



Australia & New Zealand's seasonal worker programs: a study in contrasts

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Big difference in outcomes between two similar program

- Australia's Seasonal Workers Program (SWP) modelled on New Zealand's Recognised Seasonal Employer (RSE) Scheme
- But different outcomes: FY 2013-2014, 7,855 seasonal workers went to work in New Zealand under the RSE. Under SWP, only 2,014.
- The difference is most dramatic for Solomon Islands where close to 500 workers in 2013-2014 worked in New Zealand under RSE
- But only nine workers from Solomon Islands came to Australia under SWP, down from 42 in the first year of SWP.



Differences between SWP & RSE in Solomon Islands

- Sole reliance on under-resourced agents based in Honiara for a range of functions that other Pacific governments fund and carry out.
- Recruitment agents are responsible for marketing, recruitment, pre-departure briefing and support while working overseas and on their return. This range of duties requires resources to deliver but agents are restricted to only one revenue source: to charge Australian employers.
- The larger problem is that the recruitment agents in Solomon Islands have no substantial links with Australian employers, have no resources to market their services and have little to offer employers if they wanted to engage them.



Why the differences between SWP & RSE?

- the place of horticulture in the wider economy,
- the reasons for starting the programs,
- the role of employers in initiating the programs and in how they operate,
- how lead country recruitment was managed,
- official and employer attitude to illegal workers,
- and flexibility in the program's requirements.



Broader lessons

- Top down program design that did not understand the context
 - SWP does not have the key drivers and supporting conditions that RSE has
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Different Objectives

SWP - Seasonal Work Program

Employer needs secondary to development objective: *The objective of the Seasonal Worker Program is to contribute to the economic development of Pacific Island countries and East Timor. The SWP will also offer a reliable, returning workforce to Australian employers who have a demonstrated unmet demand for labour and a commitment to Australian job seekers.* The names of the two programs reflect their primary objectives

RSE - Recognised Seasonal Employer

Employer needs primary consideration: The first two objectives of the RSE Policy are to: - *allow horticulture and viticulture businesses to supplement their New Zealand workforce with non-New Zealand citizen or resident workers when labour demand exceeds the available New Zealand workforce and employers have made reasonable attempts to train and recruit New Zealand citizens and residents; and* - *promote best practice in the horticulture and viticulture industries to support economic growth and productivity of the industry as a whole, while ensuring that the employment conditions of both New Zealand and non-New Zealand citizen or resident workers are protected and supported...*



Background differences

Stand-alone initiative in response to external pressure from Pacific countries for access to seasonal work opportunities

RSE part of a wider industry strategy to address seasonal labour issues in these industries

Started as a pilot scheme for three years, prompting employer uncertainty about the future of the program

RSE started as an ongoing program in 2007, replacing seasonal work pilot policy 1999-2007

Initiated by government with little involvement of employer groups

Initiated by government taskforce with strong involvement of Horticulture New Zealand in the design of the program

Differences in operating environment

Weak compliance on illegal workers in horticulture	Strong compliance on illegal workers in horticulture, reducing their numbers substantially since the introduction of RSE
No strong evidence of demand for more expensive but more reliable labour due to ready availability of cheaper sources of labour	Labour shortage was a serious threat to business viability in the viticulture and horticultural sectors.
Range of employer associations in horticulture nominally involved	One employer association in horticulture involved which took lead role
Prior experience of recruiting labour from the Pacific to work in agriculture in 19th century based on indentured labour system	Recent prior experience from 1999 in recruiting labour from the Pacific to work in agriculture
Penalty of A\$10,000	If any RSE workers breach the terms and conditions of their visa such as leaving their employer to work elsewhere or not returning home, employer must pay any costs (to a maximum of NZ\$3000) required to return them to their country of residence

Differences in practice

Little or no direct involvement of employer associations

Direct involvement of Horticulture New Zealand through dedicated RSE officer

Initial recruitment based on open employer demand

Initial recruitment based on selection of a specific country

Reliance on market forces has resulted in dominance by small number of countries

Broader spread of countries participating, due to giving atypical country first mover advantage

Mix of direct employers and labour hire operators

Greater role for direct employers individually or as grower cooperatives

Fixed requirement for employer to pay full pay upfront, with repayment above \$500 deducted from pay

Different methods of payment of worker's upfront costs used in practice despite requirement to pay half worker's airfare

Differences in practice

Little flexibility in time period the worker has to be engaged	More flexibility in time period the worker can be engaged, ie can be engaged for less than six weeks and visa can be extended beyond time originally specified if employer offers more work
Employment in horticulture spread across the length & breadth of the continent	Employment in horticulture concentrated in specific areas
Pilot schme started with labour hire operators only as approved employers	Grower cooperatives took lead as approved employers, gained support of large employers
Development focus weak, due to limited focus of Stage I of Labour Mobility Initiative	Development focus better, broader range of training provided in New Zealand
SWP workers must stay with approved employer who has sponsored them	Since 2008, seasonal workers about to move between employers based on a joint agreement to recruit (ATR)



Unintended consequences: first and second mover advantages

- Tonga SWP migrants in Australia benefitted from first mover advantage
- RSE Migrants from Vanuatu in New Zealand benefitted from first mover advantage
- Leaves out late comers such as Solomon Islands



How to break cycle

- APTC graduates in hospitality for the accommodation trial
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Key lessons

- How to design a program – importance of objectives and context
 - How to implement a program – importance of feedback and flexibility
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