

Growcom

Submission to the Senate Employment, Workplace Relations and Education References Committee

Inquiry into Pacific region seasonal contract labour

March 2006

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1. INTRODUCTION

Growcom is the peak representative body for the fruit and vegetable growing industry in Queensland, supporting thousands of fruit and vegetable growing enterprises in rural and regional Queensland. Growcom welcomes the Senate Employment, Workplace Relations and Education References Committee's inquiry into Pacific region seasonal contract labour.

Queensland supports thousands of fruit and vegetable growing enterprises that are the principal driver of many local communities and economies in rural and regional Queensland, providing over 25,000 jobs and contributing more than \$1.5 billion to the economy of the state every year. In 2002-03 HAL estimated the Australian exports of fresh vegetables as \$195 million, exports of fresh fruit as \$486 million and exports of Australian nuts as \$97 million, in addition to produce for internal markets. It is essential for future industry growth and productivity that a resourceful horticultural industry within Australia is maintained to continue positively contributing to Australia's economy.

The availability of human capital is of significant concern in the horticultural industry. The issue of labour shortages is multifaceted and has arisen from a range of interrelated factors including drought, younger generation migration to urban areas, isolation and low produce returns. This issue has caused much debate in previous years however no effective solutions have been reached to reduce the strain on growers' resources. Labour is the most significant cost for horticultural businesses, representing up to half of the overall operational costs. Considering the importance of sufficient human resources, Growcom believes it is necessary to establish an action plan to combat national labour shortages that continue to constrain Australian farmers. The potential for contracting labour from the Pacific Islands to reduce these constraints will be investigated in this submission and in the inquiry.

2. METHODOLOGY

In order to inform our understanding of the nature of the labour situation in the horticultural industry in Queensland, Growcom conducted extensive industry consultations recently. The consultation through media releases, articles in Queensland periodicals (including Fruit and Vegetables News and Horticulture Now) and through our network of Industry Development Officers throughout the State. This was done to encourage growers, industry stakeholders and other interested parties to contact Growcom to share opinions and experiences. As part of this process, we undertook a formal survey which included questions to obtain information about personal experiences with labour shortages, how shortage problems have been resolved in the past, support for the Pacific Island seasonal contract workers scheme, growers' ability to cater for Pacific Islanders and any other issues that may arise through the availability of this seasonal contract labour. Our response to this inquiry has been framed to reflect the feedback received to the formal survey and as part of our wider consultation processes.

3. TERMS OF REFERENCE

The Senate Employment, Workplace Relations and Education References Committee's Inquiry on the viability of a contract labour scheme between Australia and countries in the Pacific region will take into account five terms of reference:

1. Labour shortages in rural and regional Australia;
2. The availability and mobility of domestic contract labour, and the likely effects of such a scheme on the current seasonal workforce;
3. Social and economic effects of the scheme on local communities;
4. Likely technical, legal and administrative consideration for such a scheme; and
5. The effects of the scheme on the economies of Pacific nations.

It is understood that all submissions will be considered by the Senate Employment, Workplace Relations and Education References Committee in determining the viability of contracting seasonal labour from the Pacific Islands.

Growcom's response will concentrate on the first two terms of reference.

4. LABOUR SHORTAGES IN RURAL AND REGIONAL AUSTRALIA

The horticultural industry is a significant economic contributor and is among the most labour intensive of all farming industries. Growcom primarily represents the fruit and vegetable growing industry in Queensland and will therefore focus primarily on labour shortages in this state. As at January 2006, there were 1,991,000 persons employed in Queensland, with a 5.0% unemployment rate and 65.9% participation rate.¹ At the time of the 2001 census, there were 18,044 persons employed in the horticultural industry, with the south-east region recording the largest number of employed persons (10,574 persons or 58.6%). Of these, 38.5% were employed in the fruit industry, 30.3% in the vegetable industry and 20.7% in plant nurseries.² We believe since that time, employment numbers have grown significantly in some areas.

