# **DEVPOLICY**BLOG

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# Pacific PALM workers applying for asylum in record numbers

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**Stephen Howes** 



Agricultural workers picking strawberries (Unsplash/Tim Mossholder)

Data just released from the Australian Department of Employment and Workplace Relations shows a sharp decline in Pacific workers engaged in short-term (seasonal) agricultural work, with the total falling from 18,905 in July 2023 to 14,355 a year later in July 2024, a decline of 24% in a single year.

Employers are now able to bring workers for long-term, non-seasonal agricultural (and other) work but the number of long-term agricultural Pacific Australia Labour Mobility (PALM) workers has also fallen over the same period, by 12%.

Outside of agriculture, there has been continued growth in long-term PALM visas. This is to some extent stabilising total PALM numbers, but that total still fell 6% between July 2023 and July 2024.

The shrinking of the PALM program might suit parts of the Australian government, stung by constant allegations of PALM worker exploitation. But it will be a diplomatic embarrassment. There are several countries that want to send many more workers. This includes Papua New Guinea, the most important Pacific country for Australia. PNG has very ambitious aspirations for the number of workers it wants to send under PALM, which the Australian government has said it supports. But significantly more PNG PALM workers will be impossible to achieve without aggregate PALM growth.

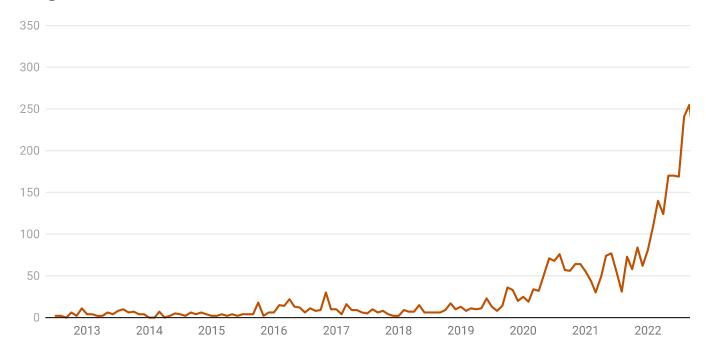
The reasons for the falling demand for PALM workers by Australia's farmers were set out by my colleague Richard Curtain back in April. Backpackers, who compete with Pacific workers for farm employment, and who left during the pandemic, are back in record numbers, and employers are unhappy with what they perceive to be the over-regulation of the PALM scheme. Given that hiring a backpacker requires no government approval, it is not surprising that farmers have moved away from hiring PALM workers, presumably replacing them with backpackers.

Although the government announced in May it would not be proceeding with its most unpopular proposed PALM regulation (the requirement that PALM workers receive at least 30 hours of work a week), this has not – at least not yet – been enough to entice farmers to hire more PALM workers.

Farmers may also be turning their back on PALM because so many workers are leaving the scheme. The government doesn't regularly release data on workers who leave their employer but not the country (that is, where the workers abscond or disengage). However, the ratio of disengaging workers to the stock of PALM workers for 2021/22 was about 8% (as explained in the data notes).

This disengagement cannot be understood without reference to the fact that many PALM workers also make a bogus claim for a protection visa. Recent data obtained from the Department of Home Affairs shows a massive increase in the number of Pacific (and Timor Leste) workers on temporary employment (400-series) visas applying for asylum (Figure 1). Nearly all of these protection visa applications would come from PALM workers who in 2023-24 made up 85% of the total number of PALM-sending-country temporary workers in Australia.

Figure 1: Applications from Pacific and Timor-Leste workers on temporary employment visas for asylum by month, July 2012 to August 2024



Making an asylum application is perfectly legal but nearly all the claims are unfounded, with rejection rates for all PALM-sending countries except PNG close to 100%. However, there are so many applicants for asylum (applications from the Pacific are just a small part of this much bigger problem) that rejection can take years (especially if the claim is appealed) and in the meantime, once applicants get a bridging visa, they can usually work legally for any employer and they can access Medicare.

Applying for asylum and disengaging are closely linked as receiving a bridging visa typically allows a PALM worker to leave their original employer legally. Put in economic terms, applying for asylum greatly reduces the cost of leaving the PALM program. Indeed, applying for asylum and leaving their employer (in whatever order) can be a perfectly rational decision even for a well-treated PALM worker because of the employment and residential opportunities these moves open up. There can be no presumption therefore that workers disengage because they are badly treated.

The possibility that workers are leaving PALM not to escape exploitation but for a better deal is completely missing from much of the reporting on absconding. A prime example is the recent report by the Office of the New South Wales Anti-slavery Commissioner on temporary migrant rural workers which has a strong focus on disengaged PALM workers.

Figure 1 of that report identifies 13 factors which lead to the disengagement of PALM workers, grouped under the four headings of: working conditions and wages; accommodation, transport and other living conditions; gender-based violence and access to health care; and social marginalisation and isolation. The idea throughout is that

workers abscond because something bad is done to them. Nowhere does the report even mention the possibility that workers leave their employer not because they are badly treated, but simply because they want a better life, for example, to live in a city rather than on a remote farm. In fact, I could find no mention of PALM workers applying for asylum in the Commissioner's 32-page report.

This is the first in a two-part blog series on the problem of PALM workers claiming asylum.

Data notes: The 2021-22 ratio on absconding workers quoted takes the number of absconding workers from this Sydney Morning Herald article, and divides it by the number of PALM workers available from DEWR for April 2022.

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Asylum seekers Migration Pacific asylum seekers

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