

APPENDICES

APPENDIX A METHODOLOGY

This report is the outcome of a 3-year research project implementing a three-phase, mixed methodological approach to analyse the nature of labour supply and regulation issues in Australian horticulture.

We developed this in-depth approach in order to best examine the influence of regulatory, organisational and environmental factors. The first phase involved meetings with key stakeholders and secondary documentary analysis; the second phase involved a national survey of growers; and the third phase involved extensive interviews and focus groups with a wide range of horticulture industry stakeholders including 13 case studies of horticulture regions throughout Australia.

Utilising these three phases of qualitative and quantitative research, and by including perspectives of both growers and a wide range of other industry stakeholders, this approach is best placed to provide a complete understanding of issues within the industry and pressures on the various stakeholders. For instance, it is important to supplement surveys with qualitative research, such as case studies involving interviews with diverse stakeholders, in order to verify employer claims regarding the extent and underlying causes of their labour supply challenges.¹

Phase 1 – Stakeholder Meetings and Secondary Documentation Analysis

In the first phase, the research team conducted background discussions with key stakeholders and gathered secondary documentation relating to the characteristics of the horticulture industry in terms of employment, market structure, geography and output, and issues relating to labour needs and regulation.

Each of the state and territory industry organisations were consulted in this phase and meetings were held with a number of government departments, including the Department of Jobs and Small Business, Department of Home Affairs, MigrationNT and the Australian Bureau of Agricultural

and Resource Economics and Sciences (ABARES) within the federal Department of Agriculture and Water Resources.

The secondary documentation included a range of industry, government and media reports and legal decisions. A literature review was also undertaken that located the labour supply and regulation challenges of the Australian horticulture industry within an international comparative context. This process was informative for identifying similarities and differences between different horticultural markets, different labour supply strategies, and the types of solutions adopted to labour supply challenges that were potentially suitable to the Australian environment. While the structural features of the Australian horticulture industry are distinct, the labour challenges it faces regarding sourcing workers and ensuring that they are treated fairly are also experienced by growers in numerous countries who rely in part on temporary and seasonal migration programs to address their workforce needs.

We also established a Stakeholder Reference Group which included 33 representatives from government departments and agencies, industry, unions and other relevant stakeholders. This Stakeholder Reference Group met in Sydney in May 2017 for a workshop on the research outcomes from the first year of the project. Following the workshop, members of the Stakeholders Reference Group were contacted by the research team on a quarterly basis to discuss the progress of the research and receive feedback.

Phase 2 – National Survey of Vegetable Growers

In the second phase of the project, the research team engaged the services of OmniPoll, a professional market research company, to administer a national survey

of vegetable growers, assessing their ability to meet their labour needs. The survey instrument was designed in collaboration with OmniPoll and with input from industry. In the early stages of the survey design in February 2016, the project team conducted four interviews with growers in various states. Subsequently, a pilot survey was conducted between 10 and 12 August 2016 to trial and review the survey instrument. OmniPoll undertook fieldwork for the main survey on behalf of the research team between 17 August and 6 September 2016.

The survey consisted of 332 telephone interviews with vegetable growers in New South Wales, Victoria, Queensland, South Australia and Western Australia. Of these, 252 were growers who had hired or paid pickers, packers or graders in the previous five years. The remaining 80 growers had instead relied exclusively on family members to perform this work.

The Australian Bureau of Statistics (ABS) estimates there are 4024 vegetable growing businesses in these states (plus another 533 business in other states/territories). Peak industry associations in these states provided contact lists for businesses registered as vegetable growers. The combined list contained telephone numbers for 1552 contacts, which after accounting for duplicate phone numbers and businesses who were identified as not being vegetable growers, resulted in a sample frame of 1012 businesses. The survey should be regarded as a survey of this population subset, rather than a survey of the entire Australian population of vegetable growing businesses.

The state in which growers operate is the only known characteristic of all records in the sample frame. This was used to weight the survey sample, so that interviews from each state were re-combined in proportions reflecting the number of growers from each state on the contact list. This means

¹ Sam Scott, 'Migration and the Employer Perspective: Pitfalls and Potentials for a Future Research Agenda' (2013) 19 *Population, Space and Place* 703.

the assumed population of 1012 growers being surveyed was distributed by state. Statistically significant differences between segments at the 95% level of confidence are identified throughout the report. Statistical significance testing was undertaken by comparing a particular segment or group with its complement.

The sample of 332 growers interviewed grew over 30 different types of vegetables. A comparison with ABS population data shows the sample includes a reasonable representation of several categories, but has a substantial over-representation of businesses growing lettuces, potatoes and ‘other’ vegetables. This suggests that the growers interviewed are more likely to be growing multiple crops.

Phase 3 – Stakeholder Interviews and Focus Groups

The third phase of the project involved interviews and focus groups with a total of 355 individuals. It included research fieldwork in key locations in New South Wales, Northern Territory, Queensland, South Australia, Victoria and Western Australia. In order to gain as complete an understanding as possible of issues facing the horticulture industry and, given the diversity of the industry in terms of geography and market segments, we chose 13 regions located in these six Australian states and territories. Examining such a wide range of case studies also enabled greater appreciation of the different ways in which these issues emerged and how responses were developed at a local level.

The case study locations included Griffith and Orange in New South Wales, Darwin and Katherine in the Northern Territory, Bundaberg, Stanthorpe, the Lockyer Valley and Wide Bay-Burnett in Queensland, Virginia in South Australia, Mildura and Robinvale in Victoria, and Binningup, Gingin and Wanneroo in Western Australia. Interviews and focus groups were conducted in these locations between 2016-2018 with 271 horticulture industry stakeholders including growers, workers (WHM, SWP, local and undocumented), labour contractors, accommodation providers, employer representatives, unions, federal, state and local government and government agencies, providers of training and employment services and a range of other community members. Table 1 summarises the number and location of interview and focus group participants. All interviews and focus groups were recorded and transcribed for analysis and coding using NVivo software.

The 13 case study locations shared a number of similar characteristics as well as key differences that made them suitable for comparison. In all cases, horticulture was among the largest industries in the local economy in terms of its contribution to

TABLE 1 SCHEDULE OF INTERVIEWS AND FOCUS GROUPS

Location	Interviewee Participants	Focus Group Participants	Participant Roles
Binningup, WA	-	12	Growers, workers
Bundaberg, Qld	17	-	Growers, workers, recruitment agents, hostel managers, industry association, trade union official, government representative
Darwin, NT	1	15	Growers focus groups, industry association, workers
Gingin, WA	1	33	Growers, workers, labour hire contractor
Griffith, NSW	14	-	Growers, undocumented worker, Accommodation/labour providers, harvest recruitment office, industry association, government agency, local council, hospital social workers, church, community organisations
Lockyer Valley, Qld	2	4	Growers, industry representative
Katherine, NT	3	23	Growers, workers, labour hire contractor
Mildura and Robinvale, Vic	21	-	Local business, workers; community group, growers, hostel owner, union official, church representative, labour contractor, local government official, state govt official, health worker
Orange, NSW	1	12	Growers, workers, labour hire contractor
Stanthorpe, Qld	24	6	Growers, workers, accommodation/labour providers, harvest recruitment office, police, local council, Mayor
Virginia, SA	13	12	Growers, workers, training provider, industry association
Wanneroo, WA	6	40	Growers, community representatives/legal aid
Wide Bay-Burnett, Qld	11	-	Growers, worker, local government officials, accommodation providers, industry representative, church representative

gross regional product and employment. However, differences were present in relation to e.g. crop variety, distance from major cities, labour flows, distribution markets, local infrastructure, eligibility of the region’s postcode for the 417 visa extension for WHMs, and its attraction as a tourist destination. These similarities and differences facilitated comparison and analysis of outcomes, resulting in a rich study.

To verify information obtained from the case study interviews and focus groups, primary documents provided by stakeholders and reports from local media, industry and government were also analysed. Additionally, we undertook interviews and focus groups with a total of 51 key stakeholders with particular knowledge of the horticulture industry and issues faced within it. These additional participants included industry representatives, unions, government representatives, community organisations, labour hire contractors and harvest labour office managers, and a closed and unrecorded focus group with representatives from the partner countries and territories in the 417 and 462 visa subclasses. Finally,

we undertook one additional focus group in Melbourne with seven WHMs and two additional focus groups in Sydney, one in person with 21 WHMs and the other with four WHMs via teleconference, to supplement those who took part in interviews and focus groups in each case study location.

The methodology described above afforded us the opportunity to gain a relatively holistic understanding of the horticulture industry in Australia. For example, documentary analysis and initial interviews with industry associations and government representatives provided an important basis to undertake the quantitative survey of grower’s labour needs. This snapshot of grower concerns subsequently provided an important basis to contextualise the qualitative research undertaken in the 13 case regions. While these 13 cases are not able to capture every possible horticultural context, they do provide a very detailed picture of the industry within a number of geographical locations. Indeed, the comprehensive coding that was applied to the focus groups with 157 participants and the 114 interviews

undertaken by the research team for this report results in the most systematic and thorough investigation of horticulture industry to date in Australia. It is only by analysing the views of a wide variety of horticulture industry stakeholders that it is possible to understand the complex needs of the industry. Therefore we sought the views of a diverse range of stakeholders, including:

- growers who produced various crops under a variety of economic, technological and geographic conditions;
- workers who worked under a variety of visa and employment conditions such as WHMs, SWP workers, local and undocumented workers;
- both legitimate and informal labour hire contractors that operated in the industry;
- accommodation providers such as hostel and caravan park owners and managers;
- employer representatives spanning local, state and national boundaries;
- relevant trade unions;
- federal, state and local government and government agencies;
- training, employment and ethnic community service providers and a range of other community members.

Together we feel that these stakeholders have provided considerable integrity of the research process and ultimately to the quality of the final report.

APPENDIX B

LIST OF FINDINGS

Chapter 2: Compliance with labour standards.

1. There is non-compliance with labour standards by a subset of growers. Although it is impossible to quantify the extent of non-compliance, there is a growing body of evidence to suggest that non-compliance is endemic and multi-faceted.
2. The horticulture labour market is segmented and produces a race to the bottom in labour standards. This segmentation is derived from the availability of a range of labour sources with different levels of regulation and oversight.

Chapter 3: Supply chain pressures

3. Supply chain pressures can create planning and compliance challenges for growers in terms of the ability of growers to plan their current and future workforce needs and comply with labour standards.
4. Supply chain pressures are a potential source for improving labour standards in horticulture.
5. Industry-led initiatives such as Fair Farms are welcome developments in improving compliance with labour standards.
6. International evidence indicates that multi-stakeholder forms of regulation that involve workers, unions or community organisations are more effective at improving labour standards and minimising supply chain risks.
7. Attempts to regulate supply chain pressures may be undermined without competition policy reform and a systematic review of industry dynamics to encourage growers and other firms in the supply chain to compete more on quality, innovation and productivity rather than cost-minimisation.

Chapter 4: The role of labour hire

8. The horticulture industry relies on non-compliant labour hire contractors. These contractors channel workers into the industry on non-compliant wages and conditions.
9. There is a legitimate role that labour hire contractors can play in the management of labour. Labour hire contractors who comply with labour standards can assist growers to address labour supply challenges, while reducing worker exploitation and alleviating the administrative burden. This finding points to the importance of reducing the role and presence of non-compliant labour hire intermediaries in the industry whilst maintaining opportunities and incentives for compliant labour hire intermediaries to operate without unfair competition.
10. The absence of national regulation governing labour hire contractors in the horticulture industry has contributed to the growth of non-compliant labour hire contractors.
11. The introduction of labour hire licensing in a number of international jurisdictions has reduced non-compliance with labour standards by contractors involved in the horticulture industry.

Chapter 5: The presence of undocumented workers

12. The horticulture industry has a structural reliance on undocumented migrant workers as a key source of labour. Although the number of undocumented workers in the industry is not known, the research revealed that their use is widespread in large parts of the industry.
13. Detection of undocumented workers has been largely ineffective and has done little to address the industry's structural reliance on undocumented workers.
14. Undocumented workers are the most vulnerable workers in the horticulture industry. Although not all undocumented workers are exploited, there is evidence of a large degree of serious exploitation involving

undocumented workers, especially those who are recruited through offshore networks. As a result of their irregular status, they have significantly reduced capacity to seek assistance in the event of exploitation.

15. Growers regard undocumented workers as highly productive.
16. The introduction of amnesty arrangements for undocumented workers in other jurisdictions provides some examples of a different regulatory approach to addressing the challenge presented by undocumented workers.

Chapter 6: Understanding labour supply challenges

17. Labour supply challenges across the industry are uneven, which means no single policy solution will fix every grower's or region's challenges.
18. Growers with annual labour needs struggle to develop a permanent workforce, although many rely on a core of local workers for permanent jobs.
19. In some regions, the WHM visa extension has been working effectively to channel WHMs into the horticulture industry.
20. In some regions, the WHM visa extension has been ineffective and growers expressed a high degree of insecurity about their ability to source low-skilled labour. This was particularly evident in regions that found it difficult to attract WHMs, either because they were not an eligible postcode for the visa extension or because they were too remote.
21. In some regions, undocumented workers, organised through non-compliant labour hire contractors, provided the main or a significant supply of workers.
22. In some regions, the labour supply challenge facing the industry in general was mitigated through corporate farming, reliance on the SWP or WHM program or through attracting and retaining a permanent, local workforce.
23. Regions that experienced more secure labour supply were associated with more innovative labour practices.

24. Without the incentive of the WHM visa extension or the presence of non-compliant labour hire contractors providing undocumented workers, labour supply challenges would be far more acute in most of the case study regions.

Chapter 7: Developing a local horticulture workforce

25. The Australian industry is not alone in experiencing a decline in local labour engaging in horticulture work, particularly seasonal work, with many other developed economies experiencing similar challenges and turning to temporary migrants to address these shortfalls.
26. Some growers and industry associations have gone to extensive efforts to recruit local workers but received very little interest. At the same time, growers tend to attribute the personal characteristics of locals, such as their perceived unreliability and unproductivity, as the reasons why relatively few are employed in horticulture. However, low wages, poor working conditions and an increasing preference for living and working in metropolitan centres are also among the reasons for falling numbers of local workers.
27. There is extensive research that 'high road' management strategies focused on improving job quality and fostering a highly committed workforce, including through direct employment, are likely to sustainably alleviate labour supply challenges. However, relatively few growers appear to have implemented strategies aimed at engendering long-term commitment of their workers, with 'low road' management strategies dominating the industry.
28. The relatively low rates of locals employed in horticulture, including in regions with high unemployment, indicate that government programs aimed at assisting growers to recruit youth unemployed, including disincentives for work created through welfare assistance, are deficient and in need of reform.
29. While labour supply challenges are most acute for lower-skilled job roles, some growers also experience difficulties recruiting workers for higher-skilled positions.
30. The absence of a responsive and coordinated system of structured vocational training hurts both growers and the workforce.
31. Automation of harvesting and production processes could potentially provide a permanent and socially-sustainable solution to labour supply challenges in horticulture by reducing the need for labour-intensive lower-skilled jobs while also helping to create new higher-skilled jobs.

Chapter 8: Regional initiatives to sustain labour supply and support compliance

32. A multi-stakeholder approach is essential for ensuring a consistent supply of labour in the Australian horticulture industry and for ensuring widespread compliance with labour standards.

Chapter 9: Regional infrastructure: accommodation and transport services

34. Working hostels and other accommodation providers play a central role in managing labour supply challenges in many regions by supplying farm workers to growers. Some of these also play a role in fostering greater compliance with labour standards by selectively choosing growers and only sending workers to farms with a reputation for compliant labour relations.
35. There is considerable variation in the costs of privately-operated accommodation and transportation services both between and within different groups of workers. The more vulnerable the worker, the more likely they are to be exposed to exploitation through being forced into poor quality, high cost accommodation close to farm locations. The variation in accommodation and transport arrangements, and the degree of vulnerability of different workers, means regulation of accommodation and transport needs to be sensitive to local circumstances, and the most effective response to problems with exploitation of workers is through collaboration of the various stakeholders.

Chapter 10: The Working Holiday Maker program

36. WHMs are the primary source of labour supply for the horticulture industry.
37. WHMs are an effective labour supply for growers with crops with short or stop-start seasons as these growers necessarily experience a high turnover of workers because of the nature of their crops.
38. Some subclass 417 visa holders, particularly from Taiwan and South Korea, wished to work beyond six months in horticulture and were hampered by the restriction of six months work for a single employer.
39. The heavy reliance on WHMs as the primary source of labour poses risks to the sustainability of the horticulture industry's labour supply.
40. The opportunity for growers to realise productivity gains for training and investing in WHMs are limited because of the one-off, time-bound nature of the WHM visa.

41. The incentive of a visa extension for WHMs working in horticulture means that many WHMs work in the industry for the purpose of earning a migration outcome rather than an interest in horticulture work.

42. Limiting the locations in which WHMs can engage in eligible work for the visa extension distorts the labour market.

43. The WHM program has been associated with a significant incidence of horticulture worker exploitation.

44. Underpayment of wages and poor conditions of work is a core element of the exploitation of WHMs engaged in horticulture work.

45. Although piece rates can be an important tool in encouraging and rewarding greater productivity, there is evidence of an inappropriate use of piece rates in the employment of WHMs.

46. There is evidence of WHMs being overcharged for accommodation, food or transport, with these secondary expenses used to tie WHMs to farms in order to cover these expenses.

47. There is more exploitation of workers in regions with an oversupply of WHMs.

48. There is inconsistent worker induction and occupational health and safety (OHS) training of WHMs.

49. The 88-day requirement encourages exploitation by attaching a migration outcome to the performance of work.

50. There is a lack of oversight of the conditions of work of WHMs in the industry.

51. WHMs find it difficult to find horticulture work and the absence of a regulated, centralised portal listing farm work vacancies has led to the proliferation of unofficial sources, some of which seek to take advantage of WHMs' vulnerability.

Chapter 11: The Seasonal Worker Program

52. The application process for becoming an Approved Employer is complicated and there is a lack of streamlined coordination between government departments involved in the SWP.
53. Accessing workers under the SWP is far more costly than employing WHMs for horticulture work.
54. Small and medium-sized growers face additional challenges in accessing the SWP.
55. The requirement to organise accommodation is challenging for some growers.
56. The requirement to organise pastoral care is challenging for some growers.

- 57. The perception by some growers that Seasonal Workers are less productive or less capable in horticulture work is not supported by evidence.
- 58. The SWP is more challenging to use for crops with short, stop-start or annual harvests. It does not provide for workforce portability.
- 59. The requirement to conduct labour marketing testing is ineffective.
- 60. The perception that the population of Pacific countries cannot support the growth in the SWP is not supported by evidence.
- 61. Seasonal Workers are vulnerable to exploitation arising from their limited labour market mobility and their desire to return.
- 62. Seasonal Workers are vulnerable to inflated deductions from pay for accommodation and transport.
- 63. There is an inconsistent and ineffective approach to worker induction.
- 64. The SWP is not administered or monitored in a transparent or publicly accountable manner.
- 65. The SWP is associated with poor oversight by regulators and weak enforcement of labour standards and program requirements.
- 68. Agriculture visa schemes in the US, Canada and New Zealand use a sponsorship model. Sponsorship places specific obligations on employers and ensures that employers who access visas are scrutinised through an independent assessment process. Sponsorship also acts as a safeguard against workers absconding. Nonetheless, sponsorship does create opportunities for exploitation given that workers are tied to their employer and this gives employers more control over workers.
- 69. South East Asian countries offer a good potential source of labour with horticulture experience for an agriculture visa scheme. However, the high wage differentials and poor English language ability mean they will constitute a vulnerable workforce in Australia. The attributes of South East Asian workers mean that an agriculture visa is likely to require similar worker-protective elements to the Seasonal Worker Program (SWP), including mandatory worker induction involving unions and the Fair Work Ombudsman, a robust application process for approving employers who wish to access workers under the scheme, as well as industry support for reporting non-compliant growers and ensuring compliance with program requirements through rigorous and regular inspection of workplaces by the Fair Work Ombudsman and unions.
- 76. NZ farms are far less reliant on WHMs as a source of horticulture labour.
- 77. In NZ the RSE provides for greater flexibility which allows better engagement by small growers or growers with crops with short or stop-start seasons.
- 78. In NZ the government takes a proactive role in managing the RSE scheme in a more responsive, transparent and streamlined way, compared to Australia's SWP.
- 79. In NZ the government effectively gathers horticulture workforce data to set RSE caps and develop policy settings around horticulture labour supply.
- 80. In NZ the RSE sits within a broader national strategy to address horticulture labour supply challenges, a key component of which is to develop a local horticulture workforce.
- 81. In NZ the design of the labour market testing requirement in the RSE is more effective in assessing labour market gaps, than the SWP in Australia.

Chapter 12: The Agriculture Visa concept

- 66. Agriculture visa schemes in the US, Canada and New Zealand focus on achieving a balance between the need for regulation to protect local and migrant workers' rights and the need for efficiency and cost effectiveness of the schemes. Each of these schemes requires labour market testing, guaranteed minimum hours of work, and contributions to transport, food and accommodation, but take different approaches to the extent costs are recoverable through wage deductions.
- 67. Despite agriculture visa schemes in the US, Canada and New Zealand incorporating regulation to protect workers' rights, there are reports of a high incidence of non-compliance with laws in the US and Canadian schemes because of deficiencies in oversight and enforcement. New Zealand's RSE scheme is less associated with worker exploitation but incorporates a higher degree of worker-protective regulation, industry ownership and governance, and more resources devoted to oversight and enforcement.

Chapter 13: The New Zealand approach

- 70. The RSE has clear objectives, which communicate that the purpose of the scheme is to meet employer needs, rather than as a development program for the Pacific.
- 71. There is a stronger emphasis on coordinating efforts at both national and regional levels to improve NZ's horticulture labour supply involving key partnerships between government, industry and unions.
- 72. The NZ horticulture industry has a strong, united voice on key aspects of labour supply policy.
- 73. NZ industry associations have provided strong leadership on the need for all growers to comply with labour standards and have engaged constructively with unions and other stakeholders.
- 74. In NZ there has been, and continues to be, a greater collective emphasis on eliminating unregulated forms of horticulture labour.
- 75. In NZ there is a greater emphasis on supplying export markets and being accredited according to an auditable standard which requires compliance with labour standards.

APPENDIX C

THE NATIONAL SURVEY OF VEGETABLE GROWERS

Aug/ Sept 2016

Job number 160820

Vegetable grower practices, experiences and views concerning employment of seasonal farm labour

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1. Executive summary

This report presents findings of a survey of vegetable growers across all Australian states apart from Tasmania. Fieldwork was conducted by telephone among a sample of n=332 growers. The sample frame was based on contact lists provided by peak grower bodies in each state. Consequently the survey results are based on a sample of growers who are members of, or associated with these peak bodies, rather than a sample drawn from the entire vegetable grower population.

Basic market structure

- A little over 70% of the growers surveyed had used **paid** workers to do picking, packing or grading in the last five years, with the balance only using family. However a majority of those using paid labour *had also used family* – so using a mix of both appears to be the norm. The remainder of the survey results relate only to those who had used paid labour.
- Most growers (70%) who hire pickers, packers or graders are *small* businesses, employing a total of less than 20 people in peak season; 28% are *medium* businesses with 20-199 employees, and 2% are large with 200+ people. About two-thirds use pickers, packers or graders for more than half the year, including around 40% who need workers *all year round*. Larger businesses are more likely to need workers for 7-12 months.
- A majority (73%) mostly use **casual** workers, with the balance mostly using **permanent full time/ part time** staff. Casual labour is predominant regardless of business size or seasonal requirements, however it is greatest among those who need workers for only 1-6 six months a year.

Recruiting pickers, packers and graders

- Nearly all growers (88%) have recruited workers directly themselves in the last five years, through advertising, job boards, talking to people they know, and the like. However 40% have used a Labour Hire Company, and about 30% have recruited through Youth Hostels. Usage of The National Harvest Labour Information Service (9%) or migration agents (7%) is relatively low. The penetration of Labour Hire Companies increases with business size - around 60% of businesses employing 20+ people have used one in the last five years.
- Three channel *combinations* account for 70% of all grower practices (i) *only* recruiting directly by self, 30% (ii) recruiting directly *and* using a Labour Hire company, 22% (iii) recruiting directly *and* using Youth Hostels, 18%.
- In terms of the characteristics that growers seek when looking for workers, the top priorities are:
 - basic physical ability to do the job
 - being able to:
 - start work immediately
 - commit to a full season
 - speak and understand basic English.
- Two-thirds also regard availability to work *long hours* as important, and while *previous experience* is important for about half, few rate it as *very important*.
- Although only 10% say they place importance on *ethnic background*, growers certainly have impressions about different groups. Workers of Asian background are regarded as by far the most productive and reliable (covered in further detail below).

1. Executive summary

Usage of Australians vs. temporary migrants

- In the last five years, about 80% of growers have used **Australian workers** (mostly from their local region), and about 80% have used **temporary migrants**. Obviously enough, many have used both. People on working holidays are the most commonly used temporary migrants. Only 20% have used Pacific Seasonal workers.
- The number of different categories of workers used increases with business size and therefore labour requirements – growers employing 20+ people are the largest users of *all* worker categories. *Exclusive* use of Australian workers is greatest among the smallest businesses employing fewer than five people.
- Analysis by recruiting channels shows usage of temporary migrants is simply greater among growers who extend to any recruiting channels apart from recruiting directly themselves. This in turn is correlated with employment size – bigger businesses with greater labour needs extend to multiple recruiting channels.
- One-in-five growers believe that use of Undocumented workers is common in the industry, but only 2% admit to having used them.

Perceptions about worker productivity/ reliability

- Growers were asked to give their impressions about the productivity/ reliability of seven categories of worker, including a mix of ethnic groups and classes of temporary migrants. Although many did not have an impression about international students, Pacific Seasonal workers and particularly Undocumented workers, the views of those who *do* have an impression can be used to draw conclusions.

- Australians are *not* regarded favourably compared with all categories of temporary migrants. Australians are also seen as far less productive and reliable than people from European backgrounds, and particularly (as noted earlier) those from Asian backgrounds.
- Among those who have an impression about them, people on working holidays and international students are well regarded (slightly more so the former), as are Pacific Seasonal workers. Impressions about Undocumented workers are also largely positive, though about 20% do not believe they are very productive or reliable.

Wages and conditions

a) Sources of information about wages and conditions

- There are a number of sources of information growers use to help them set wages and conditions, the key ones being:
 - the relevant award, 92%
 - industry bodies, 61%
 - the Fair Work Ombudsman, 36%, and
 - talking to other farmers, 43%.
- Use of professional external sources such as industry bodies, the Fair Work Ombudsman and HR consultants is greater among businesses employing 20+ people, whereas talking to other farmers is more prevalent among smaller businesses.

b) Work hours

- Long hours are not uncommon. Typically growers report work weeks of 30 to 50 hours in peak season, and 40% report 40+ hour weeks. Roughly speaking, the bigger the business the longer the hours. Among those employing 20+ people, 60% work 40+ hour weeks.

1. Executive summary

- There is evidence that business scale and expectations about hours, lead businesses of different size to meet their seasonal requirements with different models. For example, based on a very small sample, the bulk of businesses employing fewer than five people who need workers 7-12 months a year, work no more than 40 hours. Consequently a mix of permanent full time/ part time workers is open to them as a solution. However larger businesses with the same seasonal requirements, but needing more people and expecting them to work 40+ hours, may mean that casual workers are the best/ only solution for most.

c) Pay rates

- Paying an *hourly* rate is almost universal, and 25% also use piece rates. Piece rates are more common among larger businesses. About half those using them, say the rates are *documented* for workers in a written agreement.
- One-in-four growers believe that paying *below* the award is common in the industry, but when asked directly, only 5% admit to doing so in the last five years. However pay rate information provided by growers, if accurate, suggests about 15% are currently paying below the award, and it is more common among businesses employing less than 20 people.
- Most growers have people working on weekends, but only about 25% of them pay weekend pay penalty rates - larger businesses being more likely to do so. A third say their people work 'overtime' hours, but only half of these businesses pay penalty rates. (Note: 27% of growers who don't have people working 'overtime' also report they work 40+ hour weeks).

- Among those who have used labour hire contract workers, about half say the *last time* they used them they were **aware of the wage rate paid to the workers** themselves. Of these, about 70% say the Labour Hire Company provided written documentation about the rate paid to workers, and about 40% say they had input to setting the wage rate paid to workers.

d) Other conditions

- The provision of training for workers in how to do their job is universal, and OH&S training is also very common, 84%.
- Virtually all growers also report their workers can have a say about the way things are done by raising things with a manager – and the facility to do so through team meetings is also quite prevalent, 62%. Suggestion boxes (15%) or having a voice through union representatives (3%) are not common.
- Although most say that, at least sometimes, seasonal workers organise their own accommodation, 46% also report workers using accommodation organised with some type of assistance from the grower or a labour hire company.

Difficulty recruiting pickers, packers and graders

- At some point in the last five years, 40% of growers have experienced occasions where they simply could not get enough workers. Most commonly they have met this challenge by getting other employees to do the work, getting help from friends or family, or simply working harder themselves. Some have tried improving wages or conditions. However, 63% have left vegetables unpicked (and this amounts to 25% of *all* growers).

1. Executive summary

- More generally, about two-thirds of growers report having difficulty getting pickers, packers or graders (22% '*always or most of the time*' and 41% '*sometimes*'). Those employing 5-19 people are the most likely to do so.
- Growers overwhelmingly put the problem down to the **nature of the work** itself – either people don't like the type of work and/ or the need to work outside under any weather conditions. Nonetheless significant minorities also believe the **location of their farm** (38%) or **competition for workers** from other farms in their area (30%) are factors. Only 22% feel it is because the **job doesn't pay enough**. Some say that people are '*lazy*'/ '*don't want to work*'/ '*get paid for doing nothing*' on benefits, and a few (5%) refer to the '*backpacker tax*' being an issue.
- As a complement to obtaining growers' views about the issue, a systematic analysis of results was undertaken to identify factors correlated with recruiting difficulty:
 1. This revealed that **growers with higher expectations when recruiting are also a little more likely to have difficulty**, that is, growers placing greater importance on factors such as availability to work long hours, availability to commit to a full season, previous experience, and the like.
 2. However there appears to be **no compelling evidence of a correlation between recruiting difficulty and wages or other conditions**, including paying award rates, penalty rates, providing accommodation assistance, training, or avenues for workers to '*have a say*'. [*However this doesn't preclude the possibility that a grower who handles these issues well and markets it effectively can have greater success*].
 3. Use of **Pacific Seasonal workers** is more common among those with recruiting difficulties.
- 4. Those with recruiting difficulties **appear to know more about Undocumented workers**, i.e. they are more likely to (i) have an *impression* about the productivity/ reliability of Undocumented workers and (ii) believe that use of them is '*common*' in the industry. However there is no direct evidence of any significance usage of them by these growers.
- 5. Growers who have difficulties '*always or most of the time*' **are the most likely to use Labour Hire Companies and Migration agents**. It's probable that using these channels has been an *outcome* of having difficulty recruiting. However it's also true that almost as many growers who '*never*' have difficulty use Labour Hire Companies.

This raises two questions:

Firstly, if contract labour is more costly, why did growers who *currently* never have difficulty start using a Labor Hire Company in the first place? A likely answer is that they *were* previously having difficulty recruiting. If so, it confounds analysis of the relationship between recruiting difficulty and usage of contract labour.

But this still leaves a second question: why do some growers using Labour Hire Companies have ongoing recruiting problems, while others do not? There are a few possibilities:

- The research only measured channels used in the last five years – it did not cover recency or consistency of usage. Those with chronic recruiting problems may only use Labour Hire Companies (or other channels) *periodically* because of cost.
- Some Labour Hire Companies may be better than others, or tap into labour sources others cannot.
- There are other characteristics about the growers themselves or their environment that explain the difference.

2. Methodology

Methodology

The sample

A total of n= 332 interviews with vegetable growers were conducted by telephone in NSW, Victoria, Queensland, South Australia and Western Australia.

Of these, n= 252 were growers who had hired or paid pickers, packers or graders in the last five years. The balance of n= 80 had not, relying solely on family members to undertake this type of work.

Fieldwork

A pilot survey was conducted on August 10-12, with fieldwork for the main survey undertaken over the period August 17–September 6, 2016.

The population being surveyed and the sample frame

The Australian Bureau of Statistics (ABS) estimates there are 4,024 vegetable growing businesses in NSW, Victoria, Queensland, South Australia and Western Australia¹.

A sample frame with complete coverage of this grower population was not available. However contact lists were provided by the peak grower bodies NSW Farmers, AUSVEG VIC, Growcom, AUSVEG SA and VegetablesWA. After accounting for duplicate phone numbers, the combined list contained telephone numbers for 1,552 contacts. During fieldwork, a minimum of three attempts was made to reach each contact, with final call outcomes shown overleaf in Table 1.

- A. 401 (26%) were confirmed as vegetable growers
- B. 540 (35%) were identified as not being vegetable growers (including 201 numbers that were disconnected or fax numbers)
- C. 611 (39%) could not be classified as vegetables growers or not – including 98 refusals; 46 cases of a language barrier, and 467 where no contact could be made at all after a minimum of three attempts.

Consequently, at most, the sample frame provided coverage of 1,012 vegetable growers (i.e. the total of 1,552 contacts less the 540 identified as not being vegetable growers).

Although some of these growers may have registered their vegetable growing business under multiple ABN's, it seems clear that the sample frame covered only a particular subset of the entire vegetable grower population of around 4,000. It's unknown how this subset may differ from the entire population.

Consequently the survey should be considered as a survey of this population subset, rather than a survey of the entire population.

Weighting

The state in which growers operate is the only known characteristic of all records on the sample frame. This can be used to weight the survey sample, so that interviews from each state are re-combined in proportions reflecting the number of growers from each state on the contact list.

To do so, an assumption must be made about the 611 contacts that could not be classified. There are two options:

Option 1: The 611 contacts are, in fact, all vegetable growers. So the population being surveyed includes 1,012 growers (401+611).

Option 2: Based on the records that were classified, we assume that a similar proportion of the 611 records are vegetables growers, and the remainder are not. This means assuming that only about half of the 611 records are vegetable growers (i.e. from Table 1, the proportion of growers = (A)/ (A+ B1+B2) = 54%. So the population would be (A) + 54% (C) = 401 + .54*611 = 731 growers.

1. ABS: Agricultural Commodities, Australia- 2014-15

Methodology

Obviously the true number of growers is somewhere in between these options. On the basis that Option 2 is probably overly pessimistic, Option 1 has been adopted.

This means the assumed population of 1,012 growers being surveyed is distributed by state as shown in Table 2. The table also shows the raw and weighted sample profile by state.

Table 1 - call outcomes

	NSW	Qld	SA	Vic	WA	Total
Total contact list (after removal of duplicate numbers)	863	139	54	69	427	1552
(A) Contacts confirmed as vegetable grower						
Interview with vegetable grower who has hired/ paid pickers, packers or graders in the last five years	75	65	17	16	79	252
Interview commenced with vegetable grower, but not hired/ paid pickers/ packers/ graders in last five years	48	4	2		26	80
	<i>Subtotal vegetable growers interviewed</i>	123	69	19	16	105
Interview commenced but terminated part way by respondent	3				2	5
Appointment (appointment made to call-back either by target respondent or someone else who answered, but unable to contact the person again after a minimum of three attempts)	11	3	1	7	8	30
Away duration (target respondent was away until after the survey period)	12	5	3	4	10	34
	Total (A)	149	77	23	27	125
						401
(B) Contacts identified as not being vegetable grower						
B1. Interview commenced farmer/ farm manager, but respondent does not grow vegetables	59	7	2		30	98
B2. Interview not commenced but contact advised either that they were no longer growing vegetables, or that the contact number was not a vegetable farm	154	7	7	4	69	241
	<i>Subtotal B1+B2</i>	213	14	9	4	99
B3. Disconnected number/ fax	133	1	2	2	63	201
	Total (B)	346	15	11	6	162
						540
(C) Others not classifiable as vegetable grower or not						
Refusal	46	15	2	11	24	98
Language (difficulty communicating in English with person who answers phone)	39				7	46
No contact made after a minimum of three calls (no answer, voicemail)	283	32	18	25	109	467
	Total (C)	368	47	20	36	140
						611

Table 2

	Assumed population	Raw sample profile		Weighted sample profile	
	(A)+(C)	%	n	%	%
NSW	517	51	123	37	170
Qld	124	12	69	21	41
SA	43	4	19	6	14
Victoria	63	6	16	5	20
WA	265	26	105	32	87
Total	1,012	100	332	100	332
					100

Methodology

Statistical significance testing

Statistically significant differences between segments at the 95% level of confidence are identified throughout the report. Statistical significance testing was undertaken by comparing a particular segment or group *with its complement*. For example, results among growers who employ less than 5 people during the peak season would be compared with results among growers who are *not* in this category, i.e. growers who employ more than 5 people in peak season.