Although there are a large number of people employed in this industry, labour shortages have been a prominent issue for many years. The availability of human capital is of significant concern and is in critical need of an action plan to reduce the potential for further negative outcomes in the future. Labour issues have arisen in rural and regional Australia as a result of lower birth rates, an aging demographic profile, increased personal wealth, provision of social welfare, sustained economic growth, low unemployment and higher levels of education. All of these factors have combined to reduce the number of persons willing to undertake physically demanding labour for relatively low levels of income.³

No specific detailed data is available with precise estimates of labour shortages in rural and regional Australia. A reason why these figures are difficult to estimate is the large proportion of workers who are employed on a casual or temporary basis. However, both Commonwealth and State governments have acknowledged the problem of labour shortages (in the horticultural industry and Australia as a whole) and have instigated several measures to ease the concern. One such measure has involved changes to the Working Holiday Maker Program allowing working holiday makers who have worked as a seasonal worker in regional Australia for a minimum of three months the eligibility to apply for a second working holiday visa.

Queensland is characterised by an aging population. The median age of persons employed in horticulture in 2001 was 50 years.² As older generations retire, labour shortages will

continue to be a prominent issue in Queensland and nationally. Furthermore, there are a decreasing number of farms and growers located throughout Australia. This has eventuated partly as a result of the trend in recent years for younger generations to migrate to cities to pursue higher education or career opportunities instead of taking over the family farm. Also younger generations generally locate employment opportunities within industries that pay significantly higher wages than the horticultural industry. There are also concerns that younger persons are going to work in the mining industry instead of horticulture. One grower stated that mines are competition for new labour. Figure 1 demonstrates the trend and predicated future of farmer populations from 1976 to 2031, illustrating the inverse relationship between the median age and quantity of farmers.

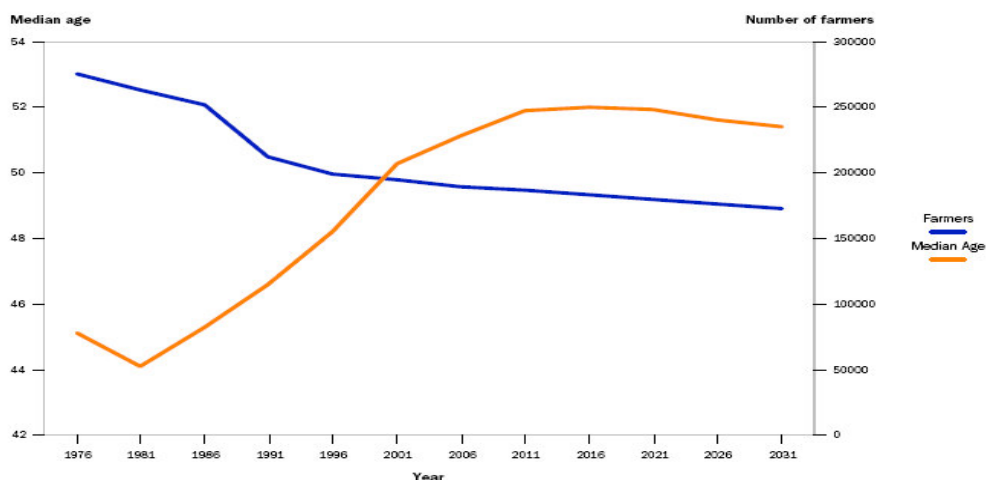


Figure 1. Historic and modelled future farmer population and median age
 Source: ABS (2004) ⁴

There is no detailed data available on the aging population of employees. Much discussion focuses on the aging population of farmers, not on the aging population of horticultural employees. Whether this issue would have an additional impact on labour shortages should be investigated further to determine the full extent of the issue in relation to this inquiry.

Another factor contributing to labour shortages in the horticultural industry is the seasonal nature of the employment which is also dependant on crop cycles. Furthermore, seasonal labour requirements vary considerably throughout the state, for example, there is a demand for labour at Stanthorpe for apples from January through to May, which is disparate with labour demand at Emerald for grape pruning from May through to October.

Employee perceptions of employment opportunities in the horticultural industry are also a significant factor contributing to labour shortages. The findings of the consultation process for the HAL facilitated report by Growcom on the horticultural labour situation in June 2005 found the following employee perceptions contributed to labour shortages:

- Low wage rates;
- Low security of employment;
- Poor image;
- Lack of career paths;
- Tough work conditions;
- Physically demanding;
- Location;
- Poor recognition of skills development; and
- The hours of work.

