

# National Farmers' Federation Discussion Paper on Migration Options to resolve Labour shortages in the agricultural industry

#### Introduction

It is well recognised that the agriculture industry is experiencing labour shortages throughout the country. Shortages are occurring for both seasonal and ongoing work. Evidence suggests that the problem is increasing as opposed to receding despite a decline in the overall employment in agriculture due to drought impacts.

The question of how to resolve labour shortages is complex and will be dependent upon a range of initiatives predominantly focused on encouraging more Australians to work in agriculture and also assist farmers in their employment practices. An additional initiative is marketing and reviewing the migration opportunities for the agriculture industry.

This discussion paper on migration options is a component of the NFF Labour Shortage Action Plan that seeks to identify the potential solutions to resolving labour shortages in the agriculture industry.

There are already a number of migration-based options to increase workforce participation in the agriculture industry.

NFF is working, in conjunction with the Department of Immigration and Multicultural and Indigenous Affairs (DIMIA), to market existing visa classes to expand the utilisation of such programs and where necessary recommend amendments to such programs.

The announcement of the skilled migration program for 2005/2006 by the Australian Government contained some positive amendments to existing schemes such as the Working Holiday Maker visa, the introduction of the regional trade skills training visa and an extension to the number of skilled migrants.

In addition to pursuing an increase in the uptake of existing migration options, NFF also proposes the introduction of a guest worker visa program. That is, a visa aimed at the temporary entry of overseas nationals to work in Australia for a short period of time in work that is classified as lesser skilled positions.

NFF seeks feedback from the agriculture industry as to the use of existing migration options, where marketing of those existing options would prove particularly valuable, are there amendments required to existing migration options and the consideration of a guest worker visa.

#### **Existing Migration Options**

There is a range of existing visa classes that are available to the agriculture industry to attract migrants to work in regional Australia. In many instances regional concessions are available that relax the eligibility requirements that would otherwise exist for the visa class.

For further information about the visa classes it is strongly recommended that farmers or farming organisations contact the NFF Immigration Adviser (on secondment from DIMIA) or their local DIMIA

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Regional Outreach Officers located in the business centres of the DIMIA office in your State or Territory.

To assist in recruitment of overseas nationals there are a number of international placement agencies and specialist Working Holiday Maker labour agencies. Working Holiday Makers represent a source of potential long term labour as they are eligible to apply for a long stay business visa to enable them to work for up to four years with the one employer. Farmers can also try the DIMIA Skills Matching Database which lists people who have applied to migrate to Australia, have skills, functional English and are looking for employment opportunities in Australia (see<u>http://www.immi.gov.au/skills/index.htm</u>)

NFF seeks feedback from farmers or farming organisations as to the success or difficulties faced with utilising existing visa classes. Feedback will assist in developing our portfolio of evidence relating to the current mechanisms that are in place for migration purposes.

Below is a brief overview of the most appropriate visa classes available. NFF encourages farmers to consider these existing options.

#### Temporary Business (Long Stay) – Visa Subclass 457

The Temporary Business (Long Stay) visa allows businesses to sponsor overseas employees to fill skilled positions for up to 4 years.

Key requirements:

- sponsored by an employer of good standing
- fill a skilled position and paid above a minimum salary (\$39,100)
- applicant has the skills and experience required for the position

All occupations in Australia are grouped into categories according to the Australian Standard Classification of Occupations (ASCO). Generally speaking, only positions which fall within ASCO groups 1-4 can be filled by an overseas worker.

**However**, there are **concessions** to these requirements for regional employers. If a Regional Certifying Body (for contact details: <u>http://www.immi.gov.au/migration/employers/certifying bodies.htm</u>) supports the employer's nomination, an overseas worker may be recruited to fill a position in a regional area that falls below the normal minimum skill or salary level. The accepted occupational range is extended to include positions that fall within ASCO groups 5 – 7. Salary levels must at least meet minimum award rates.

Agricultural positions and their relevant ASCO group are attached for further reference.

There is currently no facility to bring in overseas workers to fill lesser skilled positions ie. occupations in ASCO groups 8 and 9 eg. fruit pickers.

#### Working Holiday Maker Visa - Subclass 417

There are 18 countries that are able to access the Working Holiday Maker Visa due to reciprocal rights with Australia.

Eligibility for a Working Holiday Maker is as follows

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- aged between 18 and 30 years
- must not have dependent children
- should not work for the duration of their stay
- must not work for more than 3 months with one employer
- may study for up to 3 months during their stay

Prior to 1 November 2005, the visa is generally only available once, is valid for 12 months and may only be made from outside Australia.

