

MADEC Submission

To

Senate Employment, Workplace Relations and Education References Committee

INQUIRY INTO PACIFIC REGION SEASONAL CONTRACT LABOUR

About MADEC

MADEC is a Not for Profit organisation established in 1970 as an alternative education provider, during the 1980's this was expanded to include a diverse range of projects and programs including Commonwealth Employment Service funded initiatives, such as Skillshare and a wide range of other labour-market programs. MADEC has continued to grow providing services to its expanding communities, further consolidating its position as a major provider of community services in Australia. MADEC now operates a range of programs through its core business units of Employment Services; Education and Training, and Community Development, throughout the Sunraysia & Mid Murray regions of Victoria, the Riverland in South Australia and Wentworth and Balranald, in New South Wales.

Today MADEC's strengths lie in its history of integrated service delivery, where participant and community outcomes are realised as part of a strategically planned process. MADEC's voluntary Board of Management comprises 12 prominent members of the community who, as Directors, provide direction and guidance, based on a wealth of accumulated experiences, gained through long-term community involvement through business and social contacts. The organisation currently employs over 160 full and part time staff, spread over 13 sites in Victoria, New South Wales and South Australia and has over 50 community groups registered as Corporate Members. MADEC remains committed to retaining its links with the community at all levels, continually researching and developing new value added services, providing optimum community development, education, training and employment solutions, to meet its vision of "Community Aspirations, Community Initiatives, Community Solutions".

For the past ten years MADEC has held federal government contracts for Harvest Labour Services in Wentworth NSW and Mildura, and Swan Hill and Robinvale in Victoria, and Berri in South Australia since July 2003. The Harvest Offices work closely with local Growers to supply all their harvest labour needs. In July of 2003 MADEC commenced the inaugural National Harvest Labour Information Service (NHLIS).

The NHLIS is a federally funded government initiative which is contracted to MADEC, to match an itinerant pool of workers with a range of seasonal work Australia wide. This free of charge service mobilises people from areas which have finished harvest, to regions where harvest work is available thereby, alleviating the harvest labour problems of horticulturalists.

The NHLIS uses three key links to support the Harvest Trail;

The National Telephone Service which has a freecall number 1800 062 332. This service runs from 8am to 8pm (est) weekdays throughout the year. Call Centre Operators take calls relating to harvest labour and connect callers to appropriate Harvest Labour Offices or whoever has lodged a vacancy on the Harvest Trail Website, we currently field over 1,000 calls every week. During busy harvest times we support the local Harvest Offices by opening on weekends to encourage callers to their harvest. The NHLIS has been prominent in supporting a DEWR program of sending Text Messages to Australian jobseekers to encourage them to participate in harvest work, the first of these was held on the 12th, 15th and 16th of March 2004 when some 65,000 SMS's were sent to jobseekers in Victoria and South Australia, the NHLIS took over 5,000 calls during the period.

The Harvest Trail Website, www.jobsearch.gov.au/harvesttrail is part of the Commonwealth Government's job search website and has been significantly expanded and improved, providing comprehensive information about harvest opportunities in all states of Australia. The website enables jobseekers to look to certain states or towns, for harvest work opportunities and important information on the areas they are considering.

The National Harvest Guide, provides comprehensive information about harvest work opportunities and locations, working conditions, transport options and accommodation arrangements. This harvest guide is available free of charge, and is distributed nationally to itinerant workers, eligible jobseekers, backpackers (Working Holiday Visa holders) and "grey nomads" (a term given to retirees, holidaying around Australia). It is also available electronically on the Harvest Trail website and has become the "bible" for harvest workers throughout Australia. Included with the harvest guide is a "business card" which fits neatly in a wallet and gives jobseekers instantly, the 1800 062 332 phone number to call or the website address for the Harvest Trail.

To support the three above links MADEC has three State co-ordinators who are responsible for liaising with growers, grower associations, government agencies and Harvest Labour Providers to ascertain demands for harvest labour, and any issues which may affect the horticulture industry, in regard to employment. In order for the service to operate effectively, the NHLIS relies on receiving regular and up to date advice on how the season is progressing, when harvest is likely to begin and how many workers will be required. The state co-ordinators travel to all harvest regions annually and attend various Field Days, Conferences, Expos etc such as the recent Melbourne Backpackers Expo and the forthcoming Sydney Caravan and Camping Show to be held in Parramatta.

The NHLIS has proven to be an excellent resource for anyone looking to travel around Australia by working in the harvest labour industry. There are a number of Harvest trails which can be followed, which can result in employment all year round.

Executive Summary

It is MADEC's view that through the work of the Harvest Offices and the National Harvest Labour Information Service to attract workers to the industry, together with the availability of an additional twelve months on the Working Holiday Visa, if three months harvest work is undertaken, we have effectively addressed any perceived shortage of unskilled harvest workers.

For a Guest Worker Program to be successful a number of issues would need to be addressed: those costs to be borne by the farmer and what are claimed against the worker, logistical support, recruitment and selection, airfares, travel within Australia, accommodation, food, protective clothing, supervisor(s), training, interpreter(s) etc. All these costs are applicable, in the main you would expect growers would not be willing to pay any more than the going contract rate for workers. That said, the return to the Guest Worker must be sufficient to provide an incentive to be involved.

