



COMMONWEALTH OF AUSTRALIA

JOINT STANDING COMMITTEE ON MIGRATION

Reference: Working holiday visas

TOWNSVILLE

Friday, 27 September 1996

OFFICIAL HANSARD REPORT

CANBERRA

JOINT STANDING COMMITTEE ON MIGRATION

Members:

Mrs Gallus (Chair)

Senator McKiernan (Deputy Chair)

Senator Stott Despoja

Senator Tierney

Senator Troeth

Ms Gambaro

Mr Holding

Mr Kerr

Mr Martin

Mr Sinclair

Matter referred for inquiry into and report on:

The regulations relating to working holiday visas, with particular reference to:

- (a) the adequacy of the existing working holiday arrangements, including the criteria and conditions relating to the grant of working holiday visas;
- (b) the appropriateness of setting a limit on the number of working holiday visas granted annually;
- (c) the efficiency and effectiveness of the administration arrangements relating to the grant of working holiday visas and compliance with their conditions;
- (d) the impact on the Australian community of the working holiday arrangements, including any impact on the Australian labour force; and
- (e) the adequacy and effectiveness of reciprocal working holiday agreements established with other countries, including any potential for expansion of such agreements.

WITNESSES

AMES, Mrs Frances Helen, 34 Hale Street, Townsville, Queensland 4810	297
DOMELow, Mr John, Chairman and Director, Tourism Advisory Committee, Townsville Enterprise, The Esplanade, Townsville, Queensland 4810	316
GARDNER, Mr Warren John, Member, Townsville Enterprise and Publisher, <i>Aussie Backpacker</i>, The Strand, Townsville, Queensland 4810	316
HAGEN, Mr Jeffrey William, Chairman, Backpacker Subcommittee, Townsville Enterprise, PO Box 1043, Townsville, Queensland 4810	316
MURPHY, Mrs Laurie Elaine, Lecturer, Department of Tourism, James Cook University, Townsville, Queensland 4811	285

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Present

Mrs Gallus (Chair)

Senator McKiernan

Ms Gambaro

Senator Stott Despoja

Mr Martin

Senator Tierney

Senator Troeth

The committee met at 9.04 a.m.

Mrs Gallus took the chair.

CHAIR—I am pleased to declare open this public hearing in Townsville which is part of the Joint Standing Committee on Migration's inquiry into working holiday visas. Australia's working holiday program has been in existence since 1975. The scheme allows young people the opportunity to come to Australia as tourists for up to 12 months and to supplement their travel funds through incidental employment.

The working holiday scheme is of increasing importance to Australia, and this is evident from the many submissions we have received from a cross-section of the Australian community. This hearing provides the community with an opportunity to have a say about the way the current working holiday scheme is operating and how it might be improved in future.

The committee is mindful of the advantages and disadvantages associated with the scheme. As part of the inquiry, we intend to ensure that any changes to the program which are recommended will also take into account job opportunities for young Australians. Today the committee will be hearing from a number of representatives in the Townsville community who are either directly involved with the working holiday scheme or who have a particular interest in it.

Before commencing with our first witness, I remind everyone that these are the proceedings of the parliament and warrant the same respect which proceedings of the parliament deserve. This committee does not require witnesses to swear an oath or affirmation, but this does not diminish the importance of these hearings.

MURPHY, Mrs Laurie Elaine, Lecturer, Department of Tourism, James Cook University, Townsville, Queensland 4811

CHAIR—Welcome and thank for your submission to the inquiry. I invite you to make a brief statement if you would like to add to your submission or amend it in any way.

Mrs Murphy—Thank you. My submission is based on research I have done with the backpacker market which is an important tourism market to Australia, accounting for around seven to eight per cent of visitors but over 20 per cent of visitor nights. This is a group of people that spend more than twice as much as the average tourist and are more likely to visit more regions, and regions outside the capital cities. So they are important economically to the tourism industry.

About half of the backpacker market would tend to work while they are in Australia, so they would enter on a working holiday visa. I have done some research which has separated those that have worked from those that have not, and found that the backpackers that do work stay up to three times as long as the non-working backpackers; they spend more overall—almost twice as much; and they are more likely to be the ones that travel further afield—to Western Australia, Tasmania, South Australia, et cetera.

On a more qualitative level, one of the motivations for backpackers to come to Australia is to learn about the country and meet the local people. This is even more important for those that do tend to work, so it adds a very valuable experience to their trip, increasing trip satisfaction. They develop personal ties which make them more likely to return in the future. They increase their overall satisfaction, so they are going to tell more people about Australia and there is an increase in positive word of mouth. And they develop lifelong ties with Australians that are going to make the overall benefit to the country increase, I suppose.

Other research, such as that done by the Bureau of Immigration, Multicultural and Population Research, indicate that the jobs they take tend to be the ones that employers cannot find Australians to fill. In this region of Australia in particular, in the Burdekin region where there is lots of farming and fruit and vegetable growers, they really rely on seasonal work from backpackers in order to maintain their productivity. That summarises some of the things I have mentioned in the submission.

CHAIR—Thank you, Mrs Murphy. In your submission you included a lot of statistics which relate to your research. Is your research available in a complete form?

Mrs Murphy—Yes. Some of the earlier research is in this report entitled *The backpacker phenomenon II* which I can leave with you. Some of the more recent research

is just in the process of being finalised and written up in report form for the industry. So in the next month or so it should be available and I could send that to you.

CHAIR—So the research is in several parts, is it?

Mrs Murphy—Yes, it is a series of studies. This was done in 1992-93 and the research I am compiling now was done at the end of last year and the beginning of this year.

CHAIR—When would we be able to have a copy?

Mrs Murphy—In the next few weeks.

CHAIR—That would be fantastic. We could table the one you have given us now as an exhibit, if the committee is happy with that. There being no objection, it is so ordered.

In your research, you have distinguished a difference between the backpackers who do work and those who do not. Obviously a strong conclusion is that those that work stay here for longer and spend more money. Is there anything else that you got out of your research that distinguishes between the two groups?

Mrs Murphy—Country of origin: the ones that tend to work are more likely to be from the UK. In terms of looking at visitors coming from particular countries, it is visitors from Canada, the UK, Scandinavia or Germany who are more likely to be backpackers than those from other countries. Part of that has a lot to do with the availability of the working holding making visa and with the relationship that Australia has with Canada, as well as with the UK.

CHAIR—Is the English language a factor here—familiarity with the English language in the country of origin?

Mrs Murphy—Not necessarily. I think it is more an awareness and the availability of being able to get working holding making visas in those source countries. People from the Netherlands are more likely to work than some other European groups are. It is awareness of the working holiday making visa scheme.

CHAIR—I think they are one of the few non-English speaking European groups that actually have access to the working holding visa. Have you found in your research that there are problems for these other young people who would like to get the visa in actually obtaining it?

Mrs Murphy—It is not a question that I have addressed in my research, but I know they are interested in finding out about work opportunities when they get here. I

have done some other research on information sources, et cetera, and that is something that they would like to have—an information source. It is definitely a concern once they get here, for those that have visas.

Mr MARTIN—Do the people that you have surveyed give any indication as to whether they know of work opportunities in Australia before they come? Or are they only concerned about finding out about that when they arrive?

Mrs Murphy—Again, it is not a question I have asked specifically, so it is difficult for me to give you a definitive answer. But there definitely would be a word of mouth effect, especially in the UK market going back, such that people know, if they are coming to Sydney, for example, what sorts of jobs are available. But I think the concentration on finding employment happens once they arrive here.

Mr MARTIN—What about the backpacker magazines that circulate throughout Europe and the ones that are reciprocated here in Australia? Do they provide a valuable source of information? Secondly, is it accurate, from your understanding?

Mrs Murphy—Yes; they provide a valuable source. There are other people here today who can provide you with more information on that, because they are involved in publishing those magazines. But they definitely provide opportunities for people seeking employees to advertise, and they also provide listings or work information on the seasonality of work and where you should be in Australia at certain times of the year to find employment. Some of them are distributed overseas, before the people arrive.

Mr MARTIN—One of the issues that my colleague raised in the hearing yesterday was the question of whether people should have a sum of money when they actually arrive in Australia, and whether there should be some indication that they are financially able to look after themselves for a period of time. Has your research found anything in respect of that?

Mrs Murphy—No; I ask them about expenditure while they are here, but I have not asked anybody how much they have arrived with. But it is my understanding that that is a requirement when you apply for a visa.

Mr MARTIN—When you apply, yes; but whether you have got it when you arrive is another matter!

CHAIR—This information is quite extensive, and I am sorry we did not actually have it earlier, because you have obviously done some really interesting work, certainly on the profiles. Do working holiday-makers tend to travel singly or in a group?

Mrs Murphy—From recollection, I believe that the ones that are travelling on their own are more likely to be working than those that are in groups.

CHAIR—And when you asked for those that would not return, 13.4 per cent said that they would not return. The second category of why they would not return was ‘too expensive’. You asked just that, did you? You did not actually talk to them in a qualitative way? This is mostly quantitative.

Mrs Murphy—They ticked how likely it was that they would return. ‘If not, why not?’ elicited an open-ended response where they listed reasons.

CHAIR—And ‘dissatisfaction’: was that just a general category you put responses into?

Mrs Murphy—Yes; and again it was a very small percentage who said they would not return. And the reason was more likely to be money or wanting to travel somewhere else because they had seen Australia. Not a great deal of the responses related to dissatisfaction with their trip.

CHAIR—Are there more questions while I am happily reading through this book? It is quite fascinating.

Senator TIERNEY—What attracted you to research this particular area?

Mrs Murphy—I am Canadian originally, and when I finished up a master’s degree in the US a position at James Cook University was advertised. I had already planned to backpack with some friends around Australia, so I did that for several months. I had a job interview while I was here and got the job at James Cook, went back to Canada and emigrated to Australia. When I came back and needed to pick a PhD topic, it struck me that Australia was unique in the system it had set up for backpacking—you could not do the same thing in Canada or the US—so I thought it would be an interesting market to investigate.

Senator TIERNEY—What are the key differences between Australia and these other countries that you have mentioned, in terms of the way in which we are set up here?

Mrs Murphy—The level of infrastructure that caters specifically to the backpacking market in terms of budget accommodation, the bus passes, individual bus companies that deal with that market, tours catering to backpackers, an ability to get off a bus in any town and, within a few hundred metres, be able to stay at a budget accommodation backpacker place and meet fellow travellers who are doing the same thing.

Senator TIERNEY—Two of the key objectives of this scheme are international understanding and cultural appreciation. These are very difficult areas to nail down in a research sense. Have you got any suggestions on how those things could be measured outside anecdotal evidence?

Mrs Murphy—I have done both qualitative and quantitative research with backpackers, and there can tend to be a certain level of dissatisfaction if all they are doing is travelling through the hostel system and meeting other travellers and not Australians. The opportunity to work is the best way for them to actually meet Australians, find out what daily Australian life is all about and feel that they have had that sort of cultural understanding, because that is something they come here for. But if they do not make the effort they could spend the whole time in hostels, meeting Germans, other people from the UK, Canadians, North Americans, and never having a meaningful conversation with an Australian. So I think it is important that they have that opportunity to find out about Australian daily life and how things work here.

Senator TIERNEY—That BIMPR study said that all of this has very little negative impact. Do you think that conclusion is still current, and do you think the study was comprehensive enough to reach that conclusion?

Mrs Murphy—I did have some input into the design of the questionnaire. Jill Murphy contacted me prior to that, looked at my work and used it to develop that, so I would not want to comment that the questionnaire was not good. I think it was. I know they did a good sampling at a range of hostels and locations, so I think they would have got a good cross-section of the backpacking market. I have no reason to think that the results are not sound and I do not think the market has changed enough in terms of the types of jobs they are taking, between now and then, to make it invalid.

Senator TROETH—You suggest an expansion and improvement of the scheme. What countries do you think would be most suitable for that?

Mrs Murphy—From some of the qualitative research I have done, looking at the social interactions with backpackers—because word of mouth is so important in trying to understand why they talk and who they talk to and how we can encourage that—some comments are about some hostels where there are large groups of working backpackers, who would tend to be from the UK because they are the most common, who form a clique. That makes it difficult for people that have just arrived to meet other backpackers, talk to them, find out about where they should travel. In some places there tends to be, I think, a domination of English or UK backpackers that can cause some friction if they are dominating certain hostels, et cetera. Perhaps encouraging a range of countries to have that option would get more balance in terms of who is making up the backpacker market and, for Australians, provide more cultural interaction as well instead of its being dominated by a couple of particular countries.

Senator TROETH—There has been a mention in some of the submissions that Australia allows so many months out of a period of travel for working, whereas in other countries the scheme is more flexible or less flexible. How do you think we should move to improve that end of the question?

Mrs Murphy—This would just be my own opinion and nothing based on research, because I have not addressed that specifically. I think it is important that you encourage the backpackers to move around and not get stuck in Sydney for eight months working in the same job. It is giving them less time to see the country, so perhaps addressing that aspect of their needing to move on will encourage them to get around while they are working and not stagnate or limit themselves to one area.

Senator TROETH—What about reciprocity with other countries on the same amount of working time allowed and that sort of thing? In the UK you can work for longer on a working holiday visa, perhaps in America you can work for less and I do not know the situation in Canada. Should we encourage mutual agreements on the way in which work can be structured?

Mrs Murphy—I do not think that will affect so much the market itself. That is more governmental relations with other countries. It is more difficult to get a visa to work in Canada than it is for Canadians to come here, for example.

