

From: [Matthew Collard](#)
To: [Committee, Job Security \(SEN\)](#)
Subject: Sunny Ridge Response
Date: Friday, 4 February 2022 2:36:48 PM
Attachments:

– The Secretary
Senate Select Committee on Job Security

Dear Secretary

I refer to an article in the Sydney Morning Herald of 2 February 2022 which reported that Sunny Ridge strawberry farms, of which I am the interim MD, was accused of subjecting Pacific Island workers to "dreadful conditions" on its farms.

The article cited one Samoan worker who appeared before the Committee and said he and his co-workers at Sunny Ridge earned \$100 for a 60 hour week after employer deductions for accommodation, transport and health insurance.

These allegations are fundamentally incorrect. We have a strong track record of providing a safe and healthy work environment. The Company has been a strong supporter of the seasonal worker program utilising government and private entities who are the registered Approved Employers for these workers. The majority of our picking and packing workforce are sourced through Approved Employers. We are obligated to pay the workers based on the current piece rate system. The Company remits payment to the Approved Employer which includes the piece rate for the work undertaken in the week, the proportional payroll tax, insurance and superannuation costs. In addition, the Company is also charged a commission by the Approved Employer so that they can carry out their duties of coordinating flights, accommodation, travel to and from the work site, private health insurance and airfares.

The workers called to submit evidence at the hearing are not employed by Sunny Ridge but by MADEC Australia, a not for profit, government sponsored seasonal worker provider, which has sole responsibility for all payments and deductions, as well as responsibility for the pastoral care of the workers.

The workers are brought to Australia by MADEC who pay the workers' travel and accommodation expenses upfront.

I have been provided by MADEC with the full payment details of two Samoan workers who gave evidence to the Committee and I attach their pay sheets which show the following:

Both workers picked fruit on our farms for 12 weeks between 10 November 2021 and 2 February 2022.

Within the 12 week period neither of the workers achieved greater than 50 hours work per week and definitely not the 60 hours stated.

Aleki maximum hours work in a week was 48.03 hours with his average over the 12 week period being 32.82 hours. The average gross payment made by Sunny Ridge was \$980.26

per week and from the information provided by MADEC, A 's average net payment was \$396.40. It would be appropriate to contact MADEC for further details on what constitutes the exact breakdown of the deductions but from our understanding the Approved Employers only deducts actual costs and these include accommodation, transportation, private health insurance and recover of return airfares. The latter can be spread over the first ten weeks of the workers employment which for A may provide a distorted high cost to what would be his average deductions over a full picking season.

Talipope (T) maximum hours work in a week was 47.95 hours with his average over the 12 week period being 32.65 hours. The average gross payment made by Sunny Ridge was \$962.73 per week and from the information provided by MADEC, T 's average net payment was \$439.56. Once again MADEC is the relevant party to explain the deductions from T 's weekly earnings.

On three occasions A received \$100 net but it is necessary to point out he only worked 18.40, 19.17 and 30.38 hours on those occasions. The statement that 60 hours was worked and only \$100 net was earned is false and misleading.

On three occasions T received \$100 net but only worked 19.75, 16.92 and 7.25 hours on those occasions. The statement that 60 hours was worked and only \$100 net was earned is false and misleading.

These records show that the information supplied to the Committee in reference to Sunny Ridge is false.

The news article written by Angus Thompson is also incorrect by implying the grower Sunny Ridge is responsible for accommodation and the deductions taken from the seasonal workers.

It is important to acknowledge the distinction between Grower and an Approved Employer of seasonal workers.

To my knowledge MADEC are the largest supplier of seasonal workers in Australia and through my liaison with the CEO it is very clear he has an objective to secure safe and sustainable conditions for his employees. It is disappointing MADEC as the registered employer and sponsor of the two Samoans was not consulted to participate in the hearing to ensure accuracy.

I attach some notes provided by the MADEC CEO for the purpose of publication in the Weekly Times to refute the SMH allegations. These notes give a graphic indication of the extent of the problem.

Sunny Ridge would be prepared to give sworn evidence to the Committee in order to correct the record.

The Committee may also wish to recall the two Samoan workers to provide them with an opportunity to explain the situation.

