

Consultations on PALM scheme Deed of Agreement and Guidelines

Expanding and improving the PALM scheme





Presentation Overview

1. Presentation Topics (Approx. 30 minutes)

- A. An overview of the Deed of Agreement and Guidelines, and the journey so far.
- B. Current SWP and PLS requirements, and the PALM Deed of Agreement and Guidelines what we have previously consulted on.
- **C.** Key proposed setting changes for the single Deed of Agreement.

2. Questions and Answers (Approx. 30 minutes)

Reminder: Please send any written feedback to palmconsultations@dewr.gov.au by 5pm AEDT, Friday 17 March 2023

A. Journey to a single PALM Deed and Guidelines so far...

Seasonal Worker Programme (SWP)

Commenced 2012

Up to 9 months

Unskilled – Low skilled

Average of a min. of 30hrs per week over the entire placement

> Limited industries: agriculture and accommodation

Pacific Labour Scheme (PLS)

Commenced in 2018 1 – 3 years

Low – <u>Semi skilled</u>

Average of a min. of 30hrs per week over the entire placement (not on a casual basis)

All industries in regional and remote Australia

PALM Scheme Effective from April 2022

Short-term (seasonal) cohort – up to 9 months

Long term cohort – 12 months to 4 years

Unskilled to Semi-skilled

No change to min. hourly requirements for both cohorts

Open to all sectors in Rural and Regional Australia and nationally to Agriculture and agriculture-related food processing sectors. PALM Deed of Agreement and Guidelines

PALM Statistics as at the end of January 2023

TOTAL NSW VIC OLD ACT SA TAS NT WA 6,221 12,313 3,527 2,455 4,200 5,606 1,146 26 35,494 Sol Is Vanuatu Tuvalu Kiribati Nauru PNG Samoa Timor-Leste Tonga Fiji TOTAL + • * **

3,921

4,134

5,832

41

10,493

35,494

Total PALM workers by state and country

1,262

4,414

PALM Approved Employers by scheme and entity type

Status	Direct Employer	Labour Hire*	Total
SWP/PLS	64	58	122
PLS only	137	3	140
SWP Only	111	34	145
Total	312	95	407

* means that the entity type 'contractor' has been included as a labour hire AE.

PALM workers by industry (high level)

2

4,497

898



PALM scheme

B. Requirements previously consulted on (between December 2021 – March 2022)

- a) Minimum Work Hours
- b) Requirement to invite FWO and unions to the long-term workers' arrival briefing
- c) Employer contribution of \$300 (minimum) to the cost of flights for both short-term and long-term workers
- d) Welfare and Wellbeing Support Person and Plan for both short-term and long-term workers
 - e) Workers Portability (Short-term workers only)
 - f) Accommodation organised and approved prior to long-term worker's arrival for the first year of the workers placement
 - g) Additional transparency requirements around deductions
 - h) Commonwealth right to transfer workers from one Approved Employer to another Approved Employer with the worker's consent
 - i) Wage deductions: 12 weeks minimum timeframe for all PALM scheme workers
 - j) Conflict of interest declaration for Approved Employers

Settings previously consulted on: (refer to Attachment 1 for details)

C. Issues for discussion

- 1. Requirements to address low working hours and low net pay after deductions for PALM workers
- 2. Pay parity for PALM workers as a condition of recruitment (including for long term workers)
- 3. Recognising High Performing Approved Employers
- 4. The role of Approved Employers Labour Hire companies under the PALM scheme
- 5. Welfare and Wellbeing Support Person
- 6. Cultural Awareness and Competence
- 7. Reimbursement of worker airfares

1. Requirements to address low working hours and low net pay after deductions for PALM workers

Low and inconsistent working hours have been reported as one of the main drivers (cited by PALM workers) for disengagement, alongside pay, leave refusal, deductions and a lack of trust.

There are calls for the scheme to establish a prescribed SafetyNet, particularly for short-term (current SWP) workers.

Proposed options for discussion:

1a - Minimum net pay guarantee for workers after deductions, e.g. \$200 or \$250 a week (noting debt can be carried forward if earnings are insufficient to cover);

<u>and</u>

1b - Any outstanding debt due to low working hours cannot be carried after the end of worker's placement (i.e. not extended to the worker's next placement) and must be absorbed by the employer;

or

1c - Accommodation costs met by employer when work hours are low, e.g. 15 hours a week or below.

