



National Farmers' Federation

Submission to the Joint Standing Committee on Migration

Inquiry into the Working Holiday Maker Program

24 July 2020

Prepared by Thomas Cullen

NFF Member Organisations





The National Farmers' Federation (NFF) is the voice of Australian farmers.

The NFF was established in 1979 as the national peak body representing farmers and more broadly, agriculture across Australia. The NFF's membership comprises all of Australia's major agricultural commodities across the breadth and the length of the supply chain.

Operating under a federated structure, individual farmers join their respective state farm organisation and/or national commodity council. These organisations form the NFF.

The NFF represents Australian agriculture on national and foreign policy issues including workplace relations, trade and natural resource management. Our members complement this work through the delivery of direct 'grass roots' member services as well as state-based policy and commodity-specific interests.

Statistics on Australian Agriculture

Australian agriculture makes an important contribution to Australia's social, economic and environmental fabric.

Social >

There are approximately 85,000 farm businesses in Australia, 99 per cent of which are wholly Australian owned and operated.

Economic >

In 2018-19, the agricultural sector, at farm-gate, contributed 1.9 per cent to Australia's total Gross Domestic Product (GDP). The gross value of Australian farm production in 2018-19 is estimated to have reached \$62.2 billion.

Workplace >

The agriculture, forestry and fishing sector employs approximately 318,600 people, including full time (239,100) and part time employees (79,500).

Seasonal conditions affect the sector's capacity to employ. Permanent employment is the main form of employment in the sector, but more than 26 per cent of the employed workforce is casual.

Environmental >

Australian farmers are environmental stewards, owning, managing and caring for 51 per cent of Australia's land mass. Farmers are at the frontline of delivering environmental outcomes on behalf of the Australian community, with 7.4 million hectares of agricultural land set aside by Australian farmers purely for conservation/protection purposes.

In 1989, the National Farmers' Federation together with the Australian Conservation Foundation was pivotal in ensuring that the emerging Landcare movement became a national programme with bipartisan support.

Contents

NFF Member Organisations	Error! Bookmark not defined.
Contents	5
Executive Summary.....	6
Introduction	8
The Working Holidaymaker Program.....	6
The Contribution of Working Holidaymakers to Agriculture.....	13
The Impact of COVID-19 on the Working Holidaymaker Program.....	16
Supporting Economic Recovery in Regional Australia.....	19
Conclusions.....	21

1. Executive Summary

The NFF strongly supports the Working Holidaymaker Program (the Program), in recognition of its central significance to agricultural businesses – particularly within horticulture where there is a high reliance on seasonal workers during peak seasons. We also recognise the importance of working holidaymakers as customers and patrons for a range of businesses within the regional communities that they visit and work in.

Temporary migration for seasonal agricultural work is nothing new. It has a long tradition in many OECD countries, including the United Kingdom, Canada, the USA and New Zealand. Each of these countries have dedicated programs for seasonal agricultural migration: the United Kingdom was one of the first to establish a Seasonal Agricultural Workers Scheme in 1945. The scheme no longer operates, but 90% of UK fruit and vegetables are still picked and packed by overseas workers, mostly from the European Union. In Canada, the Seasonal Agricultural Workers Program (SAWP) dates from 1966 and draws in workers from the Caribbean and Mexico. The US relies heavily on seasonal agricultural workers from Mexico, and it would not be inaccurate to say that Australia is similarly reliant upon migrant workers in this sense – although there are significant difference in the relevant commodities being farmed, and in the frameworks, mechanisms and conditions through which this work occurs.

