



Employment White Paper Consultation

Submission on the Terms of Reference

November 2022



**Australian
Fresh Produce
Alliance**

Growing a
healthier Australia

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
- Australian Produce Partners
- Premier Fresh Australia
- 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 tonnes,
- 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

Australia is currently experiencing the lowest unemployment rate in 48 years. As a result of low unemployment, there is a significant shortage and volatility in people available to work. The horticulture industry has reported workforce shortages over a number of years, with the COVID 19 pandemic related border closures exacerbating industry challenges. Notwithstanding the specific challenges in the horticulture industry, workforce shortages are now being experienced across all industries and locations.

Despite ongoing workforce challenges in the sector, which invariably will increase costs and reduce productivity, the fresh produce industry has continued to provide fresh fruit and vegetables to Australians. Within the agriculture sector, the fresh produce or horticulture industry is the fastest growing sector, and along with the meat processing industry, is the most significant employer within agriculture and food.

Sustaining Australia's fresh produce supply and the sector's growth requires a more concentrated effort on the development of the sector's workforce. To support the long-term viability of the industry, the AFPA are focused on five key elements of developing our workforce:

1. Employing Australians
2. Skilling Australians
3. Supporting horticulture employers and Small to Medium Enterprises (SMEs)
4. Expanding and improving the Pacific Australia Labour Mobility Scheme
5. Ongoing development and improvement of visa pathways

As industry continues to grow, both in terms of increased production and value, so too does the workforce demand across all skill levels. Members of the AFPA seek to employ and skill more Australians in the industry, as it is essential to sustaining the future of food production in Australia. The horticulture industry, and in particular roles within the harvest workforce, are often associated as a pathway for unemployed Australians to return to work. Government support for programs, developed with employers, that provide a graduated return to work pathway would be welcomed. However, noting the current low levels of unemployment, success in this space must reflect the smaller number of candidates and their ongoing success in the workforce, which will have longer term benefits for individuals and employers.

There is a growing demand for more skilled workers in fresh produce businesses, including technical, managerial, and administrative roles. These are typically long-term, full-time roles held by Australians and permanent residents in regional communities. The fresh produce sector is finding it increasingly challenging to meet its skilled workforce requirements. A report by Food Innovation Australia finds the agriculture workforce needs substantially stronger technical skills (+21 per cent) and managerial skills (+11 per cent) by 2025 to facilitate the sector's continued growth and competitiveness. The AFPA seeks to work with government to employ and skill more Australians through the development of long-term strategies that focus on sustained growth of the workforce.

As of June 2021, the Australian Bureau of Statistics estimate there are around 19,000 fruit, vegetable and nut growing businesses, with over half (11,937) turning over less than \$200k per annum. These figures indicate that while there are a large number of horticulture businesses in Australia, most of these businesses would be considered SMEs. Improving the broader operating environment, as well as providing support for these SMEs to be best practice employers is important to the sector's broader workforce development. The introduction of a National Labour Hire Licensing Scheme and increased funding to the Fair Work Ombudsman to support its enforcement and education work will also support the horticulture industry and employees within the sector. More broadly, Government programs, developed with industry, would be welcomed to deliver improved support for horticulture SMEs and build better employment opportunities and pathways within the sector.

Migration will continue to play a key role in the horticulture industry. The expansion of the Pacific Australia Labour Mobility (PALM) scheme over recent years, from 8,000 workers to 20,000 workers in the horticulture industry, demonstrates the importance of migrant workers to the sector, but also how a well-

regulated, purposeful immigration program can support the economy. The continued expansion of the PALM scheme, coupled with a review of the industry's visa framework is critical to ensure that the industry is able to access the right programs and people to support ongoing industry growth, and importantly, continue to provide Australians with fresh fruit and vegetables.

Industry supports the introduction of a Harvest Work Visa (HWV) that complements the PALM scheme and other existing visa pathways including the Horticulture Industry Labour Agreement (HILA) and Temporary Skills Shortage (TSS) pathways. Acknowledging the need for migrant workers in the sector, a fit for purpose visa framework that offers appropriate pathways, protections and regulations is an important way forward in both addressing current workforce shortages, enabling workforce planning and filling skills gaps.

While outside of the scope of the Terms of Reference, regional infrastructure, in particular a lack of access to suitable accommodation is a key limiting factor for industry's workforce development and the ability to provide employment opportunities. Accommodation shortages and the rising cost of accommodation in regional and rural Australia is a major inhibitor to attracting workers to the horticulture industry. While accommodation challenges are being experienced across Australia, the shortages in regional areas has been exacerbated by the increased movement of people during the COVID-19 pandemic from metropolitan cities to regional locations, who (in the majority) maintained their metropolitan (remote) work. While easing, net migration to regions remains 30.2 per cent higher than two years prior to COVID-19. This has resulted in increasing house values and pressure on the rental market. Housing temporary harvest workers is a particular challenge in many growing regions. Solutions to the accommodation challenges in the horticulture sector must be nuanced and focus on delivering scaled, affordable and fit for purpose accommodation.

While there is no simple solution for the workforce challenges that the fresh produce industry and wider Australian economy face, it is important that industry and Government work closely together on a broad approach to recruiting, training, skilling and retaining workers. Supporting employers to improve employment opportunities within the horticulture industry will support improved outcomes for workers and ensure the ongoing access to fresh fruit and vegetables for all Australians.

Areas of focus and recommendations

1. Employing Australians

That Government:

- work with employers, including within the fresh produce sector, operating in regions of high unemployment to develop support programs for small cohorts of long-term unemployed Australians to re-join the workforce, with the outcome being to support candidates in work over the long term.
- work with industry on solutions to overcome the accommodation shortage within key growing regions, including:
 - exploring and facilitating opportunities to support industry to work with/partner with developers to either construct multiple purpose accommodation (e.g. tourism/workforce) or consider long term lease agreements for certain periods of the year
 - incentivising investment in construction of accommodation from industry and others in regions

2. Skilling Australians

That Government:

- work with industry to develop, support, and investment in:
 - a Horticulture Careers for Young Australians program – a program that supports employers to develop trainee roles in the sector across technical skills sets (quality assurance, machinery operators and irrigation technologists)
 - a Graduates course for Fresh Produce Managers that continues the expansion of graduate roles in the sector, responding to industry's increasing need for middle management roles.
- commit to industry that the introduction of any agricultural education or training, at any level, be:

- Industry Driven
 - Agriculture education has previously been disconnected from the needs of employers
 - Education, skills and training must be developed in consultation with employers
- Skills Focussed
 - Agriculture is becoming more data and technology driven. Training and education must build relevant skills for business and industry.
 - The latest production technology and science will interest students from all disciplines
 - Many of the roles in the agriculture sector are in the broader supply chain (input suppliers and manufacturers, transport and logistics providers, retails, and other service industries)
- Knowledge Based
 - Develop agricultural education modules for primary, secondary, vocational and tertiary education which can be completed as part of specific agricultural study or as 'electives' or short courses.
 - Require nationally recognised modules on agriculture
 - Content to facilitate a greater understanding of agricultural production and science
 - Modules must be practical, relevant and up to date

3. Supporting horticulture employers and SMEs

That Government:

- develop options in consultation with industry and SME employers to drive greater adoption and maintenance of ethical sourcing auditing systems including Fair Farms, SEDEX SMETA and GLOBAL GAP GRASP
- increase funding to the Fair Work Ombudsman to undertake further investigations in the horticulture industry with a view to provide better education, information and advice to employers to improve compliance and standards within the sector
- deliver on its commitment to introduce a National Labour Hire Licence across all sectors of the economy

4. Expanding the Pacific Australian Labour Mobility (PALM) scheme

That Government:

- consider country specific settings and strategies as part of an expanded PALM scheme, which are formulated in collaboration with each participating nation. Working closely with Pacific partners is key to ensuring the ongoing success of the PALM scheme.
- Increase resourcing for the PALM scheme, invest in better backend systems to reduce red tape and improve access to the PALM scheme.