Ms GAMBARO—Mrs Murphy, in one of the pages of your submission you give a breakdown of workers and non-workers and what states they visit. For New South Wales you have 84 per cent workers visit versus non-workers. Do you have any information on the first port of call for backpackers?

Mrs Murphy—Sydney.

Ms GAMBARO—Sydney comes up all the time.

Mrs Murphy—Yes.

Ms GAMBARO—That determines their travelling patterns. So do they tend to visit New South Wales first up?

Mrs Murphy—Yes, a majority would, 50 to 60 per cent.

Ms GAMBARO—Capping has been suggested. Various groups have suggested to us that the cap should be removed and that it should be an open system. How do you feel about that?

Mrs Murphy—Particular countries are more likely to exceed a cap than others and maybe you need to get a more even distribution across countries. If you put a cap on the UK that would result in a decrease in the number of backpackers from that country, and the ones that do not have a visa will not stay as long.

Senator McKIERNAN—I am not aware of a suggestion to cap visas for backpackers. There is a cap on working holiday-makers. Does that change your answer?

Mrs Murphy—No, because the majority of backpackers from the UK, for example, come on working holiday-making visas. If they could not have that visa there would be a chance that they would not come, and if they did come without a working holiday-making visa, I believe they would not stay as long.

Senator McKIERNAN—If working holiday-makers only make up 15 per cent of the backpacker visas issued, how would the majority of them from the UK be working holiday-makers?

Mrs Murphy—The UK backpackers are the most likely to work while they are here.

CHAIR—We are talking of the backpackers, not the whole tourist market.

Senator McKIERNAN—I am not talking about the people who are working, I am talking about the working holiday-maker visas, those that have a legitimate right to work whilst they are in Australia. I have a minor suspicion at this time that many of the backpackers who come in on a tourist visa with ‘No work’ stamped on it actually are working.

Mrs Murphy—Yes, that could be the case and it would be an argument for issuing more working holiday-making visas to the countries where those people are coming from; but it will be very difficult to find out how many because you have to survey them and ask, ‘Are you illegally working?’.

Senator McKIERNAN—In your research—and I have not had the opportunity to read it or look at it but I did refer to it in your submission—did you draw a distinction at all at any time between a working holiday-maker visa holder and a general tourist?

Mrs Murphy—I did not ask them if they held a visa because I thought they would be less likely to answer. I just wanted to know whether they worked or not because they would be more likely to say, ‘Yes’ or ‘No’. If I started asking visa questions, they might not have been quite so truthful.

Looking at international visitor survey data on which I have done some analyses with backpackers in comparing them to other visitors, a question on the international visitor survey is, ‘What sort of visa did you enter the country on?’ You could get the Bureau of Tourism Research to do some analysis on backpackers and the type of visa they come in on, for example. I do not know whether they have made a submission or not but they definitely have the data that could provide more specific information on visas and not just working.

Senator STOTT DESPOJA—I was also interested in the idea of improvement and expansion of the scheme. From your answer I got an impression that you are talking about

a broader cultural level of diversity. One of the submissions we had yesterday was a suggestion specifically on working holiday visas, that an English language test or criteria be applied. I presume that is incompatible with what you are suggesting.

Mrs Murphy—I guess it would be. Not being terribly fluent in English might affect their ability to do some jobs, like temporary secretarial work in Sydney, but if it is working on agricultural farms providing labour I do not think that they should have to pass an English test to do that.

Senator STOTT DESPOJA—Are you aware of specific or particular difficulties that people who come to Australia to work are having in finding work? Yesterday's submissions were quite revealing: people were relying on charities when work that was promised was not available. Are you aware of some of those shortages?

Mrs Murphy—No, I am not. Some of these other people that are more directly involved in the industry would probably have a better idea of those things.

Mr MARTIN—From the people that you have spoken to, are you aware of any that believe they are being exploited in terms of the rates of pay that they are offered?

Mrs Murphy—There were only a few open ended comments about best and worst experiences, et cetera, where they have ended up on a property in the middle of nowhere and been treated unfairly. So I do not think it is a major concern that has come across in my research. It is generally more positive experiences about working and living with Australian families and learning about life on properties.

Mr MARTIN—Did you get the feeling from any of the interviews that you conducted that people who were, for example, prepared to go to properties or whatever to do some work, were also prepared to expend whatever sums of money they made through that work experience in other areas where they were actually looking for a bit more excitement?

Mrs Murphy—Sorry, do you mean spending the money that they earn on tourist pleasure?

Mr MARTIN—Yes, for example, if they travelled somewhere and got a job, say, picking fruits in the agricultural areas surrounding Townsville, and worked without spending any money where they were but brought it all back to Townsville or went up to Cairns and went out bungee jumping or scuba diving or something like that.

Mrs Murphy—Yes, that would be one thing they would do with the money they earn: use it on tours. But if you are talking about working on properties there is probably not a large opportunity for them to spend money there, and lots of them will be provided room and board as well. I do not think that is disadvantaging the local area because if

they are living on isolated properties then the benefit that they are providing the properties is their labour.

Mr MARTIN—How many would fall into that category?

Mrs Murphy—I have no data to indicate that. But there are also many who would work for room and board for the experience of spending a few weeks on a farm or property, et cetera. They do not always need to be paid.

Mr MARTIN—You made some comment in your submission about the profile of the young people who came here; they were young people generally looking for a bit of excitement, a bit of a thrill.

Mrs Murphy—Excitement, adventure, challenge, new and different experiences, learning about a country and the culture and how it is different from their own, yes.

Mr MARTIN—If they want to experience those sorts of things are they people who want to move around a great deal? Are they people who do not want to get tied down in specific areas for a long period of time?

Mrs Murphy—They would like to experience as much of Australia as possible, but the ones that are on working holiday visas from the UK, for example, would spend several months at the beginning of their trip earning money and then spend the remainder of the year travelling around Australia.

Mr MARTIN—They would talk with other people and find out about some places they would want to go to at that time.

Mrs Murphy—Yes.

Mr MARTIN—Is there a backpacker trail as to where people want to go, do they all come north, do they go south west, do they cross the Nullarbor?

Mrs Murphy—It depends what time of the year they leave Sydney. If it is winter they will head north. The most heavily travelled route is the east coast and across the Northern Territory, through Ayers Rock and back down to Sydney.

Mr MARTIN—So they do not make the great trip west?

Mrs Murphy—The ones that work are more likely to do that.

Senator McKIERNAN—With due respect, there is different research that shows large numbers of people actually coming into Perth, following the airline routes, and we do have evidence to say—

Mrs Murphy—About nine to 10 per cent would arrive in Perth.

Senator McKIERNAN—Which is compatible, too. Then they end up in Sydney watching men doing strange things with their bodies in a game called rugby league.

CHAIR—I am interested to note that you relate it to the whole backpacker market and the different spending habits of the various nationalities. Would you think that was consistent with the working holiday-makers, that they would have the same overall expenditure as the whole backpacker market?

Mrs Murphy—They do have a lower daily expenditure, I have found, than the others; but, because they are staying longer and they are more likely to be stretching out their money over a longer period of time, they have a higher overall trip expenditure but lower daily expenditure. I have indications of lower daily expenditure than those non-workers on everything except alcohol, which is interesting.

CHAIR—I was interested also in the difference between the nationalities for the whole backpacker market. You have not brought out the working holiday-makers there. You have included, obviously, Australian backpackers. We tend to spend more on food in restaurants than any other nationality. I am not sure what that says about Australians.

Mrs Murphy—You would have to look at trip length, et cetera. They might be on a shorter trip.

CHAIR—So this was total?

Mrs Murphy—Yes. They might be eating more in restaurants because they are not spending a year travelling around like some of the other groups are.

CHAIR—Would the same apply to the difference between the UK and the Asian tourists, because there is quite a difference between them?

Mrs Murphy—Yes. The UK tourists stay longer than the Asians.

CHAIR—So, the longer you stay, the less you spend in restaurants per meal?

Mrs Murphy—Yes; per day, anyway.

CHAIR—There are some very interesting statistics here of the types of things they buy and everything else. Boomerangs and Akubra hats are right up there at the top and pottery and handicrafts are right down there at the bottom.

Mrs Murphy—Australian icons.

CHAIR—I can understand why. If you are backpacking, there is not much pottery or ornaments you can carry in your backpack, is there?

Mrs Murphy—A lot of them buy things and send them home during their trip as well.

Mr MARTIN—Did any of the people that you interviewed express concerns about difficulties in obtaining the working holiday visas?

Mrs Murphy—Again, it is not something I have been specifically addressing; but, from some of the focus group interviews, the ones that are here are the ones that are more likely to have got it. I think they are concerned. They have heard back in England that they are not as easy to get these days, and things like that. Again, some of these other people have more day-to-day contact with them.

CHAIR—When you talked to the Australian backpackers, compared to the other nationalities, did you find any complaints at all about thinking that they were being eased out of the market as far as jobs were concerned?

Mrs Murphy—No.

Ms GAMBARO—I have a question about the occupational backgrounds. I do not have the report in front of me. Did you find that people who are backpackers tended to be clerical, or what were their occupational origins?

Mrs Murphy—They tend to be very well educated, a lot having university degrees. An administrative/sales background is common. But again that is not necessarily the type of job that they go for when they are here. I think they are much more willing to do a range of things, things that they would not do at home, in the same way as Australians are not going to shift from Melbourne and go up to Ayr for two months to pick something and then move back down to Melbourne. So, because they are mobile and they need the money in order to keep travelling, they are much more willing to do a range of jobs. Unique experiences can be provided by doing some of those jobs that they would not dream of doing back home as well—seeing Australian rural life, for example.

Senator TIERNEY—I was not quite clear from your answer to Chris whether you had asked the question or not relating to local concerns about—

Mrs Murphy—I did not ask the question, and it is not something that has come up either in any comments.

Senator TIERNEY—In general comments you did not get anything on that. Are you aware of any arrangements occurring—and it does happen in other areas of Australia—where hostel owners have arrangements with farmers to provide labour, thus

cutting out local people? Did you come across any of that in anecdotal evidence?

Mrs Murphy—No.

CHAIR—Thank you very much, Mrs Murphy, for your presence here today and for your research. We look forward to getting the follow-up when you present it to the industry. If we have any more questions, once we have read that, the secretary will write to you. Thank you very much for appearing before us today.

Mrs Murphy—You are welcome.

[9.34 p.m.]

AMES, Mrs Frances Helen, 34 Hale Street, Townsville, Queensland 4810

CHAIR—Would you please state the capacity in which you appear before this inquiry.

Mrs Ames—I am here as a hostel owner.

CHAIR—I now invite you to talk to your submission or make any statements. Before I do that, I note that you have given us another submission, in addition to your first submission.

Mrs Ames—Well, it is not really another submission. I wrote the statement that I am going to read because I might get a little bit waylaid and I thought I would give it to you in writing. And there were a couple of additions there that I was asked to table from a couple of people interested in the industry who should have put their own submission in to you. But when I asked them questions that I thought might have been relevant to this committee, they gave me a written page which I included in this presentation to you this morning.

CHAIR—I think we would like to receive that as submission No. 80.

Resolved:

That the submission numbered 80 be received and authorised for publication.

Mrs Ames—I am here today as a private hostel owner. I also support Townsville Enterprise and I am a Director of VIP Backpacker Resorts of Australia.

For over thirteen years I have been operating in the hostel and backpacker industry and I find that the basic problems do not change. Most hostel owners are operating as family businesses with very small profit margins. Those who operate in the farming areas work exceptionally long hours in the harvest season to keep the farms supplied with labour on demand. They are performing a two-way service by helping the farmer harvest his crop and by finding work for the backpackers. As most of these hostels run courtesy transport to and from the farms, their overheads are very high, especially as the work is seasonal.

My enquiries re the ratio of backpackers and locals working in some Queensland fruit growing areas show just how much the fruit and veg industry relies on backpackers for harvesting. I might add here that it probably depends on who you are talking to, just what answers you get to the same questions. I believe that you have had some input from other areas.

In Bundaberg, there are a 140 registered farms and 320 backpacker beds which are mostly full of workers for around 10 months of the year. During November and December, there are not enough backpackers to do the work available. At all times the farmers would employ locals but there are not enough willing or able to do the work available. In Bowen, 50 percent of farm workers at present are backpackers.

Ayr is a relatively new area to small fruit and veg cropping and the backpackers and the harvest work force would be about 80 percent. All the farmers in the fruit and vegie areas realise that they would be in big trouble, should backpackers not be available to support them in their busy times, especially as the small crop industry is a growing industry. The hostel and fruit growing areas rely entirely on backpackers with work visas to fill their beds. Having worked there three months, or perhaps sooner if the work runs out, the backpackers then move on to the next holiday destination.

The hostels and holiday or city areas also rely on the backpackers with work visas because they can now stay longer, spend more and relax. The more viable the hostel is, the more money it can generate into the local economy by employing full-time or casual local labour and by employing local tradesmen for maintenance, et cetera.

Also important is the spin-off factor enjoyed by other associated businesses such as dive operations, tour operators, food and beverage outlets and local shopping. Many times I have seen backpackers working their way around Australia being joined by parents or family from home who make Australia their holiday destination because their children are working here. These family members often stay several weeks and spend big dollars on trips and hire cars. My point to you is that the money earned by backpackers generates more spending in many areas of tourism and for all local economies.

CHAIR—Thank you, Fran. In what you were saying about working in the horticultural industry, do you have any instances when young people believed that there were jobs in an area, have read something in a magazine and have gone specifically for those jobs to find they are in the wrong season?

