	SAWP (Canada)	RSE (NZ)	SWP	PLS
	<ul style="list-style-type: none"> - Workers can be transferred to another CSAWP employer – must be approved by both employers and sending country liaison officer. - No family members or dependents. 	<ul style="list-style-type: none"> - ≥7 months (or ≥9 months for Kiribati and Tuvalu) - Single entry, limited purpose visa. Must reapply each season. - Workers can be transferred to another RSE employer via joint Agreement-to-Recruit arrangements. Applied for prior to start of season. - No family members or dependents. 	<ul style="list-style-type: none"> - Can be single or multi-year (up to 3yrs) visa. - Multi-year visa will be granted for 9-month period of stay per 12-month period and valid up to 3yrs to allow SWP worker to return each year on same visa. - Workers can be transferred to another AE under the Approved Recruitment Application – applied for prior to start of season. - No family members or dependents. 	<ul style="list-style-type: none"> - 12 month stand down after 3yrs of cumulative PLS employment. - No family members or dependents.
Employment contract details	<ul style="list-style-type: none"> - Standard, non-modifiable Employment Agreement - Must be signed by employer, worker and sending country liaison officer. 	<ul style="list-style-type: none"> - No standard RSE Employment Agreement, but all contracts are checked by Labour Inspectorate. - EA signed by employer and worker. Reviewed by LSU. 	<ul style="list-style-type: none"> - Standard Offer of Employment Letter – templates available for each industry under SWP. - Reviewed by LSU. 	<ul style="list-style-type: none"> - Offer of Employment relevant to specific sector. - Offer sets out pay and conditions and the relevant Australian workplace standard instrument. - Signed by PLS employer and worker, and a copy retained by LSU.
Hours of work and wages	<ul style="list-style-type: none"> - Employers must offer minimum 240 hours of work over 6-week period (i.e. min average of 40hrs/wk) and pay higher of the minimum wage, prevailing wage or piece-rate wage paid to Canadians doing the same job. 	<ul style="list-style-type: none"> - Employment Agreements for 6-weeks+ - employers must pay no fewer than 240 hours or 30hrs/wk (whichever is greater) at 'per hour' rate regardless of work availability. - Can average earnings out over duration of contract to meet minimum of 30hrs/wk. 	<ul style="list-style-type: none"> - SWP workers must be provided with min average of 30hrs work per week for duration of contract. - Workers paid on piece rates or hourly rate. - Must comply with the FWO Modern Awards (e.g. Horticulture Award 2010) or an Enterprise Agreement approved by FWO. 	<ul style="list-style-type: none"> - PLS workers must have minimum of 30hrs/wk (or min average of 30hrs/wk if Awards allow for this) - Workers minimum wage rates set in accordance with Awards or National Employment Standards.

	SAWP (Canada)	RSE (NZ)	SWP	PLS
	<ul style="list-style-type: none"> - Average work day is 9+ hours and most work 6-day weeks - Workers (in Ontario) exempt from legal min standards relating to max hours of work, daily and weekly rest periods, statutory holidays and overtime pay. - Return workers' skill and experience not recognised through higher wages. 	<ul style="list-style-type: none"> - Paid on piece rates or hourly rates – tied to minimum wage. - Employers to notify workers at start of day of piece rates, but workers often confused about how piece rates are calculated. - Workers often work 6-day weeks, sometimes 7-days during peak harvest. - No formal recognition of return workers' skill and experience through higher wages. 	<ul style="list-style-type: none"> - For piece rates, AE and worker must enter into a written piecework agreement. Any change in piece rate must be agreed in writing by the worker prior to the change occurring. - Piece rate must allow worker to earn at least 15% more per hour than the relevant minimum hourly rate under the Horticulture Award. 	
<i>Deductions</i>	<ul style="list-style-type: none"> - Income tax - Housing (7-10% of housing cost) - International travel to/from Canada (all provinces except BC) - Full cost of Canadian work permit - Provincial health and workplace safety insurance - Canada Pension Plan 	<ul style="list-style-type: none"> - All deductions reviewed and approved by Labour Inspectorate and must be agreed to by worker. - Income tax 10.5% - Housing - Transport (half share of international airfare) + daily transport - Health insurance - Daily meals (some employers) - Initial living expenses on arrival e.g. clothing and 	<ul style="list-style-type: none"> - All deductions reviewed by DESE under Deed and approved by worker. - Income tax 15% - Superannuation 9.5%. No data on workers' access to their superannuation once home. - Upfront visa costs and medical exams if costs covered by AE. - Housing if provided by AE 	<ul style="list-style-type: none"> - Workers pay all upfront costs (visa, health, police check, international + domestic travel) for participation in PLS - AEs may assist with upfront costs and can then recoup via deductions. <p>Other deductions:</p> <ul style="list-style-type: none"> - Income tax - Superannuation 9.5% - Housing if provided by AE