It is critical for agriculture that the Government continue to support and improve upon the Program to keep large swathes of our sector productive and regional communities prosperous. This will necessarily involve decisive action in the short-to-medium term to adjust for the impact of COVID-19 upon the Program's effectiveness in providing a stream of temporary migrants to regional communities. This may involve exemptions, extensions and additional support measures for current participants in the Program (some of which have already been implemented) and some exploration of how a reduction in numbers may be counteracted by other means. Suggestions could include a 'safe pathways' module similar to that which is being piloted by the tertiary education sector to allow foreign students to return to their studies in Australia. Some have suggested this could be accomplished by redirecting recently unemployed working holidaymakers and Australian residents in

industries such as retail and hospitality to agricultural work, while this suggestion has been met with scepticism by the industry. We have a long and frustrating history of attempting to attract Australian workers to low skilled, frequently temporary farm jobs. It seems improbable that displaced airline and café workers with deep roots in the cities and suburbs will be prepared to relocate to temporary accommodation to pick fruit. However, it can't be said that the sector is closed to new ideas and proposal. For example, at least in the longer term, this would also include investing in training pathways and public media campaigns that would lead to a higher uptake of seasonal roles by Australian residents.

Beyond these steps, the Program itself – which has undergone changes that have increasingly been intended to benefit regional Australia and the agriculture industry – may be reworked into or replaced by a purpose-built migration program for agriculture. This would be consistent with the NFF's long-advocated position that Australia needs a dedicated agricultural visa to provide our sector with a fit-for-purpose instrument to address pressing regional labour demands now and into the future.

2. Introduction

This submission is primarily concerned with assessing the current usefulness of the Working Holidaymaker Program for agricultural producers and regional communities in Australia, and the impacts of the COVID-19 pandemic upon its utility in this regard. It further investigates and makes recommendations upon ways in which the Program may be used as an economic recovery tool for businesses and communities in regional Australia.

The recommendations in this submission are supported by data and evidence collected by Government agencies, the NFF and its Membership, media organisations, and other stakeholders. They are also consistent with our 2030 vision for a 100 billion-dollar agriculture industry by the end of the decade. Such a goal requires that Australian farmers are able to weather and recover from the impacts of the current crisis and meet future workforce demands in a way that is efficient, ethical, and affordable.

The NFF would openly support and work alongside Government to implement and publicise the changes outlined herein, as they are consistent with our goals for a stronger, more productive agriculture sector and a more prosperous future for rural and regional Australia.

3. The Working Holidaymaker Program

The Working Holidaymaker Visa Program (the Program) is one of several visa-based, temporary migration programs that enable nationals from certain prescribed countries to live and work within Australia for a fixed, limited period of time. This period may be extended if certain requirements — including a minimum period of time spent performing specified types of work — are met¹. There are two separate working holiday maker visa subclasses: the 417 visa subclass and the 462 visa subclass. The two visas feature minor differences in educational requirements and proof of practical proficiency in English, although recent changes have bridged other more significance differences with respect to eligible countries-of-origin, available areas of specified work, and the availability of the option for an extended stay of a second or third year.

The Program is tailored to applicants of a younger age bracket (18 to 30), and who are sufficiently autonomous, active and mobile to spend an extended period of time in a country other than their own while working to financially support themselves or supplement existing funds. The arrangement is mutually beneficial – with a framework that is sufficiently well-structured to offer some measure of support and security to participants, while also providing them with a travel experience that promotes self-sufficiency, independence and adventurousness². Participants are empowered to immerse themselves fully in their experience of Australia over an extended period, without the need to accrue all the necessary finances in advance. Australian employers within the industries of ‘specified work’ for which participants are entitled to apply for (and required to complete in order to extend their stay beyond the initial one-year period) are provided with a steady, rotating stream of applicants who are willing and able to work in dynamic jobs that do not appeal to urban-based Australian residents. It is all the more beneficial that

¹ Department of Home Affairs, ‘Working Holiday Maker (WHM) program; Specified work and conditions’ - <https://immi.homeaffairs.gov.au/what-we-do/whm-program/specified-work-conditions>

² YHA, ‘Working Holiday Maker Program in Australia’ - <https://www.yha.com.au/travel-and-tours/traveller-stories/working-holiday-maker-program-in-australia/>

these jobs, for which younger, mobile and ambitious candidates may be more suited, are also potentially more *desirable* for those candidates due to being geographically remote, exotic, unconventional and/or temporary in nature³. The employment needs of these businesses are therefore aligned with the interests of the Program participants to the advantage of both groups.

