

Document 1 at pages 1-3 deleted pursuant to section 22 of the Freedom of Information Act 1982

s 22(1)

Pacific Australia Labour Mobility changes

- The Government has made improvements to the scheme settings for the Pacific Australia Labour Mobility (PALM) scheme. The settings aim to balance the needs of employers with strong protections for PALM workers and were informed by extensive stakeholder engagement over 18 months.
- I'm advised that your Union has been an active participant in conversations with the Department of Employment and Workplace Relations and in a range of stakeholder forums.
 - The new settings improve PALM worker experiences, reduce the risk of workers disengaging and help address risks of exploitation.
 - The department will continue to monitor PALM scheme settings to ensure they are working for all stakeholders.

PALM pay parity

- Pay parity is a safeguard within the PALM scheme program settings that recognises their vulnerabilities as migrant workers and the expectations of our Pacific family to support workers while they are in Australia.
- The department continues to work closely with industry and unions to implement PALM pay parity and equip stakeholders with the information they need to understand their rights and obligations.

Last updated: 31 January 2025

Document 1 at page 5 deleted pursuant to section 22 of the Freedom of Information Act 1982

MB24-000387

Meeting Brief

To Minister Watt

Briefing Title Meeting Brief | Minister Watt Office meeting with the Hon Dan Tehan MP, Member for Wannon, regarding PALM | September 2024

Timing For meeting on 12 September 2024, 12:30 – 1:00 pm

Location APH, Meeting Room PH

Meeting with The Hon Dan Tehan MP

Prior Meetings Nil

Departmental officer s 22(1) First Assistant Secretary, Pacific Labour Operations Division

What we want Manage perceptions around Pacific Australia Labour Mobility Scheme (PALM) scheme settings and their important role in ensuring welfare and wellbeing of PALM workers and balance around impact of labour mobility for Pacific countries.

What they want s 47G(1)(a)

Issues and Sensitivities:

s 47G(1)(a)

3. PALM scheme labour mobility arrangements require mandatory offshore periods between recruitments (3 months for short term workers and 6 months for long term workers). This is a vital setting to manage Pacific country concerns about the social impacts of labour mobility—brain drain and depletion of country workforce and social issues including mental health concerns, family separation and capacity to effectively reintegrate in the home country.
 - a. Each country participates in the PALM scheme on their terms as independent sovereign nations. These arrangements are included in Memoranda of Understanding and associated implementation arrangements between Australia and participating countries.

4. The PALM scheme is available for employers to fill genuine workforce shortages where evidence through labour market testing that that opportunities to fill jobs locally are exhausted.
Labour market testing ensures Australian workers and jobseekers are given first opportunity to take up jobs before they are offered to workers under the PALM scheme.
5. Recruitment caps are an important mechanism within the PALM scheme to manage risks around meeting PALM scheme obligations. Approved employers need to demonstrate their capacity to effectively manage the size of their proposed PALM workforce to achieve an increase in their worker cap—both in terms of financial viability and internal systems of governance and control that effectively achieve compliance with obligations. Information relating to the recruitment cap process is outlined in **Attachment A**.

s 47G(1)(a)

s 47G(1)(a)

6. All matters relating to visa conditions, including grants of visas and length of visas are matters that fall within the remit of Department of Home Affairs.

s 47G(1)(a)

Background

9. s 47G(1)(a)

10. s 47G(1)(a)

MB24-000387

a. s 47G(1)(a)

Consultation: YES

11. PALM Operational Policy Branch and PALM Delivery Branch.

Attachments:**A:** Talking Points**B:** s 47G(1)(a)

Clearing Officer:	s 22(1)	First Assistant Secretary, [Emp & W Pacific Labour Operations	s 22(1)
Contact Officer:	s 22(1)	Assistant Secretary, [PALM Delivery, Emp & W Pacific Labour Operations	s 22(1) s 22(1)

Attachment A

TALKING POINTS

Background

- The new PALM scheme Deed and Guidelines were introduced from 26 June 2023. The PALM scheme Deed and Guidelines consolidate the former Pacific Labour Scheme (PLS) and Seasonal Worker Programme (SWP), which were long-term and short-term schemes, respectively. Settings aim to balance the needs of employers with strong protections for PALM workers; they improve worker experience, reduce the risk of workers disengaging and help address risks of exploitation.
- Integrity in the PALM scheme is supported through robust assessments of recruitment plans lodged by the approved employer. The recruitment plan needs outline satisfactory arrangements around accommodation, transport, welfare and wellbeing support, and employment conditions for workers. Employers must also provide a contingency plan that outlines arrangements in place for workers (e.g. redeployment) where they are unable to meet their obligations. All recruitment plans must also demonstrate local labour market testing has been undertaken to first attempt to fill roles with Australian workers. The department considers all of these elements when assessing a recruitment application to ensure PALM workers have a positive experience in Australia.

PALM scheme reform and insourcing

- From July 2023, the delivery of the PALM scheme domestic operations was insourced to the Department of Employment and Workplace Relations. This co-locates domestic delivery within the department responsible for workplace matters and improves linkages with relevant regulators such as the Fair Work Ombudsman.
- As part of the insourcing, the department has established a regional presence, providing on-the-ground responsiveness for employers and workers, better local knowledge and connections, and improved transparency. The department remains committed to working with employers to ensure effective implementation, including consistency of service delivery.

Workforce flexibility options

- Dependent on sending country policies, employers may extend PALM workers' placements when they are onshore. PALM workers can remain in Australia for a maximum of 4 years, including moving PALM workers from short-term to long-term positions. Samoa and Vanuatu do not permit onshore extensions. Each country participates in the PALM scheme on their terms as independent sovereign nations and the Australian Government is committed to listening to and valuing Pacific voices.

Consultation and review

- The department continues to monitor PALM scheme settings to ensure they are working for all stakeholders. This includes a formal, independent review of the impact of the new settings after implementation. Scoping of the review is underway with the review expected to be finalised by February 2025.

Recruitment caps and expansion

- Recruitment caps are an important mechanism to manage sustainability and ensure worker welfare. Rapid or unsustainable growth poses risks related to market share, financial viability and ensuring employers have the resources and systems in place to effectively manage their PALM workforce. Employers may seek an increase in their recruitment cap if they have recruited close to their current cap for at least 4 months. This provides time for employers to demonstrate their ability to meet their obligations.
- Employers may also choose to supplement their workforce with workers from labour hire companies so that their total workforce exceeds their cap. In these circumstances, the labour hire company retains obligations under the PALM deed.

Visa settings

- In 2022, the Government extended PALM visa duration from 3 years to 4 years for long term workers. As part of the program settings, all PALM workers must return home following their 4-year placement for a 6-month mandatory offshore period. These arrangements are included in memoranda of understanding and associated implementation arrangements between Australia and participating countries.

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Meeting Brief**Attachment B**

Suggested Improvements s 47G(1)(a), s 47G(1)(b)	Responsibility	Response
	DEWR/DFAT/ Sending Countries	PALM scheme workers contribute to Australia's economy but also enhance the prosperity of Pacific islands and Timor-Leste. Each country participates in the PALM scheme on their terms as independent sovereign nations and the Australian Government is committed to listening to and valuing Pacific voices.
	DEWR/DFAT/ Department of Home Affairs/Sending Countries	PALM is a temporary, circular, migration program. In 2022, the Government extended PALM visa duration from 3 years to 4 years for long term workers. Dependent on sending country policies, employers may extend PALM workers' placements when they are onshore. PALM workers can remain in Australia for a maximum of 4 years, including moving PALM workers from short-term to long-term positions. Samoa and Vanuatu do not permit onshore extensions.
	DEWR/DFAT/ Sending Countries	Settings aim to balance the needs of employers with strong protections for PALM workers; they improve worker experience, reduce the risk of workers disengaging and help address risks of exploitation. This includes the opportunity for workers to return home and reconnect with their families for a period of at least 3 months after short-term recruitments and 6 months for long-term. Employers are encouraged to plan their labour requirements with these settings in mind.
	DEWR	The department acknowledges that the last 18 months were a period of significant change, particularly for PALM employers who were part of the former Pacific Labour Scheme. The PALM scheme Deed and Guidelines increased protection to workers compared to the former programs. The establishment of a regional presence has resulted in dedicated Relationship Managers which will improve timeliness Recruitment Plan assessments.
	DEWR	During insourcing of the program into DEWR in 2023, recruitment applications were prioritised based on planned mobilisation date. Subsequently, the department established a regional presence, providing on-the-ground responsiveness for employers and workers, better local knowledge and connections, and improved transparency. This has resulted in dedicated Relationship Managers assessing recruitment applications for each employer. The department remains committed to working with employers to ensure effective implementation, including consistency of service delivery.
	DEWR	The department has created supporting documentation to assist employers with navigation of the PALM Portal. A dedicated PALMIS resource page contains training webinars, release notes, FAQs and a getting started guide. Help guides and videos are also available in the PALM portal to step employers through queries and processes. The department also established an "employer PALMIS consultative group" in June 2024 to provide an opportunity for employers to deliver feedback on issues and enhancements.
	DEWR/Sending Countries	All re-engagement requests are assessed on a case-by-case basis. Key considerations include their visa validity, sending country preferences about re-engagement, their reason for disengagement and any documented history of behavioural or performance issues and migration law. The department will consider any situations where workers meet eligibility for re-engagement and a PALM employer is willing to employ them. All existing requirements under the Deed and Guidelines apply including submission and approval of a recruitment application.
	Department of Home Affairs	The immigration website falls under the remit of the Department of Home Affairs and is used for all visa applications, not just the subclass 403 PALM scheme visa.

MB24-000393

Meeting Brief**To** Minister Watt**CC** N/A**Briefing Title** Meeting with the United Workers Union - ^s_{47F(1)}
| 11 September 2024

s 22(1)

Issues and Sensitivities:

1. s 22(1)

3. The UWU has been an active participant in conversations with the Department of Employment and Workplace Relations and in a range of stakeholder forums on the Pacific Australia Labour Mobility (PALM) scheme. Talking points on relevant PALM issues are at **Attachment A**.

s 22(1)

Document 3 at pages 13-14 deleted pursuant to section 22 of the Freedom of Information Act 1982

s 22(1)

Pacific Australia Labour Mobility changes

- The Government has made improvements to the scheme settings for Pacific Australia Labour Mobility (PALM) scheme. The settings aim to balance the needs of employers with strong protections for PALM workers and were informed by extensive stakeholder engagement over 18 months.
- I'm advised that your Union has been an active participant in conversations with the Department of Employment and Workplace Relations and in a range of stakeholder forums.
 - The new settings improve PALM worker experiences, reduce the risk of workers disengaging and help address risks of exploitation.
 - The department will continue to monitor PALM scheme settings to ensure they are working for all stakeholders.

PALM pay parity

- Pay parity is a safeguard within the PALM scheme program settings that recognises the vulnerabilities of PALM workers and the expectations of our Pacific family to support workers while they are in Australia.
- The department continues to work closely with industry and unions to implement PALM pay parity and equip stakeholders with the information they need to understand their rights and obligations.

Last updated: 31 January 2025

Document 3 at pages 16-17 deleted pursuant to section 22 of the Freedom of Information Act 1982

MB24-000437

Meeting Brief

To **Minister Watt**

CC **N/A**

Briefing Title **Meeting Brief | Minister Watt meeting with Fijian
Minister for Employment | Friday 18 October 2024**

s 22(1)

Issues and Sensitivities:

1. s 33(a)(iii)
s 47F(1)

s 47F(1)

s 33(a)(iii)

6. The Australian Workers Union (AWU) have been invited by the Fijian delegation to join meetings with Approved Employers. The Pacific Labour Operations Division has regular interactions with all Unions where there are specific concerns raised by their members this includes consulting with relevant Unions when changes are made to operational policies that may impact their members. The department recently provided a data update to the AWU with information relating to the approvals of PALM scheme Recruitment Plans, a requirement under the PALM Scheme Guidelines.

s 22(1)

s 22(1)

MB24-000437**Attachment A****Talking points - General**

- The Australian Government is deeply grateful to Fijian PALM scheme workers who have left their families to take up job opportunities in Australia.
- Fijian workers make an important economic contribution to businesses in rural and regional Australia and greatly enrich the culture of communities across the country.
- The wellbeing of Pacific Australia Labour Mobility (PALM) scheme workers is of central importance to the government and our Pacific and Timor-Leste partners.
- The loss of any PALM scheme worker is a profound tragedy. The department acknowledges the distress and grief of all family, friends and colleagues impacted by the loss of any Fijian nationals participating in the scheme.
- All PALM scheme workers are protected by the same workplace rights and laws as Australian workers, including minimum rates of pay and conditions.
- My department is committed to thoroughly examining all welfare and wellbeing concerns raised either directly or through the media, including those in the recent NSW Anti-Slavery Commissioner report.
- Exploitation and mistreatment of PALM scheme workers is not tolerated, including where workers are coerced to leave the scheme, or their migrant status is used to threaten and coerce.
- PALM scheme workers or members of the community who have concerns about workers' treatment or welfare should contact the PALM scheme support line on 1800 51 51 31 or via (PALM@dewr.gov.au).

Refer to **Attachment B** for talking points – sensitivity/specifics

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Last updated: 31 January 2025

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Attachment B

Talking Points – Sensitivities and Specifics

Allegations about exploitation of Fijian PALM scheme workers

- My department is committed to working closely with the Fijian Government and is thoroughly examining all the concerns raised about the treatment of Fijian workers. This includes:
 - assessing each allegation
 - gathering information from all relevant parties through in-person visits with workers and relevant stakeholders and desktop reviews
 - analysing this information to determine if the allegations are substantiated through evidence and where required seek additional information from relevant parties.
- Where an investigation confirms non-compliance there may be significant consequences.
 - These can range from requiring the employer to rectify the identified issues, through to the suspension or termination of an employer participating in the scheme.
- Where appropriate, allegations may be referred to other government enforcement agencies or regulatory bodies. This ensures all necessary actions are taken by the appropriate authorities in accordance with Australian laws.
 - A range of additional penalties – including criminal sanctions – may be applied where breaches of Australian laws are proven.
- The government takes the exploitation of migrant workers seriously, including those engaged under the PALM scheme, and is committed to strengthening protections for our most vulnerable workers.
- The overwhelming majority of PALM scheme employers engage with the scheme responsibly. We strongly encourage anyone with concerns about the treatment of PALM scheme workers in Australia to report them by:
 - calling the PALM scheme support service line (1800 51 51 31)
 - emailing the PALM scheme at palm@dewr.gov.au
 - lodging a formal complaint to palm@dewr.gov.au
 - lodging a grievance to palm@dewr.gov.au (see [Grievance management policy](#)).
- Australia has a strong relationship with Fiji and continues to work in partnership to strengthen the scheme and ensure the welfare and wellbeing of workers is protected.
- The Australian Government has committed to implementing Migrant Worker Taskforce recommendations, including to extend the Fair Entitlements Guarantee (FEG) to migrant workers (recommendation 13). The detail and timing for implementing this recommendation remains under consideration by Government

Key settings to maintain worker welfare and wellbeing

- PALM scheme settings include protections for worker welfare and wellbeing and include measures to safeguard against exploitation. These include:
 - requirement for employers to have a wellbeing and welfare plan and a wellbeing and welfare officer who directly supports workers.
 - requirement for employers to support workers to access sick leave and medical care.
 - requirement for workers to maintain private health insurance as a condition of their visa
 - requirement for employers to help workers access medical and health services, and ensure workers understand how to access health care
 - embedded grievance management processes ensure worker grievances are managed in a fair, accessible, responsive and efficient way.
 - strengthened protections for minimum hours, pay and conditions including a minimum net pay guarantee.
 - the Community Connections program which supports worker welfare, wellbeing and social inclusion in Australia through supporting workers to build positive relationships and integrate with their local community.
 - requirement for employers and staff to undertake cultural competency training to support respectful, culturally appropriate interactions with workers.
 - requirement for employers to comply with work health and safety laws.
 - requirement for employers to report welfare and wellbeing incidents to the department.
 - enhanced PALM scheme regional presence which places staff in the regions with highest concentrations of workers and employers, enabling enhanced responsiveness to issues and the ability to work proactively with employers to build their capacity.

Key data on Fijian workers in the PALM scheme

- Since May 2024, Fiji has been the largest partner country under the PALM scheme.
- As of August 2024, there are 5,995 Fijian PALM scheme workers in Australia.
- 1,355 workers participate in the short-term stream and 4,640 in the long-term stream.
- Fijian workers are primarily deployed to horticulture, meat processing, aged care and tourism and hospitality.
- There are currently 18 open and active critical incidents involving Fijian PALM scheme workers reported directly by employers or reported via the PALM scheme support line.

MB24-000437

Social media allegations of Fijian worker mistreatment

- Allegations on social media of worker mistreatment attracted media attention in August following the non-work-related death of a Fijian PALM scheme worker in Victoria.
- In a post on Facebook and LinkedIn, [redacted] referred to the death of his 'Fijian Granddaughter' [redacted], a Fijian woman participating in the scheme.
 - It alleged workers experience racism and bullying, unmanageable workloads, are unable to access sick leave, are fearful of seeking medical assistance and lack access to Medicare and medical cost reimbursement.
 - It also alleged unsafe working conditions, threats of deportation, lack of protection for workers after termination and workers being forced to work while injured.
- [redacted] was employed as a meat processor at [redacted] since 6 June 2022 in Warrnambool Victoria.
- [redacted] sought medical assistance complaining of headaches on 13 June 2024. She was assessed at a local hospital the same day and taken by air ambulance to the Austin Hospital where she received emergency surgery to remove a brain tumour.
- [redacted] died of her condition on 18 June 2024 in hospital. There was no known previous illness or other contributing factor at this time.
- The Approved Employer, DEWR Worker Support Response Team, NIB, and Fijian CLO worked with the hospital and [redacted] family – those in Australia and Fiji to ensure information sharing to enable the family to make decisions regarding her care. [redacted] was not part of the family involved in these discussions.
- On Monday 19 August 2024, the Fijian Ministry of Employment issued a media release addressing the allegations raised in the social media post.
- The statement further stated the Fijian country liaison officer based in Victoria would investigate and address the concerns raised.
- It said Fijian Government representatives would visit their Australian counterparts, employers and workers in October 2024 to discuss issues, strengthen collaboration and explore opportunities for better oversight mechanisms and compliance.

Working when sick

- Where a worker is unwell, they should not feel they are forced to attend work.
- Part-time and full-time workers receive access to personal and annual leave. While casual workers do not receive paid leave, their hourly rate includes a 24% loading in lieu of this for when they are unable to work due to illness.
- PALM scheme employers are required to help workers to arrange and access private health insurance when they arrive in Australia.
- DEWR has an MOU arrangement with Nib who is promoted as the preferred provider however workers can choose to take out health insurance cover with any provider.
- Nib offers a range of alternate channels for PALM workers to access health care advice, including telehealth and a PALM health advice line provided by a clinical nurse.

MB24-000437

Accommodation

- Ensuring workers have safe and secure accommodation is of paramount importance to the government and was a key element of the new PALM scheme deed and guidelines.
- Employers are required to provide accommodation for short-term workers for their entire stay in Australia and for the first 12 months for long-term workers, however if a worker chooses, they can arrange their own independent accommodation.
- The government is working closely with PALM scheme employers to ensure that approved accommodation standards and requirements are fit for purpose.
- Where accommodation issues arise from cultural differences, the department works closely with employers to resolve issues around workers from different countries being accommodated together, including where practical moving workers to separate accommodation premises.

Accommodation - desire to be pre-approved in Fiji

- s 33(a)(iii)

Assurance and monitoring

- The department ensures employers meet their obligations by undertaking a range of activities including desktop audits, targeted assurance activities (reviews of pay data and unannounced assurance visits) and monitoring and assurance visits to worksites, accommodation and to meet with workers.
- Upfront checks which assess employers' financial viability and compliance with fair work and migration laws also set a high benchmark for participation in the scheme.
- Where instances of employer non-compliance are identified by a tip-off or through an assurance activity, the department thoroughly investigates in accordance with the deed and guidelines and responds appropriately.

Pregnancy testing workers

- It is unlawful to discriminate against a worker based on potential or actual pregnancy. We take these allegations extremely seriously and will be looking closely at them. We will remind all employers of their obligations under Australian law regarding discrimination and employee rights.

s 47G(1)(a)

MB24-000437**Community Connections**

- The Community Connections program builds positive community relationships to help workers integrate with their local community through social, cultural, faith-based, sporting, and promotional activities and events.
- The department has engaged The Salvation Army (TSA) to deliver the Community Connections program. The Salvation Army sub-contracts organisations to support the delivery of the program.

s 47G(1)(a)

- TSA took on responsibility for service delivery in South Australia and Western Australia and advised they had recruited two regional coordinators for these locations.

s 47G(1)(a)

s 33(a)(iii)

Labour hire companies

- The government remains committed to supporting PALM scheme workers during their period of employment with both labour hire and direct employers.
- All PALM scheme employers, regardless of entity type, are required to meet the same welfare and wellbeing obligations under the deed and guidelines.
- The Australian Government has committed to establishing national labour hire regulation and is working with the states and territories to progress a harmonised national labour hire licensing scheme.
 - This will ensure consistent protections for labour hire workers, irrespective of where they work.

MB24-000437**Offer of employment**

- PALM scheme employers are required to submit a detailed offer of employment to workers as part of their recruitment application.
- In some instances, a new offer of employment may be required when a worker is in Australia due to a change in their work location or accommodation.
- When this occurs, employers are required to submit a change to their recruitment to the department, and this is assessed to ensure it meets deed and guidelines requirements.
- Where there are changes to an offer of employment employers are required to ensure any change is genuinely agreed to in writing by each worker before it is implemented.
- The department welcomes specific examples from Fiji. This will enable us to review specific cases and assess the reason for the change and where required take action with the employer.

Superannuation

- Questions about superannuation should be referred to DFAT.

Worker preparation

- Questions about worker preparation should be referred to DFAT.

Last updated: 31 January 2025

MB24-000502

EVENT SUMMARY

Minister Watt

**Event Brief | Pacific Labour Mobility Annual Meeting (PLMAM) | Tuesday
12 November 2024**

s
22
(1)

MB24-000502

Key messages

- **Enhancing Pacific Prosperity:** Labour mobility programs play an important role in economic development and enhancing livelihoods in Pacific and Timor-Leste communities.
- **Worker Welfare:** Australia treats any allegation of worker exploitation and modern slavery seriously and refers all reports to the relevant agencies for thorough investigation and action. Australia has implemented significant reforms to the PALM scheme to strengthen worker protections and support worker wellbeing.
 - **Adapting to challenges:** Working together, we can address the challenges that labour mobility sometimes presents, such as brain drain, social impacts and worker welfare.
 - **Resilience through partnership:** Working together, we can address the challenges to build resilience collectively through strong partnerships and sustainable practices.
 - **Future-focused development:** As the region's largest supporter of education and training, we will continue to work with our Pacific partners to ensure the PALM scheme provides a skills dividend for our region.

Media

No media will be in the room during your speech. Media may be present outside the room. The event will be live streamed to registered virtual participants and a photographer will be present in the room.

Issues/Sensitivities

Allegations of PALM worker exploitation, the NSW Anti-Slavery Commissioner's report and NSW Parliamentary Inquiry. PALM worker welfare and PALM scheme settings are also of interest. A speech is prepared for your keynote address (**Attachment C**), acknowledging the contribution of PALM workers, the challenges and reforms to the scheme, as well as recent assurance work undertaken by the department. Talking points are also provided at **Attachment D**, to support potential questions.

s 33(a)(iii)

The Hon Pat Conroy MP, Minister for International Development and the Pacific, s 33(a)(iii) . It is anticipated he will meet with the Australian Council of Trade Unions (ACTU) and that the ACTU will advocate for:

- a need for improvements to worker-initiated mobility
- importance of 30 hours per week every week
- pre-departure and reintegration issues including:
 - ensuring unions are part of pre-departure training
 - supporting workers into decent work when they return (and not the informal economy).

MB24-000502

DFAT have prepared talking points to support Minister Conroy.

The department is working with your office on your media release to be published during PLMAM, about the outcomes of the department's recent assurance activity on minimum hours requirements.

Attachments

Talking points and speech are included in this pack.

- A:** Order of Proceedings and PLMAM Agenda
- B:** Event Background
- C:** Speech
- D:** Background Talking Points

Clearing Officer:	s 22(1)	First Assistant Secretary, Pacific Labour Operations Division Emp & W Pacific Labour Operations	s 22(1)
			s 22(1)
Contact Officer:	s 22(1)	Assistant Secretary, Pacific Labour Operations Division, Emp & W Pacific Labour Operations	s 22(1)
			s 22(1)

MB24-000502

Attachment A: ORDER OF PROCEEDINGS

Time	Activity	Comments
4.15pm	Minister arrives at Pullman Hotel King George Square, Brisbane QLD	A car park is reserved directly out front of the Pullman Hotel entrance. The Minister is to enter through the main lobby doors.
4.20pm	Greeted by DEWR employee, s 22(1) , Director, Program Engagement	s 22(1) will greet the Minister in the main lobby and escort him via a dedicated lift to the entrance of the event room on level 2.
4.25pm	Greeted by s 22(1) , FAS, Pacific Labour Operations Division, DEWR	s 22(1) will greet the Minister at the entrance of the event room and escort him to the stage, where the Minister will provide his keynote address.
4.30pm	s 22(1) introduces Minister to the audience	s 22(1) will provide introductory remarks
4.35pm	Minister delivers keynote address	Keynote address to be delivered from a lectern on stage with a fixed microphone. The audience will be seated cabaret style.
5.00pm	Tonga Minister for Internal Affairs delivers remarks in response to Minister's keynote address.	s 47F(1) will be seated next to the Minister on stage. He should be addressed as s 47F(1) .
5.10pm	Minister departs	s 22(1) will escort the Minister to the main lobby

The Minister's keynote address will be delivered on Day 2 during the session 'Final Words from the Moderators'. The Agenda was finalised by the event organisers ahead of the Minister's and Minister Conroy's confirmed participation. As such, neither Minister's keynote address is not listed on the Agenda.

Attachment B: EVENT BACKGROUND

About the event

- The PLMAM (pronounced PLAM) is provided in the Pacific Agreement on Closer Economic Relations (PACER) Plus Arrangement on Labour Mobility as a mechanism to advance regional labour mobility cooperation.
- The theme for PLMAM 2024 is "Collectively Building Resilience", raising the importance of regional cooperation to build the resilience of labour mobility in the Pacific.
 - Framed by this theme, the four-day PLMAM programme will provide opportunities for deliberation by key labour mobility stakeholders on tangible measures to build the resilience of Pacific labour mobility schemes.
- PLMAM 2023 was held in Port Vila, Vanuatu.
- It is estimated that 350 people will attend PLMAM 2024. Attendees include:
 - Academics, PALM employers and workers, Pacific and Timor-Leste government representatives, industry representatives, union representatives, local, state and federal government, the Pacific Labour Facility (PLF), and private sector representatives such as NIB and Western Union.
- The Department of Foreign Affairs and Trade are the lead for the Commonwealth Government's participation in PLMAM. The Commonwealth Government objectives for the event are to:
 - Demonstrate Australia's commitment to eliminating migrant worker exploitation and addressing the challenges faced by workers
 - Demonstrate Australia's commitment to ensuring the PALM scheme provides mutual benefit for all including by promoting success stories of Pacific workers and employers benefiting from labour mobility programs
 - Highlight how Australia has listened and responded to Pacific and employer concerns and strengthened relationships with labour mobility partners
 - Demonstrate Australia's commitment to supporting regionalism, showcase support for the PACER Plus Implementation Unit and how PLMAM is adding value and inclusive of all countries
- The Hon Pat Conroy MP, Minister for International Development and the Pacific, will provide the keynote address at the Opening Ceremony on Tuesday 12 November.
- Senior Executive Departmental employees will present on operationalising the guiding principles on Pacific labour mobility worker wellbeing, and an update on labour mobility opportunities.
- The s 47F(1) will deliver remarks in response to Minister Watt's keynote address. He should be addressed as s 47F(1) . He is Tonga's Minister for Internal Affairs and will be the most senior Pacific government representative in the room. He will be seated next to Minister Watt on the stage.
 - It is anticipated the remarks will cover the broad themes of Minister Watt's speech such as cooperation and partnership among countries, mutual benefits of the scheme and worker protection, as well as reflections on his recent delegation trip and what he hopes to see for Tonga's labour mobility future.

About the host organisation

- PACER Plus is a regional development-centred trade agreement designed to support Pacific Island countries to become more active partners in, and benefit from, regional and global trade.
- PACER Plus entered into force on 13 December 2020.
- Ten countries are Parties to the Agreement: Australia, Cook Islands, Kiribati, New Zealand, Niue, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu.
 - Nauru has signed and is yet to ratify.
- PACER Plus is a trade and development agreement designed to raise living standards, create jobs and increase exports from Pacific Island countries, while also lowering barriers and providing greater certainty for businesses operating in the Pacific.
- The PACER Plus Implementation Unit (PPIU) is an international organisation setup to implement the PACER Plus Agreement, strengthen the capacity of Pacific countries to benefit from PACER Plus as well as other regional and international trade agreements
- The PPIU manages the PLMAM.
 - They also manage and deliver the programme of work under the agreement, and are based in Apia, Samoa.
- s 47F(1) is the Head of Secretariat for the PPIU and is based in Samoa.

About the speakers

Day 2 speakers:

s 47F(1) - principal of Analytic Matters, a consultancy undertaking public policy research, evaluation and design projects, and is based on the Kāpiti Coast, New Zealand.

s 47F(1) - Research Fellow at the Development Policy Centre, working in the field of Pacific labour mobility.

s 47F(1) i - Labour Mobility Specialist at the PACER Plus Implementation Unit (PPIU) and leads the implementation of the labour mobility work programme provided under the PACER Plus Arrangement on Labour Mobility.

MB24-000502

Attachment C: SPEECH



Note: Direction from the Minister's Office is to not include the speech in the meeting brief pack. The speech will be provided to the Minister by the Minister's Media Team.

MB24-000502

Attachment D: BACKGROUND TALKING POINTS

NSW Anti-Slavery Commissioner's Report

- My department is working with other Commonwealth agencies to review claims relating to the PALM scheme raised in the NSW Anti-Slavery Commissioner's Report *'Be Our Guests: Addressing urgent modern slavery risks for temporary migrant workers in regional and rural New South Wales'*.
- An Interdepartmental Disengagement Taskforce is examining how to best respond to any PALM worker disengagement across government agencies. This includes identifying gaps and opportunities to strengthen cross-agency collaboration to improve prevention, detection, re engagement and enforcement.