	SAWP (Canada)	RSE (NZ)	SWP	PLS
	<p>Compulsory savings</p> <ul style="list-style-type: none"> - Caribbean workers (not Mexican) must remit 25% of wages as part of compulsory savings scheme. 19% is returned to the worker at the end of the season. 6% is allocated for liaison officer admin costs. 	<p>workplace equipment prior to first pay check.</p>	<ul style="list-style-type: none"> - International and domestic travel costs. Employer must pay first \$300 per seasonal worker and can then recoup rest via deductions. - Daily transport to/from worksite - Health insurance - Initial living expenses on arrival e.g. clothing and workplace equipment 	<ul style="list-style-type: none"> - Transport if provided by AE - Health insurance
<i>Unionization</i>	<ul style="list-style-type: none"> - Workers have right to unionize in some provinces, but discouraged by employers. 	<ul style="list-style-type: none"> - RSE workers can join union, but not encouraged by employers. - Workers may be reluctant to join union for fear of being labelled a 'trouble maker' and not re-employed. 	<ul style="list-style-type: none"> - Workers have right to unionize and unions are involved in on-arrival briefing. - Some PICs e.g. Vanuatu have higher rates of unionization (since 2015) than others. 	<ul style="list-style-type: none"> - Workers have right to unionize. - No info on union uptake.
Worker welfare arrangements: who, how, specifications/standards	<ul style="list-style-type: none"> - Welfare responsibility of employer. - No info on CSAWP employers' specific requirements beyond provision of housing, transport, provision of free PPE on worksite equipment and health and safety training. - According to McLaughlin (2009a, p.205): "there is no welcome ceremony, basket or meal for these newcomers. Unlike foreign 	<ul style="list-style-type: none"> - Welfare responsibility of employer. <p>RSE employer's pastoral care requirements incl:</p> <ul style="list-style-type: none"> - Provision of accommodation - Transport to/from airport and to/from worksite - Work induction program to help workers settle incl. how to access medical services, banking services, sending money home - Provision of safety equipment for worksite - Provision of onsite facilities (e.g. toilets, first aid, shelter) 	<ul style="list-style-type: none"> - Welfare responsibility of employer. - AEs must provide a 'Welfare and Wellbeing Plan' as part of the Deed of Agreement. - Under Deed, AEs must appoint a Welfare and Wellbeing support person to assist their SWP workers. - Welfare and Wellbeing person has to be within 300kms(!) of each placement. 	<ul style="list-style-type: none"> - Welfare primary responsibility of PLF with some responsibilities (e.g. workplace induction) on PLS AE. - PLF 24/7 1800 Worker Welfare Hotline – for workers and/or AEs to report concerns/issues. But not used. - Diversity of capability and willingness among AEs to accept welfare responsibilities.

	SAWP (Canada)	RSE (NZ)	SWP	PLS
	<p>permanent residents, they are not offered English classes or settlement services... they arrive and are immediately left to fend for themselves”.</p>	<ul style="list-style-type: none"> - Language translation for health & safety - Opportunities for recreation and religious observance - Employers tend to employ a dedicated pastoral care provider(s). - No formalised standards for delivery of pastoral care. - RSE Relationship managers there to support employers. - Team Leaders (TLs) of RSE worker groups also play key role in pastoral care and act as liaison between workers and employers. - Some PIC liaison officers also involved in supporting pastoral care of workers and helping to deal with minor incidents that might occur (e.g. drinking alcohol). 	<ul style="list-style-type: none"> - SWP workers have access to PLF 24/7 1800 Worker Welfare Hotline. Not used. <p>Employers’ wellbeing requirements under Deed incl:</p> <ul style="list-style-type: none"> - On arrival briefing that involves FWO and union incl. info on conditions of employment, shopping, access to banking and medical services, health insurance - Workplace induction for health and safety on worksite - Provision of PPE - Provision of onsite facilities - Language translation for health & safety - Opportunities for religious and recreational involvement - Clothing suitable for Australian conditions (costs can be recovered via deductions) - Safety in community and any policies re alcohol and drug use. - AEs must also provide a pre-return briefing which covers transport arrangements to 	<p>AE’s responsibilities incl:</p> <ul style="list-style-type: none"> - On arrival briefing incl. role of WWT, access to banking, medical services, shopping, community contacts, FWO – workplace rights - Workplace induction - Provision of PPE - Language translation for health & safety - Pre-return briefing by AEs to incl: departing AU before visa expires and mandatory stand down period if relevant, how to access superannuation, retaining TFN, contact info for LSUs. <p>PLF WWT has three core functions:</p> <ul style="list-style-type: none"> - AE worker mobilisation planning and support. - Worker case management and critical incident management – direct contact with workers to provide support. This incl. a site and risk assessment for all PLS workers and community sites – key part of assessment is identifying in-community