- In charts:
 - segments that are significantly *higher* than others are indicated using blue 'up' arrows ▲
 - segments that are significantly *lower* than others are indicated using red 'down' arrows ▼ .
- In tables, segments that are significantly *higher* than others are indicated using **blue** text, and segments that are significantly *lower* than others are indicated using **red** text.

For this particular survey, the total number of vegetable growers interviewed, n= 332, constitutes a relatively high fraction (33%) of the total assumed population of 1,012 vegetable growers who are members of, or associated with the peak bodies of NSW Farmers, AUSVEG VIC, Growcom, AUSVEG SA and VegetablesWA.

Consequently statistical significance testing has included a Finite Population Correction (FPC), where the entire population, N, is 1,012, and the sample size, n, is 332.

$$\sqrt{\frac{N-n}{N-1}}$$

Through necessity, the same sampling fraction (33%) and FPC has been assumed for all segments.

Characteristics of sample – vegetables grown

Collectively, the sample of growers interviewed grew over 30 different types of vegetables. A comparison with ABS population data shows the sample includes a reasonable representation of a number of categories, but has a substantial over-representation of businesses growing lettuces, potatoes and "other" vegetables. Overall it suggests that the growers interviewed are more likely to be growing *multiple* crops.

	ABS ¹	Survey sample (weighted)
	%	%
Total vegetable growers	100	100
Beans	6	5
Capsicums - Outdoor	6	10
Capsicums - Undercover	4	
Carrots	4	9
Lettuces - Outdoor	5	19
Lettuces - Undercover	2	
Melons	9	12
Mushrooms	2	0
Onions	4	8
Potatoes	14	21
Tomatoes - Processing	2	19
Tomatoes - Fresh market - Outdoor	9	
Tomatoes - Fresh market - Undercover	6	
All other vegetables	63	74

1. ABS: Agricultural Commodities, Australia-2014-15 for NSW, Vic, Qld, SA and WA

3. Findings

3.1 Basic market structure

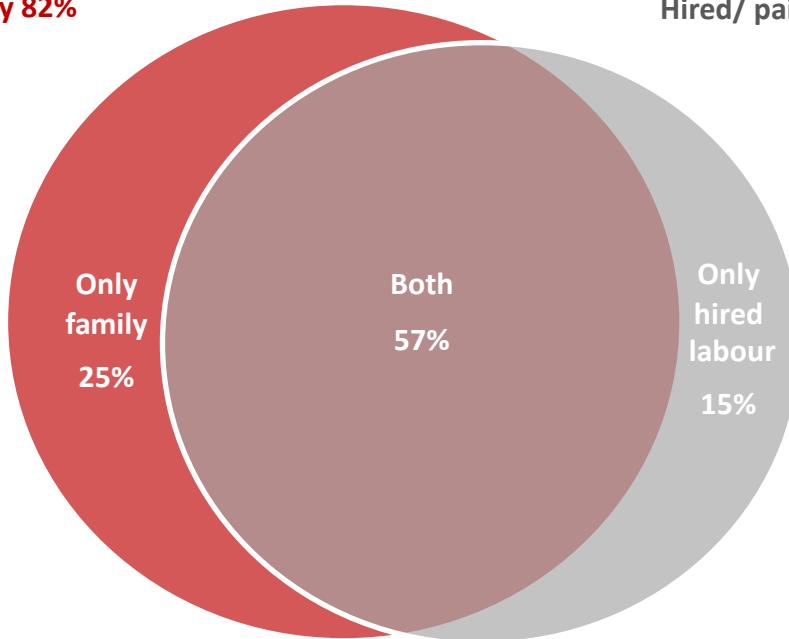
- Use of paid labour vs. family
- Employment size and seasonal requirements
- Use of permanent vs. casual labour

Use of paid labour vs. family

In the last five years, have you ..(i) used any members of the family to do picking, packing or grading (ii) **hired** other people, or **paid** other people to do picking, packing or grading?

Family 82%

Hired/ paid workers 72%



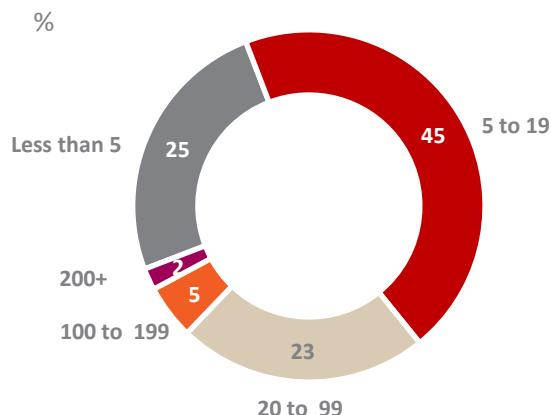
- Of the vegetable growers surveyed, about 70% reported using hired or paid labour for picking, packing or grading in the last five years – and it is these growers who are the focus of the project.
- The balance had either used family members *exclusively*, 25%, or not used either family or paid labour, 3%.
- Overall the most common practice is for growers to use a mix of family and paid workers to get the job done.

Base: Total sample of vegetable growers (n= 332)

Employment size and seasonal requirements

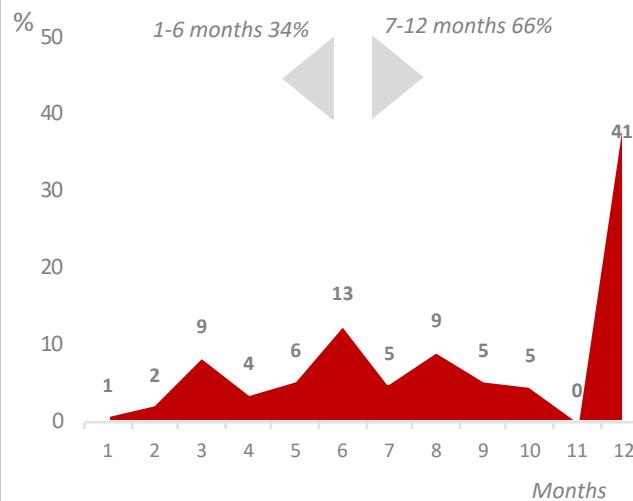
No. people employ in peak season

In total, including full time, part time or casual staff, or any contract workers, about how many people does your farming business employ during its peak season?



No. months use pickers, packers or graders

And in typical year, about how many months of the year does your business use pickers, packers or graders?



	Months use pickers, packers or graders	
	1-6 months	7-12 months
(Sample size n=)	(84)	(168)
Number employ	%	%
Less than 5	45	15
5 to 19	40	47
20+	15	38

Significantly **higher/lower** than others

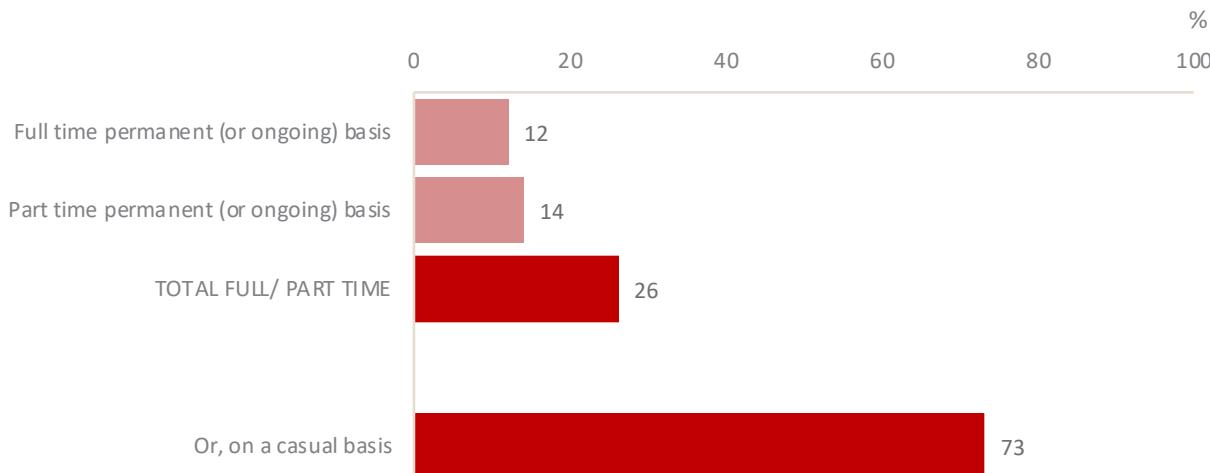
	No. people employ in peak season		
	Less than 5	5-19	20+
(Sample size n=)	(59)	(111)	(82)
Months use pickers, packers, graders	%	%	%
1-6 months	61	30	16
7-12 months	39	70	84

Base: Total growers who pay/ hire pickers, packers or graders (n= 252)

- Most growers (70%) who hire pickers, packers or graders can be classified as *small* businesses, employing a total of less than 20 people in peak season; 28% are *medium* businesses with 20-199 employees, and 2% are large with 200+ people.
- About two-thirds use pickers, packers or graders for more than half the year, including around 40% who report needing this type of labour *all year round*.
- There is a relationship between employment size and seasonal requirements, with growers who need labour more than six months of the year also tending to be larger businesses.

Usage of permanent full/ part time vs. casual labour

Are most of your pickers, packers or graders employed on a...?



- A majority of growers (73%) mostly use **casual** workers for picking, packing or grading, with the balance relying mainly on **permanent full time or part time** staff.

- Casual labour is predominant regardless of a grower's business size or seasonal requirements. However the prevalence of full time/ part time staff is greater among businesses that need workers for more than six months a year.

By employment size and seasonal requirements

	Months use pickers, packers or graders		
	1-6 months	7-12 months	
	(Sample size n=)	(84)	(168)
%	%		
Full time	3	17	
Part time	11	15	
Total full/ part time	14	32	
Casual	86	67	
None/ can't say	-	1	
Total	100	100	

	No. people employ in peak season			
	Less than 5	5-19	20+	
	(Sample size n=)	(59)	(111)	(82)
%	%	%	%	
Full time	6	11	18	
Part time	23	17	3	
Total full/ part time	29	28	21	
Casual	71	72	77	
None/ can't say	-	-	2	
Total	100	100	100	

Significantly higher/lower than others

Base: Total growers who pay/ hire pickers, packers or graders (n= 252)

Usage of permanent full/ part time vs. casual labour

Are most of your pickers, packers or graders employed on a...?

Worker mix By employment size and seasonal requirements

Caution: some sample sizes very small!

	EMPLOY < 5 PEOPLE		EMPLOY 5-19		EMPLOY 20+	
	1-6 mnths	7-12 mnths	1-6 mnths	7-12 mnths	1-6 mnths	7-12 mnths
(Sample size n=)	(37)	(22)	(35)	(76)	(12)	(70)
%	%	%	%	%	%	%
Full time	-	15	4	14	7	21
Part time	14	39	13	18	-	3
Total full/ part time	14	54	17	33	7	24
Casual	86	46	83	67	93	73
None/ cant say	-	-	-	-	-	3
Total	100	100	100	100	100	100



Significantly **higher/lower** than others

- Dissecting businesses by both employment size and seasonal requirements yields six segments, which in some cases have very small sample sizes.
- Nonetheless they suggest that businesses of different size may meet the same seasonal requirements in different ways. For example, there's an indication that many very small businesses employing less than 5 people that need workers more than six months of the year, may be more likely than others to employ full time/ part time staff (presumably Australian workers). However larger businesses employing 20+ people who also need workers more than six months, are more likely to fulfill their needs with casuals.
- However it does seem clear that, regardless of business size, the vast majority of growers who only need workers for less than six months of the year, opt mostly for casual workers.

3.2 Recruiting pickers, packers and graders

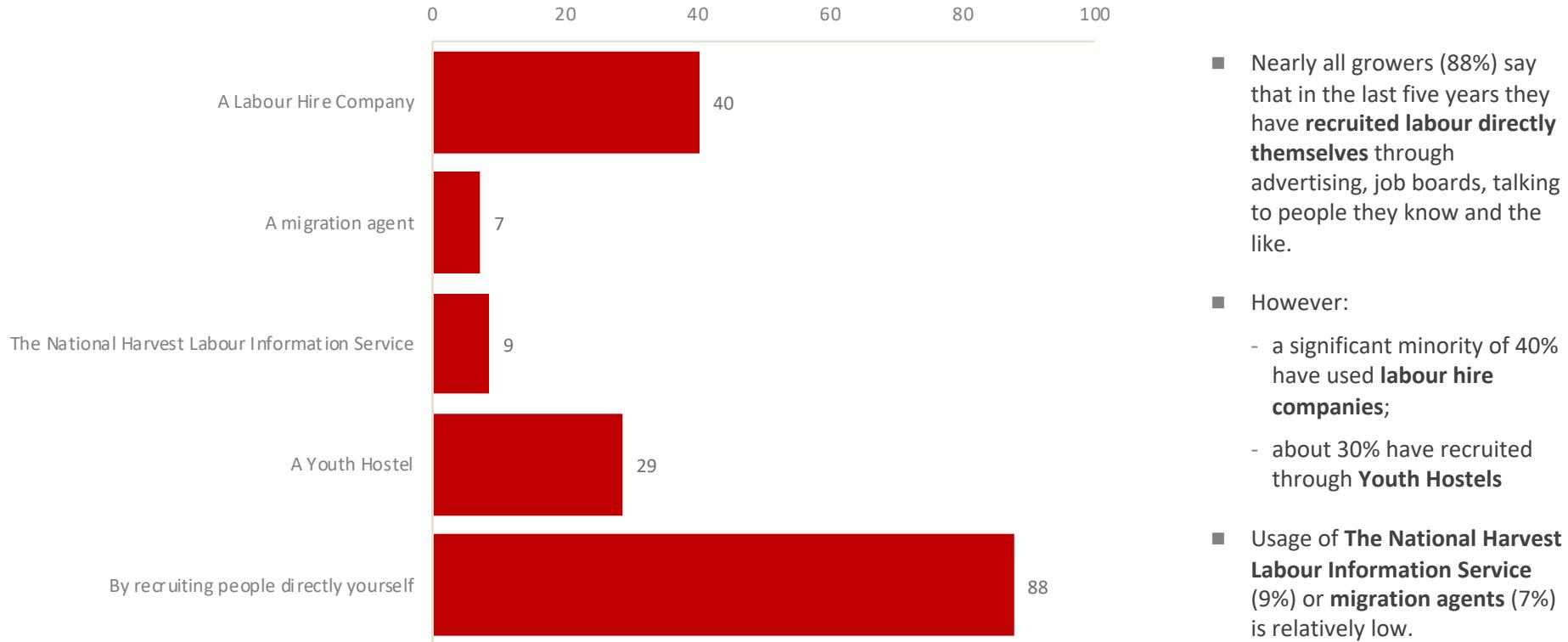
- Recruiting channels
- Characteristics growers seek when recruiting workers

Recruiting channels used for pickers, packers or graders

Firstly, you can get **contract** workers from **labour hire** companies (**PAUSE**). The rate you pay for each worker includes their pay, **plus**, a profit margin for the hire company (**PAUSE**). In the last five years, have you used pickers, packers or graders that were **contract** workers from a **labour hire** company?

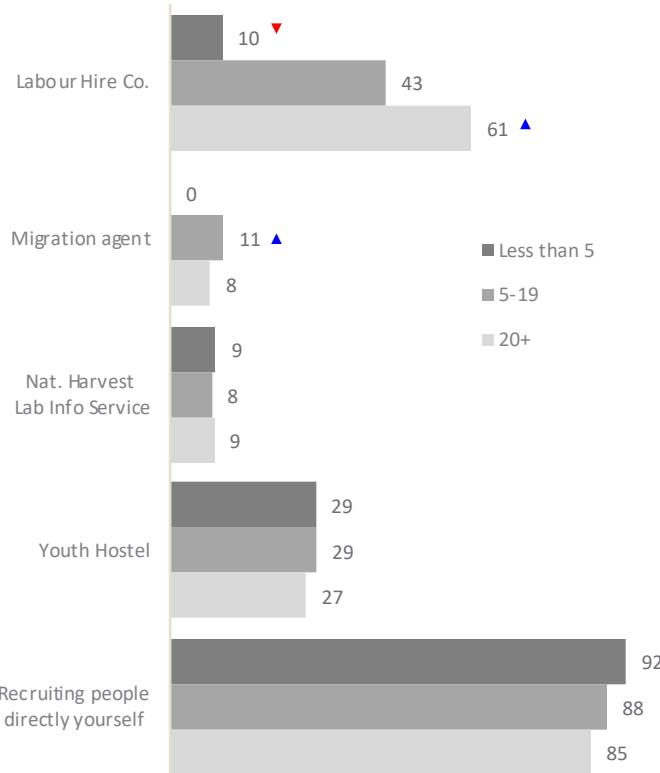
And which of these other ways have you employed pickers, packers or graders in the **last five years**?

%

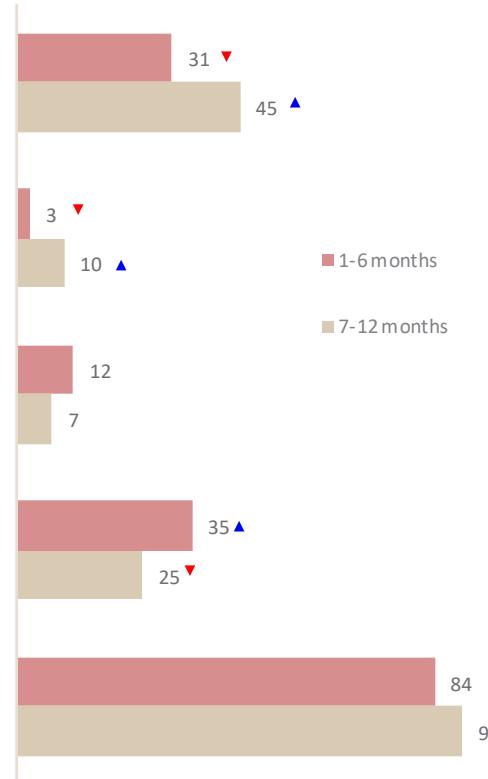


Recruiting channels used for pickers, packers or graders

By employment size



By seasonal requirements

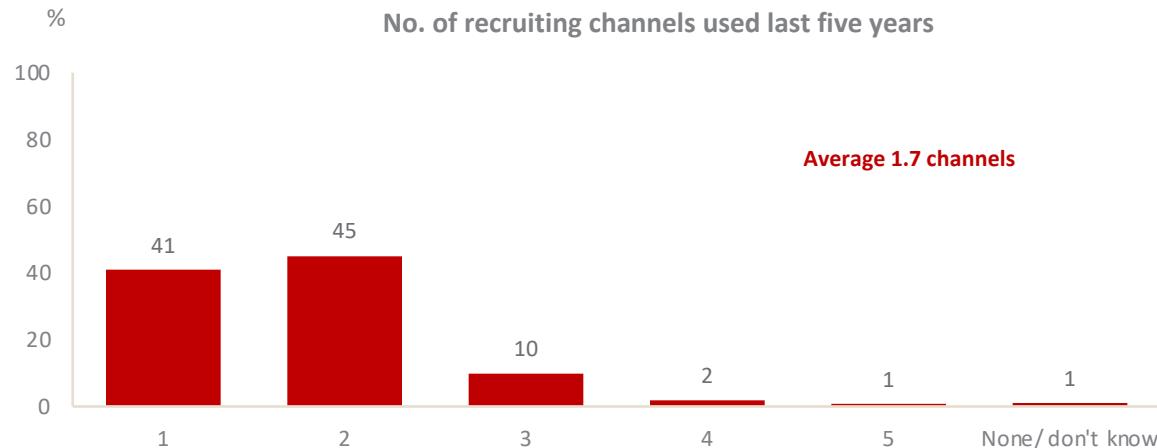


- Usage of labour hire companies, is far more prevalent (61%) among businesses employing 20+ people, but very low (10%) among the smallest businesses employing fewer than 5 people.
- Labour hire companies and migration agents are more likely to have been used by growers who need workers more than six months of the year.
- Conversely the penetration of recruiting through Youth Hostels is higher among those who only need workers 1-6 months a year.

▲▼ Significantly higher/lower than others

Base: Total growers who pay/ hire pickers, packers or graders (n= 252); Employ less than 5 people (n= 59); 5-19 (n= 111); 20+ (n= 82); Need workers 1-6 months (n= 84), 7-12 months (n= 168)

Recruiting channels used for pickers, packers or graders



	TOTAL	NUMBER EMPLOYED IN PEAK SEASON			MONTHS NEED PICKERS, PACKERS, GRADERS		
		Less than 5	5-19	20+	1-6 months	7-12 months	
		(Sample size n=)	(252)	(59)	(111)	(82)	(84)
		%	%	%	%	%	%
1	41	54	39	32	45	39	
2	45	41	43	52	45	45	
3	10	1	15	10	8	11	
4	2	-	1	6	2	2	
5	1	-	1	-	-	1	
Total 3+	13	1	17	16	9	14	
None/ don't know	1	3	1	-	1	1	
Average	1.7	1.4	1.8	1.9	1.6	1.8	

Significantly higher/lower than others

Base: Total growers who pay/ hire pickers, packers or graders (n= 252)

- Most growers have used either one or two recruiting channels in the last five years – and on average, 1.7.
- The number of channels used rises with employment size – presumably reflecting the need for larger businesses to recruit more workers.
- The number of channels does not, however, differ by seasonal requirements.

Recruiting channels used for pickers, packers or graders

Combinations of recruiting channels used last five years

	TOTAL	NUMBER EMPLOYED IN PEAK SEASON			MONTHS NEED PICKERS, PACKERS, GRADERS			
		(Sample size n=)	(252)	(59)	(111)	(82)	(84)	(168)
		%	%	%	%	%	%	
One channel								
Labour Hire	6	-	7	9	7	5		
Youth Hostel	2	3	3	1	5	1		
Recruit self	30	47	28	21	31	30		
Two channels								
Labour Hire/ Migration agent	-	-	1	-	-	1		
Labour Hire/ Youth Hostel	2	2	1	4	4	1		
Labour Hire/ Recruit self	22	8	19	35	14	26		
Migration agent/ Recruit self	1	-	2	1	1	1		
NHLIS/ Recruit self	3	7	2	2	6	2		
Youth Hostel/ Recruit self	18	27	21	9	21	17		
Three channels								
Labour Hire/ Migration agent/ NHLIS	-	-	1	-	-	1		
Labour Hire/ Migration agent/ Youth Hostel	-	-	-	1	-	1		
Labour Hire/ Migration agent/ Recruit self	2	-	4	1	1	2		
Labour Hire/ NHLIS/ Recruit self	1	-	2	-	-	1		
Labour Hire/ Youth Hostel/ Recruit self	4	2	5	5	5	4		
Migration agent/ Youth Hostel/ Recruit self	-	-	1	-	-	1		
NHLIS/ Youth Hostel/ Recruit self	2	-	2	4	2	2		
Four channels								
Labour Hire/ Migration agent/ NHLIS/ Recruit self	-	-	-	1	-	1		
Labour Hire/ Migration agent/ Youth Hostel/ Recruit self	1	-	1	2	-	2		
Labour Hire/ NHLIS/ Youth Hostel/ Recruit self	1	-	-	2	1	1		
Migration agent/ NHLIS/ Youth Hostel/ Recruit self	-	-	-	1	-	1		
All five channels								
Labour Hire/ Migration agent/ NHLIS/ Youth Hostel/ Recruit self	-	-	1	-	-	1		

- Three channel *combinations* account for 70% of all grower practices:

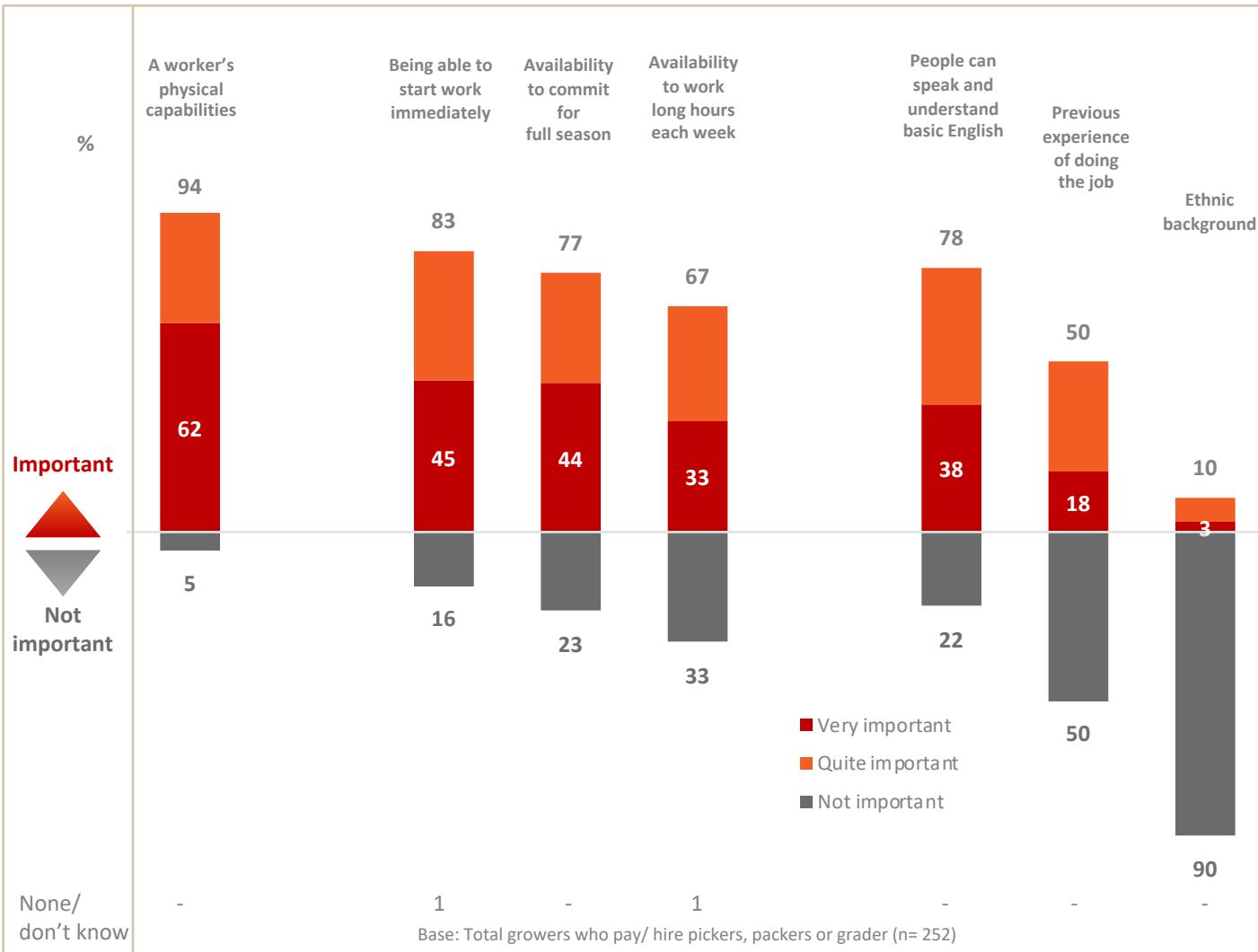
- *only* recruiting directly by self, 30%
- recruiting directly *and* using a Labour Hire company, 22%
- recruiting directly *and* using Youth Hostels, 18%.

- Most of the smallest businesses that employ fewer than 5 people use only two of those combinations – either direct recruiting alone, or mixing direct recruiting with Youth Hostels.

Significantly higher/lower than others

Characteristics growers seek when recruiting workers

When you're looking for pickers, packers or graders, please say how **important** each of the following skills or characteristics are for you – are they **very important**, **quite important**, or **not important**?



- In terms of the characteristics that growers seek when looking for workers, the top priorities are:
 - basic physical ability to do the job
 - being able to:
 - start work immediately
 - commit to a full season
 - speak and understand basic English¹.
- Two-thirds also regard availability to work long hours as important (and a third say it is very important).
- Only half regard previous experience is important, few rate it as *very important*.
- And, only 10% say ethnic background is important, though as will be seen in a later section, growers certainly have impressions about the productivity/ reliability of different groups of workers.

1. It may seem unexpected that about 20% did not rate basic English communication skills as being important. However it appears growers have strategies to deal with this. For example in a question about training, about 20% of these growers provide literacy/ language training where appropriate. There is also anecdotal evidence from interviewers that farmers mention factors such as (i) their own ability to speak other languages, or having someone else who can (ii) training people using 'visual' techniques.

Characteristics growers seek when recruiting workers

When you're looking for pickers, packers or graders, please say how **important** each of the following skills or characteristics are for you – are they **very important**, **quite important**, or **not important**?

	TOTAL	NUMBER EMPLOYED IN PEAK SEASON			MONTHS USE PICKERS/ PACKERS/ GRADERS	
		Less than 5	5-19	20+	1-6 months	7-12 months
(Sample size n=)	(252)	(59)	(111)	(82)	(84)	(168)
%	%	%	%	%	%	%
Previous experience of doing the job						
Very important	18	27	18	11	19	17
TOTAL IMPORTANT	50	58	44	52	56	47
People can speak and understand basic English						
Very important	38	38	34	43	41	36
TOTAL IMPORTANT	78	82	78	75	83	75
A workers physical capabilities						
Very important	62	50	64	69	52	67
TOTAL IMPORTANT	94	90	93	99	91	96
People being able to start work immediately						
Very important	45	38	51	41	45	44
TOTAL IMPORTANT	83	80	85	83	84	83
Availability to work long hours each week						
Very important	33	21	38	36	24	37
TOTAL IMPORTANT	67	60	66	73	61	69
Availability to commit for a full season						
Very important	44	28	50	48	30	51
TOTAL IMPORTANT	77	63	81	81	69	80
Ethnic background						
Very important	3	0	4	4	2	3
TOTAL IMPORTANT	10	6	12	12	8	12

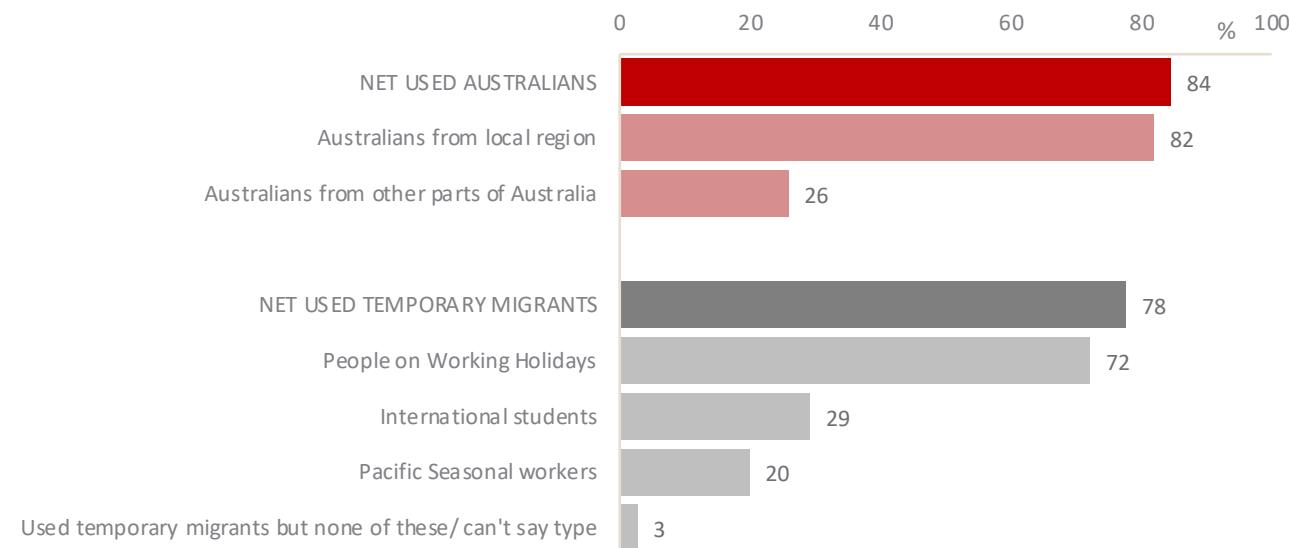
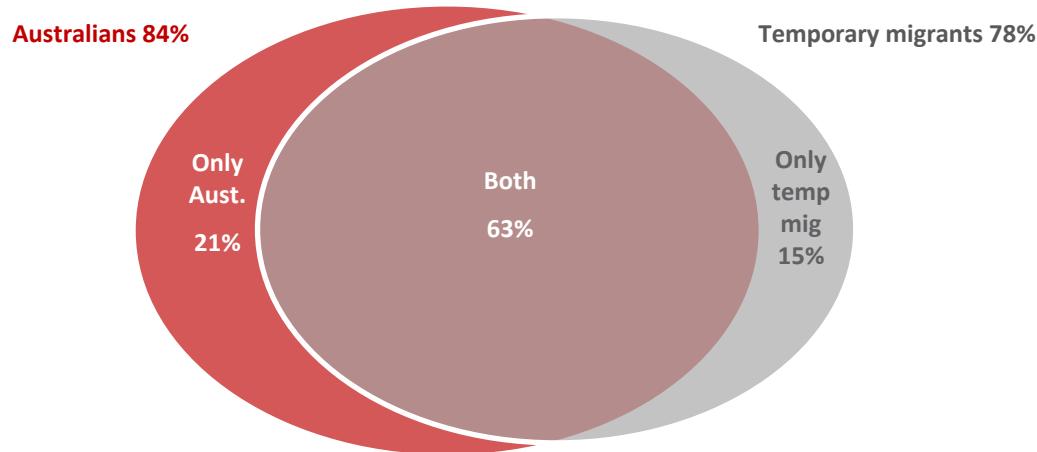
Significantly **higher/lower** than others

- There are few striking difference in the expectations of businesses of different size, though the most pronounced is that growers employing 5+ people place a greater emphasis on workers being **able to commit for a full season**.
- The smallest businesses place less importance on a few things, but they are the most likely to rate **previous experience** as very important.
- Those who need people for 7-12 months of the year place greater importance, or strength of importance, on **committing to a full season, working long hours and physical capability**.

3.3 Use of Australians vs. temporary migrants

- Categories of workers used in the last five years
- Undocumented workers
- Literacy testing for temporary migrants
- Perceptions about worker productivity/ reliability

Categories of workers used last five years



Base: Total growers who pay/ hire pickers, packers or graders (n= 252)

Categories of workers used last five years

Categories of workers used by employment size and seasonal requirements

	TOTAL	NUMBER EMPLOYED IN PEAK SEASON			MONTHS NEED PICKERS, PACKERS, GRADERS	
		Less than 5	5-19	20+	1-6 months	7-12 months
		(Sample size n=)	(252)	(59)	(111)	(82)
NET USED AUSTRALIANS	84	78	84	90	75	89
Australians from local region	82	75	81	90	69	89
Australians from other parts of Australia	26	21	27	28	35	21
NET USED TEMPORARY MIGRANTS	78	63	78	89	85	74
People on Working Holidays	72	60	72	83	79	68
International students	29	16	28	41	29	29
Pacific Seasonal workers	20	12	20	27	24	18
Used temporary migrants but none of these/ can't say type	3	1	2	5	3	2
Only used Australians	21	37	21	10	13	26
Only used temporary migrants	15	22	15	9	23	10
Used both Australians and temporary migrants	63	42	63	80	62	63

Significantly higher/lower than others

- The number of different categories of workers used increases with employment size and labour needs – growers employing 20+ people are the largest users of both Australians and every category of temporary migrants.
- Among the smallest businesses employing fewer than five people, employing Australians is more common than employing temporary migrants (78% vs. 63%). Indeed almost 40% of the smallest businesses say they have used Australian workers *exclusively* in the last five years.
- As previously noted, *casual* labour is the predominant choice for growers who need workers for less than six months – and this no doubt explains why use of temporary migrants is higher among this group.