In addition to employee perceptions, growers (employers) identified several issues that are contributing to labour shortages which are:

- A lack of motivation for completing physically demanding labour;
- A historical change in itinerant workers which used to involve several generations working together has changed as a result of an increased focus on education;
- Change in migration policies which now focuses on skilled labour migration, depleting unskilled migration labour supplies important to growers;
- Low unemployment rates resulting in potential employees moving towards higher paid industries for employment; and
- Social security system with little discrepancy between social security payments and award rates of pay.

The issue of labour shortages is not only confined to the horticultural industry. In recent times, there has been an increasing awareness of labour shortages in other industries including health and education. Remuneration rates within these industries are generally significantly higher than the horticultural industry, therefore the argument that increasing wage rates will diminish labour shortages is unfounded.

In May 2005, the Tourism & Transport Forum Australia (TTF) conducted a survey amongst members in hospitality, transport, aviation, infrastructure and development and tourism.⁵ The results included:

- TTF Members' businesses were seriously affected by labour shortages with the majority of Members (75%) having difficulty filling positions;
- Many had trouble recruiting in Darwin and Perth and in regional areas specifically Central Australia, Western Australia, Tasmania and Far North Queensland; and
- The three month limit at a place of employment in the Working Holiday Maker scheme was seen as a barrier as it usually takes up to three months for employees to become fully competent, productive and confident.

Low unemployment rates are further decreasing the supply of labour to all industries within Queensland. Many growers stated that persons who were unemployed were often unemployable because of their demeanor, lack of motivation and poor productivity. Figure 2 demonstrates the trend in unemployment rates in Queensland between 1978 and 2005.

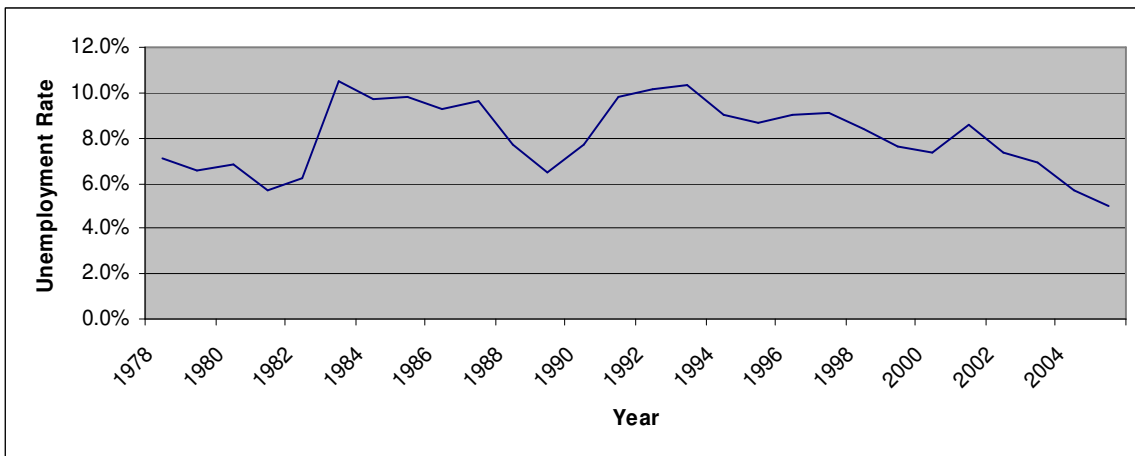


Figure 2. Trend in Queensland unemployment rates from June 1978 to June 2005. Source: ABS (2006)⁶

There is a demand and increasing interest in mechanisation to reduce labour shortages and costs of production. The idea of mechanisation is continuing to be adopted over time. R&D initiatives in mechanisation may help growers with planting, picking, harvesting and packing their produce at varying points and stages. The potential for mechanisation for some sectors of the industry is significantly higher than others. However, regardless of future developments in mechanisation, human capital will continue to be a major requirement during production or supply to market places. As a result, labour issues will continue to be a prominent issue in horticulture separate from advancements in mechanisation.

The affects of the drought have also had major implications on labour supply in the horticultural industry. Unemployed core skilled staff left horticultural regions during the drought to find alternative employment opportunities and are unlikely to return to the region in the future. In addition, labour that arrived in regions often frequented by backpackers or located on the harvest trail were frustrated to find no employment opportunities as a result of the drought. It is difficult for regions affected by drought to overcome its future implications. It is likely that labour shortages will continue to impact upon these regions for many years.