Mrs Ames—I know there are some operators who advertise and entice the backpackers there, get them to pay a week's rent and say that they will be getting jobs soon. But they do not, because there are no jobs available, perhaps for several weeks. That is very disconcerting for the backpacker, because he has paid or used some of his bus passes to get to that area and then finds that he cannot immediately start work. So it is a disadvantage to the backpacker. There are a few hostel owners who entice them there so that they can actually pay rent while they wait for a job.

CHAIR—What is the industry doing to stop that?

Mrs Ames—There are reputable people. I know that in my hostel I will not allow those hostels to have any advertising whatsoever on my board. If someone asks me about

where to work I simply tell them not to go to those places.

CHAIR—So there is nothing in the backpacker industry itself that is officially doing something about these hostel owners?

Mrs Ames—Not that I know of, except that the backpackers themselves sort it out pretty quickly by word of mouth and those hostels are not doing exceptionally well, because of that. The word of mouth in the backpacker industry will usually make or break a hostel.

CHAIR—But we have still got those young people who are being—

Mrs Ames—There are a few instances where people who do not confer with other mates or other backpacker travellers perhaps will get conned to go somewhere and spend their money.

CHAIR—We were told yesterday that some of these hostels will even lend the young people money and take their passport until they have paid it back when they get the job, so they actually cannot leave the town. Are you aware of any of those instances?

Mrs Ames—It is illegal to take someone's passport, so I think they would be pretty stupid to do that.

CHAIR—You are not aware of it happening?

Mrs Ames—I think the backpackers should be made aware, perhaps on some publication, that it is illegal for a hostel owner to take their passport in lieu of money.

CHAIR—Presumably this also has a bad effect on our industry, because if working holiday-makers go home and say what happened that is not going to encourage the others.

Mrs Ames—I think most backpackers sort out these problems themselves, but there has been an instance and I know a couple of places where it is done.

CHAIR—Do you make a distinction between the backpackers and the working holiday-makers?

Mrs Ames—No.

CHAIR—Do you know of instances, perhaps, of a backpacker who is actually working but who does not have the correct visa?

Mrs Ames—There will be some that will try it all the time, for sure. But most

people will not employ them because of ramifications.

CHAIR—But there are no ramifications to the industry itself. If a hostel owner, for instance, employed a backpacker to clean out the hostel and then paid them, and that was discovered, the effect would be on the backpacker himself, not on the hostel owner?

Mrs Ames—I believe that is so. It has never happened to me, but I believe that in the farming area a lot of farmers are so astute and so definitely do not want any trouble with the immigration department that they will not allow anyone on their farms without the correct visas.

CHAIR—Do you think that is fairly well policed by the industry itself?

Mrs Ames—I think so. There will always be backpackers that will find jobs but do not have visas, for various reasons, but I do not think the incidence is way high.

CHAIR—In your hostel itself are you aware of young people coming here without the correct visa, because they could not get it or because they did not know such a visa was available, who would have preferred to have that visa and would have stayed longer had they had it?

Mrs Ames—Yes. I have had some people quite cross with themselves that they did not apply and get a work visa before they came. They have come, have found out that they cannot possibly see Australia in three months and would like to work. But because they are already here they have to go home and apply for a work visa. They find that a disadvantage, because then they would have to pay another air fare, which is probably out of the question. So those backpackers are disadvantaged in that they were possibly misinformed or have changed their plans once they get here, and then find they cannot get the work visa from this end.

CHAIR—You see an argument for young tourists, once they came to the country, being able to apply for a working holiday visa once they got to the airport—for the remainder of the year, for instance?

Mrs Ames—Yes.

Mr MARTIN—Would that in the minds of some be queue jumping, though, and disadvantage those people that make the appropriate enquiries in overseas countries about opportunities in Australia? If they subsequently fill in all the right application forms and so on, but then the cap continues to remain in force, would that therefore not disadvantage those people?

Mrs Ames—I am not sure of the situation at the other end. Is there a queue in these countries?

Mr MARTIN—Do you have any information to say that there is or is not?

Mrs Ames—No, I do not.

Mr MARTIN—It is just that we were given some information yesterday about what the circumstance was in the UK earlier this year. There was a view put to us that people were actually being encouraged to go to New Zealand and then apply for a working holding visa to come to Australia from New Zealand. They were supposedly told that by Australian immigration officials in London. Have you heard anything like that?

Mrs Ames—I have heard of people going to New Zealand and obtaining a work visa into Australia because they cannot get one in Australia after they have gotten here, and it is a lot cheaper to fly to New Zealand than back to England. I have heard of that happening.

Senator McKIERNAN—You are pretty forthright in your submission about the cap and the limitation on visas. Effectively you are arguing that there be no cap at all—you are saying 50,000 and then an unlimited number for 12 months with an option to work for three to six months only.

Mrs Ames—Obviously, the majority of people that come on a 12-month work visa are not working for 12 months. That is my experience, that the majority of them would only work for three, maybe six, months of that 12 months.

Senator McKIERNAN—Last year we had 35,000 working holiday-maker visas issued and taken up. What arguments could you put forward to the committee to support the dramatic increase that you are suggesting? Is it shortage of labour within Australia?

Mrs Ames—There are areas where people cannot get instant labour when they need it quickly, as in the farming areas. There must be quite a lot of work available in Sydney for people who are willing to do whatever they are doing there because in Sydney there is a big work force of backpackers. The amount of people that spend all of their wages in the industry within Australia—the actual spin-off to tourism and local economies—must be a plus for all the areas where the money is spent. With the difference between 35,000 and 50,000, if they were only working a few months it probably is not a lot of time in actual work hours as against the full 12-month visas.

Senator McKIERNAN—Are you aware of a difference in the cost of an ordinary tourist visa, the backpacker visa, and a working holiday visa?

Mrs Ames—The backpackers say that it is the most expensive country in the world to get a work visa. I believe it is around \$70, but I am not absolutely positive.

Senator McKIERNAN—It is a bit more than that.

Mrs Ames—Yes, but it is higher than for other countries.

Senator McKIERNAN—And what is the cost of a tourist visa, just an ordinary backpacker visa to come in for 12 months?

Mrs Ames—I really do not know.

Senator McKIERNAN—Would you be surprised if there was no cost attached to that?

Mrs Ames—Just an ordinary holiday visa?

Senator McKIERNAN—A tourist visa.

Mrs Ames—I would not expect that there would be a cost on it.

Senator McKIERNAN—For people to be given a right to work in Australia is a great privilege. To come here in the first instance is a privilege, as I know—I am a visitor myself. I stayed a long while, though. I am very proud to say it was the employers who brought me here—and I actually made a contribution to it as well. But it is a privilege to come here and be able to work. There is a small cost attached to that privilege.

There are others who also get the privilege of visiting here, but they are not allowed to work and they do not pay a fee for their visa. If they work while they are here, they are breaking the law, but they are also taking advantage of the circumstance of Australia allowing people to come here and work. Is there a fairness in the current situation, and how would you change it?

Mrs Ames—I have no idea. It was a suggestion.

Senator McKIERNAN—One of the letters that you attached to your supplementary submission, from Scotty's, talks of an incident where two Danish people were asked to leave Australia. Do you know the circumstance of that?

Mrs Ames—The people evidently were helping with the laundry, or some such thing; because that particular hostel at that time was short of staff, these people offered to help them. The lady said, 'If you help me for a couple of hours this morning, we'll give you free rent.' It just happened to be the day that the immigration department made a swoop on the hostel. But her point is not the fact that they were deported. It was the way in which it was done. I do not believe that the immigration department is doing this in such a way at the moment, but a couple of years ago it was rampant. A lot of these people at the time, as in that instance, were not working to make money; they were working because the hostel owner was desperate on that particular day.

To get off that particular subject, I myself had some people whom the immigration department brought to my hostel in Townsville and paid for them to stay there—which I thought was rather strange—until they were deported the next week. They had been caught on a Bowen farm picking tomatoes, and they did not have a work visa. I cannot tell you the dates exactly, but this happened about three years ago. One of those people had only gone out as a lark because the other people that they were with, who did have work visas, said, ‘Oh, come and help us. They’re busy and they need extra people.’ She did not even want to do the job. She was not a farm worker. She only went out for a bit of a laugh. She had been in Australia for only a week and she was deported in a very undignified manner. It was very upsetting for her. That is not the same instance as in that letter.

The point that the person in the hostel at Mission Beach is wanting to make is that, if somebody does the wrong thing and has to be deported, let us be dignified about it. I have personally had a problem—and this is really not probably in the criteria of the submissions that were asked for—where I have seen people bundled off and made to feel they were absolute criminals. This particular person whom I am speaking of was not really trying to earn money. She was out for a bit of a laugh, and that was a different situation altogether.

Senator McKIERNAN—Are you certain that the people were deported?

Mrs Ames—Yes.

Senator McKIERNAN—There are actually very few deportations that happen.

Mrs Ames—Yes; I have seen them deported. The immigration department have bought them and put them into my hostel until they had a flight out of Australia.

Senator McKIERNAN—Yes, but the act of deportation has got a legal meaning to it.

Mrs Ames—Yes, probably; but they were asked to leave the country and they had to leave by a certain time.

Senator McKIERNAN—It is relevant to the debate, but it is not part of the main focus.

Mrs Ames—Yes; I understand that that is not part of the criteria.

Senator McKIERNAN—If somebody wanting to come and visit Australia signs an application form which agrees as one of the conditions of visiting here that they leave Australia by the time their visa expires, but also agrees that they will not work or seek to work once they are here, is it not fair, if they are found to breach that visa arrangement, that they should be asked to leave?

Mrs Ames—Yes; I can go along with that. The point that the lady is making in that letter, and the point that I am backing her up on, is let us be dignified about it. These people were extremely distressed.

Senator McKIERNAN—You would agree with the imposition of the conditions on an ordinary tourist visa?

Mrs Ames—Yes.

Senator McKIERNAN—No work?

Mrs Ames—That is right. We have to run the country.

Senator McKIERNAN—Thank you for your help.

CHAIR—The other submission you have attached to this was from Mike Ball Dive Expeditions. I was curious to read that, and you may not be able to answer this for me, but Mr Longmuire has said:

In addition to increasing the amount of money spent in Australia, our company requires a constant supply of visitors with work visas for the following work: 1. Expedition crew: staff work their passage for a period of 2-7 days.

2. Relief/emergency crew: to temporarily replace full time staff who are sick/injured or require compassionate leave.

Could not that sort of work be done by Australians?

Mrs Ames—Only if they were available with the right qualifications. A lot of these young people have done either a dive course or a dive masters course and then they are available if there is a job available, just generally helping out. In some instances I know that he may be looking, if he has got a boatload from a particular area, for someone that can actually speak a particular language as he has not got somebody already on the boat that can speak the language. If it is a party of Italians, he may be looking for an Italian person just to go out for one trip so that they have got someone there who can help out and speak to the people in their own language, those sorts of things.

CHAIR—Fran, one of the things that was coming out in this is that a lot of the tourist operators are saying that we want these working holiday-makers because of the need for them in our work force, for their language skills, their cultural skills. Against that, we are hearing from young Australians that they are being kept out of certain segments of the industry because of the influx of these young working holiday-makers taking over the positions. This is coming out as a real conflict here. Associated with this, some of these young working holiday-makers are taking very low salaries or, as you indicated here, work their passage for a period of two to seven days and will really do the

job that normally a young Australian would do for pay. They are going to do the job simply to get out on a tour and that makes it very difficult for young Australians to get jobs in the industry. Could you comment on that? I know it is hard one to give to you, but can you just think about it and the implications of that?

Mrs Ames—It would probably go back to economy in the various tours and the various operations, bearing in mind that the trips mentioned there by Mr Longmuire are \$2,000 a trip. If someone can go out and work as a crew, bear in mind that he has probably just paid \$2,000 or \$3,000 to become a dive master and spent that money within the industry. So sometimes as a reward they are allowed to work the next passage as long as they have the required work visa. That company is extremely cautious and would not allow anyone to lift a bag unless they have a work visa. But it is as a reward for the money they have already spent with the company. Now they have some skills and here is a chance for them to extend those skills and actually have a trip to the Coral Sea, or wherever it is, and also help out the company that they have been studying with. It is part and parcel of the package that they are given.

But because of the ramifications, he will not allow them to do this trip for accommodation and work in return for a trip out to wherever it is unless they have a work visa. It is only usually available to someone who has already spent X number of dollars within the company. It is perhaps like a reward system for having actually done the course with that particular company.

CHAIR—Can young Australians do the same course?

Mrs Ames—They do the same course and they are entitled to the same privilege of having a cheap trip out as crew.

Senator TROETH—How long would the course take?

Mrs Ames—The dive master course is extremely expensive. It costs over \$2,000 and it takes four weeks.

Senator TROETH—Would that not eat into the time that they have available to use their work visa? They would only have another two months to actually work under the terms of the work visa.

Mrs Ames—They are not working when they are paying as a student.

Senator TROETH—I see, right.

Mrs Ames—And it is not ongoing. It is only perhaps one trip—as it says there, from two to seven days.

Senator TIERNEY—What is the unemployment rate in Townsville, do you know?

Mrs Ames—I think it ranges between nine and 11 per cent. I am not 100 per cent sure what it is right at this minute.

Senator TIERNEY—And the youth unemployment rate? Do you know what that is?

Mrs Ames—No.

Senator TIERNEY—It is usually very high in regional areas. From an earlier comment, it is just curious that farmers cannot, in the high demand season, find pickers for various crops. Do you have any understanding of why that would be the case? Do people who are unemployed up here not go out and pick up some of that sort of work?