5. Ongoing development and improvement of visa pathways

That Government:

- Consider the holistic visa framework required to support the fresh produce industry's needs including the introduction of a horticulture specific Harvest Work Visa ('HWV') to meet time critical (peak-harvest) labour needs across Australia. The HWV would fill a critical gap in the existing visa framework, providing benefit to industry and migrant workers, and address integrity and compliance concerns.

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Introduction

Australia's fresh produce industry supplies Australians with high-quality, fresh, nutritious fruit and vegetables year-round. Recently Australia's fresh produce growers have experienced, and continue to experience, significant challenges – extreme weather events, supply chain disruptions, labour shortages and rising input costs have all tested supply and at times contributed to shortages on supermarket shelves.

Looking ahead, the industry seeks to better futureproof and build more certainty into the business of feeding Australia. A stable workforce is a key part of securing Australia's fresh produce supply. Establishing a productive and returning harvest workforce and enabling more Australians to take-up technical and professional roles in the sector are two key challenges to overcome.

This submission to the Government's Terms of Reference (ToR) for their Employment White Paper aims to capture the sector's current and unique workforce challenges and support the broader conversation across the supply-chain, with government and other key stakeholders currently taking place. As the Federal Government's Job Summit demonstrated, labour and skills shortages are being experienced by many industries, it's a national issue that will take a concentrated effort from many parties to overcome. In overcoming workforce challenges, it is necessary to understand each industry's own unique hurdles.

The AFPA welcomes the opportunity to provide a submission to the ToR of the Government's Employment White Paper. While the submission touches on many of the ToR's themes, including productivity, building resilient supply chains, and productivity, of most significance for the fresh produce is:

- Job security, fair pay and conditions, including the role of workplace relations
- Labour force participation, labour supply and improving employment opportunities
 - Skills, education and training, upskilling and reskilling, including in transitioning sectors and regions.
 - Migration settings as a complement to the domestic workforce.

Establishing a productive and returning harvest workforce and attracting more Australians to take-up technical and professional roles in the sector, will take a collection of solutions, investments, and initiatives supported by industry, supply chain and government.

This submission offers direction for a way forward – ideas for industry, government and stakeholders to consider, discuss, refine and implement. In return for supporting the industry to overcome its workforce challenges, horticulture offers some of the most attractive growth potential – it can become an even greater contributor to GDP, support more secure jobs, underpin regional communities, and become an export powerhouse alongside other agriculture sectors.

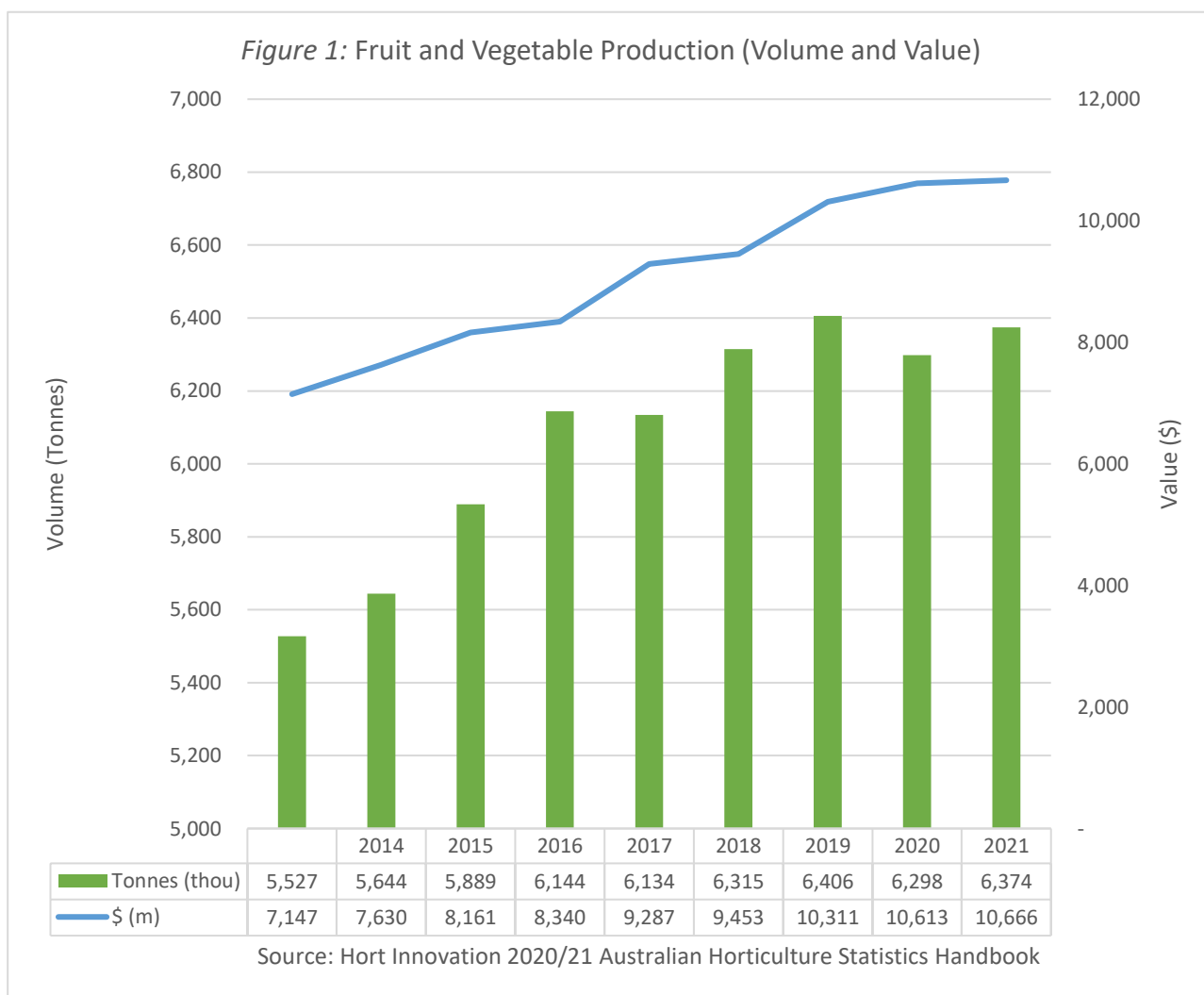
Industry Background

The horticulture industry comprises of fruit, vegetables, nuts, and other products such as flowers.

Australia’s diverse climactic regions enable more than 100 varieties of fruit and vegetable to be grown across the nation. Tropical crops such as bananas are grown in the northern states (i.e., Queensland), whereas cooler climate crops such as apples are grown in the southern states (i.e., Victoria and Tasmania).

In 2020-21 the horticulture industry exceeded \$15 billion in production value, making it the third most valuable agriculture sector behind meat and grain. Horticulture has been on a strong growth trajectory for the past decade and despite plateauing over the last two years, due to the COVID-19 pandemic, extreme weather events and other issues, it remains the fastest growing agriculture sector.

Industry’s growth is driven by the fruit and vegetable sector. Australia-wide, fruit and vegetable production was valued at \$10.67 billion in 2020-21 (*Figure 1*).



The sector’s future growth will come from Australian horticulture’s relatively untapped export potential. Unlike the broader agriculture industry that exports around 72% of its total value, horticulture only exports 11% of its fresh produce to foreign markets. There is high demand for Australian produce overseas and improving international market access and overcoming domestic hurdles to increasing production, such as labour shortages, are the two main obstacles to achieving export growth.