Categories of workers used last five years

Categories of workers used by recruitment channels used in last five years

	Total	Labour Hire company	Migration agent	National Harvest Labour Info Service	Youth Hostel	Recruiting people directly yourself	<u>ONLY recruited people directly yourself</u>
Caution: very small sample sizes!							
(Sample size n=)	(252)	(103)	(18)	(21)	(82)	(220)	(76)
%	%	%	%	%	%	%	%
NET USED AUSTRALIANS	84	83	68	93	86	88	85
Australians from local region	82	80	68	84	83	86	84
Australians from other parts of Australia	26	28	16	48	34	26	17
NET USED TEMPORARY MIGRANTS	78	89	83	93	99	77	54
People on Working Holidays	72	82	67	81	97	72	46
International students	29	41	40	42	40	29	15
Pacific Seasonal workers	20	39	48	40	21	16	2
Used temporary migrants but none of these/ can't say type	3	3	-	6	2	3	4
None/ cant say	1	1	-	-	-	-	1

	TOTAL	Less than 5	5-19	20+
(Sample size n=)	(252)	(59)	(111)	(82)
%	%	%	%	%
Only recruit directly by self	33	52	31	21
Only used other channels	11	5	11	15
Used both	55	40	57	63
Used neither	1	3	1	-
TOTAL RECRUIT DIRECTLY BY SELF	88	92	88	85
TOTAL USED ANY OTHER CHANNEL	66	45	68	79

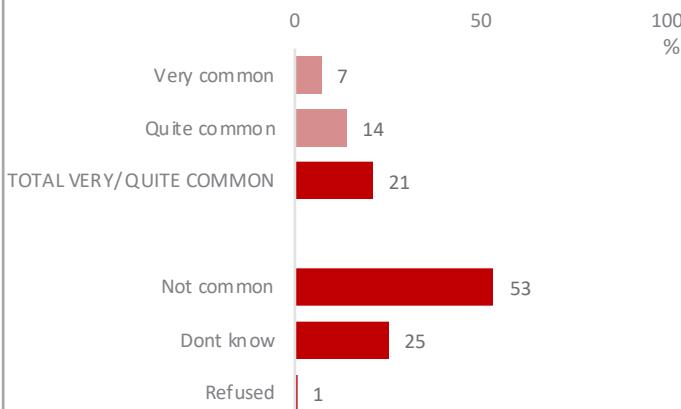
Significantly higher/lower than others

- Usage of temporary migrants is higher among those who have used Labour Hire Companies and Youth Hostels as recruiting channels. However based on tiny samples sizes, this also appears to be the case for users of the National Harvest Labour Information service and Migration Agents (for some categories of temporary migrants).
 - Consequently usage of temporary migrants is simply greater among growers who extend to any recruiting channels apart from only recruiting directly themselves.
- This, in turn, is correlated with employment size – bigger businesses with greater labour needs use more channels.

Undocumented workers

Perceptions about the prevalence of using undocumented workers

*Farmers may also use "Undocumented" workers. These are people from other countries **without** the official right to work in Australia, or who are overstaying their visa, or working outside the terms of their visa (PAUSE). Do you think it is very common, quite common or **not** common for farmers in your industry to use "Undocumented" workers?*

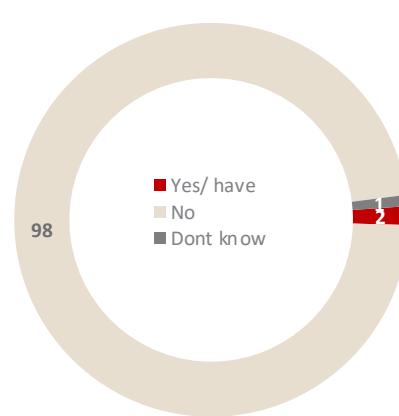


	NUMBER EMPLOYED IN PEAK SEASON			
	TOTAL	Less than 5	5-19	20+
(Sample size n=)	(252)	(59)	(111)	(82)
%	%	%	%	%
Very common	7	5	9	6
Quite common	14	16	14	12
TOTAL VERY/ QUITE COMMON	21	21	22	19
Not common	53	63	51	50
Dont know	25	16	27	30
Refused	1	-	-	2
Total	100	100	100	100

Significantly higher/lower than others

Have you used undocumented workers yourself?

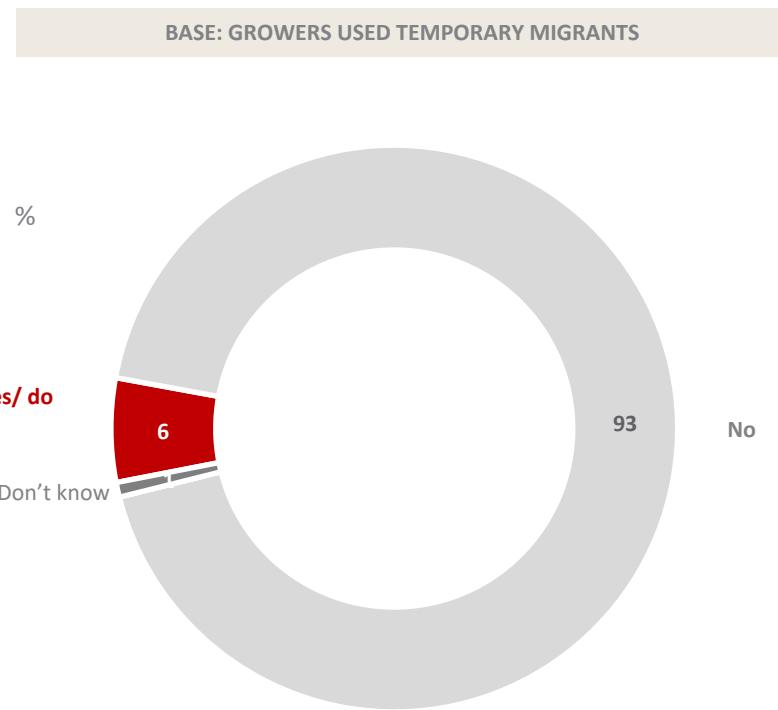
And in the last 5 years, have you used "Undocumented" workers yourself?



- One-in-five growers believe that use of Undocumented workers is common in the industry, but only 2% admit to having used them in the last five years.

Literacy testing for temporary migrants

When you employ temporary migrant workers, do you ever make passing a literacy test a condition of their employment?



- Very few growers, 6%, say they make passing a literacy test a condition of employment for temporary migrants.
- There are no differences by business size or seasonal requirements.

Perceptions about worker productivity/ reliability

Finally, we'd like your impression about how **productive and reliable** certain workers are as pickers, packers or graders. As I say each category of worker, please say if you generally consider them to be **very** productive and reliable, **somewhat** productive and reliable, or **not** very productive and reliable (**PAUSE**). It doesn't matter if you've used them or not, it's your impressions we're after. So firstly, what's your impression about...?

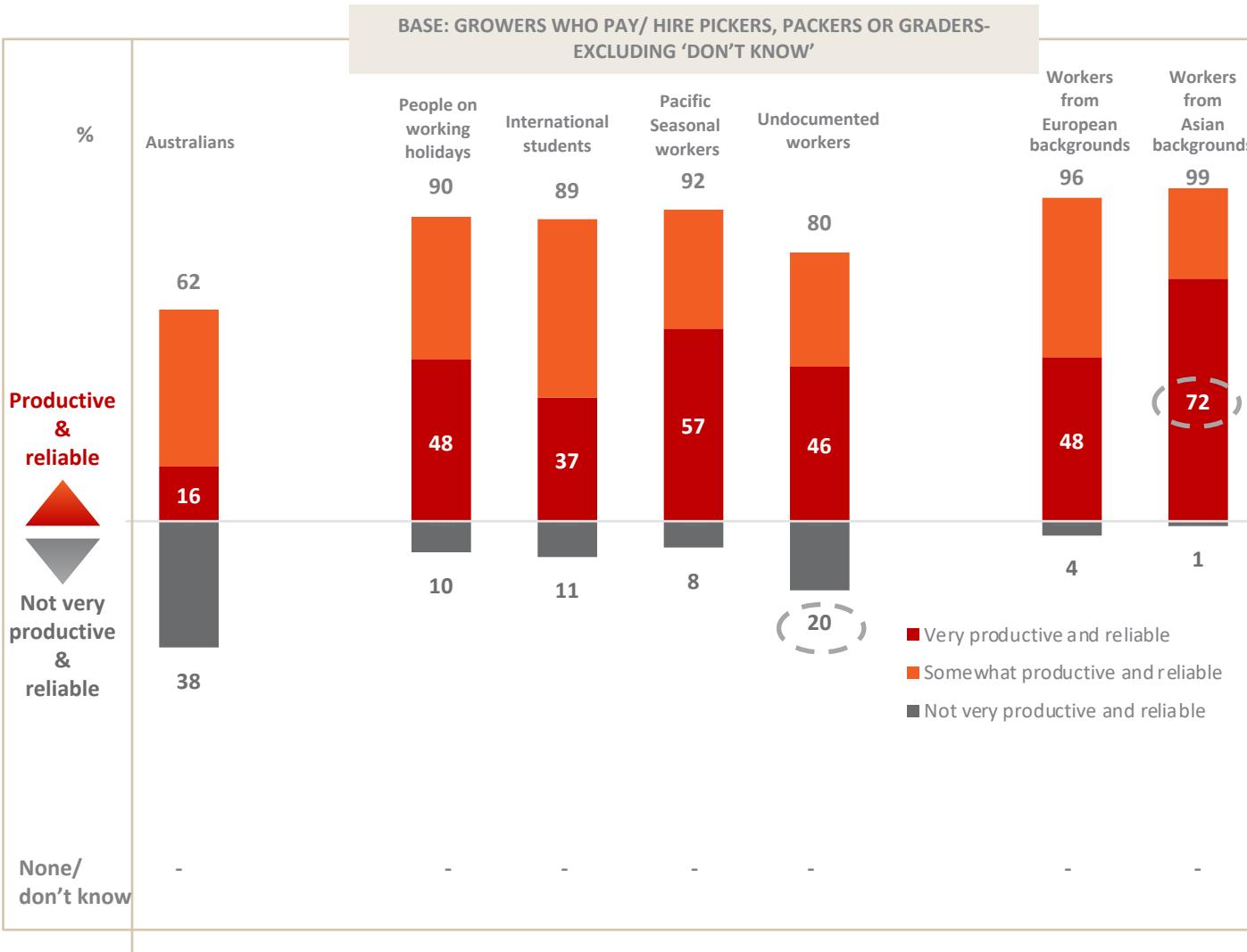


- Respondents were asked to rate seven categories of worker in terms of productivity/ reliability – and if they had *not used* a given category they were encouraged to provide their *impressions* about them. The categories included a mix of ethnic groups and classes of temporary migrants.
- It's clear that Australian workers are not regarded favourably compared with people on working holidays; people from European backgrounds and particularly workers from Asian backgrounds.
- Results for the other categories are difficult to compare because many growers simply do not have an impression about them

Base: Total growers who pay/ hire pickers, packers or grader (n= 252)

Perceptions about worker productivity/ reliability

Finally, we'd like your impression about how **productive and reliable** certain workers are as pickers, packers or graders. As I say each category of worker, please say if you generally consider them to be **very** productive and reliable, **somewhat** productive and reliable, or **not** very productive and reliable (**PAUSE**). It doesn't matter if you've used them or not, it's your impressions we're after. So firstly, what's your impression about...?



- However by excluding the 'don't response' from each category, those who *do* have an impression about the respective worker categories can be compared.
- On this basis Australians compare poorly with all others, and it is people from Asian backgrounds that are rated by far the most productive and reliable group of workers.
- Among those who have a view about them, Pacific Seasonal Workers are regarded well. The strength of positive feelings isn't quite as high for International students compared with some others, and although Undocumented workers are largely seen in a positive light, 20% believe they are not very productive or reliable.

Perceptions about worker productivity/ reliability

Finally, we'd like your impression about how **productive and reliable** certain workers are as pickers, packers or graders. As I say each category of worker, please say if you generally consider them to be **very** productive and reliable, **somewhat** productive and reliable, or **not** very productive and reliable (**PAUSE**). It doesn't matter if you've used them or not, it's your impressions we're after. So firstly, what's your impression about...?



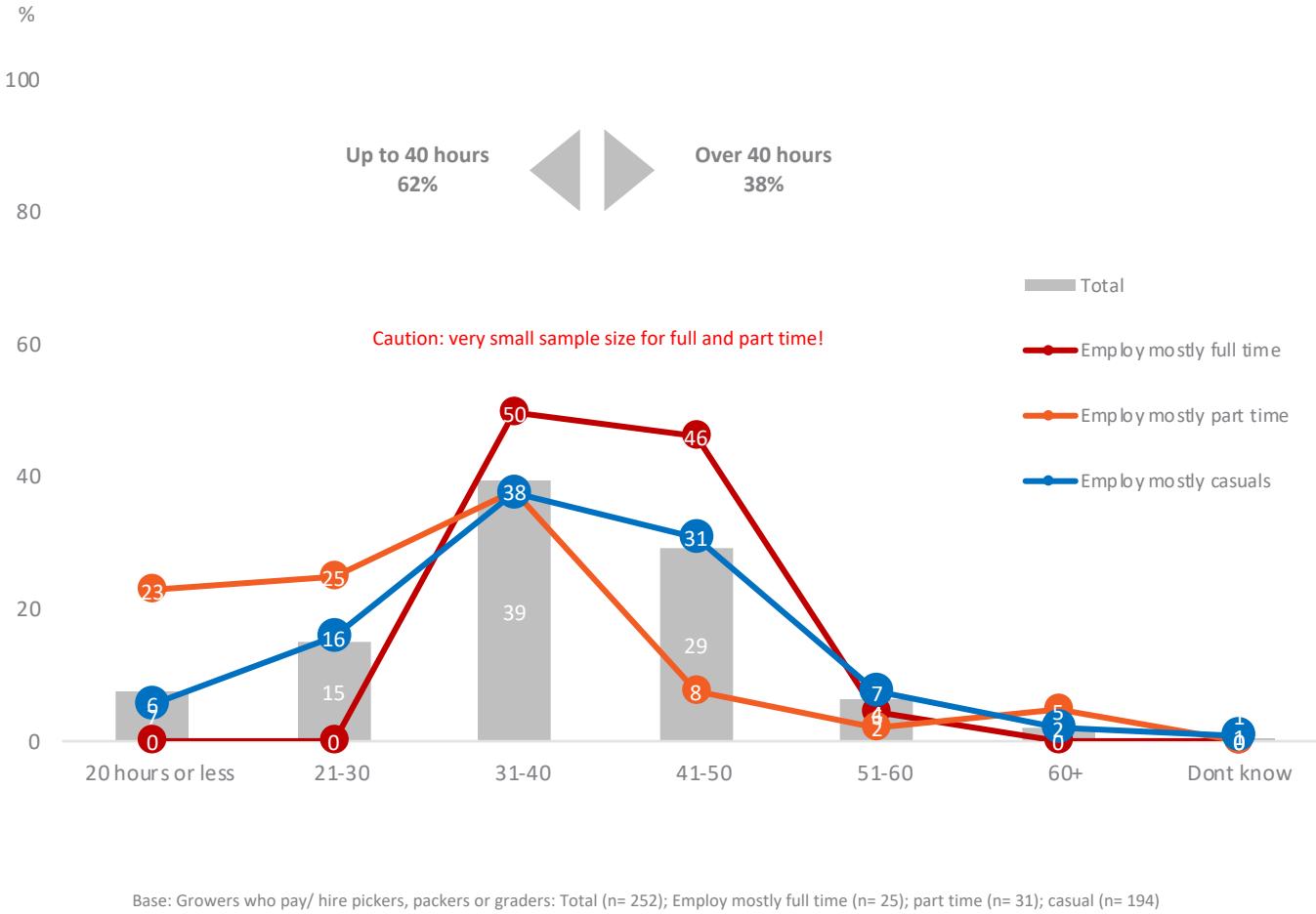
- Impressions among those who have actually *used* four respective categories of workers in the last five years can also be compared – and the results are much the same, with:
 - Australians regarded unfavourably
 - the strength of positive feeling about International students is not quite as great as for people on working holidays or Pacific Seasonal workers.

3.4 Wages and conditions

- Hours of work in peak season
- Use of hourly and piece rates
- Paying above/ below award rates
- Penalty rates
- Pay rates for contract workers
- Sources of information used to set wages and conditions
- Seasonal worker accommodation
- Provision of training
- Channels for workers to 'have a say'

Hours of work in peak season

During **peak** season, roughly how many hours a **week** do your pickers, packers or graders typically work? Would it be...?

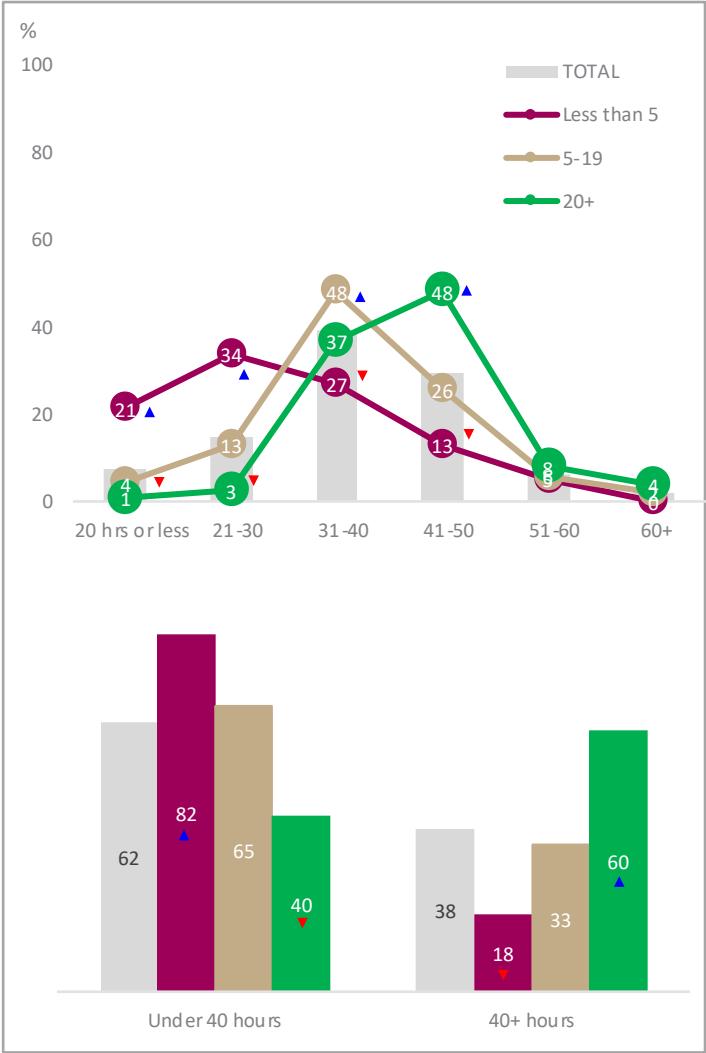


- Typically growers report their pickers, packers or graders work between 30 and 50 hours a week in peak season, with 38% saying they work over 40 hours.
- This overall pattern mostly reflects the work hours of **casual** workers who constitute the bulk of the labour force.
- Based on very small samples:
 - about half those who employ mostly **full time** workers say their people work 40+ hours;
 - but only 14% of those mostly employing **part time** workers report 40+ hour weeks.
- Nonetheless, for part time workers, even a weekly workload of 20-30 hours could potentially translate into long hours depending on the number of days they work each week.

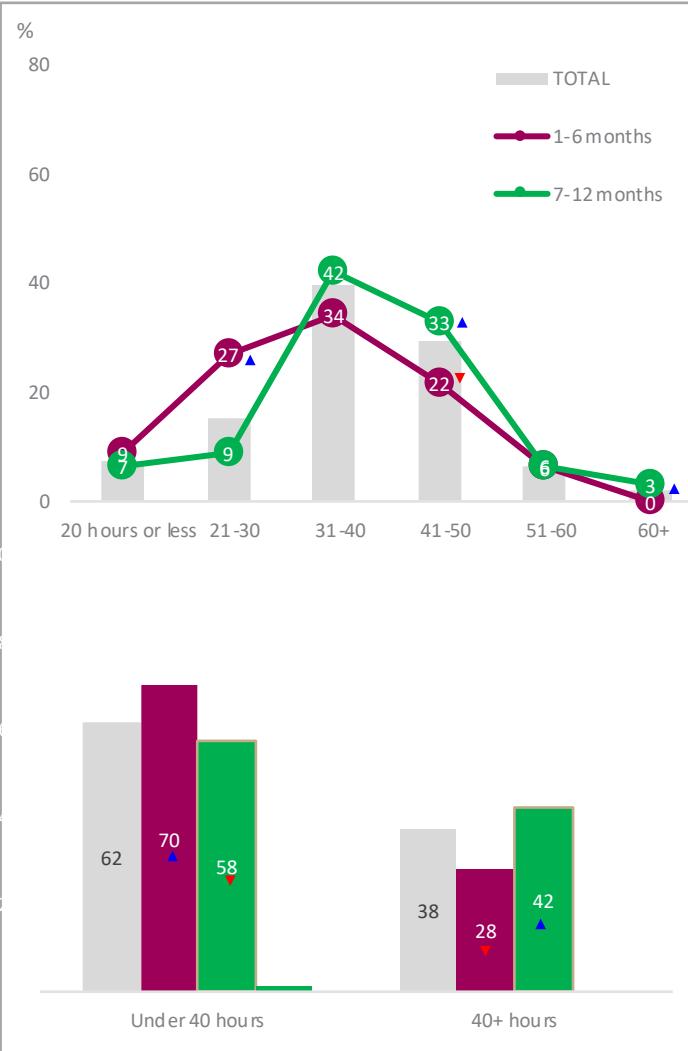
Hours of work in peak season

During **peak** season, roughly how many hours a **week** do your pickers, packers or graders typically work? Would it be...?

By employment size



By seasonal requirements



- The weekly hours that growers expect their people to work increase with business size and seasonal requirements.
 - Only 18% of businesses employing fewer than five people say their people work more than 40 hours a week in peak season. However this rises to 33% among those employing 5-19 people, and to 60% among those employing 20+ people.
 - Only 28% of growers needing people for 1-6 months have 40+ hour weeks, but it is 42% among those using workers 7-12 months a year.

▲ Significantly higher/lower than others

Base: Total growers who pay/ hire pickers, packers or graders (n= 252); Employ less than 5 people (n= 59); 5-19 (n= 111); 20+ (n= 82); Need workers 1-6 months (n= 84), 7-12 months (n= 168)

Hours of work in peak season

During **peak** season, roughly how many hours a **week** do your pickers, packers or graders typically work? Would it be...?

Hours worked in peak season
By employment size and seasonal requirements

Caution: some sample sizes very small!

	EMPLOY < 5 PEOPLE		EMPLOY 5-19		EMPLOY 20+			
	1-6 mnths	7-12 mnths	1-6 mnths	7-12 mnths	1-6 mnths	7-12 mnths		
	(Sample size n=)	(37)	(22)	(35)	(76)	(12)	(70)	
TOTAL UNDER 40 HOURS			79	87	72	63	40	40
20 hours or less	18	27	3	5	-	1		
21-30	43	19	19	11	-	3		
31-40	18	41	50	47	40	36		
TOTAL OVER 40 HOURS	21	13	24	37	60	60		
41-50	13	13	20	28	55	47		
51-60	8	-	5	6	5	8		
60+	-	-	-	3	-	5		
Dont know	-	-	4	-	-	-		

Significantly **higher/lower** than others

- However, it appears that business size actually accounts for quite a lot of the apparent influence of seasonal requirements. This can be seen by looking at the six small sample size segments based on employment size / seasonal requirements.
- The bulk of the smallest businesses, regardless of their seasonal needs, say their people work less than 40 hours.
- At the other end, businesses employing 20+ people, again regardless of seasonal needs, are more likely to have workers putting in 40+ hours a week.
- Consequently the longer hours worked by businesses who need people more than six months of the year, is mainly because growers with longer seasonal requirements are also more likely to be bigger businesses.

Hours of work in peak season

During **peak** season, roughly how many hours a **week** do your pickers, packers or graders typically work? Would it be...?

Hours worked in peak season

Caution: some sample sizes very small!

	EMPLOY < 5 PEOPLE		EMPLOY 5-19		EMPLOY 20+	
	1-6 mnths	7-12 mnths	1-6 mnths	7-12 mnths	1-6 mnths	7-12 mnths
(Sample size n=)	(37)	(22)	(35)	(76)	(12)	(70)
%	%	%	%	%	%	%
TOTAL UNDER 40 HOURS	79	87	72	63	40	40
20 hours or less	18	27	3	5	-	1
21-30	43	19	19	11	-	3
31-40	18	41	50	47	40	36
TOTAL OVER 40 HOURS	21	13	24	37	60	60
41-50	13	13	20	28	55	47
51-60	8	-	5	6	5	8
60+	-	-	-	3	-	5

Worker mix

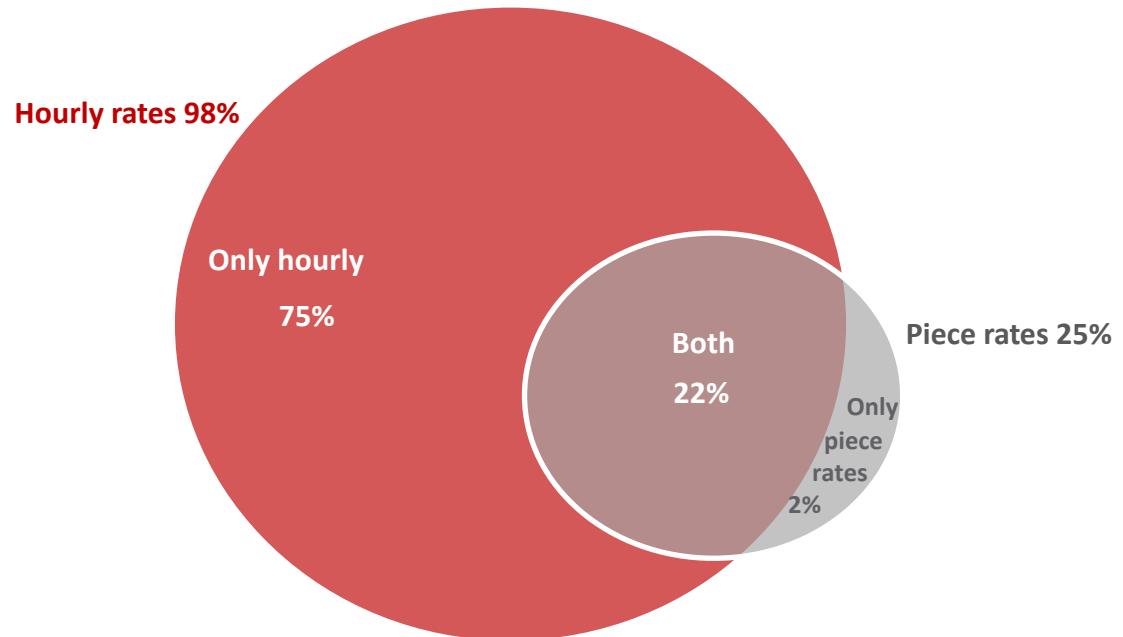
	EMPLOY < 5 PEOPLE		EMPLOY 5-19		EMPLOY 20+	
	1-6 mnths	7-12 mnths	1-6 mnths	7-12 mnths	1-6 mnths	7-12 mnths
(Sample size n=)	(37)	(22)	(35)	(76)	(12)	(70)
%	%	%	%	%	%	%
Full time	-	15	4	14	7	21
Part time	14	39	13	18	-	3
Total full/ part time	14	54	17	33	7	24
Casual	86	46	83	67	93	73

Significantly **higher/lower** than others

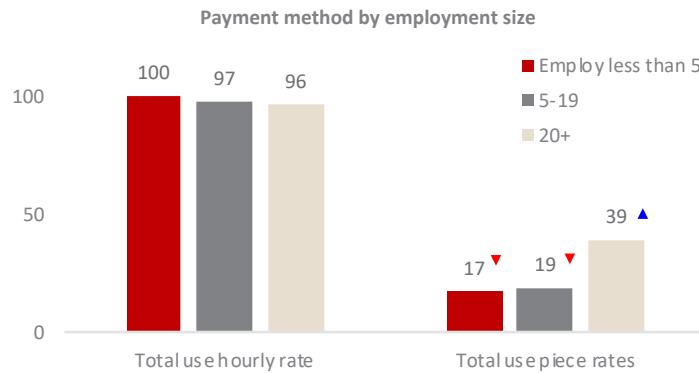
- A grower's needs/ expectation about the hours people work, together with the scale of their business, may (at least partly) explain why growers meet their seasonal requirements differently.
- For example, based on a very small sample, the bulk of growers who need fewer than five people for 7-12 months of the year, have people working for less than forty hours. Consequently a mix of permanent full time/ part time workers is open to them as a solution. However a larger business with the same seasonal requirements, but needing more people and having the expectation they will work 40+ hours consistently, may mean that casual workers are the best/ only solution for most growers.

Use of hourly and piece rates

Do you pay pickers, packers or graders based on an hourly rate, on piece rates, or do you use a mix of **both** hourly rates and piece rates?



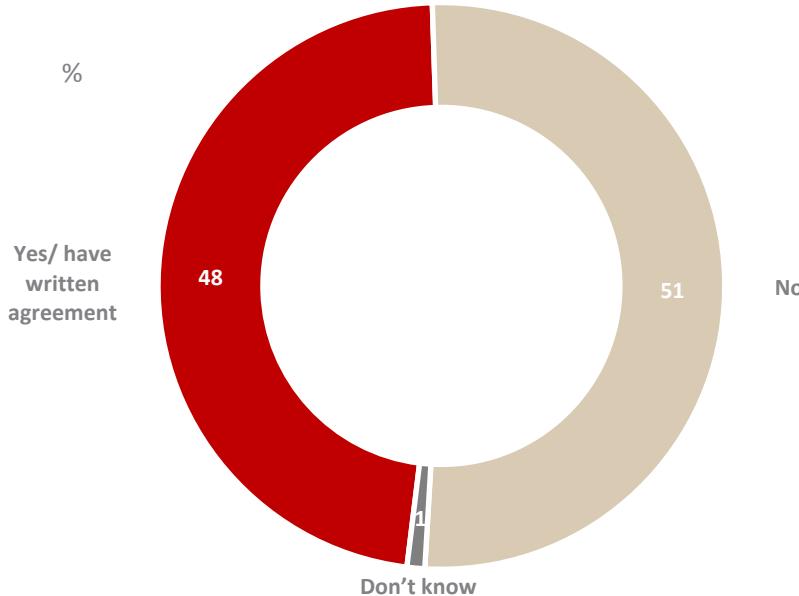
- Nearly all growers pay at least some of their workers on an *hourly rate*. A quarter use *piece rates*, but nearly all of those who do use a *mix of hourly and piece rates*.
- Use of *piece rates* is more prevalent among growers employing 20+ people.



Base: Total growers who pay/ hire pickers, packers or graders (n= 252); Employ less than 5 people (n= 59); 5-19 (n= 111); 20+ (n= 82)

Documenting piece rates for workers

When you pay **piece rates**, do you have a **written** agreement with workers that specifies the rate of payment for them **in writing**?



- About half the growers using pay piece rates claim to have a **written agreement** with workers that specifies the rate for them in writing.
- Based on very small samples, it appears written documentation is more likely to be provided by larger businesses employing 20+ people.

Caution: very small sample sizes!

	Total use piece rates (Sample size n=)	No. people employ in peak season	
		<20	20+
Provide written documentation	%	%	%
Yes/ do	48	29	68
No	51	71	30
Don't know	1	-	2
Total	100	100	100

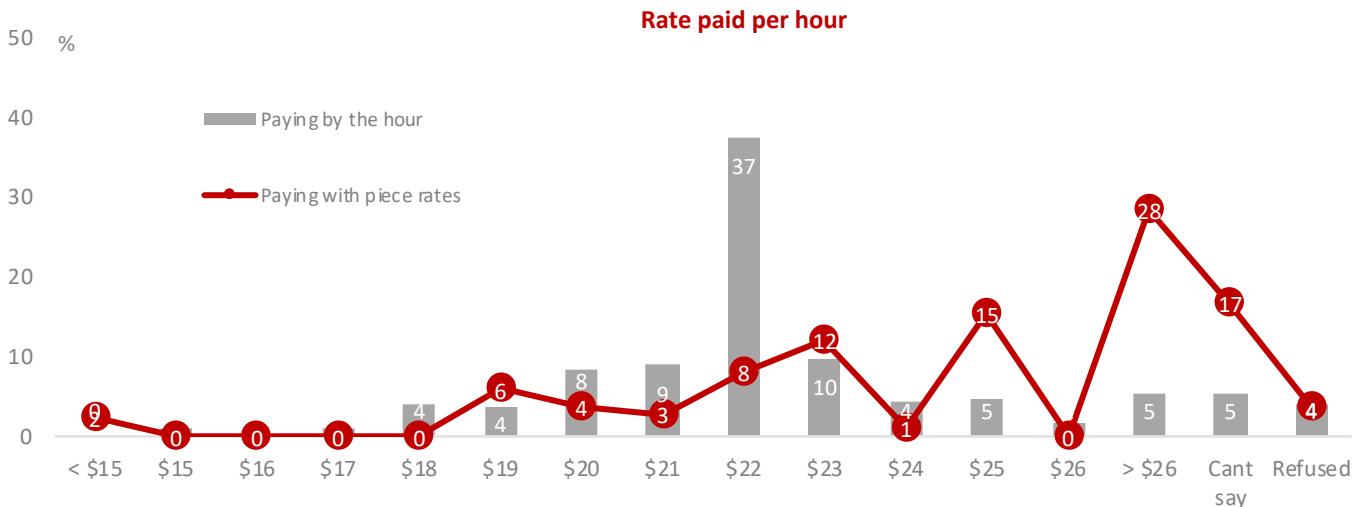
Significantly higher/lower than others

Base: Total growers who pay/ hire pickers, packers or graders using piece rates (n= 63)

Paying above/ below award rates

(IF PAY BY THE HOUR): For a typical adult worker, what's the approximate hourly rate you pay for ordinary time, **excluding** any overtime or weekend loading?

(IF USE PIECE RATES): For an average competent adult worker, what's the approximate hourly rate you pay for ordinary time, **excluding** any overtime or weekend loading?



	Full time/ part time	Casual
Award rate	\$17.70	\$22.13
Analysis criteria		
- Below award	<\$17	<\$22
- Award or higher	\$17+	\$22+

Paying by the hour

	NO. EMPLOY IN PEAK SEASON		
	TOTAL	<20	20+
(Sample size n=)	(247)	(168)	(79)
%	%	%	
Pay below award	17	21	6
Pay award or higher	74	69	85
Not determined	9	10	9
Total	100	100	100

Paying with piece rates
Caution: small sample sizes!

	NO. EMPLOY IN PEAK SEASON		
	TOTAL	<20	20+
(Sample size n=)	(63)	(30)	(33)
%	%	%	
Pay below award	15	24	5
Pay award or higher	65	56	74
Not determined	20	20	21
Total	100	100	100

Significantly higher/lower than others

Base: Growers who pay/ hire pickers, packers or graders: By the hour (n= 247); Using piece rates (n= 63)

- Respondents were asked the hourly rate they pay adult workers for ordinary time – and for those who use piece rates, the hourly rate they pay an average competent adult worker.

- Assuming that (i) respondents provided accurate rates, and (ii) the rates related to the full time, part time or casual workers they reported as 'mostly' employing, it can be determined if a given grower pays below the award. The criteria used for paying below the award were (i) under \$17 for full/ part time workers; (ii) under \$22 for casuals.

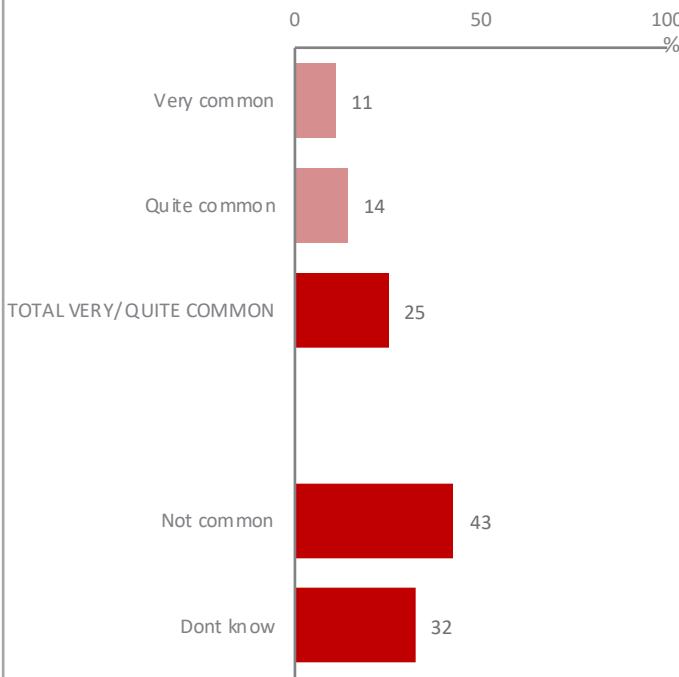
- On this basis, 17% were classified as paying below the award for hourly rates, and 15% for piece rates¹. In each case, paying below the award appears more common among those employing less than 20 people.