5. THE AVAILABILITY AND MOBILITY OF DOMESTIC CONTRACT LABOUR, AND THE LIKELY EFFECTS OF SUCH A SCHEME ON THE CURRENT SEASONAL WORKFORCE

A study recently conducted by Growcom facilitated by HAL in June 2005 analysed the horticultural labour situation. It was found the horticultural labour sector has five employee classifications which included:

- *Australian locals in horticultural regions*: workers who reside on a permanent or semi-permanent basis in the region of employment;
- *Full time or seasonal itinerant workers*: non-local Australians under 55 years of age and non-local Australians over 55 years of age ('grey workforce' which are primarily retired and seek employment as they tour Australia);
- *Australian students*: secondary or tertiary students who gain employment during holiday periods;
- *Working holiday makers or backpackers*: persons who have a permanent place of residence other than Australia; and
- *Immigrants*: enter Australia under a variety of programs such as Skilled, Family or Special Eligibility Migration or Humanitarian Program Migration.

The availability and mobility of these employee types will be evaluated in more detail below.

5.1 Australian locals in horticultural regions

In the majority of industries within Queensland, many local employment opportunities are fulfilled by local residents. However, this is not the case in many horticultural communities throughout the state. There are many cases where growers are short staffed although there are available or unemployed local residents. Numerous factors contributing to poor perceptions of horticultural employment opportunities were identified earlier that have contributed to the disinterest of locals to work within the industry.

A common characteristic of employment within the horticultural industry is the limited opportunities for permanent work placements. It is likely that many local residents would therefore pursue employment in industries that offer more permanent positions. As a result, labour availability within a community would diminish for horticultural businesses which already experience labour shortages.

Growcom has received numerous comments from growers that persons who are unemployed are not motivated to find employment including work in the horticultural industry because the social security system is too generous. This criticism can be demonstrated in the following example:

One region in Queensland that is affected by labour shortages is North Queensland. The North Queensland tropical fruit and vegetable industry is important to the local economy as well as to the state's vital food and agribusiness sector. For example, in the 2003 cropping season the area produced 28,000 tonnes of bananas with a value of 31.35 million. The Australian Banana Growers' Council Inc. (2004) estimated that North Queensland had 569 growers producing 81.9% of Australia's overall production.

However, labour shortages are a common issue amongst growers. There is general consensus in the region that locals do not want to work as the social welfare system is too generous. This is indicated in the higher rates of unemployment compared to other areas of the state and Australia. At the time of the 2001 census, the unemployment rates of areas in Northern Queensland included:

- Herberton (S) – 16.6%
- Eacham (S) – 9.9%
- Mareeba (S) – 8.8%
- Atherton (S) – 8.1%
- Johnston (S) – 7.7%

In 1999 within the Kennedy electorate (including Innisfail, Tully, Mareeba and Atherton) there were 5,871 persons on newstart allowance, 8,109 persons receiving rent assistance, 7,804 families receiving family tax payment and 4,201 persons receiving disability support pension.⁷ Considering there are less than 100,000 persons within the Kennedy electorate over the age of 18 years, these figures are quite significant. Growers concerns that generally persons on social welfare are unmotivated to partake in horticultural employment opportunities are reinforced through these figures.

It is important to note that growers consistently say they want a reliable and motivated workforce. Many unemployed persons do not want to work and therefore growers do not want to employ them on their farms. It is highly unlikely that utilising the unemployed population for employment in the horticultural industry will alleviate labour shortage issues.

The availability and mobility of labour within a community would differ considerably depending on location, crop types, remoteness, population demographics, unemployment rates, industry characteristics and the demand for labour. In a broad sense, it can be stated that the availability and mobility of domestic contract labour within a community will remain generally the same in the future. The efficiency and effectiveness of this labour supply may however differ, but this issue is outside the scope of this study.

5.2 Full time or seasonal itinerant workers

There is a diminishing source of full time or seasonal itinerant workers at present. In the past, many families travelled together to gain employment opportunities in the horticultural industry. This trend is changing as younger generations seek higher education opportunities or careers with higher remuneration packages. However, as the aging population begins to

retire, increasing the proportion of the population in retirement, there maybe increasing numbers of “grey nomads” seeking seasonal employment opportunities. There is a concern of how productive these workers are in the horticultural industry. It is highly unlikely that growers would be able to rely on extended numbers of “grey nomads” to cater to their labour needs.

