

# Australia's Pacific Worker Pilot Scheme: working against the odds



by Cynthia Halloran

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Danielle Hay and Stephen Howes [present an interesting analysis](#) of the take-up of the Pacific Seasonal Worker concluding that, 'given the experience to date, it would clearly be premature to regard seasonal horticultural work as the answer to the problem of promoting Pacific migration to Australia' (p.39).

The Pacific Seasonal Worker Pilot Scheme (the pilot) was never about 'Promoting Pacific migration to Australia' but rather about development in the Pacific islands, a very different agenda. The aim of the pilot was to test whether such a scheme could: (1) assist Australian horticulturalists who could not find enough local workers, and (2) provide development assistance to participating Pacific islands by enabling their citizens to be granted subclass 416 visas to work in Australia for up to seven months in a year in eligible horticultural enterprises, thereby gaining work experience and skills and earning money which could be remitted home. Consistent with the principle of circular migration, the worker, skills and money would all return to enrich the home community, and the worker would have the opportunity, all being well, to return to Australia as a seasonal worker in the following year. To discourage workers from establishing permanent roots in their new communities (migrating), visa conditions do not allow accompanying family members. The scheme was intended to be demand driven, in other words, if there was no demand for workers, there would be no recruitment. The pilot was a test of reciprocal needs: whether, and under what conditions, the needs of Australian horticulturalists and the needs of Pacific islanders for developmental opportunities could be mutually achieved.

Hay and Howes are probably correct in stating there is currently no great labour shortage in Australia. They are also likely correct in suggesting that some of the need is otherwise filled by working holiday makers and illegal workers. Others also filling this need include grey nomads and those working in the cash economy in breach of other federal and state jurisdictions or under 'sham' contracting arrangements. Legislative changes recommended by the [Howells review](#) and likely to be implemented in July of this year should make it easier to impose sanctions on

those who employ illegal labour and may go some way towards eliminating the more organised elements of the illegal industry and creating more opportunity for seasonal workers.

Hay and Howes are also probably correct in assessing that the horticultural industry would resist any attempt to reduce the appeal to working holiday makers of working in horticulture. But it would be a mistake to see working holiday makers labour as in competition with Pilot labour. It is, in fact, complementary. Horticulturalists have an elastic demand for labour: in the off-season it is low, ramping up during planting and pruning, and reaching a maximum during harvest. Depending on the crop, the harvest might last four to six weeks – not long enough to keep a Pacific Seasonal Worker (PSW) employed for the four months minimum it has been estimated needed to recoup expenses and make a reasonable saving. However, with the PSW employed for four to six months either side of the harvest with other duties, there is room for the shorter term working holiday makers to provide the necessary additional labour for the six-week peak, and since the timing of the harvest is always a bit unpredictable, the flexible availability of working holiday makers works well.

It is true that the pilot is highly regulated. Regrettably it needs to be. DIAC took lessons from the early experience of the RSE, as well as from its own history with the subclass 457 visa, and recognising that this was a vulnerable cohort subject to exploitation, made provision for their welfare by requiring approved employers to commit to the pastoral care of workers as a precondition for approval to recruit workers. In her [review](#) [pdf] (p.6) of the short-term 457 *skilled* visa, Barbara Deegan found many workers in Australia on this visa had been exploited in their pay and or workplace conditions, either due to a lack of knowledge of their rights or because they were afraid to raise them. Nic McClellan [described RSE workers](#) [pdf] similarly as ‘not [having] the skills to negotiate bureaucratic systems’ (p.27). McClellan found that during the first year of the NZ RSE program there had been weaknesses in arrangements relating to the provision of pastoral care, ‘with lack of work at down times (which means no income but ongoing expenses for housing and food) being a major concern’ (p.4). As the history of the 457 and the RSE show, unfortunately the protection of vulnerable workers cannot be left to the goodwill of employers but needs to be regulated and monitored. The pilot requirement for contingency planning (which Hays and Howes would like to see omitted as part of reducing the documentation burden) was imposed in response to McClellan’s findings.

Even with careful regulation there are still welfare issues. Culturally workers are not predisposed to complain of mistreatment by authorities and are often ignorant about their workplace entitlements or reluctant to speak up because they are afraid to risk losing their position. The pilot represents an enormous opportunity for the workers, families and communities, even more so because they have the opportunity to

return in future seasons and repeat it, so there is every motivation to succeed. For workers there is nothing to be gained in alienating an employer from whom all good things flow, so few do.

It's true the Pilot has not been well promoted, but it is questionable whether this is a government responsibility. The scheme was introduced by government in response to a campaign by the horticulture industry over many years that millions of dollars of produce was left to rot and industry expansion was prevented due to the lack of available labour. However, when the pilot scheme was implemented, surprisingly it received little industry support. This is one of the most marked differences between the RSE schemes and the pilot. In New Zealand, the peak horticulture body, *Horticulture New Zealand*, has driven the RSE scheme from the beginning, and as Hay and Howes suggest, also took the lead in cleaning up their own illegal labour problem. The organisation employs a full-time manager of national seasonal labour, Jerf van Beek, who plays a key role in promoting and supporting the scheme. In Australia, there has been no single body representing the horticulture industry since the collapse of industry support for HAC (Horticulture Australia Council) in 2009. While many peak bodies released media statements in support of the pilot when it was initially announced and occasionally since, there has been no sustained attempt to promote the pilot by any segment of the horticulture industry hence the widespread ignorance about the scheme that Hay and Howes found in their survey. Horticulturalists rely on their own crop-specific organisations as well as locally based affiliations such as shed meetings for information and recommendations about innovations in the industry and it is through these mediums, and the credibility and legitimacy given to messages thus conveyed, that growers need to be informed regarding the benefits of legal labour options like the Pacific Seasonal Labour Pilot and Program as well as the negative impact of illegal labour.

Hay and Howes make a number of recommendations for government to increase recruitment numbers: creating a market for the scheme by reducing the number of illegals and working holiday makers, and increasing the uptake of the scheme through promotion and by reducing the compliance burden for growers and shifting more travel costs back to workers. The questions need to be asked, why seek to increase numbers in a demand-driven scheme and why is this a government responsibility? The government, through the pilot, has met its objective of demonstrating that a seasonal labour program can have mutual benefits to Australia and the Pacific. Hays and Howes noted 'the generally very positive experience of the small number of growers which have actually participated in PSWPS' (p.37). Their satisfaction is generally based on the reliability of the workers and the fact that with an average of 30 per cent additional productivity (an estimate consistent across

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both schemes) the workers more than cover the estimated additional 10 per cent in recruitment and regulatory costs. This is why those employers who have tried the scheme continue to use it and generally increase the number of workers employed in the following season. The scheme has also demonstrated that it has met its goal of delivering financial benefits to individual workers, though we have yet to see the longer term developmental impacts of remittance income, skills and training. As the pilot ends and the permanent program begins, it is time for government to take a step back and industry to take a more active role in leading the scheme. Under the program it is likely that there will be less government regulation and monitoring and greater responsibility put on growers to do the right thing. Approved Employers would do well to remember that, like any employee, seasonal workers are most productive when treated with respect and rewarded appropriately.

This blog is a part of a series on the Pacific Seasonal Worker Program. Other blogs in the series can be found [here](#).

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Link:

<https://devpolicy.org/australias-pacific-worker-pilot-scheme-working-against-the-odds20120524/>