Mrs Ames—I believe these jobs are on the CES board in Townsville and Bowen and Ayr. I am sure in all these areas they have a CES board but, as I hear it—and I really do not know because I have not been to these areas and done a survey, I only have what I hear—I believe that a lot of the local young people are unemployable for the jobs that are available. They are not my words—that is what I have been told by people who are interested in employing backpackers. Most of the ones that are willing to go out and do these jobs know that they have to work hard, they know they have to produce. If they are not going to produce they only last a day and the farmers move them on. There is just no way the farmers can afford to pay people good money and not have an end result.

Senator TIERNEY—Are there many seasonal Australian workers coming to this area when it is picking time?

Mrs Ames—In Townsville we do not have a picking time. It is Ayr which is 1½ hours south of here. Cardwell is a banana area. In Townsville itself, except for the mango season, there is no seasonable fruit work at all.

Senator TIERNEY—In those nearby areas, do you know if there are many that come in from other Australian towns, seasonal workers?

Mrs Ames—There are a few families that travel in caravans and these ones, as far as I know, are well thought of by the local communities because they are actual fruit pickers and they have done it for years. The families understand and they get in there and do their jobs. I think you will find there is a bit of dissatisfaction between the employers and the people that are sent out there for these jobs from the CES but that is hearsay too, I cannot vouch for that because it is not my area of—

Senator TIERNEY—You mentioned that the ones that come in on 12-month visas tend to stay three to six months. Have you any sense of why people leave at that a time?

Is it because they run out of money or is it because they cannot get enough work? Do they intend staying a longer time and just cannot work their way through it?

Mrs Ames—I am not too sure. I think it is circumstantial. Sometimes people get homesick. Sometimes they get accepted for another university course which they did not expect to get excepted for so they go home in time to take up that course. There may be family reasons, and often it is financial reasons. If they cannot handle whatever work is available, cannot get jobs, they will go home if their money is running out.

Senator TIERNEY—Of the people who come through your place, what would be the balance between working holiday-makers, Australian backpackers who are not working, and international backpackers who are not working?

Mrs Ames—The only Australian backpackers that come through are usually university students that might come through from Sydney or Melbourne or somewhere in the off season, in university holidays. We do get a few Australians coming through that are not really legitimate backpackers and they come through because it is cheap and they can afford to stay. They are not really backpackers, they are simply seeking to see Australia. They might be going from place to place. But there are very few of those, I would say two per cent.

Senator TIERNEY—The aim of the scheme is basically for people to travel and pick up incidental work to assist in their expenses. Do you feel it works out that way or do people come and spend predominantly most of their time working?

Mrs Ames—The majority of people will work for three months and the wise ones will budget. They usually know what they want to do, they know what they expect of Australia and what they want to do. They want to go whale watching, they want to go to Byron Bay and they want to do a dive course. The Whitsundays is one of their targets, they always go to the Whitsundays to do sailing, perhaps a dive course, perhaps a dive course in Townsville or on Magnetic Island.

Of course, Cairns has always been the Mecca right from day one in the backpacker industry. They always go to Cairns and do the associated things from Cairns. Most of them somewhere along the line will say, 'I want to do bungee jumping and whitewater rafting', and they will budget from those things, anything else is incidental. They will do what they can afford to do but they always budget for things that they have come to Australia to do. If they run out of money first they will go back to work but they will only work as much as they have to, they would rather not work if they have got the money.

Senator TROETH—Do you find that people who come through your hostel have adequate information about the working holiday-maker visa before they arrive? Do you get many who come here and find out that they could have got a visa, but have not, and

therefore their chances of working are zero?

Mrs Ames—I have had quite a few people complaining—not complaining, but sad—that they had not got the work visa before they left home and now they cannot afford to fly home and reapply, or they probably will never be able to come back to Australia. So, yes, quite a number of people are dissatisfied that they have not had the right information in the first place. I could not tell you the ratio, because I only hear the ones that are actually verbal at the time. There might be a lot more that I just have not discussed it with.

Senator TROETH—Do the ones that have got working holiday-maker visas express any dissatisfaction with the process or the way in which they had to go about it, as far as complexity and difficulty are concerned?

Mrs Ames—No. Some people say it takes longer than they expected. That is the only thing. Evidently, the visa starts from when they leave home, rather than from when they arrive in Australia. So, if they go via Thailand or Bali or somewhere on the way, they might lose a couple of months of their work visa before they even arrive here.

Senator TROETH—Do they have any comments about the way in which our system works, compared to other countries, as to the length of time that they are allowed to work and other matters associated with the visa?

Mrs Ames—The English complain because in England Australians and New Zealanders are allowed to actually have a work visa for two years and in Australia it is only for 12 months. I think that is probably incidental. I do not know. I think it would be better to have a larger number of work visas into the country, rather than extending the time they can work. It would seem fairer to me to allow more people to come for one year than to allow half that number of people to come for two years. I believe in England they use the situation there so that they can actually leave England and go and do their European tours—go over to, say, Italy or Holland or wherever—and then come back and work. It is probably more advantageous for them to have the two-year span, because they are not actually staying in England for two years.

Senator STOTT DESPOJA—Earlier, you described the immigration department as swooping. How often does that happen in relation to your hostel, for example?

Mrs Ames—It has never happened to my hostel, because it is not a working hostel. I just do not have workers there. I do have a few that work in the hospitality industry within the Townsville area—usually drink waiters or waitresses and a few perhaps from time to time in the secretarial industry. But Townsville is not a big job area. The areas that have been swooped on are Bowen, Mission Beach and Cardwell—the areas that have workers.

Senator STOTT DESPOJA—How many times has that happened, do you know?

Mrs Ames—It has not been happening recently. It used to happen. I do not think anyone is complaining that we have got to keep an eye on the people that are working illegally. It is the way it was done. In years gone by, it has been a bit bizarre.

Senator STOTT DESPOJA—You mentioned that you have a board at your hostel. I presume you advertise jobs and other things through that. You also mentioned the CES. Do you or other hostel owners refer young people and backpackers to the CES?

Mrs Ames—Yes, if they are looking for a job, because it is just over the road from me. I just tell them to go down and there could just be something there that suits them. But they do not have any luck at the CES, I might add.

Senator STOTT DESPOJA—You said earlier that you did not necessarily want to comment on the relationship between employers and the CES. But do you have any other comments you would like to add about the role of the CES?

Mrs Ames—The CES in the city area is fine, as far as I can tell. The farmers—the area I was discussing there—at least know that the backpackers are going to be coming in with heaps of energy and ready to do the job and they know that, if they do not work, they do not get paid, or they will not be lasting more than a day. The ones that are sent by the CES sometimes are not really interested in the job that they are going to do in the fruit growing areas because it is not their cup of tea and therefore they are not able to do it. The farmer has not got time to sort out the ones that are able to do it and the ones that are not able to do it.

I was speaking to someone in Bundaberg a few days ago, who is a hostel owner, and he said that the farmers that he deals with will always give the locals a fair go, if they want to come out and work. The jobs are there, and they will give them first choice. But they have to prove that they are able and willing to do the job.

Senator STOTT DESPOJA—In your submission you also mentioned high overheads. Can you perhaps tell us what is primarily responsible for considerable overheads in the hostel? Also, just out of curiosity: do you provide transport to working areas or to job sites for the people staying at your hostel? Granted that you were saying that you do not have a lot of workers, necessarily, is it customary for a lot of the hostels in the area to provide transportation?

Mrs Ames—Only in the fruit growing areas. No, I do not. I have a courtesy car which I use to pick my customers up when they arrive and return them at specific times of the day to the train, bus or ferry, wherever they happen to be going.

When I talk of high overheads, you should bear it in mind that the average bed

night is maybe \$13 in Queensland. For that we have to advertise to get them into our beds to start with, we have to run the courtesy car and we have to have our staff to greet them. A one-night person staying at my hostel makes me absolutely nothing. I have to send a courtesy car to pick them up, which is a five-minute drive, and return them tomorrow to wherever they are going. When they come in, I give them a spiel about what they can do in the area and whatever, and I talk to them for at least 10 minutes. I hand them brochures on the area and what they can do and whatever. Then I presume they have a shower. Two years ago it actually cost \$3 for someone to have a shower, by the time you pay your hot water and whatever. So I figure that one-night people in my hostel do not pay me anything. It costs me as much money as they are paying me, \$13 a night, to actually get them there, take them away, talk to them, in time and wages and wear and tear. You have to have them staying at least three nights before you are going to make a profit.

Senator STOTT DESPOJA—That is interesting. Lastly, you suggested in response to Senator McKiernan that you did not support capping; in fact, you supported its evolution and expansion. Are there any particular criteria that you support for someone to obtain a working holiday visa? Is it a certain amount of money in the bank, is it English language skills? Are there any particular criteria that you think people should fulfil before they obtain their working holiday visa?

Mrs Ames—English language skills are immaterial because in the majority of jobs that they will be doing you do not need to speak English. I speak no language except English—not even a word of any language. Sometimes I have 13 different nationalities in one day in my hostel, and I know what they want and I know what they are talking about. You just get used to conversing with people.

As to the other criteria, I really do feel that they should actually have money when they arrive. Someone did mention, I think when they were talking to Laurie before, backpackers actually relying on charity. I have never had that happen. The only travellers that have come to my hostel and I have had to either send them to someone or ask St Vincent de Paul or the Salvation Army to come in and sort them out have been Australians. I have never ever had a backpacker who cannot pay their way.

Senator STOTT DESPOJA—Would you be prepared to nominate a sum that you think people should have before they enter the country? It is a tough one, I know.

Mrs Ames—It is a tough one. Some people can live on the smell of an oil rag. Some backpackers pay their rent and live on muesli and apples. For them, \$20 a day is adequate. Other backpackers would spend probably \$50 a night in the local nightclub. So it is very difficult to say what it should be. But bearing in mind that, if they have a 12-month work visa, they would expect to work at least three or four months of that time, you would have to account for what they would expect to earn as against what they would need to travel. But it is so different; so many different people would spend so many different amounts of money—

Senator STOTT DESPOJA—The people who suggested it, I think, were bearing it in mind not so much as something to fund their trip so much as to fall back on in case something did go wrong or, indeed, they had to obtain charity help. But thank you for that. I appreciate those answers.

Mrs Ames—Just further to that, they should always have a return air ticket. I do not know whether that is part of your criteria.

Senator STOTT DESPOJA—Yes, certainly. That is something that was brought up yesterday.

Mrs Ames—I have seen backpackers that have come in without a return air ticket, or they have sold it. They should be unrefundable. Sometimes they cash them in for money and then at the end of their time they—

Senator STOTT DESPOJA—That was a suggestion made earlier so we appreciate that addition, thank you.

Senator McKIERNAN—A previous committee of the parliament made a recommendation, which has not been acted upon yet, that the working holiday visa be extended for a period of 15 months—that there be an eligibility to remain in Australia for a 15-month period—but within that 15-month period the person only be allowed to work for nine months. How would you agree to a proposal such as that, bearing in mind that work is supposed to be incidental as a criteria for a working holiday visa?

Mrs Ames—There are quite a few backpackers that would like to stay longer. I believe some of them actually go and apply for an extension of visa. I am not sure how many actually get an extension. It would be much more convenient for them to have the visa and if they decide not to stay the extra length of time, so be it, they can go home. But it would be much more convenient for them to have that time slot available to them.

Senator McKIERNAN—Would it help you in terms of managing things? Do you think a concept such as that, where there is a longer period allowed in Australia but there is a restriction on the amount of time an individual can work, would fit into the concerns you have about the current program?

Mrs Ames—I think that would make sure that they actually spend the money they earn in Australia. If they are staying longer after having only worked a set number of months it would widen the amount of time they can stay and therefore spend more money. On the other hand, I would like to see the numbers higher, rather than extending the time that people are allowed to stay.

Senator McKIERNAN—Incidentally, on the cost of the visa that was mentioned earlier, Mr Hagen from the backpacker subcommittee suggested in his submission that it is

\$175 plus the arrival tax of \$20. If that figure is correct—and I have no doubt that it is—it is quite significantly more than what we were talking about earlier.

Mrs Ames—I have never actually looked into the amounts of various visas.

Senator McKIERNAN—I have, but I cannot remember.

Mrs Ames—I just have heard backpackers saying that it costs a lot more, they asked why and I just said, 'Life's tough.'

Senator TROETH—Do many of your holiday-makers make use of the CES in their efforts to find work?

Mrs Ames—Some of them will, some of them ask me where the CES is when they arrive. It is just down the street so I direct them to it. I have not noticed that the CES is able to help them very much, because the situation here in Townsville is that there are not many jobs available that would be suitable for them. Different areas, of course, would have different answers to that question.

Senator TROETH—What would be the general Townsville feeling about working holiday-makers making use of the CES? Do they see that as legitimate?

Mrs Ames—I have not heard any complaints from anybody. I really cannot answer that question because if people have complaints I have not heard them. I just know that people in the area of Townsville seem to make the young people welcome. They think it is lovely to see them here and they like speaking to them and asking them of their experiences, and whatever.

I have a guesthouse component to my business where a lot of Australians come and stay with me, mainly pensioners who have train passes, other people who have come to visit people in hospital or just people from interstate who have come up and perhaps stay two or three weeks. They are fascinated by the backpackers and often invite them to go and stay with them in their home states when they go through. There is a very tolerant acceptance of backpackers in Australia, because people just love to meet them.

Senator TROETH—How significant is the working holiday scheme to the Townsville area? Do you consider that it makes a significant contribution to the local economy?