5.3 Australian students

The ability of growers to employ students in their seasonal workforce would be dependant on the remoteness or location of employment as well as their peak seasonal demands for labour. Furthermore, many students would access employment opportunity information from their educational institution’s website, which may not be a convenient way for growers to advertise their employment requirements.

Positive feedback has been received in relation to Australian students. Many growers stated that students were a reliable source of labour, however were only available during their designated school holiday periods. Australian students have the potential to return to undertake employment opportunities each school holiday period. However, once these students completed their studies, growers would be required to locate additional seasonal workers to replace the students who have moved on.

The availability and mobility of Australian students has the potential to be further explored. Many students are likely to be unaware of the excess employment opportunities available in the horticultural industry during their holiday periods. Promoting awareness and seasonal employment opportunities within educational environments may help reduce labour shortage issues in the horticultural industry. However, it is likely that this will not significantly alleviate labour shortages as the same perceptions of the type of employment will still exist in society. Furthermore, a large proportion of students are likely to locate employment opportunities closer to their place of residence and which provide work experience in industries related to their future career goals.

5.4 Working Holiday Makers or Backpackers

A large proportion of growers within the Queensland horticultural industry rely on working holiday makers or backpackers for their seasonal employment requirements. There were several growers who found this labour source adequate and sufficient to fulfil their seasonal labour needs.

However, there was an underlying theme that backpackers were not the chosen source of labour, but in some cases were the only source. Many growers are reluctant to hire backpackers for the following reasons:

- Backpackers are a transient population who are permitted to work with one employer for a period of 3 months before being required to move on;
- Training backpackers can take some time, and often are only just trained before being required to move on; and
- Because backpackers are on a “working holiday” many growers find they have a low care factor in relation to their reliability and quality of work performed.

The availability and mobility of working holiday makers or backpackers is likely to remain fairly similar in the future to present conditions. Recent changes to the Working Holiday Maker Program allowing working holiday makers who have worked as a seasonal worker in regional Australia for a minimum of three months the eligibility to apply for a second working

holiday visa may have an impact on labour shortage issues. However, the extent of this impact needs to be investigated further.

5.5 Immigrants

The Department of Immigration and Multicultural Affairs has a General Skilled Migration Program which is designed to attract people who have skills in particular occupations that are required in Australia. This initiative aims at encouraging economic growth in Australia and offered more than 68,000 places for skilled migrants in 2003-2004. There is a list of requirements that potential migrants need to meet including skills in an occupation listed on the Australia's Skilled Occupation List.

The majority of labour shortages in the horticultural industry involve employment which would not be classed as "skilled occupations". Distinctions are not made between the skill levels required in various aspects of horticultural labour including harvesting. As a result, the Skilled Migration Program is unlikely to have an impact on labour shortages in this industry. There is potential for improvement in this area.

5.6 Other initiatives on increasing availability and mobility of domestic contract labour

The Harvest Trail is a strategy that was developed by the Department of Workplace Relations that targets all labour markets within Australia. The service provides information on seasonal employment opportunities that exist throughout Australia that encompass the harvesting of fruit and vegetables. The federal government created a link on their Jobsearch website, which can be accessed through Centrelink and the internet. Currently, the harvest trail is operated from Mildura in Victoria.

The initiative is seen by Growcom as a step in the right direction. However, it needs significant internal improvements to allow the service to operate at its full potential. Most importantly, the very southern-centric nature of the service has posed difficulties for uptake in Queensland where industry needs and issues are very different. Even if the operation is improved, it is unlikely that this alone will solve labour shortage issues in the industry.

Common criticisms and suggestions in regards to the Harvest Trail include:

- Inability to match supply and demand of labour requirements. State representatives are located in Mildura which reduces their ability to efficiently match supply and demand in each state;
- Insufficient promotion to successfully encourage unemployed Australian to take up harvest work opportunities which could reduce the dependence on working holiday makers; and
- Appropriate government support be provided to allow for the maintenance of existing offices and the establishment of new offices in regions requiring seasonal labour around the country.

A further source of seasonal labour may involve indigenous communities. For example, a pilot scheme was conducted to bring young indigenous workers from Cape York to pick fruit in Victoria and South Australia. Encouraging the involvement of indigenous communities in alleviating labour shortages in the horticultural industry has the potential to benefit both the growers and the indigenous communities. It is unlikely that this strategy alone would alleviate labour shortages. However, in conjunction with a scheme such as contracting seasonal workers from the Pacific Islands has huge potential for the future viability of the industry.