Yours sincerely

Matthew Collard



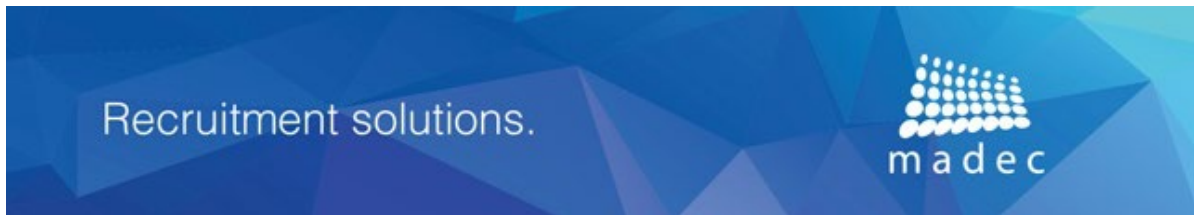
Matthew Collard

From:

Subject: FW: article
Date: Thursday, 3 February 2022

Laurence Burt
Chief Executive Officer

MADEC Australia
126-130 Deakin Ave, Mildura, VIC, 3500



This is the general feedback provided to the weekly times. I don't expect that we will see much more interest from the media but I will keep you informed

Deductions

Approved Employers such as MADEC are regulated and approved by Government Seasonal Worker Program

MADEC disputes the intent of the statements made to imply that deductions are made unlawfully or to the advantage of their employer

Deductions are payments made by workers to reimburse the actual cost incurred by employers for services provided to the workers.

There are generally two types of salary deductions, on arrival costs and weekly costs

On arrival - Approved Employers such as MADEC are required to pay up front for worker return international air fare, visa's and domestic transport to their place of work and provision of cash advances on arrival

These are generally recovered from workers, at cost, in the first 6 weeks to 10 weeks or a 9 month work assignment depending on the workers earnings. The value of these costs vary, mainly depending on the cost of the international air fare

Weekly - AE's are also required to organise and pay for full cost of accommodation (Accommodation, wifi, Linen, Cleaning, Gardening, Utilities), transport (purchase and maintenance of vehicles for work and for leisure) and private health insurance. These costs are paid by the approved employer and then each week recovered from the workers by way of salary deductions.

MADEC does not make money from these deductions –deductions are recoveries of costs, at cost, incurred on the workers behalf. The value of these costs vary depending on the cost of the accommodation charges by the accommodation provider. Generally all of these weekly costs would be less than \$220 per week.

All cost, whether weekly or on arrival costs, are paid in advance on behalf of the worker by Approved Employers and workers pay those cost in arrears when they earn income. Approved Employers are not permitted to take deductions for more than actual cost of services provided

All deductions from salaries taken are in accordance with swp and fairwork guidelines

Deductions are explained in written offers of employment before workers come to the country and variations to employment if they occur. All deductions are supported by a signed deduction authority

from the worker. They are detailed on payslips every week and explained to workers when they seek clarification.

Absconding

Absconding of swp workers is a major issue in Australia that all Approved Employers are experiencing - It is rife across the country

Approved Employers sponsor workers and pay significant costs, to enable workers to come to Australia and be suitably supported while in Australia

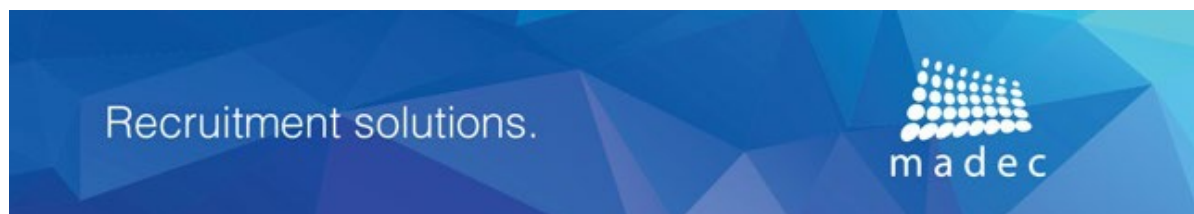
Workers absconding from their sponsor, usually leaving behind them large debts that have been paid up front of their behalf. This practice, spurred on by dodgy operators, has cost Approved Employers like MADEC millions of dollars and is getting more frequent.