However, as from 1 November 2005, Working Holiday Makers who have worked as a seasonal worker in regional Australia for a minimum of 3 months will be eligible to apply for a second Working Holiday Maker Visa. Applicants will be able to apply for the second visa while in Australia.

Evidence will be required of seasonal work such as a letter from their farming employer or completion of Form 1263 Working Holiday Visa: Employment Verification, available from the DIMIA website. The 3 months can be made up of a number of shorter periods of work.

#### Special Program – Visa Subclass 416

This visa promotes opportunities for people to experience other cultures and to enhance international relations. An approved Special Program partner, many of whom focus on agricultural placements, must nominate all persons. A list of Special Program partners is attached.

#### Occupational Trainee - Visa Subclass 442

This visa provides for entry of people who will undertake a supervised training program that is workplace-based and designed specifically to increase the visa holder's skill level in their occupation. An example of this visa exists with the tobacco growers program with Fijian tobacco farmers. Practical experience amounting to full-time work is not considered occupational training.

#### Trade Skills Training

As of 1 November 2005 the new Trades Skills Training Visa will allow overseas nationals to come to Australia to undertake a "new apprenticeship" in regional Australia.

#### Regional Sponsored Migration Scheme – Visa subclass 199 offshore and 857 onshore

The RSMS helps employers in regional areas to sponsor skilled migrants to fill full-time skilled positions that have been certified by a Regional Certifying Body as being:

- a genuine full time vacancy in a business operating in regional Australia
- is available for at least two consecutive years
- unless exceptional circumstances apply, requires qualifications equivalent to at least Australian diploma level (includes trades certificates)
- cannot reasonably be filled from the local labour market; and
- an employment contract or letter of appointment will cover the position



#### **Proposed Guest Worker Visa**

While NFF will focus on a range of solutions to go some way to resolve the particular problem of labour shortages for seasonal work, it is clear that there needs to be an additional source of labour given the general trend against working short-term manual work as unemployment continues at low levels.

NFF proposes the consideration of a new visa class, which enables temporary entry of lesser skilled overseas nationals to work for a short period of time undertaking seasonal duties on Australian farms.

NFF acknowledges that the introduction of a Guest Worker Visa requires a significant review of the impact such a concept will have of the following:

- Domestic labour
- Economic feasibility
- Risk factors
- Industry, guest workers, the Australian Government and participating countries

NFF seeks the support of the Australian Government to work cooperatively with the agriculture industry to develop a feasibility study and subsequent pilot program into the introduction of a guest worker visa.

#### Feasibility Study into the introduction of a Guest Worker Visa Program

It is recommended by NFF that a joint industry - Australian Government feasibility study be undertaken that would consider:

- The labour needs of the agriculture industry
- Identification of regional areas that will continue to experience labour shortages despite the introduction of new initiatives other than a guest worker visa program
- Review of any Australian studies or projects undertaken in respect to a guest worker visa program
- International experiences with similar schemes such as the Canadian and USA models
- Review of any international conventions on guest worker schemes
- Relationships with countries identified as potential suppliers of labour through a guest worker visa program
- Analysis of the risks associated with introducing a program including overstay problems and whether or not any model could negate or minimise those risks
- Cost benefit analysis for the agriculture industry
- Cost benefit analysis for workers selected for participation
- Cost benefit analysis for any countries selected for participation

#### Concept of a Guest Worker Visa Program

NFF outlines the following as key concepts that could define the parameters of a Guest Worker Visa:

- Guest Workers selected from Pacific Rim Countries and/or countries receiving Aid from Australia;
- Guest Workers selected from rural areas to enable rural skills gained in Australia to assist in long-term agricultural development in own country;
- Short-term stay to minimise any consideration to overstay the visa;



- Centrally coordinated body to oversee the program;
- Provision of an induction process and general training;
- Only approved farmers and/or labour agencies be able to utilise the program;
- Farmers and/or the labour agencies must comply with all Australian workplace relations laws
- Guest Workers only selected for regional areas that cannot access sufficient labour through alternative means.

#### Feedback and Discussion

NFF is coordinating an industry wide response to migration matters relating to the agricultural industry and in particular the introduction of a Guest Worker Visa program.

We seek initial feedback and information from industry at a State, regional and commodity level that covers the information on the issues addressed in this discussion paper and in particular we seek a response to the following questions:

#### Existing Migration Options

- Is the agriculture industry utilising the existing migration options effectively?
  - 1. Are you aware of any of the following visa options?
    - a) Temporary Long Stay Business (457) visa
    - b) Regional Sponsored Migration Scheme
    - c) Skill Matching Database
    - d) Working Holiday Maker visa

2. Have you ever sponsored an overseas worker via a Temporary Long Stay Business (457) visa to come to Australia to work for you?