Fruit and vegetable production across Australia

The majority of fruit and vegetable production occurs in eastern Australia, primarily Queensland and Victoria, where over half of the industry's production value is grown (Figure 2).

Varying growing conditions across Australia mean the mixture of fruit and vegetable crops differ between each state and territory. Table 1 provides the top commodities (by production value) of each state and territory.

Growing conditions also vary within states. Some regions have ideal conditions for certain crops, providing the local growers with a competitive advantage and leading to high concentrations of single-variety production. For example, in 2020-21, Shepparton (Victoria) produced over a third of Australia's apples supply (97,673 of 284,897 tonnes) and Cairns (Queensland) produced close to 90 per cent of Australia's Banana supply (305,296 of 346,035 tonnes).

Figure 2: Gross value (\$M) of fruit and vegetable production by State and Territory

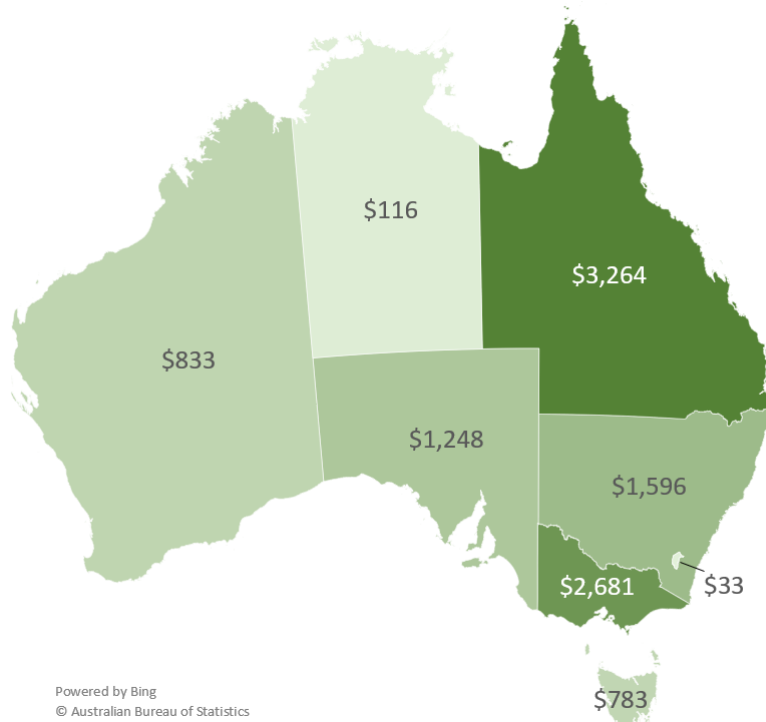


Table 1: 2020-21 Highest Value Horticulture Commodities in State and Territories

State	Top Commodities*		
QLD	Bananas (\$633m)	Strawberries (\$200m)	Mandarins (\$191m)
NSW	Oranges (\$315m)	Berries (\$254m)	Tomatoes (\$103m)
VIC	Grapes** (\$402m)	Apples (\$321m)	Mushrooms (\$146m)
SA	Potatoes (\$248m)	Oranges (\$196m)	Apples (\$143m)
WA	Carrots (\$96m)	Avocados (\$91m)	Potatoes (\$79m)
TAS	Potatoes (\$165m)	Berries (\$147m)	Apples (\$74m)
NT	Mangoes (\$70m)	Melons (\$23m)	Grapes** (\$6m)
ACT	Apples (\$33m)	NP	NP

Source: ABS data –2020-21 Value of Agricultural Commodities Produced
 *ABS categories 'all other fruit' and 'all other vegetables' are excluded.
 ** Grapes excludes wine varieties NP = not provided

Fresh Produce Businesses

As of June 2021, the Australian Bureau of Statistics estimate there are around 19,000 fruit, vegetable and nut growing businesses, with over half turning over less than \$200k per annum and around two-thirds being non-employing.

While there is limited data to demonstrate a long-term trend, it is widely acknowledged that the industry has been consolidating over the past several years into larger entities or more vertically integrated businesses and supply chains, with higher turnover and more employees. Recent data collected by the ABS provides a snapshot of this transition.

A comparison between June 2021 and June 2019 data (*Table 2*) shows that there are:

- 803 less fruit, vegetable and nut growing businesses in the industry in 2021 (19,081) compared to 2019 (19,844),
- 38 more businesses with a turnover of \$10m or more in 2021 (257) than 2019 (219) and 413 less businesses with a turnover under \$200k in 2021 (11,937) than in 2019 (12,350), and
- 16 more businesses with over 200 employees in 2021 (46) than in 2019 (30) and 425 less non-employing businesses in 2021 (12,576) than in 2019 (13,001).

The horticulture industry's transition from small to medium and large enterprises has implications on the sector's workforce needs, including an increased middle-management layer, such as HR professionals, to support a higher number of employees and other business requirements.

Table 2: Fruit, Vegetable & Nut Businesses – Turnover & Employment Size

Turnover	Zero to less than \$50k	\$50k to less than \$200k	\$200k to less than \$2m	\$2m to less than \$5m	\$5m to less than \$10m	\$10m or more	Total
2021 Businesses	6,741	5,196	5,768	843	292	257	19,081
2019 Businesses	6,441	5,909	6,207	810	258	219	19,884

Employment	Non-Employing	1-19 Employees	20-199 Employees	200+ Employees	Total
2021 Businesses	12,576	5,691	773	46	19,081
2019 Businesses	13,001	5,948	850	30	19,884

Source: ABS Counts of Australian Business 2021 data – Number of Businesses Operating at the end of the financial year

Industry's Workforce

The production of fresh fruit and vegetable is a key pillar of the Australian agriculture supply chain. The fresh produce sector also underpins countless regional and rural communities across Australia, supporting local business and services through its direct and indirect employment and investments.

Australia's fresh produce sector is estimated to directly support between 65,500-80,000 full-time-equivalent positions. In 2020–21, recent ABARES survey data indicates the number of workers in horticulture peaked at 146,300 in Summer and early Autumn (as most employees are engaged on a temporary basis to support seasonal harvests).

Unlike broadacre farming and other agriculture sectors, which have become highly mechanised, horticulture remains labour intensive, particularly when harvesting produce. Despite technological advancements in many areas of farming, most fruits and vegetables still need to be hand harvested due to the delicacy of the produce and need to quality control in the field.

The harvest workforce makes up the largest proportion of workers (80 per cent) and supports the entire fresh produce industry. The remaining roles in horticulture can be categorised as either technical (e.g. food safety, irrigation and agronomy) or managerial and administrative workforce (e.g. sales, marketing, farm management).

The harvest workforce is crucial to the production of fruit and vegetables and supporting permanent jobs in the industry. Based on AFPA data, every permanent job performed by an Australian citizen or permanent resident in the industry is dependent on three harvest roles.

While Australian residents typically fill the skilled (technical, managerial, and administrative) positions, workers from overseas have become a significant source of labour employed on farms to meet the seasonal (short term) harvest demand.

A survey undertaken for Ernst and Young in 2020 (Figure 4) found that on average, temporary visa holders (Working Holiday Makers, Seasonal Worker Program and Pacific Labour Scheme workers) made up 70% of the harvest (casual) workforce. Prior to the COVID-19 Pandemic, Working Holiday Makers (WHMs) were heavily relied upon for casual harvest labour because of their mobility and short-term employment expectations. This workforce composition has changed over time within a significant increase in engagement of workers through the Pacific Labour Mobility (PALM) scheme (formerly the Seasonal Worker Program and Pacific Labour Scheme) due to the exodus of Working Holiday Makers during the COVID pandemic.