1. 9% of respondents could not be allocated on hourly rates because they were unable or unwilling/ reluctant to provide the hourly rate they pay. The proportion of unallocated respondents was higher for piece rates, at 20%

Paying above/ below award rates

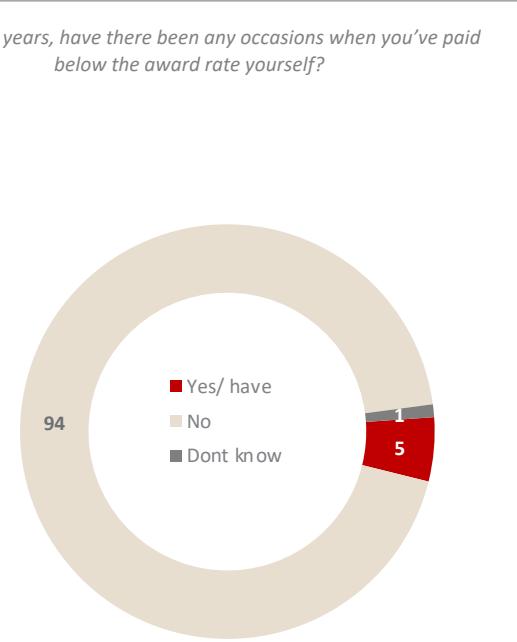
Perceptions about the prevalence of growers paying below award

*Some farmers have said that, for a variety of different reasons, they pay pickers, packers or graders below the award rate. Would you say it is **very common**, **quite common** or **not common** for farmers in your industry to pay below the award?*



Have you paid below award yourself?

In the last 5 years, have there been any occasions when you've paid below the award rate yourself?



- A quarter of growers believe it is very or quite common for farmers in their industry to pay below the award, though only 5% admit to doing so themselves in the last five years. There are no significance differences for either metric by business size or seasonal requirements.

Base: Total growers who pay/ hire pickers, packers or graders (n= 252)

Paying above/ below award rates

Perceptions about the prevalence of growers paying below award X classification on hourly rates

Caution: some very small sample sizes!				
	Classified as paying hourly rate:			
	Total pay by the hour	Below award	Award or higher	Not classified
(Sample size n=)	(247)	(39)	(188)	(20)
%	%	%	%	%
Common in industry to pay below award				
Very common	11	17	11	-
Quite common	14	20	14	10
TOTAL VERY/ QUITE COMMON	25	37	25	10
Not common	43	39	44	38
Don't know	32	24	31	52
Total	100	100	100	100

Have you paid below award yourself X classification on hourly rates

Caution: some very small sample sizes!				
	Classified as paying hourly rate:			
	Total pay by the hour	Below award	Award or higher	Not classified
(Sample size n=)	(247)	(39)	(188)	(20)
%	%	%	%	%
Paid below award past five years				
Yes/ have	5	6	5	6
No	94	94	94	94
Don't know	1	0	1	0
Total	100	100	100	100

Significantly higher/lower than others

- Growers categorised as paying below the award based on their reported pay rates, are also more likely to believe that paying below the award is common in the industry.
- However there is no correlation between categorisation on paying above/ below award vs. direct admission of paying below the award in the past five years.
- For those admitting to it, but not being categorised as such, the difference can be that admission was based on the last five years, but categorisation was based on *current* rates.
- Conversely, those not admitting to it, but currently classified as paying below award could be due to:
 - growers providing inaccurate rate information;
 - lack of awareness about award rates; or,
 - simply being 'caught out' through a mix of direct and less direct questioning about the issue.

Penalty rates

Do your pickers, packers and graders ever... (i) Work on weekends (ii) Work overtime hours?



- A substantial majority of growers, 74%, say their pickers, packers or graders work on **weekends** (at least sometimes), but only a third report their people ever work '**overtime hours**'. Growers reporting 'overtime' hours increases with business size.
- For those with people working on weekends, only a quarter pay penalty rates. However about half pay penalty rates for overtime hours.
- Larger businesses employing 20+ people are more likely to pay weekend penalty rates.

Significantly higher/lower than others

Base: Growers who pay/ hire pickers, packers or graders: Total (n= 252)

Penalty rates

		Total	
		Workers ever work overtime hours	
		Yes/ do	No
(Sample size n=)		(84)	(168)
	%	%	
Hours worked in peak season			
Up to 40 hours		43	72
40+ hours		57	27

Caution: some small sample sizes!

		Employ <5	
		Workers ever work overtime hours	
		Yes/ do	No
(Sample size n=)		(10)	(49)
	%	%	
Hours worked in peak season			
Up to 40 hours		60	87
40+ hours		40	13

		Employ 5-19	
		Workers ever work overtime hours	
		Yes/ do	No
(Sample size n=)		(36)	(75)
	%	%	
Hours worked in peak season			
Up to 40 hours		49	74
40+ hours		51	24

		Employ 20+	
		Workers ever work overtime hours	
		Yes/ do	No
(Sample size n=)		(38)	(44)
	%	%	
Hours worked in peak season			
Up to 40 hours		31	49
40+ hours		69	51

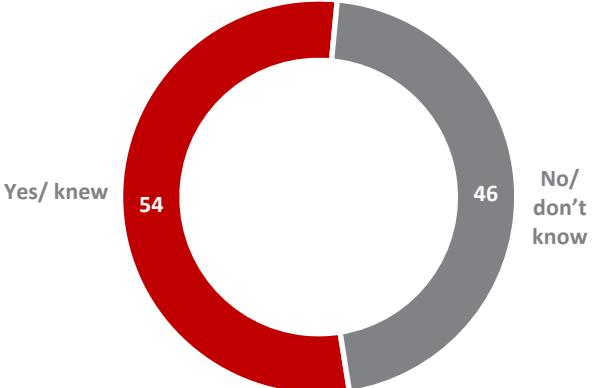
Significantly higher/lower than others

- However it is worth noting that 27% of growers who say their people never work 'overtime hours', also report their people usually work over 40 hours a week in peak season.
- This apparent contradiction appears to be more prevalent among larger businesses employing 20+ people.

Pay rates for contract workers

Awareness wage rate paid to workers by labour hire company

Thinking again about getting pickers, packers or graders through labour hire companies (**PAUSE**). As I mentioned earlier, the rate you pay for each contract worker, includes what the **worker** actually gets paid, plus a profit margin for the labour hire company (**PAUSE**). The **last time** you used a labour hire company, did you know how much the workers **themselves** were **actually** being paid by the labour hire company?



	TOTAL USED LABOUR HIRE (Sample size n=)	NO. EMPLOY	
	(103)	<20	20+
Yes/knew	54	48	61
No	45	51	39
Don't know	1	1	-

IF YES:

Who determined wage rate

Who determined the wage rate paid to the **actual** workers themselves? Was it...?

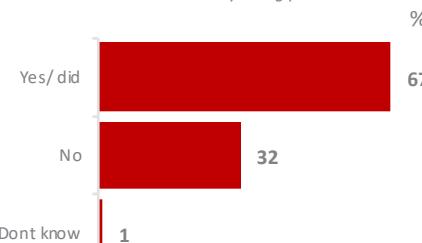


Caution: very small sample sizes!

	TOTAL AWARE WAGE RATE (Sample size n=)	NO. EMPLOY	
	(54)	<20	20+
%	%	%	%
Set by hire company	56	73	40
Set after discussion	41	27	53
Don't know	4	0	7

Written documentation provided

And did the labour hire company provide you with any **written documentation**, or pay slips, showing the wage rate the workers themselves were actually being paid?



Caution: very small sample sizes!

	TOTAL AWARE WAGE RATE (Sample size n=)	NO. EMPLOY	
	(54)	<20	20+
%	%	%	%
Yes/did	67	55	78
No	32	45	20
Don't know	1	0	2

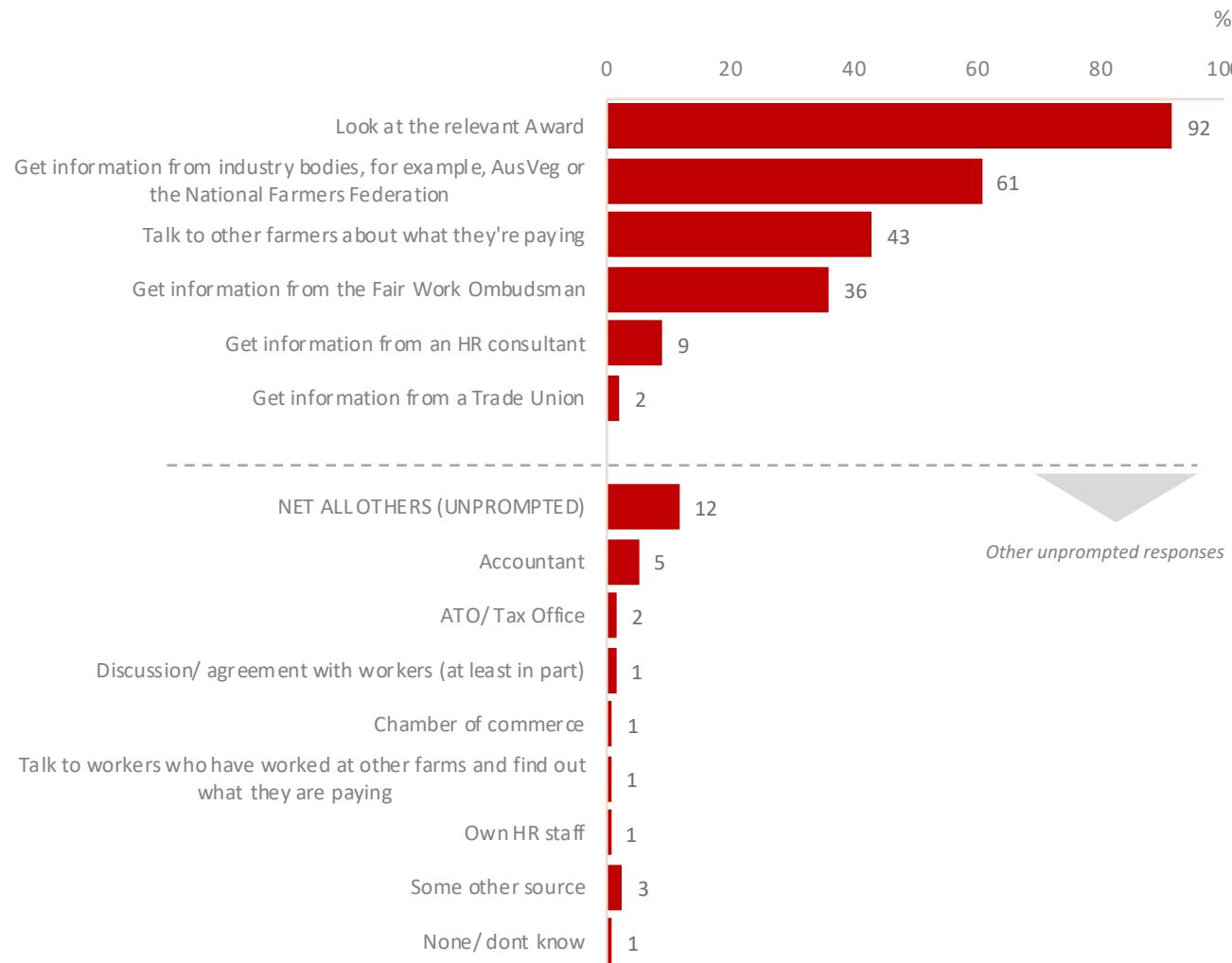
Significantly higher/lower than others

Base: Used labour hire company last five years (n= 103)

- Among those who have used labour hire contract workers, about half say the **last time** they did so they were **aware of the wage rate paid to the workers themselves**.
- Of those aware of the wage rate:
 - about 70% say the labour hire company provided some type of **written documentation** about the rate paid to workers;
 - about 40% say they had some **input to setting the wage rate** paid to workers
- There are no significant differences by employment size, but based on very small samples, there's an indication that businesses employing 20+ people are more likely to have obtained written documentation and had input to setting the wage rate.

Sources of information used to help set wages and conditions

Which of these sources of information do you use to help you set workers' wages and conditions? Do you...?



- There are a number of sources of information growers use to help them set wages and conditions, the key ones being:
 - the relevant award, 92%
 - industry bodies, 61%
 - the Fair Work Ombudsman, 36%, and
 - talking to other farmers, 43%.
- About 10% claim to get help from an HR consultant, but usage of information from a Union is very limited.
- About 10% provided other sources they use, the most common of which were Accountants.

Base: Total growers who pay/ hire pickers, packers or graders (n= 252)

Sources of information used to help set wages and conditions

Which of these sources of information do you use to help you set workers' wages and conditions? Do you...?

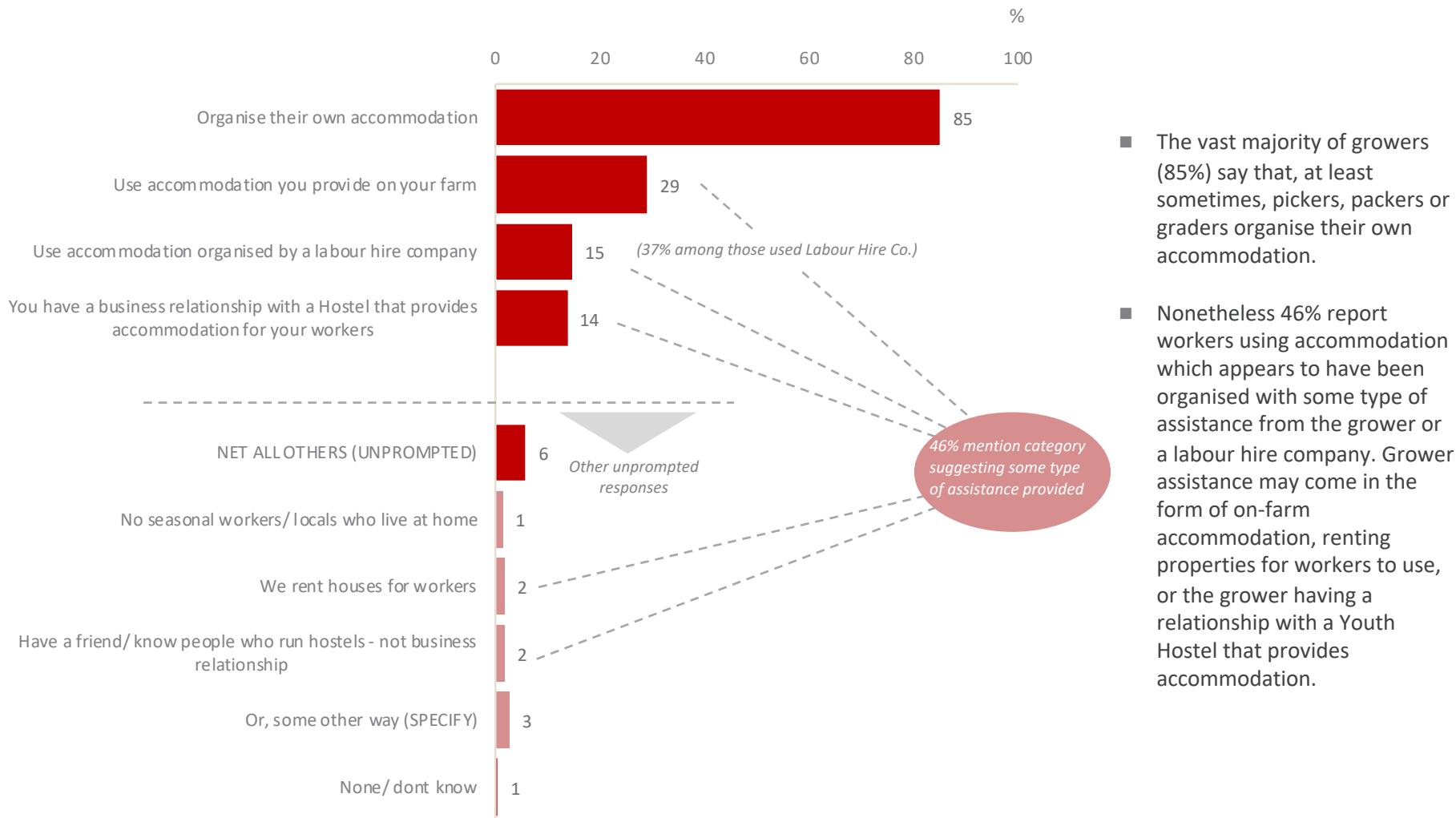
	TOTAL	NUMBER EMPLOYED IN PEAK SEASON		
		Less than 5	5-19	20+
		%	%	%
(Sample size n=)	(252)	(59)	(111)	(82)
Look at the relevant Award	92	88	91	96
Industry bodies	61	56	58	68
Other farmers	43	56	48	25
Fair Work Ombudsman	36	29	33	46
HR consultant	9	8	6	14
Trade Union	2	-	2	5
NET ALL OTHERS (UNPROMPTED)	12	19	12	5
Accountant	5	7	6	2
ATO/ Tax Office	2	4	-	2
Discussion/ agreement with workers (at least in part)	1	4	1	-
Chamber of commerce	1	-	1	1
Talk to workers who have worked at other farms and find out what they are paying	1	-	2	-
Own HR staff	1	-	-	2
Some other source	3	4	4	-
None/ dont know	1	2	1	-

- Use of professional external sources such as industry bodies, the Fair Work Ombudsman and HR consultants is greater among businesses employing 20+ people, whereas talking to other farmers about what they are paying is more prevalent among those employing fewer than 20 people.

Significantly higher/lower than others

How seasonal workers typically find accommodation

In which of the following ways do your seasonal workers typically find accommodation? Do they...?



Base: Total growers who pay/ hire pickers, packers or graders (n= 252)

How seasonal workers typically find accommodation

In which of the following ways do your seasonal workers typically find accommodation? Do they...?

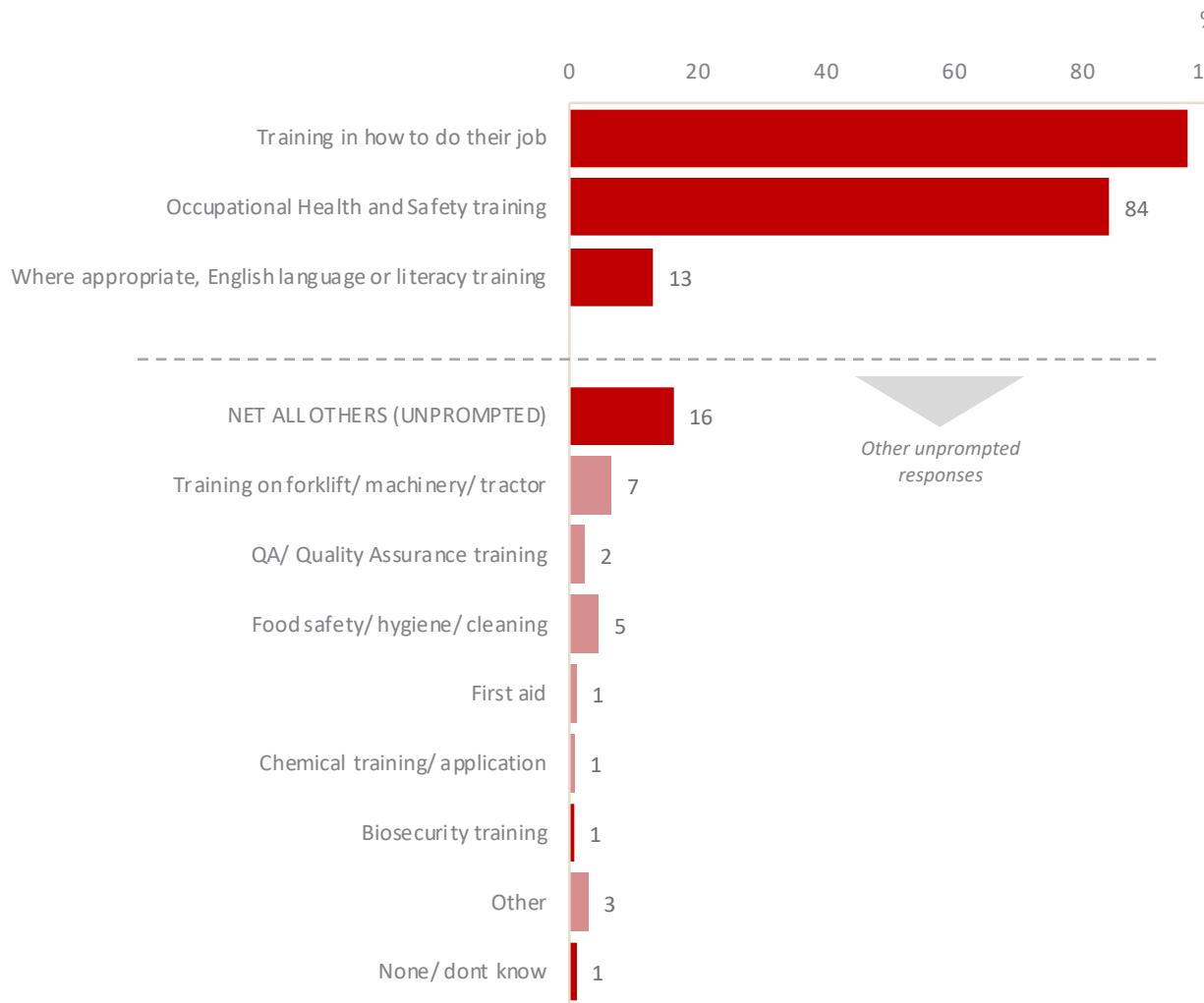
	(Sample size n=)	TOTAL	NUMBER EMPLOYED IN PEAK SEASON		
			Less than 5	5-19	20+
			%	%	%
Organise their own accommodation		85	89	83	86
Use accommodation you provide on your farm#		29	23	34	27
Use accommodation organised by a labour hire company#		15	1	16	24
You have a business relationship with a Hostel that provides accommodation for your workers#		14	9	14	18
NET ALL OTHERS (UNPROMPTED)		6	6	3	10
No seasonal works/ locals who live at home		1	1	-	4
We rent houses for workers#		2	-	1	5
Have a friend/ know people who run hostels - not business relationship#		2	-	1	5
Other		3	5	2	2
None/ dont know		1	-	-	2
# NET CATEGORIES WHERE ASSISTANCE PROVIDED		46	30	52	49

Significantly higher/lower than others

- Accommodation organised by a labour hire company is more prevalent among larger businesses – because they are more likely to use contract workers.
- Overall, accommodation that has been organised with some type of assistance is more common among businesses employing 5+ people (about 50%) than among business with fewer than 5 people (30%).

Provision of training

Which of these types of **training** do you provide or organize for pickers, packers or graders?



- The provision of training for workers in how to do their job is universal (97%), and OH&S training is also provided by nearly all growers, 84%.
- As might be expected, English language/ literacy training is not common (13%).
- Other unprompted responses about training provided included training in operating forklifts/ machinery/ tractors; food safety/ hygiene/ cleaning, and Quality Assurance, among others.

Base: Total growers who pay/ hire pickers, packers or graders (n= 252)

Provision of training

*Which of these types of **training** do you provide or organize for pickers, packers or graders?*

	TOTAL	NUMBER EMPLOYED IN PEAK SEASON		
		Less than 5	5-19	20+
		%	%	%
(Sample size n=)	(252)	(59)	(111)	(82)
Training in how to do their job	97	94	98	96
Occupational Health and Safety training	84	71	87	91
Where appropriate, English language or literacy training	13	18	11	13
NET ALL OTHERS (UNPROMPTED)	16	11	12	26
Training on forklift/ machinery/ tractor	7	6	5	9
QA/ Quality Assurance training	2	-	3	4
Food safety/ hygiene/ cleaning	5	1	3	10
First aid	1	-	1	2
Chemical training/ application	1	2	1	-
Biosecurity training	1	-	2	-
Other	3	1	-	9
None/ dont know	1	3	-	1

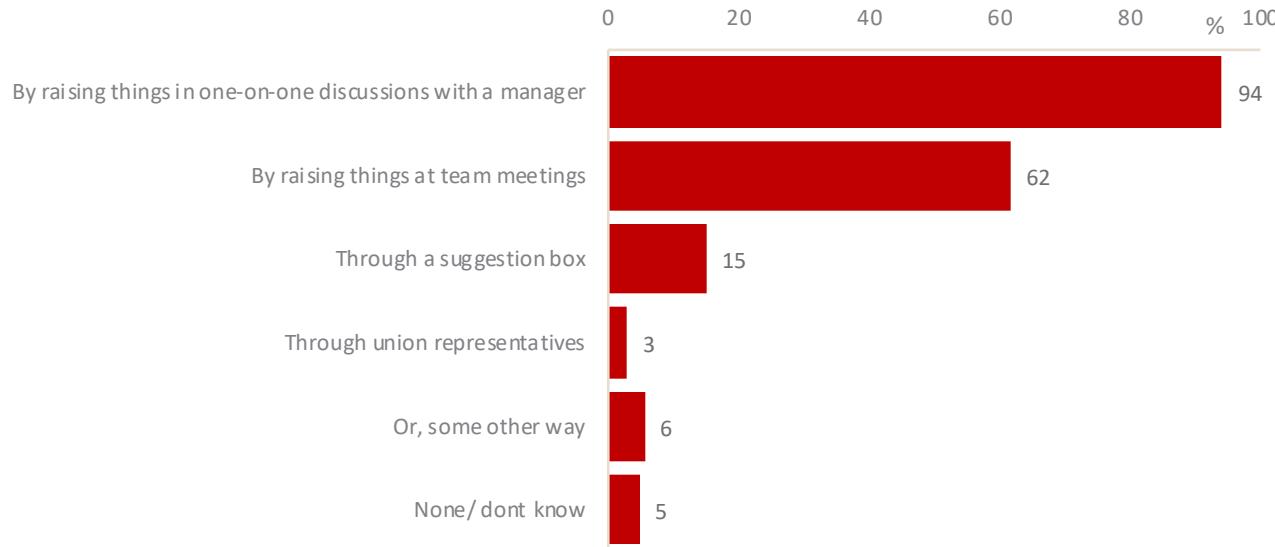
- OH&S and 'other' types of training are more prevalent among larger businesses.

Base: Total growers who pay/ hire pickers, packers or graders (n= 252)

Significantly **higher/lower** than others

Channels for workers to 'have a say'

*In which of these ways, if any, can workers have a **say** about the way things are done?*



- Virtually all growers report their workers can have a say about the way things are done by **raising things with a manager** – but the facility to do so through **team meetings** is also prevalent, 62%.

- **Suggestion boxes** (15%) or having a voice through **union representatives** (3%) are not common.

- Again, larger businesses employing 20+ people are the most likely to provide channels such as team meetings or suggestions boxes.

		NUMBER EMPLOYED IN PEAK SEASON		
		TOTAL	Less than 5	5-19
		(Sample size n=)	(252)	(59)
By raising things in one-on-one discussions with a manager	94	89	97	94
By raising things at team meetings	62	46	55	84
Through a suggestion box	15	14	11	21
Through union representatives	3	-	3	6
Or, some other way	6	5	3	10
None/ dont know	5	11	2	4

Significantly **higher/lower** than others

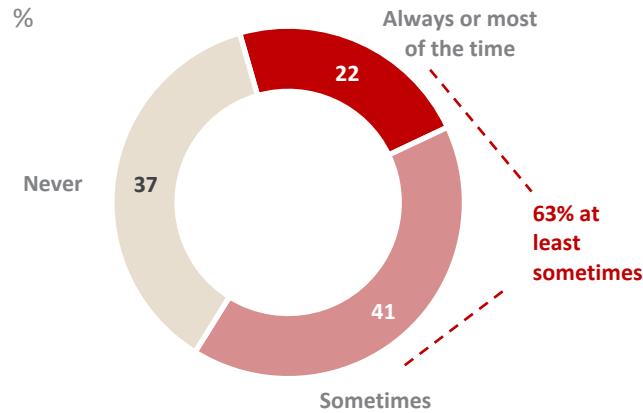
Base: Total growers who pay/ hire pickers, packers or graders (n= 252)

3.5 Difficulty recruiting workers and factors associated with it

Difficulty recruiting pickers, packers and graders

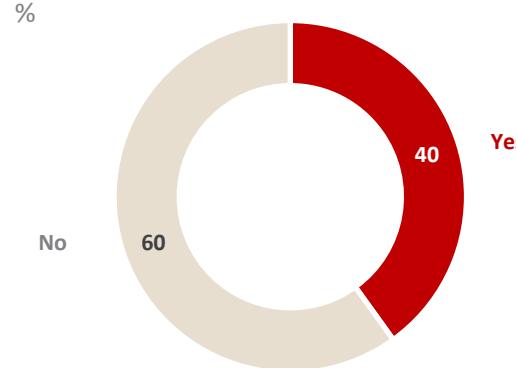
Frequency have difficulty

*In general, how often do you find it **difficult** to get pickers, packers or graders?*



Occasions been unable to get enough workers

*In the last 5 years, have there been any occasions where you were **not** able to get as many pickers, packers or graders as you needed?*



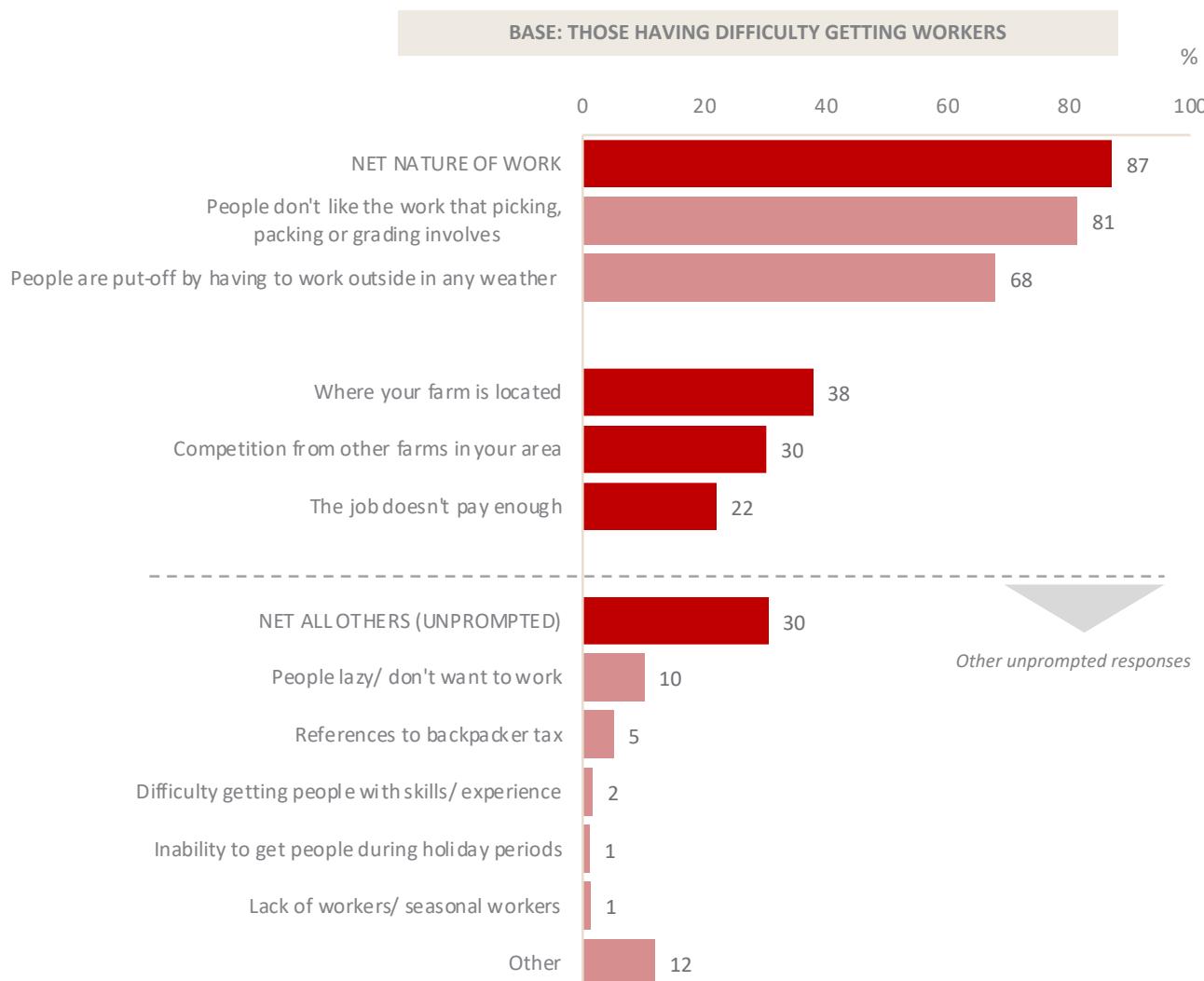
- About two-thirds of growers report having difficulty getting pickers, packers or graders at least sometimes – and 40% have had occasions in the last five years where they simply could not get as many workers as they needed.
- Growers employing 5-19 people are more likely than others to have difficulty. There is no difference based on seasonal requirements.

	TOTAL (Sample size n=)	NUMBER EMPLOYED IN PEAK SEASON			MONTHS USE WORKERS	
		Less than 5	5-19	20+	1-6	7-12
		(252)	(59)	(111)	(82)	(168)
Always or most of the time	22	22	25	18	20	24
Sometimes	41	36	47	37	42	41
TOTAL ALWAYS/ SOMETIMES HAVE DIFFICULTY	63	58	72	54	61	64
Or, never	37	42	28	46	39	36

Base: Total growers who pay/ hire pickers, packers or grader (n= 252)

Why growers believe they have difficulty recruiting workers

Which of this list of things, do you think explain why it is difficult for you to get people? Is it because...?



Base: Those have difficulty recruiting workers (n= 157)

- Asked to select from a list of reasons *why* they believe it is difficult to get workers, growers overwhelmingly put the problem down to the **nature of the work itself** (87%) – either people don't like the type of work and/ or the need to work outside under any weather conditions.
- Nonetheless significant minorities also believe the **location of their farm** (38%) or **competition for workers** from other farms in their area (30%) are factors. Only 22% feel it is because the **job doesn't pay enough**.
- One-in-three offered other unprompted reasons, including:
 - 10% that people are 'lazy'/ 'don't want to work' / 'get paid for doing nothing' on benefits
 - 5% referring to the 'backpacker tax'.

Why growers believe they have difficulty recruiting workers

Which of this list of things, do you think explain why it is difficult for you to get people? Is it because...?

