



**BAROSSA
RIVERLAND
MIDNORTH**

*Area
Consultative
Committee*

26th April 2006

Committee Secretary
Senate Employment Workplace Relations and Education Committee
Department of the Senate
Parliament House
Canberra ACT 2600

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Dear Sir

RE: Enquiry into Pacific region seasonal contract labour

On behalf of the members of the Barossa Riverland MidNorth Area Consultative Committee, I apologise for the lateness of this response, but we were unaware of the Enquiry until recently.

The Barossa Riverland MidNorth Area Consultative Committee (BRMACC) is part of a national network of Area Consultative Committees across Australia funded by the Australian Government through the Department of Transport and Regional Services.

BRMACC's region covers an area of 35,072 square kilometres (representing around 3% of the state) north and east of the capital city of Adelaide, through to the border with Victoria. The region is situated at the southern end of the Murray Darling Basin. Most of the region is inland apart from a small section of coastline fronting the Gulf St. Vincent.

According to the 2001 ABS Census Regional Profile, the region supports a population of 94,447 people. Unemployment is low, averaging around 6% across the region, although there is a high level of part-time workers and increasing casualisation.

The major industries of the region are agriculture, irrigated horticulture (especially wine grapes, table grapes, citrus, almonds and stone fruit) tourism and related service industries. The region is home to a number of national food processing operations and ten of the nation's largest wineries are based within its borders.

The region is the primary wine production centre in Australia producing around 60% of Australia's crush. The horticulture and viticulture industries employ over a quarter of the region's labour force with other associated manufacturing industries employing another 15%. There is a strong emphasis on quality food production in the region, driven by strong export potential as well as by the wine tourism market for quality regional food.



An Australian Government Initiative

Barossa Riverland MidNorth ACC is part of a national network of Area Consultative Committees, funded by the Australian Government under the Regional Partnerships Programme.



BRMACC has had involvement in labour and migration issues for our region over the past two years; and has undertaken several investigations in conjunction with local regional development agencies and local government into labour needs, the ageing workforce, and the increasing impact of this on the horticultural and viticultural industries in our region.

Labour and skills shortages are a key issue for this region and the rapid expansion of the viticulture industry; along with increasing export market demand for horticultural produce has exacerbated the demand for labour over the past ten years.

A great deal of the labour shortage problems for our region is within the areas of harvesting, sorting and packing. There are a number of contributors to the increasing difficulty in recruiting, training and retaining labour

- The work is mainly seasonal and crop/variety dependent
- Workers are usually required at short notice, in relatively large numbers across a geographic area
- Australian workers are becoming more disinclined to undertake manual labour
- The description of horticultural labour as being “unskilled” when there are requirements for a number of specialist skills required of this labour force.

In addition, labour patterns have changed in recent years. Where once labour was provided mainly by itinerant Australian workers following the “Harvest Trail”, there is now a much greater reliance by employers on other labour sources including:

- working holiday visa holders
- travelling retirees (grey nomads)
- contracted gangs of workers who are bussed in from Adelaide (some of whom may not be eligible to work in Australia)

The situation for the horticultural industry in having to rely on these forms of labour is becoming dire. Horticultural produce (table grapes, almonds, citrus, stone fruit and vegetables) are high value crops which require sensitive, skilled handling and quick picking, sorting and packing in order to achieve a viable return for the grower.

In addition, the above sources of labour are unreliable, unskilled and in many cases, have no interest or care in the work they are doing or the crop they are handling. In many cases, they are simply not physically suitable for what is in effect, hard physical labour.

Feedback to BRMACC over the past year has indicated that labour shortages are already causing crops to be left to rot on trees or be ploughed back into the ground; and businesses are limited in their expansion capability.

It is important to understand that the horticultural industry, in particular table grapes, citrus, stone fruit and vegetables have an on-going requirement for human labour in picking, sorting and packing. Labour needs in other agricultural industries and viticulture has reduced over the years due to mechanisation, but this is not an option for the above crops.

Growth in the export market for citrus and stone fruit industry continues, particularly in the Riverland region with estimates from some organisations of increases of up to 1000 people over the next two years. This is of particular concern when last season's estimated shortfall was 500 people.

A reliable, well-managed and carefully developed, Seasonal Guest Labour Program would be a major contributor to assisting horticultural industries in the BRMACC region. We believe such a scheme would be welcomed by the majority of growers in our region.

The development of such program which would necessitate addressing issues relating to transport, wages and conditions, accommodation, health services, insurance, etc. but we understand there are several successful models of Guest Worker scheme already in operation – in particular the Canadian Model.

There are some challenges to the above in the BRMACC region. Accommodation for Guest Workers could be a problem for many of our small communities; many employers are small and do not have accommodation options. Available housing is already scarce in this region. A system of industry and government partnership would be a viable option.

The BRMACC region is unique in that it does not have a major region centre – but over 60 small towns and communities. This makes transport, particularly to outlying farms and properties problematical. An option would be for labour transport to be co-ordinated at local central site/s.

We would also assume that any programme would be co-ordinated on a national basis – perhaps with local regional outposts - in order to address the broader issues of wages and conditions, health services, insurance; and the potential management of overstayers.


The benefits to our local horticultural industry of a program which is managed well and has safeguards to protect the Guest Workers rights and to protect the rights of Australian workers would outweigh the above disadvantages.

We envisage that the development of a small number of pilot projects could be set up around Australia – which could be inclusive of Pacific Island neighbours, but also expanded to other countries.

BRMACC would be keen to be involved in any potential pilot project in our region.

Alternative options for labour for the horticulture industry are essential for the long-term growth and development of the Australian horticulture industry – and in particular the towns and communities which are reliant on that industry.

Yours sincerely

Per 

John Chase
Chairman