# Optimising Pacific Australia Labour Mobility (PALM) onshore delivery

**Department of Employment and Workplace Relations** 

January 2023

### **About the Australian Fresh Produce Alliance**

The Australian Fresh Produce Alliance (AFPA) is made up of Australia's key fresh produce growers and suppliers. The members include:

- Costa Group
- Perfection Fresh
- Montague
- One Harvest
- Pinata Farms
- Fresh Select
- Mackay's Banana Marketing

- Driscoll's
- Australian Produce Partners
- Premier Fresh Australia
- Rugby Farming
- Freshmax
- Fresh Produce Group.

#### These businesses represent:

- half the industry turnover of the Australian fresh produce (fruit and vegetables) sector \$4.5
   billion of the \$9.1 billion total
- a quarter of the volume of fresh produce grown in Australia 1 million of the 3.9 million tonne total
- more than a third of fresh produce exports \$410 million of the \$1.2 billion export total
- more than 1,000 growers through commercial arrangements, and
- more than 15,000 direct employees through peak harvest, and up to 25,000 employees in the grower network.

The key issues the AFPA is focusing on include:

- packaging and the role it plays in product shelf life and reducing food waste landfill,
- labour and the need for both a permanent and temporary supply of workers,
- market access to key export markets for Australian produce,
- product integrity both within and outside of the supply chain,
- pollination and research into alternative sources, and
- water security, including clear direction as to the allocation and trading of water rights.

The AFPA's aim therefore is to become the first-choice fresh produce group that retailers and government go to for discussion and outcomes on issues involving the growing and supply of fresh produce.

Products grown by AFPA Member companies include:

Apples	Blueberries	Cherries	Nectarines	Raspberries
Apricots	Broccoli	Fioretto	Onions	Salad leaf
Asparagus	Broccolini	Green Beans	Oranges	Spinach
Avocado	<b>Brussel Sprouts</b>	Herbs	Peaches	Strawberries
Baby Broccoli	Butternut	Lemons	Pears	Sweet Corn
Baby Corn	Pumpkin	Lettuce	Pineapples	Table grapes
Bananas	Cabbage	Mandarins	Plums	Tomatoes
Beetroot	Cauliflower	Mango	Potatoes	Water Cress
Blackberries	Celery	Mushrooms	Cucumber	Wombok

## **Summary**

In line with Government's commitment to rebuild the capability and capacity of the public service, the Government has decided to insource the domestic operational delivery of the PALM scheme to be delivered by Department of Employment and Workplace Relations (DEWR).

In considering an optimised delivery model for the PALM scheme, that sees DEWR as the responsible agency for operations of the PALM scheme, ensuring that DEWR are appropriately resourced to perform this function is paramount.

With regard to current arrangements across both the short- and long-term PALM streams it is important to note, that demand for recruitment via the PALM scheme has increased significantly over the past two years, and there are still a number of COVID related challenges (i.e. repatriation and re-recruitment of those on 408 visas) that are likely to require significant efforts in the short-term. Many of these recruitment related challenges affect short term workers, due to the shorter nature of visas and contract engagements. It is worth noting, that in order to "add" the current workload of the PLF/long term stream to DEWR should be approached cautiously, understanding the resource intensive requirements to return to a business-as-usual setting within the short-term stream over the next two years.

The AFPA would support a necessary transition period for the movement of PLF functions to DEWR to ensure that resourcing, funding and other appropriate arrangements can be made to support these functions. The transition of PLF functions to DEWR will require the establishment of a large, diverse and skilled team; it cannot be reasonably expected that this can be created in DEWR in the short term.

Supporting worker welfare, and the ability for an AE to manage worker welfare is vital to the success of the scheme. The PLF currently provide significant worker support services across both the short- and long-term PALM streams, notably the out of hours phone line and mail box, critical incident management and worker health support. This type of support typically requires immediate response and action, which is often required out of normal working hours. As there is growth in the program, both in terms of number of workers and number of AEs, thought must be given to not just how current capacity to provide these services is delivered in the move of these functions to DEWR but importantly, how capacity to deliver these functions can be increased within DEWR given the outsourced model for this is no longer the preference for government.

Issues of critical importance to industry in developing an optimised delivery model for the PALM scheme are timeliness and consistency across program operations. These two areas across all functions and components are vital to AEs as consistent and timely delivery enables businesses to more effectively budget and plan. These principles should be core to developing an optimised delivery model for DEWR.