Worker Exploitation

- The new PALM program settings focus on addressing risks of worker exploitation. PALM workers are employed under the same industry awards and legislation as Australian workers.
- Changes to the Deed and Guidelines strengthen the Government's ability to target non-compliant employers and stamp out exploitation.

Disengaged workers

- The Australian Government is working together (along with key stakeholders) to identify push and pull factors, potential trigger points for disengagement, and opportunities and recommendations to detect and prevent disengagement. Preventing and responding to worker disengagement requires a collaborative effort from agencies that share responsibility for the issue, as well as key stakeholders.

PALM scheme Settings

- The department will continue to monitor PALM scheme settings to ensure they are working for all stakeholders. This includes a formal review. Scoping of the review is underway.

Voluntary administrators appointed to PGP Group (Aust) Pty Ltd

- My department is aware that PALM scheme Approved Employer PGP Group (Aust) Pty Limited (trading As PlantGrowPick) appointed KPT Restructuring as voluntary administrators on 16 October 2024.
- The department is closely monitoring this situation and actively engaging with administrators and PGP Group to safeguard the interests, welfare and wellbeing of any impacted PALM scheme workers, minimise disruption and ensure reliable and productive PALM workers are available to employers.

s 22(1)

Document 7 at pages 36-39 deleted pursuant to section 22(1) of the Freedom of Information Act 1982

Leste neighbors. We look forward to continuing to engage with you throughout this week's event.

Now, as many of you would know, I've been involved in the Pacific Australia Labor Mobility Scheme in a couple of different roles for some time now, first in my previous role as Australia's Agriculture Minister, a position that I held for the best part of two years, and now in my new role as the Minister for Employment and Workplace Relations.

So, I think that experience in those couple of roles has given me, personally, a really great appreciation for the importance of the PALM Scheme for employers, including approved employers, for workers, of course, who come here to work, for unions both Australian and from Pacific and Timor Leste, for regional Australia communities - I've had incredible feedback as I've traveled around Australia from regional communities about the importance of the workers who come and work here on the PALM Scheme.

And of course, also it's an important scheme for the Pacific and Timor Leste and for the families in those countries that this scheme supports.

And as you all know, we now have more than 30,000 PALM workers currently participating in this scheme. And I want to make sure that you understand how grateful Australia is for the PALM workers who've taken time away from their families and their communities to take up job opportunities here in Australia.

PALM scheme workers, as you probably know, are mostly employed in agriculture, meat processing, healthcare and other critical industries, and they really are vital to filling critical labour gaps in Australia.

As I say, I've been to farms, to abattoirs, to health facilities, all sorts of places across our country where I've heard over and over again how crippled those businesses would be if it weren't for the involvement and the hard work of people working here under the PALM scheme.

So, to our guests from the Pacific and Timor Leste, your people are filling really critical roles in places like aged care facilities in the Northern Territory, in abattoirs in regional New South Wales and Queensland, horticulture, particularly in Queensland, but elsewhere as well, and even vineyards in Western Australia.

I've met PALM workers in some of the most remote parts of Tasmania that are picking berries, just as I've met them in North Queensland, picking and packing bananas as well. And you know, in some places, they're doing some things that I didn't know farm workers were doing, such as in Ararat in Victoria, where PALM workers are producing custom wiring harnesses for Australia's heavy vehicle industry.

So, it seems to not matter where you go or what kind of industry you're talking about, there's always a terrific worker there from the Pacific or Timor Leste making a really big contribution.

And as I say, these workers do make a huge contribution to businesses in rural and regional Australia, and they enrich the culture of our local communities while they're there.

Again, I'm having all these memories as I think about it.

While I was the Agriculture Minister, I also held the role of Emergency Management Minister in Australia. And you probably know, we've been through a lot of floods and cyclones and fires as well. And as I'm talking here, I'm remembering the workers who I think were from Fiji, who I met in Lismore, somewhere that had experienced dreadful, dreadful floods, and they came out to help local members of those communities at a really terrible time on their lives.

So, it's not just the contribution that these workers make to the industries that they work in. They enrich those communities in so many other ways as well.

And of course, as you would be aware, these workers do receive important benefits from their hard work while they're in Australia, and that economic benefit has seen PALM workers able to save or send home an average of \$1,500 per month to provide for their own families and communities.

PALM also allows workers to build skills they can use. And I know we've got some PALM workers in the audience, and I hope you're getting that opportunity while you're here as well - skills that you can use when you return home to your home country.

And as the region's largest supporter of education and training, Australia will continue to work with our Pacific partners to ensure that this scheme provides a skill dividend for our region.

I've had that feedback very often, particularly from representatives from Pacific nations, that it's fantastic to have these employment opportunities, but it's also important to think about how we can have a skills transfer as well, which, of course, is really important for the economic development of the countries that people are coming from.

But while we do acknowledge these successes, we are also committed to addressing some of the challenges in this scheme. And I do think we need to be honest that it hasn't been perfect, and where there are problems and challenges, we need to place them up front and deal with them together.

And I understand there has been some discussion of some of these challenges and issues that PALM workers continue to have in the discussions you've had here today.

You've probably seen that I've acknowledged publicly in the Australian media that there have been in the past, and at times still, examples of worker exploitation that are completely unacceptable to Australians as a whole.

They are unacceptable to our government, but I think they are unacceptable to Australians on the whole as well.

And I strongly believe, as the Minister for Employment and Workplace Relations that no worker, migrant or otherwise, should ever be subjected to exploitation in the workplace, and that, as I say, is a view shared by our whole government, and I think it's something that all Australians agree with as well.

So, our government does take allegations of worker exploitation seriously, and we continue to take action where cases are brought to our attention, and we'll keep doing that.

In fact, you may have seen that Australia recently became the first country in the Asia Pacific region to sign all 10 of the International Labour Organization's Fundamental Conventions protecting workers' rights and safety.

These conventions encompass five core labour rights including collective bargaining rights, ensuring a safe and healthy working environment, elimination of all forms of forced or compulsory labor, discrimination and the effective abolition of child labor.

And it's really important to me and to our government that if we're going to be signing up to those sorts of international conventions, we need to carry them into force back here as well.

And that is one of the reasons why, since we were elected in 2022, the Albanese Government has also implemented a number of improvements, specifically to the PALM scheme to strengthen worker protections and better support worker wellbeing.

We know the majority of Australian employers value their workers and do the right thing, but where they do not, they've been put on notice by our government, and some of the recent changes that you probably are aware of are the introduction of settings above minimum legislative standards.

This includes minimum hours, a minimum pay, safety net, increased transparency of deductions and accommodation standards. And our government is also providing workers with access to welfare and wellbeing support, including a 24/7 support line and grievance reporting processes.

Now, some of those changes were contentious, and we needed to work them through with employers, approved employers as well, but I think we did arrive at a good position that did respect the rights of workers from the Pacific and Timor Leste to have a good experience while they're here.

We're very conscious that when workers return to their home countries, we want them to have a good experience in Australia, we want them to speak positively and think positively about their time in Australia, and that's why we're committed to making sure that people do have a good experience with proper protections in place.

We also require employers to provide a culturally safe and inclusive workplace, as well as sourcing accommodation and workers transport that is affordable, comfortable and safe.

And I recognise there is some more work to be done in those spaces, including in the area of housing, and this is one of the areas that we are looking at as we continue to work and have a look at the PALM deed.

More broadly, our government has invested \$440 million from 2022 through to 2027 to expand and improve the PALM scheme, and this funding allows us to strengthen oversight of domestic operations to better protect and support workers and support additional country liaison officers to provide culturally appropriate support to workers.

And as I said before, we're also embedding skills development as a key feature of this scheme, so the Albanese Government will continue to act.

And as I've said previously, we're open to further changes. We want this to be a scheme that works for Australia and for Pacific nations and Timor Leste, and we're keen to keep working with you to make sure that happens.

Importantly, we're also ensuring that there's robust monitoring, compliance and assurance oversight to make sure that these reforms that we've made are being followed on the ground.

And as I say, if any issues are identified, we're first referring those enforcement issues to regulatory authorities.

My department recently conducted the first phase of a review into employer compliance with the PALM scheme's minimum hours requirements. These requirements mean that employers must be offering their short-term PALM scheme employees 120 hours of work over four weeks.

This is to avoid the problem we were getting reported to us where people were coming to Australia on the promise of certain amounts of work, it wasn't being provided, and they were racking up debts at the very same time.

That's one of the things that we wanted to try to overcome.

Now, the review that my department did involved a sample made up of nearly a third of employers under the PALM scheme, and I'm very pleased to tell you that every single one of those samples was found to be compliant with this requirement.

I think that's a really pleasing result.

Now, I recognise it was 1/3 of them, it wasn't 100%, but to get a 100% strike rate with people following those changes, I think it's very reassuring.

And we will continue to conduct assurance checks to ensure that employers continue to meet their obligations, while noting, as I've said, that the vast majority of Australian employers, including approved employers, are doing the right thing.

Just finally, before your cocktails start, I would like to recognise and encourage an ongoing and collaborative approach to the PALM scheme.

Our government is committed to working with all stakeholders to ensure that this scheme continues to benefit everyone who takes part.

Last month, I had the pleasure of meeting with Fiji's Minister for Employment, Productivity and Workplace Relations Minister ^{s 47F(1)} and a delegation of Fijian officials.

And before the end of this year, I'll be meeting with heads of mission from all countries participating in the PALM scheme, to get further feedback and keep working through whatever issues might exist.

So, I do look forward in my new role to continuing to engage with participating countries, with employers and unions to ensure that the scheme is as strong as possible for everyone who's part of it.

I do hope that you enjoy the remaining days of this important event, and I really do hope that you enjoy some of the delights that Brisbane has got to offer.

Thanks very much for the chance to speak to you.

MB24-000528

EVENT SUMMARY**Event Brief | Minister Watt meeting with PALM Heads of Mission | Monday 9 December 2024**

To	Minister Watt
Location	Australian Parliament House, Canberra Committee Room 1S4
Meeting With	<p>His Excellency, Mr Ajay Bhai Amrit, High Commissioner for Fiji</p> <p>Her Excellency, Ms Camilla Solomon, High Commissioner for Nauru</p> <p>His Excellency, Mr John Kali, High Commissioner for Papua New Guinea</p> <p>His Excellency, Mr Robert Sisilo, High Commissioner for Solomon Islands</p> <p>His Excellency, Mr Samson Vivil Fare, High Commissioner for Vanuatu</p> <p>Her Excellency, Ms Hinauri Petana, High Commissioner for Samoa</p> <p>Mr Curtis Tu'ihalangingie, Acting High Commissioner for the Kingdom of Tonga</p> <p>Her Excellency, Ms Ines Almedia, High Commissioner for Timor-Leste</p> <p>s 22(1), Deputy Secretary, Department of Employment and Workplace Relations</p> <p>s 22(1), First Assistant Secretary, Pacific Labour Operations Division, Department of Employment and Workplace Relations</p> <p>s 22(1), Assistant Secretary, PALM Delivery Branch, Department of Employment and Workplace Relations</p> <p>s 22(1), Director Pacific Labour Policy, Department of Foreign Affairs and Trade</p> <p>s 22(1), Advisor to the Minister for Employment and Workplace Relations</p> <p>s 22(1), Deputy Chief of Staff to the Minister for Employment and Workplace Relations</p> <p>s 22(1), Senior Advisor Pacific to the Minister for International Development and the Pacific</p> <p>s 22(1), Senior Advisor PALM to the Minister for International Development and the Pacific</p>
Event contact	<p>s 22(1)</p> <p>M: s 22(1)</p>
Meeting Purpose	<p>Commitment to meet with Pacific and Timor-Leste Heads of Mission (HoMs) bi-annually. It is anticipated discussions will focus on Community Connections, PALM data, PALM worker drivers' licenses, accommodation standards, worker welfare, worker disengagement and the review of the Deed and Guideline settings. A draft agenda is at <u>Attachment A</u>. This has not yet been shared with HoMs.</p>
Prior meetings	<p>The Hon Tony Burke MP, former Minister for Employment and Workplace Relations met with HoMs on:</p>

MB24-000528

- 12 June 2024
- 5 December 2023
- 11 July 2023.

Key messages

This is your first roundtable with HoMs and provides an opportunity to highlight your areas of focus, as well as positive program outcomes including the department's recent assurance activity on minimum hours compliance and phase 1 of the review of the Deed and Guidelines. The department has continued work on addressing HoMs' key areas of interest, including:

1. **PALM Scheme Data** is publicly available on the PALM Scheme website and is updated monthly, as well as quarterly trend analysis.
2. A meeting with **Community Connections** was facilitated for The Salvation Army to discuss the Community Connections Annual Work Plan with the HoMs.
3. **Update on the Interdepartmental Disengagement** taskforce, due to report in January 2025, and the work being undertaken to assist workers impacted by Plant Grow Pick (PGP) Group going into administration.
4. Update on the Review of the PALM scheme Deed and Guidelines, and assurance outcomes of minimum hours compliance.

Sensitivities

1. Three critical incidents involving motor vehicles have recently occurred in the Bundaberg area in Queensland. The department has contacted the respective HoM, country liaison officers and labour sending units regarding the incidents. The incidents are subject to police investigations.
 - **23 November 2024 critical incident (Bundaberg)**
 - Five Ni-Van PALM scheme workers were travelling in a van that was involved in a collision with another vehicle.
 - A PALM scheme worker sadly passed away at the scene of the accident.
 - Four other PALM scheme workers sustained minor injuries.
 - **28 November 2024 critical incident (Bundaberg)**
 - A bus accident occurred involving 26 PALM scheme workers from Naura and Timor-Leste in Bundaberg, Queensland.
 - No PALM scheme workers were injured in the crash.
 - **29 November 2024 critical incident (Gin Gin)**
 - Three PALM scheme workers travelling in a car were involved in a vehicle accident.
 - A PALM scheme worker from Solomon Islands passed away at the scene.
 - Two other PALM scheme workers were taken to hospital for minor injuries.
2. The NSW Anti-Slavery Commissioners Report raised worker exploitation risks and concerns about **modern slavery** associated with the PALM Scheme.

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3. PGP, a labour hire company and Approved Employer in the PALM scheme entered voluntary administration. The department has stood up a taskforce to assist workers impacted by PGP going into administration.
4. s 33(a)(iii)

6. Historically at this meeting, there has been no exchange of gifts between HoMs and the Australian Government. Small gifts will be held by the event team in the event a HoM provides a gift.
7. The Department of the Prime Minister and Cabinet advice for meetings such as these is that the use of table flags is at the responsible Minister's discretion. The department will have flags available.

Talking points on the above matters are at **Attachment B**.

Attachments

- A:** Draft Agenda
- B:** Talking Points
- C:** Biographies of Heads of Mission
- D:** Seating Plan
- E:** 12 June Meeting Minutes - Minister Burke and HoMs
- F:** Minister's letter to HOMs - 30 July 2024

Clearing Officer: s 22(1)

Contact Officer: s 22(1)

Attachment B: Talking Points**Welcome, Acknowledgement of Country, and opening prayer**

- I am pleased to welcome you to our fourth meeting, building on discussions with the previous Minister for Employment and Workplace Relations.
- I greet you on Ngunnawal Country.
- I respectfully acknowledge the traditional owners and custodians of the lands which we meet, and acknowledge their continuing connection to land, waters and community. I pay my respects to them and their cultures, and to Elders past and present. I would like to warmly welcome any Aboriginal and Torres Strait islander people joining us here today.
- I will now invite H.E. ^{s 47F(1)} , to open the meeting with a prayer.

Introductions and opening remarks

- Joining me today are senior officials from my department and the Department of Foreign Affairs and Trade (DFAT).
- The Australian Government recognises the contribution Pacific and Timor-Leste workers have made to our economy, keeping food on the shelves, and contributing to the cultural and economic vibrancy of regional and rural communities.
- I am aware of critical incidents involving PALM workers that recently occurred in the Bundaberg region in Queensland.
 - Our priority is wellbeing of the people involved in the incidents, and our thoughts are with all those involved.
 - As the incidents are subject to police investigations, I am unable comment further.
- My department recently conducted the first phase of a review into employer compliance with the PALM scheme's minimum hours requirements. To date, 100% were found to be compliant with the minimum hours requirement.
- I am committed to reviewing the impacts of the Deed and Guideline settings. My department is finalising phase 1 of this review and I anticipate to communicate outcomes shortly thereafter.
- Last month, I had the pleasure of meeting with Fiji's Minister for Employment, Productivity and Workplace Relations ^{s 47F(1)} and a delegation of Fijian officials.
 - During the meeting, we discussed a range of issues including accommodation, payslips, mandatory offshore periods and superannuation.

Attachment B: Talking Points

- We continue to listen carefully to the views of Pacific and Timor-Leste partners, Australian employers, industry, unions and workers, on how best to implement the Government's commitment to expand and improve the PALM scheme.

Updates on action items and matters raised at the previous roundtable

PALM workers drivers licenses

- I acknowledge issues raised in the June meeting about workers difficulties with drivers' licences while in Australia.
- My Department is pursuing the matter and has been in contact with Department of Infrastructure, Transport, Regional Development, Communications and the Arts, Austroads and DFAT.
- In Australia, driver licensing is the regulatory responsibility of states and territories.
- We are liaising with our Transport policy counterparts to seek consideration of the issue via Austroads, which has a national coordination role for its member transport agencies.
- My department will keep you informed of any developments.
- Given the recent road safety incidents, I have asked my department to think carefully about what else we can do on licencing and road safety.

PALM scheme data

- The first set of recalculated PALM scheme data, for January to June 2024, was provided to you ahead of the public release on 31 July 2024. My department also provided an update on data at the regular DFAT hosted HoMs roundtable on 31 July.
- You also had early access to the release of time series data (for April 2022, Dec 2022 and June to Dec 2023) which was published on 30 September 2024, along with the first set of quarterly data reports, providing data and trend analysis. My department also met with you separately on 1 October to discuss this data.
- Latest data shows changes in the program, especially to how employers access the scheme, as well as sustainable growth, with continued demand from employers for workers.

Attachment B: Talking Points**Community connections**

- Thank you for attending a meeting with my department and The Salvation Army on 18 October 2024, to discuss the annual work plan.

Key points on topics that may be raised during the open discussion are included at Attachment Ba.

Attachment Ba: Talking Points – Sensitive and Specific Topics

Recent critical incidents on roads	1
Accommodation	2
Superannuation	3
Key settings to maintain worker welfare and wellbeing	3 - 4
NSW Anti-Slavery Commissioner's Report: Concerns around modern slavery in the PALM scheme	4
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Recent critical incidents on roads

- The Australian Government takes the welfare of PALM scheme workers seriously and continues to work with PALM scheme employers to promote and ensure driver safety.
- My department assists PALM scheme employers to fund formal driver safety training for workers through the Skills Development Program.
- Employers must familiarise PALM scheme workers with driver safety, including driving rules and conditions in Australia.
- PALM scheme workers are provided with information at their in-country pre-departure briefing, and at their arrival briefing in Australia through presentations, videos and handouts on topics such as:
 - legal alcohol limit
 - holding a licence
 - driving conditions
 - driver safety
 - seatbelts and mobile phones
 - speeding limits and parking fines.
- PALM scheme workers are able to drive in Australia if they have the appropriate licence and are eligible in accordance with the relevant state or territory rules for international licences. Resources are available on the PALM scheme website, supporting information on driving in Australia, including getting an Australian licence and safe driving.
- My department also partners with police and state and territory roads and transport authorities to leverage existing road safety programs.

Accommodation

- Ensuring workers have safe and secure accommodation is of paramount importance to the government and was a key element of the new PALM scheme deed and guidelines.
- Employers are required to provide accommodation for short-term workers for their entire stay in Australia and for the first 12 months for long-term workers, however if a worker chooses, they can arrange their own independent accommodation.
- PALM scheme employers are required to secure accommodation for PALM scheme workers that meets the standards in the employer deed and guidelines.
- The government is working closely with PALM scheme stakeholders to ensure approved accommodation standards and requirements are fit for purpose.
- Where accommodation issues arise from cultural differences, my department works closely with employers to resolve issues. This sometimes occurs when workers from different countries are accommodated together. Where practical, we support moving workers to separate accommodation.
- Accommodation must be provided 'at cost', represent fair and good value and not cost more than a reasonable proportion of workers income.
- Accommodation costs must be:
 - comparable to local market rates and representative of actual costs
 - shared equally between workers and other residents
 - communicated to workers through their offer of employment.
- Employers are required to submit accommodation plans to my department for approval, unless a PALM scheme worker(s) elects to secure their own accommodation privately.
- My department assesses all employer accommodation plans to ensure those standards are met.
- Employers must comply with all relevant state/territory or local government accommodation regulations.
- The government is aware of the accommodation challenges affecting the PALM scheme. Australia is experiencing housing challenges, including access to suitable and affordable housing.
- Although a nationwide concern, problems of high prices, limited supply and housing stress are especially pressing in regional areas where the majority of PALM scheme workers are employed.
- My department considers these factors during the accommodation plan assessment on a case-by-case basis.

Superannuation and tax issues

- I acknowledge workers have expressed concern about the process for accessing their superannuation fund when returning home
- DFAT is working with Treasury, the Australian Prudential Regulation Authority and the Australian Taxation Office on making superannuation more accessible for PALM workers.
- Consistent with other temporary migrant workers, PALM workers can claim the Departing Australia Superannuation Payment (DASP) once they have returned home, and their visa has expired.
- DASP applications can be completed online or in hardcopy. The tax rate for early discharge of superannuation is between 35 to 45 percent. This is higher than the flat 15 per cent applied to income for short-term PALM workers or the marginal tax rate applied to long-term PALM workers. The DASP tax rate is determined by legislation; PALM workers are not treated differently to other migrants.

Key settings to maintain worker welfare and wellbeing

- PALM scheme settings include protections for worker welfare and wellbeing and measures to safeguard against exploitation. These include:
 - enhanced PALM scheme regional presence which places staff in the regions with highest concentrations of workers and employers, enabling enhanced responsiveness to issues and the ability to work proactively with employers to build their capacity.
 - requirement for employers to have a wellbeing and welfare plan and a wellbeing and welfare officer who directly supports workers.
 - requirement for employers to support workers to access sick leave and medical care.
 - requirement for workers to maintain private health insurance as a condition of their visa
 - requirement for employers to help workers access medical and health services, and ensure workers understand how to access health care
 - embedded grievance management processes to ensure worker grievances are managed in a fair, accessible, responsive and efficient way.
 - strengthened protections for minimum hours, pay and conditions including a minimum net pay guarantee.
 - the Community Connections program which supports worker welfare, wellbeing and social inclusion in Australia through supporting workers to build positive relationships and integrate with their local community.

- requirement for employers and staff to undertake cultural competency training to support respectful, culturally appropriate interactions with workers.
- requirement for employers to comply with work health and safety laws.
- requirement for employers to report welfare and wellbeing incidents to my department.

NSW Anti-Slavery Commissioner's Report: Concerns around modern slavery in the PALM scheme

- My department is working with other Commonwealth agencies to review claims relating to the PALM scheme raised in the NSW Anti-Slavery Commissioner's Report 'Be Our Guests: Addressing urgent modern slavery risks for temporary migrant workers in regional and rural New South Wales'.
- The report raises worker exploitation risks identified by the NSW Anti-Slavery Commissioner in work undertaken prior to 2022. Since that time, the Government has insourced the domestic operations of the PALM scheme into my department, implemented a new delivery model and commenced settings in mid-2023 to specifically address the risk of worker exploitation.
- The report details a case study of an employer, s 47G(1)(a) , operating in Tasmania and Queensland at the time. This employer was a PALM Approved Employer terminated by mutual agreement in September 2023.
- An Interdepartmental Disengagement Taskforce is examining how to best respond to any PALM worker disengagement across government agencies. This includes identifying gaps and opportunities to strengthen cross-agency collaboration to improve prevention, detection, re-engagement and enforcement.

Disengagement

- Drivers of PALM scheme worker disengagement are complex and may include visa conditions, personal motivations, employer noncompliance, low hours and/or pay, and misinformation.
- The Australian Government is working together (along with key stakeholders) to identify push and pull factors, potential trigger points for disengagement, and opportunities and recommendations to detect and prevent disengagement. Preventing and responding to worker disengagement requires a collaborative effort from agencies that share responsibility for the issue, as well as key stakeholders.
- A PALM Disengagement Interdepartmental Taskforce has been established to examine existing levers and responsibilities across government agencies for responding to worker disengagement and identify gaps and opportunities to strengthen cross agency collaboration to improve prevention, detection and responses.

PGP Disengagement task force

- My department is aware that PALM scheme Approved Employer PGP Group appointed KPT Restructuring as voluntary administrators on 16 October 2024. This is the second time PGP Group has entered administration.
- My department is actively engaging with administrators, PALM workers and other stakeholders, as well as PGP Group, to safeguard the interests, welfare and wellbeing of any impacted PALM workers, minimise disruption to their employment and ensure reliable and productive PALM workers are available to employers.
- My department's taskforce is prepared and has met with workers throughout Australia to ensure their welfare and wellbeing and provide support.

Community Connections

- The PALM scheme's Community Connections program is a key component of PALM scheme worker support activity by building positive community relationships to help PALM scheme workers integrate with their local community through social, cultural, faith-based, sporting, and promotional activities and events.
- The Australian Government has invested \$12.15 million in the Community Connections program 2024-27 to support PALM scheme worker welfare, wellbeing and social inclusion.
 - This includes \$1.1 million for emergency support and community initiatives funding.
- The Salvation Army and their network of community and Pasifika representative organisations is contracted to deliver the program's community-building activities for PALM scheme workers and local communities across Australia.
- The Community Connections program 2024-27 aims to empower workers, community, and stakeholders to inform culturally appropriate community building activities, including:
 - Introducing a community initiatives fund to offer seed funding (usually up to \$1,000) to communities wanting to organise community building events or initiatives.
 - Continuing to provide targeted emergency support funding to help PALM scheme workers with short term food, emergency accommodation and repatriation needs.
 - Supporting the social inclusion needs of PALM workers' families arriving in Australia under the family accompaniment pilot.

Minimum Hours settings

- PALM scheme workers in the long-term stream must be offered full-time hours.
- From 1 July 2024, PALM scheme employers must offer PALM scheme short-term workers a minimum of 120 hours of work over 4 weeks (until 1 July 2025).
- If PALM scheme employers cannot offer 120 hours over 4 weeks for short-term workers, they must pay the workers income equivalent to 120 hours over 4 weeks (top-up pay).

- A minimum hours concept was also applied from 1 January 2024 to 30 June 2024, where employers were required to offer short-term PALM scheme workers a minimum of 30 hours a week, averaged over 4 weeks. The minimum hours settings were introduced gradually to minimise the administrative burden and allow employers to adjust.
- The policy settings were informed by extensive consultations with key stakeholders.

Assurance and Compliance Activities

- My department ensures employers meet their obligations by undertaking a range of activities including desktop audits, targeted assurance activities (reviews of pay data and unannounced assurance visits) and monitoring and assurance visits to worksites, accommodation and to meet with workers.
- Upfront checks which assess employers' financial viability and compliance with fair work and migration laws also set a high benchmark for participation in the scheme.
- Where instances of employer non-compliance are identified, my department thoroughly investigates and responds appropriately.

PALM Scheme Data

- I am pleased my department has published historical PALM scheme data, providing the full suite of data and ensuring stakeholders have access to reliable and transparent information when they need it.
- Historical data points have been updated to rectify errors in calculations back to April 2022.
- The Australian Government remains committed to responsible and sustainable growth of the PALM scheme to meet industry demand and the aspirations of partner countries.
- Our analysis confirms this is on track and that the outlook for the PALM scheme remains beneficial for Australian industry and partner countries.

If asked: Why have worker numbers dropped since new settings were introduced in July 2023?

- Worker counts in the PALM scheme have been generally steady for 2023/24, with sizeable decreases recorded for July and August 2024.
- Reduced numbers in July and August 2024 coincides with seasonal patterns, including the nature of work in agriculture or workers returning home for holidays. Worker participation will vary seasonally and month to month worker numbers fluctuate.
- The decline of worker numbers also correlates with the closure of the Pandemic Event (subclass 408) Visa. Additionally, the rate of entry of new PALM workers is subject to post pandemic employer demand that includes increased direct employment, improved workforce planning and the availability of alternative labour to AEs such as Working Holiday Makers.

- We have seen the number of PALM scheme employers continue to grow since the new PALM scheme deed and guidelines were introduced in July 2023.
 - 98 new employers have joined the scheme since July 2023, bringing the total number of employers to 489 in October 2024, a record high since the commencement of the PALM scheme (and predecessor schemes).
- There are a range of factors which impact demand for PALM workers, including:
 - New PALM settings have encouraged employers to better plan their workforce needs, resulting in more reliable work and better employment outcomes.
 - The number of WHMs returned to pre-COVID levels at June 2023 and continued to grow in the second half of 2023 (over 171,000 as at the end of August 2024).
 - Climate change, natural disasters and localise severe weather events impacting harvest yield and timing.
 - The Government remains committed to ensuring the PALM scheme continues to meet the needs of workers, employers and participating countries.
 - My department is currently reviewing the impact of the PALM settings to ensure stakeholder needs continue to be met.

If asked: Does the data demonstrate a decrease in the number of PALM scheme workers in agriculture?

- Apart from a rise in the first 6 months of 2023, PALM worker counts in Agriculture have been flat or declining from the earliest available data, well before new PALM settings were introduced.
- PALM scheme worker numbers in the meat processing sector, health and aged care and other sectors, have been increasing. Worker counts in all of these sectors have more than doubled since April 2022, with the number of workers in meat processing rising to 12,100 workers in October 2024 (from 5,310 in April 2022). Since July 2023, worker counts in all of these sectors have continued to show steady growth.
- While the PALM scheme remains a key mobility pathway for the agriculture and meat processing sectors, there are several other pathways and initiatives to support the agriculture sector to access labour.
 - The number of Working Holiday Makers in Australia has exceeded pre-COVID-19 levels, (over 171,000 as at the end of August 2024).
 - Fee-free TAFE is supporting Australians to move into agriculture with over 14,600 enrolments in agriculture related courses in 2023.

If asked: What are the long-term data trends?

- Data from April 2022 to August 2024 shows a healthy trajectory in the long-term, with continued demand from employers for workers from our neighbouring Pacific countries and Timor-Leste.

- PALM scheme worker numbers have increased over the period, by 18%.
- This rate of growth is responsible and sustainable. Previous modelling indicated a slowing in growth of workers following the rapid growth in worker numbers during the COVID-19 pandemic and ending of the Pandemic Event (subclass 408) Visa.

