

Front page reporting from the [Vanuatu Daily Post](#), Saturday 15 September 2018



The SWP under threat: 4 November update

By Stephen Howes and Sachini Muller
15 October 2018

The last fortnight

Another major intervention from the Prime Minister [speaking](#) on 18 October at the 2018 National Farmers Federation Congress. There was great rejoicing on the [part of the NFF](#) at the PM's "re-commitment" to the agricultural visa, but it was hardly convincing. He called the ag visa "the long-term solution that is even the medium-term solution." But not the short-term solution. So let's try other things first and then we'll revisit the agricultural visa. Clearly the PM doesn't want to antagonise the Nationals. But clearly also he is not enamoured with their ag visa proposal.

What are those other things? He'd announced them the week before (see below), but just to make sure everyone understood, the PM repeated them in his [NFF speech](#): getting more Australians onto farms, but, because "I don't think and never have I said that I think that's going to solve the immediate problem" also reforming "the Working Holiday Maker Visa Program and the Pacific Labour Scheme and the Seasonal Worker Programme", a process on which "we will be moving quite quickly because we're doing it even now as we speak." Not even short-term, but immediate.

Even the NFF seemed to read the writing on the wall, for the first time indicating that it might not insist on an agricultural visa. In her [press release](#) welcoming the PM's speech, NFF President Fiona Simpson said:

"Whatever the solution: a dedicated agricultural visa, a regional visa or changes to existing programs to make them fit-for-purpose for farmers, the NFF is not fixed on a name or structure. We are only interested in ensuring our farmers' labour woes are solved."

Also of interest from the PM's speech: repeated concerns about about exploitation, strong defence of Pacific labour mobility ("my first port of call when it comes to our partners in the

Pacific – and I don't want to see that program undermined because it's a very important part of Australia's national policy and relationships and it's also good for the agricultural sector") and odd remarks about targeting. On the last, he said: "I need to know where the jobs are because we will ensure that any relaxation we have around the rules for Working Holiday Makers visas or any of these other schemes will be targeted to the areas where those shortages are." Does that mean attempts to get more backpackers not just onto farms, but onto farms in specific parts of the country? Odd.

Overall, Morrison left the door open to the agricultural visa (he did say that it is "unlikely" that existing schemes could meet all the demand), but did no more than that.

Since then, we've had further evidence of just how exploited backpackers are, including on farms, with a new UNSW report [*Wage theft in silence: why migrant workers do not recovery their unpaid wages in Australia*](#).

The NFF put some details around the agricultural visa into the public domain. The scheme, as described [here](#), looks identical to the Pacific Labour Scheme, with the reform that [we've suggested](#) that workers be allowed to move between farms.

Also, an important [speech](#) by Shadow Foreign Minister Penny Wong on 30 October on Australia, Asia and the Pacific, with extensive coverage of labour mobility, which is worth quoting in full:

"Labour mobility is highly valued – access to Australian and New Zealand schemes is both a key comparative advantage and important to our neighbours.

Labour mobility, and the remittances it generates, will remain an important element in regional economic development. Income streams from migrant Pacific workers in OECD countries contribute 83 per cent of the Pacific's GDP, according to a 2016 study by Stephen Howes.

Labour mobility provides mutual benefit to Australia too. Pacific seasonal workers contribute substantially to the success and long-term viability of Australia's agricultural sector, including through complementing and supplementing the workforce in regions where labour shortages occur.

That's why a Shorten Labor Government will seek to build on the Seasonal Workers Program.

Australia's economy benefits from the availability of Pacific workers. And our society benefits from the connections with Pacific communities.

So it's deeply concerning this policy appears to have been at play in National Party leadership games.

Thus far Foreign Minister Payne has succeeded in maintaining the integrity of the Pacific schemes. She has my support in doing so.

I'd encourage Mr. Morrison not to repeat recent errors in putting short term domestic politics ahead of the national interest."

Last updated: 4 November 2018

Introduction

We've been researching the SWP (Seasonal Worker Programme) for a long time. The recent push for an agricultural visa has become a major political story. And it's not over yet. This blog will bring you the latest on the SWP, the various proposals around alternative schemes, and links to related material (with apologies for paywalled links to articles from The Australian and The Weekly Times).

The agricultural visa: background

The first media reports that the Nationals were pressing for a new agricultural visa were in April of this year. The Sydney Morning Herald [reported](#) that "The preliminary stages of the visa have been in discussion for months after intense lobbying from the National Farmers Federation on the need to address a gap of 100,000 workers in the agriculture industry, but it is understood it is more likely to be announced months after the May budget."