The program's participation rate (based on figures showing first lodgements over the past five financial years) have been in a gradual state of decline⁴. The most recent figures show a 9.3% reduction in the number of first-time visas granted⁵. It is possible that this decline over time is related to adverse economic conditions in participants country of origin rather than a reflection of perceived value or experiences from those who have actually undertaken the program – although recent media highlighting negative experiences by working holidaymakers remains a matter of concern. On the other hand, the figures on lodgements and approvals for second-year applications for both 462 and 417 visas — which is the best metric for calculating the number of 'backpackers' who perform farm work — have increased considerably: from 38 862 in 2013 to 43,219 in 2019. Furthermore, the fact that lodgements for third-year renewals shows a low overall uptake, it is increasing⁶. The complete figures on lodgements by first and second year applicants for the most recent financial year are not yet available, but early reports (discussed below) and the implications of the COVID-19 pandemic would suggest that they will be considerably lower than in recent years. Higher participation in the program is generally desirable, but whether this translates into a benefit for agriculture will largely depend on the internal movements and employment decisions of participants in-country. Active steps should be taken to promote participants to travel to and seek employment in areas where this is high existing demand for workers in specified jobs and an increased availability of seasonal workers will yield the highest economic benefit.

³ Go Overseas, 'What Kind of Working Holiday Jobs Are in Australia & New Zealand' -

<https://www.gooverseas.com/blog/what-kind-of-working-holiday-jobs-are-in-australia-and-new-zealand>

⁴ Department of Home Affairs, 'Working Holiday Maker Visa Program Report' -

<https://www.homeaffairs.gov.au/research-and-stats/files/working-holiday-report-dec-19.pdf>, p 13

⁵ *Ibid.*, p7

⁶ *Ibid.*, p14

Australia's Working Holiday Maker visa arrangements

Commencement Date	Country / Region	Type of Arrangement	Cap
1975	United Kingdom	Working Holiday (SC 417)	N/A
1975	Ireland	Working Holiday (SC 417)	N/A
1975	Canada	Working Holiday (SC 417)	N/A
1 December 1980	Japan	Working Holiday (SC 417)	N/A
1 July 1995	South Korea	Working Holiday (SC 417)	N/A
1 July 1996	Malta	Working Holiday (SC 417)	N/A
1 July 2000	Germany	Working Holiday (SC 417)	N/A
1 July 2001	Sweden	Working Holiday (SC 417)	N/A
1 July 2001	Norway	Working Holiday (SC 417)	N/A
1 July 2001	Denmark	Working Holiday (SC 417)	N/A
15 September 2001	Hong Kong (HKSAR of the PRC)	Working Holiday (SC 417)	N/A
1 May 2002	Finland	Working Holiday (SC 417)	N/A
1 July 2002	Cyprus	Working Holiday (SC 417)	N/A
2 January 2004	Italy	Working Holiday (SC 417)	N/A
20 February 2004	France	Working Holiday (SC 417)	N/A
1 November 2004	Taiwan	Working Holiday (SC 417)	N/A
1 November 2004	Belgium	Working Holiday (SC 417)	N/A
20 May 2005	Estonia	Working Holiday (SC 417)	N/A
1 August 2005	Thailand	Work and Holiday (SC 462)	500
1 March 2006	Chile	Work and Holiday (SC 462)	3,400
1 July 2006	Netherlands	Working Holiday (SC 417)	N/A
31 March 2007	Turkey	Work and Holiday (SC 462)	100
31 October 2007	United States of America	Work and Holiday (SC 462)	N/A
1 February 2009	Malaysia	Work and Holiday (SC 462)	100
1 July 2009	Indonesia	Work and Holiday (SC 462)	1,000
29 February 2012	Argentina	Work and Holiday (SC 462)	1,500
1 April 2013	Uruguay	Work and Holiday (SC 462)	200
1 August 2014	Poland	Work and Holiday (SC 462)	500
23 November 2014	Portugal	Work and Holiday (SC 462)	200
23 November 2014	Spain	Work and Holiday (SC 462)	3,400
21 September 2015	China (excl. SARs)	Work and Holiday (SC 462)	5,000
1 January 2016	Slovak Republic	Work and Holiday (SC 462)	200
1 January 2016	Slovenia	Work and Holiday (SC 462)	200
1 June 2016	Israel	Work and Holiday (SC 462)	2,500
1 January 2017	Hungary	Work and Holiday (SC 462)	200
1 January 2017	San Marino	Work and Holiday (SC 462)	100
1 January 2017	Luxembourg	Work and Holiday (SC 462)	100
1 March 2017	Vietnam	Work and Holiday (SC 462)	200
1 August 2017	Singapore	Work and Holiday (SC 462)	500
1 October 2017	Peru	Work and Holiday (SC 462)	1,500
15 February 2018	Austria	Work and Holiday (SC 462)	200
1 March 2018	Czech Republic	Work and Holiday (SC 462)	500
1 July 2019	Ecuador	Work and Holiday (SC 462)	100
1 July 2019	Greece	Work and Holiday (SC 462)	500
Signed 12 October 2011	Papua New Guinea*	Work and Holiday (SC 462)	100