Document 11 and 12 at pages 60-65 deleted pursuant to section 33(a)(iii) and 33(b) of the Freedom of Information Act 1982

MB24-000547

Meeting Brief

To **Minister Watt**

Briefing Title **Meeting Brief | Minister Watt meeting with Jobs and
Skills Australia (JSA) | Monday 9 December 2024**

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13. The department's PALM Operational Policy Branch were consulted and provided the following advice.

14. Changes to PALM scheme policy settings would need to undergo significant research and stakeholder consultation to ensure that the PALM scheme objectives are maintained.
15. PALM scheme settings aim to balance the needs of employers with strong protections for PALM scheme workers.
16. Aware of increasing calls on the government to consider worker-initiated portability in the PALM scheme, which falls within the Department of Foreign Affairs and Trade (DFAT) area of responsibility.
17. The government supports workers to change employers where concerns arise in relation to their employer, place of employment, or available work hours.
 - a. The department is able to initiate redeployments on a worker's behalf where deemed appropriate due to workplace or personal circumstances.
 - b. The department has also increased flexibility for employers and introduced employer-initiated portability settings as part of the new PALM deed and guidelines released in July 2023—however, this setting remains largely untested.
18. The government committed to assessing the feasibility of workers electing to move employers within the PALM scheme.
 - a. As this would be a significant change to the scheme, the department will consult with industry, unions and Pacific and Timor-Leste governments on any future reform.
 - b. DFAT has also commissioned research focusing on worker-initiated portability in similar temporary migration schemes globally that will inform any policy change.

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MB24-000569

Meeting Brief

To **Minister Watt**

Briefing Title **Meeting brief | Advance Cairns Delegation |
20 November 2024**

s 22(1)

Document 14 at pages 71-72 deleted pursuant to section 22(1) of the Freedom of Information Act 1982

Pacific Australia Labour Mobility Regional Footprint

- There are 2 North Queensland regional hubs for the Pacific Australia Labour Mobility (PALM) scheme, located in Cairns and Townsville.
- The PALM regional presence has on-ground support to PALM scheme workers, approved employers, and other stakeholders. It allows the department to deepen relationships with stakeholders at a community level and respond quickly to emerging issues and concerns.

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Document 14 at pages 74-75 deleted pursuant to section 22(1) of the Freedom of Information Act 1982

MB25-000012

Meeting Brief**To Minister Watt****Briefing Title Meeting Brief | Minister Watt meeting with the ACTU, Minister Burke and Minister Conroy regarding PALM**

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Key issues and Sensitivities:

1. Many PALM Approved Employers and stakeholders have publicly stated if the PALM scheme establishes 30 hours per week every week as the minimum hours' requirement in the short-term scheme, they intend to cease using the PALM scheme and move to lesser regulated forms of labour. Furthermore, Approved Employers have advised they are delaying decisions about PALM recruitments that exceed June 2025, subject to a decision about the minimum hours setting
2. The short-term PALM scheme is dominated by the agriculture sector which also employs 53% of all PALM workers and remains the largest sector in PALM. PALM workers employed in the agriculture sector is declining. It fell by over 25% between mid-2023 and late 2024 (**Attachment A**).
3. The current temporary minimum hours' setting provides flexibility to employers to accommodate weather and market fluctuations and has been proven to ensure a reliable income of not less than 30 hours per week is provided to workers. Furthermore, it keeps the regulated PALM scheme competitive to employers comparative to lesser regulated workforce options such as Working Holiday Makers. There is currently an average of 180,000 WHM per month in Australia (**Attachment A**).

4. Evidence and information collected in phase one of the Review of the Impact of the Deed and Guideline Settings (Phase 1 Review), supports retaining the current temporary arrangements for minimum hours as a permanent setting for Approved Employers of short-term workers. The Department of Employment and Workplace Relations' assurance activities continue to demonstrate Approved Employers are achieving 100% compliance with the current minimum hours' requirement.
5. During Phase 1 of the Review, no stakeholder provided evidence of negative impacts of the current arrangement. Unions advocated for establishing 30 hours per week, every week as the minimum hours setting, to further strengthen worker protections.
6. Retaining the current setting recognises the compliant PALM Approved Employers and reduces risk that the move to 30 hours every week setting drives employers to lesser regulated workforce options such as working holiday makers (**Attachment A**).
7. The ACTU participated in Phase 1 Review of the Deed and Guideline settings focus group sessions and provided a written submission. Their submission includes claims of PALM scheme worker exploitation, safety issues, wage and superannuation theft, substandard living conditions and unfair deductions (**Attachment C**). The department is seeking further information to ensure all matters reported are properly investigated. The ACTU claims may relate to individual instances and/or historic matters. The AMIEU and AWU did not provide a written submission and did not provide any specific feedback in focus group sessions.
8. Minister Conroy met with the ACTU and Pacific unions on the sidelines of the Pacific Labour Mobility Annual Meeting. Discussion included the benefit and effectiveness of the current setting and the absence of evidence to validate a case to move to the 30 hours every week setting.

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Talking Points

Headline

- PALM Approved Employers have clearly stated that if the PALM scheme moves to 30 hours week every week, they will leave the scheme and use alternative forms of labour.
- Approved Employers have advised they are delaying decisions about PALM recruitments that exceed June 2025 subject to a decision about permanently establishing the minimum hours setting.
- Agriculture sector employs 53% of PALM workers (September 2024) and remains largest sector in PALM.
- Government wants to maintain the strong and effective regulation in the PALM scheme without incentivising employers moving to lesser regulated workforce options such as working holiday makers.
- PALM Workers in Agriculture declined by 26% between June 2023 and November 2024.
 - PALM workers in Agriculture have been declining since the pandemic ended and the return of alternate, lesser regulated forms of agricultural labour (Attachment B).
 - Even accounting for seasonal fluctuations, there is a clear trend of declining recruitment of PALM workers in Agriculture (Attachment B).
- Employers have workforce options, the number of Working Holiday Makers (WHM) is increasing.
 - Pre-Pandemic there was an average of 140,298 WHM per month in Australia.
 - In four quarters to end September 2024 the average number of WHM reached 180,000.
 - As at end November 2024 (latest data) there were 213,394 WHM in Australia.
- A decision to extend the existing setting in favour of making a permanent decision will be poorly received by Approved Employers and industry stakeholders. It is likely to continue the current uncertainty and have a similar effect to a permanent move away from the existing setting.
 - If a decision to extend the existing setting is contemplated it is recommended the end date be sequenced in mid-winter to avoid summer peak harvest.

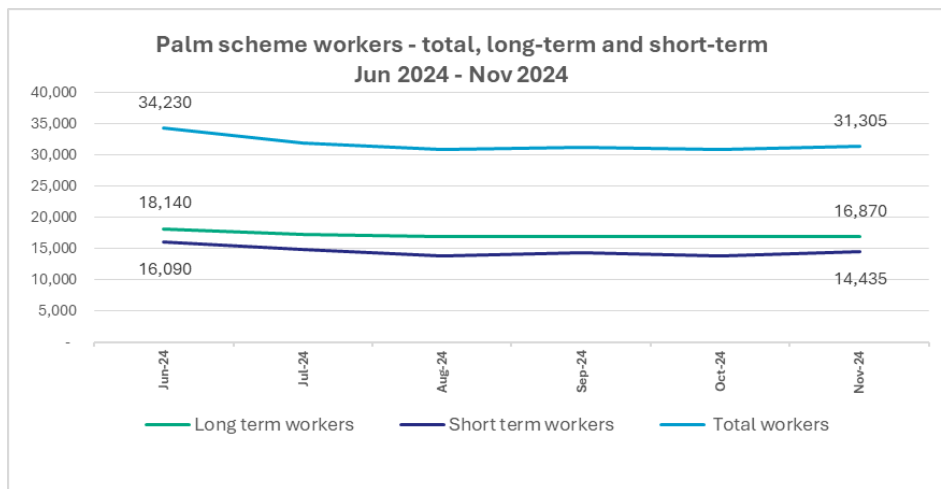
Gains made in PALM scheme

- Government's reforms have secured protections and benefits well past other, lesser regulated, forms of labour available to Agriculture (e.g. WHM).
- Government wants to incentivise employers doing the right thing in the PALM scheme and preserve benefits to workers.
- PALM Approved Employers are moving away from Labour Hire and toward direct employment.
 - PALM workers employed directly went from 25% of workers in June 2023 to 31% in September 2024.
- DEWR's assurance activity has sampled about 37% of active PALM Approved Employers in Agriculture/Horticulture using short term workers and found 100% compliance with the current minimum hours setting.
- PALM Approved Employer numbers are at a record high (492 as at November 2024).
 - Almost all employers who joined in the last year are from the agriculture sector.
 - The proportion of agriculture employers in PALM grew from 37% in September 2023 to 45% (September 2024).

- This includes a net increase of 50 agriculture employers.
- There are more PALM Approved Employers actively recruiting.
 - In September 2024, 72% of PALM employers had active recruitments, up from 63% in May 2023.
- Disengagement in PALM scheme is declining.
 - From 10% in 2020-21 to 8% in 2021-22 & 2022-23 to 5% in 2023-24.
- These achievements are specific to PALM scheme workers and are at risk if employers are incentivised to take up the lesser regulated workforce options available to the agriculture sector.

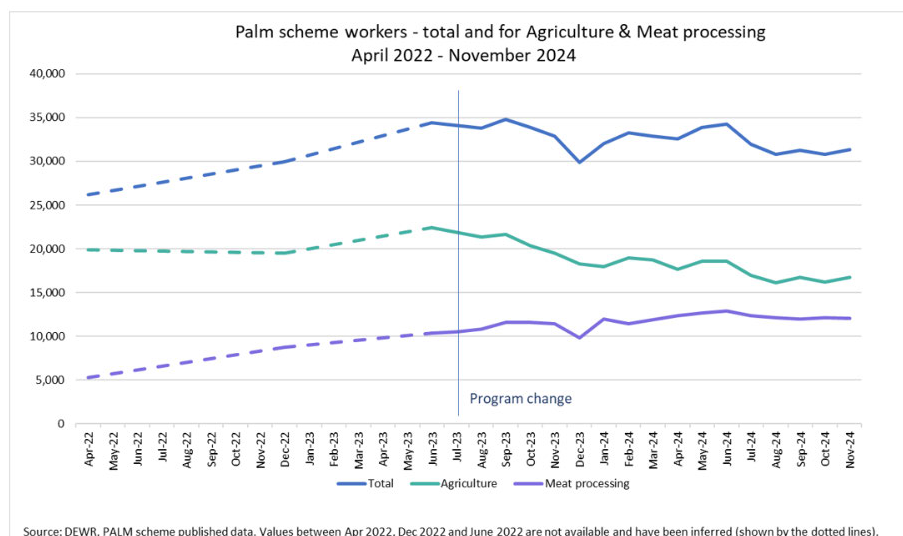
Last updated: 31 January 2025

PALM Data – last 6 months



- The number of PALM scheme workers declined from 34,230 in June 2024 to 31,305 in November 2024.
 - July and August are typically low-arrival months as work in agriculture winds down.
- From July 2024, worker counts have been generally steady. In November 2024 (latest data available), there were:
 - 14,435 workers in the short-term stream, increasing slightly from October 2024
 - 16,870 workers in the long-term stream, a slight decrease from October 2024.

PALM data trends



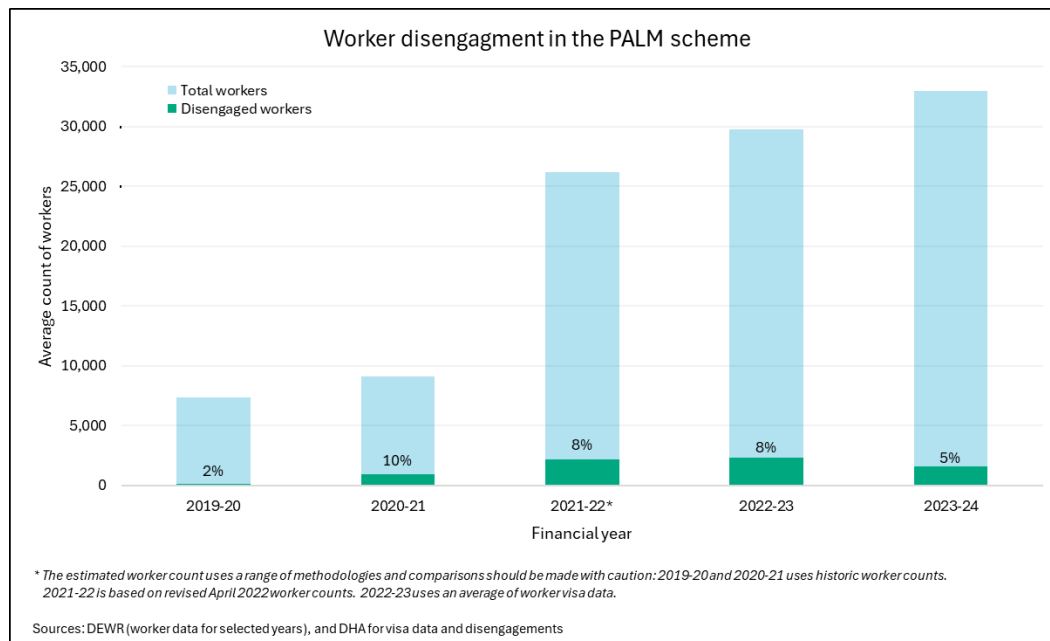
Between June 2023 and November 2024 (latest data available):

- Total PALM scheme worker numbers decreased by 9%, despite some fluctuations over the period.
- Agriculture decreased by 25% (mostly due to decline in the short-term stream, noting 84% of agriculture workers are short-term).
- Meat processing increased by 17% (with increases in both the long-term and short-term streams noting that 98% of Meat processing is long-term).
- All other industries, which are dominated by long-term workers, also increased over the period, apart from Accommodation which fell by 13%.

PALM Data trends pre and post new PALM scheme Deed and Guidelines

- The number of PALM scheme employers has continued to grow since the new PALM scheme deed and guidelines were introduced in July 2023.
 - 101 new employers have joined the scheme since July 2023, bringing the total number of employers to 492 in November 2024, a record high since the commencement of the PALM scheme (and predecessor schemes).
- Apart from a rise in the first 6 months of 2023, PALM scheme agriculture worker counts have been flat or declining for some time (well before new PALM scheme settings were introduced).
- Agriculture continues to be the largest employing industry in PALM, comprising 53% of PALM workers in November 2024.
- Despite seasonal fluctuations worker counts have been relatively steady since August 2024. November 2024 data demonstrates a 4% increase in short-term agriculture workers. This is likely attributable to the summer harvest peak.
- PALM is a demand driven program with a range of factors impacting demand for workers and growth including:
 - climate change, natural disasters and local severe weather events impacting harvest yield and timing
 - mechanisation of industries
 - drops in some global commodity prices
 - the number of Working Holiday Makers returned to pre-pandemic levels in June 2023 and grew from the second half of 2023 (table 1 page 6)
 - seasonality of some agricultural commodities.

Disengagement



- Worker disengagement rates have declined since the introduction of the new Deed and Guidelines in June 2023.
- There are many reasons for disengagement. There is a government taskforce looking at the drivers of disengagement to identify how it can address the issues that motivate a PALM worker to leave the scheme

Working Holiday Maker data

Number of Working Holiday Makers (WHM) in Australia

	Nov-2019	Nov-2020	Nov-2021	Nov-2022	Nov-2023	Nov-2024
Working Holiday Makers in Australia	145,411	53,712	22,285	103,701	172,103	213,394

Source: Department of Home Affairs

- WHM numbers are well above what they were pre-COVID to record highs and have risen substantially over the last 2 years.
- Higher WHM numbers offers an additional labour source for employers, especially in the horticulture industry.
- Lower PALM Agriculture worker numbers coincides with the substantial increase in availability of WHM numbers.



Terms of Reference

Review into the impact of the Pacific Australia Labour Mobility (PALM) scheme deed and guideline settings

Purpose

To review the impact of the PALM scheme Approved Employer Deed and PALM scheme Approved Employer Guidelines (the deed and guidelines) settings.

Objectives

The review will examine the impact of key PALM deed and guideline settings, implemented in June 2023, to determine if they meet the Government's priorities, including:

- ensuring scheme mechanisms protect workers at greatest risk of exploitation
- enable participating countries, workers and their communities to benefit from participation in the scheme
- ensuring there is a reliable and productive workforce available to meet the needs of Australian employers¹
- whether the new settings have influenced Approved Employers' demand for workers and support continued growth of the scheme.

Scope

The review will be implemented in two phases:

- Phase one will focus on the scheme's minimum hours settings
- Phase two will assess whether the following key settings are meeting Government priorities:

Accommodation standards	Welfare and Wellbeing Support
Pay Parity	Transparency of Deductions
Low Hours Safety Net	Cultural Competency
Minimum Net Pay Guarantee	Transport Standards

Out of scope

- the impact of the insourcing on domestic operations of the PALM scheme (reviewed separately)
- findings of the interim evaluation of the PALM scheme (which will overlap with the review), and
- Department of Foreign Affairs and Trade (DFAT) delivery responsibilities (administered bilaterally via a Memorandum of Understanding).

Approach and timing

A broad range of stakeholder views will be captured including employers, workers, industry, pacific countries and community organisations through surveys, focus groups and interviews.

¹ Available subject to evidence of labour market testing and meeting program eligibility requirements

Views expressed will be triangulated with departmental, and broader government, administrative data. Data collection will commence in October 2024 with phase one results to be provided to the Minister for Employment and Workplace Relations by early December 2024 and phase two provided to the Minister for Employment and Workplace Relations by mid-2025.

Review into the impact of the PALM Deed and Guideline settings – minimum hours

Submission by the Australian Council of Trade Unions

ACTU Submission, 9 December 2024
ACTU D. No 84/2024

ACTU
australian council of trade unions

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30 hours a week, every week for short-term workers	4
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Introduction

Australian Unions support the PALM program as an important development initiative that builds connections between Australian and Pacific Island and Timor-Leste workers, and enables workers to make a living and support their families. Australian unions represent PALM workers, and particularly in industries where there are large numbers of PALM workers such as horticulture, meat processing and aged care, PALM workers make up a significant cohort of union members and their unions are active in advocating for improvements to the program on behalf of their members.

PALM workers make an enormous contribution to Australia, and they deserve to come here and be treated fairly at work. The protection of workers' rights must be central to the PALM program, and any review of the Deed and Guidelines must be with a view to combating exploitation and ensuring that workers have a positive experience in Australia. There have been well documented cases of exploitation in the program, including serious safety issues, wage and superannuation theft, low hours of work, substandard living conditions, and unfair deductions. Despite the positive reforms the Government has made in the 2023 update of the Deed and Guidelines to protect workers, which are starting to improve the situation on the ground, more must be done to strengthen the Deed and Guidelines and their implementation and enforcement.

Reforms to PALM cannot be looked at in isolation of other visa settings, as changes to one program has flow on effects. Employers will use the visa products that enable them the greatest flexibility at the lowest cost. This is evident in the horticulture industry, where pre-pandemic employers had access to a large pool of Working Holiday Makers (WHMs) who seek work in horticulture in order to complete their 88 days of 'specified work' to be eligible for a second year visa; employer preference for WHMs limited the uptake of PALM. During the pandemic when the borders were closed and employers could no longer access Working Holiday Makers, however, PALM was heavily relied upon¹ as the mechanism for employers in horticulture to access temporary migrant workers. The numbers of WHMs have now rebounded to pre-COVID levels, and employers are reverting to using WHM rather than PALM workers. This highlights the need for a consistent floor of minimum rights for workers across temporary visa programs to prevent labour arbitrage.

¹ PALM scheme data report – September quarter 2024, <https://www.palmscheme.gov.au/sites/default/files/2024-11/PALM%20scheme%20data%20report%20-%20September%20quarter%202024.pdf>

PALM Deed and Guidelines – current settings

Australian Unions support the changes made to the PALM Deed and Guidelines introduced in June 2023, in particular:

- Strengthened minimum hours settings
- Introduction of a minimum net pay guarantee
- Introduction of pay parity
- Introduction of a low hours safety net
- Expanding union participation at on-arrival briefings to all cohorts of PALM workers
- Improved accommodation standards

While noting the positive impact these reforms are having, it is clear more needs to be done to further strengthen the protections in the Deed and Guidelines which act as an important safety net for PALM workers, which are particularly vulnerable in the labour market due to the temporary visa status and conditions that tie them to their employer sponsor, which create a serious power imbalance with employers. In particular, a number of the settings should be looked at in the context of the current cost of living crisis to determine whether they are still providing an adequate safety net: for example, the minimum net pay guarantee should be increased and indexed in line with inflation to ensure workers are receiving enough money to meet increased costs of essentials and send money home to their families.

Minimum hours settings

The problem

Prior to 2024, short-term workers in the PALM program were supposed to receive 30 hours of work per week, averaged over the worker's entire placement (of up to 9 months). This lack of guaranteed weekly minimum hours of work for has for years left short-term PALM workers unable to cover basic costs to support themselves in Australia or send money to their family back home, and has meant that some workers have left Australia in debt or with very little to show for their hard work. No minimum hours meant that workers are not able to predict how much they will earn each week. Employers were 'labour banking' – bringing over PALM workers with little planning about when in the season they would be needed, leaving workers sitting around with little or no work – particularly at the beginning and end of a season. Unions regularly came across workers who were unable to make ends meet, and were relying on charities or the diaspora community for food and clothing. In some instances, left without money for food, workers were reliant on financial support being sent from families in their home countries. There were even cases of workers who after going more than two months without work in northern Tasmania, were forced to go fishing to feed

themselves.² Under the PALM program settings, workers do not have the freedom to move employer, and are therefore effectively tied to their employer sponsor - meaning that they cannot simply pick up additional hours of work elsewhere if they are not offered sufficient hours by their Approved Employer. This lack of minimum hours is a key driver for workers disengaging from PALM, as workers are desperate to make ends meet and so seek work elsewhere – in breach of their visa conditions.

Minimum hours settings

To address this problem of workers bearing all of the risk for low hours of work, the Government announced in 2023 the introduction of new minimum hours settings into the Deed and Guidelines, with long-term workers receiving full-time hours from 1 October 2023, and a staged implementation for minimum hours for short-term workers:

- From 1 January to 30 June 2024, short-term PALM workers must be offered at least 30 hours per week averaged over each four week period;
- From 1 July 2024, short-term PALM workers must be offered at least 30 hours per week, every week.

The Government announced in May 2024 that it had decided to delay the introduction of the 30 hours per week minimum hours settings for short-term workers until 1 July 2025, and introduced a 120-hour work guarantee, meaning that employers are required to offer 120 hours of work over 4 weeks, and if they cannot do this, they must pay workers' wages equivalent to 120 hours over 4 weeks. If employers are not compliant, they may be directed to provide 30 hours every week.³

Impact of current minimum hours settings

The Government has announced that after an assessment of a sample of nearly a third of PALM agriculture and horticulture employers with short-term workers, it found all employers assessed are complying with the scheme's new minimum hours obligations for workers.⁴ This is a welcome result from the small number of employers investigated, and we urge the Government to continue

² Angus Thompson, *Sydney Morning Herald* 'Broke and hungry, Pacific Islanders are abandoning Aussie farms in droves', 27/06/23 <https://www.smh.com.au/politics/federal/broke-and-hungry-pacific-islanders-are-abandoning-aussie-farms-in-droves-20230621-p5diah.html>

³ 'PALM Minimum hours settings – frequently asked questions', May 2024, <https://www.palmscheme.gov.au/sites/default/files/2024-05/Minimum%20hours%20settings%20frequently%20asked%20questions%20-%20May%202024.pdf>

⁴ Senator the Hon Murray Watt, Minister for Employment and Workplace Relations, 'Minimum hours changes making a difference for PALM scheme workers', media release 12/11/24 <https://ministers.dewr.gov.au/watt/minimum-hours-changes-making-difference-palm-scheme-workers>

the assessment of all employers on a regular basis to ensure compliance. This result shows, however, that the introduction of these settings is driving a positive change in employer behaviour and that, despite previous claims made by employers that offering 30 hours a week averaged over 4 weeks would not work, it is indeed possible for employers to better plan for the number of workers they need over the course of the season. Decreases in the number of PALM workers, while as we have noted above is due to a return of WHM which provides a cheaper pool of labour for employers who are using WHMs instead of PALM workers, is also a corollary of employers better planning how many workers they need over the course of the season. Employers engaging fewer PALM workers but providing them all with enough hours of work is preferable to employers 'labour banking' and leaving workers to languish with insufficient hours.

30 hours a week, every week for short-term workers

Australian Unions are of the view that there must not be any further delay to the implementation of the 30 hours a week, every week for short-term workers. This is in order to provide clarity and certainty to workers and employers. The problem with an averaging mechanism, as per the current settings of 30 hours per week averaged over 4 weeks, is that it will result in workers receiving insufficient hours of work to pay off their debt in a timely manner, particularly at the start of their placement, which will extend the period over which employers recover the debt. The averaging mechanism also makes compliance more complex. It is much more difficult for workers to determine whether they have been provided with the correct number of hours over a four week period – 30 hours a week, every week, where the number of hours provided is clearly indicated on the payslip, provides clarity for workers and makes it far easier for them to identify if employers are not meeting their obligations. We are opposed to any further delay or reconsideration of the implementation of the 30 hours per week requirement.

PALM Approved Employers have raised objections to the 30 hour a week requirement, in particular raising that the horticulture industry can be impacted by inclement weather which could prevent employers from offering 30 hours each week. The Guidelines already address this concern, however, by allowing the Department to consider circumstances where 'extreme weather events, disasters or other exceptional circumstances prevent employers in impacted regions meeting the minimum hours requirement'⁵, and this would continue to be the case when the 30 hours a week, every week setting is enacted.

⁵ PALM scheme Approved Employer Guidelines, 13.8.2, p. 102.

Disengagement and the need for mobility

Finally, we understand that disengagement numbers – that is, PALM workers leaving their employment which is a breach of their visa – have declined since the introduction of the minimum hours settings. This correlates with the anecdotal evidence unions have received, where low hours is a key reason for workers disengaging from the program, as workers seek to find work elsewhere to make enough income.⁶ The recent report of the NSW Anti-Slavery Commissioner⁷ highlights the modern slavery risks of the bonded nature of the PALM program, where workers are effectively tied to their employer-sponsor and unable to change employers of their own volition. This leaves workers experiencing exploitation in the position of having to choose between remaining in the exploitative situation, or leaving their employer and thereby disengaging from the program and becoming undocumented, without healthcare, and risking homelessness. Disengaged workers are highly vulnerable to exploitation, so this is a key issue unions want to see addressed in the program. It is encouraging that the current minimum hours settings are having a positive impact in this regard, and we see this as another reason the Government should proceed with the implementation of 30 hours a week, every week. The other key reform needed to tackle disengagement from the program will require the introduction of worker-initiated mobility within PALM. Mobility will also drive a change in employer behavior, where employers will no longer be able to treat PALM workers as bonded labourers, and will have to provide decent working conditions in order to attract and retain workers.

⁶ See also: Angus Thompson, *Sydney Morning Herald* 'Broke and hungry, Pacific Islanders are abandoning Aussie farms in droves', 27/06/23 <https://www.smh.com.au/politics/federal/broke-and-hungry-pacific-islanders-are-abandoning-aussie-farms-in-droves-20230621-p5diah.html>

⁷ NSW Anti-Slavery Commissioner, 'Be Our Guests: Addressing urgent modern slavery risks for temporary migrant workers in rural and regional New South Wales', September 2024 https://dcj.nsw.gov.au/documents/legal-and-justice/anti-slavery-commissioner/plans-and-discussion-papers/Be_Our_Guests_-_Addressing_urgent_modern_slavery_risks_for_temporary_migrant_workers_in_rural_and_regional_New_South_Wales.pdf

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Attachment A D

Summary of Stakeholder Feedback on Minimum Hours

For short-term placements, Approved Employers must offer workers a minimum of 120 hours of work over 4 weeks. If the employer cannot do this, they must pay the workers' wages equivalent to 120 hours over 4 weeks.

<i>Data collection</i>	<i>Number Distributed, Attendees or approached</i>	<i>Responses Received/ Meetings</i>	<i>Summary of Feedback</i>
PALM Worker Survey	293 distributed by email, phone and face to face	50 received 36 were complete	<ul style="list-style-type: none"> Most of the PALM workers surveyed either agreed they received the minimum 120 hours over 4 weeks, or reported a relatively high median income (\$930 pw). 78% would recommend the PALM scheme. Workers appreciate the opportunity and income while noting challenges such as the physical demands of the work and financial pressure from home. These issues will be considered in phase two of the review.
PALM Employer Survey	237 distributed by email	94	<ul style="list-style-type: none"> Employers support the current minimum hours approach and raised concerns about the impact of implementing 30 hours every week, specifically the inflexibility and cost may lead to a decline in the recruitment of workers.
Participating country representatives	All HOMs, 10 LSUs and 20 CLOs, approached to provide written submissions or meet	3 written Submissions*	<ul style="list-style-type: none"> Participating counties support the current arrangement and highlight that low or inconsistent hours often leads to disengagement. Participating countries raised concerns that some industries may be considering moving to alternative labour sources for short term workers.
Industry Associations	s 47G(1)(b)	2 focus groups (21 Nov 24 and 6 Dec 24) 3 written submissions s 47G(1)(b)	<ul style="list-style-type: none"> s 47G(1)(b) note that the requirement to guarantee 30 hours per week every week is extremely difficult in horticulture, and their data shows employers are meeting current 120 hours over 4-week requirement. s 47G(1)(b) support the continuation of the current setting and provided results from an employer survey indicating there may be a reduction in the recruitment of PALM workers if 30 hours every week is implemented. s 47G(1)(b) highlighted the importance of confirming a permanent approach to support employer's workforce planning, as industry are now making commercial decisions crossing July 2025. There is a positive impact of the minimum hours setting for workers, providing certainty of work hours over a 4-week period.
Unions	s 47G(1)(b) Australian Council of Trade Unions (ACTU). s 47G(1)(b)	2 focus groups (19 Nov 24 and 6 Dec 24)	<ul style="list-style-type: none"> Unions, support the full implementation of the minimum hours requirement (30 hours offered per week every week for short-term workers) and note that this would improve employer's workforce planning and result in people having adequate hours, and not build debt. Unions are keen to understand the departments ongoing approach to monitoring compliance with this setting. This can be addressed through communication products, media releases and established consultative fora.
Departmental Responses	Department of Fisheries, Forestry (DAFF), Department of Foreign Affairs and Trade (DFAT), Home Affairs and Fair Work Ombudsman (FWO)	4 written responses	<ul style="list-style-type: none"> DAFF and DFAT indicate stakeholders support the permanent implementation of the current arrangement. DFAT support settings that are more supportive of growth, noting many participating countries are interested to grow their participation in the PALM scheme.