	SAWP (Canada)	RSE (NZ)	SWP	PLS
			airport, finalising bills and accounts, excess baggage, process for claiming superannuation.	<p>support networks for PLS workers.</p> <ul style="list-style-type: none"> - Additional AE assistance and support incl. Add-On Skills Training. - PLF starting multi-year transition to 'community of care' approach whereby PLF will reduce welfare role and community-based organisations will instead provide support. - PLF will act in coordination role and handle high risk cases. - Community engagement strategy - identify and engage relevant community organisations to support workers. Welfare responsibilities to be shared with diaspora/local community groups.
<i>Housing and transport</i>	<p>Housing</p> <ul style="list-style-type: none"> - Employers must provide approved, off-site or on-farm housing and meals/cooking facilities. 	<p>Housing</p> <ul style="list-style-type: none"> - Employers provide on-site, sometimes purpose-built, accommodation or rental/backpackers through third party providers. 	<p>Housing</p> <ul style="list-style-type: none"> - Provided by AE or SWP workers can arrange their own. - Accommodation must be provided at cost – rent needs 	<p>Housing</p> <ul style="list-style-type: none"> - Provided by AE or PLS workers can arrange their own in consultation with WWT.

	SAWP (Canada)	RSE (NZ)	SWP	PLS
	<ul style="list-style-type: none"> - Employment Agreement specifies housing to be inspected annually, but doesn't always happen or check is of variable standards. - Major variations in quality of accommodation and facilities provided. <p>Transport</p> <ul style="list-style-type: none"> - Employers pay for the return airfare to/from Canada and can recover some of this cost via deductions. - Daily transport provided free by employer. 	<ul style="list-style-type: none"> - RSE Worker Accommodation Standards set out minimum requirements. - Annual check by Labour Inspectorate. - Variable standards of accommodation – quality and facilities – and variable costs. <p>Transport</p> <ul style="list-style-type: none"> - Employers provide daily transport. - Workers often have use of mini-vans, with proportion of running costs (e.g. petrol) deducted from wages. - Vehicles can generally be used to get to/from work and for out-of-hours activities e.g. travel to/from shopping facilities, church. - Transport costs aren't standardised - vary from less than NZ\$10-\$40/wk per worker. 	<p>to be fair and provide good VfM (assessed by DESE on basis of 'like to like' properties in the area)</p> <ul style="list-style-type: none"> - If SWP workers arrange own housing, AEs can't deduct costs from their wages. - If SWP workers' own accommodation, AE is not responsible for quality. But must still provide welfare and wellbeing support. - Deed of Agreement sets out minimum standards for accommodation. - Reported variations in accommodation standards and rents charged to workers. <p>Transport</p> <ul style="list-style-type: none"> - Employers provide vehicles for daily transport - Vehicles can be used by SWP workers for travel to/from work and for out-of-hours use e.g. to shops, church - Transport costs aren't standardised – vary from A\$30-\$80/wk per worker. 	<ul style="list-style-type: none"> - Accommodation must be provided at cost – rent must be in line with local rental market rates and represent VfM considering amenities and qualities of accommodation. - PLF review of worker accommodation costs found some landlords charging above market rates. But no systemic over or under recovery of accommodation costs by AEs. - Difficulties for AEs securing appropriate accommodation at affordable rates and some concerns raised re variable quality of accommodation, facilities and costs.
<i>Out-of-work</i>	<ul style="list-style-type: none"> - Employers generally provide recreational facilities e.g. sports equipment; may 	<ul style="list-style-type: none"> - Employers provide on-site recreational facilities e.g. sports equipment and may 	<ul style="list-style-type: none"> - Employers provide on-site recreational facilities e.g. sports equipment and may 	<ul style="list-style-type: none"> - No info on out-of-work activities.