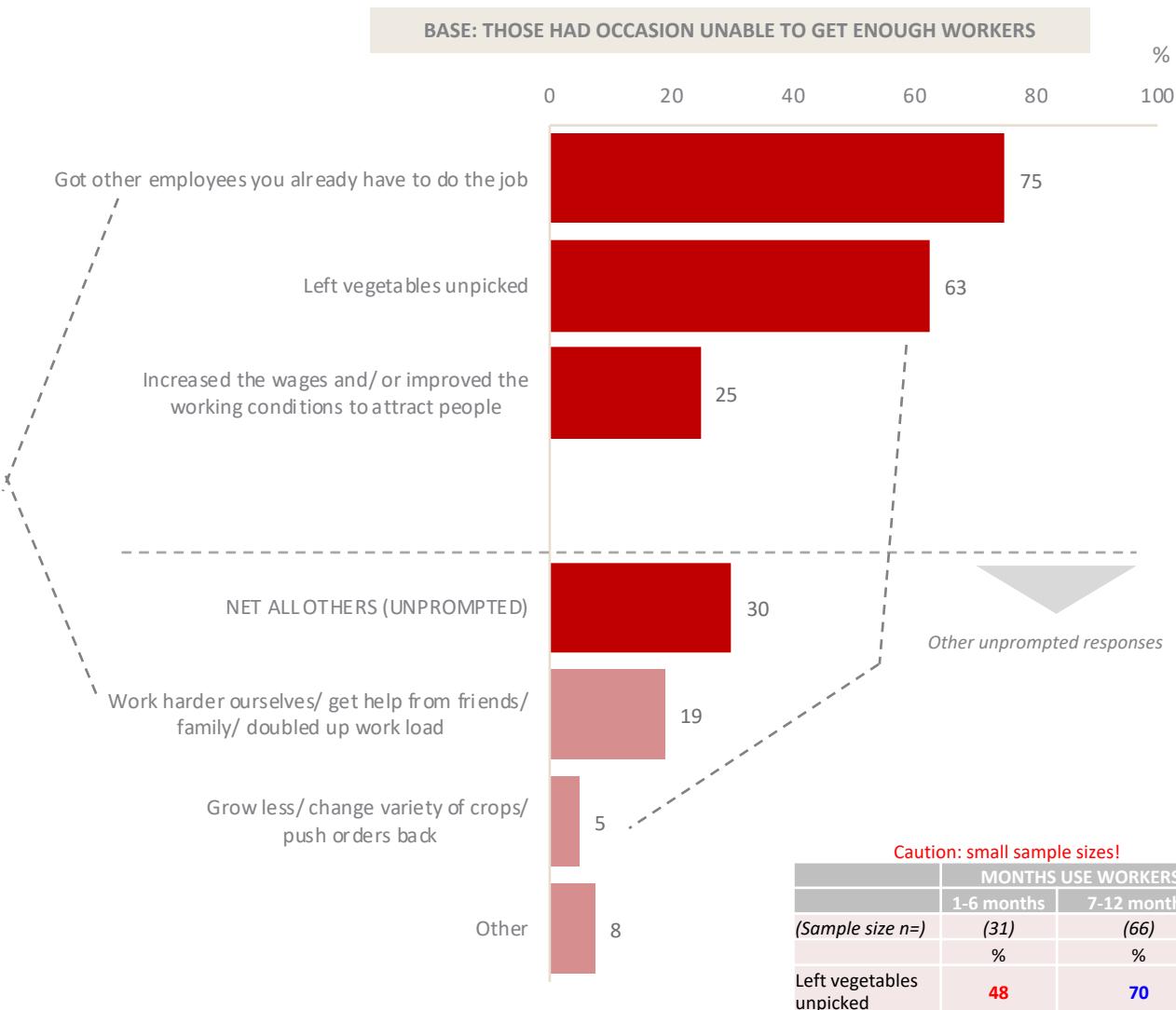
		NUMBER EMPLOYED IN PEAK SEASON			MONTHS USE PICKERS/ PACKERS/ GRADERS	
		TOTAL	Less than 5	5-19	20+	1-6 months
		(Sample size n=)	(157)	(33)	(77)	(49)
NET NATURE OF WORK		87	83	93	80	75
People just don't like the type of work		81	66	91	76	65
People put-off by working outside in any weather		68	71	68	65	51
Because of where your farm is located		38	24	46	34	34
Competition for workers from other farms in your area		30	31	24	42	30
The job doesn't pay enough		22	26	24	15	22
NET ALL OTHERS (UNPROMPTED)		30	20	37	26	33
People lazy/ don't want to work		10	2	14	9	10
References to backpacker tax/ people put off by tax		5	4	5	6	14
Difficulty getting people with skills/ experience		2	2	2	2	3
Lack of workers/ seasonal workers		1	2	1	2	1
Inability to get people during holiday periods		1	0	2	2	0
Other		12	12	15	6	7
						14

- The vast majority of businesses of all size and seasonal requirements cite the nature of the work as the main problem.
- However those employing 5-19 people are more likely than others to also cite the location of their farm as an issue, while the largest businesses place greater emphasis on competition from other growers – which again may be connected with the location of these types of businesses.
- Unprompted mentions concerning the ‘backpacker tax’ come almost exclusively from those with shorter term seasonal requirements.

Significantly higher/lower than others

What growers have done when they couldn't get enough workers

And in the last 5 years, when you **haven't** been able to get enough farm workers, which of these have you done? Have you...?



- For those who have faced situations where they could not get enough workers, the most common strategy to deal with it is to get other employees to do the job; get help from friends/family or simply worker harder. A quarter have tried increasing wages or improving working conditions to attract people.
- However 63% of growers facing an insurmountable labour shortage say they have left vegetables unpicked. This amounts to 25% of all growers. Based on small samples, leaving vegetables unpicked is more common among growers who need workers 7-12 months a year. A small number of other unprompted responses included crop management strategies such as growing less, changing the variety of crops, or pushing orders back.

Factors associated with difficulty recruiting workers

A systematic analysis of survey results was undertaken to identify factors correlated with difficulty recruiting workers. These correlations could potentially identify *causes* of recruiting difficulty, *outcomes* of it, or they may simply be correlations with no cause and effect relationship at all.

Overall the list of correlates was quite 'patchy', however a few worthwhile themes emerge.

A. Consistent recruiting difficulty is associated with using Labour Hire Companies and Migration Agents

- Growers who have difficulties '*always or most of the time*' are the most likely to use Labour Hire Companies and Migration agents. It's probable that using these channels has been an *outcome* of having difficulty recruiting. However it's also true that almost as many growers who '*never*' have difficulty use Labour Hire Companies (40%).

	Recruiting channels used last five years				
	TOTAL	FREQUENCY HAVE DIFFICULTY GETTING WORKERS			
		Always or most of the time	Sometimes	Total have difficulty	Never
(Sample size n=)	(252)	(52)	(105)	(157)	(95)
Average no. of channels used	1.7	1.8	1.7	1.8	1.7
	%	%	%	%	%
Labour Hire Company	40	50	35	40	40
Migration agent	7	15	4	8	6
National Harvest Labour Information Service	9	9	12	11	5
Youth Hostel	29	19	32	27	31
Recruiting directly yourself	88	89	91	90	83

Significantly **higher/lower** than others

Factors associated with difficulty recruiting workers

Combinations of recruiting channels used last five years

	(Sample size n=)	TOTAL	FREQUENCY HAVE DIFFICULTY GETTING WORKERS		
			Always or most of the time	Sometimes	Total have difficulty
			%	%	%
One channel					
Labour Hire		6	2	4	3
Youth Hostel		2	0	2	1
Recruit self		30	35	30	31
Two channels					
Labour Hire/ Migration agent		0	2	0	1
Labour Hire/ Youth Hostel		2	4	2	3
Labour Hire/ Recruit self		22	27	20	22
Migration agent/ Recruit self		1	0	1	1
NHLIS/ Recruit self		3	0	7	4
Youth Hostel/ Recruit self		18	10	19	16
Three channels					
Labour Hire/ Migration agent/ NHLIS		0	2	0	1
Labour Hire/ Migration agent/ Youth Hostel		0	0	1	1
Labour Hire/ Migration agent/ Recruit self		2	6	1	3
Labour Hire/ NHLIS/ Recruit self		1	2	1	1
Labour Hire/ Youth Hostel/ Recruit self		4	2	6	4
Migration agent/ Youth Hostel/ Recruit self		0	0	1	1
NHLIS/ Youth Hostel/ Recruit self		2	4	2	3
Four channels					
Labour Hire/ Migration agent/ NHLIS/ Recruit self		0	2	0	1
Labour Hire/ Migration agent/ Youth Hostel/ Recruit self		1	4	1	2
Labour Hire/ NHLIS/ Youth Hostel/ Recruit self		1	0	1	1
Migration agent/ NHLIS/ Youth Hostel/ Recruit self		0	0	1	1
All five channels					
31:Labour Hire/ Migration agent/ NHLIS/ Youth Hostel/ Recruit self		0	0	0	0

Significantly higher/lower than others

- Indeed those who 'never' have difficulty recruiting have the largest proportion of growers who use Labour Hire Companies *exclusively*. This begs the question: why did growers who 'never' have difficulty start using a Labor Hire Company in the first place- particularly given that contract labour is more costly? A likely answer is that they were having difficulty recruiting.

- So why do some growers using Labour Hire Companies have ongoing recruiting problems, while others do not? There are a few possibilities:

- The research only measured channels used in the last five years – it did not cover recency or consistency of usage. Those with chronic recruiting problems may use Labour Hire Companies (or other channels) only *periodically*.
- Some Labour Hire Companies may be better than others.
- There are other characteristics about the growers themselves or their environment that cause the difference.

Factors associated with difficulty recruiting workers

	TOTAL	FREQUENCY HAVE DIFFICULTY GETTING WORKERS			
		Always or most of the time	Sometimes	Total have difficulty	Never
		(Sample size n=)	(52)	(105)	(95)
NET USED AUSTRALIANS	84	79	88	85	84
Australians from local region	82	77	85	82	81
Australians from other parts of Australia	26	24	32	29	21
NET USED TEMPORARY MIGRANTS	78	77	82	80	73
People on Working Holidays	72	63	81	75	67
International students	29	28	32	30	27
Pacific Seasonal workers	20	28	22	24	13

B. Use of Pacific Seasonal workers is more common among those with recruiting difficulty

- Only 20% of growers say they have used Pacific Seasonal Workers in the last five years, but usage is almost double among those who have recruiting difficulties compared with those who don't (24% vs 13%).
- Those who 'sometimes' have difficulty are a little more likely to have drawn on Australians from outside the local region and People on Working Holidays.

Significantly **higher/lower** than others

Factors associated with difficulty recruiting workers

	TOTAL	FREQUENCY HAVE DIFFICULTY GETTING WORKERS			
		Always or most of the time	Sometimes	Total have difficulty	Never
		(Sample size n=)	(52)	(105)	(157)
	%	%	%	%	%
Perceptions about the productivity and reliability of Undocumented workers					
Very productive and reliable	18	22	19	20	14
Somewhat productive and reliable	13	11	17	15	10
TOTAL VERY/ SOMEWHAT	31	33	37	35	25
Not very productive and reliable	8	9	9	9	6
Dont know	61	58	55	56	69
Perceptions about use of Undocumented workers					
Very common	7	8	10	9	3
Quite common	14	12	17	15	11
TOTAL VERY/ QUITE COMMON	21	20	27	25	15
Not common	53	51	52	51	57
Dont know	25	29	21	24	27
Refused	1	-	-	-	1
Used Undocumented workers in last five years?					
Yes/ have	2	0	2	1	2
Sources of information used to help set wages and conditions					
Talk to other farmers about what they're paying	43	49	47	48	35

Significantly **higher/lower** than others

C. Those with recruiting difficulties appear to know more about Undocumented workers

- Growers who have difficulty recruiting are more likely to (i) have an *impression* about the productivity/ reliability of Undocumented workers and (ii) believe that use of them is 'common' in the industry. However there is no direct evidence of any significance usage of them by these growers – only 2% of all growers admitted to using Undocumented workers in the last five years.
- Nonetheless, greater awareness of Undocumented workers *may* suggest they are actually more likely to use them. Alternatively, it could simply be because they talk with more farmers. For example, growers who have difficulty recruiting are more likely to use other farmers as a source of information about wages and conditions.

Factors associated with difficulty recruiting workers

		Importance of characteristics when recruiting workers			
		FREQUENCY HAVE DIFFICULTY GETTING WORKERS			
		TOTAL	Always or most of the time	Sometimes	Total have difficulty
(Sample size n=)	(252)	(52)	(105)	(157)	(95)
	%	%	%	%	%
Previous experience of doing the job					
Very important	18	14	18	17	20
TOTAL IMPORTANT	50	59	52	55	43
Not important	50	41	48	45	57
People being able to start work immediately					
Very important	45	46	46	46	42
TOTAL IMPORTANT	83	87	87	87	76
Not important	16	13	11	12	23
Availability to work long hours each week					
Very important	33	41	33	36	29
TOTAL IMPORTANT	67	74	70	72	58
Not important	33	24	30	28	41
Availability to commit for a full season					
Very important	44	60	41	48	37
TOTAL IMPORTANT	77	92	73	80	71
Not important	23	8	27	20	29
A workers physical capabilities					
Very important	62	68	63	65	57
TOTAL IMPORTANT	94	99	95	96	90
Not important	5	1	4	3	10

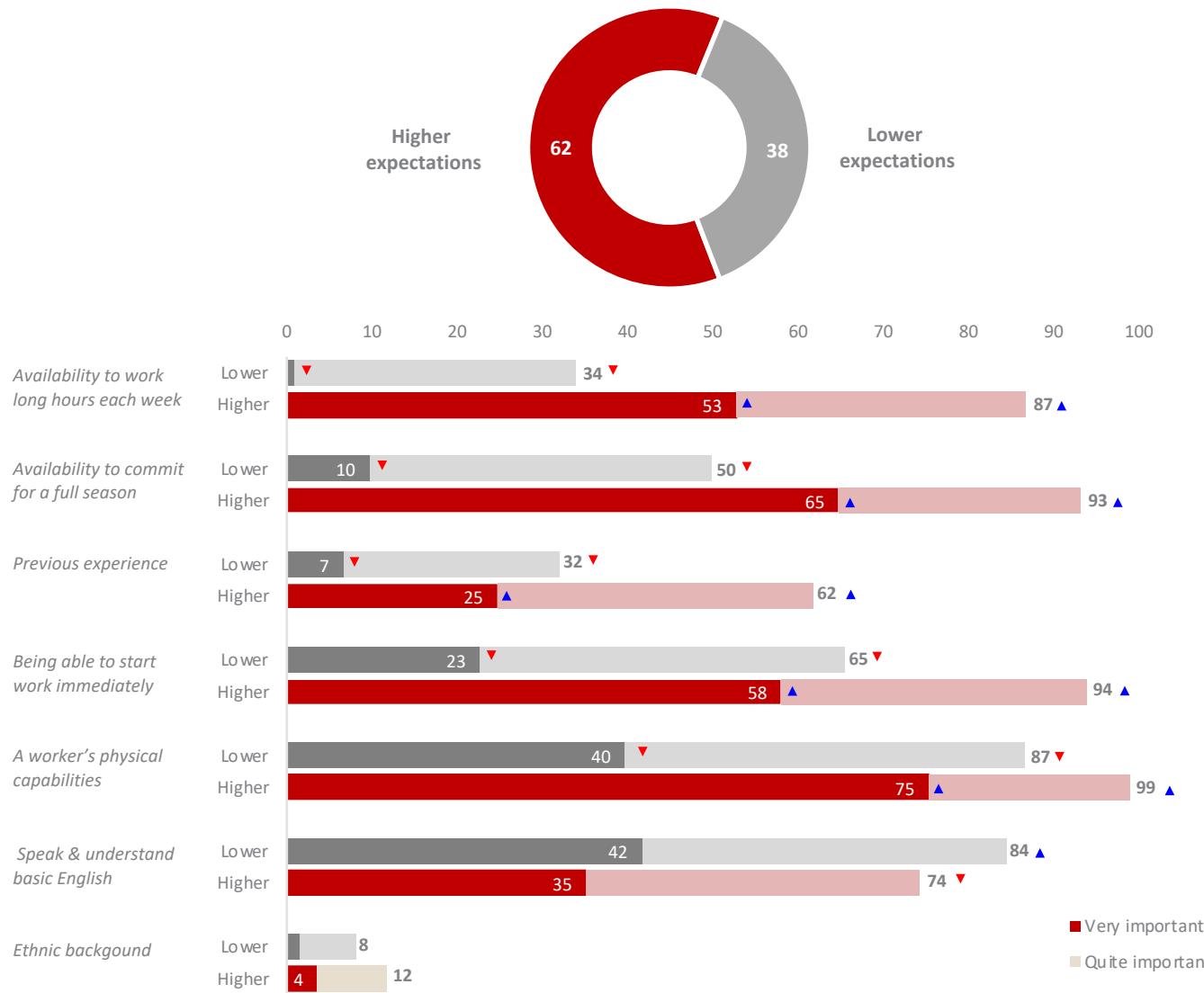
D. Growers with higher expectations when recruiting are a little more likely to have difficulty.

- Growers who have difficulty recruiting are more likely to rate a number of factors as being important:
 - previous experience
 - being able to start immediately
 - availability for long hours
 - availability to commit for a full season, and to a lesser extent,
 - physical capabilities.
- A latent class segmentation was undertaken using the full set of seven attributes growers were asked to rate on importance. This found the data fell into two segments, one with *higher* expectations, and the other with *lower* expectations follows. . . .

Significantly **higher/lower** than others

Factors associated with difficulty recruiting workers

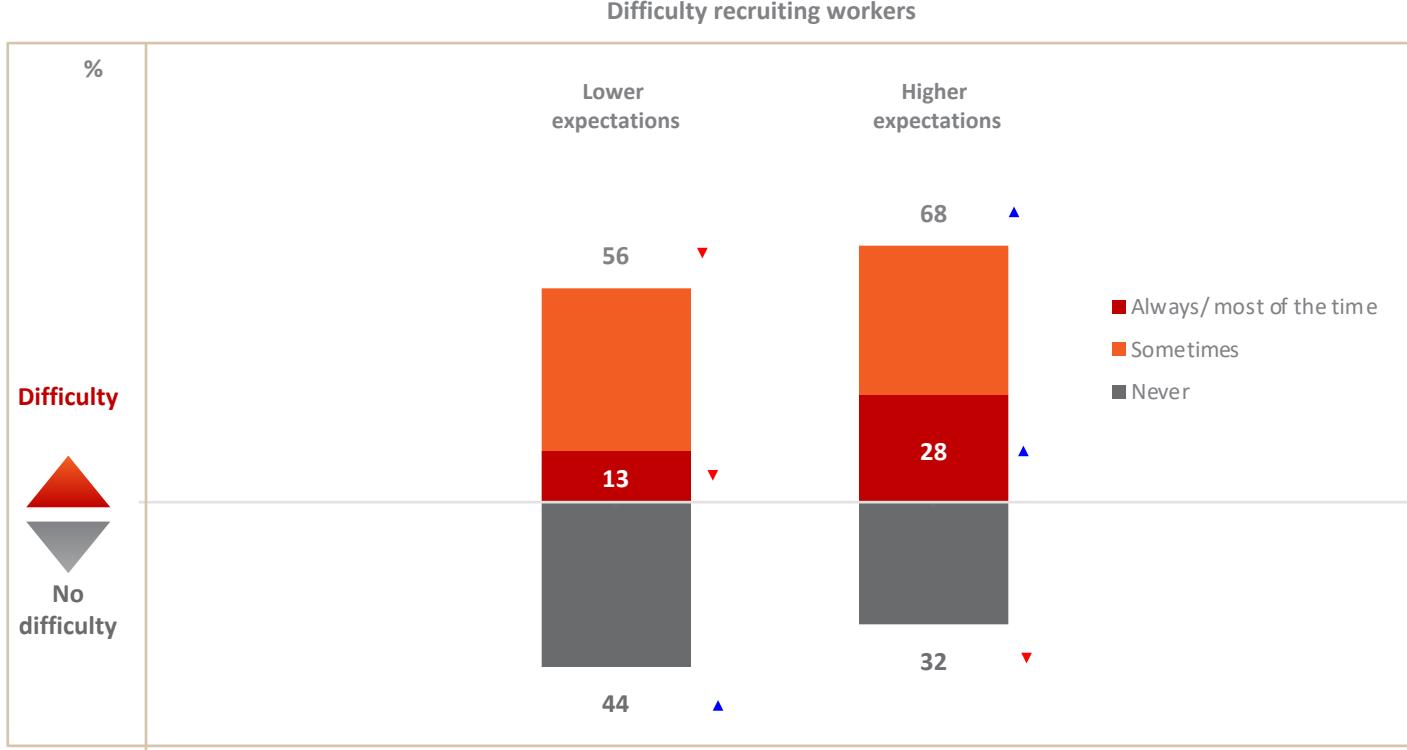
Segments derived from importance of characteristics when recruiting workers



- The Higher Expectations segment gives nearly all attributes a *substantially* higher rating on importance, with the exception of English language capability and Ethnic background. . . .

Base: Total growers who pay/ hire pickers, packers or graders (n= 252); Higher expectation (n= 154); Lower expectation (n= 98)

Factors associated with difficulty recruiting workers



- Those in the Higher Expectations segment are also more likely to have difficulty recruiting – though the difference is not as large as might be anticipated given the substantial stated difference in importance ratings.
- The Higher Expectations segment is more prevalent among businesses employing more than 5 people, and those needing workers for 7-12 months of the year. Consequently the expectations model does not, by itself, explain why businesses employing 5-19 people specifically have the greatest difficulty recruiting workers.

		NUMBER EMPLOYED IN PEAK SEASON			MONTHS USE PICKERS/ PACKERS/ GRADERS	
		TOTAL	Less than 5	5-19	20+	1-6 months
		(Sample size n=)	(252)	(59)	(111)	(82)
	%	%	%	%	%	%
Lower Expectations	38	52	34	32	50	32
Higher Expectations	62	48	66	68	50	68
Total	100	100	100	100	100	100

Significantly higher/lower than others

Base: Growers who pay/ hire pickers, packers or graders: Higher expectation (n= 154); Lower expectation (n= 98)

Factors associated with difficulty recruiting workers

		IMPORTANCE OF AVAILABILITY TO WORK LONG HOURS			
	TOTAL	Very important	Quite important	TOTAL IMPORTANT	Not important
(Sample size n=)	(252)	(83)	(83)	(166)	(84)
%	%	%	%	%	%
How often have difficulty recruiting					
Always or most of the time	22	28	22	25	16
Sometimes	41	41	46	43	37
TOTAL ALWAYS/ SOMETIMES	63	68	68	68	53
Or, never	37	32	32	32	47
Total	100	100	100	100	100
Hours work per week					
TOTAL UNDER 40 HOURS	62	43	62	52	82
TOTAL OVER 40 HOURS	38	57	38	48	16
Average hours worked	37.1	41.9	36.5	39.2	32.7
		FREQUENCY HAVE DIFFICULTY GETTING WORKERS			
	TOTAL	Always or most of the time	Sometimes	Total always/ mostly/ sometimes	Never
(Sample size n=)	(252)	(52)	(105)	(157)	(95)
Hours work per week					
TOTAL UNDER 40 HOURS	62	60	62	61	63
TOTAL OVER 40 HOURS	38	40	38	39	35
Average hours worked	37.1	37.9	38.1	38.0	35.5
		AVAILABILITY TO WORK LONG HOURS RATED IMPORTANT			
		Actually work <40 hours		Actually work 40+ hours	
(Sample size n=)		(84)		(82)	
%					
Workers mostly employed:					
Full time		12		12	
Part time		22		5	
TOTAL FULL/ PART TIME	33	33		18	
Casual		66		82	

- In relation to work hours specifically:
 - a) As previously noted, growers who say availability to work long hours is important, are more likely to have difficulty recruiting.
 - b) Moreover these growers do, in fact, generally have longer work weeks.
 - c) Yet at an aggregate level across all growers, there is little difference in the hours worked by businesses who do, or do not, have difficulty recruiting.
- So why the contradiction? The answer appears to be *partly* because a grower's definition of 'long hours' varies to some degree by the type of people they employ. For example growers who rate long hours as important, but actually have work weeks less than 40 hours, have a higher proportion of full time/ part time workers.

Significantly **higher/lower** than others

Factors associated with difficulty recruiting workers

	TOTAL	FREQUENCY HAVE DIFFICULTY GETTING WORKERS		
		Always or most of the time	Sometimes	Total always/ mostly/ sometimes
(Base: Those pay hourly rates)				
(Sample size n=)	(247)	(52)	(103)	(155)
Allocation of below/ above award for hourly rate based on reported rates of pay				
Pay below award	17	13	17	16
Pay award or higher	74	80	76	77
Not determined	9	7	7	7
Total	100	100	100	100
(Base: Those pay piece rates - very small samples)				
(Sample size n=)	(63)	(15)	(24)	(39)
Allocation of below/ above award for piece rate based on reported rates of pay				
Piece rate below award	15	14	14	14
Piece rate award or higher	65	67	71	69
Piece rate - not determined	20	19	15	16
Total	100	100	100	100
(Base: Total sample)				
	(252)	(52)	(105)	(157)
Self-reported admission of paying below award rate in last five years				
Yes/ have	5	8	6	7
No	94	92	91	92
Dont know	1	-	2	2
Total	100	100	100	100
(Base: Those work weekends)				
	(188)	(34)	(87)	(121)
Pay penalty rates for weekends				
Yes/ do	26	31	26	28
No	74	69	74	72
Total	100	100	100	100
(Base: Those work 'overtime' hours - very small samples)				
	(84)	(19)	(35)	(54)
Pay penalty rates for 'overtime' hours				
Yes/ do	48	58	51	54
No	52	42	49	46
Total	100	100	100	100

E. There does not appear to be any compelling evidence that difficulty recruiting is related to paying award rates, penalty rates, providing accommodation assistance, training, or vehicles for workers to 'have a say'. (see tables opposite and overleaf)

- In fact, if anything, there are more examples of businesses who do the right thing being more likely to have difficulty.
- The one exception relates to the small number of cases of growers who directly admitted to paying below the award in the last five years – but the numbers are very small.

Significantly **higher/lower** than others

Factors associated with difficulty recruiting workers

	TOTAL	Always or most of the time	Sometimes	Total always/ mostly/ sometimes	Never
(Sample size n=)	(252)	(52)	(105)	(157)	(95)
	%	%	%	%	%
Training					
Training in how to do their job	97	97	96	96	97
Occupational Health and Safety training	84	85	83	83	85
Where appropriate, English language or literacy training	13	8	20	15	9
NET ALL OTHERS (UNPROMPTED)	16	12	18	16	17
Accommodation					
Organise their own accommodation	85	84	89	87	82
Use accommodation you provide on your farm	29	37	29	32	25
Use accommodation organised by a labour hire company	15	18	16	17	11
You have a business relationship with a Hostel that provides accommodation for your workers	14	16	13	14	13
NET ALL OTHERS (UNPROMPTED)	6	3	7	5	7
No seasonal works/ locals who live at home	1	-	1	1	2
We rent houses for workers	2	-	3	2	2
Have a friend/ know people who run hostels - not business relationship	2	-	3	2	2
Other	3	3	3	3	3
None/ dont know	1	-	-	-	1
Vehicles for workers to 'have a say'					
By raising things in one-on-one discussions with manager	94	95	92	93	96
By raising things at team meetings	62	61	70	67	52
Through a suggestion box	15	15	19	18	11
Through union representatives	3	3	3	3	2
Or, some other way	6	7	6	7	3
None/ dont know	5	3	6	5	4

Significantly higher/lower than others

Appendix

Questionnaire

Survey of Vegetable Growers

INTRO

Hello, my name is (NAME) calling from OmniPoll. We're conducting research among vegetable growers on behalf of Horticulture Innovation Australia, the University of Adelaide and the University of Sydney.

[IF NAME AVAILABLE IN SAMPLE] I was hoping to speak with... (NAME) - would that be you?

[IF NO NAME AVAILABLE] I was hoping to speak to the farm owner or the person most responsible for managing the farm - would that be you?

IF RESPONDENT CHANGES, REPEAT INTRO

The research is looking into **labour supply challenges** in the Australian vegetable industry – and getting feedback from growers about their experiences and opinions is an important part of that.

The survey takes about 15 minutes and we'd really appreciate your help. Is it convenient now? (IF NOT MAKE APPOINTMENT)

Just to let you know, this call maybe monitored for quality assurance purposes. However please be assured your responses to the survey will remain **anonymous**.

INTERVIEWER INFORMATION RE USE OF RESEARCH:

Ultimately, the results will be used in discussions with **government**. The idea is to help improve government policy, so that it's easier for vegetable growers to meet their labour needs.

INTERVIEWER INFORMATION RE SAMPLE:

As I mentioned, the survey is being conducted for Horticulture Innovation Australia, the University of Adelaide and the University of Sydney. The research is also being supported by the leading state industry associations including NSW Farmers, AUSVEG VIC, Growcom, AUSVEG SA and VegetablesWA. Each state association has provided a list of their member's phone numbers, and your number has been randomly selected from the list to participate.

IF RESPONDENT NOT SATISFIED WITH EXPLANATION If you'd like to know more about how your number was obtained, I can give you the name and contact details for the people at Horticulture Innovation Australia and the University of Adelaide who are responsible for the project – would you like those?

Horticulture Innovation Australia: Anthony Kachenko, R&D Lead. Ph: 02 8295 2343 E-Mail: anthony.kachenko@horticulture.com.au

University of Adelaide: Dr Joanna Howe E-mail: Joanna.howe@adelaide.edu.au

Q1 Firstly, just a few background questions about you and your farming business. Are you...? **READ OUT**

PROG NOTE:
- SINGLE RESPONSE

1	A farm owner
2	Or, a farm manager
5	DO NOT READ Other (SPECIFY)

Q2(a) Can I just confirm that you grow **vegetables** as part of your farming business? **DO NOT READ**

PROG NOTE:
- SINGLE RESPONSE

1	Yes/do
2	No

PROG NOTE: ASK IF DO NOT GROW VEGETABLES IE CODE 2 IN Q2(a). CODE 1 GO TO Q3

Q2(b) Thank you for your time, but for this survey we need to speak with people from farming businesses that grow vegetables, so I'll have to leave it there. But again, thanks for your time. **TERMINATE NE1**

PROG NOTE: ASK IF GROW VEGETABLES IE CODE 1 IN Q2(a)

Q3 Which vegetables do you grow? **READ SCALE AS NECESSARY**

PROG NOTE:
- MULTI RESPONSE
- IF SELECT 1-98 CANNOT SELECT 99

1	Beans
10	Cabbages (any type)
2	Capsicums
3	Carrots
4	Lettuces
5	Melons
6	Mushrooms
7	Onions
8	Potatoes
11	Pumpkin
9	Tomatoes (any type)
98	Other (SPECIFY)
99	Don't know

Q4 And does your farming business comprise...? **READ OUT**

PROG NOTE:
- SINGLE RESPONSE

1	Only one farm growing vegetables
2	Or more than one farm growing vegetables
99	DO NOT READ Don't know

PROG NOTE: ASK IF HAVE MORE THAN ONE FARM AND NOMINATED VEGETABLES GROW IN Q3 IE CODE 2 IN Q4 AND CODE 1-98 IN Q3. IF HAVE MORE THAN ONE FARM AND DON'T KNOW VEGETABLES GROW IN Q3, AUTOFILL 99 IN Q5(a) AND GO TO Q5(b). OTHERS GO TO Q6(a)

Q5(a) Just thinking about your **main** vegetable farm - by that I mean your **largest** vegetable growing farm. Which vegetables do you grow on that **particular** farm? **READ SCALE AS NECESSARY**

PROG NOTE:
- ONLY DISPLAY 1-11 SELECTED IN Q3 THEN 98-99 LAST. SHOW CODE 98 AS "Other (SPECIFY)"
- MULTI RESPONSE
- IF SELECT 1-98 CANNOT SELECT 99

PROG NOTE: ASK IF HAVE MORE THAN ONE FARM IE CODE 2 IN Q4. OTHERS GO TO Q6(a)

Q5(b) In this survey we'll be asking you various questions about your vegetable farming business. Are you able to answer questions about your farming business as a **whole**, or is it easier if we focus just on your **main farm?** **DO NOT READ**

PROG NOTE:
- SINGLE RESPONSE

1	Business as a whole
2	Focus on main farm
99	DO NOT READ No preference/ don't know

Q5(c) OK, for the rest of the survey can you please answer the questions as they relate to your **(PROG NOTE: IF CODE 2 IN Q5(b) INSERT: "main vegetable farm." ELSE INSERT: "farming business as a whole.")**. HIT "ENTER" TO CONTINUE

PROG NOTE: ASK ALL RESPONDENTS NOT TERMINATED

Q6(a) Now a question about the people you use as pickers, packers or graders. **READ OUT**

PROG NOTE:
- MULTI RESPONSE

		Yes	No
A	In the last five years, have you used any members of the family to do picking, packing or grading	1	2
B	In the last five years, have you hired other people, or paid other people to do picking, packing or grading	1	2

PROG NOTE: ASK IF NOT PAID OTHER PEOPLE IE CODE 2 IN Q6(a)B. CODE 1 IN Q6(a)B GO TO Q7

Q6(b) Thank you for your time, but for this survey we need to speak with people from farming businesses that **hire** pickers, packers or graders, so I'll have to leave it there. But again, thanks for your time. **TERMINATE NE2 BUT KEEP RECORD AS PART OF DATASET**

PROG NOTE: ASK ALL RESPONDENTS NOT TERMINATED

Q7 In total, including full time, part time or casual staff, **or** any contract workers, about how many people does your farming business employ during its **peak** season? Would it be...? **READ OUT**

PROG NOTE:
- SINGLE RESPONSE

1	Less than 5
2	5 to 19
3	20 to 99
4	100 to 199
5	200 to 999
6	Or 1,000 or more
99	DO NOT READ Don't know

Q8 And in typical year, about how many months of the year does your business use pickers, packers or graders?
DO NOT READ

PROG NOTE:
- SINGLE RESPONSE

1	1 month
2	2 months
3	3 months
4	4 months
5	5 months
6	6 months
7	7 months
8	8 months
9	9 months
10	10 months
11	11 months
12	12 months
99	Can't say

SECTION A - PROG NOTE: ASK ALL RESPONDENTS NOT TERMINATED

AA Now some questions about the ways your business may find pickers, packers or graders. **HIT ENTER FOR NEXT SCREEN**

A1 Firstly, you can get **contract** workers from **labour hire** companies (**PAUSE**). The rate you pay for each worker includes their pay, **plus**, a profit margin for the hire company (**PAUSE**).

