

Senate Select Committee on Job Security

Questions on Notice

Question 1 – page. 46

CHAIR: What percentage of your growers are covered by the requirements of the Seasonal Worker Program and Fair Farms?

Mrs Hoschke: The accreditation for Fair Farms and SEDEX are absolutely essential for the supply chain. In terms of our relationship with Driscoll's, Woolworths and ALDI, that's a basic requirement— they need to be accredited through either of those programs, depending on which variety you're growing. I would have to take it on notice to get you a formal answer, but I would say that all of our growers would be accredited through that.

CHAIR: But you don't know offhand? You'd have to check?

Mrs Hoschke: That's right, I would have to check. It's not my area of expertise.

QON Response: We have approximately 99 growers registered with the Fair Farms program, which is approximately 77% of our entire grower base. The remaining growers are registered under the SEDEX program.

Question 2 – page. 46

CHAIR: Thanks, Senator Small. I might just ask a couple more questions and then hand over to Senator Grogan. I want to go back to the question about the audit process. The cooperative being such a large producer of blueberries, have you come across instances of exploitative acts, poor payment, poor pay systems or unsafe practices?

Mrs Hoschke: I would have to take that on notice, sorry. It's not within my experience. We do have a workplace health and safety compliance team, and I'm more than comfortable to provide you with some information.

QON Response: We are not aware of any instances.

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CHAIR: Are you able to give us the audit procedures? The reason I'm asking this is that one of the things we've been doing during the inquiry is looking at what happens in supply chains where there are other bodies which are above—in this case, the cooperative above the farmers, in a sense, which is slightly different. If you could provide what the audit process is—what's actually looked at, how often it's done, how many farms get looked at and over what period of time—that would be very helpful.

Mrs Hoschke: Yes.

CHAIR: Can you tell me any of that off the top of your head?

Mrs Hoschke: No, I'm sorry, I can't. It's not my area of employment.

QON Response: The key objective of the Fair Farms program is to lift employment practices across the Australian horticulture industry and to reduce the risk of workers exploitation. The key areas it covers is employment and work health and safety laws and regulations.

Generally, the Fair Farms process requires the grower to register and then complete an online self-assessment (OSA). The OSA will then determine whether the grower requires further training. If so, Oz Group will provide training and support to those growers. Once training is

completed, the grower may then arrange for an audit which is through an external auditing body. Once the audit has been completed, and provided the grower has zero non-compliances, Fair Farms will issue a certificate. Depending on the score of the first audit, the grower will be re-audited every year, two years or three years.

The SEDEX program is generally similar to the above process.

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Mr Kellaway: In terms of the COVID-safe plans that we had in place, as soon as we found out about that grower, there was an alert put out to all of our grower network, as well as our workers, relating to the positive case that had been discovered and that we were made aware of. We then did tracing of the results of that particular grower and found out that workers on that farm—I believe there were four, but I'd have to take that on notice—were also living on the farm, and as a result it was subsequently contained. From that perspective, it just so happens that the case was well contained. But there are plans that we have in place which, to us, reflect the new normal as it relates to these circumstances arising on a continual, ad hoc basis, and we have management plans in place to address and confront those matters.

...

Mrs Hoschke: I'm happy to repeat some of that. Essentially we did a lot of work with our workplace health safety and compliance team to ensure that that grower was isolated. The workers that tested positive were residing on his farm, so we worked with NSW Health to identify the people at risk. That grower was dropping fruit to one of our drop points. We closed that drop point down and did a deep clean, and had all the staff at that drop point COVID tested, even though the risk that they had been exposed was quite minimal.

Senator GROGAN: Can you step us through the time line. The information I have would indicate that the grower had been positive since about 12 October. What was the time frame from there, in terms of you informing not only the other growers but also the workers?

Mrs Hoschke: I would have to take that on notice and provide a response from our workplace health and safety manager, because I'm not involved at that level. I'm happy to provide a response; I just don't know at this point in time.

QON Response:

- James Kellaway (CEO) called Josh Akau (WHS and Compliance Manager) into his office at approx. 11:20am on 22/10/2021 to advise that one of our growers is COVID-19 positive. This was the first time Josh Akau was made aware of the situation.
- Josh Akau called the grower at 11:58am on 22/10/2021, who confirmed that he is COVID-19 positive and was self-isolating on his farm. The grower also advised that he was infectious since the 12th of October 2021.
- Josh Akau sent out an email at 12:01pm on 22/10/2021, notifying all growers about the situation.
- Oz Group sent out the same message via text message to all growers at 13:12 on 22/10/2021.
- Josh Akau forwarded the same email at 12:52pm on 22/10/2021, notifying the Senior Management Team about the situation.
- Josh Akau sent out an email at 14:48 on 22/10/2021, notifying all staff about the situation.
- Josh Akau posted the same message on Employment Hero at 14:50 on 26/10/2021.

Question 5 – page. 48

Mr Kellaway provided a response during the hearing, but it was difficult for senators to hear, and the Chair indicated this question should also be put on notice.

CHAIR: I can probably put the majority of my questions on notice, but I want to ask this one. Mr Gurmeh Singh, the former chairman of Oz Group and a current member of the New South Wales Legislative Assembly, said in 2018, 'The blueberry industry is too tied up in red tape, including in relation to labour standards.' Do you think there is too much red tape in the fruit picking industry, Mr Kellaway?

Mr Kellaway: There are a lot of compliance matters that we comply with and need to comply with, but it does provide a level of red tape— your word, Senator—as it relates to managing the business moving forward. We're happy to detail what some of those measures might be but **compliance measures are** a cost to the business. Whether it be a cost to Oz Group as a cooperative or a cost to each grower, these are the ongoing issues, getting back to the previous point raised, going to cost priced [inaudible] as the basis of business. The principle and the lens I've looked at this **through is, is it fair and** equitable to all stakeholders [inaudible] ~~looking at that [inaudible] what is fair and equitable for stakeholders.~~ I emphasise that [inaudible] the procurement of labour is part of key stakeholders **and needs to be considered in terms of fairness.** [inaudible]

CHAIR: Mr Kellaway, we only got parts of that, so I will probably send that question to you with my questions on notice. I'm not sure whether you answered this part of the question, because we couldn't quite hear it: do you see, as did the former chairman, who is now in the New South Wales Legislative Assembly, that red tape includes a relationship to labour standards? We've seen piecework across the sector where people are getting paid as little as \$3 per hour. There have been inquiries from Harvest Trail and the Fair Work Ombudsman; I'm sure you will be aware of, at least broadly, some of the findings there. We've heard some pretty shocking evidence about workers sleeping on mattresses on the floor, with overcrowded accommodation, and pay rates as low as \$3 per hour. Do you think it sounds like an issue over regulation?

QON Response: Highlighted clarifications above.