	SAWP (Canada)	RSE (NZ)	SWP	PLS
	<p>organise social or recreational events for workers or provide transport for workers to/from church or other activities.</p> <ul style="list-style-type: none"> - CSAWP employers exert significant control over workers through farm rules – restrict workers’ mobility on and off farm and their engagement with others. 	<p>organise social/recreational events for workers.</p> <ul style="list-style-type: none"> - Church is main activity for workers on their day off – and main source of interaction with local NZ community. - Some workers play sport in local community, but generally discouraged by RSE Employers due to risk of injury. Workers play sport at their accommodation. 	<p>organise social/recreational events for workers.</p> <ul style="list-style-type: none"> - Church is main activity for workers on their day off – some attend online services as located in remote areas. - SWP workers discouraged from joining local sports teams because of risk of injury and impact on medical insurance. 	<ul style="list-style-type: none"> - PLS workers predominantly living in rental accommodation, not in AE-provided accommodation.
<i>Health and wellbeing</i>	<ul style="list-style-type: none"> - Long hours and exposure to chemicals and pesticides. High rates of reported sickness or injury (esp. musculoskeletal disorders) among CSAWP workers. - Workers tend to keep working rather than report illness or injury and seek medical attention b/c don’t want to lose wages or risk being considered unfit and sent home. - Additional barriers to healthcare access incl: lack of independent transport, long work hours, language, health literacy and cultural differences. 	<ul style="list-style-type: none"> - Workers’ diets and lack of nutrition a concern as workers spend minimal amounts on food. Some employers now provide daily meals. - Other health concerns incl. sprains and strains, back pain, boils, sexual health. - Workers’ access to standard medical care covered by health insurance. But workers may not access health care as don’t want to take time off work and forfeit daily earnings. 	<ul style="list-style-type: none"> - No info on SWP worker health issues. - PLF providing supplementary support to DESE during Covid to assist with SWP worker health and wellbeing incidents. <p>Barriers for SWP workers to access medical care:</p> <ul style="list-style-type: none"> - Concern about cost of treatment - Lack of understanding about medical insurance cover - Concern about losing daily wages - Distance from town/local medical centre - Language and cultural barriers 	<ul style="list-style-type: none"> - No info on PLS worker health and wellbeing. - PLS workers must have health insurance and AEs must provide contacts for medical, sexual and mental health concerns as part of on-arrival briefing. - AEs to inform PLF WWT of welfare or critical incidents incl. serious injury/illness - PLF handling increasing no of health and wellbeing issues during Covid e.g. pregnancies

	SAWP (Canada)	RSE (NZ)	SWP	PLS
<i>Worker training</i>	<ul style="list-style-type: none"> - CSAWP workers are not eligible for training in Canada. Immigrant service organisations are not funded to provide any classes for them. 	<ul style="list-style-type: none"> - Workers have access to foundation level training in English language, financial literacy and life skills + more advanced training (e.g. carpentry) through MFAT-funded Vakameasina program. <p>Range of barriers to workers' access to training:</p> <ul style="list-style-type: none"> - Employers determine whether workers get access to training - Workers often too tired to attend evening classes - Lack of training progression – more advanced courses only offered in some regions. 	<ul style="list-style-type: none"> - Under Deed AEs must assist SWP workers to participate in approved add-on skills training (AOST) incl. First aid, English and IT skills. Training may be delivered during or outside of work hours. - AOST initially delivered by DESE. In 2015 admin of AOST went to LMAP and in 2019 to PLF. - 2019 PLF estimate - 6% of SWP workers received training through AOST. - Little uptake by AEs and workers due to range of factors (e.g. training not offered at suitable time/place, limited course options). 	<ul style="list-style-type: none"> - PLF has remit to deliver AOST for PLS and SWP. - Current AOST financial arrangements provide \$835 per worker for training. - PLF has developed a new Skills Development model with 4 tiers based on identified need (from basic training to prepare for work in AU through to formal quals) - Recommended that new model trialled for 18 months. - No info on whether trial is up and running (as of 26 August 2020).
<i>Sending country liaison officers</i>	<ul style="list-style-type: none"> - Sending country consular staff provide worker orientation, inspect farm accommodation, handle dispute resolution between workers + employers. - Workers reliant on Mexican and Caribbean liaison officers to monitor their working conditions and intervene on their behalf if there's a dispute. 	<ul style="list-style-type: none"> - Some PICs have a dedicated liaison officer to support workers, others have consular staff located in the relevant High Commissions. - Ability of liaison officer to support workers is variable – lack of resourcing of liaison officer role by PIC govts and physical distance from workers is an issue. - Liaison officers play multiple and conflicting roles - supporting workers and RSE 	<ul style="list-style-type: none"> - Some PICs have a dedicated liaison officer or consular staff located in the relevant High Commissions to support SWP workers. - SWP liaison officers also covering PLS – overstretched. - Ability of liaison officer to support workers is variable – lack of resourcing of liaison officer role by PIC govts and physical distance from workers is an issue (e.g. Tongan liaison officer is 	<ul style="list-style-type: none"> - PIC Liaison Officers for SWP and PLS are the same people – have to navigate two systems of welfare support. - Overstretched, constrained by lack of resourcing of liaison officer role by PIC govts and physical distance from workers.