Figure 3: Horticulture Workforce Categories and Breakdown

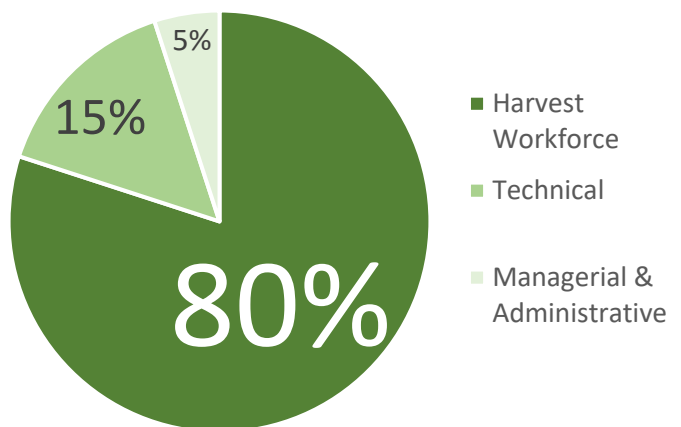
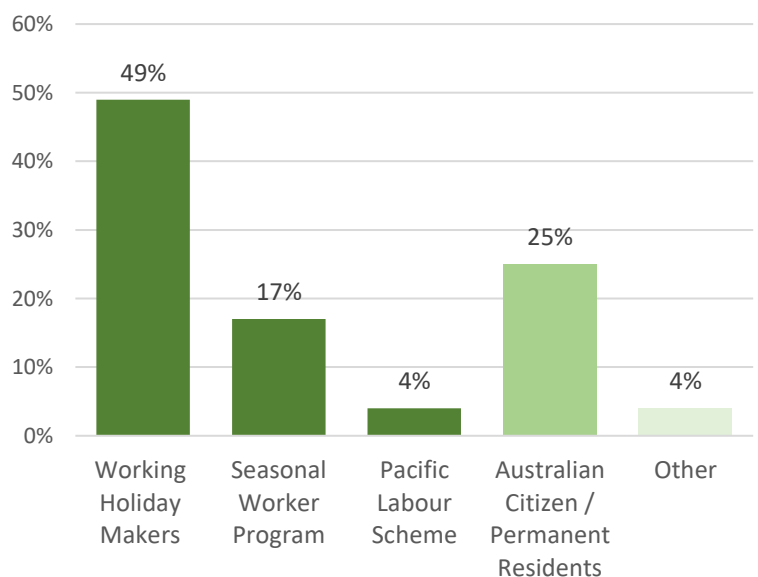


Figure 4: Average (%) breakdown of Casual Workers engaged on farm



Labour Shortage

One of Australia's most challenging economic problems is the shortage of labour being experienced in many industries. A lack of appropriate labour stifles business output and economic growth. For the horticulture industry, labour shortages can disrupt fresh produce supply, prevent the uptake of new technology and other advancements, and delay growth opportunities.

While the horticulture industry has its traditional challenges, such as location and nature of the work, in attracting and retaining workers, the current shortage is severe, of large scale and unlikely to be resolved without further direct intervention.

The most recent ABARES labour survey indicated that one in five farms had less workers in 2020-21 than in 2019-20 and 96 per cent of those farmers attributed worker availability to the reason for having fewer workers. When comparing recruitment experiences between 2020-21 to 2019-20, 35 per cent of horticulture producers said it was *much more difficult to recruit in 2020-21*, 17 per cent said it was *more difficult*, 47 per cent said it was either the *same difficulty or didn't recruit*, leaving only 2 per cent who said it was *less difficult*. The updated ABARES 2021-22 labour survey data, expected to be released in December 2022, is anticipated to provide an equally poor, if not worse, assessment of the labour shortages being experienced in horticulture.

The cause of the labour shortage is widely attributed to the COVID-19 pandemic and its many repercussions domestically and internationally. As part of the release of the labour force survey data, ABARES stated that, '*the effects of COVID-19 on the Australian agricultural workforce have been most directly felt in the horticulture sector*'.

The horticulture sector's workforce has been most impacted by the pandemic because of its reliance on overseas workers, which departed Australia en masse throughout 2020 and 2021. For example, from January 2020 to October 2021, the number of WHMs ("backpackers") in Australia declined by 80% from 141,000 people to around 29,000 people and ABARES estimate that around 25–30 per cent of all WHMs were employed in horticulture before COVID-19.

While access to overseas workers has proved challenging, so too is the engagement of Australian citizens and permanent residents in harvest work. In 2020, AFPA collated data from Australia's major produce and labour hire companies and found that of 23,000 enquiries for horticulture work received between March – June 2020, only 8% were from Australians. This is not unsurprising given a recent Productivity Commission report (*Things You Can't Drop on Your Feet: An overview of Australia's services sector productivity*) indicates that 90% of Australians now work in service industries. Strong engagement of Australians in the services sector makes it increasingly challenging to engage Australian workers in manufacturing or production industries like horticulture.

The fresh produce sector is also experiencing difficulties in attracting Australian workers to its technical, managerial and administrative (skilled) roles. Evolving farming and business practices, shifting consumer demands and increasingly challenging growing conditions, as well as environmental ambitions, are all putting a strain on producers, who are increasingly turning to experts for support (either through direct employment or consultancy). A wide and growing range of technical and professional workers are needed to meet the sector's needs.

Into the future, the need for skilled workers in fresh produce is anticipated to increase. A 2020 report by Food Innovation Australia, an industry-led Commonwealth funded entity, found that by 2025, across Australia's food and agri-businesses, there will be a requirement for substantially stronger technical skills (+21 per cent) and managerial skills (+ 11 per cent) to facilitate growth and competitiveness, among other professionals and experts.

The horticulture industry will be in increasing competition with the broader economy for more skilled and semi-skilled workers - education and training, changes to migration and visa settings, investments in regional infrastructure and services, and other actions are all required in combination to help set the sector back on its strong growth trajectory and secure Australia's fresh produce supply.

Developing the fresh produce industry's workforce

Australia's agriculture industry forms the foundation of our national food security. Developing an agriculture workforce to ensure the sustainability of the domestic industry is of national interest.

Within the agriculture industry, the horticulture sector, along with meat processing are the most significant employers. Compared with other types of agriculture, such as broad acre farming, horticulture remains labour intensive, particularly for harvest. Horticulture is also Australia's fastest growing agriculture sector by value, with significant opportunity for export growth. The horticulture industry is more closely aligned with manufacturing compared to other agriculture industries, with a fast feedback loop between consumers and suppliers, and production arrangements that see the growing, packing and distribution of fresh produce at scale. As a result of the industry's growing operational alignment to more "traditional food manufacturing" as opposed to "traditional farming", the sector has an increasing demand for skilled professionals and technical experts.

Sustaining Australia's fresh produce supply and the sector's growth requires a more concentrated effort on the development of the sectors workforce. To support the long-term viability of the industry, the AFPA are focused on five key elements of developing our workforce:

1. Employing Australians
2. Skilling Australians
3. Supporting horticulture employers and SMEs
4. Expanding and improving the Pacific Australia Labour Mobility Scheme
5. Ongoing development and improvement of visa pathways

Employing Australians

As the industry continues to grow, both in terms of increased production and value, so too does the workforce demand across all skill levels. All AFPA members seek to employ and skill more Australians in the industry as it is essential to sustaining the future of food production in Australia.

There is an estimated shortfall of 10,000 productive harvest workers across the industry. To date, AFPA members have had limited success in attracting large numbers of Australians into their harvest workforce, due to the key characteristics of the work, that is it is:

- seasonal, and often short term in line with harvest periods;
- physical, typically requiring outdoor work;
- regional, with most production in remote and regional parts of Australia and
- variable, for example dependent on weather and other growing conditions.