* Not yet in effect as at 31 December 2019

Source: <https://www.homeaffairs.gov.au/research-and-stats/files/working-holiday-report-dec-19.pdf> , p5

Recent changes made to the Program in order to support regional communities include the added option of a third-year extension provided that 6 months of specified work within regional areas is completed while on a second-year visa

(from July 2019). In addition to this, the period of time that a working holidaymaker may remain with the same employer has been extended from 6 to 12 months (from 5 November 2018). It is too early to tell how effective these changes have been in increasing the available supply of workers to regional areas, but it is reasonable to infer that at least some proportion of participants in the program will seek to extend their stay by a third year, compounding the total number of working holidaymakers available nationally at any given time. Additionally, studies conducted by ABARES have shown that the productivity of individual workers in picking and packing jobs increases significantly after their first year⁷. Therefore, it seems likely that the so overall productivity of agricultural businesses employing second and third-year working holidaymakers in these roles will experience increased productivity.

The more acute impacts of COVID-19 on participation in, and the effectiveness of the program in providing seasonal workers for agricultural businesses are discussed in greater detail below (Section 5 – The Impact of COVID-19 on the Working Holidaymaker Program).

⁷ABARES, ‘Demand for farm workers ABARES farm survey results 2018’ - https://www.agriculture.gov.au/sites/default/files/sitecollectiondocuments/abares/DemandForFarmWorkers_FarmSurveys2018_v1.0.0.pdf, p20

4. The Contribution of Working Holidaymakers to Agriculture

The Program has been of particular benefit to agriculture – and particularly the horticulture sector – by providing a stream of temporary and seasonal workers to the regional areas where these industries operate. It has consistently been reported to the NFF, both anecdotally and in commentary provided through formal survey, that it is remarkably difficult to attract Australian workers to jobs in picking, packing and processing of produce. Indeed, as far back as 2006 the Federal Senate’s Standing Committee on Employment, Workplace Relations and Education dismissed the notion that the long term unemployed could answer the sectors labour woes:

The committee accepts that anyone eligible for unemployment relief would have entered the harvest workforce of their own volition if they were so motivated. It rejects, therefore, the argument that any perceived obligation to the long-term unemployed is a valid reason for rejecting the idea of unskilled foreign labour.

Absolutely nothing has changed in the intervening years to suggest that this conclusion is no longer valid. Indeed, the disappointing performance of the Seasonal Worker Incentive Trial — which, although well intentioned, was label a failure and discontinued in 2019, simply confirms it.