5.7 Likely effects of Pacific Labour scheme on current seasonal workforce

It is unlikely that the introduction of a scheme to import seasonal labour from the Pacific Islands would have an adverse impact on the current seasonal workforce. The development of such a scheme would be advantageous to the current seasonal workforce by providing additional workers to help with work loads. This has a significant potential to reduce the stress levels off both the growers and the current seasonal workforce.

There would be a requirement for effective and efficient coordination of the scheme to adequately determine supply and demand for labour within each community. The issue of supply and demand is extremely important, as adequate labour supplies may exist but are distributed to areas where they are not required. If Pacific Islanders were contracted to areas where there were abundant supplies of backpackers would result in a complete waste of human resources that were essential elsewhere.

6. CONSULTATION WITH QUEENSLAND INDUSTRY

Growcom conducted a consultation in February 2006 with growers and Industry Development Officers to shed an authentic light on current labour issues in the Queensland horticulture industry. The results are detailed below.

The majority of the workforce were temporary or seasonal workers. Most horticultural businesses did not employ more than 20 permanent staff members – but employed as many as 350 seasonal or temporary persons throughout the year. Permanent staff comprised mostly family members and local residents. Seasonal or temporary staff members could comprise as many as 50 times the permanent workforce.

A large proportion of growers have experienced labour shortages at some time and many demonstrated substantial losses as a direct result. One grower specifically demonstrated a loss of \$100,000 in 2005 – this was caused because 10,000 cases of produce were lost as a direct result of labour shortages. Many expressed concerns over delays experienced and the need to remove staff from other areas of production in order to harvest crops by the required time. Another grower stated that operations were required to be extended over a 7 day week to make up for labour shortages. In addition, a few growers stated that if these issues were not solved in the near future they would consider leaving the industry.

A large proportion of growers rely on backpackers for labour. Many growers praised the reliability and success of utilising this labour force. However, several issues were also identified. There was a general consensus that backpackers were not concerned with the critical aspects of horticultural labour responsibilities such as quality control and required pruning procedures and their impacts on future crops. In addition, backpackers do not directly suffer the consequences of unreliability, which is stressful for and costly to growers.

Positive feedback was received on the reliability of students including those on a scholarship and university students working during school holiday periods. One grower stated the majority of their seasonal workforce was sourced from university job sites.

Numerous growers reported the increasing reliance on and utilisation of contract workers. Only positive feedback on contract workers was received, with the benefits including the guarantee that the work would be completed and completed accurately. One grower stated that contract labour cost more, but was made up for by saving the grower time, the stress of finding labour and security that job would be done properly.

It was found different crops had varying labour requirements. Not only is horticultural work seasonal, but the level of skill qualifications required also varied. Some growers stated an unskilled workforce was sufficient as persons would be efficiently trained on-site. However, certain crops such as pineapples required not only a significantly large seasonal workforce, but a workforce that was skilled in the picking of such crops. Growers in these circumstances were more concerned about the quality of workers over the quantity. It was suggested that a guest worker scheme would require the contracting of persons who were already skilled in the harvesting of such crops. This system would save time and increase productivity.

The majority of growers did not require a skilled workforce, as all necessary training would be conducted on-site. Labour shortages were most common in planting, harvesting and packing activities. It was stated anyone could be trained to complete these jobs, the only requirements being motivation and reliability. Low unemployment rates were linked with the issue, as it was identified that persons who were unemployed were often “more trouble than they are worth”. Many growers commented that unemployed Australians should be encouraged to work by reducing social security benefits. One grower specifically stated they are constantly let down by the local workforce resulting in not being able to run their business properly.

However, labour shortages were not only confined to planting, harvesting and packing. Many growers were experiencing shortages of tradesman with specified licenses such as heavy machinery, trucks and fork lift drivers. It was stated that many of these tradesman go to work in mines for significantly higher remuneration packages. Many growers were interested in reviewing the DIMIA skills database as a method of reducing current labour issues.

A suggestion from an industry representative was that growers need to recognise what attractiveness their businesses have to current and potential employees. These identifying factors can be promoted and marketed to increase awareness and enthusiasm for labour opportunities both locally, nationally and internationally.