We are also seeking views on:

1d - Minimum of 30 hours per week each week for all short-term placements except seasonal agriculture placements (min. of 240 hours over 8-week period

<u>Or</u>

1e – Minimum 30 hours per week each week for the duration of all short-term placements.

2. Pay parity for PALM long-term workers as a condition of recruitment

Long-term PALM workers and their representatives raised an issue of workers being paid less than other workers who are doing the same job.

We are seeking input on ensuring all PALM scheme workers are receiving the same pay and have the same conditions as other employees.

Approved Employers would need to demonstrate that:

- PALM workers will be paid the same wage as other workers in the same workplace doing the same tasks;
- PALM workers' pay will need to be in line with the relevant industrial instrument (award or Enterprise Agreement) to ensure pay parity.

3. Recognising High Performing Approved Employers

Should recruitment applications be prioritised from Approved Employers who commit to provide workers with:

- additional benefits such as Approved Employer organised regular social functions for workers, or
- higher pay, or
- free or subsidised flights, travel and/or compliant accommodation, or
- other suggestions?

Mutual benefits for workers and Approved Employers if the department will prioritise those recruitments that offer enhanced conditions for workers.

We are also very interested in any other ideas on how to enhance the time PALM scheme workers live and work in Australia.

4. The role of Labour Hire Approved Employers

We are seeking views about the role Labour Hire Approved Employers in the PALM scheme as well as how to increase direct employer participation in PALM, should the scheme:

- Limit Labour Hire to work performed in seasonal capacity
- Leverage labour hire in portability solutions

What role should Labour Hires AEs have in the long-term stream?

- Recruitment and HR support
- Employment transitions to hosts after fixed period
- Supporting small employers who rely on HR support

5. Welfare and Wellbeing Support Person

- **SWP:** an appointed Welfare and Wellbeing Support Person that is located within 300 kilometres of each Placement and is available to provide welfare and wellbeing support.
- settings

Current

- **PLS:** do not require the appointment of a Welfare and Wellbeing Support Person
- **PALM scheme** proposed the same settings as the SWP requirement for both short and long term placements.

Options for PALM

- Welfare and Wellbeing Support Person allocated within 100km from workers location to ensure workers have sufficient support located in proximity, <u>and/or</u>
- To prescribe a ratio of PALM workers to be assisted by a Welfare and Wellbeing Support Person appointed by an Approved Employer.

6. Cultural Awareness and Competence

The PALM scheme cultural framework aims to:

- Foster meaningful, reciprocal and respectful relationships and positive professional behaviours between employers and workers in the PALM scheme.
- Ensure Approved Employers understand the importance of respecting cultural practices and are equipped to support workers to maintain connections to lands, languages and culture while they are in Australia.

Proposed Deed inclusion:

- Approved Employers will be required to provide assurance and evidence that they have cultural awareness of the specific country they are planning to recruit from prior to the recruitment plan approval;
- For existing recruitments, the department can request Approved Employer to undertake relevant cultural competency training and/or present evidence of cultural awareness in their business.

7. Reimbursement of worker airfares

- 2022-23 Budget initiative: reimbursement of seasonal worker flight costs that cannot be recouped (through no fault of the ٠ employer)
- The situations to claim reimbursements: •
 - worker does not board a flight.
 - worker disengagement.
 - worker early return due to personal circumstances (such as serious illness or injury).
 - Approved Employers need to be compliant with all deed and guidelines requirements, i.e. minimum hours, pay, accommodation standards, worker flights not to be purchased prior to Home Affairs visa approval, health insurance requirements etc.
- What costs could be reimbursed? ٠
 - Cost of international and domestic flights from the country to the work destination
 - Cost of transit accommodation
 - Employers will not be reimbursed for their \$300 contribution to workers' flights.
- What documentary evidence needs to be provided to support the claim? or •
- Should the department only collect that information as part of, for instance, an assurance activity? •
- Do we need to set limits for the flight costs charged to workers or claimed as reimbursement under the Airfare Underwriting measure ٠ (similar to a Flight Matrix)? 13

Discussion and feedback





Reminder: Written feedback can be sent to

palmconsultations@dewr.gov.au by 5pm AEDT, Friday 17 March 2023

An online response document will be sent out to all participants to complete as well as a copy of this presentation.

A Questions and Answers document is being developed and will be available shortly.