	SAWP (Canada)	RSE (NZ)	SWP	PLS
	<ul style="list-style-type: none"> - But consulates under-resourced and not located near workers. - Also conflict of interest issues – liaison officers play dual role of representing workers’ interests while also acting as a ‘neutral’ mediator between employer and worker (as per the Operational Guidelines). Also trying to increase their country’s no of job placements in Canada. 	<p>employers, while also trying to maintain reputation and incr. numbers recruited from PIC.</p>	<p>located in TAS while majority of Tongan SWP workers located in other states).</p> <ul style="list-style-type: none"> - DFAT provides A\$10,000/yr to each liaison officer for domestic travel to SWP workers. - SWP workers located across vast geographic area. - Liaison officers play multiple and conflicting roles - supporting workers and SWP employers, while also trying to maintain reputation and incr. numbers recruited from PIC. 	
Reporting critical incidents	<ul style="list-style-type: none"> - No info on reporting by CSAWP employers 	<ul style="list-style-type: none"> - RSE Employer reports to RSE Relationship Manager. - MBIE maintains an Incident Register for serious health conditions, employment, issues, visa non-compliance, criminal activities. 	<ul style="list-style-type: none"> - AEs to notify DESE through SWP Online. - PLF now responsible for SWP incidents outside of normal business hours. DESE responsible during work hours. - PLF notifies DESE of any SWP incidents, and DESE responsible for handling them. - DESE maintains an Incident Register 	<ul style="list-style-type: none"> - PLS employer reports to PLF. Incidents Categorised as 1 (immediate escalation) or 2 based on nature and severity of issue. - PLS incident report filed with DFAT and appropriate action taken.
Raising concerns/complaints and dispute resolution	<ul style="list-style-type: none"> - No independent dispute resolution mechanism in the Employment Agreement. - Contract can be terminated at any time by employer for ‘non-compliance, refusal to 	<ul style="list-style-type: none"> - No independent, formal mechanism for resolving disputes. - Team leaders often first point of contact for workers when 	<ul style="list-style-type: none"> - No independent grievance/dispute resolution process. - SWP workers can use PLF 1800 Hotline. Not well used. 	<ul style="list-style-type: none"> - PLF 24/7 1800 Worker Welfare Hotline is primary method for raising concerns. - Hotline not well used. - Data on calls to hotline and case managers for Oct 19 –

	SAWP (Canada)	RSE (NZ)	SWP	PLS
	<p>work, any other sufficient reason’.</p> <ul style="list-style-type: none"> - Repatriation is at discretion of employer. CSAWP workers are entitled to appeal, but in practice they’re repatriated before this can happen. - Only tool for employer accountability is the supply country’s right to refuse to supply workers in future seasons. - Workers don’t raise complaints for fear of being ‘blacklisted’ and not asked to return for a subsequent season. 	<p>they have an issue/concern that needs to be resolved.</p> <ul style="list-style-type: none"> - Can be problematic as TLs often seen as ‘in the pocket of the employer’ and wanting to protect their own position as a successful TL. - Workers don’t raise complaints for fear of being blacklisted and not asked to return for a subsequent season. 	<ul style="list-style-type: none"> - Team leaders and/or pastoral care host often first point of contact to help resolve disputes. Liaison officers located too far away to be of much help. - Workers don’t raise complaints for fear of being blacklisted and not asked to return for a subsequent season. 	<p>Jan 2020 – total of 52 calls (no breakdown PLS vs SWP).</p> <ul style="list-style-type: none"> - WWT and liaison officers to support workers and mediate disputes.
Local community role	<ul style="list-style-type: none"> - CSAWP workers in local communities for 40yrs, but few opportunities for them to engage with local popn. - Physical separation on farms, long work days, cultural diffs and language barriers exacerbate workers’ social exclusion. - Main contact with local communities is via: shopping, church, community groups, sport, health care. - No funding or formal recognition for community groups to support CSAWP workers. 	<ul style="list-style-type: none"> - RSE workers in NZ communities for extended periods each year, but limited engagement with locals beyond churches and in some communities with local marae and/or NGOs. - Workers’ main engagement with local community is through: shopping, church, and in some instances through connection with extended family/diaspora <p>Barriers to interfacing with local community incl:</p>	<ul style="list-style-type: none"> - No specific info on role of local community in SWP. - Workers’ main engagement with local community is through: shopping, church, and in some instances through connection with extended family/diaspora (e.g. Tongans in Mildura). - SWP workers often located in remote regions so have little opportunity to go into town, and transport can be an issue. 	<ul style="list-style-type: none"> - Local community to play significant role in PLS via PLF community of care model. - Community engagement strategy and regional outreach approach (2020/21) to build engagement with local community and diaspora groups and get buy-in from community groups to manage worker welfare.