It is a nonsense to suggest that the broad scale absconding issue that all employers are experiencing is the result of exploitation. MADEC have experienced workers absconding as soon as they step of the international flight that bought them to Australia. More frequently it is a matter of people intentionally avoiding their financial obligations to their employer or the lure of what they are told is a better deal elsewhere

AE's have been raising this with government as a critical issue for the past 2 years and we are yet to see a solution. Improved enforcement action taken by border force in accordance with visa rules and regulations would be welcomed

Laurence Burt
Chief Executive Officer

MADEC Australia
126-130 Deakin Ave, Mildura, VIC, 3500



From: Laurence Burt
Sent: Thursday, 3 February 2022
To: Laurence Burt
Subject: article

Laurence Burt
Chief Executive Officer

MADEC Australia

Date Range:

10/11/2021 To

2/02/2022

EMPLOYEE NAME	CLIENT NAME	PAY PERIOD END	Total hours	Gross Amount	Tax	Deductions	Net Amount	Total Super
Aleki	SR OP CO PTY LTD	10/11/2021	40.17	1378.06	207	435.64	735.42	137.81
	SR OP CO PTY LTD	17/11/2021	19.17	519.6	78	341.6	100	51.96
	SR OP CO PTY LTD	24/11/2021	28.17	854.7	128	579.03	147.67	85.47
	SR OP Co Pty Ltd (VIC)	1/12/2021	18.40	625.5	94	431.5	100	62.55
	SR OP Co Pty Ltd (VIC)	8/12/2021	30.38	937.2	141	696.2	100	93.72
	SR OP Co Pty Ltd (VIC)	15/12/2021	37.59	1123.95	169	566.86	388.09	112.4
	SR OP Co Pty Ltd (VIC)	22/12/2021	21.01	748.6	112	218.5	418.1	74.86
	SR OP Co Pty Ltd (VIC)	5/01/2022	39.50	1159.25	174	633.02	352.23	115.93
	SR OP Co Pty Ltd (VIC)	12/01/2022	46.63	1361.71	204	414.52	743.19	136.17
	SR OP Co Pty Ltd (VIC)	19/01/2022	42.16	1272.6	191	414.52	667.08	127.26
	SR OP Co Pty Ltd (VIC)	26/01/2022	48.03	1080	162	291.44	626.56	108
	SR OP Co Pty Ltd (VIC)	2/02/2022	22.67	702	105	218.5	378.5	70.2
	Aleki Total				11763.17	1765	5241.33	4756.84
Talipope	SR OP CO PTY LTD	10/11/2021	45.50	1135.4	170	435.64	529.76	113.54
	SR OP CO PTY LTD	17/11/2021	19.75	501.85	75	326.85	100	50.19
	SR OP CO PTY LTD	24/11/2021	28.17	842.5	126	579.03	137.47	84.25
	SR OP Co Pty Ltd (VIC)	1/12/2021	28.09	874	131	416.52	326.48	87.4
	SR OP Co Pty Ltd (VIC)	8/12/2021	16.92	482.8	72	310.8	100	48.28
	SR OP Co Pty Ltd (VIC)	15/12/2021	39.55	1078.1	162	414.52	501.58	107.81
	SR OP Co Pty Ltd (VIC)	22/12/2021	31.59	986	148	218.5	619.5	98.6
	SR OP Co Pty Ltd (VIC)	5/01/2022	39.50	1446.85	217	633.02	596.83	144.69
	SR OP Co Pty Ltd (VIC)	12/01/2022	46.41	1263.1	189	414.52	659.58	126.31
	SR OP Co Pty Ltd (VIC)	19/01/2022	41.08	1599.5	240	414.52	944.98	159.95
	SR OP Co Pty Ltd (VIC)	26/01/2022	47.95	1180.6	177	345.12	658.48	118.06
	SR OP Co Pty Ltd (VIC)	2/02/2022	7.25	162	24	38	100	16.2
	Talipope Total				11552.7	1731	4547.04	5274.66
Grand Total				23315.87	3496	9788.37	10031.5	2331.61