Unemployment in Australia is at a 48 year low, creating a competitive and challenging labour environment. This makes engaging with local workers challenging and requires targeted efforts. Concentrated employment campaigns by members of the AFPA have had some success at a localised/regional level. Where these campaigns have been successful, employers have also needed to address barriers to work, for example by providing transport services from town centres to farms as many potential employees did not have access to their own or public transport.

It is often suggested that the horticulture industry should employ a large number of Australians that are currently unemployed or underemployed; this is an important objective, but the measures of success associated with this should be reframed, and targeted support for industry and unemployed individuals should be offered to achieve this objective.

Large scale engagement of (the currently limited number) unemployed Australians is unlikely to be successful in the horticulture sector. This is due predominantly to the short term nature of many roles, regional location of work and need to relocate to undertake this work. Reframing, what success looks like in this context is important. For example, instead of encouraging the industry to employ thousands of

unemployed Australians, the Government should instead work with the sector to engage this cohort on a smaller scale, beginning with a pilot that supports reintroduction to the workforce for the long term, creating benefits for both the individual and the economy more broadly.

Support for this could look like Government and relevant providers working with a selection of regional employers to offer staged back to work programs, supporting long term unemployed Australians to reintegrate back into the workforce. This could be piloted in a region with high unemployment, across a range of employers (not just within the horticulture sector) and would reframe success in this space to a small number of people, meaningfully re-integrated into the workforce.

Separately, Government could consider how it works with regional employers, including the fresh produce industry to overcome key barriers to taking up work including lack of regional accommodation and regional transport.

Recommendation: That Government work with employers, including the fresh produce sector, within regions of high unemployment to develop support programs for small cohorts of long-term unemployed Australians to re-join the workforce, with the outcome being to support candidates in work over the long term.

The accommodation shortage and other regional barriers

Accommodation shortages and the rising cost of accommodation in regional and rural Australia is a major inhibitor to attracting workers to the horticulture industry. While accommodation challenges are being experienced across Australia, the shortages in regional areas were exacerbated by the increased movement of people during the COVID-19 pandemic from metropolitan cities to regional locations, who (in the majority) maintained their metropolitan (remote) work. While this migration is easing, net migration to regions remains 30.2 per cent higher than two years prior to COVID-19. This has resulted in increasing house values and pressure on the rental market.

Record rental growth has been recorded in a wide range of regional markets including the Murray region of NSW, which recorded rental values up almost +25% on the same time last year. Coffs Harbour-Grafton increased 14.8%.

At the same time, rental vacancy rates have also decreased significantly. As an example, in 2021, rental vacancy rates in regional NSW have halved to an average of less than 1%, according to the NSW Government Regional Housing Taskforce, and remain very low.

Increasing interest rates are anticipated to continue to driving accommodation shortages and make existing accommodation options more expensive as costs are passed on.

Accommodation is a key inhibitor of growth of the horticulture industry – without accommodation, it is challenging to attract workers to the sector. Housing temporary harvest workers is a particular challenge in many growing regions. Solutions to the accommodation challenges in the horticulture sector must be nuanced and focus on delivering scaled, affordable and fit for purpose accommodation.

Key challenges in increasing the stock of accommodation available to the horticulture sector are:

- local council and state government planning regulations,
- infrastructure to support increased accommodation in regional areas, and
- services in regional communities to support increased populations.

Recommendation: That Government work with industry on solutions to overcome the accommodation shortage within key growing regions, including:

- exploring and facilitating opportunities to support industry to work with/partner with developers to either construct multiple purpose accommodation (e.g. tourism/workforce) or consider long term lease agreements for certain periods of the year
- incentivising investment in construction of accommodation from industry and others in regions

Skilling Australians

In relation to employing more Australians, the AFPA is focused on building the sector's skilled workforce. There is a growing demand for more skilled workers in fresh produce businesses, including technical, managerial, and administrative roles. These are typically long-term, full-time roles held by Australians and permanent residents in regional communities.

Examples of technical roles in the fresh produce sector are agronomists, entomologists, horticulture growers, engineers, quality assurance professionals, food technologists, technicians, electricians, irrigation specialists and machine operators.

Examples of these managerial and administrative roles in the fresh produce industry are businesses management, operations management, sales and category managers, marketing and communications, accounting, human resources, and more.

The fresh produce sector is finding it increasingly challenging to meet its skilled workforce requirements. A report by Food Innovation Australia finds the agriculture workforce needs 'substantially stronger technical skills (+21 per cent) and managerial skills (+ 11 per cent) by 2025 to facilitate the sector's continued growth and competitiveness'.

The AFPA seeks to work with government to employ and skill more Australians through the development of long-term strategies that focus on sustained growth of the workforce. There is no single solution to support more Australians to undertake roles in horticulture, a broad approach will be required to better:

- Create employment and career pathways in agriculture and fresh produce
- deliver industry aligned and led training and education

Create employment and career pathways in agriculture and fresh produce

As ever-increasing numbers of Australians chose to live in metropolitan cities, Australian's are becoming more removed than ever from primary production. The lack of awareness of Australians about the agricultural supply chain, compounded by workforce competition from similar industries like mining are making it increasingly difficult for the agriculture sector to attract, retain and develop a workforce. The need for more skilled workers is driven by three major factors:

- Supporting the industry's continue growth – horticulture is the fastest growing agriculture sector, driving demand for a greater workforce
- An increasingly complex and sophisticated business and growing environment – evolving farming and business practices, shifting consumer demands and increasingly challenging growing conditions, as well as national environmental ambitions, are all putting a strain on producers, who are increasingly turning to experts for support (either through direct employment or consultancy). A wide and growing range of technical workers are needed to meet the sector's current and future requirements.
- The sector is transitioning from a large number of smaller producers to fewer, more vertically integrated businesses and supply chains. While there is a need for a greater number of workers with specialised expertise, such as agronomists and irrigation technicians, the consolidation and expansion of businesses means there is an imperative to fill a growing middle-management, business, and administration roles.

The sector's long-term viability is dependent on growing its skilled workforce, but there are several challenges, including a lack of clear pathways to careers in the fresh produce industry, and then career pathways and progression with the fresh produce industry and agriculture sector more broadly.

Members of the AFPA are committed to the continued development of the next generation of food producers through the creation of opportunities for young people wishing to establish a career in agriculture. Many AFPA members have established graduate programs aimed at attracting young Australians to the horticulture sector.

Delivering better, industry aligned and led training and education

To support industry, the Government's approach to education and its policy framework must support skills and training programs that ensure people are equipped to be job ready, meaning training and education must be knowledge based, skills focussed, and industry driven.

With regard to the horticulture sector, there are a range of skills that are required to advance the industry. Commonly requested skill sets among large horticulture businesses include:

- Irrigation Specialist
- Machine Operator (forklift driver, tractor driver etc.)
- Supervisors/Crew Supervisor/Harvest Supervisor
- Farm Manager
- Middle Management/Farm Overseer/2IC
- Robotics/IT/Process Engineer
- Quality Assurance/Control

Many of these skills and roles are not specific to horticulture (e.g. forklift driver), rather are more generalist skills, where the challenge is to attract these skills and provide industry specific training and information.

Furthermore, there is an absence of well-defined education and training pathways for many roles in horticulture. In the absence of proper education pathways, individual employers have become solely responsible for skill development, particularly for technical roles with unique skill set requirements. Any new education and training programs should be developed in consultation with employers to remove the disconnect between agricultural education and business needs.

Education and training pathways must also be relevant to the future needs of industry and technology driven. Examining future skilled requirements in the agricultural supply chain will be critical in determining the vocational and higher education pathways necessary to appropriately prepare the future workforce.