	SAWP (Canada)	RSE (NZ)	SWP	PLS
	<ul style="list-style-type: none"> - Direct spending by CSAWP workers est. at \$82m per year (2006). 	<ul style="list-style-type: none"> - Worker' accommodation on rural properties out of town - Workers have little spare time and may work 7-day weeks - Newer purpose-built accommodation has sport/rec facilities for workers so they can remain on-site during non-work hours - Variation among NZ communities in terms of their engagement with RSE workers. Large NZ towns (e.g. Hastings) may have less direct engagement with RSE workers vs. small towns (e.g. Roxburgh) where the influx of seasonal workers has a sizeable impact on local resident popn. Roxburgh has a community strategy in place to welcome, integrate and support seasonal workers. 		
% return workers	<ul style="list-style-type: none"> - Employers request workers by name for the next season. - Return rate 70-80%. Some have been returning 20-30yrs. - No pathway to residence 	<ul style="list-style-type: none"> - Employer request workers by name for next season. Return rate is between 60-70%. - No pathway to residence. 	<ul style="list-style-type: none"> - Employers request workers by name for next season. Return rate is c.55%. - No pathway to residence 	<ul style="list-style-type: none"> - No stated pathway to permanent residence. - But potential exists if PLS workers upskill in AU and meet requirements under other employer-sponsored temporary work visa pathways.

ATTACHMENT D

There are benefits and risks to the available administrative arrangements that would combine the PLS and SWP. The table below sets out options that could be considered.

Delivery mechanism	Benefits	Risks
Option 1: DFAT has policy responsibility for combined PLS + SWP but devolves delivery to a domestic policy agency, such as Employment or Industry, under a MOU	<ul style="list-style-type: none"> Pacific policy protected Greater expertise in relevant policy areas Enhanced linkages with domestic programs 	<ul style="list-style-type: none"> Competing priorities in delivery agency may undermine resourcing or focus for PLS DFAT loses ability to respond rapidly to emerging issues Pacific countries may experience reduced levels of support for workers
Option 2: DFAT has policy and delivery responsibility for combined PLS + SWP, but augments its capabilities with staff seconded from domestic agencies and a reference group with representatives from domestic and social policy agencies	<ul style="list-style-type: none"> Pacific policy protected End-to-end ownership of Pacific labour mobility Necessary domestic policy and operational expertise injected 	<ul style="list-style-type: none"> Large domestic delivery responsibilities are not within DFAT core strengths or stakeholder relationships <ul style="list-style-type: none"> note that DFAT is already in this space in delivering the PLS
Option 3: Responsibility for a combined PLS + SWP is divided, with DFAT retaining management of the interface with Pacific countries, and a domestic policy agency appropriated and responsible for delivery of PLS and SWP in Australia	<ul style="list-style-type: none"> Plays to respective skills and knowledge of DFAT and domestic agency 	<ul style="list-style-type: none"> Foreign policy goals may be subsumed under priorities of the delivery department and Minister Pacific countries may not be satisfied with loss of connection to Australian operations
Option 4: Full responsibility for combined PLS + SWP is transferred to a domestic policy agency	<ul style="list-style-type: none"> End to end ownership of Pacific labour mobility Ensures relevant expertise in the experience of employers and workers in Australia 	<ul style="list-style-type: none"> Foreign policy goals may lose focus Pacific countries may not be satisfied with loss of connection to DFAT management Domestic policy agency will not have expertise in Pacific matters