* Written submissions were sought; all stakeholders had the opportunity to engage the contractor and/or the department to discuss any data or evidence they wished to put forward. Deed and guidelines review updates were provided to HOMs through regular meetings, with additional information on how to organise verbal feedback provided. All stakeholders listed above will be re-engaged in Phase 2 and offered opportunities to talk with DEWR about the other scheme settings through multiple engagement channels.

Attachment E - Responses to ACTU position

ACTU position	Response as it refers to minimum hours
Reverting to 30 hours per week every week will prevent disengagement as workers will have guaranteed hours each week. It will also enable workers to pay off their debt in a timely manner	<ul style="list-style-type: none"> • PALM worker disengagement has declined under the new Deed and Guidelines settings. • There are many factors motivating PALM worker disengagement not limited to adequate hours and earnings, such as perceived poor treatment from an employer and personal motivations. • The current settings provide over a 4-week reconciliation period, the same amount of money 30 hours per week provides. It also provides top up pay to not less than 120 hours over 4 weeks. • Since commencement of the new PALM Deed and Guidelines in July 2023, industry and workers in the short-term stream have been operating with models with guaranteed hours of work • The PALM scheme has never offered 30 hours per week, every week.
Under the PALM Deed, employers can already seek suspension of minimum hours requirement where weather events affect hours	<ul style="list-style-type: none"> • Employers can seek to temporarily suspend obligations under the Deed via 'Force Majeure' clauses which apply where there is a significant event such as a natural disaster, pandemic or war. These do not apply where there are short periods of inclement weather. • Force Majeure only applies with the department's agreement and does not provide certainty to businesses conducting workforce planning.
The current settings are confusing for workers to identify if they are not receiving their minimum hours	<ul style="list-style-type: none"> • DEWR undertakes monthly assurance activities of payslips to test if 120 hours of work is offered to short-term workers over a 4-week period, and if it wasn't offered whether their pay had been topped up to the equivalent of 120 hours. • To date, 100% of sampled approved employers have been found to be compliant with the minimum hours' obligations. • PALM workers surveyed in Phase 1 of the Review into the Deed and Guideline settings either agreed they received the minimum 120 hours over 4 weeks or reported a median income of \$930 per week.
Current settings don't allow worker-initiated portability, workers are bound to employers for the term of their visa. They cannot seek additional hours from other employers if minimum hours are not provided.	<ul style="list-style-type: none"> • The minimum hours settings are complemented by other worker protections including the low hours safety net and the minimum net pay guarantee. • Employers are also required to top up wages to 120 hours over 4 weeks if hours are under 120 hours. The department's assurance activity demonstrates employers are topping up wages. • If the department found an employer in breach of the current setting, it will take strong compliance action and at a minimum revert the employer to 30 hours per week every week.

MS24-000302

Standard Brief

To Minister for Employment and Workplace Relations

CC N/A

Action Required For Decision

PALM scheme: standdowns and pay parity settings

Timing Please action by **4 October 2024**. The reason is to allow for the implementation of PALM scheme guidelines changes by 1 November 2024 when the *Fair Work Act 2009* change takes effect.

Recommendation:

1. That you **approve** changes to the PALM scheme settings to:
 - a. align the management of standdowns to the applicable Fair Work Instrument, while maintaining minimum standards to safeguard workers, and
 - b. recognise that regulated labour hire orders made by the Fair Work Commission (FWC) under the *Fair Work Act 2009* meet the requirements for PALM pay parity.

Approved / Not approved / Please discuss

Minister Watt

Date: / /2025

Comments:

Clearing Officer:	s 22(1)	First Assistant Secretary, Pacific Labour Operations Emp & W Deputy Secretary - s 22(1)	s 22(1)
Contact Officer:	s 22(1)	Assistant Secretary, Operations Policy Emp & W Deputy Secretary - s 22(1)	s 22(1)

Executive summary:

1. The PALM deed and guidelines were implemented ahead of changes to the *Fair Work Act 2009* arising from Government's Closing Loopholes measure, resulting in settings for pay parity in the PALM scheme becoming inconsistent with legislative requirements that had not been established at that time. There is now the opportunity to synchronise PALM scheme settings with industrial instruments and workplace relations requirements in the broader economy.
2. The Department of Employment and Workplace Relations proposes to implement amendments to PALM settings for standdowns and pay parity with effect that the PALM guidelines will be amended to:
 - a. Create a limited exception to minimum hours settings for long-term workers when they are stood down for reasons outside of employers' control. This will align settings to the applicable industrial instrument while continuing to mandate employers must provide PALM

MS24-000302

- workers with a minimum net pay (or pay advance) of \$200 each week and cover costs for accommodation and transport if employers offer fewer than 20 hours of work in any week.
- b. Recognise that from 1 November 2024, regulated labour hire orders made by the Fair Work Commission (FWC) meet the requirements for PALM pay parity; thereby reducing confusion and duplication.
 3. The proposed arrangements will result in PALM workers being entitled to the same workplace rights as Australian workers and strikes a balance with protections that recognise the restrictions on employment mobility imposed by PALM worker visas and their unique vulnerability as migrant workers.
 4. These guidelines changes would be made as soon as practicable; the FWC orders made under the amended FW Act begin to take effect from 1 November 2024.
 5. Changes are likely to be well-received by industry as they reduce administrative duplication, provide legal clarity on interactions between the PALM deed and legislation, and enhance equity in managing PALM and non-PALM workforces.

Key Points:

Standdowns

6. The Hon Tony Burke MP, former Minister for Employment and Workplace Relations, approved final settings for the PALM Deed and Guidelines in June 2023 (refer **MS23-000375**), including requiring employers to pay long-term workers for full-time minimum hours during standdowns or find them alternative work.
7. From mid-2023, industry stakeholders raised concerns that current settings generate inconsistencies with industrial instruments and inequity between PALM and non-PALM workers in managing standdowns. The effect of the settings is that PALM workers cannot be stood down unpaid even where this is allowed by the applicable industrial instrument, while non-PALM workers can be stood down unpaid. Unpaid standdowns are used in the meat processing sector when there is equipment breakdown or no livestock availability. In some instances, these standdowns are compensated by pay loadings (known as daily hire arrangements, typically 10%). Meat industry stakeholders report that during COVID-era negotiations for industrial instruments, there was a move away from specified pay loadings towards all-inclusive pay rates that incorporated the amount from the loadings; as such they are now less common.
8. From February 2024, the department implemented an interim approach to standdowns while engagement continued to resolve the matter. The department consulted with industry, employers and unions on the interim approach, which allows employers to stand down workers in accordance with the applicable industrial instrument (including unpaid) but must continue to apply other safeguards by providing PALM workers with a minimum net pay of \$200 (as a pay advance if there is insufficient work for this to be wages earned) each week and covering costs for accommodation and transport if employers offer fewer than 20 hours of work in any week. Industry feedback is that the interim approach improves administration and resolves workforce equity concerns when managing PALM and non-PALM workforces under the same industrial instrument.
9. Aligning to the applicable industrial instrument reduces compliance management risks for the government in comparison to specialist PALM settings. It enables the department to rely on the existing regulatory and legislative frameworks for enforcement. In contrast, enforcing settings outside of the industrial relations regulatory framework relies on complex and resource-intensive

specific monitoring by the Pacific Labour Operations division (the division) under the PALM deed.

10. With your agreement, the department will implement amendments to PALM settings for standdown arrangements, through the PALM guidelines.

Pay parity

11. The *Fair Work Act 2009* provides that, following an application, the FWC may make regulated labour hire orders whereby labour hire employers must pay employees at least the same rate of pay they would earn if they were engaged directly by a host employer if they are doing the same work. In contrast, the PALM scheme applies pay parity requirements to all employers through the PALM deed, not just those subject to regulated labour hire orders. In future, some employers may be subject to both requirements, creating duplication and inconsistency. Furthermore, PALM workers may also become entitled to workplace condition exceeding workers.
12. With your agreement, the department will amend the guidelines to confirm that if an employer is subject to, and complying with, a FWC regulated labour hire order they are compliant with PALM pay parity requirements (no additional PALM requirement applies).
13. The substantive requirement of PALM pay parity and FWC orders are consistent; both seek to ensure that workers employed by a labour hire company are not disadvantaged compared to workers engaged directly by the host employer. This change is a minor technical change to provide certainty regarding the interaction between the PALM requirements and *Fair Work Act 2009* requirements.

Public Sensitivities:

14. Unions may not support changes to the standdowns provisions. During consultation, unions have argued the \$200 net pay guarantee should be a 'gift' when workers are offered insufficient hours to avoid workers accruing a debt to employers. Current practice is for this to be a pay advance (unless it is wages earned, which cannot be recovered). Industrial instruments do not apply to this pay advance; it is a condition for employers who participate in the PALM scheme. Employers would strongly oppose the option of gifting pay and it would be inconsistent with other employment arrangements.

Consultation: Yes

15. Externally, the department consulted with industry peaks, unions, and PALM employers through a dedicated working group on standdowns and pay parity. Membership included the s 47G(1)(b)

. Within the portfolio, the division has worked closely with the Workplace Relations group, Legal and Assurance division, and Fair Work Ombudsman.

MS24-000302**Legal advice / Legislative impacts:** N/A**Financial impacts:** N/A**Communications and media strategy:**

16. The department will communicate changes using the PALM newsletter updates, social media, contractual notifications/correspondence, and existing consultative committees.

Stakeholder Implications:

17. The proposed pay parity changes increase consistency with applicable workplace relations law while retaining appropriate safeguards for PALM workers that reduce the likelihood of migrant worker exploitation.

Attachments: N/A



Australian Government
**Department of Employment
 and Workplace Relations**

To **Minister for Employment and Workplace Relations**
Subject **PALM scheme Data Review Findings**
Sent to the MO **2 July 2024**
Priority **Urgent/High Complexity**
Action date **Please action by 16 July 2024.** The reason is to agree the priority order for recalculation of monthly data in time for a public release of the information.

Recommendations - That you:

- 1) **note** that the Department of Employment and Workplace Relations has completed the Pacific Labour Mobility (PALM) scheme Data Quality Review (Review) (MS24-000254 refers) and identified the root causes contributing to a historical miscalculation of PALM worker numbers.
noted / please discuss
- 2) **agree** the approach to rectify and recalculate PALM data (as outlined at paragraph 13)
agreed / not agreed / please discuss
- 3) **note** the department will advise relevant whole of government partners and key stakeholders that the Review is complete, and of the data publication schedule as outlined in the Communications Strategy at Attachment A
noted / please discuss

Signature:

___/___2025

MO Comments

Executive summary

1. The department has finalised its Review of PALM scheme worker data (MS24-000254 refers) and has implemented a new methodology to calculate the number of PALM scheme workers. The Review identified previously reported PALM worker data was being over reported by approximately 13%. The department has calculated updated worker numbers for March 2024 (32,880), Attachment B1 and B2 refers. Subject to your approval, the department will proceed with recalculating monthly data in accordance with the sequence at paragraph 13.
2. The Review identified a number of factors that led to incorrect calculations of worker data, including the impact of combining disparate data from 2 bespoke programs, duplicate records, miscounting workers while offshore, workers not being exited from their respective programs, inconsistent PALM Information System (PALMIS) data entry by Approved Employers and ongoing legacy impacts of the 408 pandemic visa.

3. To produce accurate and reliable worker number reporting, the department will implement a new methodology to calculation PALM scheme workers and commence an education and enforcement program targeting Approved Employers to meet requirements to complete arrival and departure reporting in PALMIS.
4. The department will work with your office to advise PALM scheme stakeholders of updated PALM scheme worker data when it is published.

Key points

5. In February 2024, the department initiated a Review of PALM scheme worker data (MS24-000254 refers). The intended outcome was to establish a robust methodology to produce reliable monthly counts of PALM scheme workers.
6. The department worked with its Chief Data Officer and established a new methodology for calculating PALM scheme worker numbers which produces more accurate and reliable results.
7. The Review identified large gaps in PALMIS data which will require Approved Employers and Labour Sending Units (in participating countries) to ensure accurate and timely data entry. Until then, the department will continue to supplement PALMIS data with Home Affairs visa data to calculate the total PALM worker count and other key PALM indicators.
8. The department has used the new methodology to recalculate PALM scheme worker numbers for March 2024. When compared to previously reported data for January and February 2024, the new method shows that PALM scheme worker numbers were over reported by approximately 13%.
 - a) These findings do not constitute a fall in worker numbers, rather it is a correction of previously reported counts that were calculated with errors in the data sets.
 - b) Now the department is the single custodian of administrative data, it can achieve more accurate and reliable calculations of total PALM scheme workers.
9. The department delayed the inaugural PALM external public data publication (MS24-000254 refers). Using the new methodology, the department will recalculate monthly data for the 2024 calendar year and will commence publication in late July 2024. The first release will provide data from January to June 2024. Subject to your agreement the department will then calculate and publish revised historical data for key months by end of September 2024. This release will also contain analysis and information to assist with the interpretation of the time series data.
 - a) Data and talking points will be shared with you prior to release.
 - b) The second release will take place ahead of the next Minister's Roundtable with Pacific and Timor Leste Heads of Mission (HOMs), which is due to take place in December 2024. A letter to all HOMs will be prepared for your signature to ensure the data is shared with them prior to public release.

Causes of the overcount of workers

10. The consolidation of PALM scheme administration and the launch of a single IT system involved the combination of 2 disparate IT systems and the merging of scheme data. For the first time, this established potential for a quality assured single source of truth for calculating worker data.
11. Prior to 2022, PALM scheme worker data was not routinely collected and reported. With the emergence of COVID-19, a focus intensified on the location and number of individual PALM workers in Australia. Worker data was manually calculated from the Seasonal Worker Programme (SWP) and then combined with data extracted from the Pacific Labour Scheme (PLS) by the former PLS managing contractor. The manual nature of data collation, absence of identified worker data in business systems and inconsistency in business practices in the department, the contracted provider, Labour Sending Units and Approved Employers, contributed to the issues identified in the Review.
12. Some of these issues were quickly resolved (such as removal of duplicate records) however, issues relating to the recording of data in PALMIS by both PALM employers and Labour Sending Units, require a longer-term solution before PALMIS can be assured as the sole source of administrative PALM scheme data.

Rectification

13. The department will undertake a disciplined and sequenced approach to recalculation of monthly PALM data using the new method endorsed by department's Chief Data Officer. The department has already recalculated data for March 2024 (Attachment B). January to June 2024 data will be prepared for publication by late July 2024. The department proposes to recalculate data for key months in the following priority order:
 - a) **June 2023 data** (baseline for the new PALM Deed and Guidelines implementation and enables comparison with current numbers)
 - b) **December 2022 data** (date 35,000 workers previously assessed as achieved and formed the basis of the New Policy Proposal in the 2023–24 Budget)
 - c) **April 2022 data** (month the PALM visa was implemented)
 - d) **June 2022 data** (date of Machinery of Government change, moving operations from the Department of Foreign Affairs and Trade (DFAT) to the Department of Employment and Workplace Relations)
 - e) Progressively build out the intervening months (July 2023 to December 2023).
 - i. This last step completes the work to construct a comparative historical dataset, enabling publication in September 2024.
14. The department has commenced a 6-month education and enforcement program targeting Approved Employers to meet requirements (under the Deed and Guidelines) to complete arrival and departure reporting in PALMIS. There will be a grace period, after which penalties will apply to Approved Employers, ranging from suspension of approval for additional workers to breach notices. The department will also work with DFAT to improve Labour Sending Unit data.
15. The department is prioritising PALMIS enhancements that improve data quality.

Government policy issues and impact on other portfolios

16. DFAT and the Department of Agriculture, Fisheries and Forestry (DAFF) also rely on PALM worker data. A copy of updated data, background and rectification approach will be provided through your office to the Minister for International Development and the Pacific, and the Minister for Agriculture, Fisheries and Forestry.

Key risks and mitigation

17. Prioritising the recalculation of PALM worker data in June 2023 enables a comparison with worker data in recent months. This comparison will reduce the likelihood of effectively attributing the revised worker data to the new scheme settings and will provide time series data to inform trend analysis.
18. Clear communications with key stakeholders will be important to maintain confidence in the scheme data (see Communication and Media strategy below).

Budget impact, financial considerations

19. In the 2023–24 Budget, the Australian Government established PALM scheme baseline funding at 35,000 workers.
20. To support sustainable growth in the PALM scheme, further funding is available in blocks of 5,000, triggered at a 'one over' point (that is, at 35,001 workers; then at 40,001 workers; and so on).
21. The department is currently revising worker forecasts for 2024–25 (with DFAT), which may impact the forward estimates.
22. The department is working internally and with agencies who received PALM funding in the 2023–24 Budget and will work with the Department of Finance to assess any budget implications of the recalculation of PALM worker data on the forward estimates. We will brief you on any material implications.

Background

23. Until July 2023, the PALM scheme was administered as 2 separate programs—the short-term stream under the SWP (primarily managed by the Australian Public Service) and the long-term stream under the PLS (managed by an external contract manager). Insourcing into the department, the new delivery model, the launch of a dedicated IT system, recruitment of specialised data capability and consolidating the scheme with a single data steward, has provided the opportunity to achieve data hygiene in a way not previously possible.

Communications and media strategy

24. A communications strategy has been developed to advise key stakeholders of the Review, including the purpose, outcomes and how the department will oversee ongoing PALM scheme data integrity.
25. Messaging will reiterate the Government's commitment to ensuring integrity of all PALM scheme data with ongoing reviews built in as a regular part of operational management of the scheme.
26. A key role of the communication strategy will be to promote the department's proactive engagement with ensuring data integrity and to minimise the misinformation on the data revision.
See [Attachment A](#) for the communication strategy. Ministerial talking points are at [Attachment C](#).

Stakeholder consultation

27. The Review and subsequent revised methodology was a joint undertaking with the department's Chief Data Officer. This ensured it aligned with the department's Data Strategy and provided independent oversight of the Review.
28. The department has advised other PALM stakeholders including the DFAT, Fair Work Ombudsman, Home Affairs, the Department of the Prime Minister and Cabinet and DAFF.
29. The department's External Budgets team was engaged to support analysis of the impact on the Budget and forward estimates.

Attachments

Attachment A	Data Quality Communication Strategy
Attachment B1	MO Dashboard for March 2024 – PALM Overview
Attachment B2	MO Dashboard for March 2024 – Worker Support
Attachment C	Minister's Talking Points

Clearance

Primary Contact Officer: s 22(1)	A/g Assistant Secretary s 22(1)
Branch: PALM Performance Branch Emp & W Pacific Labour Operations	
Clearance Officer: s 22(1)	Deputy Secretary s 22(1)
Employment and Workforce Group	

Data Quality - Communication Strategy

Action already completed - Commencement of the Data Quality Review

- Notified relevant Ministers of the data issue and overstatement of PALM scheme worker numbers.
- Advised key government agencies (Department of Foreign Affairs, Department of Agriculture, Fisheries and Forestry, Department of Home Affairs, the Office of the Fair Work Ombudsman and Prime Minister and Cabinet).
- Shared Whole of Government Talking Points with key agencies.
- Sent advice to Pacific and Timor-Leste Heads of Mission and met with HoMs.
- Removed incorrect publicly available data from the PALM scheme website and other locations to minimise the use of inaccurate historical data.
- Developed and shared external talking points.

Next Steps - Change in reporting strategy and initial release of public PALM data (for Jan to June 2024) [late July 2024]

- Provide relevant Ministers with further information on the scale and impact of the data integrity review, the approach for rectification and priority order for production and publication of revised data.
- Recommence the provision of the monthly dashboard to Ministers based on the new calculation method.
- Advise key government agencies with detail on the outcomes of the review, return to routine data provision and publication date for updated historical data.
- Send advice to stakeholders about the release of the initial PALM data publication in July and advise the completion of the review.
- Provide data to HOMs ahead of public release.
- Share key messages with stakeholder groups (e.g. specific industry groups) about changes to historical worker numbers.
 - Key messages will focus on the proactive nature of the Data Review, that Government is committed to transparency, assuring stakeholders of the importance of an ongoing focus on accurate data reporting to improve the scheme and highlighting that data correction does not constitute a drop in worker numbers.
 - data analysis will focus on:
 - Trends in the scheme (pre and post new Deed and Guidelines)
 - Employer demand
 - Industry trends (inc. Agriculture)
- A key sensitivity is the potential that some stakeholders may misrepresent revised figures to support assertions that the scheme settings reduce demand for PALM workers. Key messaging will reiterate that the revised data corrects historical errors in calculations and that employer demand remains strong.
- Employers will be reminded of the obligation to submit arrival and departure reports. The department will provide employers a grace period to submit documentation before the commencement of assurance and compliance activities, which will form a regular part of program management.
- Key messages to relevant Labour Sending Units will focus on the need to have accurate and complete worker data entered into their country's in-country recruitment database (IRD) to ensure data integrity and assist with managing worker wellbeing.

Final Step (by September 2024)

- The release of historical time series, with explanation of the new methodology, and related data caveats. This will include messaging to key stakeholders, including WoAG government agencies. This will occur before the next Minister and Head of Mission roundtable (due in December 2024).

Monthly update March 2024

PALM workers: 32,880

As at 31 March 2024

PALM approved employers: 473

78 employers have joined since the PALM Deed commenced

PALM workers by length

Short Term	Long Term	Total
15,950	16,930	32,880

Total PALM workers by state and country

NSW	VIC	QLD	WA	SA	TAS	NT	ACT	TOTAL
5,265	6,560	11,235	2,360	2,035	2,895	650	30	31,110*
17%	21%	36%	8%	7%	9%	2%	0.1%	

*includes 80 workers that could not be attributed by state

Fiji	Kiribati	Nauru	PNG	Samoa	Sol Is	Timor-Leste	Tonga	Tuvalu	Vanuatu	TOTAL
5,860	1,500	15	1,840	3,655	4,730	4,070	4,140	210	6,865	32,880

Notes:

The department completed a data quality review on the calculation of worker numbers and has implemented a new interim methodology for reporting of PALM workers, taking effect from March 2024. PALM administrative data is being supplemented with Visa data to produce the most accurate worker counts possible at this time. This methodology will remain in place until the end of 2024 while administrative program data quality improves.

* Estimates for workers on the legacy 408 visa are not available by location. For this reason, state totals will not sum to other totals.

The number of PALM approved employers reflects the number of executed deeds.

To protect individuals' privacy, all person-level data have been rounded to 5.



More than 53,700
workers are registered
to participate in the
PALM scheme

PALM workers by industry (high level)

Industry	Short term	Long term
Agriculture	15,370	2,765
Meat processing	20	11,440
Accommodation	55	590
Residential care	1,005	
Other	265	695

Note: due to incomplete information and a higher than usual number of 'unknowns', caution should be exercised interpreting industry data.

Total planned recruitments and worker arrivals - next 2 months

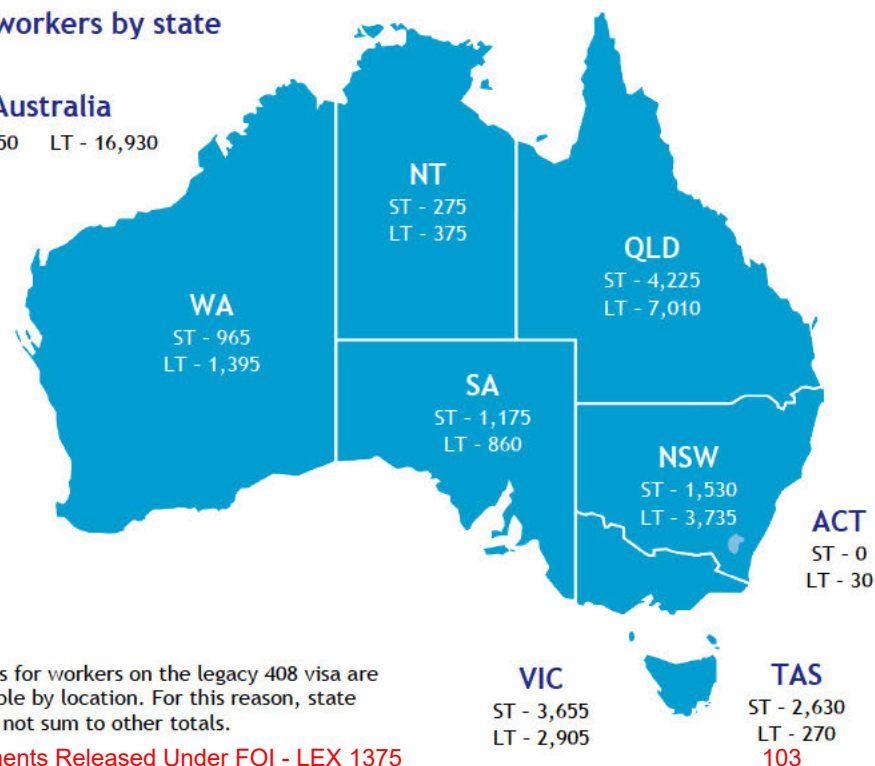
Month	Total planned recruitments	Projected worker arrivals
Apr-24	256	2,680
May-24	249	2,440

The number of planned recruitments is based on employer recruitment plans approved but that have not yet commenced. Employers may overestimate the number of workers they are initially seeking. Consequently, this number may be reduced as employers confirm recruitment needs closer to commencement.

PALM workers by state

Total Australia

ST - 15,950 LT - 16,930



* Estimates for workers on the legacy 408 visa are not available by location. For this reason, state totals will not sum to other totals.

Worker support and Assurance update

March 2024

PALM Worker support March 2024

Critical incidents	Deaths	PALM Workers
30	<5	32,880

PALM Critical
Incidents this month

30

Key updates on PALM incidents and worker support - March 2024

- The delegate has approved the offer of business for the Community Connections Program 2024-27 for commencement on 16 April 2024. A two-week contract extension has ensured continuity of services.
- On Tuesday 19 March 2024, the Worker Support Response Team held a successful meet and greet with members of the Pacific Islands Council Queensland (PICQ). It was a great opportunity to build relationships learn about the role that PICQ plays in the PALM Scheme and the Pacific Community in Qld in supporting PALM workers.
- Unfortunately, one worker passed away in Queensland. This death was not a workplace accident and is with the Queensland Coroner for investigation. A department representative has contacted the Approved Employer in providing support to the affected worker cohort.

Assurance notices - Issued

Notice type	2021-22	2022-23	2023-24 @31/3/24	Total
Notice to Report	63	54	31	148
Notice of a Deed Breach	5	11	10	26
Show Cause Notice	0	0	5	5
Notice of Suspension	3	16	0	19
Notice of Termination	1	1	0	2
Notice of Direction	1	3	98*	102
Outcome/Education	na	na	9	9
Total	73	85	153	311

* The department has undertaken large assurance activities where new deed requirements were not being met.

Notes:

- Data is drawn from a live system. Categorisation of historical incidents may change as further information is received.
- For all reporting from March 2024, total PALM worker numbers are based on Visa data, this includes total worker counts prior to March 2024.
- To protect individuals' privacy, all person-level cells including any totals and subtotals have been rounded to the nearest 5. Values from 1 to 4 are shown as <5, values from 5 to 7 are rounded to 5. Zero cells are actual zeros. This may result in non-additivity for some totals. Caution should be taken in re-calculating totals from rounded data, as this may compound the effects of rounding.

Critical Incidents in recent months

Incident type	Jan. 2024	Feb. 2024	Mar. 2024	Total
Injury	20	15	15	50
Criminal issue	5	5	5	20
Medical issue	0	0	0	0
Behavioural issues	0	0	0	0
Altercation/violence	15	<5	10	30
Motor Vehicle	0	0	0	0
Other	<5	<5	<5	<5
Employment termination	0	0	0	0
Total incidents	45	25	30	100
Workplace related incidents	<5	<5	<5	5
Worker deaths	0	<5	<5	<5
PALM Workers (month end)	32,060	33,245	32,880	-
Incidents per 1,000 workers	1.4	0.8	0.9	-

Critical Incident totals by financial year

Incident type	2021-22	2022-23	2023-24 (@31/3/24)	Total
Injury	95	80	125	300
Criminal issue	110	75	45	230
Medical issue	80	75	<5	155
Behavioural issues	50	50	<5	100
Altercation/violence	20	115	85	220
Motor Vehicle	20	10	<5	35
Other	30	45	15	90
Employment termination	25	10	<5	35
Total incidents	435	450	280	1165
Workplace related incidents	45	40	20	105
Worker deaths	5	30	15	50
PALM Workers (year end)	25,145	34,455	32,880	-
Incidents per 1,000 workers	17.4	13.0	8.5	-
Deaths per 1,000 workers	0.2	0.9	0.5	-

*There have been 80 worker deaths since the program commenced in 2012. The primary causes of death are medical conditions (20) and motor vehicle accidents (20).

PALM Worker Disengagement - figures are provided by the Department of Home Affairs

Visa Type	2021-22	2022-23	2023-24 (@31/12)	Total
PLS	650	260	NA	915
SWP	1,490	535	NA	2,030
PALM	5	1,175	NA	1,180
Total	2,150	1,975	420*	4,540

* 420 as combined total of PLS/SWP/PALM schemes

Key messages and talking points

- Insourcing the PALM scheme enabled the department to strengthen oversight of the scheme's domestic operations and included the implementation of a new delivery model with enhanced capability and functions.
- Shortly after insourcing was finalised, the department commenced a data quality review of PALM scheme worker data to achieve a level of data hygiene not previously possible. The review has been jointly conducted with the department's Chief Data Officer.
- Combining the previous two PALM scheme programs, implementing a new IT system (PALMIS) and establishment of specialised data capability enabled, for the first time, an opportunity to undertake a comprehensive review of PALM scheme worker data.
- The review identified issues resulting in incorrect calculation of worker data.
- I know how important it is to have transparent and reliable PALM scheme worker data. This is specialised work and the department is focused on ensuring it produces worker data that it has confidence in going forward.
- The department has established a new methodology to calculate worker numbers and commenced a disciplined process to recalculate our worker data.
- The government is committed to transparently publishing the monthly worker data on data.gov.au and dewr.gov.au once the recalculation is finalised. Publication is expected to commence in late July 2024 with the release of recalculated 2024 data.
- Data on the number of PALM scheme approved employers and visa numbers provided by the Department of Home Affairs is not impacted. Demand from Australian employers for PALM scheme workers remains strong. There are currently 473 employers participating in the PALM scheme, the highest on record.