Recommendation: That Government work with industry to develop, support, and investment in:

- a Horticulture Careers for Young Australians program – a program that supports employers to develop trainee roles in the sector across technical skills sets (quality assurance, machinery operators and irrigation technologists)
- a Graduates course for Fresh Produce Managers that continues the expansion of graduate roles in the sector, responding to industry's increasing need for middle management roles.

Recommendation: That Government commit to industry that the introduction of any agricultural education or training, at any level, be:

- Industry Driven
 - Agriculture education has previously been disconnected from the needs of employers
 - Education, skills and training must be developed in consultation with employers
- Skills Focussed
 - Agriculture is becoming more data and technology driven. Training and education must build relevant skills for business and industry.
 - The latest production technology and science will interest students from all disciplines
 - Many of the roles in the agriculture sector are in the broader supply chain (input suppliers and manufacturers, transport and logistics providers, retails, and other service industries)
- Knowledge Based
 - Develop agricultural education modules for primary, secondary, vocational and tertiary education (as part of specific agricultural study, 'electives or short courses).
 - Require nationally recognised modules on agriculture
 - Content to facilitate a greater understanding of agricultural production and science
 - Modules must be practical, relevant and up to date

Supporting horticulture employers and SMEs

As of June 2021, the Australian Bureau of Statistics estimate there are around 19,000 fruit, vegetable and nut growing businesses, with over half turning over less than \$200k (11,937) per annum and around two-thirds being non-employing (12,576). The figures indicate that while there are a large number of horticulture businesses in Australia, most of these businesses would be considered SMEs.

The horticulture industry has a strong reliance on the provision of labour hire services. In order to support workers, SMEs and the fresh produce industry more broadly, the AFPA strongly support a National Labour Hire Licensing Scheme and would strongly encourage the Federal Government to deliver on its pre-election commitment to establish a scheme to regulate the labour hire industry (across the economy) and ensure that minimum legal standards are met.

Labour hire companies offer growers a range of benefits that make engaging their services a very pragmatic decision, particularly for small and medium businesses with limited capacity. Labour hire companies can take responsibility for recruiting workers, training and managing pay, insurances and any other entitlements. By taking over these duties, producers are able to spend more time on other aspects of their business.

Two other reasons producers engage labour hire companies are to overcome labour shortages and recruit workers for seasonal peaks, or short harvest windows. For example, some growers may be unable to support the minimum six-month employment period of a PALM worker (because they only have 12-week harvest window), and therefore can only engage a PALM worker via a labour hire provider. For the benefits and reasons listed above and other factors, labour hire companies will continue to play an important role in supporting producers employ a harvest workforce.

Introducing a labour hire licence has long been seen as an optimal way to better protect workers from exploitation and reduce the exposure to businesses of engaging an unethical labour hire company. In the absence of a federal scheme, since mid-2019, four state and territory governments have introduced labour hire licenses and laws (Queensland, Victoria, ACT and South Australia). The schemes provide licenses to organisations that can prove compliance with legal obligations, such as paying correct wages and superannuation and providing a safe place to work.

While the introduction of labour hire licences in each state is welcomed and has made positive impacts, variations in licence application, regulation, enforcement, and penalties mean the need for a national scheme, with federal oversight, is still required. For context, many medium to large enterprise have multiple production sites in varied locations, including in different states. AFPA members collectively operate over 100 production sites across Australia. Numerous labour hire companies also operate at a national level, therefore a national system is needed to ensure an even playing field nationally, and to streamline compliance requirements.

In support of addressing unscrupulous labour hire providers, contractors and employers within the economy, increased funding to the Fair Work Ombudsman (FWO) to undertake further investigations in the horticulture industry with a view to provide better education, information and advice to employers to improve compliance and standards within the sector is critical.

While addressing unregulated labour hire providers is important, supporting growers to upskill and lift industry standards will be key in improving worker welfare in the sector. Many producers demonstrate their compliance with standards through third-party ethical auditing schemes. Examples of these ethical auditing schemes, include the Supplier Ethical Data Exchange (SEDEX) SMETA, Fair Farms and GLOBAL G.A.P - GRASP.

These ethical auditing schemes have the benefit of avoiding and resolving issues, promoting and entrenching positive employer behaviours and standards, establishing a pattern of continual improvement, and enabling businesses to assess their own suppliers, among other benefits. The schemes are supported by a network of auditors and in some cases practitioners who can actively engage with businesses to assist them gain their credentials.

One of the biggest hurdles to more producers opting into these ethical auditing schemes is a lack of capacity to do so, particularly small to medium businesses. Support for industry to assist SMEs to adopt and maintain these ethical auditing systems will improve outcomes within these businesses and for their employees.

Improving both National Labour Hire Licensing and assisting more growers to adopt a certification scheme are complementary in improving employment within the horticulture sector.

Recommendation: That Government:

- develop options in consultation with industry and SME employers to drive greater adoption and maintenance of ethical sourcing auditing systems including Fair Farms, SEDEX SMETA and GLOBAL GAP GRASP
- increase funding to the Fair Work Ombudsman to undertake further investigations in the horticulture industry with a view to provide better education, information and advice to employers to improve compliance and standards within the sector
- deliver on its commitment to introduce a National Labour Hire Licence across all sectors of the economy

Expanding the Pacific Australian Labour Mobility (PALM) scheme

The PALM scheme is of great benefit to the fresh produce sector. The PALM scheme's expansion has been vital to the industry and there are now over 20,000 PALM workers engaged in the horticulture sector, more than double number compared to 2018/19. Collectively, members of the AFPA employ around 5,700 PALM workers.

The PALM scheme was originally piloted in 2009 with a foreign aid objectives; the PALM scheme "*allows Pacific and Timor-Leste workers to take up jobs in Australia [when there are not enough local workers available], develop their skills and send income home to support their families and communities*" while at the same time filling "*labour gaps in rural and regional Australia*".

Temporary migration programs provide Pacific Islands and Timor Leste workers with the opportunity to earn relatively high-incomes and achieve a higher standard of living, as well as reduce poverty in home countries and support human capital development. While working in Australia, Pacific Islands and Timor-Leste employees gain both:

- financial remittance – which improve the lives of workers and their families by providing money for school fees, housing improvements, community projects, etc.
- social remittance – which is ideas, behaviours, knowledge, experiences, and other social capital that flow from receiving to sending communities.

During the pandemic financial remittances become an increasingly critical lifeline and feature of national incomes for Pacific Island nations. In Tonga and Samoa around four-out-of-five of households received remittances. Close to two-fifths of Tonga's Gross Domestic Product (GDP), and one-sixth of Samoa's GDP is now attributable to remittances. This dependence is not unique to Tonga and Samoa; right across the Pacific, remittances are supporting households.

A collaborative project of the Australian National University (ANU) Development Policy Centre and the World Bank Social and Labour Global Practice found that, given the unique development challenges facing the Pacific Island countries, there is now broad consensus that expanding labour mobility is vital for the future of the Pacific.

In turn, the value of the PALM scheme to horticulture sector cannot be understated. PALM workers now make up the core of the industry's harvest workforce. The PALM scheme is of great benefit to horticulture industry because it enables the development of a productive and returning workforce. Traditionally (prior to COVID-19) the industry relied heavily on Working Holiday Makers (WHMs / backpackers) for harvest

labour because of their mobility and short-term employment expectations. However, WHMs departed in mass during 2020 and 2021 due the COVID-19 pandemic and government policies. A return to a heavy reliance on WHMs is unlikely and undesirable.

An ongoing expansion of the PALM scheme, that supports Pacific nations and Timor-Leste is critical. The AFPA continue to be strong supporters of the PALM scheme, recognise the vital role of PALM workers in the industry and are committed to the scheme's ongoing success.

The government has made clear its intentions to continue to increase the number PALM workers coming to Australia. For example, the government seeks to enable PALM workers to take up more roles in the aged care sector, which is estimated to have an annual shortfall of 30,000-35,000 care workers.