In order to support an improved program delivery model, and the transition/insourcing of services to DEWR, significant improvements in the IT system attached to the PALM scheme is required. Improvements that reduce red tape, better record data and enable DEWR to more effectively review information will be critical in supporting the objectives of insourcing program management.

The AFPA support the Government's commitment to strengthening the protections and approach to well-being for PALM workers, ensuring they continue to benefit from the same conditions and wages as Australian workers and looks forward to working with DEWR as they formally take the responsibility across the PALM scheme of eliminating exploitation, improving workers' pay and conditions and managing employer compliance.

## **Contents**

Summary	3
Introduction	
Responses to Discussion Paper Questions	
Feedback on current arrangements	
Feedback on intersection areas	9
Becoming a PALM Approved Employer	9
Pre Departure - Recruitment of Workers	10
Arrivals and Placement	11
Post Placement – Departure Report	11

#### Introduction

As part of broader Machinery of Government changes, on 1 July 2022, the Australian Government moved the responsibility for PALM scheme domestic (Australian) operations to DEWR. DFAT continues to be responsible for Pacific labour (non-operational) policy, strategic communications and stakeholder engagement in the Pacific and Timor-Leste including support to labour sending governments on labour mobility policy and sending capability.

In line with Government's commitment to rebuild the capability and capacity of the public service, the Government has decided to insource the domestic operational delivery of the PALM scheme to be delivered by DEWR. This means gradually transferring the domestic operational functions and responsibilities of the PLF in Australia and establishing capacity within DEWR.

This decision aligns accountability for operational delivery of the PALM scheme within the portfolio responsible for eliminating exploitation, improving workers' pay and conditions and managing employer compliance. The move to an insourced delivery model for PALM operations in Australia reflects the Government's commitment to strengthening the protections and approach to the well-being of PALM workers, ensuring they continue to benefit from the same conditions and wages as Australian workers, a responsibility also within the Employment and Workplace Relations portfolio.

To inform the optimal design of the domestic operational PALM delivery model and ensure it meets the needs of the Pacific, Timor-Leste, and Australia, DEWR, in collaboration with DFAT, is undertaking stakeholder consultations. It is anticipated that following stakeholder feedback and consideration by Government of the proposed onshore delivery model, existing delivery services will gradually transfer from the PLF to the DEWR while maintaining the integrity of the scheme. It is anticipated that the orderly transfer of all functions will be complete by the end of 2023.

This paper provides feedback on discussion paper questions and program operations to inform development of new delivery model under DEWR.

#### **Responses to Discussion Paper Questions**

## 1. Considering all phases of the Approved Employer and PALM worker journey in Australia for the scheme, what has improved and is working well?

Under current operations, program assurance activities (site visits) have been working well. This activity should continue to ensure that program standards are met and enforced. Increased communications with LSUs (predominantly as a result of COVID restart of programs and ongoing challenges associated with the pandemic) have been beneficial in assisting AEs to facilitate recruitment and importantly manage timelines. The management of timelines is critically important in the short term stream within the horticulture sector given the time sensitive nature of harvest work.

In comparing the SWP and PLS, SWP Online and the ability to submit both recruitment and accommodation plans via this portal is preferred and perceived as more seamless than the PLF. This function provides greater visibility for AEs on status of applications/submissions and is easy to update information to ensure DEWR have the most up to date information possible. While this system offers important features, it is also a key area for improvement.

#### 2. What functions supporting the PALM scheme need to be improved and how could they be improved?

In order to support the delivery of the PALM scheme, it is important that AEs are supported in their role in employment, managing worker welfare, reporting etc. Functions that need to be improved to support scheme delivery typically focus on the interaction between AEs and DEWR/PLF:

