

Reforming the Seasonal Worker Program: suggestions from an employer

By Susan Jenkin 10 March 2015

In the previous two posts in this three-part series on the Seasonal Worker Program, I have discussed <u>my support for it as an employer</u>, and outlined how the SWP has benefitted my business, <u>despite the costs and risks involved</u>.

In this post I will outline some ways that the program could be reformed to more effectively meet the labour needs of participating employers, to reduce the costs, risks and administrative burden for approved employers, and to promote the program more successfully within Australia.

Meeting labour needs

Though it was unfortunate that the expansion of the working holiday class visa coincided with the introduction of the SWP, any radical change to the current visa system would be vigorously opposed by growers in our area.

- The SWP needs to be expanded commensurate to the expansion of the working holiday visa. Without this farmers will be left with less labour options.
- Government resources are needed to stamp out illegal labour. Illegal labour remains a significant problem in our industry as a whole. Everyone likes to pay less, and, because of the difficult economics of our industry, some people see it as their only viable option. While grower organisations are actively working to discourage the use of illegal labour, they need government assistance to stamp it out.

Reducing the costs, risks and administrative burden of participation

The SWP will be more popular if it is cheaper. Reducing the costs to growers of participating in the program will also reduce their financial risk. As a grower, I support the following reforms:

Remove the employer contribution towards all travel costs. While I know this is not the case for all seasonal workers, our workers earn very good money, in the vicinity of \$20,000 over five to six months, and get to claim all of their superannuation back on top of that. They have the capacity to pay for their travel costs, especially returning workers. Maybe sending countries could organise for returning workers to deposit their superannuation payout into a fund to set aside money for visa and travel for succeeding years?

The financial risk to employers of workers absconding should not be borne by the employers. Absconding workers are a result of a fault in recruiting, and the associated risk should be borne by those doing the recruiting.

Employers should be free to move workers as long as the workers agree. Farming is an inexact science. We cannot predict our labour needs to the day, and should have this flexibility to incorporate into our planning. This way we can ensure maximum work is offered to our workers.

Reduce the administrative burden on employers, in ways too numerous to list, but which include:

- 1. **Eliminate labour market testing**. This scheme was introduced because of a lack of suitable labour. If we could access suitable Australian labour, do you really think we would be going for a much more complicated and expensive option? If backpackers are allowed to gain a second year visa working in our area, doesn't this mean that someone in government has already made the decision that there is a labour shortage? Why are we forced to prove it over and over again?
- 2. **Standardise paperwork**. Forms should be designed so that basic information can be copied and pasted in one format. Forms should be brief and should not require information that is not actually going to be used! Recruitment plans should be submitted once per employer, and only resubmitted if information has changed. It would be nice to store our files in some form of cloud technology where we could directly input information as required.
- 3. **On-arrival briefings should be standardised**. There should be standardised and pre-prepared information provided to employers. Any information that can be delivered before departure should be delivered then, in the workers' own language. Employers should be responsible for community and work-related briefings only.
- 4. **Dealings with government departments should be simplified.** Because of the number of government departments it would be nice to be able to source all our

information in one place. Government departments do not like to speak on each other's behalf, leaving us to do the run-around. At a minimum, have a Department of Immigration staff member seconded to the Department of Employment to deal with all visa-related issues.

- 5. **Improve the approval process**. There is no excuse for this process to drag on for more than three months. Staff the program adequately to make this happen, and keep employers informed of the progress of their application.
- 6. **Remove the requirement to pay superannuation**. This whole process is a nightmare. It is not actually superannuation that we are paying, as the workers claim it back every year. It is an anomaly, and should be removed as a payment. It would be much easier to pay the workers directly or to put the money into a fund to cover the cost of airfares and visas for returning workers, thus lowering the employer's upfront payment costs.

Engage Australian employers and understand their priorities

The Seasonal Worker Program was not initially an employer-focussed program, despite the fact that employers are critical to its success! Sometimes I felt like an "essential evil", someone to be audited, checked up on or "dealt with", rather than a partner. If you want to promote to Australian employers, you need to truly engage with them – you need to understand their pressures and priorities.

- An understanding, personal touch goes a long way. We run our businesses very differently to the way a government runs its departments and rightly so, as we have very different priorities. It is very interesting though that some of the most engaging and effective promotion of the SWP that I saw was carried out by Ismenio Da Silva, former labour attaché from the Timor-Leste Embassy. Mr Da Silva travelled the length and breadth of Australia, talking with farmers about their issues.
- Get more good, hard evidence on productivity gains. The only survey that has
 been done is far too small to be relied upon. Use the more extensive RSE data from
 New Zealand [pdf], it tells the same story. It is much easier to convince farmers
 with hard economic evidence.
- **Get out into the regions and talk to employers**. Forget the seasonal worker conference, such conferences are basically preaching to the converted. Use those funds to get out into the regions and talk to employers. Ease off on endless capacity building in sending countries until you have better up-take in Australia. Otherwise you end up, for example, with situations where the few participating employers are

constantly bombarded with promotions from sending countries. We need more employers, not more promotional activities. Similarly with the reports on increasing the participation of individual sending countries: the major constraint on their participation is a lack of Australian employers.

I think the Seasonal Worker Program is a great piece of policy that has huge potential. It already provides real benefits to businesses and our communities, as well as to workers and their communities and countries. I believe it can do even better in the future if it is expanded to meet the labour needs of the industries that use it, the costs and risks to employers are reduced and it is promoted more effectively among employers in Australia.

Susan Jenkin is the owner of Ironbark Citrus in Munduberra, Queensland. Her business has participated in the Seasonal Worker Program since it was piloted. This post is based on a presentation that Susan gave at the launch of the report, Australia's Seasonal Worker Program: demand-side constraints and suggested reforms on 18 February at ANU. You can see the other posts in the series here and here, as well as perspectives from a recruiter for the program here.

Information on the Seasonal Worker Program, including type of work and how to recruit, is available here.

About the author/s

Susan Jenkin

Susan Jenkin is the owner of Ironbark Citrus in Mundubbera, Queensland. Her business has participated in the Seasonal Worker Program since it was piloted.

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