Introduction

Calls for the introduction of some form of Guest Worker Scheme have been around for some time, Growers often claim there is a shortage of harvest workers which is an area of considerable frustration for the National Harvest Labour Information Service and the Harvest Labour Offices as many of these vacancies, for both 'skilled' and unskilled workers, are not listed on the harvesttrail website, not only does this mean we are not given the opportunity to try and fill the vacancies, but also without a listing, there is no record of unmet need. Only last week in the Weekly Times (8/3) under the banner 'Growers admit to illegals' a local grower, is quoted as saying it is hard to find experienced labour who knew how to handle variations in the quality of the crop, whilst this is true we know for a fact that the grower did not list any vacancies with the Mildura Harvest Office.

When investigating the claims by farmers of labour shortages, Department of Employment and Workplace Relations (DEWR) and other government agencies would no doubt look at various sources of data such as the harvesttrail, to ascertain the gap between vacancies and available workers, presently they would conclude 'where is the shortfall, the data does not indicate any significant unmet need'.

This poses a problem for the industry, as mentioned there is considerable media activity initiated by Growers that they are unable to find workers, but little by way of evidence. Recently a report from a senior research fellow with Swinburne University released "A survey of growers' needs and attitudes"

to what he has called "Labour Shortages in Murray Valley Horticulture", of the 2,054 questionnaires distributed, the valid response rate was 176 which represents only 8.6%. A number of conclusions have been drawn based upon this response rate, when in fact over 90% of Growers surveyed, did not have a big enough problem sourcing labour, to bother responding.

In his media release of 1 March it states "... that until now evidence of a seasonal labour shortage was largely anecdotal. 'We'd hear growers complaining about fruit left to rot on trees because they couldn't find enough workers to do the picking but as far as we know, this is the first attempt to document or quantify the extent of the problem in a particular area'." What has this survey really changed? asking a grower a question and recording his response, isn't collecting hard data, it is still only anecdotal evidence.

He went on to discuss the performance of the Harvest Labour Offices in Swan Hill, Robinvale and Mildura in supplying labour, only 54.5% of respondents said they had used their services and of those 70.5%, or 68 growers (out of 2,054) were dissatisfied. We are aware DEWR also surveys Harvest Office client growers, we do not have access to their statistics, but are confident if they reflected badly on the services provided, we would soon be made aware of that.

Last year MADEC attended Grower meetings in Swan Hill and Tooleybuc where we heard Growers making similar comments as those mentioned in the survey, about being sent Australian jobseekers who don't want to work, when challenged, the growers admitted they had not used a Harvest Office for years. Also, because the Harvest Offices are co-located with Job Network Offices, Growers confuse the two. The fact is over 70% of the workers sourced by the Harvest Offices are backpackers and the Growers can stipulate, what type of worker they want when they register the job, so if they don't want Australian jobseekers, they won't be sent.

Guest Worker Scheme

Whilst WHM's are meeting much of the current unskilled harvest need they are 'discretionary workers', the Primary sector is competing with other industries located in more attractive areas such as tourism, for these workers. The increased interest in harvest work by Working Holiday Visa holders (WHM's) since the availability of an additional twelve month visa, (if they undertake 'harvest work' in rural and regional Australia) has been a welcome initiative by the Department of Immigration and Multicultural Affairs. As mentioned, with the exception of a few postcode anomalies, we have found unskilled labour shortages have been by in large addressed, apart from those areas without accommodation or transport to farms.

With any group or team of workers, transport, supervisor(s), interpreter(s) are relatively easy to organise. What is always difficult is appropriate, low cost accommodation, this coupled with the provision of meals, provides the organisers with considerable logistical challenges. Within the parameters proposed, at least the group should be racially and culturally compatible, making the style of food easier, but do you provide meals or also the facilities to prepare the food themselves, if so, then you need to allocate time for purchasing and places that can supply culturally acceptable produce.

Recruitment and selection of suitable workers could be left to the government of the home Country as their contribution to the program. Airfares, travel costs within Australia and food could be paid from retained wages, but some of the contract sum and either a grant or levy upon growers, would be required to meet the costs of logistical support, accommodation, supervisors, interpreter(s), protective clothing and training. It may be the 9% superannuation levy could be applied to these expenses for this class of worker.

To minimise downtime and keep the workers employed, experienced logistical support will be required, often labour is booked for a particular crop some time in advance, and later it is discovered the crop has been delayed, sometimes by weeks, due to seasonal circumstances. The Guest Workers will expect to be working as often and as long as they can and would not appreciate long breaks travelling to the next job, especially if they are paying for the cost of transport, or lost time due to inclement weather or a poorly programmed timetable.

The NFF proposed framework should make the trial more acceptable to Government, rather than say sourcing workers from China, it is providing work and importantly training, to those Pacific Rim neighbours that receive considerable foreign aid. Retaining the bulk of the wages until such time as the worker returns to their home Country and perhaps selecting candidates with strong family ties at home, should encourage their return.

Conclusion

As discussed, there are a number of issues to be considered and addressed prior to the introduction of a pilot Guest Worker program. Again we thank the Committee for this opportunity to make a submission. We look forward to continue working with the agricultural industry to help resolve labour supply issues.

Yours sincerely,

Max Polwarth,
Manager, National Harvest Labour Information Service.