Background information (not for publication)

- In July 2023, legacy PALM scheme programs (the Seasonal Worker Programme and Pacific Labour Scheme) were consolidated into a single scheme under a new deed and guidelines.
- This included the launch of a dedicated IT system, PALMIS, which included the ability to track individual workers, a feature not available in legacy IT systems.
 - Once the data quality review is finalised, it will allow a single source of truth for calculating PALM scheme worker data.
- The data quality review has been jointly conducted by the department's Chief Data Officer, and the specialised data team in DEWR's Pacific Labour Operations division.
- The department has calculated aggregate level PALM scheme worker data for March 2024 and will undertake a disciplined and sequenced approach to recalculating the monthly PALM scheme data.
- As part of the data quality review, new quality assurance processes will be established.
 - This will include a 6-month education and enforcement program to assist PALM scheme employers to understand their obligations to report arrivals in PALMIS.
 - It will also include advice on maintaining data quality for participating country labour sending unit staff, who maintain input of worker data through the in-country recruitment databases (IRDs) to support worker assessment, recruitment and mobilisation.



Australian Government
**Department of Employment
 and Workplace Relations**

To **Minister for Employment and Workplace Relations**

Subject **Report to the Prime Minister on performance of the insourced arrangements for the domestic delivery of the PALM scheme**

Sent to the MO **26 August 2024**

Priority **Routine/Low Complexity**

Action date **Please action by 6 September 2024** to meet reporting requirements outlined by the Cabinet.

Recommendations - That you:

1) **sign** the letter (Attachment A) to the Prime Minister, the Hon Anthony Albanese MP, providing a detailed update on the performance of the insourced arrangements of the Pacific Australia Labour Mobility (PALM) scheme and options for improving the efficiency and effectiveness of the arrangements.

signed / not signed

2) **agree** to the Department of Employment and Workplace Relations providing the insourcing review report to relevant government agencies to share observations and lessons across government.

agreed / not agreed / please discuss

Signature:

___/___2025

MO Comments

Executive summary

1. In the 2023–24 Budget, the Australian Government committed to reform and insource the domestic delivery of the PALM scheme into the department. The insourcing of PALM was completed in December 2023.
2. The Expenditure Review Committee (ERC) decision (ERC/NSC Cabinet Minute AA23/5031), required the department to undertake a review of the implementation of the insourced delivery model no later than 30 July 2024. The decision also asked the Minister for Employment and Workplace Relations to then write to the Prime Minister (copied relevant ministers) with a detailed update on the performance of the insourced arrangements, and options for improving the efficiency and effectiveness of the arrangements.
3. A review was completed by the end of June 2024 and a letter to the Prime Minister has been drafted for your signature (Attachment A). A summary of the review is provided at Attachment B and the complete report is at Attachment C.

Key points

4. The insourcing of PALM was one of the first decisions by the government to bring delivery of a critical outsourced program and its operations into the Australian Public Service (APS). The insourcing of PALM was successfully delivered in December 2023. It involved building new APS capability, testing and integrating complex IT systems, developing stronger safeguards and protection for PALM workers and improving the delivery model.
5. An independent review was commissioned by the department and Allen and Clarke Consulting completed the review in June 2024 (full report at [Attachment C](#)). In line with the ERC's direction, the post-implementation review examined the department's integration of insourced PALM functions and implementation of the new delivery model. The scope included the impact on key stakeholders, service delivery and business continuity, as well as examination of what was done well and opportunities for improvement.
6. Key findings of the review include:
 - a. The functions were effectively insourced, and a new delivery model was effectively implemented on time and within budget.
 - b. The department's approach was well designed, executed and managed, and delivered a suitable and effective delivery model.
 - c. Enablers of success included effective leadership, resilience and adaptability of staff and partners, use of specialist resources, pragmatic planning and decision making, and use of standardised tools and approaches.
 - d. Some PALM scheme employers noted that their service was affected by insourcing, however the review notes the concurrent introduction of a new IT system and new scheme settings likely impacted perceptions.
7. Options for improving the efficiency and effectiveness of the arrangements are included in the eight recommendations for the department, specifically:
 1. Develop a long-term strategic roadmap that shows how the department will introduce changes to enable the full benefits of insourcing, including PALM scheme worker protections.
 2. Confirm and communicate the scope of the Pacific Labour Operations Division's 2024–25 financial year's work program.
 3. Consider where scaled change management approaches and tools could be appropriately applied to the future work program.
 4. Establish new service level standards.
 5. Develop an action plan to strengthen the department's collaborative relationships with key partners.
 6. Continue to rebuild the confidence and trust of Approved Employers by involving users in PALMIS (the PALM IT System) feature redesign and testing.
 7. Commit to a future review of the delivery model.
 8. Support cross-government capability building and decision making by extending an offer to present to other agencies on the insourcing experience and lessons learnt.
8. Work has begun on many of the recommendations, including establishing the department's PALMIS Approved Employer Working Group, development of a long-term strategic roadmap for the delivery model, and development of a performance framework.
9. The letter at [Attachment A](#) outlines the findings of the review and highlights key lessons. In line with the ERC decision, it is copied to the Treasurer, the Hon Dr Jum Chalmers MP, Senator the Hon Katy Gallagher, Minister for Finance, and Senator the Hon Penny Wong, Minister for Foreign Affairs.

Government policy issues and impact on other portfolios

10. The Department of Foreign Affairs and Trade as the agency responsible for PALM scheme policy has a direct interest in the report, as does the Department of Agriculture, Fisheries and Forestry. Central agencies will also be keen to see a copy of the review to inform other insourcing arrangements across government. The report expressly covers 'Lessons for other programs' when considering insourcing of government programs.

s 22(1)

11. The report supports further improvement in the PALM scheme and issues for consideration in future expansion.

Key risks and mitigation

12. Providing the report to relevant agencies as soon as possible will ensure lessons are incorporated into other insourcing activities.

Budget impact, financial considerations

13. The department received funding through the 2023–24 Budget to insource the domestic delivery of the PALM scheme. Budget funding for specific insourcing activities for the 2023–24 financial year was approximately \$22 million. Insourcing was delivered within the approved budget.
14. The total cost of the insourcing review was \$207,028.80.

Background

15. A summary of the review findings is at [Attachment B](#) and the insourcing timeline at [Attachment D](#).

Communications and media strategy

N/A

Stakeholder consultation

16. PALM scheme Approved Employers, Pacific Labour Facility, Labour Sending Units, Country Liaison Officers, Heads of Missions, academics, unions, community support and other department's representatives, participated in the review.

Attachments

Attachment A	Letter to the Prime Minister
Attachment B	Summary of the PALM scheme Insourcing Review
Attachment C	Complete PALM scheme Insourcing Review Report
Attachment D	PALM scheme Insourcing Timeline

Clearance

Primary Contact Officer: s 22(1)	s 22(1)
Emp & W Pacific Labour Operations	s 22(1)
Clearance Officer: s 22(1)	First Assistant Secretary
Emp & W Pacific Labour Operations	s 22(1)



Pacific Australia Labour Mobility scheme

Post-implementation review of insourcing the domestic delivery model into DEWR, evaluating the approach's efficiency and effectiveness

Review Summary

21 June 2024

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Executive summary

Background of the scheme

The Pacific Australia Labour Mobility (PALM) scheme addresses Australian domestic workforce shortages by allowing approved employers^[1] to recruit from nine Pacific Island countries and Timor Leste for periods up to 4 years. It combined the Seasonal Worker Programme (SWP) and the Pacific Labour Scheme (PLS) into a single program, offering both short and long-term employment options. PALM scheme workers are employed under Australian employment conditions.

The SWP was administered by the Department of Employment and Workplace Relations (DEWR) (or predecessor departments) from the point of inception as a pilot. SWP was transferred for a short time in 2022 to the Department of Foreign Affairs and Trade (DFAT).

The PLS was outsourced and managed by Palladium International Pty Ltd, through their operational arm, the Pacific Labour Facility (PLF), under the oversight of DFAT from 2018 until late 2022 when the responsibility for the PLF contract was transferred through machinery of government changes to DEWR.

Following a decision in the 2023-24 Budget, full responsibility for all the domestic operations of the PALM scheme was insourced to DEWR between July and December 2023.

The Pacific Labour Operations (PLO) Division is the business unit within DEWR that is responsible for administering the PALM scheme. In November 2022, this business unit consisted of around 40 staff but by early 2024 this had increased nearly seven-fold to meet its expanded scope.

The rationale for insourcing the domestic operations to DEWR included:

- better enabling and managing the expected growth and expansion of the PALM scheme
- demonstrating the government's commitment to rebuilding the public service
- maintaining confidence and trust in the scheme by improving accountability and ensuring compliance
- strengthening protections for PALM scheme workers.

Purpose and scope of the review

There is a strong interest in understanding how effective the insourcing process was, and what both DEWR and other agencies can learn for similar insourcing exercises in the future. DEWR commissioned Allen + Clarke to undertake a review to inform this understanding.

The review sought to answer three questions:

1. To what extent did DEWR successfully insource the domestic delivery model of the PALM scheme, including the IT system?
2. How well is the new delivery model performing?

3. What are the options for improving the efficiency and effectiveness of the insourced arrangements?

The scope of the review includes the transfer of 24 business functions, including the PALM Information System IT system (PALMIS), from the PLF into DEWR. It includes the selection of the delivery model, the PLO Division's engagement with the PLF, DFAT and approved employers, and the planning, delivery and support activities that directly related to the transition of services. To answer questions 2 and 3, the scope of the review also includes all aspects of current operations as part of the new delivery model.

The decision to insource, the development and delivery of the new deed and guidelines and the future development and rollout of PALMIS were out of scope. However, the timing of the deed and guideline changes and the rollout of PALMIS means that these elements undoubtedly affected stakeholder perceptions of the insourcing. It was not always straightforward for stakeholders to distinguish what related only to the insourcing and the new delivery model.

The review approach

To undertake the review, Allen + Clarke completed a document review, conducted interviews with key representatives from the PLO Division within DEWR, DFAT, the PLF, and participating country representatives and collected data through three online surveys (approved employers, PLO staff from DEWR, and DFAT).

Interviews and surveys were conducted during March and April 2024, and findings reflect this point in time. Interview participation and response rates were in line with expectations.

In addition, *Allen + Clarke* facilitated a full day workshop with PLO Division staff, held in Canberra in March 2024 to surface new insights and deepen the understanding of issues identified through the data collection process. A sense-making session with key PLO Division stakeholders was held in early May 2024 to allow for discussion of emerging themes and for final input of stakeholder knowledge.

Responses to interview and survey questions were at times polarised and reflected an individual's opinion or sentiment. Every perspective is valuable, and the review sought to appropriately weigh up contrasting feedback when assessing the data and drawing conclusions.

Review findings

To what extent did DEWR successfully insource the domestic delivery model of the PALM scheme, including the IT system?

The review identified four criteria against which to assess success namely, delivery to schedule and budget, service continuity for approved employers, people's experience of change and the extent to which the newly established operations provided a foundation for continuous program improvement.

Schedule and budget: Under difficult circumstances, the PLO Division completed the transfer of functions within schedule and budget.

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DEWR was mandated by government to complete the insourcing from PLF by the end of 2023. This required the planning and completion of a large and complex program of work in a very limited timeframe. At the same time DEWR needed to manage the day to day running of the program as well as implement deed and guidelines changes and rollout a new IT system (PALMIS) for staff and approved employers, all of which presented an immensely challenging high risk operating environment. The scope had to be tightly managed based on the known constraints and the Division was required to focus and prioritise activities that would ensure the delivery of the insourcing, whilst mitigating high risks to delivery.

For example, the selection of organisational structure was based on feasibility of implementation. Staffing levels needed to increase almost seven-fold in a matter of months. The program had to work with its delivery partners at DFAT and the PLF amidst considerable ambiguity, as important detail about how work was to be done still needed to be worked out. Also, all this needed to be done concurrently with the workplace relations reform, deed and guidelines changes and PALMIS rollout. Special credit needs to go to the leaders and staff of the PLO Division, DFAT and PLF who demonstrated a very high commitment to the task despite the complex and at times ambiguous environment.

Enablers of success included:

- leaders across the PLO, DFAT and the PLF having a high commitment to finding ways to make the task achievable
- staff engaged in the insourcing process committing a higher-than normal level time and energy to ensure successful on-time delivery of the project
- establishing a dedicated Transition Branch to support the change
- selecting an organisational structure and delivery schedule that was feasible given known constraints
- collaborating with key partners to determine clear responsibilities
- adopting a 'minimum viable product' mindset which tolerated some initial ambiguity and focused on quickly delivering a workable solution that could be iteratively improved
- creating new governance arrangements
- using standardised tools to scope and manage the work
- the ability to recruit some former PLF staff who were familiar with the scheme
- use of visual management and daily monitoring and reporting of progress.

Other organisations who are planning to manage large complex programs of work would benefit from hearing about the specific ways this program worked to ensure the scope of work was completed on schedule.

Service continuity: Some approved employers felt that service was negatively affected.

Prior to the change, some approved employers expressed concern about DEWR not having sufficient resourcing to support service continuity. To proactively manage this concern the program established a team dedicated to supporting rapid recruitment. This approach was effective at supporting the rapid scale up, but the program was still not able to be fully resourced until after the transition period. The impact of this was partly mitigated by a staggered delivery schedule and continued PLF support through the change period. New staff also required time to get up to speed.

When surveyed, more than a third of approved employer respondents felt that service continuity was adversely impacted during the change period. Adapting to new scheme settings, systems and processes associated to the new deed and guidelines and PALMIS

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changes contributed to this perceived disruption. Specific examples of reduced service cited by approved employer respondents that appeared to relate directly to insourcing included not knowing who their key contact was, receiving inconsistent information and tasks taking longer under PLO Division management. As new staff were recruited, new contact officers were assigned to approved employers which added to the changes those employers experienced.

Limited performance data makes it difficult to validate or quantify the impact of changes to service levels. However, available performance data indicates that most processing times were in line with past performance. The notable exception was recruitment plans for long term workers which increased from 2.1 weeks in the 2022/23 year to 3.6 weeks in the year to 31 March 2024. Also, accommodation plans reduced from 2.9 weeks in 2022/23 to just 1.3 weeks in the year to 31 March 2024. DEWR have advised that the additional time required for long term recruitment plans were largely due to additional requirements arising in the new deed and guidelines and PALMIS changes. PLO Division leaders were confident that overall, process delay risks were appropriately identified and mitigated to minimise any impact on approved employers.

The review did not include direct engagement with workers or analysis of any data related to service continuity for workers.

People's experience of change: Dedicated formal change management capability would have improved the people's experience of the change.

Change management helps to ensure that staff and stakeholders affected by a change program feel well prepared, supported, and engaged throughout the process. At the end of April 2023, the program received change management guidance from external consultants. However, because the PLO Division was working to such a tight delivery timeframe, leadership felt that there was insufficient time to onboard a dedicated change manager resource and have them deliver the scope and scale of work proposed prior to the insourcing work being completed. Staff already working on the program did not have the capacity, and potentially the capability to be reassigned to dedicated change management activity without impacting on essential insourcing or operational delivery functions.

Instead of taking a fully scaled and documented change management approach the program elected to engage and support those affected by the change by incorporating change management principles and practices within the scope of the transition activities. These change principles were evident in planning documents, formal communication channels, stakeholder engagement and monitoring activities. Specific examples of this included the PLO Division group meetings, working groups with DFAT and PLF representatives, briefings and emails to approved employers and regular executive communications and on-site mental health support for PLO Division staff.

Despite principles being in place, change management was frequently identified by respondents as something that could have been better managed. One example of this is the communications that were regularly sent to approved employers. Most approved employers agreed that communications (e.g. the weekly newsletter) were good. However, some felt the format could have been improved to support better comprehension of information, and others thought that the notice they were given about the SWP Online system changes was insufficient. In this example additional change management support may have helped identify impacts and risks earlier and lead to changes in communications which would have improved the approved employers perceived experience of change.

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Given the timeframe constraints, some of the challenges faced by the program such as high workloads were difficult to avoid. If time was not a factor, a more scaled application of change management tools and approaches could have been used to identify additional risks and issues, support risk mitigation decision making, and provide confidence of change readiness and the effectiveness of post go-live support.

While the functional transfer is complete, work continues to embed the change and further consolidate operations. Applying appropriately scaled change management practices to current and future work is likely to assist in managing change fatigue and ensure that work is being completed effectively.

Foundation for the future: The PLO Division can now focus on optimising delivery.

Insourcing the domestic delivery of the PALM scheme was expected to improve efficiency and effectiveness, including improving protections and responding to the needs of PALM scheme workers. To deliver on schedule, the program had to make important design choices. The review sought to understand how those choices were likely to impact on the program's short-term ability to deliver the full benefits of insourcing.

Time constraints led to the selection of an organisational structure which was identified in the PALM Scheme Operational Delivery Model Review (Grosvenor, 2023) as being the most feasible to implement in the short timeline but not necessarily the best option with respect to achieving the intended long-term outcomes of insourcing. The program also had to establish operations before all aspects of the delivery model had been designed. The review received feedback from respondents that because detail about how work should be done wasn't worked through earlier, there were some inefficiencies during insourcing. The delivery timeframe required all stakeholders to consider the priority activities that needed to be completed to meet insourcing expectations, which may not have been delivered as efficiently as possible.

The review was impressed by the pace at which the program has moved since the transfer of functions to complete components of the new delivery model. While the scheme is not yet optimised, the PLO Division is very committed to continuous improvement and the program appears to be well positioned to further optimise delivery so that the benefits of insourcing can be fully realised. The PALM Scheme Operational Delivery Model Review (Grosvenor, 2023) recommended that after a period of consolidation, the program should review its performance and assess the appropriateness of moving to a more customer-centric model. It is a sensible approach for the PLO Division to consider using an incremental change model as the PLO Division moves from its post insourcing consolidation phase to an on-going cycle of review and improvement.

How well is the new delivery model performing?

The interim delivery model implemented through the insourcing process is a potential stepping-stone toward consideration of a more customer-centric model. A more customer-centric model could help the scheme to fully realise the intended benefits of insourcing such as improved public confidence in the scheme, improved PALM scheme worker protections and improved operational efficiency. Whilst the functional transfer is complete, the PLO Division's workplan continues to properly embed the model and drive improvements.

The review aimed to understand the extent to which current operations are efficient and effective. It is too early to fully assess elements of effectiveness of current operations such as if insourcing is improving worker protections. However, the review was able to assess current performance against five success areas. These areas represent a consolidation of the

operating model capabilities defined in the PALM Scheme Operational Delivery Model Review (Grosvenor, 2023):

- Leadership and Culture.
- Organisational structure, Governance and Performance Management.
- Workforce and Capability Management.
- Stakeholder Engagement and Communications.
- Process, Systems and Information Management.

Leadership and culture are critical enablers of success.

Leaders are supporting delivery in a context that remains very busy and has involved considerable work to onboard new staff. Leaders have had to navigate their teams through considerable uncertainty and maintain motivation despite growing change fatigue. Some of these leaders are still relatively new to the organisation themselves.

The reviewers were impressed with the candor, attitude and capabilities of the PLO Division leaders. The leadership team are highly committed and capable with the skills and temperament needed to manage the scheme effectively and have a strong commitment to a culture of continuous improvement. The review found evidence of collaboration between leaders, particularly within governance committees and the Transition Branch. On balance, review feedback indicated that leaders did well in the circumstances and that the culture within the PLO Division supports staff to effectively do their work.

The delivery model is not yet optimised.

The program was successful at completing the transfer of functions from the PLF and establishing delivery operations within the PLO Division. The operating structure put in place was very close to what was initially proposed, but the PALM Scheme Operational Delivery Model Review (Grosvenor, 2023) identified that a customer-led organisational structure would improve visibility of the customer journey and support improved delivery to holistic customer needs.

Furthermore, the organisational structure is only one part of a complete delivery model and other core elements of the delivery model, such as the development of foundational documents, remain work-in-progress. A fully developed delivery model should also define capabilities, processes and principles to support optimised delivery.

To oversee the insourcing, temporary arrangements were put in place. This included the establishment of the Transition Branch and the PALM Project Governance Committee. The PALMIS Project Board was also established around the same time to specifically focus on PALMIS related changes. The program has been quick to review these governance arrangements to ensure they are fit-for-purpose.

As planned in the insourcing arrangements, the temporary Transition Branch will cease as a separate branch on 30 June 2024. This will form the initial post-insourcing realignment of the divisional structure. The work of the Transition Branch teams is on-going and branch resources will be re-allocated across the Division to continue this.

While the program is being proactive to better define core delivery model elements and has a domestic program logic in place which links to the scheme Theory of Change, developing a coherent overarching model would likely provide more clarity on how the different delivery

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elements integrate. An overarching model could help mature the understanding of how the scheme should ideally operate and support the identification of additional efficiency and effectiveness improvements.

The PLO Division is rapidly moving from ambiguity to clarity.

Now that functions have been transferred and resourcing is near complete, the program has focused on developing core elements of the operating model that were not initially part of the transition.

The program has been working to develop new frameworks to support the effective delivery of the scheme. A Performance and Assurance framework is being implemented to provide the PLO Division with a suite of metrics to support ongoing performance monitoring and improvement while also ensuring that the PLO Division is meeting its legislative and delivery obligations regarding the compliance of approved employers. An Evaluation framework will sit alongside the Performance and Assurance framework to guide the domestic scheme monitoring and evaluation activities. There is also a new framework to support the prioritisation of the backlog of PALMIS enhancements.

The PLO Division has also been working with teams to develop and document Standard Operating Procedures (SOPs) and a Decision Making Authority. They will provide further clarity on roles and responsibilities and will likely also support improvements in the accuracy, consistency and efficiency of delivery, and support cross-team collaboration. The PLO Division is working towards ensuring SOPs are recorded in standardised formats, kept up to date and stored in locations consistent with DEWR's information management protocols.

Key relationships need strengthening.

To sustain and optimise delivery operations it is critical that the PLO Division's relationship with key partners and stakeholders is effective. The insourcing period was pressured, but in this consolidation phase the program can allow itself more time to develop tailored engagement plans that ensure the needs of different stakeholder groups are well understood, and that engagement activity is agile enough to meet those needs.

The program's release of PALMIS enhancements in April and May 2024 are also helping to strengthen the relationship with approved employers by demonstrating a strong commitment to delivering improvements. A planned approved employer PALMIS consultative group is likely to enhance the PALM/employer relationship.

What are the options for improving the efficiency and effectiveness of the insourced arrangements?

Commit to an organisational redesign or remain focused on more incremental change

With a solid base now in place, the PLO Division can consider additional changes to improve the efficiency and effectiveness of the scheme delivery. A key choice is whether to remain focused on consolidation and incremental change, or to invest in a move to a more customer-led organisational structure and delivery model. Such a shift could improve visibility of the end-to-end customer experience, ensuring that service design effectively meets customer needs and minimises the risk of siloed operations. This review endorses the recommendation of the PALM Scheme Operational Delivery Model Review (Grosvenor, 2023) that the program initially focus on consolidation and then completes a review of performance to assess the appropriateness of moving to a more customer-led delivery model.

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The PLO Division continues to implement a busy workplan to embed the delivery model. In the short term the focus needs to be on ensuring that the elements of the workplan are delivered and embedded well. Given the sustained workloads required to establish the delivery model, decisions on the 24/25 Financial Year (FY) work program need to consider the change capacity of the PLO Division.

Recommendations for the PLO Division

1. Develop a long-term strategic roadmap which shows how the PLO Division will introduce future changes to enable the full benefits of insourcing, including PALM scheme worker protections.
 - Use the roadmap as a tool to communicate to stakeholder groups including approved employers, Pacific Heads of Mission (HoMs), Country Liaison Officers (CLOs), Labour Sending Units (LSUs) and PALM scheme workers.
2. Confirm and communicate the scope of the PLO Division's FY 24/25 work program
 - Include planned changes with the deed and guidelines, PALMIS enhancements and the delivery model consolidation.
 - Ensure that recently designed changes such as SOPs and scheme frameworks are well understood and embedded.
 - Ensure that appropriate mechanisms are in place to enable stakeholders to communicate known concerns e.g. the PALMIS interface.
 - Ensure that mechanisms (feedback loops) are in place to identify emergent issues and opportunities and inform improvement initiatives. Approaches such as value stream mapping could be used to raise awareness of hidden inefficiencies, reinforce the continuous improvement culture and drive short-term efficiency and effectiveness improvements.
3. Consider where scaled change management approaches and tools could be appropriately applied to the future work program.
 - Consider appropriate mechanism to engage with key stakeholders to ensure that the implications and impacts of the proposed FY 24/25 work program are well understood and feasible.
 - Consider developing a 'single view of change' report to show what the cumulative workload pressure resulting from business-as-usual and change activities is on each team.
 - Ensure that roles and responsibilities for leading and managing change are clear.
4. Establish new service level standards (based on the new performance monitoring framework) and begin making early progress toward the development of performance

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reporting dashboards for real-time, or near real time status monitoring, noting the performance monitoring will mature as the data collection activities mature.

- Ensure key stakeholders are made aware of the PLO Division's commitment to the new standards.
5. Develop an action plan to strengthen the PLO Division's collaborative relationships with key partners
 - Identify areas of outstanding ambiguity or disagreement and identify options for change.
 6. Continue to rebuild the confidence and trust of approved employers by involving users in PALMIS feature redesign and testing. Ensure any future updates are well tested and that releases are well communicated and supported.
 7. Commit to a future review of the delivery model to ensure it integrates organisational structure, supporting processes, enabling capabilities, and guiding principles in a way that enables the full realisation of expected insourcing benefits, including improving worker protections.
 8. Support cross-government capability building and decision making by extending an offer to present to other agencies on the insourcing experience and lessons learnt.

Lessons for other programs

1. Ensure there is clarity about the operating context and the technical and non-technical dependencies which success will rely on. Leadership, culture and change capacity will enable or constrain your ability to deliver.
2. Establish a foundational team of competent and committed leaders who can set clear expectations and inspire program staff to do their best work.
3. Provide clarity about the objectives and expected benefits of an initiative as these will be an anchor point for decision making and will support change management and value delivery. Consider what needs to happen in terms of budget, schedule, quality / service delivery and change management and make sure the objectives reflect these priorities.
4. Think carefully about what can realistically be delivered within any time and resourcing constraints, acknowledging that there will likely be some level of hidden complexity to the work that is not yet understood. Consider whether the delivery of a 'minimum viable product' could be an acceptable stepping-stone toward longer term goals. Be clear on accepting and documenting the potential impacts of decisions.
5. Involve appropriate expertise to design and deliver a fit-for-purpose operating model. While an organisational structure is a good base, consideration should be given to the processes, tools and other supporting arrangements that enable effective delivery.

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6. Establish key capabilities and dedicated teams to lead and coordinate the work. Consider if there are any areas where particular support is needed e.g. recruitment, change management.
7. Establish effective governance arrangements and make sure that the mechanisms are in place to ensure that information flows to governance boards are accurate, proactive and relevant.
8. Understand staff capabilities and capacity to absorb change and develop plans to actively support staff to perform at their best. Depending on the circumstances when engaging staff, their knowledge, skill and understanding of how best to complete work may vary.
9. Develop a detailed view of how staff are likely to be affected by specific aspects of the change as this will inform effective change management mitigations.
10. Recognise that key stakeholders have different drivers and perspectives. Stakeholders may not always immediately understand your drivers, so it is imperative that communications and engagement activity expresses a compelling rationale and are designed to elicit quality feedback for consideration and decision making.
11. Where possible manage risks by delivering change in increments. Review each increment and gain insights to inform the completion of the next tranche of work.
12. Ensure that detailed analysis of affected IT systems is completed early to identify risks and hidden complexity. If possible, avoid committing to go-live dates without having this information.

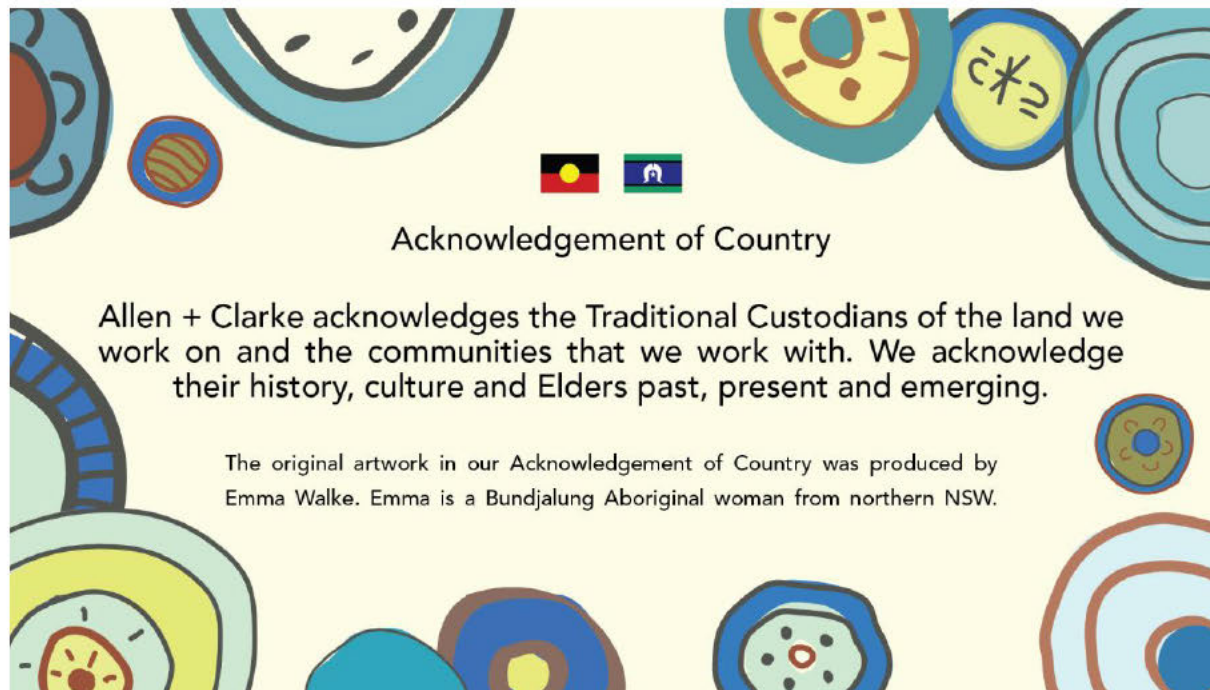


Pacific Australia Labour Mobility scheme

Post-implementation review of insourcing the domestic delivery model into DEWR, evaluating the approach's efficiency and effectiveness

Prepared for Department of Employment and Workplace Relations (DEWR)

21 June 2024



Acknowledgements

The *Allen + Clarke* review team warmly acknowledges the contribution made to this review by all participants, especially those that gave up their time to be interviewed, and those that completed the surveys or attended a workshop. Thank you to you all, your willingness to participate in the review has enriched the findings.