- a) If yes, did you lodge the paperwork yourself or use the services of a solicitor/migration agent?
- b) If you did not engage the services of a solicitor/migration agent, did you lodge the application in hardcopy by mail/in person or did you lodge the application over the internet?
- c) If you lodged the application over the internet, how did you find the process and why?

3. Have you ever sponsored an overseas worker to come and work for you in Australia under the Regional Sponsored Migration Scheme?

a) How did you find the process and why?

4. Have you ever used the Skill Matching Database?

- a) When using the SMD, was it Easy/Manageable/Difficult to navigate and why?
- b) Did you find anyone in the SMD that you could sponsor to come and work for you?

5. Are there any changes that you would like to see in terms of the administration or eligibility criteria of the existing migration options?

• Are there some positive stories to use as illustrations on how the current migration options work effectively in the agriculture industry?



- Does the agriculture industry need more information and assistance from the Australian Government as to what the existing migration options are and how they operate?
  - 1. Where do you currently obtain your information about immigration?
  - 2. Do you use the DIMIA website? Is the website Easy/Manageable/Difficult to navigate?

3. Do you use the DIMIA help line? Is your question answered to your satisfaction by the call centre operator?

4. Are you aware of DIMIA's Regional Outreach Officers who are available to advise and assist regional employers over the phone, internet and on site?

5. In addition to the website, help line, Regional Outreach Officers... what other resources do you think would assist regional employers obtain information about migration options?

• Are there any changes you would like to see addressed in terms of administration or eligibility criteria in terms of the existing migration options?

#### Guest Worker Visa

- Do you agree with the introduction of a Guest Worker Visa?
- Can you provide examples of the problems facing farmers in accessing labour for seasonal work?
- What evidence is there to suggest that farmers have used all available options to attract workers but still face problems in accessing sufficient numbers?
- Can you provide evidence of the economic benefits that could be provided to Australian farmers in the use of Guest Workers?
- Would farmers be willing to pay the additional costs associated with guest workers such as airfares, accommodation, recruitment and induction training or would it be expected that those costs would be deducted off their pay?
- Is there adequate accommodation, transport and if necessary, translation services, available in regional Australia to accommodate Guest Workers?
- Do you agree with the framework proposed by the NFF for the Guest Worker Visa? If not, why not and what alternative model or concepts would you propose and why?
- Do you that it would be appropriate that Guest Workers remain in the same district for the duration of their stay in Australia or do you believe they should have the capacity to work anywhere in Australia?
- Is it preferable for the Guest Workers to be organised through a labour hire agency so that the individual farmer is not the employer or are there alternatives models that could be considered?
- Dependent upon the costs willing to be borne by farmers, is the pursuit of a guest worker visa economically viable for the Guest Worker and the Australian agriculture industry?
- Do you have any first hand evidence as to the success or otherwise of guest worker models used in other countries including Canada and USA?



It is anticipated that the information provided by industry will assist in the formulation of a Paper that can then be presented to the Australian Government and used as the basis of commencing the feasibility study and the potential introduction of a pilot program.

#### COMMENT MUST BE RECEIVED BY 31 OCTOBER 2005.

Please send material or comment to:

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# Australian Standard Classification of Occupations (ASCO)

### Agricultural Occupation List for ASCO Levels 1 – 7

Level 1

13 FARMERS AND FARM MANAGERS

131 FARMERS AND FARM MANAGERS

1311 MIXED CROP AND LIVESTOCK FARMERS 1311-11 Mixed Crop and Livestock Farmer

- 1312 LIVESTOCK FARMERS 1312-11 Mixed Livestock Farmer 1312-13 Beef Cattle Farmer 1312-15 Dairy Farmer 1312-17 Sheep Farmer 1312-19 Pig Farmer 1312-21 Poultry Farmer 1312-23 Horse Breeder 1312-25 Apiarist 1312-79 Livestock Farmers
- 1313 CROP FARMERS 1313-11 Grain, Oilseed and Pasture Grower 1313-13 Sugar Cane Grower 1313-15 Tobacco Grower 1313-17 Fruit and Nut Grower 1313-19 Vegetable Grower 1313-21 Flower Grower 1313-79 Crop Farmers

1314 AQUACULTURE FARMERS 1314-11 Aquaculture Farmer

#### Level 2

2114 ENVIRONMENTAL AND AGRICULTURAL SCIENCE PROFESSIONALS 2114-11 Environmental Research Scientist 2114-17 Soil Scientist 2114-19 Agricultural Scientist 2114-21 Agricultural Adviser 2114-79 Environmental and Agricultural Science Professionals