In the last five years, have you used pickers, packers or graders that were **contract** workers from a labour hire company? **DO NOT READ**

PROG NOTE:
- SINGLE RESPONSE

1	Yes/ have
2	No

PROG NOTE: THERE IS NO A2

A3 And which of these other ways have you employed pickers, packers or graders in the **last five years?** **READ OUT**

PROG NOTE:
- MULTI RESPONSE
- IF 1-4 SELECTED CANNOT SELECT 99

1	Through a migration agent
2	The National Harvest Labour Information Service
3	Through a Youth Hostel
4	By recruiting people directly yourself, for example through advertising, job boards, talking to people you know, hiring people who approach you, and so on
99	DO NOT READ None/ don't know

A4 PROG NOTE: HIDDEN QUESTION – COLLECT ALL METHODS USED AND STORE IN A4

1	A Labour Hire Company (CODE 1 IN A1)
2	A migration agent (CODE 1 IN A3)
3	The National Harvest Labour Information Service (CODE 2 IN A3)
4	A Youth Hostel (CODE 3 IN A3)
5	By recruiting people directly yourself (CODE 4 IN A3)
99	None (CODE 2 IN A1 AND CODE 99 IN A3)

A5 In general, how often do you find it **difficult** to get pickers, packers or graders? **READ OUT**

PROG NOTE:
- SINGLE RESPONSE

1	Always or most of the time
2	Sometimes
3	Or, never
99	DO NOT READ Don't Know

ASK IF ALWAYS/ SOMETIMES HAVE DIFFICULTY IE CODE 1-2 IN A5. CODE 3-99 GO TO A7

A6 Which of this list of things, do you think explain why it is difficult for you to get people? Firstly, is it...? **READ OUT**

PROG NOTE:

- MULTI RESPONSE
- RANDOMISE 1-6 MAINTAINING ORDER OF 6-4 THEN 98-99 LAST
- IF SELECT 1-98 CANNOT SELECT 99

1	Because of competition for workers from other farms in your area
2	Because the job doesn't pay enough
3	Because of where your farm is located
6	Because people are put-off by having to work outside in any weather – hot, cold or rain
4	Because people just don't like the type of work that picking, packing or grading involves
98	Or some other reason (SPECIFY)
99	DO NOT READ None/ don't know

PROG NOTE: ASK ALL RESPONDENTS NOT TERMINATED

A7 In the last 5 years, have there been in any occasions where you were not able to get as many pickers, packers or graders as you needed? **DO NOT READ**

PROG NOTE:

- SINGLE RESPONSE

1	Yes/ have been occasions
2	No

PROG NOTE: ASK IF OCCASIONS NOT ABLE TO GET WORKERS NEEDED IE CODE 1 IN A7. CODE 2 GO TO A9

A8 And in the last 5 years, when you haven't been able to get enough farm workers, which of these have you done? Have you...? **READ OUT**

PROG NOTE:

- MULTI RESPONSE
- RANDOMISE 1-3 THEN 98-99 LAST
- IF SELECT 1-98 CANNOT SELECT 99

1	Increased the wages and/ or improved the working conditions to attract people
2	Got other employees you already have to do the job
3	Left vegetables unpicked
98	Or, something else (SPECIFY)
99	DO NOT READ None/ don't know

PROG NOTE: ASK ALL RESPONDENTS NOT TERMINATED

A9 When you're looking for pickers, packers or graders, please say how important each of the following skills or characteristics are for you - are they very important, quite important, or not important? Firstly...? **REPEAT SCALE AS NECESSARY**

PROG NOTE:

- SINGLE RESPONSE PER ROW
- RANDOMISE A-F MAINTAINING ORDER D-F THEN G LAST

		Very important	Quite important	Not important	DO NOT READ Don't know
A	Previous experience of doing the job	1	2	3	99
B	That people can speak and understand basic English	1	2	3	99
C	A worker's physical capabilities	1	2	3	99
D	People being able to start work immediately	1	2	3	99
E	Availability to work long hours each week	1	2	3	99
F	Availability to commit for a full season	1	2	3	99
G	Ethnic background	1	2	3	99

SECTION B -

PROG NOTE: ASK ALL RESPONDENTS NOT TERMINATED

B1 In which of the following ways do your seasonal workers typically find accommodation? Do they...? **READ OUT**

PROG NOTE:

- MULTI RESPONSE
- IF SELECT 1-98 CANNOT SELECT 99

1	Organise their own accommodation
2	Use accommodation you provide on your farm
3	PROG NOTE: IF CODE 1 IN A1 DISPLAY: Use accommodation organised by a labour hire company
4	You have a business relationship with a Hostel that provides accommodation for your workers
98	Or, some other way (SPECIFY)
99	DO NOT READ None/ don't know

B2 Which of these types of training do you provide or organize for pickers, packers or graders? **READ OUT**

PROG NOTE:

- MULTI RESPONSE
- IF SELECT 1-98 CANNOT SELECT 99

1	Training in how to do their job
2	Occupational Health and Safety training
3	Where appropriate, English language or literacy training
98	Some other type of training (SPECIFY)
99	DO NOT READ None/ don't know

B3 In which of these ways, if any, can workers have a say about the way things are done? **READ OUT**

PROG NOTE:

- MULTI RESPONSE
- IF SELECT 1-98 CANNOT SELECT 99

1	Through a suggestion box
2	Through union representatives
3	By raising things at team meetings
4	By raising things in one-on-one discussions with a manager
98	Or, some other way
99	DO NOT READ None/ don't know

B4 During peak season, roughly how many hours a week do your pickers, packers or graders typically work? Would it be...? **READ OUT**

PROG NOTE:

- SINGLE RESPONSE

1	20 hours or less a week
2	21-30
3	31-40
4	41-50
5	51-60
8	Or, more than 60 hours a week
99	DO NOT READ Don't know

SECTION C - PROG NOTE: ASK ALL RESPONDENTS NOT TERMINATED

PROG NOTE: ASK IF USED LABOUR HIRE COMPANY IN LAST 5 YEARS IE CODE 1 IN A1. OTHERS GO TO C4

C1 Thinking again about getting pickers, packers or graders through labour hire companies (**PAUSE**). As I mentioned earlier, the rate you pay for each contract worker, includes what the **worker** actually gets paid, plus a profit margin for the labour hire company (**PAUSE**).

The last time you used a labour hire company, did you know how much the workers **themselves** were actually being paid by the labour hire company? **DO NOT READ**

PROG NOTE:
- SINGLE RESPONSE

1	Yes/ was aware
2	No/ not aware
99	DO NOT READ Don't know

PROG NOTE: ASK IF AWARE OF WORKERS WAGE RATE IE CODE 1 IN C1. CODE 2-99 GO TO C4

C2 Who determined the wage rate paid to the **actual** workers themselves? Was it...? **READ OUT**

PROG NOTE:
- SINGLE RESPONSE

1	Set by the labour hire company on your behalf
2	Or, was the wage set after discussion between you and the hire company
99	DO NOT READ Don't know

C3 And did the labour hire company provide you with any **written** documentation, or pay slips, showing the wage rate the workers themselves were actually being paid? **DO NOT READ**

PROG NOTE:
- SINGLE RESPONSE

1	Yes/ did
2	No
99	Don't know

PROG NOTE: ASK ALL RESPONDENTS NOT TERMINATED

C4 **(PROG NOTE: IF USED LABOUR HIRE COMPANY IE CODE 1 IN A1 INSERT:** "The next few questions are about the rates you pay the pickers, packers or graders you employ yourself - **not** contract workers you get through a labour hire company." **ELSE INSERT:** "The next few questions are about the rates you pay pickers, packers or graders.")

C5 Which of these sources of information do you use to help you set workers' wages and conditions? Do you..? **READ OUT**

PROG NOTE:
- MULTI RESPONSE
- IF SELECT 1-98 CANNOT SELECT 99

1	Look at the relevant Award
2	Get information from industry bodies, for example, AusVeg or the National Farmers' Federation
3	Talk to other farmers about what they're paying
4	Get information from the Fair Work Ombudsman
5	Get information from a Trade Union
6	Get information from an HR consultant
98	Some other source (SPECIFY)
99	DO NOT READ None/ don't know

C6 Do you pay pickers, packers or graders based on...? **READ OUT**

PROG NOTE:
- SINGLE RESPONSE

1	An hourly rate
2	On piece rates
3	Or, do you use a mix of both hourly rates and piece rates
99	DO NOT READ None/ don't know

PROG NOTE: ASK IF USE HOURLY RATE IE CODE 1,3 IN C6. OTHERS GO TO C8

C7 **(PROG NOTE: IF CODE 3 IN C6 INSERT:** "Thinking about when you pay by the **hour**.") For a typical adult worker, what's the approximate hourly rate you pay for ordinary time, **excluding** any overtime or weekend loading? **DO NOT READ**

IF DON'T KNOW Just an **approximate** figure for a typical adult worker is fine

PROG NOTE:
- SINGLE RESPONSE

1	Less than \$15 per hour
2	\$15 per hour
3	\$16 per hour
4	\$17 per hour
5	\$18 per hour
6	\$19 per hour
7	\$20 per hour
8	\$21 per hour
9	\$22 per hour
10	\$23 per hour
11	\$24 per hour
12	\$25 per hour
13	\$26 per hour
14	More than \$26 per hour
97	Can't say
99	Refused

PROG NOTE: ASK IF USE PIECE RATE IE CODE 2-3 IN C6. OTHERS GO TO C10

C8 **(PROG NOTE: IF CODE 3 IN C6 INSERT:** "Thinking about when you use **piece** rates. ") For an average competent adult worker, what's the approximate hourly rate you pay for ordinary time, **excluding** any overtime or weekend loading? **DO NOT READ**

IF DON'T KNOW Just an **approximate** figure for an average, competent adult worker is fine

PROG NOTE:
- SINGLE RESPONSE

1	Less than \$15 per hour
2	\$15 per hour
3	\$16 per hour
4	\$17 per hour
5	\$18 per hour
6	\$19 per hour
7	\$20 per hour
8	\$21 per hour
9	\$22 per hour
10	\$23 per hour
11	\$24 per hour
12	\$25 per hour
13	\$26 per hour
14	More than \$26 per hour
97	Can't say
99	Refused

C9 When you pay piece rates, do you have a **written** agreement with workers that specifies the rate of payment for them in writing? **DO NOT READ**

PROG NOTE:
- SINGLE RESPONSE

1	Yes/ do
2	No
99	DO NOT READ Don't know

PROG NOTE: ASK ALL RESPONDENTS NOT TERMINATED

C10 Are most of your pickers, packers or graders employed on a...? **READ OUT**

PROG NOTE:
- SINGLE RESPONSE

1	Full time permanent (or ongoing) basis
2	Part time permanent (or ongoing) basis
3	Or, on a casual basis
99	DO NOT READ None/ can't say

C11 Do your pickers, packers and graders ever...? **READ OUT**

PROG NOTE:
- MULTI RESPONSE
- IF SELECT 1-2 CANNOT SELECT 99

1	Work on weekends
2	Work overtime hours
99	DO NOT READ None/ can't say

PROG NOTE: ASK IF WORK WEEKENDS OR OVERTIME IE CODE 1-2 IN C11. CODE 99 GO TO C13

C12 Do you pay penalty rates...? **READ OUT**

PROG NOTE:
- MULTI RESPONSE
- IF SELECT 1-2 CANNOT SELECT 99

1	PROG NOTE: DISPLAY IF CODE 1 IN C11 For weekends
2	PROG NOTE: DISPLAY IF CODE 1 IN C11 For overtime
99	DO NOT READ None/ can't say/ refused

PROG NOTE: ASK ALL RESPONDENTS NOT TERMINATED

C13 Some farmers have said that, for a variety of different reasons, they pay pickers, packers or graders below the award rate. Would you say it is **very common**, **quite common** or **not common** for farmers in your industry to pay below the award? **DO NOT READ**

PROG NOTE:
- SINGLE RESPONSE

1	Very common
2	Quite common
3	Not common
97	Don't know
99	Refused

C14 In the last 5 years, have there been any occasions when you've paid below the award rate yourself?
DO NOT READ

PROG NOTE:
- SINGLE RESPONSE

1	Yes/ have
2	No
97	Don't know
99	Refused

SECTION D - PROG NOTE: ASK ALL RESPONDENTS NOT TERMINATED

D1 In the last five years, (PROG NOTE: IF USE FAMILY MEMBERS IE CODE 1 IN Q6(a) INSERT: "apart from family members,") which of these types of people have you used as pickers, packers or graders. **READ OUT**

PROG NOTE:
- MULTI RESPONSE
- IF SELECT 1-2 CANNOT SELECT 99

1	Any Australian workers, that is, Australian citizens or permanent residents
2	Any temporary migrants , for example, working holiday makers, international students, Pacific seasonal workers or anyone else temporarily visiting Australia
99	DO NOT READ None/ can't say

PROG NOTE: ASK IF USED AUSTRALIANS IE CODE 1 IN D1. OTHERS GO TO D3

D2 And were the Australians you used..? **READ OUT**

PROG NOTE:
- SINGLE RESPONSE
- IF SELECT 1-3 CANNOT SELECT 99

1	All from your local region
2	All from other parts of Australia
3	Or did you have a mix of both locals and people from other parts of Australia
99	DO NOT READ None/ can't say

PROG NOTE: ASK IF USED TEMPORARY MIGRANTS IE CODE 2 IN D1. OTHERS GO TO D5

D3 When you employ temporary migrant workers, do you ever make passing a literacy test a condition of their employment? **DO NOT READ**

PROG NOTE:
- SINGLE RESPONSE

1	Yes/ do
2	No
99	Don't know

D4 Which of these types of temporary migrants have you used as pickers, packers or graders in the last 5 years? **READ OUT**

PROG NOTE:
- MULTI RESPONSE
- IF SELECT 1-3 CANNOT SELECT 99

1	People on Working Holidays
2	International students
3	Pacific Seasonal workers
99	DO NOT READ None/ don't know

PROG NOTE: ASK ALL RESPONDENTS NOT TERMINATED

D5 Farmers may also use "Undocumented" workers. These are people from other countries **without** the official right to work in Australia, **or** who are overstaying their visa, or working outside the terms of their visa (**PAUSE**). Do you think it is **very common**, **quite common** or **not common** for farmers in your industry to use "Undocumented" workers? **DO NOT READ**

PROG NOTE:
- SINGLE RESPONSE

1	Very common
2	Quite common
3	Not common
97	Don't know
99	Refused

D6 And in the last 5 years, have you used "Undocumented" workers yourself? **DO NOT READ**

PROG NOTE:
- SINGLE RESPONSE

1	Yes/ have
2	No
97	Don't know
99	Refused

PROG NOTE: ASK ALL RESPONDENTS NOT TERMINATED

D7 Finally, we'd like your impression about how **productive and reliable** certain workers are as pickers, packers or graders. As I say each category of worker, please say if you generally consider them to be **very productive and reliable**, **somewhat productive and reliable**, or **not very productive and reliable** (**PAUSE**).

It doesn't matter if you've used them or not, it's your impressions we're after (**PAUSE**). So firstly, what's your impression about...? **REPEAT SCALE AS NECESSARY**

PROG NOTE:
- SINGLE RESPONSE PER ROW
- RANDOMISE A-E THEN F-G

		Very productive and reliable	Somewhat productive and reliable	Not very productive and reliable	DO NOT READ
A	Australians	1	2	3	99
B	People on Working Holidays	1	2	3	99
C	International students	1	2	3	99
D	Pacific Seasonal workers	1	2	3	99
E	Undocumented workers	1	2	3	99
F	Workers from European backgrounds	1	2	3	99
G	Workers from Asian backgrounds	1	2	3	99

CLOSE

Z1 That is the end of the survey. Thank you very much for your cooperation. In case my supervisor needs to contact you to check the validity of this interview, (**PROG NOTE: IF NAME IN SAMPLE DISPLAY BELOW AND INSERT:** "can I just confirm your name is..." **ELSE** "could I please ask for your name?")

And the number I called you on was: **PROG NOTE: DISPLAY NUMBER DIALLED**

I really appreciate you sparing the time to take part in this survey today.

[IF NECESSARY PRIVACY STATEMENT]

This survey has been conducted in accordance with the Privacy Act, once information processing is completed, please be assured that your name and contact details will be removed from your responses to this survey. After that time we will no longer be able to identify the responses provided by you.

APPENDIX D

THE MONASH REPORT

Empirical background to the Horticulture Labour Research Project

Report to Alexander Reilly
and Joanna Howe

By Alan Gamlen, Dharma
Arunachalam, and Ernest Healy
Monash University

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Date: 20 July 2018



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1 Introduction

This report provides background demographic and economic analysis to support the client's examination of potential overseas labour sources for the Australian horticulture industry, as part of their broader investigation into the feasibility and policy framework for a dedicated horticultural visa.

1.1 Report content

Below, we provide an economic and demographic analysis of the workforce of selected neighbouring countries with which Australia might enter into a bilateral arrangement for participation in a horticultural visa scheme. The countries selected for the analysis are Indonesia, Malaysia, the Philippines, Sri Lanka and Vietnam. In particular, the report provides background data to inform an examination of whether the selected countries can supply a reliable and suitably experienced workforce to satisfy the labour force demands of the Australian horticulture industry.

1.2 Data sources

The data presented in this report are from a diverse range of sources, including peak NGO organisations like the United Nations, the International Labour organisation, and the World Bank. Data may also be published jointly by more than one such NGO. Some data are gathered and released by government agencies such as by the Australian Bureau of Statistics and the Philippines Statistics Authority. On occasions, data are produced as part of a foreign aid undertaking, as seen with the data relating to Sri Lankan horticulture by Samaratunge, Sommers and Varley (2009), discussed below, which was prepared as part of a US foreign aid project. In addition, some data are gathered and published by private companies, as with the international English proficiency data discussed in the sections below.

Frequently, international data released by reputable NGO organisations are collated from a wide variety of sources and rely upon the use of estimates to fill gaps in the available data and to provide greater uniformity and comparability. This is the case, for example, with the United Nations *World Population Prospects* data sets, which cover a range of demographic factors for the vast majority of nations longitudinally from 1950 to 2015. Here, the quality and reliability of data for each country inevitably varies according to the frequency and rigour with which demographic data are gathered and treated in different jurisdictions.

Therefore, an important goal of such organisations is to manage data according to an accepted international standard. The International Labour Organisation (ILO, 2017) states, "Such labour statistics can be derived from a number of different types of sources, including population censuses, household surveys and establishment surveys. The quality and meaning of the labour statistics produced depends on the characteristics, strengths and limitations of the source used. To ensure the comparability and robustness of labour statistics, the methodology used to produce them should ideally follow international standards."

The United Nations *World Population Prospects*, Economic and Social Affairs/Population Division, similarly ensures that a “key aim within each revision of the World Population Prospects is to ensure the consistency and comparability of estimates and projections within countries over time and across countries” (UN, 2017). By contrast, some data, such as the *World Gallup Poll*, and the *World Values Survey*, are derived from global polling, asking of a set of questions covering a range of issues in a large number of countries. Although subject to reliability issues relating to sampling error, these global data sources have the benefit of having a consistent data collection methodology.

In sum, the data referred to in this report are taken from reputable NGO, government and other sources as far as practicable.

2 Demographic and economic overview

It is arguable that the strongest potential for temporary horticultural recruitment to Australia may be found among workers in countries with comparatively low levels of GDP and comparatively large, young, agriculturally-focused rural workforces, especially where the health and wellbeing of the workforce is relatively high and labourers have experience working in similar physical environments. In this section we briefly survey the current demographic and geographical characteristics of horticultural employment in Australia, then discuss the geographical, demographic and economic contexts in the five potential source countries, including their GDP differences with Australia, as well as their age structures and urbanisation rates, and the overall contribution of agriculture to their economies.

2.1 Australia’s horticultural workforce

Table 1 shows the numbers of males and females, by age and occupation, employed in selected horticultural industries in Australia in 2016.

Although likely to be understated because of the seasonal nature of much horticultural employment, the 2016 Census showed 40,469 persons to be employed in horticultural industries in Australia. Of these, 66 per cent were males. The two predominant occupational groups were ‘managers’ and ‘labourers’, representing 45 and 37 per cent of horticultural workers, respectively. Within these two occupational categories, male workers accounted for 73 per cent and 61 per cent of persons respectively. Data in Table 1 also show that, while managers tend to be concentrated in the older age groups, labourers include both younger and older persons.

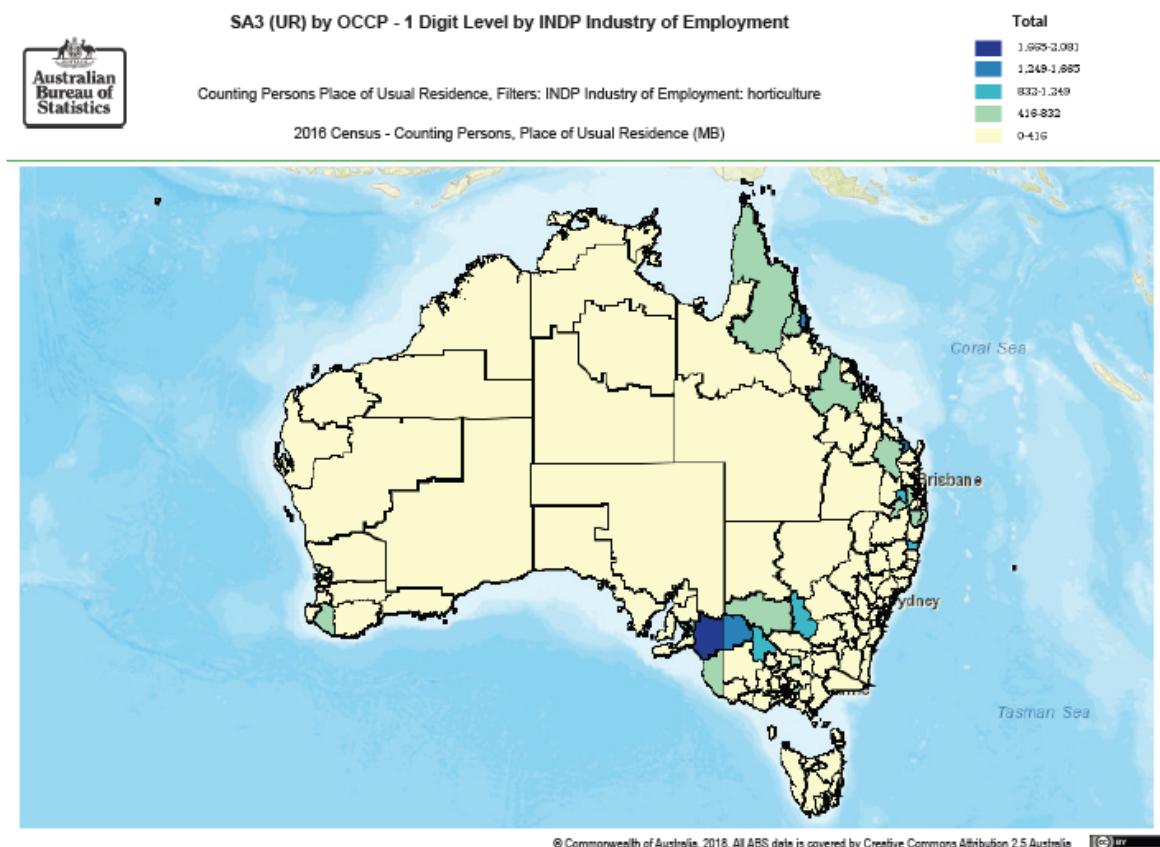
Table 1 Males and females employed in horticulture# by occupation and age, Australia, 2016

	Managers		Professionals		Technicians and Trades Workers		Community and Personal Service Workers		Clerical and Administrative Workers		Sales Workers	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
20-29 years	10	9	12	19	20	27	58	33	20	11	19	19
30-39 years	16	14	27	32	22	23	12	20	22	19	25	20
40-49 years	22	23	30	28	23	19	12	22	24	28	27	28
50 plus	52	55	33	19	35	32	23	26	38	41	27	31
Total	100	100	100	100	100	100	100	100	100	100	100	100
Total	13,337	5,014	505	397	990	215	26	123	225	1,565	209	264
	Machinery Operators and Drivers		Labourers		Inadequately described		Not stated		Total			
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
20-29 years	20	25	32	34	14	20	15	7	19	21		
30-39 years	21	16	20	18	14	18	16	24	18	17		
40-49 years	20	30	17	18	24	19	16	7	21	22		
50 plus	39	27	31	30	43	44	61	56	42	40		
Total	100	100	100	100	100	100	100	100	100	100		
Total	2,101	170	9,028	5,943	159	79	61	41	26,651	13,818		

Source: ABS, TableBuilder, Place of usual residence, 2016

Horticulture includes: Vegetable growing (under cover), vegetable growing (outdoors), Fruit and tree nut growing nfd, Other fruit and tree nut growing, grape growing, kiwi fruit growing, berry fruit growing, apple and pear fruit growing, stone fruit growing, citrus fruit growing, and olive growing.

Map 1 shows the SA3 regions within Australia where these workers are residentially concentrated. Australia's horticultural production occurs across a range of climate zones, ranging from equatorial and tropical, and subtropical to grassland and temperate zones, following a north-south cline. **Map 1. Residential concentration of Australia's horticultural labour force**



2.2 Climate comparisons with the source country

Table 2 provides a comparison of the climatic zones pertaining to the Australian sub-regions where horticulture is concentrated in Australia, as well as in the countries examined in this report. Some Australian horticulture growers have expressed interest in how well-acclimated migrant workers may be to outdoor work in Australian-like weather conditions.

Table 2 Climatic zones, Australia sub-regions and selected other regions

Northern QLD	Humid equatorial	Dry Winter
Central QLD coastal	Humid equatorial	Short dry season/Dry Winter
Southern QLD coastal	Humid temperate	Hot Summer
Northern NSW coastal	Humid temperate	No dry season/Cool Summer
Northwest Victoria	Semi arid	Dry climate
Southeast South Australia	Humid temperate	Dry Summer
Indonesia	Humid equatorial	No dry season
Malaysia	Humid equatorial	No dry season
Northern Philippines	Humid equatorial	Short dry season
Southern Philippines	Humid equatorial	No dry season
Vietnam	Humid equatorial	Short dry season
Northern Sri Lanka	Humid equatorial	Dry Winter
Southern Sri Lanka	Humid equatorial	No dry season

Source: https://en.wikipedia.org/wiki/File:Climate_zones_map.jpg

The potential source countries are mainly in ‘humid equatorial regions’, broadly matching the Northern and Central Coastal parts of Queensland. Southern coastal parts of Queensland, the Northern NSW coast, and Southeast South Australia are also humid regions, but more temperate than the countries surveyed, with cooler winters. Moreover, Australian seasons tend to be drier than the potential source countries surveyed here. None of the countries examined experiences the semi-arid conditions of a place like Northwest Victoria. Vietnam, Northern Sri Lanka and the Northern Philippines have short dry seasons, but Indonesia, Malaysia, Southern Philippines, and Southern Sri Lanka are humid the year round, with no dry season at all. It is reasonable to expect that farm workers from these countries would be accustomed to working in the temperatures they would experience in Australian horticulture, but much less so to Australia’s dry heat and colder winters.

2.3 Health and wellbeing in the source country

It is reasonable to expect stronger recruitment potential from source countries with strong general levels of health and wellbeing as a basis for resilience through labour migration. A broad measure of relative development, and possible deprivation, using combined measures of ‘a long and healthy life’, ‘knowledge’ and a ‘descent standard of living’ is the United Nations Human Development Index (HDI). The indices for the countries chosen are shown in Table 3 for selected years between 1990 and 2015. The higher the index, the higher is the level of development for any given country.

Table 3 Human Development Index#, trends, selected countries and years, 1990 to 2015

	1990	1995	2000	2005	2010	2015
Australia	0.866	0.885	0.899	0.915	0.927	0.939
Indonesia	0.528	0.564	0.604	0.632	0.662	0.689
Malaysia	0.643	0.683	0.725	0.732	0.774	0.789
Philippines	0.586	0.597	0.622	0.646	0.669	0.682
Sri Lanka	0.626	0.651	0.686	0.718	0.746	0.766
Viet Nam	0.477	0.531	0.576	0.618	0.655	0.683

Source: United Nations Development Programme, <http://hdr.undp.org/en/indicators/137506#>

A composite index measuring average achievement in three basic dimensions of human development – long and healthy life, knowledge and a decent standard of living. See Technical note 1 at <http://hdr.undp.org/>

All countries had made significant progress by 2010, with improvement after that being only marginal. By 2015, Australia was considerably ahead on this measure, with Malaysia and Sri Lanka in an intermediate position, and Indonesia, the Philippines and Vietnam scoring lower in the index.

The HDI classifies countries' index scores into four broad levels ranging from 'very high' to 'low'. Australia falls within the 'very high' classification, while Malaysia and Sri Lanka are classified as 'high', and Vietnam and the Philippines as 'medium' development.

Table 4 provides data on a range of human development health-related measures, which highlight the significant deprivation gaps between Australia and the countries selected for this report. The data highlight the relative deprivation of some of the countries examined, particularly in relation to infant and child mortality rates, child malnutrition, immunisation rates and access to health services.

Table 4 Selected health outcome measures, for selected countries and selected years

	Infants lacking immunization DTP (% of one-year-olds)	Child malnutrition Stunting (moderate or severe) (% under age 5)	Mortality rates		Deaths due to			
			Infant (per 1,000 live births)	Under-five (per 100,000 people)	Malaria	Tuberculosis	Physicians	
			2010–2015 ^a	2015	2015	2012	2014	2001–2014 ^a
<i>Very high human development</i>								
Australia	8	2.0	^c	3.0	3.8	..	0.2	32.7
<i>High human development</i>								
Malaysia	^c	1	17.2	^c	6.0	7.0	1.0	8.0
Sri Lanka	^c	1	14.7		8.4	9.8	0.0	6.1
<i>Medium human development</i>								
Indonesia	6	36.4		22.8	27.2	9.8	41.0	2.0
Viet Nam	5	19.4		17.3	21.7	0.2	18.0	11.9
Philippines	^c	14	30.3	22.2	28.0	0.1	10.0	11.5

Source: United Nations Development Program, Human Development Reports, <http://hdr.undp.org/en/data/>

Notes

- a. Data refer to the most recent year available during the period specified.
- b. Data are annual average of projected values for 2010–2015.
- c. Refers to a year earlier than that specified.
- d. Refers to 2013.
- e. Based on small denominators (typically 25–49 unweighted cases).
- f. 0.1 or less.

Definitions

Infants exclusively breastfed: Percentage of children ages 0–5 months who are fed exclusively with breast milk in the 24 hours prior to the survey.

Infants lacking immunization against DPT: Percentage of surviving infants who have not received their first dose of diphtheria, pertussis and tetanus vaccine.

Infants lacking immunization against measles: Percentage of surviving infants who have not received the first dose of measles vaccine.

Child malnutrition (stunting moderate or severe): Percentage of children ages 0–59 months who are more than two standard deviations below the median height-for-age of the World Health Organization Child Growth Standards.

Infant mortality rate: Probability of dying between birth and exactly age 1, expressed per 1,000 live births.

Under-five mortality rate: Probability of dying between birth and exactly age 5, expressed per 1,000 live births.

Adult mortality rate: Probability that a 15-year-old will die before reaching age 60, expressed per 1,000 people.

Deaths due to malaria: Number of deaths due to malaria from confirmed and probable cases, expressed per 100,000 people.

Deaths due to tuberculosis: Number of deaths due to tuberculosis from confirmed and probable cases, expressed per 100,000 people.

HIV prevalence, adult: Percentage of the population ages 15–49 that is living with HIV.

Life expectancy at age 60: Additional number of years that a 60-year-old could expect to live if prevailing patterns of age-specific mortality rates stay the same throughout the rest of his or her life.

Physicians: Number of medical doctors (physicians), both generalists and specialists, expressed per 10,000 people.

Public health expenditure: Current and capital spending on health from government (central and local) budgets, external borrowing and grants (including donations from international agencies and nongovernmental organizations) and social (or compulsory) health insurance funds, expressed as a percentage of GDP.

Main data sources

Columns 1 and 4: UNICEF (2016).

Columns 2 and 3: WHO and UNICEF (2016).

Columns 5 and 6: UN Inter-agency Group for Child Mortality Estimation (2015).

Columns 7, 8, 11, 13 and 14: World Bank (2016a).

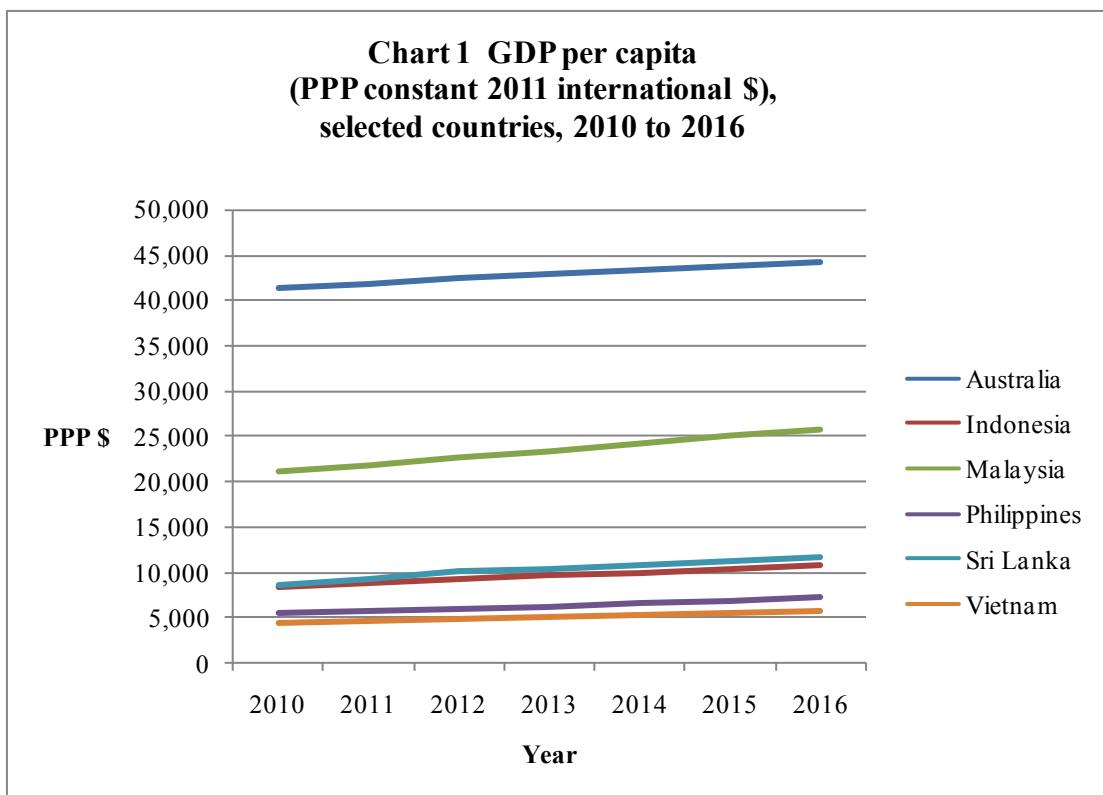
Column 9: United Nations Statistics Division (2016b).

Column 10: United Nations Statistics Division (2016c).

Column 12: UN DESA (2015a).

2.4 Source country GDP differences with Australia

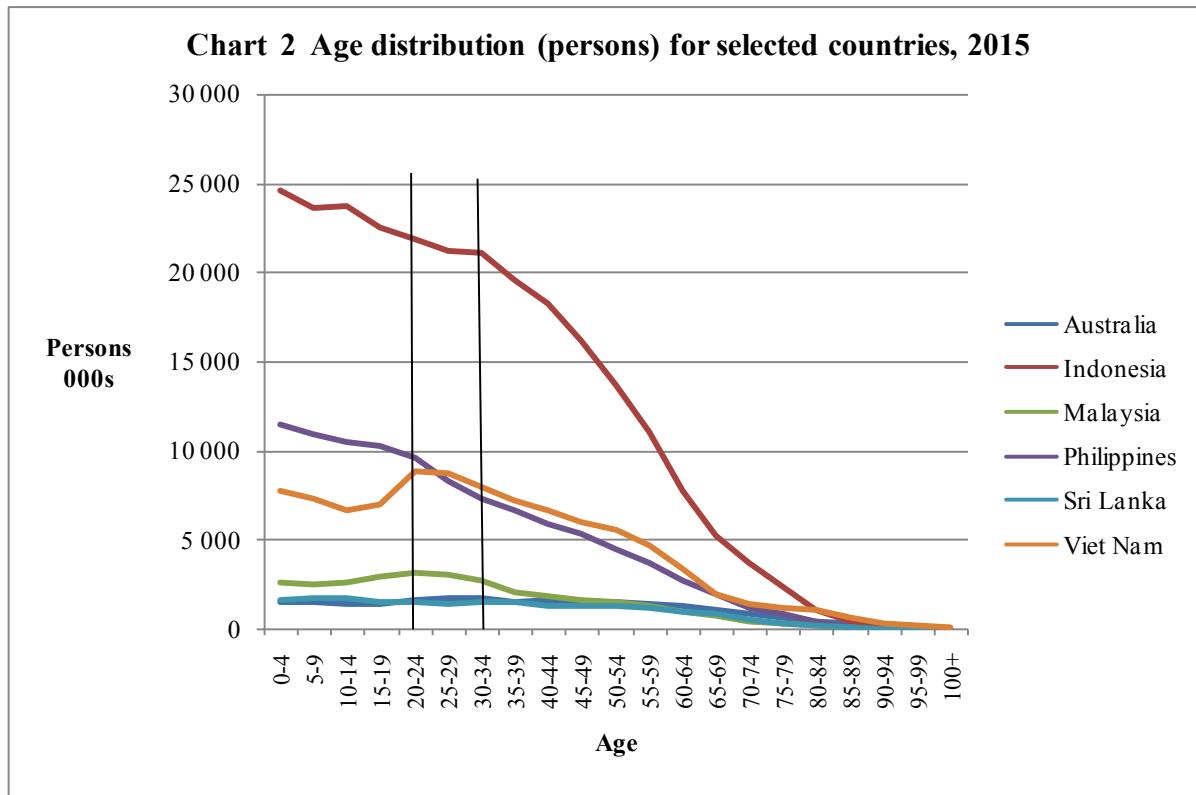
Differences in development levels between origin and destination regions are a significant factor in migration, and therefore it is important to consider the GDP differences between Australia and the potential source countries surveyed. Chart 1 shows the growth in Gross Domestic Product (GDP) per capita for Australia and the countries under consideration. Notwithstanding growth for all countries over the period 2010 to 2016, a significant gap remains between each country and Australia at the end of the period. Malaysia, however, stands in an intermediate position between Australia and the remaining countries.



Source: World Bank Group, <https://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD>

2.5 Source country age structure and urbanisation rate

An important initial demographic factor to consider in identifying suitable source populations for labour migration to Australia is the pool of available working-age population in source countries. Chart 2 shows the count of persons by age for Australia and the countries of interest.



Source: United Nations, Department of Economic and Social Affairs, Population Division (2017). World Population Prospects: The 2017 Revision, DVD Edition.