Quality
ISO 9001

Allen + Clarke has been independently certified as compliant with ISO9001:2015 Quality Management Systems



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Executive summary

Background of the scheme

The Pacific Australia Labour Mobility (PALM) scheme addresses Australian domestic workforce shortages by allowing approved employers^[1] to recruit from nine Pacific Island countries and Timor Leste for periods up to 4 years. It combines the Seasonal Worker Programme (SWP) and the Pacific Labour Scheme (PLS) into a single program, offering both short and long-term employment options. PALM scheme workers are employed under Australian employment conditions.

The SWP was administered by Department of Employment and Workplace Relations (DEWR) (or predecessor departments) from the point of inception as a pilot in 2009. SWP was transferred for a short time in 2022 to the Department of Foreign Affairs and Trade (DFAT).

The PLS was outsourced and managed by Palladium International Pty Ltd, through their operational arm, the Pacific Labour Facility (PLF), under the oversight of DFAT from 2018 until late 2022 when the responsibility for the PLF contract was transferred through machinery of government changes to DEWR.

Under the new scheme, full responsibility for all the domestic operations of the PALM scheme was insourced to DEWR between July and December 2023.

The Pacific Labour Operations (PLO) Division is the business unit within DEWR that is responsible for administering the PALM scheme. In November 2022, this business unit consisted of around 40 staff but by early 2024 this had increased nearly seven-fold to meet its expanded scope.

The rationale for insourcing the domestic operations to DEWR included:

1. Better enabling and managing the expected growth and expansion of the PALM scheme.
2. Demonstrating the government's commitment to rebuilding the public service.
3. Maintaining confidence and trust in the scheme by improving accountability and ensuring compliance.
4. Strengthening protections for PALM scheme Workers.

Purpose and scope of the review

There is a strong interest in understanding how effective the insourcing process was, and what both DEWR and other agencies can learn for similar insourcing exercises in the future. DEWR commissioned *Allen + Clarke* to undertake a review to inform this understanding.



The review sought to answer three questions:

1. To what extent did DEWR successfully insource the domestic delivery model of the PALM scheme, including the IT system?
2. How well is the new delivery model performing?
3. What are the options for improving the efficiency and effectiveness of the insourced arrangements?

The scope of the review includes the transfer of 24 business functions, including the PALM Information System IT system (PALMIS), from the PLF into DEWR. It includes the selection of the delivery model, the PLO Division's engagement with the PLF, DFAT and approved employers, and the planning, delivery and support activities that directly related to the transition of services. To answer questions 2 and 3, the scope of the review also includes all aspects of current operations as part of the new delivery model.

The decision to insource, the development and delivery of the new deed and guidelines and the feature development and rollout of PALMIS are out of scope. However, the timing of the deed and guideline changes and the rollout of PALMIS means that these elements undoubtedly affected stakeholder perceptions of the insourcing. It was not always straightforward for stakeholders to distinguish what related only to the insourcing.

The review approach

To undertake the review, *Allen + Clarke* completed a document review, conducted interviews with key representatives from the PLO Division within DEWR, DFAT, the PLF, and participating country representatives and collected data through three online surveys (approved employers, PLO staff from DEWR, and DFAT).

Interviews and surveys were conducted during March and April, and findings are reflective of this point in time. Interview participation and response rates were in line with early expectations.

In addition, *Allen + Clarke* facilitated a full day workshop with PLO Division staff, held in Canberra in March 2024 to surface new insights and deepen the understanding of issues identified through the data collection process. A sense-making session with key PLO Division stakeholders was held in early May 2024 to allow for discussion of emerging themes and for final input of stakeholder knowledge.

Responses to interview and survey questions were at times polarised and reflected an individual's opinion or sentiment. Every perspective is valuable, and the review sought to appropriately weigh up contrasting feedback when assessing the data and drawing conclusions.



Review findings

KRQ 1: To what extent did DEWR successfully insource the domestic delivery model of the PALM scheme, including the IT system?

The review identified four criteria against which to assess success namely, delivery to schedule and budget, service continuity for approved employers, people's experience of change and the extent to which the newly established operations provided a foundation for continuous program improvement.

Schedule and budget: Under difficult circumstances, the PLO Division completed the transfer of functions within schedule and budget

DEWR was mandated by government to complete the insourcing from PLF by the end of 2023. This required the planning and completion of a large and complex program of work in a very limited timeframe. At the same time DEWR needed to manage the day to day running of the program as well as deed and guidelines changes and the rollout of a new IT system (PALMIS) for staff and approved employers, all of which presented an immensely challenging high risk operating environment. The scope had to be tightly managed based on the known constraints and the Division was required to focus and prioritise activities that would ensure the delivery of the insourcing, whilst mitigating high delivery risks.

For example, the selection of organisational structure was based on feasibility of implementation. Staffing levels needed to increase almost seven-fold in a matter of months. The program had to work with its delivery partners at DFAT and the PLF amidst considerable ambiguity, as important detail about how work was to be done still needed to be worked out. Also, all this needed to be done concurrently with the deed and guidelines changes and PALMIS rollout. Special credit needs to go to the leaders and staff of the PLO Division, DFAT and PLF who demonstrated a very high commitment to the task despite the complex and at times ambiguous environment.

Enablers of success included:

- Leaders across the PLO, DFAT and the PLF having a high commitment to finding ways to make the task achievable
- Staff engaged in the insourcing process committing a higher-than normal level time and energy to ensure successful on-time delivery of the project
- Establishing a dedicated Transition Branch to support the change
- Selecting an organisational structure and delivery schedule that was feasible given known constraints
- Collaborating with key partners, namely DFAT and PLF to get clear on responsibilities
- Adopting a 'minimum viable product' mindset which tolerated some initial ambiguity and focused on quickly delivering a workable solution that could be iteratively improved



- Creating new governance arrangements
- Using standardised tools to scope and manage the work
- The ability to recruit some former PLF staff who were already very familiar with the scheme
- Use of visual management and daily monitoring and reporting of progress.

Other organisations who are planning to manage large complex programs of work would benefit from hearing about the specific ways this program worked to ensure the scope of work was completed on schedule.

Service continuity: Some approved employers felt that service was negatively affected

Prior to the change, some approved employers expressed concern about DEWR not having sufficient resourcing to support service continuity. To proactively manage this concern the program established a team dedicated to supporting rapid recruitment. This approach was effective at supporting the rapid scale up, but the program was still not able to be fully resourced until after the transition period. The impact of this was partly mitigated by a staggered delivery schedule and continued PLF support through the change period. New staff also required time to get up to speed.

When surveyed, more than a third of approved employer respondents felt that service continuity was adversely impacted during the change period. Adapting to new scheme settings, systems and processes associated to the new deed and guidelines and PALMIS changes contributed to this perceived disruption. Specific examples of reduced service cited by approved employer respondents that appeared to relate directly to insourcing included not knowing who their key contact was, receiving inconsistent information and tasks taking longer under PLO Division management. As new staff were recruited, new contact officers were assigned to approved employers which added to the changes those employers experienced.

Limited performance data makes it difficult to validate or quantify the impact of changes to service levels. However, available performance data indicates that most processing times were in line with past performance. The notable exception was recruitment plans for long term workers which increased from 2.1 weeks in the 22/23 year to 3.6 weeks in the year to 31 March 2024. Also accommodation plans reduced from 2.9 weeks in 22/23 to just 1.3 weeks in the year to 31 March 2024. DEWR have advised that the additional time required for long term recruitment plans were largely due to deed and guidelines and PALMIS changes. PLO Division leaders were confident that overall, process delay risks were appropriately identified and mitigated to minimise any impact on approved employers.

The review did not include direct engagement with workers or analysis of any data related to service continuity for workers.



People's experience of change: Dedicated formal change management capability would have improved the people's experience of the change

Change management helps to ensure that staff and stakeholders affected by a change program feel well prepared, supported and engaged throughout the process. At the end of April 2023 the program received change management guidance from external consultants. However, because the Division was working to such a tight delivery timeframe, leadership felt that there was insufficient time to onboard a dedicated change manager resource and have them deliver the scope and scale of work proposed prior to the insourcing work being completed. Staff already working on the program did not have the capacity, and potentially the capability to be reassigned to dedicated change management activity without impacting on essential insourcing or operational delivery functions.

Instead of taking a fully scaled and documented change management approach the program elected to engage and support those affected by the change by incorporating change management principles and practices within the scope of the conducted transition activities. These change principles were evident in planning documents, formal communication channels, stakeholder engagement and monitoring activities. Specific examples of this included the PLO Division group meetings, working groups with DFAT and PLF representatives, briefings and emails to approved employers and regular executive communications and on-site mental health support for PLO Division staff.

Despite principles being in place, change management was frequently identified by respondents as something that could have been better managed. One example of this is the communications that were regularly sent to approved employers. Most approved employers agreed that communications (e.g. the weekly newsletter) were good. However, some felt the format could have been improved to support better comprehension of information, and others thought that the notice they were given about the SWP Online system changes was insufficient. In this example additional change management support may have helped identify impacts and risks earlier and lead to changes in communications which would have improved the approved employers perceived experience of change.

Given the timeframe constraints, some of the challenges faced by the program such as high workloads were difficult to avoid. If time was not a factor, a more scaled application of change management tools and approaches could have been used to identify additional risks and issues, support risk mitigation decision making, and provide confidence of change readiness and the effectiveness of post go-live support.

While the functional transfer is complete, work continues to embed the change and further consolidate operations. Applying appropriately scaled change management practices to current and future work is likely to assist in managing change fatigue and ensure that work is being completed effectively. This is discussed further under KRQ2.

Foundation for the future: The PLO Division can now focus on optimising delivery

Insourcing the domestic delivery of the PALM scheme was expected to improve efficiency and effectiveness, including improving protections and responding to the needs of PALM scheme workers. To deliver on schedule, the program had to make important design



choices. The review sought to understand how those choices were likely to impact on the program's short-term ability to deliver the full benefits of insourcing.

Time constraints led to the selection of an organisational structure which was identified in the PALM Scheme Operational Delivery Model Review (Grosvenor, 2023) as being the most feasible to implement in the short timeline but not necessarily the best option with respect to achieving the intended long-term outcomes of insourcing. The program also had to establish operations before all aspects of the delivery model had been designed. The review received feedback from respondents that because detail about how work should be done wasn't worked through earlier, there were some inefficiencies during insourcing. The delivery timeframe required all stakeholders to consider the priority activities that needed to be completed to meet insourcing expectations, which may not have been delivered as efficiently as possible.

The review was impressed by the pace at which the program has moved since the transfer of functions to complete components of the new delivery model. While the scheme is not yet optimised, the PLO Division is very committed to continuous improvement and the program appears to be now well positioned to further optimise delivery so that the benefits of insourcing can be fully realised. The PALM Scheme Operational Delivery Model Review (Grosvenor, 2023) recommended that after a period of consolidation, the program should review its performance and assess the appropriateness of moving to a more customer-centric model. It is a sensible approach for the PLO Division to give consideration to using an incremental change model as the PLO Division moves from its post insourcing consolidation phase to an on-going cycle of review and improvement.

Lessons for other programs

[Section 3.3.1](#) enumerates some key lessons from this insourcing initiative that could benefit other large programs, including future insourcing initiatives.

KRQ 2: How well is the new delivery model performing?

The interim delivery model implemented through the insourcing process is a potential stepping-stone toward consideration of a more customer-centric model. A more customer-centric model could help the scheme to fully realise the intended benefits of insourcing such as improved public confidence in the scheme, improved PALM scheme worker protections and improved operational efficiency. Whilst the functional transfer is complete, the PLO Division's workplan continues to properly embed the model and drive improvements.

The review aimed to understand the extent to which current operations are efficient and effective. It is too early to fully assess elements of effectiveness of current operations such as if insourcing is improving worker protections. However, the review was able to assess current performance against five success areas. These areas represent a consolidation of the operating model capabilities defined in the PALM Scheme Operational Delivery Model Review (Grosvenor, 2023):

- Leadership and Culture.
- Organisational structure, Governance and Performance Management.



- Workforce and Capability Management.
- Stakeholder Engagement and Communications.
- Process, Systems and Information Management.

Leadership and culture are critical enablers of success

Leaders are supporting delivery in a context that remains very busy and has involved considerable work to onboard new staff. Leaders have had to navigate their teams through considerable uncertainty and maintain motivation despite growing change fatigue. Some of these leaders are still relatively new to the organisation themselves.

The reviewers were impressed with the candour, attitude and capabilities of the PLO Division leaders. The leadership team are highly committed and capable with the skills and temperament needed to manage the scheme effectively and have a strong commitment to a culture of continuous improvement. The review found evidence of collaboration between leaders, particularly within governance committees and the Transition Branch. On balance, review feedback indicated that leaders did well in the circumstances and that the culture within the PLO Division supports staff to effectively do their work.

The delivery model is not yet optimised

The program was successful at completing the transfer of functions from the PLF and establishing delivery operations within the PLO Division. The operating structure put in place was very close to what was initially proposed, but the PALM Scheme Operational Delivery Model Review (Grosvenor, 2023) identified that a customer-led organisational structure would improve visibility of the customer journey and support improved delivery to holistic customer needs.

Furthermore, the organisational structure is only one part of a complete delivery model and other core elements of the delivery model, such as the development of foundational documents, remain work-in-progress. A fully developed delivery model should also define capabilities, processes and principles to support optimised delivery.

To oversee the insourcing, temporary arrangements were put in place. This included the establishment of the Transition Branch and the PALM Project Governance Committee. The PALMIS Project Board was also established around the same time to specifically focus on PALMIS related changes. The program has been quick to review these governance arrangements to ensure they are fit-for-purpose.

As planned in the insourcing arrangements, the temporary Transition Branch will cease as a separate branch on 30 June 2024. This will form the initial post-insourcing realignment of the divisional structure. The work of the Transition Branch teams is on-going and branch resources will be re-allocated across the Division to continue this.

While the program is being proactive to better define core delivery model elements and has a domestic program logic in place which links to the scheme Theory of Change, developing a coherent overarching model would likely provide more clarity on how the different delivery



elements integrate. An overarching model could help mature the understanding of how the scheme should ideally operate and support the identification of additional efficiency and effectiveness improvements.

The PLO Division is rapidly moving from ambiguity to clarity

Now that functions have been transferred and resourcing is near complete, the program has focused on developing core elements of the operating model that were not initially part of the transition.

The program has been working to develop new frameworks to support the effective delivery of the scheme. A Performance and Assurance framework is being implemented to provide the PLO Division with a suite of metrics to support ongoing performance monitoring and improvement while also ensuring that the PLO Division is meeting its legislative and delivery obligations regarding the compliance of approved employers. An Evaluation framework will sit alongside the Performance and Assurance framework to guide the domestic scheme monitoring and evaluation activities. There is also a new framework to support the prioritisation of the backlog of PALMIS enhancements.

The PLO Division has also been working with teams to develop and document Standard Operating Procedures (SOPs) and a Decision Making Authority. They will provide further clarity on roles and responsibilities and will likely also support improvements in the accuracy, consistency and efficiency of delivery, and support cross-team collaboration. The PLO Division is working towards ensuring SOPs are recorded in standardised formats, kept up to date and stored in locations consistent with DEWR's information management protocols.

Key relationships need strengthening

To sustain and optimise delivery operations it is critical that the PLO Division's relationship with key partners and stakeholders is effective. The insourcing period was pressured, but in this consolidation phase the program can allow itself more time to develop tailored engagement plans that ensure the needs of different stakeholder groups are well understood, and that engagement activity is agile enough to meet those needs.

The program's release of PALMIS enhancements in April and May 2024 are also helping to strengthen the relationship with approved employers by demonstrating a strong commitment to delivering improvements. A planned approved employer PALMIS consultative group is likely to enhance the PALM/employer relationship.

A series of recommendations to support next steps decision-making are listed under KRQ 3 below.

KRQ 3: What are the options for improving the efficiency and effectiveness of the insourced arrangements?

Commit to an organisational redesign or remain focused on more incremental change

With a solid base now in place, the PLO Division can consider additional changes to improve the efficiency and effectiveness of the scheme delivery. A key choice is whether to remain focused on consolidation and incremental change, or to invest in a move to a more customer-



led organisational structure and delivery model. Such a shift could improve visibility of the end-to-end customer experience, ensuring that service design effectively meets customer needs and minimises the risk of siloed operations. This review endorses the recommendation of the PALM Scheme Operational Delivery Model Review (Grosvenor, 2023) that the program initially focus on consolidation and then completes a review of performance to assess the appropriateness of moving to a more customer-led delivery model.

The PLO Division continues to implement a busy workplan to embed the delivery model. In the short term the focus needs to be on ensuring that the elements of the workplan are delivered and embedded well. Given the sustained workloads required to establish the delivery model, decisions on the 24/25 Financial Year (FY) work program need to consider the change capacity of the PLO Division.

Recommendations for the Pacific Labour Operations (PLO) Division

1. Develop a long-term strategic roadmap which shows how the PLO Division will introduce future changes to enable the full benefits of insourcing, including PALM scheme worker protections.
 - Use the roadmap as a tool to communicate to stakeholder groups including approved employers, Pacific Heads of Mission (HoMs), Country Liaison Officers (CLOs), Labour Sending Units (LSUs) and PALM scheme workers.
2. Confirm and communicate the scope of the PLO Division's FY 24/25 work program
 - Include planned changes with the deed and guidelines, PALMIS enhancements and the delivery model consolidation.
 - Ensure that recently designed changes such as SOPs and scheme frameworks are well understood and embedded.
 - Ensure that appropriate mechanisms are in place to enable stakeholders to communicate known concerns e.g. the PALMIS interface.
 - Ensure that mechanisms (feedback loops) are in place to identify emergent issues and opportunities and inform improvement initiatives. Approaches such as value stream mapping could be used to raise awareness of hidden inefficiencies, reinforce the continuous improvement culture and drive short-term efficiency and effectiveness improvements.
3. Consider where scaled change management approaches and tools could be appropriately applied to the future work program.
 - Consider appropriate mechanism to engage with key stakeholders to ensure that the implications and impacts of the proposed FY 24/25 work program are well understood and feasible.



- Consider developing a 'single view of change' report to show what the cumulative workload pressure resulting from business-as-usual and change activities is on each team.
 - Ensure that roles and responsibilities for leading and managing change are clear.
4. Establish new service level standards (based on the new performance monitoring framework) and begin making early progress toward the development of performance reporting dashboards for real-time, or near real time status monitoring, noting the performance monitoring will mature as the data collection activities mature.
 - Ensure key stakeholders are made aware of the PLO Division's commitment to the new standards.
 5. Develop an action plan to strengthen the PLO Division's collaborative relationships with key partners
 - Identify areas of outstanding ambiguity or disagreement and identify options for change.
 6. Continue to rebuild the confidence and trust of approved employers by involving users in PALMIS feature redesign and testing. Ensure any future updates are well tested and that releases are well communicated and supported.
 7. Commit to a future review of the delivery model to ensure it integrates organisational structure, supporting processes, enabling capabilities, and guiding principles in a way that enables the full realisation of expected insourcing benefits, including improving worker protections.
 8. Support cross-government capability building and decision making by extending an offer to present to other agencies on the insourcing experience and lessons learnt.



Figure 2 below, shows the connections between the review’s findings and recommendations

Figure 2: Summary of findings and recommendations

KRQ1	KRQ 2	KRQ3	RECOMMENDATIONS
Under difficult circumstances, the PLO Division delivered on time and under budget R8	Leadership and culture are critical enablers of success R1, R2, R3, R7, R8	Commit to an organisational redesign or remain focused on more incremental change ALL	R1 Develop a long-term strategic roadmap
Some approved employers felt that service was negatively affected R4, R5, R8	The delivery model is not yet optimised R1, R2, R7		R2 Confirm and communicate the scope of FY 24/25 work program
Dedicated change management capability would have improved people’s experience of the change R3, R4, R5, R8	PLO is moving rapidly from ambiguity to clarity R2, R3, R5		R3 Consider how scaled change management approaches and tools could be applied to the future work program
The PLO Division can now focus on optimising delivery R1, R2, R11	Key relationships need strengthening R2, R4, R7		R4 Establish new service level standards
			R5 Develop an action plan to strengthen collaborative relationships with key partners
			R6 Enhance PALMIS functionality
			R7 Commit to a future review of the delivery model
			R8 Share lessons with other agencies



1 Background

1.1 Pacific Australia Labour Mobility (PALM) scheme

The PALM scheme is Australia's primary temporary migration and labour mobility program, which allows eligible Australian approved employers to recruit PALM scheme workers from nine Pacific Island countries – Fiji, Kiribati, Nauru, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu – as well as Timor Leste. The program targets unskilled, low-skilled, and semi-skilled workforce shortages primarily in regional and rural Australia.

The PALM scheme operates as a demand-driven program, accommodating both seasonal and long-term workers across various sectors. Under the PALM scheme, workers are employed under the same awards and industry standards as Australian Citizens and they pay tax, receive superannuation, and have access to the same complaint and dispute resolution bodies.

The PALM scheme was established in April 2022, amalgamating two previous migration and labour mobility programs:

- the Seasonal Worker Programme (SWP) for jobs up to nine months (short-term stream), which commenced on 1 July 2012, following a successful pilot
- the Pacific Labour Scheme (PLS) for jobs between one and four years (long-term stream), which commenced on 1 July 2018.

Prior to the insourcing the SWP was delivered by DEWR and the PLS was outsourced and managed by Palladium International Pty Ltd, operating under the banner of the Pacific Labour Facility (PLF), with oversight from DFAT. DFAT continues to be responsible for Pacific labour (non-operational) policy, strategic communications and stakeholder engagement in the Pacific and Timor-Leste including support to labour sending governments on labour mobility policy and sending capability.

The amalgamation of the SWP and PLS into the PALM scheme was supported by the introduction of:

- the PALM visa – Temporary Work (International Relations) visa (subclass 403), which increased the stay period from three to four years for long-stay workers
- the Labour Mobility Program Bill 2022 which reduced the income tax for short-term (seasonal) workers
- a single application process to cover both SWP and PLS arrangements
- a single set of PALM scheme deed and guidelines arrangements. The new PALM deed was offered to over 420 SWP or PLS (or both) approved employers through transitional arrangements commencing from 1 July 2023.



The PALM scheme deed and guidelines were developed to align the two previous programs, enhance and further protect PALM scheme worker rights. The deed and guidelines serve as a formal agreement between approved employers and the Commonwealth, represented by DEWR, outlining rights, obligations, and procedural details. Since the completion of the transition of functions from the PLF in December 2023, the PLO Division has been fully responsible for PALM domestic operations and administration. DFAT is responsible for Pacific labour non-operational policy, pilot programs, external strategic communications focussing on Pacific support and engagement.

Collaboratively, DEWR and DFAT provide whole of government oversight of the PALM scheme which include partnerships with the following agencies:

- The Department of Home Affairs (Home Affairs) is responsible for monitoring and ensuring PALM scheme workers are compliant with their visa conditions and approved employers meet their sponsorship requirements.
- The Fair Work Ombudsman (FWO) educates and monitors approved employers' compliance with Australian workplace relations law, assists with the conduct of on-arrival briefings, and offers specialised services to program participants including tailored advice to approved employers and seasonal workers.
- The Australian Taxation Office (ATO) is responsible for collecting tax from PALM scheme workers while they are working in Australia. Under the PALM scheme, short term (seasonal) workers are considered foreign residents for tax purposes and pay a flat tax rate of 15 per cent of their income, while longer-term PALM scheme workers are considered Australian residents and pay ordinary individual income tax rates.

1.2 The decision to insource

As part of broader Machinery of Government changes, on 1 July 2022 the Australian Government transferred the responsibility for all the domestic operations of the PALM scheme from DFAT to DEWR. Subsequently a decision of government was also made to transfer the domestic operational functions and responsibilities of the PLF to DEWR.

The rationale for insourcing the domestic operations to DEWR include:

1. **PALM scheme growth and expansion.** Since the onset of the COVID-19 pandemic in early 2020, both the number of PALM scheme workers and approved employers has increased considerably, from approximately 8,000 workers in March 2020 to currently over 30,000 workers. The scheme has also expanded into new sectors and industries, necessitating a robust operational framework to manage this growth effectively.
2. **Government commitment to public service rebuilding.** The insourcing of the domestic operations into DEWR aligns with the government's pledge to enhance the capability and capacity of the public service. By transitioning functions from external entities, the government can strengthen the operational infrastructure within the public sector.



3. **Accountability and compliance focus.** The decision to bring operations into DEWR ensures that responsibility for efficiently executing the domestic operations of the PALM scheme rests within the same portfolio responsible for eliminating exploitation, improving PALM scheme workers' pay and conditions and managing employer compliance.
4. **Strengthening protections for PALM scheme Workers.** DEWR oversight of the PALM scheme ensures worker access equivalent conditions and wages as their Australian counterparts, a responsibility also falling under the purview of the Employment and Workplace Relations portfolio. This underscores the government's dedication to bolstering protections and fostering well-being among PALM scheme workers.

The insourcing occurred at a time when several other related changes were also concurrently being introduced across the PALM scheme including the introduction of the new PALM deed and guidelines and PALM Information System (PALMIS) IT system.

The deed and guidelines included several changes that took effect over the 12 months from their introduction on 26 June 2023 that impacted stakeholders across the scheme. These included requiring all approved employers to offer PALM scheme workers (both in the short-term and long-term streams) a minimum of 30 hours work per week and a minimum pay of \$200 per week after deductions. It also introduced a grievance management policy to ensure conflicts and concerns are managed fairly.

PALMIS was launched on 24 July 2023 providing a consolidated IT system to streamline workflow between approved employers, Labour Sending Units (LSUs) and PLO Division. The PLF had used PALMIS as an in-house solution, but it had never been used by approved employers. Given the very close proximity between the finalisation of the PALM deed and guidelines and the release of PALMIS the functionality of PALMIS had not yet been optimised to meet the new deed and guidelines requirements. This meant that the rollout of PALMIS was a major change for approved employers, and one that still required approved employers to provide some supplementary information via email to the PLO Division.

1.2.1 Timeline

Figure 1 below illustrates a comprehensive overview of the pivotal timelines and related activities leading up to the commencement of the insourcing phase. The transition towards initiating insourcing, the rollout of the new deed and guidelines and the implementation of the new IT system encountered several challenges, which impacted the timeline significantly.

The 2022 Federal Election, held on Saturday, 21 May 2022, marked a crucial juncture. With the election call and the onset of the caretaker period, business-as-usual continued but slowed and policy decisions were unable to be progressed. In addition, the subsequent change in government, meant that some approval timelines were prolonged.

The development of the new consolidated PALM deed and guideline settings were contingent upon the passage of the Income Tax Amendment (Labour Mobility Program) Bill 2022. Despite the Bill's introduction in February 2022, its review and approval were hindered by the dissolution of Parliament preceding the Federal Election. The Bill was introduced and read for



a first time on 8 September 2022 and ultimately, the legislation was enacted on 28 November 2022.

Initially, DEWR sought funding for insourcing through a budget proposal submitted to the 2022–23 Mid-Year Economic and Fiscal Outlook (MYEFO). However, this proposal was deferred. Subsequently, the insourcing budget proposal was resubmitted for consideration in the May 2023 budget, where \$297.2m funding over 4 years was allocated to support the insourcing and ongoing operation of the PALM scheme. These events significantly influenced the insourcing timeline.

The change in government ushered in a period focused on fulfilling election promises, including increased support for Pacific Islands countries and Timor-Leste and the revitalisation of the Australian Public Service (APS). As budget for insourcing was not formally secured until May 2023, this limited capacity to recruit key roles essential for supporting the insourcing initiative, as well as diverting resources towards developing the May 2023 budget submission. Furthermore, as the 2023 budget announcement approached, PLF received a contract extension, which extended their contractual obligations until December 2023. These contextual factors culminated in the formal confirmation that appropriate resources were not committed until late May, and despite significant prework, the effective timeline for undertaking insourcing of the domestic operations of the PALM scheme into DEWR was limited to between July and December 2023.



Figure 1: timeline of insourcing





1.2.2 Roles and responsibilities

The insourcing required DEWR, DFAT and PLF to be clear on roles and responsibilities. In December 2022 the three organisations began working closely to agree on and work through this detail.

DEWR was the lead for the design and implementation of the domestic delivery model and domestic policy and delivery. This meant deciding on how it would set up and manage operations to support the transition and ongoing management of the scheme. This included selecting and resourcing a new operating structure, developing and executing the transfer schedule and transfer action plans, and leading most of the stakeholder engagement.

The PLF were to provide all relevant information to DEWR to support the transfer. This included the accurate and timely completion of the PLF transfer plans for each function. These plans included important details such as a description of the key activities, identification of key artefacts, resourcing needs, engagement approaches, dependencies, risks and long-term considerations. These plans also included an expected transfer date, and a readiness check which would need to be signed off by DEWR. The PLF was expected to continue running the operations until handover and support DEWR throughout the whole process.

As contract managers for the PLF, DFAT was responsible for ensuring that the PLF continued to duly execute their responsibilities. DFAT was also expected to provide consultative input throughout the transition period. DFAT continued to be the lead for strategic policy, delivery of offshore components of the program and pilot programs.

DEWR and DFAT worked together to define the split of strategic and operational responsibilities, as ongoing delivery partners, for the transition period and on-going delivery of the PALM scheme. This included agreement for ownership and management of the range of communication channels to PALM stakeholders (for example, management and input to social media channels).

It was agreed that DEWR and DFAT, in partnership, would work together to define the interlinkages between the delivery components and implement collaborative systems and processes. These continue to be developed and include ongoing consultation to avoid duplication of responsibilities and functions areas such as research, evaluation and data management.

1.3 Delivery model

In late 2022, DEWR commissioned external consultants to develop a targeted delivery model for the domestic operations of the PALM scheme (Grosvenor, 2023).

The following design principles were developed to support the selection of the delivery model:

- People centred
 - Focused on addressing people's needs holistically.
 - Service iteration reflects changing needs of customers and key stakeholders.



- Culturally sensitive – taking account of histories, cultures, beliefs, environments, and communities.
- Flexible
 - DEWR PALM scheme delivery teams are dynamic to enable flexibility, mobility and agility and evolution in services and ways of working.
 - Operating structure and enabling environment support changes in service volumes and service improvements.
- Evidence informed
 - Underpinned by systems, data, research, analysis and evidence.
 - Provides for both appropriately paced incremental improvements and opportunistic improvements.
- Risk aware
 - Able to manage risk within the risk appetite.
 - Robust monitoring and assurance processes are in place to manage operational and reputational risks associated with service delivery and incidents.
 - Services and effort are prioritised based on risk and impact measures.
 - Operating structure reflects the current transition needs of PALM scheme delivery.

Following stakeholder consultation which included 34 sessions with attendance from 95 organisations and 57 submissions¹, a customer-led hybrid model was recommended as the preferred delivery model. The customer-led hybrid model predominantly comprised of customer specialist teams, supported by a performance branch with branch structures broadly aligning with key services provided to customer groups².