While AFPA welcomes increased opportunities for Pacific and Timor-Leste nationals to work in Australia, this must be facilitated in a stable and measured way, to safeguard the integrity of the PALM scheme, and industries that rely on it so heavily.

A review of the current data shows that some Pacific countries have a significant proportion of their working age population working in Australia or New Zealand, while other countries in the Pacific and Timor Leste have a much lower proportion of their working age population in Australia. For example, Tonga currently has 11% of their working engaged population employed in Australia or New Zealand, compared to only 0.2% of Timor Leste's population.

Countries with a significant proportion of their workforce employed in Australia and New Zealand are reporting challenges with finding enough workers in their home countries as their tourism industry recovers and raise issues of a 'brain drain' as their most experienced workers are working overseas. In contrast, some countries, may benefit from additional support for their population to be better able to take up opportunities in Australia.

Countries with larger populations, including the Solomon Islands, Fiji, Timor Leste, and Papua New Guinea, all have a relatively low proportion (around or below 2 per cent) of their working age population participating in Australian and New Zealand workforce programs. In consultation with these countries' governments, there is a significant opportunity to expand Australia's PALM scheme amongst these nations.

However, a continued rapid expansion of the program is currently not possible while administration processes are faltering. For example, there is a backlog of existing AE applications that would need to be resolved to support future growth, and delays undertaking visa and accommodation checks. Staff in the Department of Foreign Affairs and Trade (DFAT) and Department of Employment and Workplace Relations (DEWR) are doing a commendable job given the increasing task, but are clearly under-resourced to support the expanded scheme.

A continued expansion of the PALM scheme, noting the importance of balancing short term (seasonal) and longer-term work and pathways to permanency, is important for the horticulture industry as well as Pacific partner countries. A clear articulation of policy on Pacific labour mobility is important in providing certainty to industry, workers and partner countries. A balanced policy approach must weigh the need to upskill PALM workers, the importance of the support provided via remittances to the Pacific and managing the risk of depopulation within the Pacific.

Recommendation: That Government

- consider country specific settings and strategies as part of an expanded PALM scheme, which are formulated in collaboration with each participating nation. Working closely with Pacific partners is key to ensuring the ongoing success of the PALM scheme.
- Increase resourcing for the PALM scheme, invest in better backend systems to reduce red tape and improve access to the PALM scheme.

Ongoing development and improvement of visa pathways

Migrants make a significant contribution to the Australian economy and supplement the supply of workers available to businesses and industries. In May 2022, the Grattan institute reported that one in five workers in Australia hold either a temporary or permanent visa, underlying the importance of migration to sustaining Australia's economy. Like many industries, the fresh produce sector has a high reliance on migrant workers to maintain its operations and service to the Australian community.

While there is a growing number of skilled migrants joining the industry to fill technical gaps in the workforce, the fresh produces sector's greatest dependence on migrants is for its harvest workforce. Harvest workers underpin the entire industry, including 19,000 horticulture businesses, and Australia's ability to produce fresh fruit and vegetables. Based on AFPA data, every permanent job performed by an Australian citizen or permanent resident in the industry is dependent on three harvest roles.

The industry consistently faces difficulty filling harvest roles due to the nature of the work, as it is seasonal, regional, variable and physical. These characteristics make harvest work unattractive to many Australians, particularly in this tight labour market. In 2020, AFPA collated data from Australia's major produces and labour hire companies and found that of 23,000 enquiries for horticulture work received between March – June 2020, only 8% were from Australians. This is not unsurprising given a recent Productivity Commission report (Things You Can't Drop on Your Feet: An overview of Australia's services sector productivity) indicates that 90% of Australians now work in service industries.

In the absence of more Australian's taking up harvest work and other roles in the fresh produce sector, producers have come to rely on migrant workers to meet demand.

There are multiple visa schemes available to the fresh produce industry, however most prominent are the Working Holiday Maker (WHM) visa (backpackers), the PALM Scheme (which includes a short and a long-term stream) and the Horticulture Industry Labour Agreement (HILA) / Temporary Skills visa.

- The WHM program is a cultural exchange program that requires visa holders to perform 88 days work in a specified industry (which includes horticulture) to receive a second-year visa
 - Benefits of the WHM visa are that workers can move between employers and follow the harvest trail.
 - WHMs typically only have short-term employment expectations, seeking to only complete the minimum days required for a visa extension in the industry
- The PALM scheme allows Australians to engage (sponsor) workers from the Pacific nations and Timor Leste in low skilled horticulture roles between six to nine months or one to four years.
 - Benefits of the PALM scheme include enabling employers to develop a productive and returning harvest workforce, by fostering professional relationships with workers, who want to work in the industry and become more proficient with experience.
 - In August 2022, there were over 20,000 PALM workers employed in Australian horticulture, (more than 5,700 are engaged by AFPA members).
 - Employers are responsible for arranging accommodation for their workers, for ensuring they have access to pastoral care (welfare and wellbeing support) and must cover all upfront return international and domestic transfer travel costs. Approved employers are reimbursed for these expenses (apart from \$300 for travel expenses) through pay deductions from the workers.
- The HILA focusses on skilled roles (ANZSCO levels 1-3 predominantly) and does not include picking, packing or harvest roles
 - The main benefits of HILA is allowing growers to access skilled and semi-skilled migrant workers where appropriately qualified Australians are unavailable.

Each of these three visas are designed to serve a different purpose in the industry, however there is a substantial gap in the framework that is becoming all the more obvious in the absence of WHMs post

COVID. The visa gap exists for a regulated program to support a farms' peak-production workforce requirement, the period at which a farm is operating at full capacity. The time (and duration) of a farm's peak harvest depends on the crop, location, seasonal weather, planting and many other factors. As two examples:

- strawberries on the Sunshine Coast (QLD) are typically picked between August and October, while strawberries on the Mornington Peninsula (VIC) can be picked from November to April;
- stone fruit orchards in Shepparton (VIC) are typically harvested in February and March, while in Stanthorpe (QLD) the season can start as early as September and peaks in November and December.

In both examples, the regions would differ in production volume and therefore the number of workers required.

Some regions can sustain a high number of harvest workers all year round because of the type or diversity of crops, while other regions require a short surge in workers to meet demand, like Darwin and Katherine in Northern Territory where the mango harvest lasts only two months, with a peak of two weeks.

Producers of commodities with the shortest and most intense harvest period, likes mangos referenced above, or cherries (i.e. 4 week peak harvest in parts of NSW), have the most difficulty sourcing workers, noting most growers are struggling to source enough workers for their peak-harvest period.

Historically, the highly mobile WHMs (backpackers), who had short-term employment expectations, were engaged by producers to meet the peak-harvest demands. However, the WHM visa is unregulated, and creates a high turnover of labour, leading to instability in the sector's workforce, detracting from industry's productivity.

This vulnerability (reliance on WHMs for peak-harvest labour) became obvious after backpackers began departing Australia en masse as a result of the COVID-19 pandemic and government policies. Over the coming months and years, international holidaymakers may return to volumes in Australia that could support fresh-produce harvest, however returning to a heavy reliance on WHMs is undesirable because:

- the unregulated visa lacks safeguards for workers, and demands no standards for employers
- harvest workers whose primary purpose in Australia is to work have been found to be up to three-times more productive than WHMs
- WHMs typically only work in the industry for an 88 day period, before continuing on their holiday in Australia, reducing productivity at a farm level and requiring significant ongoing investments in recruitment, onboarding and training at a business level.

Returning to a reliance on WHMs may also be only a short-term solution, as part of the new trade agreement with Australia, the United Kingdom successfully negotiated for the 88 days of prescribed work to be removed as a WHM visa extension requirement, other countries are expected to consider this request.