- Contract Managers Across contract managers more consistency is required. Common feedback is that
  Contract Managers have significantly differing levels of skills/experience/education and that often this
  leads to challenges in terms of interpreting or applying standards, engaging with AEs and importantly
  managing incidents. These challenges extend even to standardisation of contact methods including some
  Contract Managers some managers are contactable by mobile where others are only contactable via
  email. Additionally:
  - Timeframes Timeframes for reviewing recruitment plans, engaging with applications and responding to inquiries should be improved.
  - o Incidents Support and advice from contract managers is highly variable. A key focus on the delivery of this by DEWR should be enabling consistency in contract managers.
- Increased communication and transparency around the AE application process Regular updates on the status of an application should be provided, for example, notifying employers of provisional acceptance is crucial for them to move forward with other requirements. A timeline tracking system, similar to those used in passport approvals, can help address this issue.
- The Community Connections Program resourcing should be reviewed the Program is currently delivered by seven Regional Coordinators covering all states/territories which is a stretch of resources. The Program is meant to build positive relationships, improve cultural understanding, and support welfare and wellbeing, however employers with significant numbers of PALM workers under their care report only their regional coordinator checking-in with workers and the AE only once a year. Employers have voiced a need for greater support improving cultural understanding both of AEs and workers.
- An improved IT System (further detail below)

## 3. Are there other functions that could complement the current delivery model to address any gaps and emerging risks?

Given the insourcing of PLF functions to DEWR, functions that would support this are:

- Significantly improved IT system (see long form response below)
- Ensuring that implementation of PLS/SWP are consistent. This will reduce administration for DEWR and also AEs who operate both programs.

Increase and improve training for Contract Managers to enable improved support of workers and AEs.

#### 4. What are the areas of focus to optimise the domestic/onshore delivery of the PALM scheme?

An overarching area of focus to optimise program delivery is ensuring that DEWR is appropriately resourced to deliver program objectives. It is likely that via insourcing the current domestic work of the PLF that a significant investment in staffing will need to be made in DEWR to ensure the program is delivered effectively to meet the Government's objectives of increasing recruitment within the PALM scheme.

Further, a focus on worker welfare is critical. This should be achieved through DEWR outlining clear processes, procedures, roles and responsibilities for their required components of worker welfare and should also incorporate a focus on enforcement of program standards; ensuring that all AEs are meeting these standards and addressing illegal employment of PALM visa holders.

5. For stakeholders engaged in both the short-term and long-terms components of the PALM scheme—are there functions from respective delivery models that deliver better outcomes that should be considered as preferred practice?

Feedback from industry typically notes the more 'supportive' process offered by the PLF, that have historically been better resourced to support new AEs during their first few recruitments. This also extends to the support offered to AEs where problems arise.

Operationally, SWP Online conceptually better meets industry needs as opposed to providing hard copy/paper/electronic documents to PLF relationship managers as is current process. A portal system that provides visibility of communication with DEWR and enables easy updating is key to an improved IT system.

6. What aspects of the regional presence model (currently staffed by DEWR, the Pacific Labour Facility and the Community Connections program) are delivering on the needs of PALM stakeholders in regional Australia (e.g., Approved Employers, country representatives and workers) consistent with the Community of Care model expectations?

The regional presence model appears underutilised currently. The AFPA support AEs being responsible for worker welfare in the first instance, and then the support of DEWR where escalation is required. In terms of broader wellbeing and community integration, it is important that this is not only suited to workers but also have engagement in development from AEs.

7. Do you have any other feedback, learning from the past and current operating arrangements, to inform the design of the future delivery model within DEWR?

Issues of critical importance to industry are timeliness and consistency across program operations. These two areas across all functions and components are vital to AEs as consistent and timely delivery enables businesses to more effectively budget and plan. These principles should be core to developing an optimised delivery model for DEWR, alongside improving communication.

Worker welfare management is also critical – the updated delivery model must be timely and consistent as well as clear on responsibility; that is where, when and how DEWR should or will become involved in worker welfare management. Ensuring support remains readily available to both AEs and workers, 24/7, is vital.

Recent operational changes to accommodate COVID pandemic conditions should also be reviewed. This includes the introduction of the flight matrix, which no longer serves the intended purpose now that air travel has in the main returned to normal.

8. What functions would you want in PALM IT platform to support the delivery of PALM and improve its efficiency?

Significant improvements to the IT platform available to AEs and Government will greatly reduce red tape. Aspects of "red tape" could be resolved with improvements to the current IT platform, reducing double handling of information. While this would require significant investment, if the objective is to support growth and facilitate their mobilisation goals, these improvements are critical.

