

Media Release
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Botched consultation with industry risks the future growth of the PALM Scheme

The successful Pacific Australia Labour Mobility (PALM) Scheme is at risk following a rushed 10 day consultation facilitated by the Department of Employment and Workplace Relations (DEWR) on the detailed changes to the scheme. These changes are being pushed through despite industry warning they will decrease demand for the program and damage relationships with Pacific partners.

“Industry is strongly supportive of the PALM program and has been working with DEWR and the Government for years on growing the program – the result of which has been a doubling of the program every year since 2020, with over 37,000 workers now in Australia. The horticulture sector is reliant on the PALM scheme and without these workers during COVID, there would not have been fruit and vegetables on supermarket shelves,” said Australian Fresh Produce Alliance (AFPA) CEO, Claire McClelland.

Industry has welcomed the Government’s budget investment to boost its investigation and prosecution of dodgy employers that knowingly and intentionally underpay or mistreat workers as targeted intervention to weed out illegitimate operators. At the same time, industry has been working with Government since 2021 to improve minimum work hours requirements. Industry has supported offering workers 30 hours per week averaged over 8 weeks, which ensures minimum earnings for workers during seasonal changes, while also maintaining the flexibility required in the horticulture sector to manage weather events and other unforeseen challenges.

“Politicians in Canberra need to understand that there is variability in growing fresh produce, a few hours of heavy rain can make it impossible to access paddocks for several days. Creating unrealistic rules without proper industry consultation will simply drive up the cost of food and reduce the demand for the Pacific program. We want to support PALM workers in Australia, pay them well, and grow the program, but the industry needs Government to take a common sense approach to regulation to ensure we can continue participating in the program,” said Ms McClelland.

Industry has warned Government during the rushed consultation that implementing a fixed 30 hours per week requirement will likely decrease demand for Pacific workers, halting program growth and damaging relationships with Pacific partners.

“Demand for the PALM Scheme will decrease due to the flat 30 hour requirement proposed, because employers who engage PALM workers will be at risk of breaching the program’s conditions anytime there is a few days of bad weather. The only options will be for employers to reduce engagement in the program, and look to alternative sources of labour, like backpackers, which is an unfortunate outcome for industry, and the Pacific,” said Ms McClelland.

The AFPA has made a range of last ditch efforts to engage with DEWR and Ministers, including Agriculture Minister Murray Watt who has consistently pushed the PALM scheme as the solution to industry’s ongoing labour shortages.

“We have been told repeatedly by this Government that growing the PALM scheme is paramount and that our relationship with the Pacific is critical, however, that is clearly not true based on the rushed and ill-considered changes proposed. You wouldn’t make it more difficult for good, approved employers in the program’s largest sector to engage workers, if growing the PALM Scheme was still a priority – it’s clearly not, and neither is ensuring that there is a reliable, productive and well supported harvest workforce,” said Ms McClelland.

The AFPA is calling on Government to adopt an averaging period of 4 weeks, meaning that workers would be offered a minimum of 120 hours over a 4 week period. This compromise ensures that PALM workers are protected with minimum hours conditions and offers flexibility to employers to manage the seasonal fluctuations involved in horticulture.

“Our sector employs more than 70 per cent of PALM workers, so we will continue to support the best answer for PALM workers and the Pacific program. We can accept a minimum of 120 hours averaged over 4 weeks, which finds the balance between ensuring we can all grow and manage the PALM program, that workers are well paid and supported in Australia, and that the PALM scheme can continue to operate in the horticulture sector,” said Ms McClelland.

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Media Contact: Claire McClelland - CEO, AFPA: 0400 158 193