While an increased intake of workers through the PALM scheme has helped, the arrangements of this visa program best support the development of a core harvest workforce (six to nine months employment), not the peak-harvest labour requirements.

Changes to PALM worker mobility/ portability arrangements may further assist in filling the harvest shortfall, it will likely still not be enough, and any further changes to the PALM scheme may detract from its success and current value to all parties.

The purpose of the HILA visa is to provide employers access to critical horticultural roles that fall outside the standard 482 TSS visa program, including occupations such as Irrigation Manager, Truck Driver, Production Supervisor and others. The HILA does not include roles relating to harvest work, specifically picking and packing roles.

Developing a complete visa framework to support industry

Figure 5 maps relevant visa types available to the horticulture industry with the workforce requirement or need of industry. This figure demonstrates how an appropriate framework for industry would offer three visa options, targeted at specific components of the workforce across all skill levels.

The obvious gap is for a regulated visa program, with built in worker protections, that enables workers to complete short term (i.e. 3 month) work assignments with flexibility to move between employers and return year on year. To fill this gap, the industry requires a new visa to secure a productive peak-harvest workforce and better guarantee Australia's ongoing supply of fresh produce. The AFPA proposed the introduction of a Harvest Work Visa (HWV) to fill the gap in industry's migration framework and better support workforce development and productivity.

To address this gap in visas, the HWV is intended to be a highly mobile visa which allows workers to shift both between employers and geography, following seasonal needs and peak labour demand. In this respect the proposed HWV program complements, rather than replaces existing visa programs.

At a high level, the HWV proposes to allow visa holders to access roles within the harvest workforce for up to 9 months at a time, with the ability to return to Australia year on year, within the visa parameters. Importantly, this visa would offer its holders the flexibility to work for an employer of their choice during their time in Australia. This enables workers to relocate according to work locations and seasonal peaks.

Recommendation: Consider the holistic visa framework required to support the fresh produce industry's needs including the introduction of a horticulture specific Harvest Work Visa ('HWV') to meet time critical (peak-harvest) labour needs across Australia. The HWV would fill a critical gap in the existing visa framework, providing benefit to industry and migrant workers, and address integrity and compliance concerns.

Figure 5: Visa settings compatibility with workforce requirement

	Peak Harvest Workforce: this workforce is required at peak production times, and typically only for short periods (i.e. fewer than 3 months)	Core Harvest Workforce: this workforce typically works from shoulder season across peak season and engagement is typically more than 3 months but less than 1 year	Year-round Harvest Workforce: Defined as harvest work or other roles that are ongoing. Often this work is full-time and semi skilled.	Permanent technical & professional roles: These roles are typically full time and ongoing and require experience and qualifications to complete
Harvest Working Visa (Proposed)	The proposed visa is designed to fill the peak-harvest gap, by enabling workers to move at their own discretion between a network of trusted/approved employers that meet an appropriate level of worker-welfare standards.	While workers could be engaged in harvest roles for several months, businesses are likely to continue preferencing locals or PALM workers as the arrangements are more suitable to longer-term employment and the development of a productive and returning workforce.	The proposed visa would be capped at 9 months, similar to the PALM scheme’s short-term stream.	The proposed visa would not support “skilled” employment
PALM Scheme – Short term (6-9 months) visa	PALM workers are unable to enter employment for less than 6 months due to visa settings.	The PALM scheme’s short-term visa settings are ideal for its workers to operate as the core harvest workforce.	PALM workers are unable to enter employment for more than 9 months under the short-term visa settings.	This visa does not support “skilled” employment
PALM Scheme – Long term (1-4 years) term visa	PALM workers are unable to enter employment for less than 1 year due to visa settings.	PALM workers are unable to enter employment for less than 1 year due to visa settings.	This visa settings are ideal for long-term PALM workers to operate as a year-round harvest workforce	This visa does not support “skilled” employment
Horticulture Industry Labour Agreement (HILA)/Temporary Skills Shortage (TSS) visa	Visa does not support “harvest” roles	Visa does not support “harvest” roles	Visa does not support “harvest” roles	Visa settings ideal to address shortage of skilled and middle management level roles.
Working Holiday Makers (WHMs)	WHMs have the option to complete “88 days of specified work to become eligible for a second Working Holiday visa”. This arrangement remains necessary to many in the industry in the absence of a viable alternative workforce, but is not ideal, and may not continue long-term.	While WHMs have the option to work for more than 3 months (88 days), most only complete the minimum required to extend their visa.	While WHMs have the option to work for more than 3 months (88 days), most only complete the minimum required to extend their visa.	Visa allows WHMs to “do short-term work in Australia to help pay for your holiday”, not ideal for businesses looking for long-term employees to develop

Provides appropriate solution to workforce need	Workable, but not preferable solution to workforce need	Does not address workforce need
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AFPA recommendations to the ToR – Employment White Paper

1. Employing Australians

That Government:

- work with employers, including the fresh produce sector, within regions of high unemployment to develop support programs for small cohorts of long-term unemployed Australians to re-join the workforce, with the outcome being to support candidates in work over the long term.
- work with industry on solutions to overcome the accommodation shortage within key growing regions, including:
 - exploring and facilitating opportunities to support industry to work with/partner with developers to either construct multiple purpose accommodation (e.g. tourism/workforce) or consider long term lease agreements for certain periods of the year
 - incentivising investment in construction of accommodation from industry and others in regions

2. Skilling Australians

That Government:

- work with industry to develop, support, and investment in:
 - a Horticulture Careers for Young Australians program – a program that supports employers to develop trainee roles in the sector across technical skills sets (quality assurance, machinery operators and irrigation technologists)
 - a Graduates course for Fresh Produce Managers that continues the expansion of graduate roles in the sector, responding to industry’s increasing need for middle management roles.
- commit to industry that the introduction of any agricultural education or training, at any level, be:
 - **Industry Driven:** Agriculture education has previously been disconnected from the needs of employers. Education, skills and training must be developed in consultation with employers
 - **Skills Focussed:** Agriculture is becoming more data and technology driven. Training and education must build relevant skills for business and industry. Many of the roles in the agriculture sector are in the broader supply chain (input suppliers and manufacturers, transport and logistics providers, retails, and other service industries)
 - **Knowledge Based:** Develop agricultural education modules for primary, secondary, vocational and tertiary education which can be completed as part of specific agricultural study or as ‘electives’ or short courses. Modules must be practical, relevant and up to date

3. Supporting horticulture employers and SMEs

That Government:

- develop options in consultation with industry and SME employers to drive greater adoption and maintenance of ethical sourcing auditing systems including Fair Farms, SEDEX SMETA and GLOBAL GAP GRASP
- increase funding to the Fair Work Ombudsman to undertake further investigations in the horticulture industry with a view to provide better education, information and advice to employers to improve compliance and standards within the sector
- deliver on its commitment to introduce a National Labour Hire Licence across all sectors of the economy

4. Expanding the Pacific Australian Labour Mobility (PALM) scheme

That Government:

- consider country specific settings and strategies as part of an expanded PALM scheme, which are formulated in collaboration with each participating nation. Working closely with Pacific partners is key to ensuring the ongoing success of the PALM scheme.
- Increase resourcing for the PALM scheme, invest in better backend systems to reduce red tape and improve access to the PALM scheme.

5. Ongoing development and improvement of visa pathways

That Government:

- Consider the holistic visa framework required to support the fresh produce industry’s needs including the introduction of a horticulture specific Harvest Work Visa (‘HWV’) to meet time critical (peak-harvest) labour needs across Australia. The HWV would fill a critical gap in the existing visa framework, providing benefit to industry and migrant workers, and address integrity and compliance concerns.