The job roles that are filled by working holidaymakers are often critical to ensuring that produce can be harvested, packed and processed in a timely manner, and the pressure to meet fluctuating demands based on factors such as seasonal weather conditions and the local impact of environmental disasters such as the recent bushfire crisis is very high. Many also find work as general farmhands, drivers and jackeroos, and occasionally may be employed in management or more specialised roles depending on existing skillset and training potential. Both anecdotally and in surveys conducted by the NFF in 2018 and 2019, it has been indicated by many producers that they place a high value on the contributions of working holidaymakers, and it would not be inaccurate to describe their contributions as an essential component of many farm businesses operations. While seasonal jobs in picking and packaging are often described as falling into the category of ‘unskilled’ or ‘low-skilled’ work

and are often only available for brief period during the year, this should not detract from their obvious importance as a vital component of the agricultural supply-chain.

A survey conducted by NT Farmers in partnership with the NT Department of Business and Migration NT in 2016 revealed that 90% of the agricultural workforce in the Northern Territory is composed of working holidaymakers and other overseas workers. Another survey conducted by ABARES in 2018 assessed the demand for farm workers on 2400 farms across Australia in various industries⁸. It was found that working holidaymakers made up the vast proportion of visa-holders working on farms and accounted for around 20% of all workers during peak seasons⁹.

Figure 16 Overseas workers known to have worked in agriculture, forestry and fisheries, 2011–12 to 2017–18



Source:

https://www.agriculture.gov.au/sites/default/files/sitecollectiondocuments/abares/DemandForFarmWorkers_FarmSurveys2018_v1.0.0.pdf

⁸ABARES, 'Demand for farm workers ABARES farm survey results 2018' - https://www.agriculture.gov.au/sites/default/files/sitecollectiondocuments/abares/DemandForFarmWorkers_FarmSurveys2018_v1.0.0.pdf, 19

⁹*Ibid*, vii

A secondary benefit to regional areas where a majority of agricultural businesses are located is that working holidaymakers are customers and patrons at a wide variety of local businesses, including hotels, hostels, cafes, bars, restaurants, retailers, and tourism operators. Any sizeable reduction in their numbers is likely to have major adverse consequences for these industries in regional Australia.

5. The Impact of COVID-19 on the Working Holidaymaker Program

It has been reported that the deficit in working holidaymaker numbers as a direct consequence of the COVID-19 pandemic may be as high as 50,000¹⁰. BYTAP have estimated that by January 2021, only 20% of working holidaymakers will remain in Australia. The NFF is currently in the process of conducting a survey through our membership in order to gauge where the impact of this reduction in numbers will be most deeply felt, in order to better inform and direct efforts to mitigate adverse impacts¹¹. Determining the regionality of worker shortages will be critical to directing an effective response – whatever that may look like. A lack of existing survey data and an inability to track the location of working holidaymakers in-country poses a considerable barrier to assessing the best possible approach to bridging workforce gaps and ensuring that farms who rely on them are able to continue operating. Recent feedback from our membership and producers and those in support industries indicates that while the immediate-term consequences of COVID-19 on workforce numbers are not entirely unmanageable, solutions are needed in order to prevent serious productivity shortfalls during peak seasons over the coming months. In this regard, the threat is once again particularly acute for the horticulture sector.

The functional advantages of the Program derive almost entirely from the fact that it facilitates a high degree of mobility between regional areas within Australia – providing access to suitable work for itinerant holidaymakers and suitable workers for remote employers. Critically, as a *visa* program, its usefulness is neutralised if there is no flow of applicants seeking to enter Australia – though in the shorter term many who are already here may choose to remain and continue living and working insofar as that is possible. The implications of the regular influx of working holidaymakers ceasing to show up

¹⁰ ABC, 'COVID-19 pandemic leads to 50,000 fewer backpackers in Australia, prompting Parliamentary inquiry' - <https://www.abc.net.au/news/rural/2020-06-24/working-holiday-maker-inquiry-called-migration-inquiry-suspended/12388868>

¹¹ NFF, 'Survey asks farmers to report workforce needs' - <https://nff.org.au/media-release/election-2019-survey-asks-farmers-to-report-workforce-needs/>

within the context of the COVID-19 pandemic and its consequences are dire, as the utility of the program as a source of job applicants for regional employers will be diminished as the pool of available workers dries up. The unfortunate truth however is that the dangers of mass transmission through unrestricted travel, to individual lives through infection, and economic harm due to the shutdown of affected businesses are simply too great for the Program to operate as intended under such conditions.