The majority of growers supported the scheme to import seasonal workers from the Pacific Islands. Reasons for supporting the scheme included:

- More precise time frames of employment;
- Increased likelihood of higher dedication to task responsibilities;
- Increase personal welfare and security of Pacific Islanders to invest in their local economy;
- The ability to hire a workforce of choice instead of hiring anyone who comes through the door;
- Training persons who will stay for longer periods of time and repeat visit;
- Benefits to horticultural areas where few backpackers travel; and
- The benefit of return workers who are already trained, skilled, motivated and reliable.

Some growers were concerned about cultural or language barriers that may arise. However, it was also identified that many growers already had experiences in dealing with Pacific Islanders as a result of employing them as students and backpackers. Training requirements were also considered, however no grower stated they did not have the resources or the capacity to train and manage such workers. It was stated that training would be improved as workers would most likely start and be trained together, benefiting both the employers and employees.

Several issues or concerns regarding the scheme to import seasonal workers from the Pacific Islands were also identified. These issues included:

- **Quarantine** – concerns of Pacific Islanders bringing in diseases on their clothes or person;
- **Decrease in market prices** – some expressed concerns that although labour shortages are prominent in the industry, an increase in labour supply would increase productively resulting in market saturation and a further decrease in market prices.
- **Accommodation and transportation** – the current lack of accommodation and transportation facilities in some communities would be an issue. An additional concern expressed in several areas was the disinterest of council to develop accommodation facilities and the increased burden on backpacker hostels.
- **Language barriers** – at least some English speaking abilities would be necessary.
- **Increased obligations** – there was a concern the introduction of such a scheme would increase the obligations of growers, such as increased paperwork and responsibility for workers' actions.
- **Social activities** – social activities would need to be arranged to cater for these workers;
- **Personal, social and religious needs** – growers would need to be informed of workers' personal, social and religious needs.
- **Increased burdens on taxpayers** – it was stated that Pacific Islanders would put increased burdens on taxpayers by overstaying or receiving benefits.
- **Disciplinary actions** – procedures would need to be put in place if problems occurred in any aspect of the scheme.

7. SUMMARY AND RECOMMENDATIONS

The horticultural industry is an important contributor to Australia both as an economic driver (particularly in regional and rural communities) and also as the supplier of fresh quality produce. Labour shortage issues have the potential to have a major impact on the viability of the industry in the future, impacting locals and Australia as a whole. It is essential that all potential solutions to labour shortage issue be analysed now in order to preserve the horticultural industry for tomorrow and for future generations.

Growcom recommends that a pilot program be developed to evaluate the potential of contracting seasonal labour from the Pacific Islanders within the Australian horticultural industry. It is essential that government, industry groups and the horticultural industry work together in order to pilot the scheme. It is recommended that such a scheme would involve Pacific Islanders being contracted to areas where labour shortages are prevalent. It would be necessary for an extensive feasibility study to be conducted to establish which areas nationally are experiencing extensive labour shortages before implementing the pilot.

It is unlikely that contracting seasonal labour from the Pacific Islands alone will solve the issue of labour shortages in the horticultural industry. Numerous other initiatives also need to be explored in order to provide long term solutions. These initiatives could involve:

- The evaluation of the backpacker Working Holiday Maker extension to determine its viability and impact on labour shortages;
- Amendments to the Harvest Trail scheme to increase its positive potential;
- Further promotion of labour shortages within the industry to encourage workers such as students to engage in seasonal employment opportunities; and
- Extensive review of the Canadian system of importing seasonal contract labour.

It is Growcom's view that further investigation into possible solutions to reduce labour shortages in the horticultural industry is warranted. Many labour issues require further investigation including reliability, quality of labour and training. It is critical that the Australian horticultural industry investigate the feasibility of contracting Pacific Islanders for seasonal work opportunities within Australia as a possible solution to ease labour shortage issues. Whether improvements are made in existing systems or a Pacific Island seasonal contract labour scheme is introduced within Australia, an action plan needs to be developed, implemented and continually monitored to ensure a financially viable future for the Australian horticulture industry.

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⁶ Australian Bureau of Statistics. (2006). *Time series spreadsheet 6202.0.55.001 Table 06. labour force status by sex - Queensland - trend, seasonally adjusted and original*. Available: www.abs.gov.au

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