For example, the current SWP platform operates in terms of cohorts of recruitments, not individual workers. Information on individual workers is uploaded on arrival, but this information isn't transferrable anywhere else in the system. This means every time an AE makes an update, creates an incident report, completes a departure report, information on each worker must be re-entered. This also means that PALM and LSUs cannot track individual workers through the program. An update here would reduce double handling for employers, improve visibility for PALM, and facilitate better mobilisation. A model could look something like this:

- Each worker has a profile in the system.
- The LSU creates that profile as a part of their onshore mobilisation, including basic information about the worker. A profile only needs to be created for a person once, so return workers retain their history.
- The employer creates a recruitment.
- As a part of the arrival process, the employer attaches these workers to their recruitment and updates with basic information (like Australian contact details)
- This process of attaching workers to incidents, departures, accommodation, etc, flows through the system.
- There is an ability to search by worker, so LSUs, PALM and employers could search for the worker and see their contact information, associated incidents, etc.

This would also facilitate DEWR being able to review workers before approving their worker driven transfers (for example, if a worker is under investigation for sexual harassment, has a pending court case, etc). It could potentially streamline the transfer of information between LSUs and employers. The history of prior other organisation's recruitments and incidents does not necessarily need to be visible to employers, but if LSUs had this information it would enable them to lookup prior employers and provide references to enable us to do the same checks that AEs undertake for Australian placements.

It is worth noting that long term recruitments are currently completed by paper/PDF. This is a significant red tape impost and should be updated as a priority.

There must be a transition to a single system for long and short-term pathways. Currently, there are two separate processes that are completely disconnected – for example, accommodation needs separate approval, the same AE has different contract managers, etc. A single contract manager, and integrated system is a high priority for red tape reduction.

# 9. What else could we enhance during this process that would reduce risk of workers exploitation, provide equal opportunities, and improve pay and conditions?

The following measures would assist in reducing worker exploitation, providing equal opportunities and improving pay and conditions:

- Create a function within DEWR where breaches of the Deed and Guidelines can be reported and investigated.
- More Program Assurance Activities with a focus on education and compliance
  - Specifically, the use of multi-agency enforcement would be incredibly valuable (ATO, FWO, Border Force, DEWR)
- Enforce and Introduce penalties for AEs who employ PALM workers (or others) working in breach of their visa conditions.
- Engage with relevant agencies to pursue penalties for employers who are not AEs who are employing PALM workers in breach of their visa conditions.
- (Out of Scope) Undertake increased communication efforts in country to inform workers of the risks of working in breach of their visa conditions.

# 10. What aspects of cultural competency and community engagement should inform the future design of PALM delivery model?

Some aspects of cultural competency and community engagement that should inform future design of PALM delivery model are:

- Training for AEs and Contract Managers a focus on cultural competency, in depth inductions and regular updates. It is important that this training is delivered in partnership with sending countries to both build relationships and ensure accuracy of content.
- Improved engagement and provision of information to AEs about Community Connections.

#### Feedback on current arrangements

With regard to current arrangements across both the short- and long-term PALM streams it is important to note, that demand for recruitment via the PALM scheme has increased significantly over the past two years, and there are still a number of COVID related challenges (i.e. repatriation and re-recruitment of those on 408 visas) that are likely to require significant efforts in the short-term.

Many of these recruitment related challenges affect short term workers, due to the shorter nature of visas and contract engagements. It is worth noting, that in order to "add" the current workload of the PLF/long term stream to DEWR should be approached cautiously, understanding the resource intensive requirements to return to a business-as-usual setting within the short-term stream over the next two years.

Further, there are ongoing discussions within the short-term stream of PALM about increasing worker mobility and enabling onshore movement of workers between AEs. In order to facilitate this objective, the delivery model needs to be future focused, rather than purely considering the amalgamation of functions between the PLF and DEWR.

Supporting worker welfare, and the ability for an AE to manage worker welfare is paramount in the success of the Scheme. The PLF currently provide significant worker support services across both the short- and long-term PALM streams, notably the out of hours phone line and mail box, critical incident management and worker health support. This type of support typically requires immediate response and action, which is often required out of normal working hours. As there is growth in the program, both in terms of number of workers and number of AEs, thought must be given to not just how current capacity to provide these services is delivered in the move of these functions to DEWR but importantly, how capacity to deliver these functions can be increased within DEWR given the outsourced model for this is no longer the preference for government.

Ensuring that a new delivery model focuses on ensuring that DEWR can be responsible for delivering timely and appropriate support to workers, and the AEs responsible for managing worker welfare in the first instance should be a high priority in delivery model design and resourcing considerations.