Paradoxically for many working holidaymakers still currently in Australia, locating appropriate work has reportedly proved very difficult since the pandemic began to affect travel and business operations in March this year¹². The closure of many existing businesses employing both Australian residents and working holidaymakers has led to considerable competition amongst large numbers of the recently unemployed for jobs (particularly in specified industries for working holidaymakers seeking to extend their stay). While this does not in and of itself pose a problem for agricultural businesses seeking workers within those areas, it has been suggested that the inability to find suitable work or access Government financial support will demoralise many working holidaymakers into not returning, leading to a considerable shortfall when domestic condition return to normal. This would suggest that urgent action is needed to support and encourage working holidaymakers to extend their current visa terms, and possibly to promote the program overseas in order to attract a new wave of first-year applicants and reinvigorate the program for a post-COVID-19 economic climate.

The consequences of the Program's inability to operate effectively - for businesses and communities who rely upon program participants for seasonal work requirements and patronage - may be severe. Working holidaymakers currently contribute approximately \$3 billion per year to the Australian economy, and a major reduction in their numbers is therefore likely to impose serious losses for regional economic prosperity and productivity.

¹²Bloomberg, 'Backpackers battle for farm work with Australia's new jobless' - <https://www.bloomberg.com/news/articles/2020-04-17/backpackers-battle-for-farm-work-with-australia-s-new-jobless>

The longer that COVID-19 continues to have an effect on international and domestic travel and, consequently, the availability of working holidaymakers the more impactful these consequences are likely to be. In the absence of available workers, produce is prone to rot on the vine and cannot be packaged and processed with optimum efficiency, and the profitability of regional businesses will be affected. A worst-case scenario may see many reliant businesses forced to suspend or cease operations which will have immediate and long-term consequences for local prosperity and the national economic recovery – in addition to severely hampering the push towards a \$100 billion dollar industry by 2030.

6. Supporting Economic Recovery in Regional Australia

The capacity of the Program to support a recovery in regional Australia is limited in several ways, but there is also considerable potential to take steps which would maximise its existing potential to meet workforce demands in both the immediate, and longer term.

While much has been made of the potential for Australians facing unemployment in other industries to fill vacancies in regional and agricultural industries, the suggestion that this would provide a comprehensive solution to labour demands is problematic for several reasons:

- Unemployed Australian residents who are receiving Government assistance would not necessarily be paid at a substantially higher rate working in many entry-level agricultural jobs
- Relocating from urban to rural areas is time-consuming, difficult and expensive
- Large numbers of currently unemployed Australian residents accepting seasonal work would displace working holidaymakers, who would then be unwilling or unable to return to Australia when the pandemic ends and Australian residents are able to return to their original jobs

This does not mean that Australian residents should not or cannot play an important role in filling gaps where they exist due to a local shortfall of working holidaymakers and other temporary migrant workers. As has been noted, it is vital that such efforts be directed by an understanding of where and when demand for working holidaymakers is expected to be highest across the sectors that employ them over the coming 12 months. The NFF and its members have already taken independent steps in order to assess this and would be willing to collaborate with Government and organisations such as ABARES to increase the detail and accuracy of the information being gathered.