#### Level 3

3399 OTHER MANAGING SUPERVISORS (SALES AND SERVICE) 3399-23 Stock and Station Agent

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#### Level 4

46 SKILLED AGRICULTURAL AND HORTICULTURAL WORKERS

461 SKILLED AGRICULTURAL WORKERS

4611 FARM OVERSEERS 4611-11 Farm Overseer

4612 SHEARERS 4612-11 Shearer 4613 WOOL, HIDE AND SKIN CLASSERS 4613-11 Wool Classer 4613-13 Hide and Skin Classer

4614 ANIMAL TRAINERS 4614-11 Horse Trainer 4614-79 Animal Trainers

462 HORTICULTURAL TRADESPERSONS

4621 NURSERYPERSONS 4621-11 Nurseryperson

#### Level 5

No occupations relevant

#### Level 6

6399 OTHER INTERMEDIATE SERVICE WORKERS 6399-15 Animal Attendant 6399-17 Pest and Weed Controller

#### Level 7

711 MOBILE PLANT OPERATORS

7111 MOBILE CONSTRUCTION PLANT OPERATORS 7111-11 General Construction Plant Operator 7111-13 Bulldozer Operator 7111-15 Backhoe Operator 7111-17 Loader Operator 7111-19 Grader Operator 7111-21 Excavator Operator

7112 FORKLIFT DRIVERS 7112-11 Forklift Driver

7119 OTHER MOBILE PLANT OPERATORS 7119-11 Agricultural and Horticultural Mobile Plant Operator

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#### What is not included

Level 9

992 AGRICULTURAL AND HORTICULTURAL LABOURERS

9921 FARM HANDS 9921-11 General Farm Hand 9921-13 Fruit, Vegetable or Nut Farm Hand 9921-15 Stud Hand or Stable Hand 9921-17 Shearing Shed Hand 9921-79 Farm Hands

9922 NURSERY AND GARDEN LABOURERS 9922-11 Horticultural Nursery Assistant 9922-13 Garden Labourer

9929 OTHER AGRICULTURAL AND HORTICULTURAL LABOURERS 9929-11 Shooter-Trapper

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### <u>Special Program – Visa Subclass 416</u>

This visa promotes opportunities for people to experience other cultures and to enhance international relations. An approved Special Program partner, many of whom focus on agricultural placements, must nominate all persons. A list of Special Exchange Programs relating to the agricultural industry are:

EXCHANGE	DESCRIPTION	COUNTRIES	<b>EXCHANGE PERIOD</b>	AGE LIMIT	WEBSITE
PROGRAM		INVOLVED			
Bibber	Exchange program	Mainly USA	During the harvest period	21-35 years	www.bibber.com.au
International	in vineyards		which is from August to		
Exchange			December and can		
Program			generally only last for a		
			maximum of 3 months		
Stablemate	Exchange program	USA, South Africa,	USA: 12 months (can be	19-30 years	www.stablemate.net.au
	in the equine	Ireland, New Zealand	extended to 18 months)		
	industry		South Africa: 3-12		
			months		
Australian	Areas including,	Argentina, Brazil,	3, 6 or 12 months	18-35 years	www.agriculturalexchange.com
and	beef, cropping,	Canada, USA,			
International	dairying, fruit	Denmark, France,			
Agricultural	growing, golf	Netherlands, UK			
Exchange	course				
	maintenance,				
	greenhouses, horse				

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	breeding, horse training, parks and gardens, plant nursery, pigs, poultry, wine production				
International	Community run	Canada, Denmark,	7-12 months	19 to 28 years	www.ire.org.au
Rural	rural exchange	France, Ireland,			
Exchange	program, areas	Sweden, Switzerland,			
	including	UK, USA, Germany,			
	agriculture, equine,	Holland, Norway			
	horticulture & gold,				
	and wine			10.00	
International	Farming exchange	Austria, Belgium,	4  months - 1  year	18-30 years	http://members.ozemail.com.au/
Agricultural	program. There are	Denmark, Finland,			<u>~iaea/</u>
Exchange	five categories to	France, Germany,			
Association	choose from:	Iceland, Ireland,			
	1. Agriculture	Luxembourg,			
	2. Horticulture	Netherlands, Norway,			
	3. Home	Sweden, Switzerland,			
	Managemen	United Kingdom,			
		Japan, Canada, USA,			
	4. Agri-mix	Australia, New			
	5. Hort-mix	Zealand			



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