Mrs Ames—The end result is that the backpackers are able to come here after working on the farms and they have money to spend and to do things. They do not actually earn money in Townsville to any big extent. There are a few incidental cases, but a very small percentage of them get jobs in Townsville.

Senator TROETH—But they do spend money here in Townsville?

Mrs Ames—Yes.

Ms GAMBARO—Why do you think the farmers said that local people were not suitable? This has come up in quite a lot in discussions that we have had. Why will local people not avail themselves of this seasonal work? Do you think that there might be some reasons?

Mrs Ames—Have you ever picked fruit?

Ms GAMBARO—I have relatives who have farms.

Mrs Ames—I come from a farming background myself, and from time to time we had to employ people. My father used to sort them out in the first five minutes.

Ms GAMBARO—What do you mean by ‘sort them out’?

Mrs Ames—First of all, you have to be willing to do the job that is available. A lot of people are sent to do these jobs because they want to stay on their benefits and, obviously, some of them make a genuine effort to go out there and do whatever the job is: pick tomatoes or plant capsicums or whatever it is. To be quite honest, I can agree with the farmers, because I have been down that track. There are a lot of people who just cannot do that type of work, for various reasons: they may have never done it before. After you have worked on a vegetable farm doing picking or planting for three days, your back feels so bad that you never want to get out of bed again. That is basically it. You have to have a lot of determination and a lot of inclination to work on a farm, especially in the picking areas.

Senator McKIERNAN—There is a challenge for you!

Mrs Ames—I guess there are a lot of people who are not fit and active, people who have not been out working, swimming, diving or whatever. These backpackers are a fit lot. Most of them are very fit.

Ms GAMBARO—It is a physical thing, you are saying.

Mrs Ames—It is physical, to start with. Okay, they can go out there and do the job, because they are personally physically fit.

Ms GAMBARO—So there are no other factors apart from the physical nature of the job. Is that what you are suggesting?

Mrs Ames—I do not think so. I have spoken to people in Bundaberg and

Bowen—although not actually to the farmers, because they are all exceptionally busy at the moment. I thought it would be interesting to go along for a little drive through these areas and actually speak to the farmers. That is something I might do one day, just for interest. As far as I can hear it, the end result is in what they are paying for the wages. They are all paying whatever the wage is, as far as I can understand. There do not seem to be any complaints about the amount of wages that are being paid. It is end result. We pay you wages; you pick our fruit.

CHAIR—My understanding, and I could be wrong, is that there is a higher unemployment rate in Townsville than in Cairns.

Mrs Ames—I think that would be true.

CHAIR—Do you ever find that young people come into Townsville and find that there is no work available here and then move out of Townsville up to Cairns, where they hear there are more jobs?

Mrs Ames—Do you mean backpackers?

CHAIR—Yes, working holiday-makers.

Mrs Ames—I do not think most of them expect to get a job when they come to Townsville, because word of mouth has already told them that there is nothing here, or not a great deal here. People do ask me when they arrive, just on a bit of a whim, ‘Okay, are there any jobs here?’ but most of them already know it is not a goldmine, as far as jobs are concerned. They do not expect to be able to walk into Townsville and find a job.

CHAIR—Would that mean that some would miss Townsville altogether, or that they just see Townsville as a stopover to visit on their way to somewhere else to work?

Mrs Ames—That could be one of the reasons we are not an absolute mecca of tourism here, in the Townsville backpacker scene. I think it is a whole different issue. It is to do with a little bit of manipulation in the market where the backpackers actually go, but this is not a work issue; it is actually people with chains of hostels, with one in Airlie Beach and one in Cairns, who brighten up one area to make it sound extremely good so that the backpackers think they must go straight there rather than spend the money somewhere else. It is all to do with marketing, I guess; and we are working on it.

CHAIR—Presumably that worries you, as an independent person with your own—

Mrs Ames—Yes; but we are working on it.

CHAIR—Do you have any final comment on the working holiday visa—any problems you see with the scheme, or any thing else? Obviously, you would like to see

the cap removed. Is there anything else about the scheme that you feel you have not yet mentioned?

Mrs Ames—No, I do not think so. What I have said is pretty concise. I realise that we have to look after the local people as well, but it would be a shame to stop these young people from coming to Australia. A lot of them return in later life as five-star people.

CHAIR—Do you actually have any evidence of that?

Mrs Ames—I have had people come back and call in and say, ‘Look, remember me? I was here five years ago and now I am here with my wife and we are staying down the road.’

CHAIR—Up-market.

Mrs Ames—Up-market—they have progressed a little bit. I could not give you statistics or figures or anything, but it does happen. But the main thing that I find is that their families come and they stay up-market and perhaps will take the backpacker from the backpacker system for a few weeks while they go off into the four- or five-star market and hire cars and mum and dad treat them to things they cannot afford themselves. I do see quite a bit of that.

CHAIR—Good. Thank you very much. If we have any further questions, the secretary will write to you.

Mrs Ames—Thank you.

[10.42 a.m.]

DOMELow, Mr John, Chairman and Director, Tourism Advisory Committee, Townsville Enterprise, The Esplanade, Townsville, Queensland 4810

GARDNER, Mr Warren John, Member, Townsville Enterprise and Publisher, *Aussie Backpacker*, The Strand, Townsville, Queensland 4810

HAGEN, Mr Jeffrey William, Chairman, Backpacker Subcommittee, Townsville Enterprise, PO Box 1043, Townsville, Queensland 4810

CHAIR—Would you like to make a statement to amend the submissions you have put forward?

Mr Hagen—I would like to make a follow-up statement, Madam Chair. In consideration of the reasons backpackers come to Queensland, it would appear that a large percentage are seeking work in the seasonal industries of fruit and vegetable picking and in the northern tourist season, when work in the hospitality industry is more clearly available.

It is of interest to note that in 1994-95, 161,300 backpackers visited Queensland, of which 107,000 visited the northern region which extends from Bowen in the south to Mission Beach in the north and west to Charters Towers. Surveys carried out by the Centre for Applied Economic Research and Analysis—CAERA—indicate that 49.4 per cent of backpacker visitors are looking for work during their visit to the northern region. Work available in this region is mainly confined to fruit and vegetable picking and packing, hospitality and labouring work—areas which the employers in the region find difficulty in obtaining sufficient local workers who are prepared to undertake this type of employment. As this work is seasonal, considerable numbers of people are required for short-term employment.

Other avenues of work include clerical, sales and nursing. These jobs are usually available in the short term to provide for absence of permanent staff on furlough, sick, maternal and long service leave or extended leave of absence. These positions are ideal for working holiday-makers who are able to fill these temporary jobs without affecting the domestic work force who require permanent and part-time work.

Having spoken with a number of international backpackers on the subject of working holiday visas, it appears that there is some dissatisfaction in relation to their issue. Some of these matters are: the time taken from application to approval can be three months or longer—it would be of benefit if a visa could be dated from the date of arrival in Australia and not from the date of issue; the cost of issue is approximately \$A175, plus arrival tax of \$A20 and this increases the cost of coming to the country, for example, a UK citizen can visit most countries in the world without a separate visa payment, and can

remain for 90 days' residency; most surveyed thought that three months in any one employment town was too restrictive, as most would prefer to work for up to six months in the one town and then spend the next six months continuing their holiday. In the case of United Kingdom visitors, they feel that they are being discriminated against, as an Australian citizen can remain and work in the UK for two years whereas they are restricted to one year in Australia.

Those surveyed also felt that there were benefits to both themselves and the Australian economy, as the money earned was almost without fail spent within Australia on the cost of living, entertainment and touring which in turn gave back to the country funding for employment of local Australians in permanent occupations. The benefit they received was in gaining an insight into the living conditions and environment which we enjoy. Survey figures indicate that a backpacker spends, on an average, \$64.17 per day whilst in the northern region and stays for an average of 13.4 days. This equates to \$860 per person for their entire stay. Therefore, if we can continue to offer seasonal employment to these working holiday-makers, they may provide a substantial contribution to the northern regional economy.

In conclusion, perusal of the surveys which have been carried out shows that it is unanimously agreed that the working holiday-maker is willing to perform any job and is often involved in unskilled work. They have usually had no difficulty in obtaining employment and did not usually deprive Australians of work opportunities through filling menial and temporary positions. Thank you.

CHAIR—Thank you, Mr Hagen. You have raised a couple of issues there. First of all, you referred to nurses and clerical. We actually have not heard any evidence of these young people before. Mainly people have talked about work in the fruit and vegetable growers areas and in the tourist industry. Can you give us an indication of how much employment would be in the area of clerical work and nurses?

Mr Hagen—I think, probably, it applies more to the cities of Melbourne, Sydney, Brisbane, Adelaide and Perth, because there is greater opportunity there because of the higher numbers of that type of vocation. I do know—and I think Fran would have been able to confirm this—that there are quite a few nurses who come out from Ireland. Because of the shortage of nursing staff in most hospitals, they find ready work.

In clerical work, I know, there are a lot of temps. The backpacker newspaper does advertise for temps in the clerical side. I think this also complements the situation of annual leave, long service leave, maternal leave and that sort of thing.

CHAIR—Do you not feel that any of this has been taking jobs away from young Australians who would fulfil these positions in other circumstances?

Mr Hagen—As a general rule, I would not think so. Although I have not spoken

with the temp agencies, I would think that they would fill those roles quite easily but there must be a surplus because there is still a demand from the backpacker fraternity.

CHAIR—If we lifted the cap altogether, could you see the possibility that this would become widely known and we would get more young working holiday makers into Australia, specifically looking for those sort of jobs, putting more pressure on those positions and keeping more young Australians out?

Mr Hagen—I am certainly not professionally qualified to answer that. My immediate thought is that, perhaps by removing the cap, it would have a self-levelling effect.

The Australian who is looking for part-time work or casual work, I think, will always get it in preference, provided they have the skill. I think it would have a self-levelling effect. If the backpacker found that there was not an opportunity to work in that capacity in which they are trained, they would either turn to another vocation or an unskilled position, or they would move on to another country.

CHAIR—You mentioned that the English backpackers feel it is unfair that they are allowed to stay here for only one year, where our working holiday makers going to England have the option of two. But there are other restrictions in England on our young workers. For instance, they cannot work in a professional capacity which, I think, would exclude nursing in the United Kingdom. I am not exactly certain about that. I know it certainly excludes doctors but, I think, as it is a professional capacity, it may also exclude nurses, whereas there is no such restriction in Australia. There is a bit of a trade-off where they are more generous in some ways and we are more generous in others.

I would like to ask you about the impact more on the tourist industry. What has become very clear is the tourist industry in northern Queensland is very keen to get these young holiday workers in. We have heard that they like to employ young Japanese working holiday makers, especially within the Japanese tour trade, because of their expertise in the language and the culture.

We also have submissions from young Australians that that is keeping them out of the industry for two reasons: one, they fill up the jobs so there are no jobs and two, they bring down the pay. There is no award in that industry, for instance, for things like tour guides and they are forcing down the pay. That is also keeping our young people out of that industry. Could you comment on that?

Mr Hagen—Townsville does not have a large Japanese representation. I would not be in a position to comment for obvious reasons. Cairns and the Gold Coast would certainly be able to supply you with far better information in that respect.

My own personal view is that there are some grounds for concern in regard in that

situation. I believe, possibly, that what is happening there is that it is purely a money making situation in relation to the duty-free shops and the tour guides that supply these types of positions. Apart from that, I am afraid I really could not give you anything further.

Mr MARTIN—Just to comment on the nursing situation from first-hand experience, in New South Wales, for example, at the moment there is a major culling exercise with some of the changes that are going on in the health system there. In fact, there is now going to be a surplus of nurses on the market. So I am not sure whether that is going to have an impact down the line in that sort of area.

On the question of job vacancies and what might be available, from your experience collectively, what is the most obvious way where working holiday-makers that come to this country get knowledge of what jobs are available in specific locations?

Mr Domelow—It has to be word of mouth, doesn't it?

Mr MARTIN—That is the most obvious, is it?

Mr Domelow—Within Australia 80 per cent of backpackers travel to places based on word of mouth. So the word of mouth is all powerful in the backpacker industry. They also find out through national papers.

Mr MARTIN—That was my next question.

Mr Gardner—I carry a harvest guide that the CES provides that should give the backpacker some indication of where fruit picking is available around the country. That is sponsored by Greyhound—

Mr Hagen—And the time of the year.

Mr Gardner—And the time of the year and where it is and what to do. We certainly make a point of letting them know that the CES can help. There is an article there. So the CES is referred to. The taxation people advertise on the condition that they get an article every time pointing out the tax liabilities of the backpackers in Australia. I must admit I do get the odd time when I place an ad and I feel that some of these backpacker operations may not have work. I query them on that.

Mr MARTIN—Just to clarify, you are referring to advertisements that are in a backpacker magazine that you produce?

Mr Gardner—I do.

Mr MARTIN—And you take advertisements from the CES and the Taxation

Office which point out what vacancies—

Mr Gardner—CES does not advertise but the tax people do.

Mr MARTIN—Tax advertises and says that there are certain requirements and so on for people if they work. For the CES you carry—

Mr Gardner—An article.

Mr MARTIN—An article that is in there, and you also carry in the case of agricultural opportunities, seasonality and crops that might be available and where there might be work available. So that is in the magazine that you publish?

Mr Gardner—That is included, yes.

Mr MARTIN—You also receive paid ads from—

Mr Gardner—Most of the fruit-picking areas. Albury-Wodonga starts shortly, Griffith—all those areas are coming on line shortly.