In August, the Nationals federal council vowed to keep pushing the Coalition for the new agriculture visa; Agriculture Minister David Littleproud was [quoted](#) as saying it is "not negotiable".

The mid-September push for an ag visa, and the push back

A very sympathetic [report](#) on ABC RN Breakfast on 13 September said that the new agricultural visa could be announced early in the week beginning 17 September. ABC Pacific reporter Stephen Dziedzic followed up with a [series of tweets](#) saying that the new ag visa will be announced Tuesday [18 September], that might have been part of the National-Liberal Coalition agreement (re-negotiated whenever there is a change in PM, as there just was), that the visa will be "flexible" and that it won't be limited to the Pacific.

The NT Country Hour on 14 September [interviewed](#) a mango farmer, Ian Quinn, (who uses the SWP, and was interviewed back in 2016 by [Devpolicy](#)) who had met with the Nationals (listen from 11 minutes). He said that the Nationals were highly supportive of an

agricultural visa, as was he. Though he used the SWP, he didn't like it.

On the same day, Matthew Dornan, Stephen Howes and Richard Curtain [put out](#) a Devpolicy Blog article arguing that Australia doesn't need a new visa for agricultural work, estimating that the Pacific can supply at least 100,000 workers.

Stephen Howes [wrote](#) a blog on 14 September for The Lowy Interpreter, "[We already have an agricultural visa](#)," and on 17 September for The Conversation titled "[Why another farm worker visa makes no sense](#)"

Howes was interviewed on 14 September by [ABC Pacific Beat](#) and [The World Today](#), with subsequent interviews/quotes used by the Vanuatu Post ([here](#) and [here](#)), The Australian ([here](#) and [here](#)), [the ABC](#), and [Radio NZ](#).

Also on 14 September, Foreign Minister Marise Payne [retweeted](#) a [previous tweet](#) from 3 September with a photo of her signing the MOU in Nauru at the Pacific Forum Leaders meeting to admit the Solomons, Samoa and Vanuatu into the Pacific Labour Scheme. The text of the tweet said that "Australia's continuing strong commitment to the Seasonal Workers Program & new Pacific Labour Scheme is founded in our neighbourhood, our partnerships & our friendship." Payne's added hashtag #FPWP highlighted the centrality of labour mobility to the Foreign Policy White paper.

On the evening of Sunday 16 September on the ABC's [National Wrap](#), Patricia Karvelas [asked](#) (see from 5:40 onward) Agriculture Minister David Littleproud about the impact of an ag visa on the SWP. Littleproud [said](#) he's looking for "a pragmatic outcome for our farmers but also live up to these great programs that we've put in place that have helped Pacific nations" and that "we're not going to rush into anything that will jeopardise" the SWP. ABC Pacific report Stephen Dziedzic [reported on Twitter](#) that the government has "delayed its agricultural visa announcement", quoting Assistant Minister for the Pacific Anne Ruston, saying it is "still very much in development" and "details yet to be worked out."

On 17 September, a number of media reports confirmed that the ag visa has been delayed – coverage by Radio NZ ([here](#) and [here](#)), [Vanuatu Daily Post](#), [ABC Pacific Beat](#).

The fallout following the delay included reports that Nationals Leader McCormack was under pressure for not delivering the agricultural visa ([The Australian](#) on 19 September, and [ABC](#) on 20 September). Further reporting by The Australian [reported](#) leaks from the Cabinet meeting on 17 September where the ag visa was discussed, with Morrison, Dutton and Payne all speaking out against the visa.

October follow up and fall out

If the ag visa proposal is dying, and it seems to be, it is a slow death. On October 4, Pacific Beat [interviewed](#) Mark Coulton, Assistant Minister for Trade, who said two things (a) the agricultural visa is not dead and (b) it is going to focus on skilled labour. This makes no sense because skilled labour can already be imported through existing visa programs, for example, through the Temporary Skilled Shortage visa. In fact, the example Coulton gave (diesel mechanics) is on the list of eligible occupations. So are many other agricultural occupations.

On the same day, *The Australian* [reported](#) that the Nationals Leader and Deputy Prime Minister Michael McCormack has warned “there are not enough Pacific Island workers to get the agriculture sector through the summer months.” McCormack is quoted as saying: “The National Farmers Federation says we need about 100,000 workers. I appreciate that the South Pacific provided last year just a little over 6000 workers so obviously there is a big difference between what the South Pacific islands provided ... and what is required this summer.” In fact, though no one believes the figure of 100,000, [the Pacific could provide that many workers](#). And if it is 100,000, we’re certainly not talking about skilled workers.