The NFF supports and endorses the Backpacker & Youth Tourism Advisory Panel's proposal for a COVIDsafe plan to restart and reinvigorate the Working Holidaymaker program. This plan would involve a pilot program in three critical employment sectors, including agriculture, bushfire recovery and childcare (au pairs). The

program presents a highly practical and well-planned approach to jump-starting regional economic recovery while ensuring health risks are minimised. In order to overcome the significant economic harm caused by the hamstringing of international arrivals (and minimise ongoing harm factors for agriculture and other dependent industries) it is absolutely essential that direct and effective solutions be put into action. COVIDSafe offers a detailed and timely opportunity to do precisely this, at a time when deliberateness and celerity are key to securing an optimal recovery.

7. Conclusion

The NFF makes the following recommendations to the Inquiry as to how the Working Holiday Program may assist in the economic recovery of regional and rural Australia:

- Retention measures to ensure current working holidaymakers do not voluntarily abandon the program and/or fail to return in subsequent years.
For example:
 - The extension of some Government support programs to current visa-holders, in order to retain current working holiday makers and encourage future retention
- Information gathering measures to ensure further steps to address worker shortages are not misdirected:
 - Support and promote a national survey of farm businesses to predict where deficits of working holidaymakers will be highest over the next 12 months
- Relocation measures to place currently unemployed working holidaymakers and Australian residents in high-demand agricultural work over the short-to-medium term:
 - A targeted media campaign to encourage working holidaymakers and unemployed Australian residents to travel to regional areas where the demand for workers is greatest and disseminate provide information about the requisite steps to do so
- Future-proofing measures to ensure future generations of first-year applicants continue to apply, preventing a future deficit in available workers:
 - Seek to promote the working holidaymaker program overseas in uncapped regions to increase numbers of first-year applicants and ensure the stream of working holidaymakers is not seriously disrupted in the longer term

All of that being said, that backpackers are treated as principal source of labour has inherent problems. One integral deficiency of the Working Holidaymaker Program from the perspective of the agriculture sector is that its beneficial value

in meeting regional labour demands is not the Program's central purpose. That means that the backpacker labour force has some significant downsides:

- As a standing pool of labour, the 'backpacker' cohort is inherently unpredictable and unreliable. They are not principally in Australia to work; they are here to vacation and experience Australian way of life.
- The program doesn't offer continuity in the workforce; given that 'backpackers' rarely remain for more than a brief period in one region, the farmer gets a marginal return on the investment they make in training backpackers and developing their skills.
- As 'backpacker' visas are primarily for visitors on a "cultural exchange", their importance to farming may not be recognized and the sector's needs may be disregarded if policy agendas change. The backpacker tax debate is case-in-point
- While the three month (and six month) specified work inducement has been a positive for the sector, it has a significant drawback in that some of the workforce may not be fully willing and engaged with the work.
- The requirement for applicants to satisfy age and academic requirements has also been seen as a drawback, particularly for employers looking for a mature and experienced workforce.
- Most alarmingly, the 'backpacker' visa system — and the "specified work" component in particular — is said to contribute to the potential for exploitation and mistreatment of the workers.

The NFF agrees with the positions adopted by BYTAP in their submission, and particularly notes the observations they make about the relationship between the backpacker tourism industry and seasonal agricultural work. We share their concerns regarding a major reduction in backpacker numbers and acknowledge that the long-term challenges facing the tourism industry through their recovery will have a corresponding impact on the capacity of agricultural businesses to recruit working holidaymakers. The recovery of the tourism industry must also, therefore, be seen as a component of agricultural recovery with respect to the Program's function and utility.

For many years, the NFF has advocated for a Dedicated Agricultural Visa – a built-for-purpose visa scheme to meet the labour demands of the sector in a way that bridges the gaps between the disparate temporary migration programs currently in

place. Such a scheme would serve as an acceptable alternative to the existing Working Holidaymaker Program, provided that it was implemented in a way that exceeds the functionality of current programs and experience the same — or ideal more— success in meeting the labour needs of agricultural producers, is suitably fit-for-purpose and does not hamper agricultural productivity in transition from existing programs. Though prevailing political attitude may be more or less receptive to the notion, the NFF will continue its call for a dedicated ag visa.