Mr MARTIN—Okay, and what you are saying though is that in some cases you are not 100 per cent sure that what they are actually saying—

Mr Gardner—I know their seasons. I ask them and I say, ‘Are you sure you’ve got work’, and they might say, ‘Oh, look, in about two weeks time I will have work.’ Because the shelf life for this magazine is two months I will carry the ad. If we get a lot of complaints we go back to them and say, ‘Look, I am sorry, but we are getting a lot of letters complaining,’ and generally they toe the line.

Mr MARTIN—Are the complaints that you would hear limited only to people turning up to locations and finding out that the opportunity is not there?

Mr Gardner—That there is no work? Yes, what happens then, particularly in the Bundaberg area or the big fruit-growing areas, is when you go back and say, ‘Look, I have to tell you I’ve got a letter from a group of backpackers’—and it is generally not one backpacker it might be 10—they say, ‘Yes, but we had unseasonable rain.’ As far as I know I go as far as I can and then sometimes I go through to the Fruit Growers Association and say, ‘What’s the truth?’ Then I go back to the backpacker operator and say, ‘Hey, come on,’ and they generally toe the line.

Mr MARTIN—So the ads that we are talking about—

Mr Gardner—Are guaranteed work ads.

Mr MARTIN—Yes, but they are ads that are placed by backpacker hostels in the main?

Mr Gardner—Yes.

Mr MARTIN—That are suggesting that there is work available in that area and they are looking for people now, and if they come and stay in that hostel they will guarantee some work opportunities for people. And you are finding that is not the case, in some cases?

Mr Gardner—Yes. It is not very often. They are wasting their advertising if that is the case.

Mr MARTIN—Do any of you also hear about cases where backpackers are being taken advantage of, in terms of wage rates and conditions and so on, if they want the job?

Mr Gardner—I get letters of complaint sometimes.

Mr MARTIN—Not very often?

Mr Gardner—It is mainly that ‘we went there and there was no work’.

Mr Domelow—I have lived for 10 years on Magnetic Island, which is very much a backpackers’ haven. In all that time I have never had any complaints about it. I own the supermarket on the island there, and I have never had any of those sorts of complaints to date.

Mr MARTIN—About exploitation of the workers because of the circumstances that they are in?

Mr Domelow—No.

Mr MARTIN—Have you come across any concerns from the backpacker market that they have to rely on charity as a result of turning up in locations and finding work not available?

Mr Domelow—This is the first I have ever heard of it.

Mr Hagen—I have never heard of that.

Mr Domelow—For what it is worth, I have a daughter who is 19 now. As I say, she is a resident of the island. She spends her weekends on the island because she goes to college. For four years, since she was 15, and even now at 19, the backpacker places have been very keen to have Melissa work for them. And that is local. So you have there the

backpacker places chasing locals to actually work for them, as opposed to backpackers.

Mr MARTIN—Have the backpacker hostels, as they exist currently around Australia, formed any sort of an organisation? Is there a voice that speaks on behalf of the industry at all?

Mr Hagen—There is an organisation in Western Australia. There is one in New South Wales. I think there is one in Tasmania. Queensland as such does not have an industry organisation. Most of the inquiries coming through the industry would come through either the YHA hostels, if it is a YHA hostel, or through BRA-VIP if it is a BRA hostel. The independent hostels of those organisations do not have a voice as such.

Mr MARTIN—Is that a problem in the industry?

Mr Hagen—I believe so. I, in company with others, have been trying to see if we can do something in Queensland at least to try and have one voice within the industry. We have gone so far in the northern region as to provide our own committee, but it works under the auspices of Townsville Enterprise. I do believe there is a crying need for an industry organisation so that they can put their voice or their concerns to government or wherever necessary.

Mr MARTIN—So a national organisation would certainly meet those concerns?

Mr Hagen—I think a national organisation with state representation would be the ideal, if it could be done. The backpacking industry as such, whilst it has grown, has grown like Topsy. It is a very fragmented organisation and it is something really that does need to be addressed, I feel.

Senator TIERNEY—Senator Troeth and I have been on a number of inquiries relating to unemployment around the country, and I would just like to focus on some aspects of that as they apply to this scheme and to regional unemployment in this area. The unemployment rate, we heard, generally was about nine or 10 per cent. Is that right?

Mr Hagen—I think it is about nine percent.

Senator TIERNEY—We could not pick up a figure earlier for youth unemployment in the Townsville area.

Mr Hagen—That I could not give you; I am sorry.

Senator TIERNEY—We also heard earlier that some of these jobs that people on working holidays pick up, local people are not prepared to pick up. Could you give us some perspective on that?

Mr Hagen—My experience has been, in the places that I have operated within the backpacker environment, that the type of work that is offering in most cases does revert to the unskilled labouring jobs where it could be on a building site, a banana farm, a pineapple farm—any type of agricultural type employment. It appears that a lot of local people do not want to be involved in the heavier manual type work. Backpackers are prepared to do it even though they may be skilled or qualified in other areas. They are prepared to do it because they obviously want the money to enable them to partake in some of the activities that they have come out here to do, thus preserving, I guess, some of their own capital that they come in with.

I do not know why the locals don't. There are a certain number of locals—don't get me wrong—that are prepared to go out and do that work, especially when the mango season comes on or with the pineapple picking or banana picking and that sort of thing, but I do not think there are enough of them that are prepared to do it. That is why we have this requirement for the backpacking industry to fulfil some of those areas.

Mr Domelow—I think one could also argue that a lot of the work that is available, certainly in the picking area, is short term and suits the backpacker way of life more than it might suit the local way of life.

Mr Gardner—If I could comment just briefly, nurses were mentioned earlier, and the jobs that obviously concern this committee. With the nurses, I do believe there was a shortfall in Australia. For a limited time the temp agencies would phone me and say, 'Look, we're desperate for nurses; we must have nurses and we can't get them.' So whatever the glitch was, somewhere in Australia we never trained nurses. If we are catching up with that, that is fine. There are 92 vacancies for nurses in Darwin right now, so obviously we have not trained our nurses, and that is why we have got this situation.

Second to that, as I track I probably talk to more backpacker operators around the country than anyone in the nation. As I track around, I find that if there is a requirement for office work it is because dad might run a plumbing show; mum used to come in and do the books; they are 50; she does not know how to work the computer. As the young Australians come up through the ranks and become computer literate, these young 25-year-old English girls that make the computer talk are what they want in the short term. As time goes by our kids that are computer literate will take those jobs, but they have not got the jobs for them at the moment because if you are computer literate you have got a job down the road. You are doing that job. It is probably just that mum, who might have filled in for the office girl for a month, has gone. That is as best as I can track it. That will change.

Senator TIERNEY—Do you find you have a floating youth unemployed population? We have found in other pleasant locations along the coast that people will be moving up from cities and, if they are unemployed, it would be a pleasant place to live.

Mr Gardner—Especially on Magnetic Island.

Mr Hagen—But you do; you get a group of people up during the winter season. You get a drift of people up to the north, and obviously it is mostly for climatic reasons where they are seeking part-time and temporary work. They usually return pretty close to Christmas.

Senator TIERNEY—So if we can turn to the working holiday-makers, what sort of occupations do they tend to pick up short term in the Townsville area?

Mr Hagen—Townsville itself? It is within the industry to some extent, and that could involve reception, it could involve cleaning. When we were operating our own cafeteria they used to come in and do relief work in the cafeteria if we had somebody going on holidays. The same thing in our service station; if we had a lass going on holidays for four weeks we would find that a backpacker would be quite happy to fill in that job.

The other one, basically I think, is building sites. You find a lot of them find jobs on building sites, especially if there is a large undertaking going on. If this Korea Zinc thing comes up, that is going to involve a lot of jobs, and I think there will probably be work for people along those lines as trades assistants and that sort of thing, but mostly manual.

Mr Domelow—As far as our organisation is concerned on the island, we would be lucky to have 10 per cent of our applicants who come to us for work to be backpackers or people who are mobile. Over 90 per cent of our applications are locals. We do not see a great deal of demand. Retail is a fairly easy job to undertake and I would expect to see more, but we do not.

Senator TIERNEY—The sorts of jobs you are describing, Mr Hagen, as the typical run of jobs that young unemployed people who have low levels of skills might seek, is there a preference for overseas people because they work harder? Why aren't the local younger people picking up these jobs?

Mr Hagen—I guess there are varying numbers of reasons, but I think primarily a lot of them have drifted into a no-work situation. I think they are quite happy to sit back and not want to work. The offers are there; the CES have any number of jobs on their boards. Why they don't take them up, I'm sorry, I can't answer that. It is something that is beyond me.

Senator TIERNEY—The people who do come in on these working holiday arrangements, is there any disadvantage for Townsville being such a centre for this sort of thing, or do you think it is a positive spin-off to the local economy and culture?

Mr Domelow—I would argue that we are not a centre for employment of these people—

Senator TIERNEY—In the broader region. Let us put it that way.

Mr Hagen—We are more referrers. In Townsville we are more referrers because the Burdekin is quite a large vegetable growing area at this time of the year.

Senator TIERNEY—Let us talk about the region.

Mr Hagen—So we are virtually referring people to the northern part of the region for banana picking and fruit picking. We are referring people to the Burdekin and Bowen for vegetable picking and so on. Townsville itself is not a great employer of working holiday people. We are more of a referral.

Mr Domelow—The Townsville region probably benefits a little bit from the backpackers working elsewhere and coming and spending their money. But, in all honesty, that is probably the situation. It is hard to quantify but, just based on observation, you would have to say that that is the case.

Mr Gardner—I can tell you of a benefit that I have received. I managed a large printing and stationery division some years ago. Every time a young German would come in—unbeknown to me, I did not know the full implications of the working visas—I would always give them a couple of weeks' work because they were skilled in the latest technologies. The Heidelberg printing press is made in Germany. I would stand all my printers around while they passed on the latest skills to them. Two weeks later when they left my work force was much better trained. I probably should not admit to that.

I knew nothing of work visas or anything. I must admit that was many years ago, but these were the sorts of backpackers that I was more than pleased to see. The training skills that they passed on were certainly very beneficial to my people. Up in the north here we do not get the opportunity to get away for the training schools that you have in the capital cities. So that was maybe a benefit.

Senator TROETH—Mr Hagen, I was interested in your comments about the long delays that people experience once they have applied for a visa. Have you got any evidence to support that?

Mr Hagen—Word of mouth.

Senator TROETH—Word of mouth—from the people who arrived here?

Mr Hagen—From the people involved. When you speak to these people, that is one of the things that does come up frequently—the length of time that it takes for those

visa applications to be approved and to come through. Whether that is to gradually fill a backlog of applications I am not sure, but that is one of the things that was mentioned.

Mr Domelow—As recently as last night I had a meeting on the island with a group of agents from Switzerland. The first thing that one of them said to me about the backpacking side of it was that it was so difficult to get a visa to come to this country.

Senator TROETH—Is that at the point of issue, in Australia House, or the embassy?

Mr Domelow—That was within Switzerland.

Senator TROETH—Where would they be issued in Switzerland? Would it be at the embassy?

Mr Domelow—I honestly do not know. All I can relay to you is her comment last night.

Senator TROETH—What about the costs of getting a working holiday-makers visa, do you have many comments on that?

Mr Hagen—That is one of the concerns. Only yesterday, one of the English chappies who came out here straight into Perth said it cost him £68, which I did a quick conversion on there you might notice, to actually obtain his working holiday visa. Then there was another \$20 once he entered the country. He seemed to think that he could travel in a lot of other countries, and I guess he was probably referring more to Europe, where you can apply for your visa, go in, have 90 days residency and it is at no cost to you. That is as it applies to an English passport. I think that that is an EU passport now, is it not?

Senator TROETH—Yes. You also mentioned the fact that the visa takes effect from when it is issued so that if there is a delay in the working holiday-maker getting here, they feel perhaps that they are losing time and that they will run out of time to actually work when they get here. Is that a common complaint?

Mr Hagen—That is a concern. The FIT, or free and independent traveller as we refer to a backpacker, is a creature of no defined itinerary. They will wander from place to place and they will pick up with people and tend to tag along in a group of three or four or something like that. Their intention, when they leave England, for instance, may be good, but they find that they get caught up along the way in India, Bali or Thailand or somewhere like that and eventually they arrive in Australia. By that time three or six months or more could have passed. So, in effect, their working holiday visa is not an effective 12 months.

Senator TROETH—So if they wanted to use it then they would choose to work for three months out of the six months that they had left here?

Mr Hagen—Yes. If you look at other countries, and I am specifically referring to the Asian countries, the opportunities for work there are very limited because of the high level of population. However, they know they can come to Australia and they do come to a friendly atmosphere where they can speak the native tongue without any problem. Therefore, they are more inclined to seek work in a country of this nature. Because of the size and vastness of Australia it takes them quite a long time to travel the usual backpacker routes. If they were stop and work for a short period it is going to bite into the time that they have available within Australia for their touring. That was one of the reasons that was put to me was why they would like to see the immigration people stamp on their arrival in Australia that the working visa commences as from now.

Senator TROETH—Right. Do you have any evidence to suggest that there is a heavy workload for the issuing officers at the point of issue? If there are long delays in the issuing of the visa, does this mean that there may be too much bureaucracy or too much paperwork attached to it? Have you had any comments about that?

Mr Hagen—No specific comments in relation to the staffing or the efficiency of the people in Australia House, although I believe there are a couple of issuing offices in the UK. That is something that would have to be followed through on official lines, I would imagine.

Senator TROETH—Thank you.

Ms GAMBARO—You mentioned in your submission that the three-month working period is a bit restrictive and you would like to see some changes there. What would you advocate would be a reasonable amount of time for people to actually work?