Then after a few days of relative quiet, reporting on the agricultural visa proposal picked up again. Nationals Leader and Deputy PM Michael McCormack was asked about it on Sky. On 8 October, Matt Coughlan of AAP [reported](#) McCormack as saying “We’ll be addressing that as a government. We’ll be coming up with a plan to solve the problem and we’ll be doing that very soon”.

That sounded positive for the ag visa, as was the title of Coughlan’s article “Foreign farm worker scheme edging closer” but in fact the article continued in a more negative vein: “Hopes of an agricultural visa are fading after tensions within the Coalition over the issue. Immigration Minister David Coleman is in charge of looking for a solution, with one potential option being extending existing seasonal worker programs.”

The ABC’s Stephen Dziedzic was also negative. He [suggested](#) on Twitter that McCormack seemed “to hedge slightly when asked if the Coalition will unveil an agriculture visa before summer- ‘Well, let’s hope so. Absolutely. Because we need to work on it. Scott Morrison is fully cognisant of the fact we have a shortfall of workers’ (on Sky)”.

The ABC has had another go on the issue with detailed reports on 9 October on [PM](#) and [ABC Rural](#). Some farmers (including Ian Quinn, the mango farmer and ag visa protagonist) and farmer groups (AusVeg) called for a new visa. Farmer Andrew Bulmer called for workers for three years: something that is actually now possible under the Pacific Labour Scheme. A lot of the farmers’ complaints are about the [paperwork associated with the SWP](#). But it’s

important to remember that any new ag visa will come with the same terms and conditions as the SWP. There's no way around that. The other complaint is that the SWP is too small. But it is growing at almost 40% a year. And further reforms could lead to further growth. (See the blogs below.)

Citrus Australia CEO Ben Cant sounded a cautionary note. He said he feared the Government had not consulted with industry enough. "I'm concerned that what's transpiring is short-term politics... coming up with a quick win for politics to demonstrate they're satisfying growers' needs," Mr Cant [said](#). "I'm worried something will be released half-baked. We need to have good industry consultation so we don't ruin one program to initiate another."

PM Reporter Clint Jasper concluded that "the government maintains that a new visa will be delivered by the end of the year." I don't think that's quite it. The government, it seems to me, has undertaken to do something by the end of the year (or perhaps earlier) but it is not clear what. As discussed below there seem to be four options on the table: a new visa, changes to the backpacker visa, reforms to the SWP, and reforms to get more Australians onto farms.

This was made clear by the PM's mid-October intervention, which you can find on Twitter [here](#) (posted 12 October). As he says "it's a pretty clear plan." "One, register your need. Two, we will assess that need and get Australians into that job whenever and wherever we can. And three, where there's a shortage, we will ensure that the Pacific Labour Scheme and the Working Holiday Maker Scheme will be able to make up the gap."

Parts one and two, which are about getting more Australians to work on farms, got all the media attention. There is already a [pilot](#) to do just this (under which if you work on a farm, you won't lose unemployment benefits). It hasn't worked: it was introduced in July 2017, but by October [only 14 people had signed up](#). The new element now is that if you refuse to work on a farm you will lose those benefits. It is unclear how much of an incentive that will provide.

Industry was not keen on the proposal, with National Farmers' Federation president Fiona Simson [reported](#) to have "slammed the idea as a 'shallow' policy to tackle a serious shortage of workers on farms, calling instead for a new agricultural visa to allow workers from overseas." Read [this](#) article for more criticisms from farm organisations, and from Labor, and the Nationals don't like it either ([The Australian, 14 October](#)). The plan is seen as too bureaucratic, and unlikely to yield much quality labour for farmers.

Interestingly, New Zealand has a similar scheme to get Kiwis onto farms called (confusingly)

the NZ Seasonal Worker Scheme (not to be confused with their Pacific SWP, the RSE), introduced in 2014. As far as I can tell, it has never amounted to much, and although it continues, it remains very small in size. You can read about NZ farmers' frustrations with that scheme [here](#).

So, all up, the first part of Morrison's plan is unlikely to lead to large numbers of Australians working on farms. It is the second part that I'm worried about: how the government will help farmers fill agricultural labour shortages if Australians aren't interested. It is odd that the PM didn't mention the Seasonal Worker Programme (SWP), which is much bigger than the longer-term Pacific Labour Scheme (PLS). But we can assume that by PLS, the PM really meant PLS and SWP. (In Parliament the next day, he mentioned both.)

