



Joint Standing Committee on Foreign Affairs, Defence and Trade

**Inquiry into Australia activating greater trade
and investment with Pacific island countries**

June 2020

About the Australian Fresh Produce Alliance

The Australian Fresh Produce Alliance (AFPA) is made up of Australia's key fresh produce growers and suppliers. The members include:

- Costa Group
- Perfection Fresh
- Montague
- One Harvest
- Pinata Farms
- Fresh Select
- Mackay's Banana Marketing
- Driscoll's
- 2PH Farms
- LaManna Premier Group
- Rugby Farming
- Freshmax
- Fresh Produce Group.

These businesses represent:

- half the industry turnover of the Australian fresh produce (fruit and vegetables) sector - \$4.5 billion of the \$9.1 billion total
- a quarter of the volume of fresh produce grown in Australia - 1 million of the 3.9 million tonne total
- more than a third of fresh produce exports - \$410 million of the \$1.2 billion export total
- more than 1,000 growers through commercial arrangements, and
- more than 15,000 direct employees through peak harvest, and up to 25,000 employees in the grower network.

The key issues the AFPA is focusing on include:

- packaging and the role it plays in product shelf life and reducing food waste landfill,
- labour and the need for both a permanent and temporary supply of workers,
- market access to key export markets for Australian produce,
- product integrity both within and outside of the supply chain,
- pollination and research into alternative sources, and
- water security, including clear direction as to the allocation and trading of water rights.

The AFPA's aim therefore is to become the first-choice fresh produce group that retailers and government go to for discussion and outcomes on issues involving the growing and supply of fresh produce.

Products grown by AFPA Member companies include:

Apples	Blueberries	Cherries	Nectarines	Raspberries
Apricots	Broccoli	Fioretto	Onions	Salad leaf
Asparagus	Broccolini	Green Beans	Oranges	Spinach
Avocado	Brussel Sprouts	Herbs	Peaches	Strawberries
Baby Broccoli	Butternut	Lemons	Pears	Sweet Corn
Baby Corn	Pumpkin	Lettuce	Pineapples	Table grapes
Bananas	Cabbage	Mandarins	Plums	Tomatoes
Beetroot	Cauliflower	Mango	Potatoes	Water Cress
Blackberries	Celery	Mushrooms	Cucumber	Wombok



Summary

Given that many Pacific countries are small island economies, the nature of Australia's trade and investment relationship with each country is different to many of our larger trading partners. The shape of Australia's future opportunities with Pacific Island countries will reflect the strengths and constraints of each country.

The Australian Fresh Produce Alliance strongly supports the continued development of the Seasonal Worker Program and the Pacific Labour Facility as key elements of our relationship with each Pacific Island country. These programs provide substantial benefits to both countries, their economies and the people involved across the community.

For the fresh produce sector, the Seasonal Worker Programme is a key and growing element of Australia's workforce planning. There are currently up to 12,000 people eligible to participate in the program from across the Pacific and Timor Leste. Industry has identified the immediate potential to increase the program by an additional 4,000 participants – growers and labour hire companies currently operating in the program as Approved Employers would provide the work opportunities. The Pacific Labour Facility is a smaller and newer program but employers have welcomed the strong business level support from the Australian Government appointed program managers.

Government initiatives to support trade and investment with the Pacific must be practical, pragmatic and commercially viable over the long term. The Seasonal Worker Program is an example of a program with commercial, diplomatic, economic, political and individual benefits.

Cultural awareness and sensitivity will remain a fundamental underpinning of our success with building stronger trade, investment, community, diplomatic and business relationships with Pacific Island countries. We must treat each country and its citizens respectfully and build relationships for mutual benefit over the long term.



Responses to Terms of Reference

The nature of Australia's existing trade and investment relationships with Pacific island countries and the potential that is presented by the Pacific Agreement on Closer Economic Relations Plus (PACER Plus) for enhancing those relationships;

Given that many Pacific countries are small island economies, the nature of Australia's trade and investment relationship with each country is different to many of our larger trading partners. The shape of Australia's future opportunities with Pacific Island countries will reflect the strengths and constraints of each country.

The Australian Fresh Produce Alliance strongly supports the continued development of the Seasonal Worker Program and the Pacific Labour Facility as key planks in our relationship with each Pacific Island country. These programs provide substantial benefits to both countries, their economies and the people involved across the community.

Future trade and investment opportunities should not be discounted as Australia strengthens the relationships between countries through deeper people to people links.

The opportunities to strengthen trade, investment, aid for trade and employment links between Australia and Pacific island countries and how they can be captured

For the fresh produce sector, the Seasonal Worker Programme is a key and growing element of Australia's workforce planning. There are currently up to 12,000 people eligible to participate in the program from across the Pacific and Timor Leste. Industry has identified the immediate potential to increase the program by an additional 4,000 participants – growers and labour hire companies currently operating in the program as Approved Employers would provide the work opportunities. The Pacific Labour Facility is a smaller and newer program but employers have welcomed the strong business level support from the Australian Government appointed program managers.

Moving forward it is vital that there are clearly identifiable benefits for program participants from the Pacific and their home countries, Australian employers and the broader Australian community. Given the range of sensitivities of employing foreign citizens in Australia for extended periods of time under an Australian Government program, it is vital that government and industry continue to work together to support program participants and address challenges.

Across the world, visa holders perform the harvest roles in the fruit and vegetable industry and the same is true for Australia. COVID19 and the effects of the shutdown of some industries has not increased enquiries for work from Australians. There remains a significant and ongoing opportunity for interested persons from the Pacific to work in Australia's fresh produce industry with benefits to those individuals, economic contribution to their home countries through remittances and benefit to Australia through the successful annual harvest of different fruit and vegetables.

The barriers and impediments to trade and investment between Australia and Pacific Island countries and how they can be mitigated

As small island nations, Pacific Island countries face logistical and economic challenges engaging with the global economy. Australia can play a key role in supporting Pacific Island countries through targeted engagement on areas of mutual benefit (such as tourism, worker schemes, and targeted assistance).



Government initiatives to support trade and investment with the Pacific must be practical, pragmatic and commercially viable over the long term. The Seasonal Worker Program is an example of a program with commercial, diplomatic, economic, political and individual benefits.

With regard to trade and investment opportunities, it is likely that any viable prospect will be focused on specialty crops which leverage the unique environments in the Pacific rather than broad scale cropping. There may also be opportunity for Australia to support the domestic production of key crops for domestic consumption (such as through investment, agritech, and/or expertise), assisting the food security of individual countries.

The role and effectiveness of support structures and networks, including government, business, sport, Pacific diaspora communities in Australia, and areas of civil society, and how they can assist with identifying and capturing trade and investment opportunities for Australia and Pacific island countries

Support structures and networks are vitally important to support the cross-cultural interaction between Australia and Pacific Island countries. The 'pastoral care' requirements of the Seasonal Worker Program and Pacific Labour Facility are key to the success of the programs. The 'pastoral care' requirements provide support for the individual program participants and ensure they are supported in their adjustment to new working and living conditions within Australia.

Employers under the programs have highlighted that community networks such as sport and religion can be key to supporting the adjustment of individuals working in Australia. There remains scope to better understand the opportunity to expand country to country linkages through sport, civil society and other community engagements.

The views, norms and cultural practices relating to trade and investment in Australia and Pacific island countries and how differences can be accommodated.

Cultural awareness and sensitivity will remain a fundamental underpinning of our success with building stronger trade, investment, community, diplomatic and business relationships with Pacific Island countries. We must treat each country and its citizens respectfully and build relationships for mutual benefit over the long term.