Mr Hagen—I have spoken with a percentage of the actual working holiday visa holders, and they feel that three months is too restrictive in one area because, firstly, it does not give them the time to actively seek a reasonable period of employment. They may fit into a situation where somebody wants them for four weeks or six weeks or something like that. That does not fulfil the full three month obligation but it gives them an opportunity to work for a longer period so that when they do take their holiday they can take it for a longer period.

I did suggest that six months was the period that came up most frequently in my discussions with backpackers. Then if they are here for the 12 months they have that other six months to do their travelling instead of having to work for, say, six or eight weeks in one place and then moving along to somewhere else and having to work for another six or eight weeks. It breaks up their actual touring time. As you will appreciate, with the vastness of distances in Australia most of them travel by coach or three or four of them

band together and buy a motor car. They need that time to move through the country as a whole. A lot of them are only doing a once up in Australia so they want to see as much as they can while they can.

Ms GAMBARO—We asked this question today: do backpackers travel in groups or do they travel mainly alone? Do you have any figures that relate to their travelling patterns? Do they travel on their own?

Mr Hagen—No physical figures as such, except that when they come to check in at reception you will find mostly that there are three or four in a group. They may start out singly but they pick one another up along the way; they become kindred spirits. You probably end up with three or four people with a similar outlook on life, as far as what they want to do, what they want to see and so on. They will band together and they will stay together for a period of time. Then they may drop off one and pick up another and so on. On an average, yes, you are looking at three or four people, although there is the independent who likes to do his or her own thing.

Mr Domelow—There are some efficiencies in travelling together; they get to share one loaf of bread between four, or they share a car together. I know it sounds very basic.

Ms GAMBARO—Sheraton Breakwater Hotel said in one of their submissions that they were not likely to use working holiday makers because by the time they train them up it is not cost effective. Do you have figures that show, or does your experience show, that working holiday makers tend to work for independent people like yourselves versus say large hotel groups or corporations? Do you have any experience in that regard? Who do they tend to work for? I know that this hotel found that it was cost ineffective.

Mr Hagen—The likes of the Sheraton have a very intensive training program. They take on their staff and they may not even do any work for the first three or four days they are there because they are on familiarisation, and that sort of thing, in the various departments. Then they move into this training area and they actually move through that over a period of time. They spend all this time and effort training somebody, say, over a period of six to eight weeks, and then in another four weeks time they are going to have to leave because the work restraint is there. They cannot work for any one employer anymore than three months.

Mr Domelow—The accommodation houses are, as it is, critical of their staff turnover situation and are not happy with it so to pursue the more itinerant backpacker would certainly not meet their requirements in terms of trying to encourage staff to stay longer. It is in their best interests that they have staff that are more permanent.

Ms GAMBARO—Seeing that Sheraton is a worldwide organisation, do you see any benefits internationally if we had a working holiday training program internationally? A Sheraton, say, in an overseas country could work with an Australian Sheraton and have

people work for the three months. Do you see any benefits in that? It is probably a bit outside the inquiry, but just as an international understanding thing.

Mr Hagen—I cannot speak for the Sheraton, even though I know their human resources manager quite well, but I could probably see some benefit there, especially with Sheraton ITT Pacific because they are actually dealing with all the South-East Asian and Pacific Sheratons. Somebody who worked in Thailand or who was a Thai could come out here and spend three months in Australia learning the—

Ms GAMBARO—The printing example got me going on this. I think it was quite interesting.

Mr Hagen—I think the same thing applies, although they probably do already have interchanges.

Senator TROETH—So there is transfer between international chains in that way?

Mr Hagen—I would imagine they would have that, yes.

Senator STOTT DESPOJA—In relation to Mr Martin's questions about complaints, I think there was general agreement for the idea of some kind of industry voice. Looking at that conversely, I am just wondering about avenues for complaint for the people on working holiday visas. I imagine that you have become, by default, one of the only complaints mechanisms that they have, Mr Gardner.

Mr Gardner—I think I am.

Mr Hagen—To my knowledge there isn't any, unless they go directly to Immigration. The only other thing I could say is that we become the sounding boards for it, I guess, because they come to us; If they have a whinge they will come and tell us about it.

Senator STOTT DESPOJA—But you do not have any formal mechanisms that they can lodge complaints, do you? Do you think perhaps government has a role or there should be some role within the industry to create such mechanisms or avenues for complaint?

Mr Hagen—If a person has a genuine complaint they should take it to Immigration, I guess, unless there is somebody else I do not know about that specifically handles that type of thing within government. The complaints are not that many.

Mr Gardner—The letters I get are from disgruntled girls being offered hostesses jobs on the sailing boats in the Whitsundays or cooks jobs up in the Gulf and all those sorts of things. I think that is just people.

Mr Hagen—That can happen.

CHAIR—Can you expand on that a bit?

Senator STOTT DESPOJA—Can you also specify the age range. I ceased to consider myself a girl at 18. Are we talking about people in their 20s?

Mr Gardner—The letters of complaint I get are letters of complaints from women who are backpackers. They write to me and sometimes I get phone calls. Some of them are so distressed and speaking in their own language so that I cannot possibly understand what they are saying. They have had a bad experience. Generally, it might be a situation where someone has put a sign up on a board saying, 'I need a hostess on a boat.' Well they do not want a hostess. Once they get on a boat it is obvious they want something else. But there is not a great deal of that. The girls are grown women and they sort of understand it. As you said, the only sounding board they have probably got is to give a letter to me or someone, and I look at it and think, 'What am I going to do with that?'

Senator STOTT DESPOJA—I do wonder if there is a catch-22. Mr Martin used the example of exploitation or labour problems or turning up for jobs that do not exist. But you have just provided another angle. I am just wondering if there are complaints out there that are not being heard because people are not aware of the sounding board.

Mr Gardner—The girls talk a lot amongst themselves, there is no doubt about that.

Mr Domelow—The word of mouth is so powerful—and that is in the research. But one would suggest that the backpacker market, which as far as I am concerned represents 10 per cent of tourism dollars, should be starting to become an organised force and maybe with some self-regulation there as well. I do not think anyone would argue with that.

Mr Hagen—We have had situations occur where we have had a trawler owner, say, come in and ask for a cook for their prawn trawler. That girl has gone out there on a trip and come back within five or six days or something like that and said, 'I wouldn't go out there again and I wouldn't recommend anybody go out on that boat again.' If that guy came to us and asked for us to supply him with another backpacker who may be prepared to go out and do that we would immediately put him on the black list.

We did have an occasion some months back where a particular farmer just north of here who grew pineapples asked for two girls to go out there, which they did. We referred these two girls to him. They stayed out there for, I think, one day overnight. The accommodation that he provided for them was in an old battered caravan that had no windows or anything like that in it and he was virtually attempting to harass them. He immediately went on the black list. So if you are looking at an industry regulation, I guess it is self-regulated through the hostels against various people locally who do not treat the

backpacker correctly. He was giving the industry a bad name.

Senator TROETH—Over a period of time, how many complaints would you have had like that, just as an average?

Mr Gardner—I would average two or three phone calls a year and they are generally from the distressed ones. They are very agitated at the time. I get a few letters of complaint about not getting work in the particular areas and saying, ‘Look, I answered an ad’, and that is when I then go back. I would get about six of them, but generally that letter comes in signed by about six backpackers at the bottom. I would get two a year from girls saying that they must warn us—and they want me to publish that—that there are a couple of crazies around doing this and that, and things of that nature.

CHAIR—But you cannot actually publish it.

Mr Gardner—No, you have to be extremely careful.

CHAIR—This is worrying me, that you are getting these complaints, that these are people who worry enough to actually contact your magazine. And you are saying that there is a great word of mouth out there at this subterranean level. They are telling each other, but we need a pipeline, it seems to me, so that this becomes official. Somehow we have got to know what is happening out there. How would you see this being done? Would the industry be prepared to put any money into this, maybe as a toll-free number, or is that too expensive? How would you see that we could actually start policing this a bit better in case there are problems out there that we simply do not know about?

Mr Gardner—I hammer people as I talk to them around the country and say, ‘Come on guys, we’ve got to form an association.’ Townsville is an example of it where we got together and we attach ourselves to Townsville Enterprise. Consequently, there has been a flow of money from QTTC indirectly through TEL. The Gold Coast has formed an association and, as a response there, they dictate where they take their backpackers on a particular night. They say, ‘Right, this nightclub gets them on Monday night.’ That is good because, through that association, the nightclubs gear up and they have staff and the next night they gear down. Everyone makes a quid if you know what I mean. South Australia has formed a loose association, statewide, but they fight.

CHAIR—There must be something about South Australians.

Ms GAMBARO—The chairman is from South Australia.

Mr Gardner—Oh, right. They seem to use it as a sounding board to rip into one another. New South Wales has formed one; I know them all around the country. As a result, I wrote a letter of complaint to the QTTC and said, ‘You have enlarged your board to 10, but there is no backpacker representative.’ They said, ‘Oh, there isn’t, either.’

Considering the size of the industry in Queensland, they have since responded and we have suggested a committee. From that, we hope to form a Queensland association.

Now there are some positive things. The previous government—and we will not get into politics—had supplied \$4 million over a four-year period to do things in the backpacker industry. One of those initiatives was \$40,000 supplied to the Far North Queensland Visitors Bureau to establish a backpacker association in Cairns. Now Cairns is a very strange place, but I will not get into that as far as comparing one operator with another operator is concerned. The backpackers and the mainstream operators do not mix there, they go their own way. But anyway, there has been \$40,000, that will be, what can I say, a steering type operation.

From there, we hope that will be the blueprint for other areas around the country. But the backpacker guys just open their doors up every morning, take their people and say goodbye. They do not understand, at this stage, there are benefits by being associations attaching to other associations and eventually to government, and hopefully you guys and other departments will fund the development of this industry. It is important that we do have, because you have no-one to talk to on a national level. If you want to go and talk to an national backpacker association, who are they? That is a problem.

There is a meeting in Sydney on 20 November and we hope that will be addressed and we will form at least a steering committee. It will require funding. I have since written to the department you have combined, the Department of Industry, Science and Tourism. I have had a letter back from them to say, 'Look, we can't guarantee we would give you money but we would like to see you guys at least form an association,' and from there I have asked for seed money. They have sort of said, 'Well, maybe and maybe not.' But if we can form an association this would make it so much simpler for these sorts of inquiries.

CHAIR—I would have thought it was very necessary, because it is of benefit to the industry itself that you form this association. Let us face it, money is not coming from governments at the moment, so it is going to be back to you to form that, but it is for the protection of your own industry, so you know who the bad guys are and so you can give the information to the young people as they come here, to encourage them to come back again and tell their friends to come back. The last thing you need as an industry is bad word of mouth.

Mr Gardner—Can I relate a very brief discussion on that: QTTC years ago kept warning me of a safari operator out of Cairns that was doing absolutely the wrong thing. I think he made *Today Tonight* or one of those TV programs—they have had him on a couple of times. QTTC said, 'Now, Warren, don't advertise him.' I said, 'All right, I won't.' He phoned me and said, 'Unless you advertise me I will sue you. Have got any proof that I am doing these things?' 'No.'

Senator McKIERNAN—Would an individual be able to identify him or herself from the evidence you are now giving?

Mr Gardner—I had better stop, then, if that is the case.

Senator McKIERNAN—I am just concerned because we do have to allow natural justice to prevail and we could be opening up avenues where we invite somebody else to come and give a response and we get involved in things. I just think we would be better off on the safe side.

Mr Gardner—That is the problem I have; I will not carry advertising for the escorts. They want masseurs in Sydney; I won't carry that sort of stuff. That should be addressed by a national body, to say, 'Look, we don't want this sort of advertising,' and I will not carry that. It is obvious what they are after, but they insist they are not and they threaten me with legal action if I do not carry their ad. Well, I just do not.

CHAIR—But you do not have to carry any advertisements for any particular industry.

Mr Gardner—No, but there is restraint of trade and all that. They say, 'Well, why don't you want to put my ad in?' They frighten me enough to make—

CHAIR—I think you are fairly safe as long as you say, 'I am excluding all ads from that industry.'

Mr Gardner—Well, I do. Anyway, that is just touching on some of the things. But it is critical that a national body is formed, and I would like to see federal—

Senator TROETH—What sort of objectives would you see for that national body, apart from perhaps the warning-off and exclusion of undesirable operators?

Mr Gardner—Lobbying government, coming and knocking on the door talking to people. There has been a softening in our industry recently this year, the figures have softened, and we do not want that happening. It has been like a skyrocket every year, the backpackers. Whether it is because of the Olympics I cannot identify; I have tried to. We need lobbyists, we need someone to go and talk to the Australian Tourist Commission and say, 'We're softening, what is happening, why, what can we do?' We have got very strong feelings in our industry as to how we should promote but the Australian Tourist Commission have got another opinion.

Senator McKIERNAN—Have you got any figures on that sort of thing that you are talking about?

Mr Gardner—You have just got to talk to the operators.

Mr Hagen—Just to give you an indication, on the local scene over the last three to four months there has probably been a drop of about 15 to 20 per cent in the numbers going through here alone.

CHAIR—And we do not know why?

Mr Hagen—We have got theories on it. I do not think we can be the flavour of the month or the flavour of the year each and every year. But my own thoughts on it at this particular point in time have been that, with the Olympics in Atlanta this year, I think a lot of them, instead of coming across to Thailand, Bali and down to Australia that way, have gone the other way and they have gone to Atlanta. I know from speaking to some of the travellers that they have then travelled down through the US to South America and then are coming across back through New Zealand and then into Australia. I think Warren said to me only two days ago that there has been quite an influx through Sydney in the last couple of weeks, which would tend to indicate—although we do not know which direction they are coming from—that that thought of mine might have some substance.