#### Feedback on intersection areas

#### **Becoming a PALM Approved Employer**

The AFPA supports strong standards for program entry, and in optimising PALM scheme delivery, supports ensuring that these standards are not lowered to create a more efficient application process. Ensuring that a new AE meets eligibility criteria is a key process and should be retained as this provides a standard to entry within the program.

#### **Site Visits**

In managing site visits, the current delivery model (pre-clearing sites for PLS employment and clearing sites at the first recruitment for SWP) reflects the differing risk profile associated with employment types. Given the longer recruitment under the PLS/long term steam, ensuring that AEs and sites are able to meet worker

requirements over the long term (up to 4 years) is an important control. With regard to the SWP, undertaking a site visit in line with an AEs first recruitment matches the short-term nature of recruitment.

A new delivery model could consider how to more effectively and efficiently capture, update and archive information about accommodation including images, videos, maintenance requests/updates to better support and manage the requirements to undertake physical site visits.

#### **AE Onboarding**

AE onboarding is an important part of the AE approval process. While a group process for onboarding may be more efficient, a key part of this process is the development of a relationship between an AE and relevant contract manager/relationship manager. Feedback from AEs is that Contract Managers/Relationship Managers have the capacity to make their own interpretations of standards and guidelines (often a cause of frustration) and therefore, enabling a setting where a relationship between both parties can be established is important in improving ongoing engagement through the program.

#### **Pre Departure - Recruitment of Workers**

The introduction of a single Deed and Guidelines and online PALMIS system will be important in optimising scheme delivery and developing a delivery model for DEWR under proposed new arrangements.

Significant improvements to the IT platform available to AEs and Government will significantly reduce red tape. Aspects of "red tape" could be resolved with improvements to the current IT platform, reducing double handling of information. While this would require significant investment, if the objective is to support growth and facilitate their mobilisation goals, these improvements are critical.

For example, the current SWP platform operates in terms of cohorts of recruitments, not individual workers. Information on individual workers is uploaded on arrival, but this information isn't transferrable anywhere else in the system. This means every time an AE makes an update, creates an incident report, completes a departure report, information on each worker must be re-entered. This also means that PALM and LSUs cannot track individual workers through the program. An update here would reduce double handling for employers, improve visibility for PALM, and facilitate better mobilisation. A model could look something like this:

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This would also facilitate DEWR being able to review workers before approving their worker driven transfers (for example, if a worker is under investigation for sexual harassment, has a pending court case, etc). It could potentially streamline the transfer of information between LSUs and employers. The history of prior other organisation's recruitments and incidents does not necessarily need to be visible to employers, but if

LSUs had this information it would enable them to lookup prior employers and provide references to enable us to do the same checks that AEs undertake for Australian placements.

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#### **Arrivals and Placement**

#### **Arrival of Workers**

The AFPA support the engagement of both the FWO and appropriate Union in the arrival process and would consider it appropriate for this to become standardised in the delivery model for PALM.

With regards to reporting on worker arrival, again, an improved IT system would reduce red tape in managing worker arrivals from both an AE perspective and in an optimised delivery model.

#### Worker Welfare and Wellbeing

Ensuring worker welfare is critical to the ongoing success of the program. The AFPA strongly support AEs continuing to be responsible for the ongoing management of worker welfare. This aligns with requirements under sponsorship arrangements, and obligations the AE agrees to through signing program deed and guidelines.

Important in optimising scheme delivery is ensuring that both AEs and workers are able to escalate issues; specifically critical incidents. These escalation processes must be clear to all stakeholders (workers, AEs, Government, community groups, Unions). In creating an optimised delivery model for the Scheme, consideration to how DEWR will deliver support to AEs and workers where an incident is critical or requires escalation is important.

In line with Government's decision to insource the domestic operational delivery of the PALM scheme to be delivered by DEWR, responsibility for worker welfare management, deliver of AE and worker support services must remain with DEWR and should not me outsourced to other stakeholders for service delivery. This creates clear responsibility for AEs and DEWR as key partners in delivering worker welfare objectives.

#### Post Placement - Departure Report

#### **Departure Reporting**

Departure reporting presents the opportunity to capture key information and data that can be used to improve the program. An improved IT system, and optimised delivery model should enable data collection in line with SWP requirements across both the short and long term stream.

Information on deductions, net earnings, worker experience etc. in an aggregated format will provide important program insights that will enable continuous improvement of the program.