However, while the customer-led approach was deemed the most appropriate for the PALM scheme objectives, it was found to represent a risk in the short-term as it posed to be a significant departure from the current delivery model. As such, a short-medium term operating structure was selected. The short-medium term model (known as Option 1b) sought to minimise changes and transition risks, while addressing service issues and positioning the PALM scheme for delivery under one scheme. It was determined by the PLO Division executive that following an 18-month consolidation phase to allow for stability, a review would be conducted to ensure the appropriateness of the customer-centered structure before progressing to implementation of the model.

The detailed operating structure for Option 1b as proposed by Grosvenor is outlined in [Appendix A](#). The structure proposes a total of 267 Full Time Equivalent (FTE) staff to a total cost of \$28.77m. The PALM scheme operational delivery model review outlines recommended

¹ Australian Government. Pacific Australia Labour Mobility scheme. Optimising the PALM scheme delivery in Australia, Summary of Consultations December 2022-January 2023.

² Grosvenor. PALM Scheme Operational Delivery Model Review. 10 February 2023.



resourcing and activities for Option 1b which includes a breakdown of FTE by three branches (PALM Operational Policy Branch, PALM Delivery Branch, PALM Performance Branch as well as resourcing for the overarching PALM program Division and Business Support Unit) and the teams within each of the branches. The proposed FTE is broken down by the APS classification structure. The operating structure included regionally based positions across select teams. The key principle regarding the regionalisation of roles was for workers and approved employers to have a single point of contact, facilitated and supported by geographically dispersed positions that provide region-specific support and advice.



2 Methodology summary

The review was guided by three Key Evaluation Questions (KRQs), with additional sub-questions to ensure coverage.

The KRQs for this review are:

- 1. Did DEWR successfully insource the domestic delivery model of the PALM scheme, including the IT system?**
- 2. How well is the new delivery model performing?**
- 3. What are the options for improving the efficiency and effectiveness of the insourced arrangements?**

The review collected data over three key methods:

- A document review (December 2023 – February 2024)
- Three online surveys (February – March 2024)
- Interviews with key stakeholders (February – April 2024).

This information was supplemented by a full-day workshop with DEWR staff, held on 20 March 2024 in Canberra.

Document Review

An initial scan of documentation was used to inform the report, including the PALM Scheme Operational Delivery Model Review by Grosvenor, planning and monitoring documents, and other relevant documents provided by DEWR.

Surveys

Three surveys were designed and conducted for this review. One aimed at approved employers, which explored the user experience of approved employers throughout the transition period. The survey was conducted from 6 March to 27 March 2024.

The second and third survey was aimed at DFAT and DEWR staff to gain their perspectives on the change process throughout the transition period. These surveys were conducted from 6 March to 22 March 2024.

Before each survey was published, Computer Assisted Telephone Interviewing (CATI) took place for each of the target groups to validate the suitability of the questions, identify any issues such as leading questions, ordering effects, question ambiguity, and time to complete. Eight stakeholders took part in this piloting process.



A total of 501 stakeholders were invited to complete the survey, which was sent to contacts via email with an embedded survey link. A total of 189 individuals completed a survey, a response rate of 38%. Complete survey data can be found in [Appendix B](#).

Key stakeholder interviews

Semi-structured interviews with stakeholders from DEWR, DFAT, PLF, approved employers, Pacific Heads of Mission (HoM) in Australia, Country Liaison Officers (CLOs) and one Labour Sending Unit (LSU) collected in-depth information on the insourcing and new operational arrangements of the domestic delivery of the PALM scheme. A total of 61 individuals were invited to participate with 44 interviews completed, giving a completion rate of 72%.

Interviews were conducted online over Microsoft Teams. Participants were provided with information sheets and verbal consent was obtained in some cases to record the interview. For those who consented, deidentified transcripts were provided to DEWR. Where consent was not provided, deidentified high level summary notes were provided instead. Participants were provided the opportunity to request a copy of the audio and written information collected.

Interviews with CLOs and HoMs were undertaken in groups to collect information about the effectiveness of DEWR's engagement with them, and any change impacts directly associated with the transition process that directly affect them.

Workshop

A full day workshop was held in Canberra on 20 March 2024. This workshop was used to surface new insights and deepen understanding of issues identified through the data collection process.

Analysis

Thematic analysis of the key stakeholder interviews and the full-day workshop with DEWR staff was undertaken using the NVivo qualitative analysis tool. The data was coded into emergent themes based off the KRQs. Quantitative analysis of survey data was undertaken using the Qualtrics package.

Sense-making session

A sense-making session was held with key DEWR stakeholders on 3 May 2024. This session allowed for themes to be tested and early findings from the analysis to be validated or challenged. The sense-making session also allowed for stakeholder knowledge to be captured within the final report.

A detailed methodology is provided in the data analysis summary in [Appendix C](#).



3 Effectiveness of insourcing

KRQ 1: Did DEWR successfully insource the domestic delivery model of the PALM scheme, including the IT system?

DEWR successfully insourced the domestic delivery model by completing the transfer of all required functions from the PLF by the end of 2023. This was made possible by the capable and dedicated effort of staff across the PLO Division, the PLF and DFAT, who frequently had to work under uncertain and pressured conditions. Change management and stakeholder engagement were the key aspects of the insourcing that could have been improved.

“It was always going to be challenging. No one in government had done anything on this scale for years.” – DEWR interview participant.

3.1 Understanding success

The review assessed success based on four criteria, delivery to schedule and budget, service continuity for approved employers, the people experience of change and the extent to which the newly established operations provided a foundation for continuous improvement.

Schedule and budget

DEWR had a clear government objective to complete the insourcing from PLF by the end of 2023. When DEWR staff were asked about success criteria they almost always responded by initially talking about delivery by the end of December 2023.

“Seemed like the timeframe was set and there was no negotiation. [It] felt like there was no excuses to not meet the timeline.” – DEWR survey participant.

Service continuity for approved employers

The PALM Roadmap Taskforce Report (2023) highlighted the need for an orderly transfer:

‘An orderly transfer means the PALM scheme continues to function during the transfer period and stakeholders would continue to receive the same standard of delivery. This would preclude, for example, extended blackout periods for scheme delivery, actions resulting in a reduction of safeguards to worker wellbeing, or the ongoing growth of the scheme’ – (PALM Roadmap Taskforce Report, 2023).

The importance of service continuity was echoed by staff interviewed:



“[The] biggest thing is minimal disruption to external stakeholders (AE³s⁴). We are already asking a lot from AEs (new forms, new guideline requirements), so we want to see minimal disruption during the transition” – DEWR interview participant.

The review sought to differentiate the service continuity impact of the insourcing from the impact of the deed and guidelines and PALMIS changes.

Change experience

Change management can be defined as ‘the application of a structured process and set of tools for leading the people side of change to achieve a desired outcome’⁴. To complete the insourcing, DEWR needed to collaborate with and provide appropriate support to staff and stakeholders including the PLF, DFAT, approved employers and PALM scheme workers. A Transition Workshop which was run in June 2023 to identify any challenges, risks and issues, identified that ‘*cooperative change management is essential for the best management of people and process*’.

Foundation for improvement

Successful insourcing should enable the program to move quickly to fully realise the expected benefits of insourcing, which include improved efficiency, and improved effectiveness, including improved protections for PALM scheme workers.

3.2 Review evidence

3.2.1 Delivery model selection

Insourcing the domestic delivery of the PALM scheme was expected to improve efficiency and effectiveness, including improving protections and responding to the needs of PALM scheme workers. To help understand how to set itself up to deliver an insourced scheme DEWR commissioned the PALM Scheme Operational Delivery Model Review (Grosvenor, 2023). This review included an assessment of the current operations (as of February 2023), defined the future state delivery model requirements and design principles, identified options for a suitable operating structure. One option called a functional hybrid model was identified as the easiest of the three options to implement, but also the least likely to achieve the aims of the scheme.

Given the need for a very fast transfer of operation the report recommended that DEWR start with the implementation of the functional hybrid model, then focus on a period of consolidation before completing another review to assess the need and appropriateness of a shift to a more customer-led model. This was a sensible decision. Choosing to immediately move to a more customer-led model would have incurred unacceptable levels of risk which may have resulted in the insourcing not being finished within the allowed time.

³ The AE acronym is commonly used to refer to Approved Employers under the PALM scheme

⁴ <https://www.prosci.com/blog/definition-of-change-management>



The new structure enabled the rapid scale up required for PLO Division to deliver. The creation of a dedicated Establishment Team to assist with recruitment, and the employment of staff located outside of Canberra (Hub and Spoke model) proved effective in facilitating the rapid scale up of staffing resources as well as identifying and engaging a workforce that was dispersed regionally. The engagement of a decentralised and dispersed workforce, was viewed as critical to building relationships with communities and councils, approved employers and workers to optimise the effectiveness of a regional presence.

The interim delivery model provided information on organisational structure, but delivery timeframes did not allow for the development of critical lower-level guidance on how the new functional units would collaborate. As a result, there was some ambiguity of responsibilities and potential for inefficiencies such as duplication of work and over consultation.

“The organisation structure is a good foundation, however our communication methods and working together to achieve the one objective is inadequate.” – DEWR survey participant.

“Organisational structure does support the delivery of the PALM scheme, however more opportunities to increase information sharing and collaboration across teams may improve overall outcomes.” – DEWR survey participant.

Only 41% of DEWR survey respondents felt that roles and responsibilities were clearly defined in the planning and implementing of the insourcing (32% disagreed or strongly disagreed, 24% were neutral). Some staff felt that some of the new arrangements did not make sense, their concerns were not taken into account, and there were obvious inefficiencies. While role definitions were documented, the exceptional level of new staff being onboarded, including those new to working in the APS, the requirement to adapt management of functions from commercial to public service requirements and manage functional processes that were insourced in an incomplete state may have contributed to an increased negative response to role and responsibility clarity.

“Between branches there is duplication of effort in a few places, probably from not having the right forum set up to share information and not establishing these processes yet.” – DEWR interview participant.

The PALM Scheme Operational Delivery Model Review (Grosvenor, 2023) recommended that after the implementation and consolidation of the interim arrangements, DEWR should review its operating performance and assess whether a change to a more customer-led structure was appropriate. In theory this could better position the PLO Division to optimise the efficiency or effectiveness of operations. Such a review will incur additional cost and likely result in further business change. There is a risk that in the time up to the review, sub-optimal arrangements may become embedded into business-as-usual operations. It has been noted that the PLO Division has made initial incremental changes to their delivery model, and where it does not cause significant disruption, further process alignments have been identified.



Significance

The choice of delivery model enabled the program to manage the scope of change so that the delivery schedule was realistic. Better communication up-front about how the delivery model was meant to work to all staff e.g. roles and responsibilities, and collaboration expectations would have provided staff with improved clarity, and this may have helped activities to be completed more efficiently.

3.2.2 The Transition Branch

The Transition Branch was established as a temporary function to help manage the suite of business changes including the new deed and guidelines and the insourcing. Bringing in specialist expertise helped the PLO Division to plan and deliver the change. This branch included a centralised PALM Project Office, a Transition Team, an Establishment Team and a Governance Risk and Information Management Team.

The PALM Project Office developed plans, processes and templates to support the insourcing and actively tracked and managed progress against the established plans. The Governance Risk and Information Management Team supported governance committees established to support the insourcing work. The Establishment team supported recruitment and onboarding activity and was frequently cited as being particularly helpful in scaling-up the program at pace by attracting high quality candidates. These teams proved critical to delivering the insourcing.

“Dedicated Establishment team was helpful in getting recruitment happening fast during a constrained labour market.” – DEWR interview participant.

Although the PLO Division received external change management advice in April 2023, leaders felt that it was not feasible to implement the fully scaled change management approach. The PLO Division leaders felt that to engage specialised change management resources at that late stage would then mean that effective processes would not have been in place until the majority of the insourcing work had already occurred. As a result the Transition Branch did not recruit any dedicated change management capability. Although a formal change management capability was not established, the Transition Branch did try to effectively engage and support those affected by the change and incorporated change management principles and practices within the scope of the conducted transition activities.

It was noted in many interviews that improved change management would have been very helpful.

“There was not a specific change manager or change management. There was a team that looked after the logistics of keeping track of elements of insourcing, but this is not change management.” – DEWR interview participant.



Significance

The specialist capabilities within the Transition Branch were a critical enabler of the program's success. The effectiveness of insourcing could have been further enhanced if delivery timeframes had allowed adequate time to onboard additional change management expertise to develop plans to support the staff and stakeholder experience.

3.2.3 Leadership and culture

Those working on the program needed to have a common vision, strong sense of purpose, clear expectations and highly supportive environment. Some praised leadership citing things such as bringing Employee Assistance Providers on site, whereas others stated certain leaders could have done more to support staff, particularly given the higher workloads of some staff.

"I think ...the leadership is good. The SES level are working well together to make sense of what we've got." – DEWR interview participant.

The review team were impressed with the high commitment and candour of DEWR staff, which is indicative of the good culture. Staff willingness and commitment to operate in ambiguity and go above and beyond to deliver was a critical enabler of success.

"The culture within DEWR has been really positive as well [the] secretary leads by example. I found it to be a really welcoming place that is dealing with a complex insourcing and big programme quite well. There are a lot of hardworking people doing their best to make it a success." – DEWR interview participant.

"Resilience of the staff that has been shown throughout the entire process is worth noting, it has been a huge change for a lot of people. People have been dealing with a lot, working hard and handling everything to ensure delivery continues." – DEWR interview participant.

Significance

Although the program had not worked out every detail and there was a reasonable level of improvisation required to meet emerging issues, leaders did a good job helping staff respond well to the ambiguity, complexity and intensity of the work. Staff willingness to go above and beyond reflects positively on the leadership and culture of the PLO Division.

3.2.4 Scoping and planning

The program developed a suite of project management tools to assist with the scoping, planning and management of the program. This included a Transition and Transfer plan, a High-Level Timeline, a Transfer Timeline with details of when specific functions would be



steadily transferred over time and standardised templates called Transfer Action Plans which assisted with more detailed work scoping and management. The Transfer Action Plans identified key tasks, assigned responsibilities, set deadlines for work completion and used a status reporting method that enabled quick identification of any activities that were not on track.

The program identified the functions to be transferred, assigned responsibilities to individuals to lead each functional transfer, provided support to delivery leads, and oversaw the end-to-end delivery of work against schedule and budget. Documentation was very concise but suitable. Opinions on planning ranged from it being “*excellent and well executed*” to “*underdeveloped and rushed*” but overall 17% more DEWR respondents agreed that planning was managed well than disagreed or were neutral.

“In terms of planning, I feel like the Department did an amazing job undertaking such a huge task within a short timeframe. Obviously more time to transition the functions across would have been better but overall, I think the planning was excellent and well executed.” – DEWR survey participant.

Centralised project management was also critical. Rather than us individually managing our page, a central entity tried to coordinate and bring that all together. It was a big project to coordinate from a single point, and it splintered a couple of times.” – DEWR interview participant.

“There were frustrations trying to get the team up and running and trying to get artefacts across and trying to define what [we] were actually going to be doing.” – DEWR interview participant.

Planning activity was negatively impacted by the budget only being confirmed in May 2023. The timing constrained the program’s ability to complete planning, scale up and communicate more about the change.

“If we had in-sourced over a larger period or had adequate resourcing, we probably could have got out there more proactively to start and looking at more program assurance activities.” – DEWR interview participant.

Documentation produced by the Transition Branch was helpful for scoping and planning, and the staggered transfer was a sensible way to manage delivery risk and identify improvement opportunities. The development of a change impact assessment to take a people-centered lens to the work could have helped with risk management and planning.

“The planning including logistical and due diligence on the insourcing started more than 12 months before this was implemented. The actual insourcing piece of work was relatively seamless and extremely successful overall. All teams involved in this worked tirelessly to ensure the insourcing package was successful.” – DEWR survey participant.



As noted in 3.2.2 change management was very limited due to time constraints and was frequently cited by respondents as an area that could have been done better.

Significance

Adequate timing needs to be allowed for the planning for complex work programs. DEWR did well with the limited time available. However, if the program had been given additional time, more detail could have been worked through up front which would have helped to reduce inefficiencies, improve communications and implement formal change management.

3.2.5 Communications and engagement

Staff and stakeholders needed clarity about what was happening, why it was happening and what they specifically were expected to do to support the work. Staff needed to be focused and motivated and key relationships needed to be well managed. Communicating effectively was seen as challenging. Some respondents felt that initially DFAT and DEWR were not completely aligned on approach, there was considerable uncertainty (e.g. budget, working arrangements, impacts of the changes) and stakeholders were already contending with other significant changes (e.g. deed and guidelines). The scale-up process also meant that there were many new starters who needed to be brought up to speed quickly. In these circumstances, feedback on the effectiveness of communications was somewhat mixed.

PLO Division

PLO Division staff were informed about the change through multiple communication channels, including via face-to-face meetings. Group meetings for all staff involved with the transition were seen as helpful to hear decisions from SES and share concerns with other Senior Executives. Fifty-three per cent of DEWR survey respondents agreed that internal communications were good (35% agree, 18% strongly agree).

“DEWR and DFAT did bring everyone together to talk through strategic positions early on. That worked well – got to put a face to a name and understand the whole program and understand where I fitted in the broader context.” – DEWR interview participant.

The scale of change was large, and it was not always possible to provide staff with the level of clarity and certainty many would have wanted and this was uncomfortable for some.

“It went from a tiny organisation with small teams to a large org with lots of teams, a bit of confusion from staff about what they are doing. Not brought along with the journey in terms of the process.” – DEWR interview participant.

Insufficient information flows between teams caused frustration and some perceived duplication of work. Some thought that agreeing to separate the operational and strategic



communication functions and channels earlier could have been helpful in mitigating this. It also took time for some stakeholders to understand that there would be no time extensions.

PLF

Effective engagement with PLF staff was critical because PLF roles were soon to be disestablished. If PLF team members were disengaged it is likely that the transfer would have taken longer, and important elements would have been missed or not properly understood. Conversations with PLF were considered highly valuable but the interaction between DEWR and PLF was identified as something that could have been done better. Some thought that pre-conceptions about PLF coloured the engagement between DEWR and PLF.

“There is really quite a good engagement with the PLF on...how are we going to insource this? What's the processes we need to follow? How can we map it out? On paper that all looked quite good. It was hard to execute with timelines and resources. So I think they did quite a good job of planning it, given what they were mandated to do.” – DEWR interview participant.

“Definitely a communication breakdown in terms of what had been agreed, and limited resourcing that meant when people did have discussions, they weren't prepared or could not engage in the level they needed them to.” – PLF interview participant.

Whilst the information provided by PLF staff did not always meet DEWR's requirements, PLF staff were highly committed to supporting DEWR. The ability to bring former PLF staff into roles at DEWR was also very helpful.

“Fortunate that this relationship already existed and that staff from PLF were moving into the DEWR teams – so got staff with relevant experience, also meant it was in their best interest to make sure it was transitioned well.” – DEWR interview participant.

DFAT

As the managers of the PLF contract prior to the transfer, and as an ongoing strategic partner, it was critical that DFAT staff understood key messages (e.g. the immovability of the schedule), were clear on their role and were motivated to support the change. For some key decisions, approval was required by Ministers for both agencies so it was important to have a common understanding of what needed to happen.

To ensure DFAT staff were well engaged, representatives were included in planning e.g. roles and responsibilities discussions and were also invited to weekly meetings throughout the change period. Despite this, 80% of DFAT respondents reported feeling dissatisfied with DEWR's communications and engagement approach. Some of this dissatisfaction appears to be reflective of the difficulties faced in coming to agreement on some key matters as opposed to a lack of communication channels.

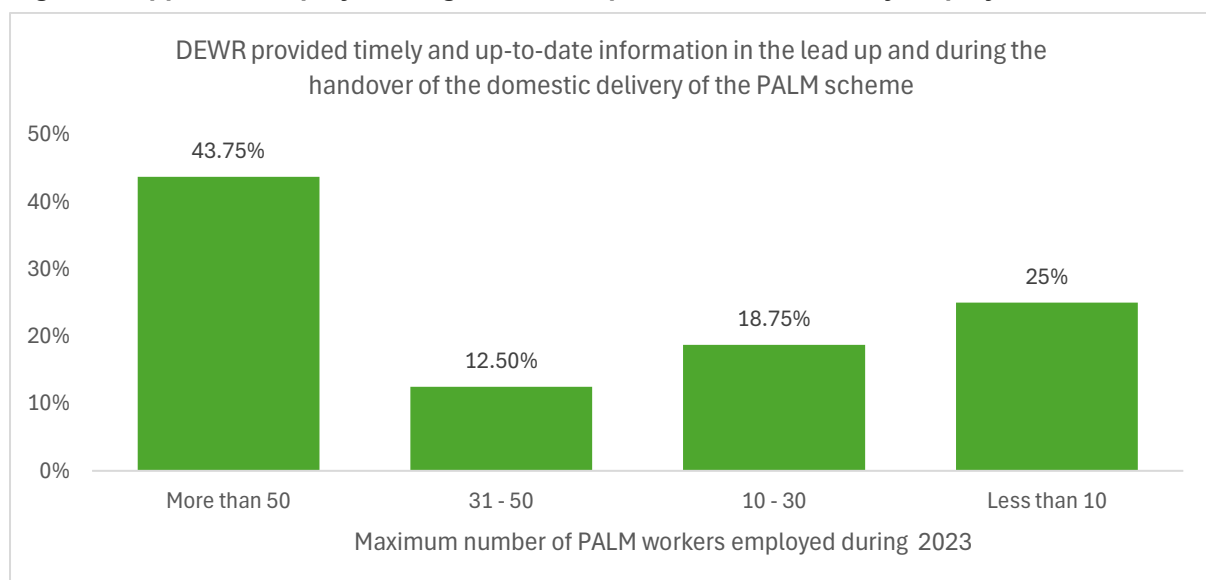


Approved employers

Approved employers needed confidence that the insourcing would be well managed and would not negatively impact their business operations. This means being communicated with early about the change, what was going to happen, when it was happening, what they needed to do and how work was going to be supported by the PLO Division to ensure service continuity. Messaging needed to be framed in the context of other changes i.e. PALM deed and guidelines setting changes and the PALMIS rollout. As the transition occurred, they needed to be clear on who their key contact within DEWR was, be provided with consistently accurate information, be supported to follow any new processes and have enquires and applications processed in line with expected time and quality standards.

Of the 129 approved employers that completed the survey 39% hired more than 50 workers in the 2023 calendar year. Half of approved employer survey respondents agreed with the statement that DEWR provided timely and up-to-date information in the lead up and during the handover of the domestic delivery of the PALM scheme. Twenty per cent felt neutral and 27% disagreed or strongly disagreed. Of those who disagreed or strongly disagreed, respondents hiring more than 50 workers during the 2023 calendar year were the most likely to disagree (44%), as shown in Figure 3.

Figure 3: Approved employer disagreement response broken down by employer size



Note: values presented in Figure 3 represent only the 27% of approved employers who disagreed or strongly disagreed with the statement.

One criticism of DEWR's messaging was that they had oversold the change to approved employers. A minority were particularly critical.

"The pre-hand over of the program was informative and promising to be an easy process, this certainly was not the case". – Approved employer survey participant.

"Information provided by their staff was contradictory and inaccurate. – Approved employer survey participant.



Some of the criticism received can be attributed to the PALM deed and guidelines settings and not the insourcing itself. For example, there were comments such as “*when the D&G [sic] were published there was no similarity between what was discussed and what was published*” (approved employer). Some felt that the initial consultation process was more about communicating what was changing rather than genuine consultation.

Some approved employers found that the information they received was complicated and felt the format of the messages could have been improved to support better comprehension of information. Some were also critical of the notice they received about the SWP Online system changes.

CLOs, LSUs and HoMs

CLOs, LSUs and HoMs needed to be well informed about what changes would affect workers and themselves and be provided with an opportunity to communicate any concerns or ideas that could support effective change.

CLOs and LSUs interviewed as part of the review shared similar views. An aspect of most importance with the program moving to DEWR is ensuring timeliness of responses given the time-sensitive nature of labour mobility and the risk of delay in addressing PALM scheme workers issues. Another concern was that they perceived DEWR appeared to underestimate the impact of changes to relationship management services.

“These issues not being addressed leads to people leaving, absconding and it has a big impact” – CLO interview participant.

CLOs, LSUs and HoMs all had some form of engagement about the change. For example, CLOs received a full day training program from DEWR and DEWR staff were guest speakers at weekly virtual Labour Mobility Management meetings. However, at times communications felt limited to some of these groups.

HoMs felt optimistic about the potential benefits of bringing the scheme within DEWR’s remit. As the national agency for employment and workplace relations there was a further expectation that this change to the delivery model would result in better protections for PALM scheme workers. They expect changes such as improved flow of information if one of their workers are involved in an incident.

Significance

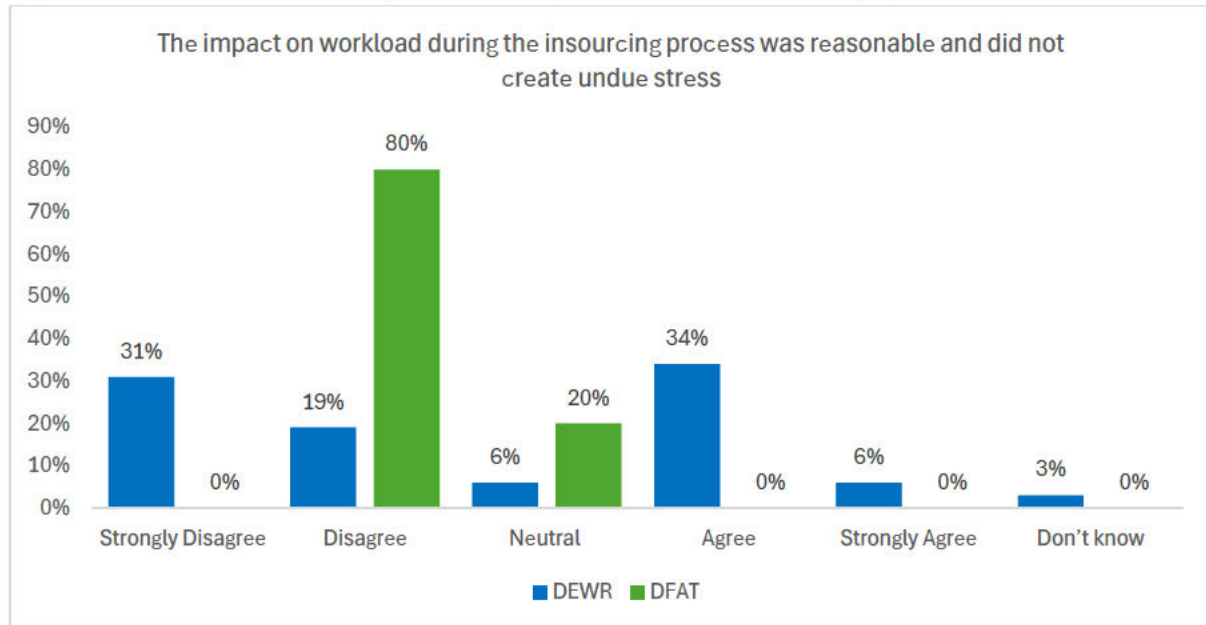
Communicating effectively in a fast paced, uncertain environment is difficult to do well. If time was not a factor, a dedicated formal change management capability may have helped DEWR anticipate stakeholder responses and support improved communications and engagement activity. Now that the insourcing has been completed DEWR needs to continue building the confidence and trust of strategic partners and approved employers.



3.2.6 Managing delivery

Supporting program delivery in the context of high BAU capacity pressures, pressured timeliness, complexity and ambiguity and heavy recruitment was an immense challenge. Completing delivery to schedule placed a high workload pressure on many staff across DEWR, DFAT and PLF.

Figure 4: DEWR and DFAT responses to impact on workload survey question.



Fifty per cent of DEWR survey respondents disagreed (19%) or strongly disagreed (31%) that the impact on their workload during the insourcing process was reasonable and did not create undue stress, indicating they were working slightly or well above capacity. Eighty per cent of DFAT survey respondents disagreed that workload was reasonable during the insourcing process. Resourcing pressures created a difficult environment to succeed in, and many staff thought that the introduction of a new PALM deed and guidelines, the roll out of PALMIS and the completion of the insourcing at the same time was too many significant concurrent changes.

With the scale up of operations in DEWR, the number of directors within DEWR increased from 8 to 22. During this rapid scale up, roles and responsibilities lacked clarity and at times it was unclear who needed to be involved in decision-making conversations. While role definitions were documented, the high volume of new staff being onboarded, including those new to working in the APS, contributed to a level of uncertainty in roles and process.

Individual action plans for each transferred function were used to create an amalgamated Master Action Plan which was practical to manage. The leads of each function were expected to provide weekly, or at times daily updates on the plan to the Project Office. This enabled the Project Office to have an accurate and up to date understanding of the process, risks and any emerging issues.

Templates to support delivery were useful but sometimes missed important detail such as describing the objective or approach for each function. Also, at times people neglected



completing documentation due to competing priorities. The Project Office may have been able to better define responsibilities and help staff understand priorities. A daily management approach to monitor and support progress was helpful at a tactical level but there was a sense that some strategic elements could have been managed better, e.g. developing success criteria for service delivery and creating a clear vision on how the shift from current to future state would occur.

Onboarding staff and embedding new ways of working may have increased the sense of workload pressures and impacted process times for approved employers. Some respondents indicated that the lack of resources made workloads overwhelming, and this was perceived by some respondents as increasing staff turnover. DEWR advised that allowing for seconded staff returning to roles and non-ongoing positions ceasing, the turnover rate was not significantly above the average for the department.

“[The] resilience of the staff that has been shown throughout the entire process is worth noting, it has been a huge change for a lot of people. People have been dealing with a lot, working hard and handling everything to ensure delivery continues.” – DEWR interview participant.

The tight delivery schedule meant that new processes and procedures were sometimes developed on the go. Some Standard Operating Procedures (SOPs) were well developed and documented within teams, but others remain a work-in-progress, a byproduct of having to develop foundational documents and balance running business as usual. A common criticism across DEWR stakeholders was the lack of clarity of processes. PALMIS system processes were often unclear or not yet aligned to the PALM deed and guidelines which caused some confusion and inefficiency. The knowledge and experience provided by PLF staff was relied on heavily throughout the insourcing process. However, information provided by the PLF was at times considered insufficient due to being incomplete.

As already noted, the effectiveness of delivery could have been further improved if sufficient time had been available for additional change management activity.

Significance

The high commitment of PLO Division, DFAT and PLF staff was a critical enabler of successful delivery. Although time limitations had not allowed for all the future state details to have been worked through and planned for, the program made effective use of tools and management approaches to enable the work to be completed on time and under budget.