The real problem is the last part of Morrison's last sentence, the reference to "the Working Holiday Maker Scheme." We discuss this towards the end of this post.

Meanwhile the Nationals are insisting that the ag visa is still not dead. Enter Barnaby Joyce, as [reported](#) by The Australian on 15 October. The same [report](#) goes back to the idea of an ag visa as a skilled one.

In Parliament on Monday (October 15), the PM refused to say, in response to taunting questions from Labor, that the agricultural visa was dead. Rather, he [said](#), "the government has made no decision about not having such a visa in the future." (p.61). But he nevertheless relegated it to one of a group of "longer term issues," as distinct from his plan which is "what we're acting to do right now" in time "for the upcoming harvest" (p.62).

Clearly, we are going to see more incentives for Australians to work on farms. And we're going to see reforms to the SWP/PLS and, it would seem, the backpacker program.

Regional, political and business support for the SWP

Before we get to those reforms, a note on how one side-benefit from these debates has been increased publicity and support for the SWP.

On 15 September, Dan McGarry's [front-page article](#) for the Vanuatu Daily Post was titled "SWP to be sidelined". It noted that "For reasons known only to itself, the Government of Australia is reportedly poised to institute a new agricultural visa scheme that could effectively kill the Seasonal Worker Programme and stunt the recently-announced Pacific Labour Scheme." The Daily Post followed up on 24 September with a front-cover [six-page spread](#) in its Vanuatu Business Review on the benefits of the SWP to Vanuatu, and the threats posed by the ag visa proposal.

PNG's Shadow Minister for Treasury and Finance, Ian Ling Stuckey, [expressed concern](#)

about the proposal of a new visa. One Pacific Beat [segment](#) on 17 September featured him and the acting PNG High Commissioner. Another [featured](#) Fijian political leader Biman Prasad, also voicing concern about the ag visa and support for the SWP.

At the **domestic political level**, one of the consequences of the whole ag visa affair has been an unprecedented demonstration of bipartisan support for the SWP and for Pacific labour mobility in Australia.

On the Labour side, Shadow Foreign Minister Penny Wong, Shadow Minister for International Development and the Pacific Senator Claire Moore, and Shadow Minister for Immigration and Border Protection Shayne Neumann issued a [press release](#) on 17 September titled “New agricultural visa must not undermine Pacific programs”. Wong and Neumann joined together with Shadow Minister for Agriculture Joel Fitzgibbon on 24 September in a [second press release](#) to reiterate their “concerns the [proposed agricultural] visa had the potential to undermine existing programs with Australia’s Pacific neighbours” and that the new visa must not undermine Pacific seasonal worker programs.

On the Liberal side, The Australian [reported](#) on 19 September Foreign Minister Marise Payne as saying that the government would ensure “Pacific countries would always take precedence” in any arrangement to boost overseas farm labour. And ABC’s Stephen Dziedzic [reports](#) Assistant Minister for the Pacific Anne Ruston as saying that “one of the things I’ll be working with the Agriculture Minister to ensure is that our commitment to labour mobility in the Pacific is still our number one priority.”

Then on 4 October, PM Scott Morrison did an interview where he came out swinging to defend the SWP:

REPORTER: Will you make sure that a new ag visa doesn’t undermine the Seasonal Workers Program for pacific nations?

MORRISON: Yes.

Morrison went on to say “The Pacific Islander Scheme has the priority in our program. Of course it does, and that’s the assurance I give to all of the Pacific Island leaders who we have been engaging closely with.” Full transcript of the doorstep [here](#).

For the Nationals, on 20 September the ABC [reported](#) Littleproud as saying “The reality is we will be able to do that [meet the demands of farmers for labour] in making sure that we continue to enrich things like the Seasonal Worker Programme.” Then on 26 September, The Weekly Times [reported](#) the Agriculture Minister as saying “Australia’s Pacific partners would continue to be the first preference for workers. We’re going to make sure they

[Pacific islands] get an ability to participate first in that ... but we've got to make sure that we're able to do this quickly because we're getting towards season and something needs to happen."

There are also indications of growing **industry** support for the SWP and calls for its reform. On 17 September, the ABC interviewed Michael Fryzer from SWP employer Connect who said that "to threaten it [the Pacific Seasonal Worker Programme] just as it is firing on all cylinders, would be a tragedy". On 26 September, The Weekly Times [reported](#) Rachel McKenzie from Queensland employer group Growcom "urging the Government to work harder on making the Seasonal Worker Programme a win-win. The ability to move workers between approved farms, rather than seeing them locked into one employer, would open the program up to smaller growers." Ms McKenzie said it also could take farmers up to three months to become an approved employer, with a costly bureaucratic process.