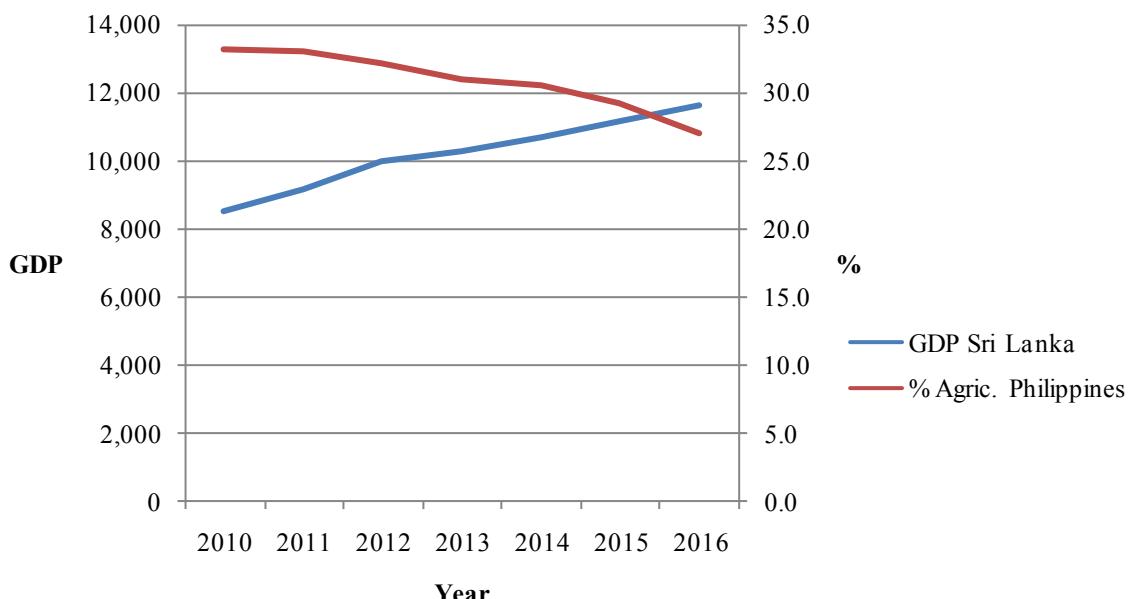
In 2015, Indonesia had approximately 64 million persons aged 20 to 34 years, followed by Vietnam and the Philippines, each of which had around 25 million persons in this age bracket. Malaysia had just under 9 million persons of this age. Australian and Sri Lanka, with similar sized populations, each had about 5 million and 4.5 million persons in this age group. As might be expected, Sri Lanka has many more young people under 20 years of age than Australia, and Australia has more persons in the older age groups.

A further factor which is relevant to the recruitment of persons for horticultural work is the level of urbanisation. Malaysia is the most urbanised of the source countries considered, with 74 per cent of its population being urbanised in 2017; still somewhat less than Australia at 86 per cent. The least urbanised country is Sri Lanka, which had an urbanisation rate of only 18 per cent. The remaining countries fall between these rates with Indonesia, the Philippines and Vietnam being 53, 46 and 34 percent, respectively (UN, 2018).

2.6 Agriculture's contribution to the source economy

Development levels, as measured by GDP indicators, are also directly related to the share of the source-country economy dedicated to agriculture (vs manufacturing, services and technology). Generally, the proportion of workers employed in agriculture declines as GDP per capita increases. Chart 3 below illustrates this relationship using the example of the Philippines. In turn, growth in GDP correlates closely with the growing urbanisation rate in each country.

**Chart 3 The Philippines, GDP per capita
(PPP constant 2011 international \$)
and percent workforce in agriculture, 2010 to 2016**



Source: World Bank Group, <https://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD>
Source: ILO, Employment by sector, modelled estimates

http://www.ilo.org/ilostat/faces/oracle/webcenter/portalapp/pagehierarchy/Page3.jspx?MBI_ID=33

The contribution of agriculture to national wealth creation varies considerably between countries. In 2016, agriculture constituted a significantly greater share of GDP in the countries being examined than in Australia, which in that year was only 3 per cent. The highest shares were in Vietnam and Indonesia, at 18 and 14 per cent, respectively. The respective contributions of agriculture to GDP in Malaysia, the Philippines and Sri Lanka were 9, 10 and 8 per cent (World Bank, 2017).

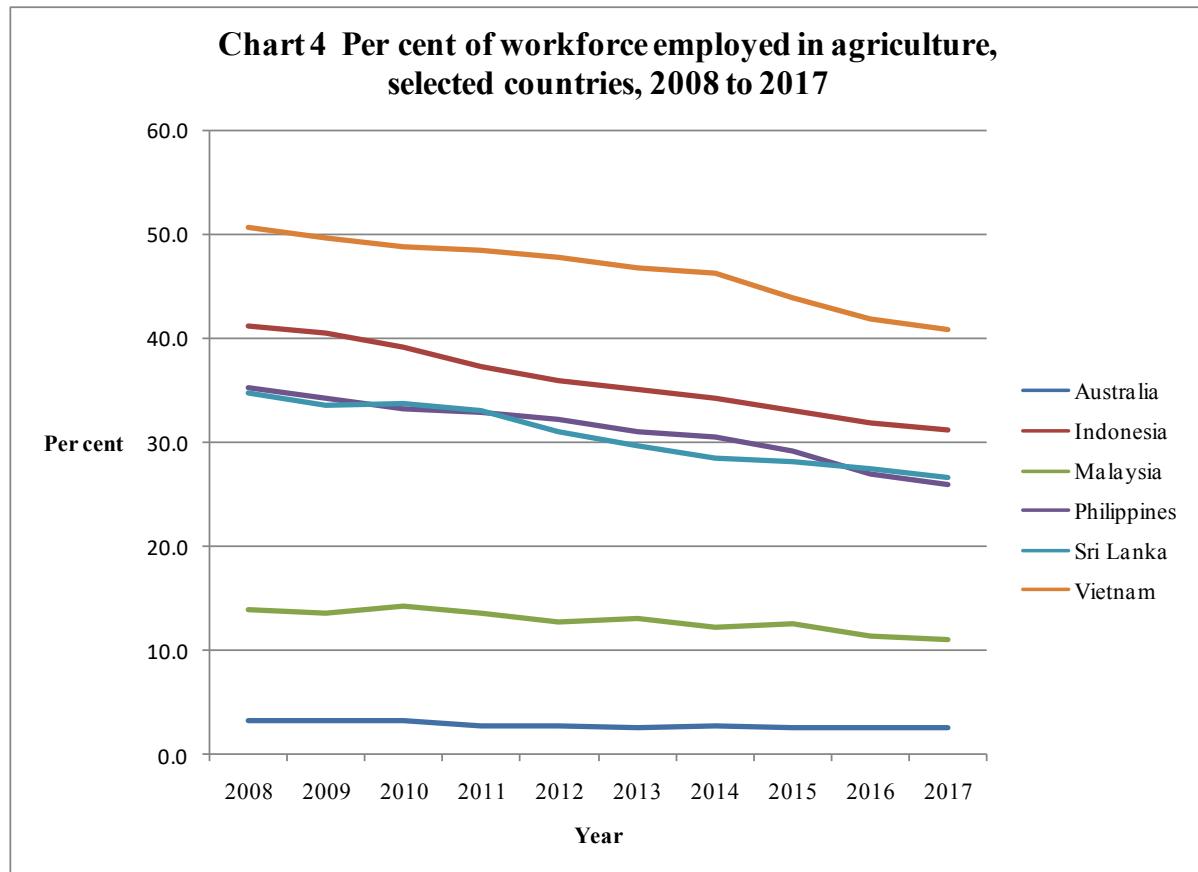
In terms of crop tonnages, Indonesia, the Philippines and Vietnam have significantly higher levels of production than Sri Lanka and Malaysia. For example, whereas Indonesia, the Philippines and Vietnam produced 18,524, 16,323 and 8,573 thousand tonnes of fruit in 2016, Sri Lanka and Malaysia produced only 881 and 1,275 thousand tonnes, respectively. A similar disparity is found in the case of vegetable production (UNFAO, 2018). More detail is found in Appendix 3.

3 Source-country workforce characteristics

It is reasonable to expect a strong horticulture labour mobility potential from countries where farming represents a major portion of the source-country economy, and where the workforce skills, experience and working conditions are comparable to those required in Australian horticulture. In this section we look at the five source countries in terms of the demographic characteristics of their agricultural workforce, levels of experience of horticultural and related types of work, levels of education and English-language proficiency, and prevailing working conditions.

3.1 Agricultural workforce characteristics

The proportion of the workforce employed in agriculture in each of the countries examined, and in Australia, is shown in Chart 4 (ILO, 2018). Not unexpectedly, the proportion of Australia's workforce employed in agriculture is relatively low and has continued to decline over the period 2008 to 2017, from 3.3 to 2.6 per cent.



Source: ILO,
http://www.ilo.org/ilostat/faces/oracle/webcenter/portalapp/pagehierarchy/Page3.jspx?MBI_ID=33

The proportion of the workforce in Malaysia in agriculture is also relatively low and declining, but nevertheless markedly higher than in Australia, having declined from 14 to 11

per cent between 2008 and 2017. Although declining markedly between 2008 and 2017, the remaining countries have much higher shares of their workforces involved in agriculture. The Philippines, Sri Lanka, Indonesia and Vietnam had 26, 27, 31 and 41 per cent of their workforces employed in agriculture in 2017, respectively (ILO, 2018).

Participation in agriculture can vary considerably by sex. United Nations data for 2017 provide an insight into the proportion of males and females engaged in agriculture. In Indonesia, 32 per cent of males and 29 per cent of females were employed in agriculture. For Sri Lanka 26 per cent of males and 25 per cent of females were so employed. The respective percentages for the Philippines and Vietnam were 26 and 32 per cent, and 39 and 42 per cent (ILO, 2018).

Overall, in 2017, the total numbers of workers in agriculture in these countries is estimated by the International Labour Organisation to have been 37.9, 1.6, 11.3, 2.2 and 23 million persons for Indonesia, Malaysia, the Philippines, Sri Lanka and Vietnam, respectively (ILO, 2018).

3.2 Experience in horticultural or related work

An important consideration in the recruitment of regional workers from selected South East Asian countries and from Sri Lanka with agricultural experience is whether the workers' experience is of agricultural/horticultural production that is comparable to the modern practices deployed in Australia.¹

The circumstances of agricultural employment in the Philippines provide an instructive example. The Philippine Statistical Authority (PSA) notes that 5.4 million, or 48.8 per cent of the Philippine agricultural workforce were 'own account' workers. The vast majority were self-employed and a minority classified as employers. In addition, about 19 per cent were unpaid family workers.

Similarly in Sri Lanka, where the production of fruit and vegetables accounted for about 3 per cent of national GDP in 2007, 'roughly equal to the total for all three of Sri Lanka's major export crops [tea, rubber coconut and spices] and more than double the value of paddy', most fruit cultivation took place on a small scale in home gardens for home consumption and the local market. At the time of the 2002 Sri Lankan agricultural census, approximately 1.5 million hectares were under agricultural cultivation by 1.8 million agricultural holdings. Labour productivity in agriculture in Sri Lanka is also low. While engaging about one third of Sri Lanka's labour force, the agricultural sector only produced 12 per cent of the nation's GDP (Samaratunge, Sommers and Varley, 2009).

¹ A difficulty in exploring the economic and labour market contribution of horticulture in the countries of interest is that most available data and other information are related primarily to agriculture more broadly. It is much less common for horticulture to be treated as a discrete area of analysis.

An indirect indicator of the skill levels found in the agricultural sectors of the countries examined is the value added per worker in agriculture. This is the ratio of the value added by agriculture to a national economy and the number of persons engaged/employed in agriculture. Using constant US\$ 2010, in 2016, Australia had \$55,934 value added per agricultural worker. The respective figures for Indonesia, Malaysia, the Philippines, Sri Lanka and Vietnam were \$2,716, \$19,231, \$1,909, \$1,416 and \$813, respectively (OMPGD, 2018).

Vietnamese government data show that, in 2014, only 3.6 per cent of employed workers 15 years of age and over were ‘trained’. The corresponding figures for mining and quarrying and manufacturing were 52.5 and 17.9 per cent, respectively (Vietnamese Government Statistical Office, 2015).

3.3 Education and English proficiency levels

Data in Table 5 show that the mean years of schooling in all countries has increased over the period 1990 to 2015. Together with education levels, functional work place English proficiency is important to the ability of migrant workers to understand routine work processes, instructions and occupational health and safety requirements, including the reading of safety signage (for example in relation to machinery use and agricultural chemicals). Compared to the Australian mean of 13.2 years of schooling in 2015, the means for Indonesia, Malaysia, the Philippines, Sri Lanka and Vietnam were 7.9, 10.1, 9.3, 10.9 and 8 years, respectively.

Table 5 Average years of schooling (years), selected countries and years, 1990 to 2015

Country	1990	1995	2000	2005	2010	2015	
Australia	11.7	11.8	11.9	12.1	12.8	13.2	c
Indonesia	3.3	4.2	6.7	7.4	7.4	7.9	c
Malaysia	6.5	7.6	8.6	7.6	10	10.1	c
Philippines	6.6	7.1	7.6	8.3	9.1	9.3	c
Sri Lanka	8.3	9.1	10	10.4	10.8	10.9	c
Viet Nam	3.9	4.6	5.4	6.4	7.5	8	f

Source: United Nations Development Program data sets;

a: Data refer to 2015 or the most recent year available.

b: Updated by HDRO using Barro and Lee (2016) estimates.

c: Based on data from ICF Macro Demographic and Health Surveys for 2006-2015.

d: Updated by HDRO based on data from UNESCO Institute for Statistics (2016) Multiple Indicator Cluster Surveys 2006-2015.

e: Based on data from UNICEF multiple indicator cluster surveys

f: Updated by HDRO based on Syrian Center for Policy Research (2016).

Table 6 shows International Labor Organisation education-level data for employed persons for the years 2013 and 2016. Although the data are incomplete and the data availability varies from country to country, the broad picture is consistent with the data from Table 5 above. The greater share of employed persons consists of those with secondary-level education.

Table 6 Employed persons by education level*, selected countries, 2013 and 2016

	Advanced (Aggregate levels)	Intermediate (Aggregate levels)	Post- secondary non- tertiary education (ISCED-11)	Bachelor's or equivalent level (ISCED- 11)	Master's or equivalent level (ISCED-11)	Doctoral or equivalent level (ISCED-11)
<i>2013</i>						
Australia	39	39.9	-	-	-	-
Indonesia	9.6	24.6	6.3	0.6	-	-
Malaysia	20.5	43	-	-	-	-
Sri Lanka	18.3	16	-	-	-	-
Viet Nam	9.3	20.3	-	-	-	-
Philippines	-	-	-	-	-	-
<i>2016</i>						
Australia	-	-	5.5	24.6	5.8	1.2
Indonesia	11.8	27.5	8.3	0.7	0.1	-
Malaysia	23.4	43.5	-	-	-	-
Sri Lanka	-	-	-	-	-	-
Viet Nam	11.7	19.5	-	-	-	-
Philippines	25	4.9	-	-	-	-

ILOSTAT, Employment distribution by education (by sex and age) (%), annual data

* Highest level of education completed. The International Standard Classification of Education 2011 included the following basic categories:

- 0 Early childhood education
- 1 Primary education
- 2 Lower secondary education
- 3 Upper secondary education
- 4 Post-secondary non-tertiary education
- 5 Short-cycle tertiary education
- 6 Bachelor's or equivalent level
- 7 Master's or equivalent level
- 8 Doctoral or equivalent level
- 9 Not elsewhere classified

As indicated, it is important to consider education levels in conjunction with English language proficiency in assessing Australian workplace suitability. The English Proficiency Index, published by *Education First*, an international English language training and learning-exchange company, allocates countries' average English language proficiency into five bands ranging from very high to very low. The 2015 listing assigned the countries considered here with the following index scores: Sri Lanka 46.58 (very low), Indonesia 52.94 (moderate), Vietnam 54.06 (moderate), the Philippines 60.33 (high), and Malaysia 60.70 (high) (EF, 2016).

The alignment of English proficiency with education levels at this broad level is variable. For instance, Indonesia, which has the lowest mean years of schooling in 2015, is deemed to have moderate English Language proficiency. Sri Lanka, which has relatively high mean years of schooling, is categorised as very low in English proficiency.

A clear difficulty in assessing such broad level data is that English proficiency levels are observed to vary considerably from industry to industry. For example, the *Education First* English Proficiency index was found to be 'low' in the 'food, beverages and tobacco' industries, but high in the 'consulting' and 'tourism' industries, which have a stronger

international orientation. Considerable variation was also observed across age groups, constituting what the company labelled a ‘generation gap’ in English proficiency, with young people having markedly better English proficiency than older persons. A sharp decline in proficiency was observed amongst persons aged over 30-35 years (EF, 2012).

Overall, the prospect of recruiting persons with functional workplace English from Asia, particularly from horticultural contexts which are often regional and less developed, does not appear promising.

For example, *English Proficiency* finds that, although the English proficiency index in 2017 for Vietnam overall was ‘moderate’, the south Central Coast and Mekong Delta regions are ‘low’ and the North Central Coast region is ‘very low’. Similarly, overall English proficiency for Indonesia is ‘low’, which is also the case for many Indonesian regions (e.g. West Java, East Java, Central Java and South Sumatra). However, Jakarta, Yogyakarta and Bali are ‘moderate’. By contrast, North and West Sumatra are both ‘very low’ (EF, 2017).

In summary, *English Proficiency*, states (EF, 2012: 3): “Despite having some of the best-performing school systems in the world, Asian countries are not educating their children to a high level in English. Countries where English is an official language have only slightly higher proficiency than others in the region”.

3.4 Prevailing working conditions

Trade union density provides some indication of the likely familiarity of workers with working environments that are subject to standardised operational procedures and regulation.

Table 7 Trade union density rate (%), selected countries, 2000 to 2013#

	2000	2001	2002	2003	2004	2005	2006
Australia	25.7	24.5	23.2	23.0	22.3	22.3	20.2
Indonesia		36.4		27.8		9.9	
Malaysia	10.7	11.1	11.0	10.5	10.5	10.0	10.5
Philippines	27.1	-	-	-	-	11.7	11.1
Sri Lanka	-	-	-	-	-	-	-
Vietnam	-	-	-	-	-	-	-
	2007	2008	2009	2010	2011	2012	2013
Australia	18.5	18.6	19.3	18.4	18.5	18.2	17.0
Indonesia	9.2	8.7	8.5	-	-	-	-
Malaysia	10.3	10.1	9.9	9.1	8.5	9.3	9.4
Philippines	11.0	10.9	10.6	8.7	8.7	8.5	8.5
Sri Lanka	-	-	7.4	11.5	23.2	-	-
Vietnam	-	-	-	-	14.6	-	-

Source: http://www.ilo.org/ilostat/faces/oracle/webcenter/portalapp/pagehierarchy/Page3.jspx?MBI_ID=9

Data availability varies by country

Although incomplete, the International Labour Organisation (ILO) data in Table 7 show the relative levels of trade union density within Australia and the countries of interest. This measure is the percentage of employees who are trade union members. With the exception of Sri Lanka and Vietnam, for which available data are extremely limited, the table shows that

trade union density has declined over the period 2000 to 2013. Nevertheless, unionisation rates in Malaysia have remained relatively constant, having been 10.7 and 9.4 per cent in 2000 and 2013, respectively. The decline in Indonesia has been more dramatic, having declined from 36.4 per cent in 2001 to 8.5 per cent in 2009. A similarly dramatic decline is seen with the Philippines. On the basis of the limited data available, Sri Lanka seems to be an exception with trade union density increasing between 2009 and 2013, from 7.4 to 23.2 per cent.

Again, a consideration is the prevalence of own account workers in agriculture/horticulture in the source countries. Such workers are unlikely to be familiar with working in unionised work settings.

4 Migration drivers and facilitators

So far discussion has focused on factors of workforce suitability from the perspective of Australian horticultural employers. Also important is the extent to which workers from source countries are motivated to, and capable of, migrating for work. A complex range of factors has been observed to influence peoples' *aspirations* to migrate internationally and their *ability* to realise such ambitions. The combined strength of these factors can change over time and vary by location.

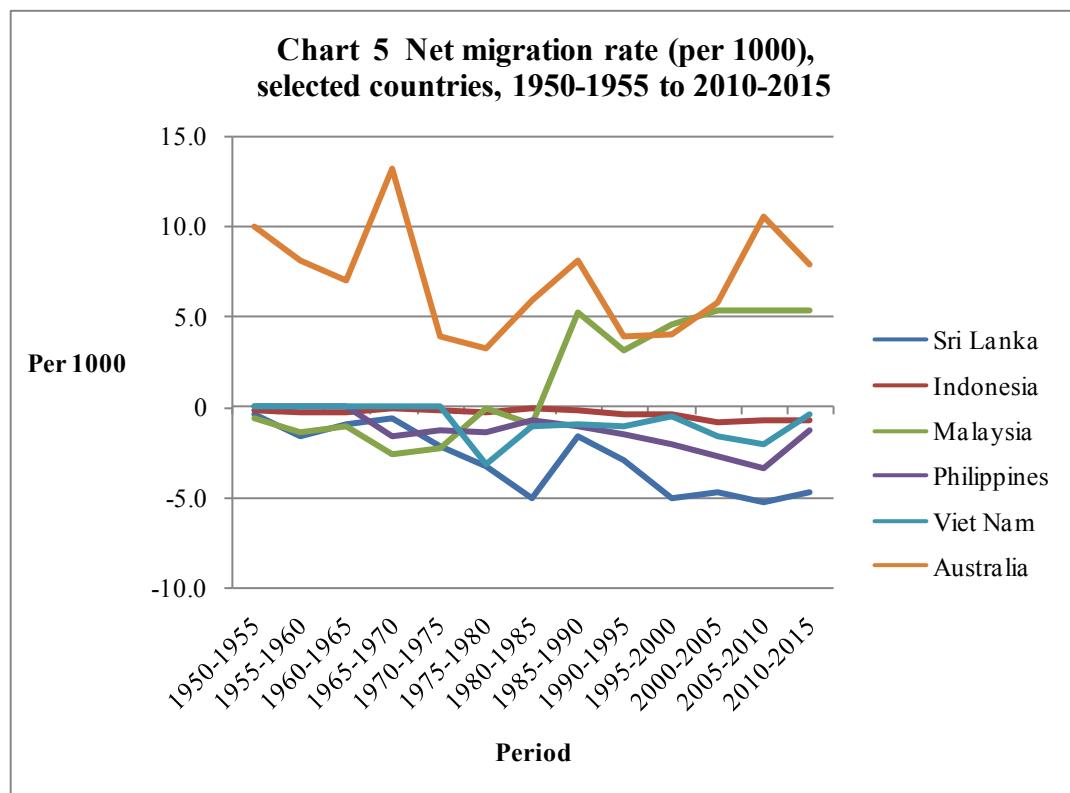
Migration aspirations and abilities are shaped by factors such as the availability of work, wage rates, attitudes to labour emigration, access to migration-relevant information through social networks, and the existence (or not) of an organised international recruitment system. Responding to the complexity of interpreting the many factors that contribute to people's desire to migrate, Gravelle et al. (2010) conclude that, "a common theme is opportunity -- whether it is the chance to reunite with family members who are already abroad, to start a new business, to feel free to express one's views without fear, or to live where children are treated with respect."

Overall, however, it is important to remember that the interplay of factors that leads not only to a desire, but to a focussed determination to migrate, remains complex and that there is a fundamental difference between general desire or wish to migrate and actual planning and preparation to do so. Too great a focus on those who indicate a general desire to migrate can lead to an overestimation of the actual pool of potential migrants (Migali and Scipioni, 2018).

4.1 Existing migration rates

An initial examination of the propensity of persons to migrate from the countries selected may be gained from the United Nations *World Population Prospects* data base. Chart 5

shows the net migration rate for each country, including Australia, for the period 1950-55 to 2010-15. The net migration rate is “the number of immigrants minus the number of emigrants over a period, divided by the person-years lived by the population of the receiving country over that period. It is expressed as average annual net number of migrants per 1,000 population” (UN, 2017).



Source: United Nations, Department of Economic and Social Affairs, Population Division (2017). World Population Prospects: The 2017 Revision, DVD Edition.

Australia stands out as a strong net recipient of migrants. Until the mid-1980s, Malaysia had a net loss of persons, consistent with the other countries shown, but thereafter becomes a net recipient from international migration. This reflects Malaysia’s current status as a significant source of international labour migration and a recipient, including from other ASEAN nations. The Philippines and Sri Lanka stand out as prominent source countries for international labour.

4.2 Demographic migration drivers

Age and education were also identified as significant factors influencing aspirations to migrate. Regardless of level of national human development, 22 per cent of persons aged 15 to 34 years indicated a desire to migrate if they had the opportunity, compared with only 10 per cent of persons aged 35 years or older. With regard to education, persons with secondary education indicated the highest desire to migrate, at 21 per cent, compared with those with primary and tertiary education, at 11 and 19 per cent, respectively (Gravelle et al., 2010).

The strong predisposition among youth to migrate for work has been observed by Hettige (2014), who conducted interviews with Sri Lankan youth. Of the youth interviewed, 56.1 per cent of 15 to 19-year-olds expressed a desire to migrate for work and the corresponding responses for 20-24 and 25-29 age groups were 53.6 and 42.3 per cent, respectively. Significantly, although female youth were somewhat less inclined to want to migrate for work than males, the favourable response rate was still high at 42.4 per cent. The study also found little difference in the aspiration to migrate for work between urban and rural areas, with the rates being 51.7 and 49.8, respectively (Hettige, 2014).

4.3 Unemployment levels

A potential indicator of the availability of labour for the Australian horticulture industry is the level of unemployment in the countries examined. Table 8 shows the unemployment levels for persons in selected age groups for selected years from 2001 to 2016.²

Table 8 Unemployment (% and numbers - 000s), persons, 2001, 2006, 2011 and 2016, aged 15 plus , 15-24 years, and 25 plus years, Australia, Indonesia, Philippines, Sri Lanka and Vietnam

		2001 <i>Per cent</i>	2006	2011	2016	2001 <i>Numbers</i>	2006	2011	2016
Australia	15+	7	5	5	6	655	513	606	726
	15-24	13	10	11	13	248	206	243	265
	25+	5	4	4	4	407	307	363	461
Indonesia	15+	6	8	5	4	5927	8234	6112	5166
	15-24	18	24	17	15	4186	5460	3857	3184
	25+	2	3	2	2	1742	2774	2255	1982
Malaysia	15+	4	3	3	3	346	371	395	520
	15-24	11	11	10	11	220	233	237	273
	25+	2	2	2	2	126	139	158	247
Philippines	15+	4	4	4	3	1138	1403	1433	1186
	15-24	9	10	10	8	678	770	796	637
	25+	2	2	2	2	460	633	637	549
Sri Lanka	15+	8	7	4	4	625	535	339	370
	15-24	25	22	17	22	394	307	193	203
	25+	4	3	2	2	231	228	146	167
Vietnam	15+	3	2	2	2	1198	1176	1070	1195
	15-24	7	6	6	7	759	654	612	638
	25+	1	1	1	1	439	522	458	556

Source: ILO modeled estimates, http://www.ilo.org/ilostat/faces/oracle/webcenter/portal/app/pagehierarchy/Page3.jsp?MBL_ID=2

In all countries, unemployment amongst the young aged 15-24 years is relatively high (including Australia). This is particularly the case in Indonesia and Sri Lanka with unemployment in this age group being 15 and 22 per cent in 2016, respectively.

² Regarding data reliability the ILO states: ‘The [Trends Econometrics models] TEM produce estimates of unemployment rates to fill in missing values in the countries and years for which country – reported data are unavailable. Multivariate regressions are run separately for different regions in the world in which unemployment rates, broken down by age and sex (youth male, youth female, adult male, adult female), are regressed on GDP growth rates. Weights are used in the regressions to correct for biases that may result from the fact that countries that report unemployment rates tend to differ (in statistically important respects) from countries that do not report unemployment rates... In addition to GDP growth rates, the variables used as explanatory variables include: the value added shares of the three broad sectors in GDP, per capita GDP and the share of people living in urban areas.’

<https://www.ilo.org/ilostat-files/Documents/TEM.pdf>

International Labour Organisation data further indicate differences in unemployment rates between urban and rural areas, with data available for Indonesia, the Philippines and Vietnam showing unemployment rates in rural areas to be lower than in urban areas. In 2017, unemployment rates for 15-24 year olds in Indonesia were 18 and 12.7 per cent in urban and rural areas, respectively. The corresponding rates for the Philippines and Vietnam were 10.1 and 5.7, and 11.6 and 5.7, respectively (ILO, 2017).

Another useful indicator of the potential availability of labour is the share of persons who are not employed, unemployed or undertaking training (NEET). Table 9 again focuses on persons aged 15 to 24 years and shows the share of this age group (for males, females and persons) who were in this situation between 2001 and 2016.

In most cases, significant differences occur between males and females on this measure. For instance, the shares of males and females in the NEET category in Indonesia were 16 and 29 per cent, respectively. Similar NEET levels are found for males and females in the Philippines.

Table 9 Share (%) of youth* (total, males and females) not in employment, education or training (NEET), selected countries and available years, 2008 to 2016

		2008	2009	2010	2011	2012	2013	2014	2015	2016
Australia	Total	-	11.4	11.3	10.6	9.9	11.0	10.1	9.8	8.7
	Male	-	10.3	10.8	9.5	9.4	10.2	9.7	9.4	8.4
	Female	-	12.6	11.9	11.7	10.4	11.8	10.5	10.2	9.0
Indonesia	Total	28.2	27.7	26.7	25.9	23.0	22.9	22.4	22.9	22.5
	Male	19.7	19.6	18.7	18.2	15.1	15.6	15.4	16.6	16.1
	Female	36.8	36.0	34.7	33.8	31.0	30.4	29.5	29.4	29.1
Malaysia	Total				14.4	14.0	13.7	12.8		11.7
	Male				9.7	9.6	9.1	8.6		8.4
	Female				19.4	18.7	18.5	17.3		15.3
Philippines	Total	24.8	24.8	25.3	24.4	24.8	24.3	23.4	22.7	22.2
	Male	17.9	18.1	18.9	17.6	17.8	17.6	16.9	17.1	15.5
	Female	31.8	31.7	32.0	31.6	32.2	31.2	30.1	28.6	29.2
Sri Lanka	Total	-	-	22.9	-	-	26.4	27.7	-	-
	Male	-	-	15.6	-	-	17.0	17.5	-	-
	Female	-	-	29.5	-	-	35.1	37.3	-	-
Vietnam	Total	-	-	-	-	-	9.3	35.1	0.6	0.6
	Male	-	-	-	-	-	7.1	34.1	0.6	0.6
	Female	-	-	-	-	-	11.8	36.2	0.6	0.6

Source: ILO, http://www.ilo.org/ilostat/faces/oracle/webcenter/portallapp/pagehierarchy/Page3.jspx?MB1_ID=20

* Youth are defined as persons between the ages of 15 and 24 years

How readily such youth may be recruited for horticultural work in an overseas context like Australia, particularly for young women, would depend in part upon the cultural and religious norms of the source country and the perceived religious suitability of, or safeguards in, the receiving country. For instance, while Indonesia has a strong precedent in the international movement of women for work, the perceived religious/cultural character of destination countries like Australia may present a potential barrier to recruitment. The abuse of women while employed in foreign settings, including in Muslim countries, has become a contentious issue with source country governments acting to protect female workers abroad. More is said on this issue below.

Another labour market circumstance that is relevant to assessing the potential availability of foreign labour for Australian industry is the extent of labour underutilisation in the source economy. Data on this issue relating to the agricultural sector is available from the Philippine Statistical Authority (PSA).

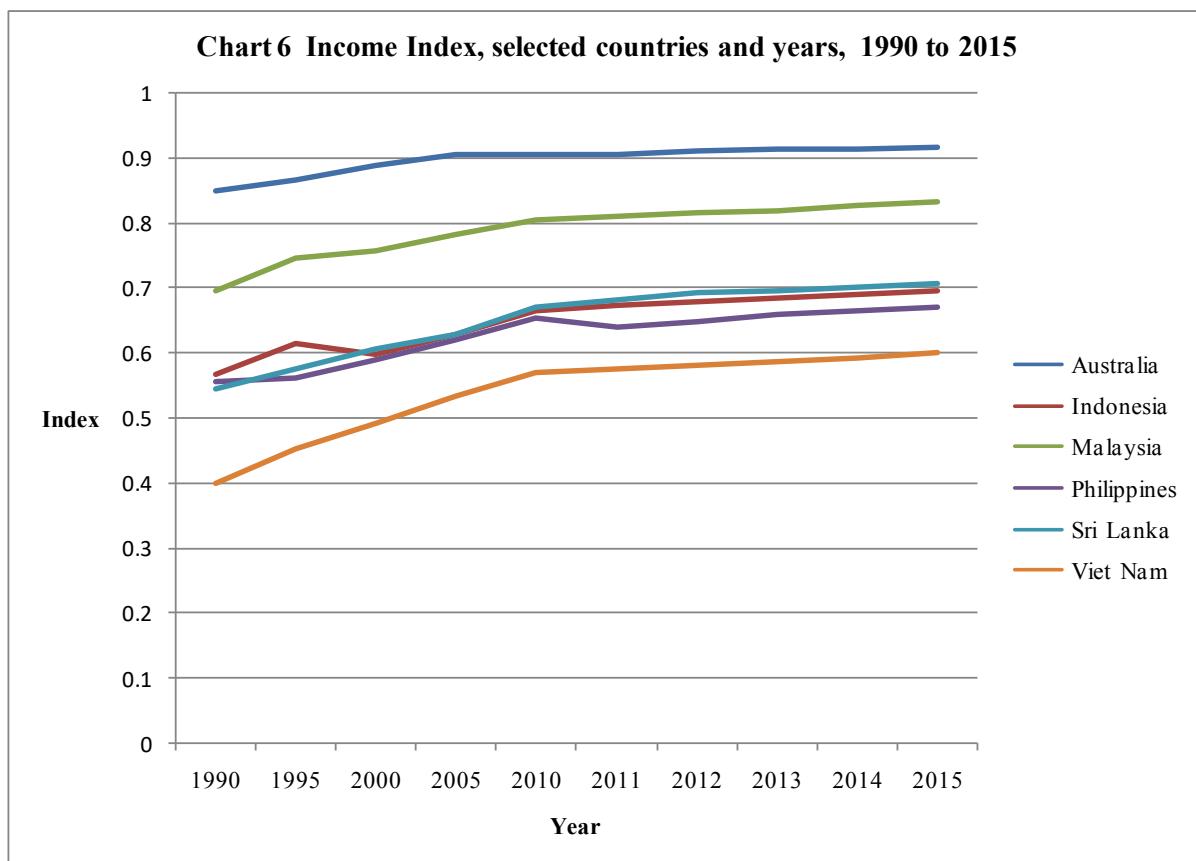
One concern for the Philippine government is ‘visible underemployment’: those who worked less than 40 hours per week, but who seek additional hours. The perception of the Philippine government is that this indicates a level of dissatisfaction with working conditions and remuneration in the labour market. The PSA estimated that, in 2016, ‘visible underemployment’ accounted for 10.1 per cent of workers or approximately 4.2 million workers. This rate varied considerably across regions within the Philippines, ranging from 3.3 to 19.4 per cent of workers (PSA, 2017).

A further consideration when interpreting unemployment and NEET data is the extent of the informal economy, which by its nature is often not captured in official labour market statistics and is often closely associated with precarious employment. Available ILO data, unfortunately, is only available for the non-agricultural sector, but suggest that informal work is likely to be high in some of the economies examined. In 2009, ILO data indicate that 67.3, 80.6 and 51.1 per cent of non-agricultural employment in Indonesia and Vietnam, respectively, was outside the formal sector. Similar data for the Philippines for 2008 indicate that 80.6 per cent of employment in the non-agricultural sector was informal (ILO, 2017B).

4.4 Wage levels

The wage differential between countries is a key variable in identifying prospective labour sources for temporary international labour migration. The United Nations Income Index shows a considerable gap between Australia and most of the countries examined, with Malaysia being in an intermediate position. Although the gap between Australia and the other countries had narrowed between 1990 and 2015, the difference remained significant by the end of that period (Chart 6).

Average monthly wage levels, as compiled by the ILO, only broadly conform to the United Nations income index rankings shown above. Expressed in US dollars, Malaysian wage levels (\$US 594/2016) were highest by a small margin, followed closely by the Philippines (\$US 257/2016) and Vietnam (\$US250/2016). Average monthly wage levels for Indonesia (\$US136/2015) and Sri Lanka (US\$123/2010) are markedly lower (ILO, 2018A).