Mr MARTIN—Except that, in Atlanta, they did not get the tourism boom that they anticipated.

Mr Gardner—That is probably quite so, too. We do not know what it is, that is why we need to talk to the Australian Tourist Commission. The last June arrival figures I saw showed a plus positive from the UK, from Germany, and from all our source markets—yet we are not getting them. In June, they should have showed up. Were they mums and dads? Are they packing up and going through Eastern Europe, with Eastern Europe opening up? We do not know, and we need to know. Unfortunately, the figures we get are six months down the track before we can start analysing them.

CHAIR—You do get figures. Do you get figures from the immigration department?

Mr Gardner—From the ABS and the Queensland visitor survey.

CHAIR—Are the figures that you get from the ABS sufficient for your industry?

Mr Domelow—They come too late.

CHAIR—They come too late?

Mr Domelow—Much too late.

CHAIR—If they came earlier, would they be sufficient for your industry?

Mr Domelow—They would certainly help this industry.

CHAIR—Do you need others? I ask this because I do not know if you are aware that, traditionally, tourism—being one of our bigger industries—has a very small percentage spent on it in terms of research. Compared with mining and agriculture, what is spent on research in the tourist industry is really absolutely minuscule; yet it is one of our bigger industries.

Mr Domelow—Definitely, the problem within our industry is timely information, and we are just not getting it. It makes it very difficult for planning. It makes it very difficult to respond to the market, and our response to the market tends to be more entrepreneurial because of that. Talking about numbers, Magnetic Island has a stronghold in the backpacker market. Our experience on the island is that we are doing very well indeed. We are not experiencing the downturn that is being suggested; that downturn, I understand, is occurring in other regions but it is not occurring on Magnetic Island. It might be occurring in Townsville.

One of the explanations or reasons that I would offer for that is that the backpacker market has segmented to a certain degree. You have your backpackers who are looking for, for the want of a better term, a ‘rage’, and there are those looking for a more quality outdoors experience with a more natural component in it. Those who are looking for that natural component and outdoor experience come to Townsville and to Magnetic Island. The ragers go from Cairns down to Airlie Beach, and that is the difference. They are both looking for experiences, but experiences of different kinds, and Townsville does not provide that. I would caution you about forming conclusions based on what is happening with us as against what might be happening generally in the marketplace.

CHAIR—It just reinforces the need for more information.

Mr Domelow—It does.

CHAIR—I am just stunned here today. We are talking about one of Australia’s major industries, and you are talking to me about word of mouth and anecdotal information. This is just crazy. We need very good, hard information.

Mr MARTIN—Except that it is a segment of the Australian tourism industry, and the type of person in it relies very much on word of mouth. It is the young people, isn’t it?

Mr Hagen—Yes.

Mr MARTIN—And it relies on the publications that are here and the word of mouth that you talked about in terms of the patrons that you get on Magnetic Island and so on. That is just the way it operates.

Mr Domelow—And it is a very difficult market to track. We call them a bunch of

anti-marketers, if you like. They turn against anything that is really constructively marketed towards them. The only thing that they really all go for is VB. It really is, isn't it? It is the only product. They are an interesting group of people.

Senator McKIERNAN—Of the market that we are talking about at the moment, 15 per cent is made up of working holiday visas. This is a prelude to a question. Do you think we ought to alter the objectives of that available visa class?

Mr Domelow—My answer to that is more of a general answer. As much as I suggested that 80 per cent of the people coming to this country are influenced by word of mouth as to where they go within the country, Laurie's research tabled today indicates that 90 per cent of the backpackers that come to this country are influenced to come here by word of mouth. My feeling is that, if you increased that from, say, 100 to 200, that is better than advertising overseas. I am sorry, that is the way I would answer that question, quite clearly. The more you get here and have a good time, the more are going to go back and spread the word. In fact, 90 per cent of them already do.

Mr Gardner—I am a member of a strong surf lifesaving club on Magnetic Island. We have got about 500 members. Over the years most our guys have backpacked over to Europe. They worked in Europe and that was a fine experience. They will probably go back, but we do know from the research that for these guys that come here in Australia and work it is like a good restaurant: they are going to come back again. I am meeting some of the backpackers on their third visit. They are the more wealthy ones. They are definitely going to come back to this country. They have had a great time and, as I said, it is like the good restaurant: you go back to it. We should be encouraging these people every step of the way. How we do it is just a matter of commonsense and it will fall into place.

Mr Hagen—It is very hard to market them in the conventional sense in which you would market to a tourist.

Senator McKIERNAN—No, it is the working holiday-maker I am talking about now, that discrete group that is contained within 15 per cent of the backpacker market as we know it now. It is a very distinct and discrete group. But we are running out of time—

Mr Domelow—Is that because it is restricted? Would it be more if it were not restricted?

Senator McKIERNAN—It used not to be restricted. It has been restricted from December of last year, which is a relatively short period of time, and the numbers have been increased dramatically since then, from an initial cap of 33,000 to a cap now operating at 50,000.

Mr Domelow—We are not seeing that figure increase in the marketplace yet, are

we, in the data?

Senator McKIERNAN—I have not got the figures yet. It is the objectives of the scheme: the working is incidental to the tourism.

Mr Gardner—All right, I first noticed the softening in December. That is when I first noticed softening according to the figures. I phoned them around the country and said, 'Hey, are you guys having any problem?' They told me, 'No, you're mad.' I said, 'All right, it's going to start to soften,' and then it did soften. I think there were about three months, then we had a plus—it was April; only a minor plus—and then it went back again. June, the last lot of figures I have seen, had the first really positive things that I saw. Yet it is not showing up in our bed nights around Australia. We need to get some quantitative figures. That, once again, comes back to where these figures are that come through. We get them four times a year. I phoned the other day and they said, 'Oh, we're a bit behind.' I was looking for those figures because we have got a very important conference in Sydney in November, where we hope to form a steering committee to form national bodies and state bodies. We hope that a representative of government will be there and perhaps they could give a bit of a nod that, 'Yes, we will throw some money in to see this.'

Mr MARTIN—Just on the figures again, just to clarify the source of the information that you rely on, is it the Bureau of Tourism Research, is it the Australian Bureau of Statistics or is it the department of—

Mr Domelow—It is what we call the Queensland visitors survey which is undertaken, but both forms of information.

Mr MARTIN—Is that survey undertaken by the Queensland tourism organisation, whatever it is called these days, or is it undertaken nationally?

Mr Domelow—No, it is not undertaken by the QTTC.

Mr MARTIN—It is an ATC survey.

Mr Domelow—The Queensland visitors survey is undertaken by the Queensland government, and the ABS are obviously using data which they collect from accommodation houses.

Senator TROETH—If word of mouth is such a strong way of backpackers passing the message to each other, are there negative effects of that? I am thinking about the strong media publicity given to what were loosely termed the 'backpacker murders'. That is a term that has become part of the language. Do you think that perhaps sent a bit of a downward turn through the industry?

Mr Gardner—They do not know about it.

Senator TROETH—They do not?

Mr Gardner—I would like to know whether anyone has said to Fran that they had heard about the backpacker murders and they were not coming.

Senator McKIERNAN—Mrs Ames is still here. Perhaps she would comment.

Mrs Ames—They still say that Australia is the safest place. You can get murdered anywhere if you hitchhike.

Mr Hagen—Back to your question that if there is a correlation between work and visitors to Australia, whenever it slowed down in London, imagine what would happen in the universities, because it is all word of mouth. They are all sitting around and someone says, 'I am going to Australia.' And then someone says, 'Hey, I went down the other day, and they are not going to give me a work visa.' 'Where are you going to go then?' 'I will go to the Greek Islands.' That is the correlation that I suspect started to happen. We have got no hard evidence of that. It is only a gut feeling. That is all we can work on. We have not got a tracking device.

Senator McKIERNAN—I accept what you are saying for now, but I look forward to those statistics as well. Staying with a working holiday-maker visa, do you think people see that as a system of guest workers coming to Australia just for the agricultural side of things? Is it seen as a guest worker system?

Mr Hagen—I am not quite sure. I cannot quite fit the description to that.

Mr Domelow—That they just come here to do that work?

Senator McKIERNAN—Yes.

Mr Hagen—No, they would not know what they are going to do in Australia. They are arriving right now in Sydney, and they are wondering what they are going to do. They walk in, read a couple of publications and talk to a few mates.

Mr Domelow—And that is why they are called FITs—free independent travellers. They have no plans.

Senator McKIERNAN—But if you go to your submission and the collective submissions put in by your organisations, including the survey, there was a tremendous amount of emphasis on the matter of work. But considering you are looking at backpackers, the majority of which are not allowed to work, there was an enormous emphasis—an inordinate, might I say, amount of emphasis—on the matter of work

contained both in the survey and in quite a number of the supplements that are attached to your submission.

Mr Hagen—Basically, I guess that stems from the terms of the inquiry, which is into working holiday visas. So obviously we directed a lot of our attention to that specific area.

The other thing I feel about that is that, if we can increase the number of working holiday visas, or if we remove the cap altogether, it will encourage more people to seek Australia as a place to visit. But the primary purpose is still to see Australia. The working holiday is a component of that that enables them to see more of Australia than they would normally be able to see with the financial capacity available to them without the work.

Senator McKIERNAN—You mentioned earlier referring people to somebody else. How do you check whether a person is legally entitled to work or not, when you are doing the referral?

Mr Hagen—Having a look at the holiday visas in their passports.

Senator McKIERNAN—You do check on that?

Mr Hagen—Yes. We will not employ anybody unless we sight their passport and we actually specifically sight the work holiday visa authority.

Senator McKIERNAN—Could anything be done at a governmental or departmental level to make that checking any easier for you? Is there any difficulty with the current system of checking?

Mr Hagen—No, not really, I do not think. It is quite simple.

Senator McKIERNAN—The matter of taxation has been somewhat of an issue—I will not say a main issue—in the inquiry so far. I noted in your paper, Mr Gardner, that there is some information on the matter of tax. It seemed to me that it is quite a simple explanation of what is required in the taxation area. Do any of your witnesses here today know of any difficulties in the area of taxation with the working holiday-makers, rather than the backpackers?

Mr Hagen—Our own experience is that the first thing we say to them is, ‘Do you have a work visa?’ If they say yes, then we look at their passport, take a photocopy of the relevant section in the passport, and put it on file. We then ask them if they have a taxation employment number. If they say no, it is only a matter of going up to the Taxation Office and it is issued within a very short space of time. If they have it, we ask to see it and take it from there.

Senator STOTT DESPOJA—Mr Hagen, you referred earlier to the Century Zinc proposal. You seemed to indicate that that would be a source of work for people on working holiday visas. Is that the case? Would you see a considerable number of jobs opening up in that sort of construction field?

Mr Hagen—In the short term I think there would be areas where unskilled labour would be required, or even some skilled labour to some extent. When you get an area such as Townsville where you have a large undertaking going on it will attract people from other areas. Not only will it attract the holiday maker who happens to be passing through here at that particular time, because he or she would not know bee from bull's foot about a Korea Zinc thing starting up, but I believe there would be Australians up there taking those jobs as well.

Mr MARTIN—On the Century Zinc thing, and so on—

Mr Domelow—There is Korea Zinc or Century Zinc. You need to—

Mr MARTIN—The processing plant you are talking about here—

Mr Domelow—Korea Zinc.

Mr MARTIN—Talking about the opportunity for holiday people, who have working visas or whatever, to take advantage of that would seem to be a major problem in terms of employment of locals. If you are talking about a major new industrial development that is going to happen at your city which everybody is hanging out for, would people see some conflict between holiday-makers coming in and taking short term, even unskilled, jobs and locals who are looking for employment opportunities?

Mr Hagen—Firstly, I think it would apply only in the construction stage. As I said, I believe Australians would be drawn to it probably more than overseas holiday-makers who would not know that that was going to happen in Townsville in X number of months or whenever. So I do not think an Australian would be denied a job because a holiday-maker happened to be here at that time.

Mr MARTIN—The second obvious question is that with the development that is going to take place here, I presume it is going to have a unionised work force. How do backpackers get on in having to join a union? Are they required to do so?

Mr Hagen—It depends on the employer. If the employer is abiding by the award they work under, I would hope that there would have to be a ticket taken out to cover those people.

Mr MARTIN—Thank you.

Mr Domelow—If I can make a comment on that, in my opinion if there are going to be any jobs available from Korea Zinc it will not be directly with Korea Zinc, it will be downstream. My last point on that is that, if the jobs are there, if the Australian is better qualified than the visitor and in a better position to work the hours or the length of time required, then as an employer I would certainly prefer to employ the Australian. It is a competitive situation, isn't it?

Mr MARTIN—Yes, but to some extent it gets away from the concept of the sort of working opportunities that backpackers who hold the appropriate visa might be looking for, does it not? We are talking about the opportunity to go fruit picking or into other agricultural pursuits for a few days or a few weeks, getting enough money together and going somewhere else. If you are talking about a major development for Townsville, you are really going to say you want pretty much a stable work force, aren't you?

Mr Domelow—Yes, absolutely.

Mr MARTIN—Okay. Thanks.

CHAIR—If we have any more questions, the secretary will write to you. Thank you very much for your time today, we do appreciate it.

Resolved:

That this committee authorises publication of the evidence given before it at public hearing this day.

Committee adjourned at 11.56 a.m.