Backpacker visa and SWP reform

The Australian [reported](#) on 26 September that in the Cabinet meeting of 17 September, "Mr Littleproud was ordered by cabinet to draw up a new policy to address farm labour shortages without threatening Australian jobs, opening up fresh avenues for immigration routes or alienating regional partners. It is understood the policy will expand the existing Pacific Seasonal Workers Programme and allow backpackers to extend their stays for up to three years if they work in a primary production sector." The Australian reports that "Mr Littleproud's department has now been tasked to work with the departments of Foreign Affairs, Home Affairs and Jobs to develop a proposal for cabinet within three weeks."

The AAP report also on 26 September was similar, but [indicated](#) that "Mr Littleproud is now working on a plan which would tweak the existing Pacific island labour program while also encouraging more Australians to take up farm jobs." No reference to backpacker reform.

On October 1, The Australian ran a story "[Pacific seasonal worker program works for both parties](#)". It quotes a grower as saying "the government should streamline the process and limit the amount of paperwork required to be involved in what he described as a 'great - program'".

On October 2, ABC's 7.30 led with a story on [backpacker exploitation on Australia's farms](#).

In [The Weekly Times on 3 October](#), Senator Anne Ruston, former Assistant Agriculture Minister and now Assistant Minister for the Pacific questioned the need for a new ag visa, pointing to the two existing schemes - SWP and PLS - and is [quoted](#) as saying that these are "two very good, largely agriculturally-focused visas that are available to the agricultural

sector". "Let's have a look at that before we just go throwing a new visa on to the table." [The article](#) also repeated reports that the government's solution to the agricultural worker shortage "could include expanding the seasonal worker program to more countries, and extending working holiday-makers' stays from two years to three if they undertake agricultural work."

In an [interview](#) on 4 October on the ag visa, PM Morrison said "everybody who comes to work in this country has to be treated properly and I want to be absolutely certain that those going to work in these areas and environments are properly looked after and properly catered for." That would seem to rule out expanding the [poorly-regulated and exploitation-prone backpacker program](#).

However, in his mid-October interventions, the PM indicated the opposite: the backpacker program could be expanded. This was [confirmed](#) by David Crowe of the Sydney Morning Herald on 14 October: "Immigration Minister David Coleman is understood to be looking at visa changes to allow more farm workers, with options including an increase in Pacific islanders or longer visits for travellers on working-holiday visa." PM Morrison himself confirmed in Parliament on Monday 15 October [that](#) "for the next harvest the backpacker visa arrangements will be modified to ensure we can fill that gap" (p.59).

Longer visits for backpackers. This could mean two things, perhaps both. First, as reported earlier, that instead of getting one year for working on a farm for three months, a backpacker will get two years. Second, as farmers often call for, that the limitation that a backpacker can only work for a single employer for six months will be removed. This could mean that backpackers are recruited offshore as workers to come here for a single employer for two years.

This is bad policy. The backpacker scheme is broken. Two separate research efforts have shown it to be highly exploitative. And there are four times as many backpackers as there are seasonal workers. More backpackers will mean fewer seasonal workers.

In response to these proposals, Stephen Howes has written three blogs, on 28 September "[Proposed backpacker visa reform will increase worker exploitation and cause strategic damage](#)", on 2 October on "[Overhauling the Seasonal Worker Programme](#)", and on 18 October "[Bringing in backpackers is not the right way to get more workers onto farms](#)". Also see Richard Curtain's 4 October blog "[Structural changes for SWP: lessons from NZ](#)," and the 12 October blog by Rochelle-Lee Bailey and Charlotte Bedford "[Joint recruitment in New Zealand. Why not in Australia?](#)" Finally, you can listen to Stephen Howes' 17 October [ABC PM interview](#) on backpackers.

The 28 September Howes blog [concludes](#) as follows:

“We have to decide whether we want less exploitation on our farms or more. And we have to decide whether we mainly want Pacific islanders or rich-country foreigners picking our fruit and vegetables. The answers to these questions are obvious. They imply that the proposal to strengthen the incentive to backpackers to work on farms is misguided. Instead, we should be reforming and growing the SWP.”

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Link: <https://devpolicy.org/swp-under-threat/>

Date downloaded: 23 April 2024



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