Source: United Nations Development Programme, <http://hdr.undp.org/en/data#>

Data for minimum wages are less complete. Expressed in \$US, for 2013 (the most recent year for which data for the relevant countries was available), the monthly minimum income in Australia was \$2,603. By comparison, the monthly minimum income in Indonesia was \$127. Malaysia and the Philippines both had a minimum monthly income of \$286 (ILO, 2018B).

4.5 Development levels

Dustmann and Okatenko (2014) examined the relationship between individual wealth constraints and peoples' migration decisions in Latin America and the Caribbean, Asia and Sub-Saharan Africa. Generally, the authors found that in the case of very poor countries, where wealth may be a binding constraint, 'migrations will increase along the wealth distribution', whereas 'the opposite may be the case for richer countries'. While this tendency was observed to hold up in Sub-Saharan Africa and Asia, it did not in Latin America, the latter being the richest region of the three. It was also found that level of contentment with local amenities relating to security, public services, infrastructure and housing appeared to have a significant influence upon migration decisions.

More broadly, national level of human development was found to be significant predictor of the desire to migrate. The study, which included 103 countries, used the United Nations

Human Development Index (HDI), to allocate countries into groups, from very low to very high. The desire to migrate tended to be higher amongst countries with medium to low HDI indices (Gravelle et al., 2010). The countries selected for this study fall within the middle to high HDI groups used. For the lower of the two ‘medium’ HDI groups used, which includes the Philippines and Vietnam, Gravelle et al. (2010) caution that, “Economic factors (indicating that economic conditions are poor, the national economy is poor, or that it is a bad time to find a job in one's country) are *not* significant predictors of desire to migrate when other attitudinal factors are taken into account.”

4.6 Attitudes to labour migration

As indicated above, the desire to migrate within specific populations may vary over time according to local, national and international circumstances. A 2014 analysis of Gallup World Poll data used the Gallup Potential Net Migration Index (PNMI) to show how migration aspirations for different countries had changed between 2007-2009 and 2010-2012 (Table 10). The index is calculated by estimating the number of adults who desire to shift to another country if the opportunity arose, then subtracting the number of people who desire to move into that country, and determining the difference as a proportion of the total population. The higher the net positive PNMI score for a given country, the greater the potential population gain for that country and vice-a-versa (Esipova et al., 2014).

Although Australia remained a prime migration destination country in 2010-2012 with a PHMI score of 136%, its score had declined compared with 2007-2009, when it was 148%. Similarly, Malaysia remained a net destination country, but underwent a significant index score decline.

**Table 10 Potential Net Migration Index* (PNMI) (%), selected countries
2007-2009 and 2010-2012,**

	2007-2009	2012-2012
Australia	148	136
Indonesia	-5	-2
Malaysia	23	12
Philippines	-22	-14
Sri Lanka	-15	-14
Vietnam	-21	-6

Source: Gallup World Poll.

<https://news.gallup.com/poll/166796/potential-net-migration-index-declines-countries.aspx>

* The index is calculated by estimating the number of adults who desire to shift to another country if the opportunity arose, then subtracting the number of people who desire to move into that country and determining the difference as a proportion of the total population.

The index score change for the remaining countries of interest was variable. Although all maintained a negative index score, the extent of the decline varied from marginal to substantial, with Vietnam having the greatest index decline. The widespread decline in index

scores – a ‘cooling worldwide desire to migrate’, may be a response to the global economic downturn (Esipova et al., 2014).

4.7 Transnational networks

Transnational links with family members or friends has been shown to be a significant factor in migration decisions, as these connections lower information barriers and costs of migration and settlement. An analysis of Gallup World Poll survey data by Gravelle et al. (2010) found that 33 per cent of respondents who had a household member living in another country aspired to move permanently to another country if they had the opportunity. If a household member had lived in another country within the past five years, the response was 26 percent and, if no household member had lived in another country within the past five years, the positive response was reduced to 14 per cent.

Significantly, those with family or friends who had returned from overseas showed an increased propensity to want to migrate abroad. This may suggest that, once a temporary migration precedent is successfully established, the maintenance of a temporary migration chain may become less difficult.

The number and distribution of persons born in the selected countries who are already living in Australia is an important consideration. A 2010 World Gallup Poll, which explored the factors which contribute to peoples’ propensity to relocate to another country found that, ‘regardless of whether human development is high or low, those with links to family or friends abroad are more likely to want to move to another country’ (Gravelle et al. 2010). Similarly, the existence compatriot social or cultural organisations in destination countries may influence the decision making of potential migrants because it provides access to information and lowers costs associated with temporary movement.

There were substantial populations of each birthplace group in Australia as of 2016 (Table 11). Although it may initially be expected that established cultural and social organisations within Australia, associated with these birthplace communities, may facilitate the introduction and settlement of temporary entrants to work in Australia horticulture, most organisations of this kind have a local focus within capital city and urban settings, where the great majority of each group currently resides.

Table 11 Persons by selected countries of birth and by state/territory of usual residence, Australia, 2016

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Other Territories	Total
<i>Numbers</i>										
Indonesia	31,774	17,806	7,321	2,141	11,394	336	1,119	1,301	17	73,218
Malaysia	31,652	50,048	14,848	7,744	29,124	1,415	707	2,433	395	138,363
Philippines	86,752	51,287	39,656	12,460	30,835	1,616	5,912	3,797	66	232,391
Sri Lanka	28,732	55,833	9,756	3,790	7,794	393	777	2,775	0	109,850
Vietnam	84,129	80,790	19,547	14,338	15,840	401	935	3,336	33	219,351
Total	263,047	255,765	91,130	40,480	95,000	4,155	9,447	13,643	513	773,174
<i>State share of birthplace group (%)</i>										
Indonesia	12	7	8	5	12	8	12	10	3	9
Malaysia	12	20	16	19	31	34	7	18	77	18
Philippines	33	20	44	31	32	39	63	28	13	30
Sri Lanka	11	22	11	9	8	9	8	20	0	14
Vietnam	32	32	21	35	17	10	10	24	6	28
Total	100	100	100	100	100	100	100	100	100	100
<i>Country of birth composition by state/territory of usual residence(%)</i>										
Indonesia	43	24	10	3	16	0	2	2	0	100
Malaysia	23	36	11	6	21	1	1	2	0	100
Philippines	37	22	17	5	13	1	3	2	0	100
Sri Lanka	26	51	9	3	7	0	1	3	0	100
Vietnam	38	37	9	7	7	0	0	2	0	100
Total	34	33	12	5	12	1	1	2	0	100

Source: ABS, TableBuilder , Place of usual residence, 2016

As an indication, relevant community organisations in New South Wales include:

- Indonesian Association of New South Wales, North Ryde
- Indonesian Community Assoc. NSW Inc., Lidcombe
- Philippine Australian Community Services, Blacktown
- Philippine Community Council of NSW, Parramatta
- Vietnamese Buddhist Society of NSW, St Johns Park
- Vietnamese Community in Australia (NSW Chapter), Bankstown
- Vietnamese Women's Association in NSW, Liverpool
- Sri Lankan Association of NSW, Sydney

Perhaps counter intuitively, a potentially negative outcome of the current strong metropolitan/urban residential concentration of these communities is that horticultural migrants may be attracted away from regional horticultural locations to these urban settings if the opportunities exist.

Table 12 Place of usual residence by remoteness indicator for selected countries of birth, Australia, 2016

	Major Cities of Australia	Inner Regional Australia	Outer Regional Australia	Remote Australia	Very Remote Australia	Migratory - Offshore - Shipping/No	Total
<i>Persons</i>							
Indonesia	67,493	2,692	2,369	378	185	128	73,245
Malaysia	128,499	5,861	2,950	296	608	179	138,393
Philippines	189,007	21,099	17,449	3,296	1,274	262	232,387
Sri Lanka	103,043	4,157	2,061	378	157	63	109,859
Vietnam	211,842	4,131	2,527	264	394	221	219,379
Total	699,865	37,914	27,334	4,598	2,624	837	773,172
<i>Per cent</i>							
Indonesia	92	4	3	1	0	0	100
Malaysia	93	4	2	0	0	0	100
Philippines	81	9	8	1	1	0	100
Sri Lanka	94	4	2	0	0	0	100
Vietnam	97	2	1	0	0	0	100
Total	91	5	4	1	0	0	100

Source: ABS, TableBuilder, Place of usual residence, 2016

Notwithstanding the strong urban concentration of these communities, however, it is notable that persons born in the Philippines have a somewhat stronger presence in regional areas than the other birthplace groups (See Table 12).

4.8 Organised labour export

The existence of an organised international recruitment sector is an important factor in considering the feasibility of temporary labour migration. The countries focussed upon here have established international reputations as labour exporters. Indeed, labour migration is a significant, integral part of their economies with intra-ASEAN movement having grown from 1.5 million to 6.9 million persons between 1990 and 2015. Remittances from diaspora populations can account for a significant share of source countries' wealth generation. In 2016, such remittances to Indonesia, the Philippines, Sri Lanka, Malaysia and Vietnam accounted for 1.0, 10.2, 8.9, 0.5 and 6.6 per cent of GDP, respectively (Arisman and Ratnawati Kusuma Jaya, 2018).

The scale of the diasporas of these societies often constitutes a considerable proportion of their total respective populations. The diasporas of Indonesia, the Philippines, Sri Lanka and Vietnam were reported to have represented 1.5, 5.3, 7.9 and 2.7 per cent of these countries populations in 2015, respectively (ADBI, ILO, and OECD, 2018).

While much of this international labour movement is within the ASEAN region, a significant share also goes to destinations further afield, including movement to the United States, North Asia, the Middle East and OECD countries.

Much labour migration from these societies is temporary in nature. For instance, international labour migration from Indonesia is largely temporary, involving low-skilled persons who are motivated by economic improvement for themselves and their families (Arisman and Ratnawati Kusuma Jaya, 2018). It is noteworthy that, of those who migrate from Indonesia to Malaysia, most work in agriculture, mainly in the plantation sector. In addition, many Indonesian migrants are women, who often work as domestic servants.

Perhaps the most well-known source of temporary labour migration is the Philippines. While the Philippines was a dominion of the United States, persons from the Philippines were able to migrate to the US and were largely engaged in fisheries, agriculture and low-paid services (Arisman and Ratnawati Kusuma Jaya, 2018: 45). It has been over the past several decades, however, that a national culture of migration has consolidated in the Philippines through proactive government encouragement of emigration as a national economic strategy.

International migration from the Philippines has grown very rapidly. Orbeta and Abrigo (2009) reported that total migrant flows from the Philippines had increased from around 50,000 in 1975 to over one million by 2005 with an average annual growth rate of 9.8 per cent. Of these, a large share was temporary annual worker movements, which had increased from 12,500 workers leaving in 1975 to around

THE PHILIPPINES' LABOUR EXPORT

Since the 1970s, labour export has been a deliberate Philippines' government strategy aimed at lowering unemployment and increasing remittances. The country now has an intricate system of government organisations that recruit, train, market, protect and manage Filipino labour export.

The system centres on the Philippines Overseas Employment Administration (POEA), which regulates private international recruitment and temporary worker emigration. An Overseas Workers Welfare Organisation (OWWA) provides insurance, loans and education subsidies out of a fund from emigrant workers' fees. Philippine Overseas Labour Offices (POLOs) are outposts of the Department of Labour based in overseas consular offices; they monitor more than 30 labour markets with major Filipino worker presence. The Commission on Overseas Filipinos (CFO). The Commission for Filipinos Overseas (CFO), chaired by a Cabinet Level appointee, provides pre-departure education and forms links with diaspora groups – including those based around philanthropy, investment, expertise and diaspora contributions to development.

800,000 by 2005 (Orbeta and Abrigo, 2009). Of the estimated 10.2 million persons born in the Philippines living abroad in December 2013, 4.2 million, or 41 per cent were temporary migrants (ADBI, ILO, and OECD, 2018).

For present purposes, it is notable that, although workers in the agricultural, animal husbandry, forestry and fishing sector make up a large share of the Philippines' domestic work force, they have comprised only a small share of temporary overseas labour movements from the Philippines. In 2005, for example, these workers made up 19 per cent of the local labour market, but only 0.1 per cent of temporary overseas workers (Orbeta and Abrigo, 2009).

Because the Philippines may be of particular interest, it is important to also note that international labour migration from the Philippines has been increasingly subject to bilateral labour migration agreements. A list of international labour agreements struck by the Philippines is provided in Appendix 1. An example of an international labour agreement between the Philippines and New Zealand is provided in Appendix 2. The ILO notes that:

'The Philippines has ratified 38 ILO Conventions of which 30 are in force. These include all fundamental Conventions covered by the 1998 Declaration on the Fundamental Principles and Rights at Work and its Follow-up and two Governance or Priority Conventions on tripartite consultation and employment policy' (ILO, 2018).

Anderson and Barbone (2013) note that the Philippines is now often regarded as providing the 'gold standard' in the protection of emigrant workers. Philippine government authorities are selective of the overseas employers it works with and also help select workers for overseas deployment, as well as imposing strict conditions upon, including licensing of labour recruiters (Anderson and Barbone, 2013). The authors note:

The best and most comprehensive bilateral agreement is with South Korea. It defines the roles of recruitment agencies in Korea and the Philippines, standardises employment contracts, guarantees protections for overseas workers, and provides services to migrants that are similar to the social services received by Korean citizens (Anderson and Barbone, 2013).

Similarly to the Philippines, international labour migration is important to Sri Lanka. It too is considered by the ILO as setting a high standard in its attempts to safeguard its overseas workers. It has been active in approving contracts for Sri Lankan workers with foreign employers and the licensing of labour recruitment agencies. Despite such efforts, continued labour abuse has been observed (Anderson and Barbone, 2013).

Although less dependent upon labour emigration, like the Philippines and Sri Lanka, Indonesia has also established agencies to help protect the interests of its overseas workers. Significant steps in this regard were taken in 2004, whereby legal emigration was only permitted to countries with which the Indonesian government had a bilateral agreement. In general, the conditions placed upon recruiters and overseas employers regarding working conditions do not seem as rigorous as with the Philippines and Sri Lanka (Anderson and Barbone, 2013).

5 Vulnerability factors

Vulnerability issues related to the recruitment of temporary labour to Australia from the selected countries may be interpreted from the perspective of both the sending and receiving societies. The recruitment of vulnerable persons from overseas may be seen to place an onus upon Australian employers and Australian governments to ensure that migrant workers are not abused or Australian labour standards undermined. Moreover, labour sending countries, such as Indonesia and the Philippines, have become increasingly conscious of and proactive in curtailing the abuse and exploitation of their workers abroad. International reputational damage is a real possibility for Australian industry and Australian authorities if worker welfare policy and compliance settings around this issue are not responsibly calibrated.

One important vulnerability factor is the propensity for migrants to overstay their visas and therefore become ineligible for assistance and liable to exploitation by unscrupulous employers and/or detention and deportation by the Australian immigration authorities. Visa compliance-related departures from Australia for the period 2014-15 numbered 15,378. Of these, Malaysian visa holders comprised 13.5 per cent of cases, ranking higher than the PRC which accounted for 11.3 per cent. By comparison, Indonesia accounted for 3.1 per cent and Vietnam 2.6 per cent (DIBP, 2016). These departures include persons who have overstayed their visas.

Other vulnerability factors include wide differences in skill levels and wage rates between Australia and the source country in question, and differences in cultural and gender norms. The majority of Indonesia's overseas workers are unskilled, more than half are women and many do not have adequate language skills in their destination countries. Concern over '...sexual harassment, unpaid compensation and salary as well as other inhumane working practices,' led to the Indonesian Government Act no. 39/2004, in an effort to give greater security to Indonesian workers and especially women working abroad. Additional guidelines have since been put in place by Indonesian authorities. The 2004 Act resulted in part from concerted action by NGOs and Women's organisations, which relied upon the *International Convention on the Protection of the Rights of All Migrant Workers and Their Families* (Arisman and Ratnawati Kusuma Jaya, 2018).

Similarly, as of 2010, the Philippine's government had signed 49 labour agreements with 25 countries in part with a view to affording greater protection of workers' rights. Further, where there are high concentrations of workers from the Philippines, the government has mandated the establishment of Filipino Worker Resource Centres to assist workers living abroad. To date, there are 15 offices of the Philippines Social Security System on overseas locations, including Sydney, designed to respond to workers' security issues (Arisman and Ratnawati Kusuma Jaya, 2018).

6 Summary

This report has examined a range of background factors to consider when examining the potential for temporary horticultural labour migration recruitment from five selected countries in the Asia Pacific region. Using data from the most reputable secondary sources available, the report has looked at the overall economic and demographic context of horticultural labour in Australia and the selected countries, as well as analysing key workforce characteristics in these countries, and key migration drivers from them. The authors welcome opportunities to research these issues further in collaboration with the clients.

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Appendix 1: Bilateral Labour Agreements (Land based)

COUNTRY	TITLE/SUBJECT	DATE
Bahrain	Memorandum of Agreement Between the Republic of the Philippines and the Kingdom of Bahrain on Health Services Cooperation	April 24, 2007
Canada		
Alberta	<p>Memorandum of Agreement Between the Republic of the Philippines (DOLE) and The Ministry of Employment and Immigration of Alberta (E&I) Concerning Cooperation in Human Resource Deployment and Development</p> <p>Draft of Implementing Guidelines for the Memorandum of Understanding with British Columbia and Alberta</p>	October 1, 2008
British Columbia	Memorandum of Understanding Between the Department of Labour and Employment of the Government of the Republic of the Philippines (DOLE) and The Ministry of Economic Development of the Government of British Columbia, Canada (ECDV) Concerning Co-Operation in Human Resource Deployment and Development	January 29, 2008
Manitoba	<p>Memorandum of Understanding Between The Department of Labour and Employment of the Government of the Republic of the Philippines (DOLE) and The Department of Labour and Immigration of the Government of Manitoba, Canada(LIM) Concerning: Co-Operation in Human Resource and Deployment</p> <p>Memorandum of Understanding Between The Department of Labor and Employment of the Republic of the Philippines (DOLE) and The Department of Labour and Immigration of the Government of Manitoba, Canada Concerning: Co-Operation in Human Resource Deployment and Development</p> <p>Guidelines for the Implementation of the Memorandum of</p>	February 8, 2008 September 21, 2010 September 21, 2010

	Understanding Between The Department of Labor and Employment of the Republic of the Philippines (DOLE) and The Department of Labour and Immigration of the Government of Manitoba, Canada Concerning: Co-Operation in Human Resource Deployment and Development	
Saskatchewan	Memorandum of Understanding Between the Republic of the Philippines (DOLE) and Her Majesty The Queen in the Right of the Province of Saskatchewan as represented by the Minister Responsible for Immigration and the Minister of Advanced Education and Employment (AEE) Concerning Cooperation in the Fields of Labour, Employment and Human Resource Development	December 18, 2006
CNMI	Memorandum of Understanding Between the Republic of the Philippines (DOLE) and The Commonwealth of the Northern Mariana Islands (CNMI) Memorandum of Understanding Between the Republic of the Philippines (DOLE) and The Commonwealth of the Northern Mariana Islands (CNMI)	September 14, 1994 December 18, 2000
Indonesia	Memorandum of Understanding Between the Republic of the Philippines (DOLE) and the Department of Manpower and Transmigration of the Republic of Indonesia Concerning Migrant Workers	January 18, 2003
Iraq	Memorandum of Agreement Relating to Mobilization of Manpower Between the Republic of the Philippines and the Republic of Iraq	November 25, 1982
Japan	Memorandum of Understanding Between the Philippine Overseas Employment Administration and the Japan International Cooperation of Welfare Services on the Deployment and Acceptance of Filipino Candidates (JPEPA)	January 12, 2009
Jordan	Memorandum of Understanding Between the Minister of Labor of the Republic of the Philippines and the Minister of Labor of the Hashemite Kingdom of Jordan	December 5, 1981 December

	<p>Agreement on Manpower Between the Government of the Republic of the Philippines and the Government of the Hashemite Kingdom of Jordan</p> <p>Memorandum of Understanding on Labor Cooperation Between the Government of the Hashemite Kingdom of Jordan Represented by the Ministry of Labor and the Government of the Republic of the Philippines Represented by the Department of Labor and Employment</p> <p>Principles and Controls for Regulating Deployment and Employment of Filipino Domestic Workers between the Government of the Hashemite Kingdom of Jordan/ Ministry of Labor and the Government of the Republic of the Philippines/ Department of Labor and Employment</p>	3, 1988 May 27, 2010 January 29, 2012
Korea	<p>Memorandum of Understanding Between the Department of Labor of the Philippines and the Ministry of Labor of the Republic of Korea on the Sending of Workers to the Republic of Korea</p> <p>Memorandum of Agreement Between the Republic of the Philippines and the Republic of Korea</p> <p>Memorandum of Understanding Between the Department of Labor and Employment of the Philippines and the Ministry of Labor of the Republic of Korea on the Sending and Receiving of Workers to the Republic of Korea under the Employment Permit System</p> <p>Memorandum of Understanding between the Ministry of Labor, Republic of Korea and the Department of Labor and Employment, Republic of the Philippines on Cooperation in the Field of Labor and Manpower Development</p> <p>Memorandum of Understanding between the Department of Labor and Employment, Republic of the Philippines and the Ministry of Labor, Republic of Korea on the Sending and Receiving of Workers under the Employment Permit System of Korea</p>	April 23, 2004 December 15, 2005 October 20, 2006 May 30, 2009 May 30, 2009

Kuwait	<p>Memorandum of Understanding on Labor and Manpower Development Between the Government of the Republic of the Philippines and the Government of the State of Kuwait</p> <p>Memorandum of Understanding Between the Department of Foreign Affairs of the Republic of the Philippines and the Ministry of Foreign Affairs of the State of Kuwait on the Establishment of Bilateral Consultations</p>	September 14, 1997
LAO PDR	Memorandum of Understanding on Technical Cooperation on Labor and Employment Between the Government of the Republic of the Philippines and the Government of the Lao People's Democratic Republic	July 27, 2005
Lebanon	Memorandum of Understanding on Labor Cooperation Between the Government of the Republic of the Philippines Represented by the Department of Labor and Employment and the Government of the Republic of Lebanon Represented by the Ministry of Labor (Annex A Protocol to the Memorandum) (with Arabic Version)	February 1, 2012
Libya	<p>Memorandum of Understanding on Labor Cooperation Between the Government of the Republic of the Philippines Represented by the Department of Labor and Employment and the Government of the Republic of Lebanon Represented by the Ministry of Labor (Annex A Protocol to the Memorandum) (with Arabic Version)</p> <p>Memorandum of Understanding Between the Philippines and Libya (with Arabic Version)</p>	October 18, 1979 July 17, 2006
New Zealand	Memorandum of Agreement on Labour Cooperation Between the Government of the republic of the Philippines and the Government of New Zealand	November 4, 2008
Norway	Agreement Between POEA and the Directorate of Labour Norway on Transnational Co-Operation for Recruiting Professionals from the Health Sector to Positions in Norway	June 26, 2001

PNG	Memorandum of Understanding Between the Philippines and Papua New Guinea	March 14, 1979
Qatar	<p>Agreement Between the Government of the Republic of the Philippines and the Government of the State of Qatar Concerning Filipino Manpower Employment in the State of Qatar</p> <p>Additional Protocol to the Agreement between the Government of the Republic of the Philippines and the Government of the State of Qatar Concerning Filipino Manpower Employment in the State of Qatar signed on 10 March 1997</p>	May 10, 1997 October 18, 2008
Spain	<p>Memorandum of Understanding on Cooperation for the Management of the Migration Flows Between the Ministry of Labor and Social Affairs of the Kingdom of Spain and the Ministry of Labor and Employment of the Republic of the Philippines (English Version)</p> <p>Memorandum of Understanding on Cooperation for the Management of the Migration Flows Between the Ministry of Labor and Social Affairs of the Kingdom of Spain and the Ministry of Labor and Employment of the Republic of the Philippines (Spanish Version)</p>	June 29, 2006
Switzerland	Agreement Between the Government of the Republic of the Philippines and the Swiss Federal Council on Exchange of Professional and Technical Trainees	July 2, 2002
Taiwan	<p>Memorandum of Understanding between the Manila Economic and Cultural Office (MECO) in Taipei and the Taipei Economic and Cultural Office (TECO) in the Philippines regarding the Special Hiring Workers</p> <p>Memorandum of Understanding on Special Hiring Program for Taiwan Between the Manila Economic and Cultural Office in Taipei (MECO) and the Taipei Economic and Cultural Office (TECO) in the Philippines</p> <p>Memorandum of Understanding on Special Hiring Program for Taiwan Between the Manila Economic and Cultural Office</p>	September 3, 1999 January 12, 2001 March 20, 2003 August 3, 2015

	(MECO) in Taipei and the Taipei Economic and Cultural Office (TECO) in the Philippines Joint Implementing Guidelines of the Special Hiring Program for Taiwan (SHPT) for the implementation of the International Direct E-Recruitment System (IDES)	
UAE	Memorandum of Understanding between the Government of the Republic of the Philippines and the Government of the United Arab Emirates in the Field of Manpower MoU between RP and UAE in the Field of Manpower (Arabic)	April 9, 2007
United Kingdom (UK)	Memorandum of Understanding between the Government of the Philippines and the Government of the Kingdom of Great Britain and Northern Ireland on Healthcare Cooperation Recruitment Agreement Between the Government of the Republic of the Philippines and the Government of the United Kingdom of Great Britain and Northern Ireland	July 30, 2003 January 8, 2002
USA	Agreement Between the Government of the Republic of the Philippines and the Government of the United States of America Relating to the Recruitment and Employment of Philippines Citizens by US Military Forces and Contractors of Military and Civilian Agencies of the US Government in Certain Areas of the Pacific and the Southeast Asia	December 28, 1968
Source: Philippines Overseas Employment Administration, http://www.poea.gov.ph/laborinfo/bLB.html		

Appendix 2: Sample Bilateral Labour Treaty

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New Zealand Treaty Series 2009, No. 6

Ministry of Foreign Affairs and Trade

MEMORANDUM OF AGREEMENT ON LABOUR COOPERATION BETWEEN THE GOVERNMENT OF NEW ZEALAND AND THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES

Wellington, 4 November 2008

[Entered into force for New Zealand, 18 June 2009]

Presented to the House of Representatives A. 588

2

MEMORANDUM OF AGREEMENT (MOA) ON LABOUR COOPERATION BETWEEN THE GOVERNMENT OF NEW ZEALAND AND THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES

The Government of New Zealand and the Government of the Republic of the Philippines (hereinafter referred to collectively as the “Parties” or individually as a “Party”, unless the context otherwise requires):

Desiring to express an approach dealing with labour issues based on cooperation, consultation and dialogue that takes account of the unique circumstances, needs and future aspirations of the Parties and reflects their desire to strengthen their growing economic and political relationship;

Recalling their resolve to improve working conditions and living standards in their respective countries and protect, enhance and enforce fundamental workers’ rights, taking into account different levels of national development;

Acknowledging their commitment to high level standards of labour laws, policies and practices and are committed to uphold them in the context of economic development and trade liberalisation;

Seeking to promote sound labour policies and practices, closer and greater cooperation, and to improve the capacities and capabilities of the Parties to achieve these;

Sharing

the common aspiration that free trade and investment should lead to job creation, decent work and meaningful jobs for workers, both domestically and internationally, in accordance with universal principles of international instruments on labour and employment.

Have agreed as follows:

Article 1**OBJECTIVES**

The objectives of the Parties shall be to:

- (a) promote better understanding of each Party's labour systems, sound labour policies and practices and decent work, and improve the capacities and capabilities of the Parties;
- (b) provide a forum to discuss and exchange views on labour issues of interest or concern;
- (c) promote better understanding and observance of the principles embodied in the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up (1998) and other international instruments on labour and employment to which they are party;
- (d) support the commitments made by the Parties to this MoA with a view to improving the working conditions and quality of work life in their respective countries; A. 588

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- (e) facilitate co-operation and dialogue in order to strengthen the broader relationship between the Parties.

Article 2**BASIC PRINCIPLES**

1. The Parties reaffirm their obligations as members of the ILO and their commitment to the principles of the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up (1998).
2. Each Party shall work to ensure that its labour laws, regulations, policies and practices are in harmony with their respective international labour commitments.
3. The Parties respect their sovereign rights to set their own policies and national priorities and to set, administer and enforce their own labour laws and regulations.
4. The Parties recognise that it is inappropriate to set or use their labour laws, regulations, policies and practices for trade protectionist purposes.

5. The Parties recognise that it is inappropriate to encourage trade or investment by weakening or reducing the protections afforded in domestic labour laws, regulations, policies and practices.

6. Each Party shall promote public awareness of its labour laws and regulations domestically.

Article 3

COOPERATION

1. Taking account of their national priorities and available resources, the Parties agree to cooperate on labour matters of mutual interest and benefit. The Parties shall mutually agree on specific labour cooperative activities.

2. Each Party may, as appropriate, invite the participation of its unions and employers and/or other persons and organisations of their countries in identifying potential areas for cooperation and in undertaking cooperative activities.

3. Cooperative activities may be in areas including but not limited to:

- (a) labour laws and practices, including the promotion of labour rights and obligations and decent work;
- (b) information, compliance and enforcement systems;
- (c) sound labour relations, including labour management consultation, cooperation and labour dispute settlement;
- (d) occupational safety and health;
- (e) human capital development, training, and employability; and A. 588

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(f) human resource development initiatives including sharing of labour market trends, skills development, building mutual capacity, and the promotion and protection of employment rights and obligations of migrant workers.

4. Cooperative activities may be implemented through a variety of means, such as the exchange of best practice and information, joint projects, studies, exchanges, visits, workshops and dialogue as the Parties may agree, including in relation to international labour forums and matters. The attached annex provides some examples of potential projects for possible cooperation.

5. The resourcing of cooperative activities shall be agreed by the Parties on a case-by-case basis.

Article 4

INSTITUTIONAL ARRANGEMENTS

1. Each Party shall designate a national contact point for labour matters within the six months following the entry into force of this MoA to facilitate communication between the Parties.
2. With a view to guaranteeing the implementation of this MoA, to establishing a cooperation programme and to coordinating the cooperation activities referred to in this MoA, the Parties shall establish a Labour Committee including senior officials of their government agencies responsible for labour matters.
3. The Labour Committee shall meet within the first year of the signing of this MoA. The Committee shall subsequently meet every two years unless otherwise mutually agreed, to:
 - (a) establish an agreed work programme of cooperative activities;
 - (b) oversee and evaluate cooperative activities;
 - (c) serve as a channel for dialogue on matters of mutual interest;
 - (d) review the operation and outcomes of this MoA; and
 - (e) provide a forum to discuss and exchange views on labour issues of interest or concern with a view to reaching consensus on those issues amongst the involved Parties.
4. In carrying out its work, the Labour Committee may consult with, or invite the participation of, members of the public or relevant sectors over any matters relating to the operation of this MoA by whatever means that Party considers appropriate.
5. The Parties may exchange information and coordinate activities between meetings using email, video conferencing or other means of communication. A. 588 5

Article 5

CONSULTATION

1. The Parties are committed to following the principles of mutual respect, dialogue, co-operation and consensus over any matter related in this MoA. Should any matter arise over the interpretation or application of the MoA, any Party may request consultations with another Party(ies), through the national contact point. The Parties shall make every effort to resolve the matter through co-operation, consultation and dialogue.
2. If a Party seeks a meeting to assist in the resolution of any such matters the Parties shall meet as soon as practicable and, unless otherwise mutually agreed, no later than 90 days following the request.

3. If the matter is not resolved, it may be communicated to a meeting of the Labour Committee, which may include Ministers, for mutual discussions and consultations.

Article 6

DISCLOSURE OF INFORMATION

1. No Party shall disclose any information provided by another Party under this MoA and claimed by the other Party to be confidential without the other Party's approval, except where required to do so under the laws governing the Party that received the information, subject to a court order.

2. Nothing in this MoA shall be construed to require a Party to furnish or allow access to information the disclosure of which it considers would be contrary to the public interest or the laws governing that Party.

Article 7

ENTRY INTO FORCE, AMENDMENT AND TERMINATION

1. This MoA shall enter into force on the date of the later notification by the Parties, through the diplomatic channel, indicating completion of their respective domestic requirements for entry into force.

2. Either Party may propose in writing, through the diplomatic channel, amendment to this MoA. Any amendments agreed in writing by the Parties shall enter into force in the same manner as set out in the preceding paragraph.

3. This MoA shall remain in force for a period of three (3) years from the date of its entry into force and shall automatically renew for further periods of three (3) years unless one Party notifies the other Party of its intention to terminate this MoA by notice in writing, through the diplomatic channel, at least six (6) months prior to the intended date of termination.

4. Notwithstanding Paragraph 3 and unless the Parties otherwise agree, this MoA shall continue as if in force in relation to programs and/or projects begun prior to termination.

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IN WITNESS WHEREOF, the undersigned, being duly authorised by their respective Governments, have signed this Memorandum of Agreement.

DONE AT Wellington and Manila on the dates indicated.

For the Government of New Zealand

Dated this 4th day of November 2008

WELLINGTON

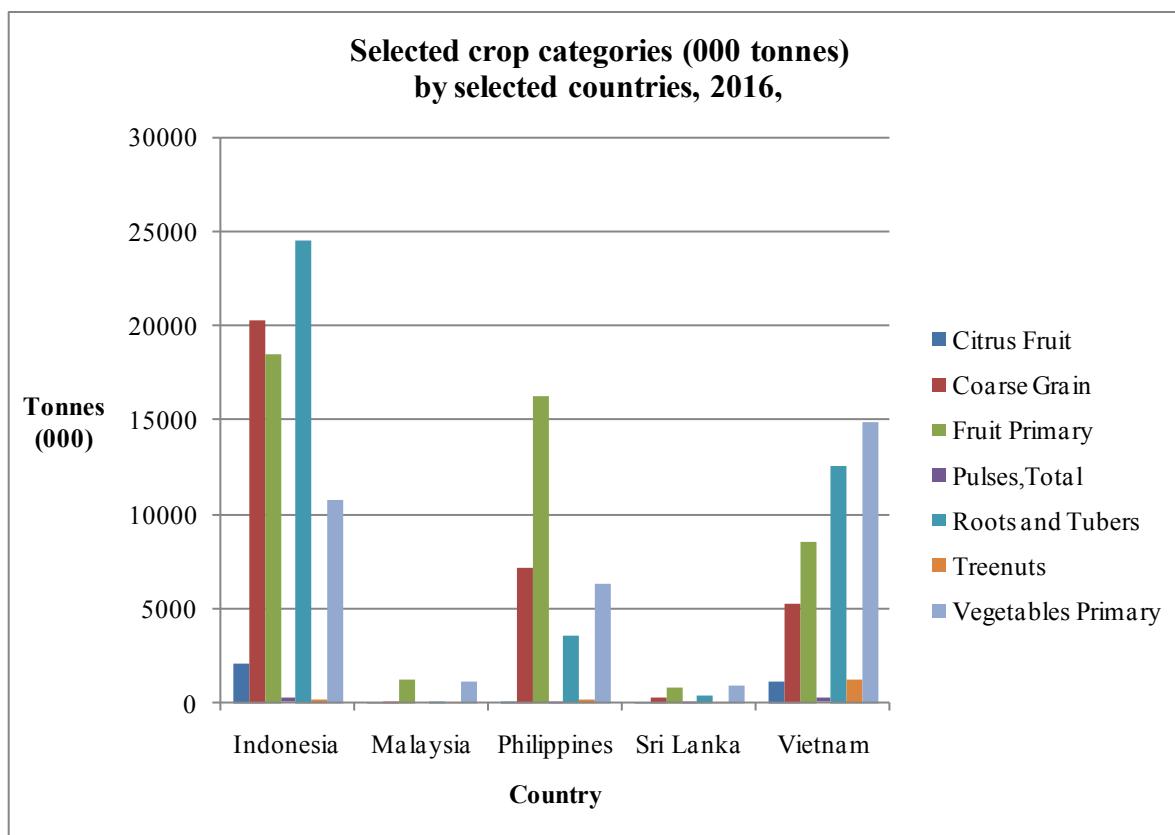
For the Government of
the Republic of the Philippines

Dated this 9th day of December 2008

MANILA

[Signatures not reproduced]

Appendix 3: Selected Crop Categories



Source: Food and Agriculture Organisation of the United Nations, 2018

<http://www.fao.org/faostat/en/#data/QC>