While the program was successful in completing the required work, some staff and stakeholders found this a very challenging time. Allowing for additional time for planning and change management would have likely reduced inefficiencies such as process delays. Dedicated formal change management support may have improved visibility of change impacts, particularly in light of concurrent changes, and helped to put in place mitigations to improve people's experience of the change.



3.2.7 PALMIS

The development of the PALMIS system and its rollout in July 2023 are out of scope of this review. However, many interviewees and survey respondents were openly critical of the system's usability and this likely affected survey responses about insourcing.

The functional transfer of PALMIS into DEWR was part of the insourcing scope but the development and rollout of PALMIS was not. This transfer included handover of administration responsibilities to DEWR, and the migration of approved employer and PALM scheme worker information stored in both the PLF and DEWR (SWP Online) systems.

The functional transfer of PALMIS from PLF to DEWR was perceived to be managed very well by those directly involved. The key staff across the PLO Division, DEWR Digital Services Division and the PLF were highly engaged in the process, and it was considered well planned. Dedicated governance was in place to track progress and actively manage risks, and there were two test runs which helped to check assumptions and assess business readiness. The transfer occurred over a weekend with almost no loss of availability for users. Data migration was considered to have gone very well, and some minor data transfer issues were quickly resolved.

Significance

Programs need to understand the change “landscape” they are delivering in. The impact of other initiatives or events can have a major impact on how people perceive the experience and ultimately benefits realisation.

The success of the PALMIS functional transfer can be directly attributed to the involvement of highly competent and engaged staff who appropriately planned and implemented the change in a way that minimised risk.

3.2.8 Assurance

Throughout the insourcing, the PALM scheme had three governance boards in place:

1. The PALM Senior Executive Committee, a permanent governance body that meets bi-monthly.
2. The PALM Project Governance Committee, a temporary governance body for the insourcing that met monthly.
3. PALMIS Project Board, a temporary governance body for the insourcing that met monthly.

The effective operation of these boards was supported by program monitoring and assurance practices led out of the PALM Project Office. This included mechanisms for having a good weekly, and even daily view of work progress and emergent risks and issues. However, there was very limited information about performance baselines and process times per tasks, nor was there dedicated change management reporting meaning that boards did not have all the



information that they ideally would have to make decisions. More information on the program governance structures can be found in [Appendix D](#).

Forty-eight per cent of DEWR survey respondents agreed or strongly agreed that the governance arrangements adopted for the insourcing of the domestic delivery of the PALM scheme ensured appropriate oversight and accountability. Only 12% disagreed or strongly disagreed. Thirty-nine per cent were neutral or responded “Don’t know” which reflects that some did not feel they knew enough about the arrangements to make a judgement.

A strength of the monitoring approach was the use of daily progress updates which meant that emergent risks and issues could be addressed quickly. The program also made good use of visual management in the corporate offices. This included the display of progress data in places that were visible to staff.

There was also feedback that monitoring activity was not structured enough (often just verbal), and management and governance functions needed review. Like all facets of insourcing, limited capacity constrained the extent of monitoring.

Significance

In the complex environment, the program’s governance arrangements were effective and well-integrated. Decision makers can only act on available information. Additional information such as service delivery baselines and change impact and assessments could have helped to better identify, communicate and actively manage risks.

3.2.9 Service continuity

Prior to the transition starting, maintaining service continuity had been identified as an important priority. In practice, monitoring the impact on service continuity was made more difficult due to the lack of performance monitoring data in place at handover, and because the deed and guideline and PALMIS changes affected the time it would take to complete tasks. For example, the new deed and guidelines required employers to provide additional information and the PALMIS system also necessitated some manual workarounds.

Throughout the transition period there were always dedicated resources to support each of the business functions, and there were no system outages. However, an almost equal number of approved employers who completed the survey agreed versus disagreed, that DEWR ensured continuity of service during the handover of the PALM scheme. Negative sentiment can be partly attributed to difficulties in using PALMIS and adjusting to the new PALM deed and guidelines settings. However, there were some issues that specifically related to the insourcing, namely not knowing who their new key contact was, receiving inconsistent information and the perception of longer turnaround times for some tasks.

The lack of performance data available at the time of the review meant the review was not able to accurately quantify the extent of any perceived process time delays. DEWR has been able to subsequently advise that on the whole process times were in line with historic performance. The exception was recruitment plans for longer term workers, which did increase from an average of 2.1 weeks in the 22/23 financial year to 3.6 in the year up to 31 March



2024. DEWR have advised that to a large extent perceived delays are likely to be attributable to the deed and guideline changes and PALMIS functionality than the insourcing itself. PLO Division leaders were confident that overall, process delay risks were appropriately identified and mitigated to minimise any impact on approved employers.

Contact and information concerns could be attributed to the rate of onboarding relationship management staff, the need to shift workloads resulting in new relationship managers for approved employers, and familiarity of process of newly onboarded staff during their initial period of engagement in the Division. Of note, before the insourcing began, some stakeholders did raise the risk that DEWR would not have the resources it needed during the transition period.

“We continued to deliver the program, may not have been the best way but we did deliver” – DEWR interview participant.

“There was continuity of service but a lot of confusion, different advice from different people” – approved employer survey participant.

Significance

It takes time for new staff to come up to speed. While the staggered rollout and continued PLF support during the transition was helpful, PLO Division staff, particularly new staff had to absorb and act on a lot of new information during this time. This was likely further compounded by the fact that in many cases the new ways of working were not documented. This made it difficult to ensure that approved employers received consistent levels of service each and every time.

3.3 KRQ 1: Performance assessment

Schedule and budget: Under difficult circumstances, the PLO Division completed the transfer of functions within schedule and budget

The circumstances under which the program was expected to be completed were exceptionally difficult. Business-as-usual workload was high, there were major pieces of concurrent work (deed and guidelines, PALMIS), changes and the imminent rollout of the new PALMIS IT system for staff and approved employers. The scope of work was complex and involved multiple key stakeholder relationships, and the timing of budget confirmation also restricted how quickly the program could recruit and onboard the new staff.

To respond to these challenges the program moved quickly to establish structures and activities in a way that ultimately proved very successful in enabling all required functions to be transferred to schedule and within budget.



Enablers of success included:

- Leaders across the PLO, DFAT and the PLF having a high commitment to finding ways to make the task achievable
- Staff engaged in the insourcing process committing a higher-than normal level time and energy to ensure successful on-time delivery of the project
- Establishing a dedicated Transition Branch to support the change
- Selecting an organisational structure and delivery schedule that was feasible given known constraints
- Collaborating with key partners, namely DFAT and PLF to get clear on responsibilities
- Adopting a 'minimum viable product' mindset which tolerated some initial ambiguity and focused on quickly delivering a workable solution that could be iteratively improved
- Creating new governance arrangements
- Using standardised tools to scope and manage the work
- The ability to recruit some former PLF staff who were already very familiar with the scheme
- Use of visual management and daily monitoring and reporting of progress.

The commitment, determination and resilience of DEWR, DFAT and PLF staff who contributed to this successful transfer was critical in enabling the functional transfer within the very tight schedule. Without them, it is likely that the insourcing would have been delayed, or resulted in problems that would have caused greater service disruption.

Given the tendency of large programs to frequently run over time and budget it is likely that other agencies would benefit greatly from hearing about the specific ways that this initiative made decisions and took action to enable success.

Service continuity was largely maintained but some approved employers felt that service was negatively affected

The PALM Roadmap Taskforce Report (DEWR, 2023) highlighted that DEWR's ability to scale up in time was a dependency for success. Public consultation prior to the insourcing commencing, also identified that DEWR's resourcing was a key stakeholder concern. The PLO Division's ability to quickly scale was constrained by the budget only being confirmed in May 2023. The program did well to move as quickly as it could, but the program was not fully resourced until after the transition period finished in December 2023. The incremental transfer of functions and the continued support of PLF up until December 2023 helped to mitigate the impact of only having limited resourcing in place. However, the new deed and guidelines and PALMIS rollout meant that employers also required more support during this time.



Approximately one third of approved employer survey respondents felt that the level of service was at least partially reduced during the change period. This can be partly attributed to the concurrent deed and guidelines changes and the deployment of PALMIS. Examples of criticism directly related to insourcing includes employers not being clear who their new key contact was at DEWR or feeling like they were given inconsistent advice by two different DEWR staff members. This is understandable given that not all roles had been filled at this time and many staff were new to their role.

Some employers (and DEWR staff) reported that certain processes were taking longer however, DEWR has been able to subsequently advise, that for applications received by approved employers, where the approved employer had provided the required documentation, the time taken to process applications was in line with prior years. The exception was recruitment plans of long-term scheme workers, and this is seen by DEWR as largely attributable to changes to the deed and guidelines and the impact of the new PALMIS system. It is likely that the deed and guideline and PALMIS changes contributed to some process delays e.g. employers needed to provide more information but is also likely that having many new to role staff would have had an impact.

The review did not include direct engagement with workers or analysis of any data related to service continuity for workers. The KRQ 2 commentary will detail how the PLO Division is making changes (such as the design and implementation of a performance monitoring framework) to help ensure approved employers are well served into the future.

Change experience: Dedicated formal change management capability would have likely improved the change experience

Managing such as complex and time pressured program was always going to have heightened risk that staff and stakeholders would not feel comfortable or satisfied with the experience. In late April 2023 the program received change management guidance from external consultants. However, because the Division was working to such a tight delivery timeframe, leadership felt that there was insufficient time to onboard a change manager and have them deliver the scope and scale of work proposed prior to the insourcing work being completed. Staff already working on the program did not have the capacity, and potentially the capability to be reassigned to dedicated change management activity.

Instead of taking a fully scaled and documented change management approach the program elected to engage and support those affected by the change by incorporating change management principles and practices within the scope of the conducted transition activities. These change principles were evident in planning documents, formal communication channels, stakeholder engagement and monitoring activities. Specific examples of this included the PLO Division group meetings, working groups with DFAT and PLF representatives, briefings and emails to approved employers and regular executive communications and on-site mental health support for PLO Division staff.

Despite principles being in place, the review heard consistently from respondents that change management could have been improved as part of the insourcing. A good example of a communication activity being in place but not being effective as it could be, was the communications to approved employers. While most employers were positive about the timeliness and content of information up to and during the insourcing, some employers felt



that presenting information more clearly would have been helpful. The review heard comments about information being ‘complicated’, or ‘difficult to understand’. Another similar example is the engagement that occurred between PLO Division staff and DFAT. While DFAT staff participated in weekly insourcing working groups, the majority of DFAT review respondents felt that communications were not clear, comprehensive or timely enough.

The circumstances in which the change occurred was always going to be challenging to manage at a program level but also for each individual affected. The work plan was complex, there was limited resourcing, some roles and processes were still unclear, there were competing perspectives and information gaps and there were other major changes happening at the same time. While the program tried to support staff and stakeholders during this period, not all activities were as effective as they could have been. Additional change management support would not have been a panacea, but having additional time to apply change management tools and approaches would likely have assisted in enabling the program to identify additional emerging risks or issues, supported decision making regarding mitigations, and provided confidence of change readiness and the effectiveness of post go-live support.

Foundation for improvement: Having completed the transfer of functions, PLO Division can now focus on optimising delivery

Insourcing the domestic delivery of the PALM scheme was expected to improve efficiency and effectiveness, including improving protections and responding to the needs of PALM scheme workers. To deliver on schedule the program had to make important design choices. The review sought to understand whether those choices made it more difficult to deliver the full benefits of insourcing.

Time constraints meant that the program elected to implement an organisational structure which the PALM Scheme Operational Delivery Model Review (Grosvenor, 2023) had identified as the least likely of the options considered to achieve the intended long-term outcomes of insourcing. Importantly, the program also had to establish operations before all aspects of the delivery model had been designed.

The organisational structure implemented was very close to what was initially proposed. It was effective at supporting the transition, but some PLO Division respondents thought further changes needed to be made. The review also heard from respondents that because detail about how work should be done wasn’t worked through earlier there were unnecessary inefficiencies during insourcing. Time constraints required PLO Division to determine key priority activities to ensure insourcing activities were completed as expected, which may have contributed to inefficiencies.

The review was impressed by the pace at which the program has moved since the transfer of functions to complete components of the new delivery model. While the scheme is not optimised, the PLO Division expresses a strong commitment to continuous improvement. The program is now well positioned to further optimise delivery so that the benefits of insourcing can be fully realised. The PALM Scheme Operational Delivery Model Review (Grosvenor, 2023) recommended that after a period of consolidation the program should review its performance and assess the appropriateness of moving to a more customer-centric model.



The PLO Division does need to take care that the new “interim” arrangements are iteratively improved upon and that initial inefficiencies do not become entrenched into business-as-usual operations. It is recommended that the PLO Division follow the advice of the 2023 Operational Delivery Model Review that after a period of consolidation, reviewing performance and considering the appropriateness of moving to a more customer-centric delivery model.

Significance

The PLO Division did a very good job completing a complex program in very difficult circumstances. There were some issues associated with service continuity and the change experience, but the PLO Division is well positioned to consolidate and drive improvements.

3.3.1 Lessons for other programs

1. Ensure there is clarity about the operating context and the technical and non-technical dependencies which success will rely on. Leadership, culture and change capacity will enable or constrain your ability to deliver.
2. Establish a foundational team of competent and committed leaders who can set clear expectations and inspire program staff to do their best work.
3. Provide clarity about the objectives and expected benefits of an initiative as these will be an anchor point for decision making and will support change management and value delivery. Consider what needs to happen in terms of budget, schedule, quality / service delivery and change management and make sure the objectives reflect these priorities.
4. Think carefully about what can realistically be delivered within any time and resourcing constraints, acknowledging that there will likely be some level of hidden complexity to the work that is not yet understood. Consider whether the delivery of a ‘minimum viable product’ could be an acceptable stepping-stone toward longer term goals. Be clear on accepting and documenting the potential impacts of decisions.
5. Involve appropriate expertise to design and deliver a fit-for-purpose operating model. While an organisational structure is a good base, consideration should be given to the processes, tools and other supporting arrangements that enable effective delivery.
6. Establish key capabilities and dedicated teams to lead and coordinate the work. Consider if there are any areas where particular support is needed e.g. recruitment, change management.
7. Establish effective governance arrangements and make sure that the mechanisms are in place to ensure that information flows to governance boards are accurate, proactive and relevant.
8. Understand staff capabilities and capacity to absorb change and develop plans to actively support staff to perform at their best. Depending on the circumstances when engaging staff, their knowledge, skill and understanding of how best to complete work may vary.



9. Develop a detailed view of how staff are likely to be affected by specific aspects of the change as this will inform effective change management mitigations.
10. Recognise that key stakeholders have different drivers and perspectives. Stakeholders may not always immediately understand your drivers, so it is imperative that communications and engagement activity expresses a compelling rationale and are designed to elicit quality feedback for consideration and decision making.
11. Where possible manage risks by delivering change in increments. Review each increment and gain insights to inform the completion of the next tranche of work.
12. Ensure that detailed analysis of affected IT systems is completed early to identify risks and hidden complexity. If possible, avoid committing to go-live dates without having this information.



4 Effectiveness of current operations

KRQ 2: How well is the new delivery model performing?

The interim delivery model is a stepping-stone toward a more customer-centric model. It creates the base for future changes which can help the scheme to fully realise the intended benefits of insourcing such as improved public confidence in the scheme, improved worker protections and improved operational efficiency. Whilst the functional transfer is complete, work continues to properly embed the model and drive improvements.

“This is still a hectic time but by June should have all systems and theory of change and branch plan done.” – DEWR interview participant.

Note: this review took place three months following the completion of the transition of the domestic operations to DEWR, before processes were fully bedded down and before some associated delivery model work was complete. This means the review could only assess what was in place at the time of the review and make note of what was in progress.

4.1 Understanding success

To be effective, the PALM scheme needs to be delivered efficiently and achieve targeted outcomes. Performance and impact are both important. As at March 2024, approved employer respondents were somewhat mixed in regard to whether the scheme is currently being delivered effectively (39% agree and 32% disagree). However, the new arrangements have only been in place for a short time and several foundational elements are still a work-in-progress. As a result, this review has focused on the effectiveness of internal operations.

This review identified five criteria to assess current performance against. These are based on the core enabling capabilities that were identified through the PALM Scheme Operational Delivery Model Review (Grosvenor, 2023).

Leadership and culture

To perform effectively staff need leaders who provide a clear sense of vision and direction, make wise decisions, and motivate workers to do their best work every day.

Organisational structure, governance and performance management

Structures need to enable work to be done as efficiently and effectively as possible. Staff need confidence that risks and issues will be dealt with in a timely and appropriate way. Performance metrics need to identify early warning signs, fairly assess performance and be well aligned to strategic outcomes.



Workforce and capability management

There needs to be a clear understanding of what the required capabilities are and a strategy to fill gaps, retain staff and support ongoing capability development.

Stakeholder engagement and communications

The program needs engagement and communication activities to be customer-centric with mechanisms to support the sharing of knowledge and reflect high cultural competence.

Process, systems and information management

Processes and systems need to drive efficiency, effectiveness and productivity gain, with minimal internal red tape. Process requirements need to be articulated and understood to establish consistency in performance and outcomes. Information management processes should enable efficient access to and use of information to support timely decision-making.

4.2 Review evidence

4.2.1 Leadership and culture

The program has attracted high quality leaders who are creating a strong sense of drive to make improvements and there is a clear workplan in place to support this. For example, as some staff are “struggling to find clarity on the objectives of the program”, leaders are being proactive to address this with the development of an overarching program logic⁵. Three individual branch logics as well as an Evaluation Framework and a Performance Monitoring Framework are currently underway. These will help staff understand how, for example, the new delivery model will directly benefit workers. Other activities have included the continued onboarding of new staff, the development and release of PALMIS feature enhancements, the development of SOPs across functions and the implementation of a new assurance framework.

“Must’ve done something right in terms of attracting people. That means we got good people and have people who want to be here and are passionate about the program. This adds up to great culture.” – DEWR interview participant.

Senior Executive Services leaders collaborated well in testing conditions to navigate the complexities of their responsibilities. The program’s ability to attract and retain quality staff, and ultimately complete the transfer of functions under very testing conditions is indicative of an effective culture.

⁵ A program theory or logic model explains how the activities of an intervention are understood to contribute to a chain of results (short-term outputs, medium-term outcomes) that produce ultimate intended or actual impacts. <https://www.betterevaluation.org/frameworks-guides/communication-for-development/tasks/define/develop-program-theory-or-logic-model>



“Senior leadership have a good attitude. They care about people. The culture of the division is really good and is keeping people engaged and sustained – there’s a lot of work on but the energy levels don’t seem low because of the support we get” – DEWR interview participant.

However, some perceived a sense of competitiveness between DEWR and DFAT, which was likely due to unclear roles and responsibilities and the pressure of delivery. At times the actions of leaders were thought to have contributed to this sense of competition.

Significance

DEWR has successfully attracted capable and committed leaders who are working hard to address challenges and meet the needs of staff and stakeholders. Leaders need to be conscious of staff taking on too much work and take responsibility for nurturing relationships with strategic partners.

4.2.2 Organisational structure, governance and performance management

Structure

By design the organisation structure was based on other government departments’ structures. Just under 50% of DEWR survey respondents agreed that the PLO Division’s current organisational structure, including reporting lines, allows for effective and efficient management of the domestic delivery of the PALM scheme. However, there is an opportunity to be more effective by changing the structure to be centred around service delivery and not conventional government processes.

There have been minor adjustments to the initial structure. These include the segregation of IT and Data teams, establishment of a Worker Support Strategy Team, and the transformation of the Policy sub-team into the Domestic Policy Team. While the planned model provided a sound base for the insourcing these changes demonstrate the PLO Division commitment to making iterative and dynamic improvements when the case for change is compelling and needed. It is acknowledged that PLO Division is also managing a large amount of stakeholder and staff change fatigue which needs to be considered when deciding on what changes will be actioned and the timings of these changes.

As a temporary function the Transition Branch, which has been supporting the change program will cease as a separate branch on 30 June 2024. However, the work of the Transition Branch teams is on-going and resources will be re-allocated across the PLO Division to continue their work.

Just over 60% of DEWR survey respondents reported that there is improved clarity regarding roles and responsibilities since the insourcing period. Work underway to further clarify and document SOPs will further improve role clarity. It is important that these procedures recognise the touch points with other teams and support improved collaboration. It is also important that affected staff understand and adhere to new procedures and that they have a channel through which they can communicate ideas about future changes.



Governance

The PALM Senior Executive Committee (PALMSEC) provided strategic direction to the overall scheme.

- The PALM Project Governance Committee was intended to be a temporary committee established to oversee the implementation of the insourcing.
- The PALMIS Project Board was also seen as temporary to oversee the development and implementation of the PALMIS system.
- The PALM Project Governance Committee and the PALMIS Project Board meet monthly.
- The Governance, Risk and Information Management team continue to support the development of papers for governance review, this includes status reports and the escalation of risk and issues.

Feedback on governance arrangements from internal stakeholders included too much ambiguity surrounding decision-making authorities and concerns about the decentralised decision-making approach used for the insourcing. It is expected that the governance review (concurrent with the insourcing review) will directly address concerns and ensure that fit-for-purpose arrangements for ongoing delivery are put in place.

Performance management

Performance management standards have not yet been established for the domestic operations of the PALM scheme, but a new PALM Performance Framework is under development to directly address this. This framework, along with new branch level project logics and evaluation framework will help the PLO Division to clearly delineate roles and responsibilities, ensure all branches are working towards a set of agreed objectives, and sets consistent guidelines around monitoring performance and evaluation.

“Lack of clear objectives for the programme is making it difficult to manage the programme going forward, particularly if we want to reshape it and manage expectations externally.” – DEWR interview participant.

Significance

The new arrangements are still being bedded down and changes are being made to support improved performance. Eventually, a shift to a more customer-centric model could further improve scheme effectiveness.

The PLO Division is demonstrating strong leadership and commitment to success by commissioning work to drive improvement. Prioritising the refinement of the governance structures and establishing clear performance metrics will be essential for enhancing operational efficiency and effectiveness within the PLO Division.



4.2.3 Workforce and capability management

The PLO Division has a dedicated and skilled workforce. Team members are consistently praised for their resilience and enthusiasm, highlighting their dedication. The review heard that PALM scheme is attractive to public servants allowing the PLO Division to recruit people of a high calibre.

“We are pretty close to the front line. It’s a programme that does a lot of good. You are not far away from seeing the positive impact of programme – this is what public servants look for”. – DEWR interview participant.

Internal stakeholders widely acknowledge that the delivery model was appropriately calibrated for post-insourcing resource allocation. The model delineates the need for 267 FTE across the organisational structure, resulting in a notable 41.5% increase in staff since June 2023 and an almost seven-fold increase since November 2022. There is a collective understanding that the team is still in a developmental phase and requires time to fully acclimatise to the complexities of the PALM scheme.

The organisational structure provided a solid foundation. However, due to time constraints was not able to define individual and team responsibilities and how different teams would collaborate with each other to optimise efficiency and effectiveness during the insourcing phase.

“[It] is a good foundation, however our communication methods and working together to achieve the one objective is inadequate”. – DEWR interview participant.

The review was advised that a person could be recruited to one team, but then have the remit of the team (and team roles) shift with the changing priorities. The PLO Division has worked quickly to provide the PALM workforce with clearer information about team and individual roles and responsibilities. This includes the development or improvement of SOPs, the development of branch logics which will articulate how each branch contributes to scheme success, and the development of a performance and evaluation framework.

There appears to be a sufficiently good understanding about the existing and required capabilities, and the program is using this to support career development and succession planning activity. While this work is still formative, there is confidence in the approach.

Significance

The program is still in a consolidation phase, but improved role clarity and performance standards will help ensure the capability of these staff is used optimally.



4.2.4 Stakeholder engagement and communications

As noted in the KRQ 1 discussion, some DFAT and approved employers felt that the program's efforts to communicate were initially deficient. The PLO Division is working to build trust and confidence with all key stakeholders through targeted and planned engagement and communication activities, and through tangible improvements such as the release of PALMIS enhancements.

The PLO Division worked with DFAT and the PLF to insource key communications channels (PALM scheme website and LinkedIn) ahead of the insourcing deadline and established ongoing meeting schedules with key staff. Earlier agreement on the split of operational vs strategic communications functions and channels including social media would have been helpful, and these should have been fully developed prior to the insourcing.

Improved worker protections are regarded as a benefit of insourcing domestic operations into DEWR. There is an opportunity for the PLO Division to effectively engage and communicate with PALM stakeholders including PALM scheme workers about how they will deliver tangible improvements in this area.

Significance

The PLO Division has gone some way to rebuilding the confidence and trust of approved employers through the release of PALMIS enhancements and, now the scheme is fully resourced, providing quality relationship management. The PLO Division needs to continue building the confidence and trust of strategic partners and approved employers.

The PLO Division needs to communicate its roadmap for delivering the full benefits of insourcing, including better protections for PALM scheme workers.

4.2.5 Process, systems and information management

Process

The SOPs that the PLO Division have developed or are developing will provide greater clarity for roles and responsibilities and promote improved standardisation of task completion. Care is needed to ensure that these procedures are not developed within team silos so that opportunities to improve collaboration across teams are optimised.

To maintain and strengthen stakeholder confidence supporting improved worker wellbeing by improving the 1800 phone service, improving notifications to CLOs if a PALM scheme worker is injured and taking steps to ensure worker advocates feel safe raising concerns, will be important.

"We have a worker who was gravely injured, and he will be sent back to the [home country] unfairly and there is no support or justice for him. The current process is ineffective. When we say it's urgent nothing comes back so [DEWR] need to be more proactive in that space." – Country Liaison Officer.



Systems

The review heard negative feedback from stakeholder groups, including approved employers about the usability of the PALMIS system. Several referred to it as being ‘not fit-for-purpose’ for the management of domestic operations. The user interface displayed functions that could not be used by approved employers and some information had to be sent to the PLO Division outside the system via email. In April and May 2024 the PLO Division released over a hundred system enhancements. The impact of those enhancements on the user experience is not yet clear but enhancements were prioritised based on urgency and impact. The PLO Division has recently developed and approved a new prioritisation tool to help ensure that the internal development team is appropriately prioritising the improvement backlog.

For many internal staff the shift to PALMIS felt like they were moving to an inferior system. As at March 2024, i.e. prior to PALMIS enhancements being released, 61% of DEWR survey respondents disagreed (35%) or strongly disagreed (26%) that ‘PALMIS is fit-for-purpose and easy to use’. No respondents strongly agreed and only 19% agreed. PALMIS was seen as inferior to the system that existed for SWP and required manual workarounds that were inefficient and could increase operational risks e.g. accommodation issues being missed. However, there is optimism that system enhancements will make a real difference.

The development of automated reporting out of PALMIS is still a work in progress. The lack of performance information continues to constrain the ability of leaders and staff to understand current state performance.

The Genysis telephony system which is used as a communication channel for approved employers and PALM scheme workers appears to be operating effectively. However, future service design should include a review of communication channels and the way in which PALM scheme workers in particular feel they can make use of them.

Information management

Information assets are now being stored in line with DEWR expected standards for data storage and classification. This is a notable improvement on the insourcing period where important information was often stored in non-standard ways for SWP and PLS, which made access and use more difficult.

The lack of performance monitoring information needs to remain a priority, and it is acknowledged much of this work is already planned or underway (i.e. performance and evaluation framework development, PALMIS development) to address this.

Significance

The PLO Division has made good progress to improve processes since the insourcing was completed. PLO Division needs to maintain a focus on continuous improvement to ensure that processes are truly optimised to improve collaboration between teams and eliminate obvious and hidden sources of process inefficiency.

Likewise, PLO Division has done well to deliver enhancements to PALMIS. As well as continuing to progress system enhancements for users, the program also needs to prioritise



the development of automated reporting out of PALMIS to provide benchmarks and inform ongoing performance management.

4.3 KRQ 2: Performance assessment

Although the insourcing was completed in December 2023, work continues on establishing foundational elements of the delivery model. It is too early to fully assess the effectiveness of current operations from an employer perspective, but a review of current state operations provide reassurance that the program is on track.

Leadership and culture are critical enablers of success

Insourcing was successful but did require staff to sustain high workloads in a challenging environment. There is still a considerable amount of work required to manage and improve the scheme. The onus is on leaders to motivate teams, foster a good culture, and drive sustained high performance. The program has attracted capable, committed and pragmatic leaders and staff appear to respect and be responding well to their leadership. The review found evidence of good collaboration between leaders, particularly within governance committees and the Transition Branch. Leaders need to ensure that staff feel well-supported, workloads are sustainable and that leadership peers, staff and other stakeholders feel a genuine sense of positivity and collaboration.

The delivery model is not yet optimised

Although the transfer of functions is complete the workplan to establish the delivery model is not yet complete. The model is also not optimised. When the initial organisational structure was selected it was recognised as not being the model that would best achieve the PALM scheme's objectives in the long term. Furthermore, this structure does not constitute a complete delivery model as it did not define capabilities, processes and principles to support optimised delivery.

The PLO Division is moving rapidly from ambiguity to clarity

The limited time for planning means that important details about how work should be done were initially quite ambiguous. Since the transfer of functions was complete the PLO Division has had a strong focus on developing SOPs for all teams and putting. The program has also moved quickly to progress other foundation elements such as developing branch logics, reviewing governance arrangements, and working on new performance, evaluation and assurance frameworks. It will take time for these changes to be embedded and flow through to an improved employer experience, but the progress made to date is highly commendable.

Key relationships need strengthening

If the delivery of the scheme is to be sustained and optimised it is critical that the PLO Division's relationship with key partners is well managed. Some stakeholders (e.g., DFAT representatives, some approved employers) were not satisfied with the engagement they had with the program during the insourcing period. The PLO Division has made some good progress to strengthen relationships post insourcing. For example, anecdotally approved

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employers are appreciative of the PLO Division's efforts to make the PALMIS system more usable by new releases in April and May. However, now that the transfer of functions is complete the program has an opportunity to be proactive in strengthening key relationships.

Stakeholders will be looking for the PLO Division to build upon the insourcing experience to drive further improvements in the way the scheme engages with them and delivers a high-quality service.

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5 Improvement opportunities

KRQ 3: What are the options for improving the efficiency and effectiveness of the insourced arrangements?

The review identified options for the PLO Division to consider as it looks to improve the efficiency and effectiveness of the scheme. At the highest level there is a strategic choice as to whether the PLO Division wants to shift to a more customer-centric delivery model in the medium term, or largely retain the existing structure but continue with more iterative changes.

The insourcing change program put considerable strain on many of those involved so the future workplan needs to consider how best to manage employee wellbeing and change fatigue closely and factor this in when planning for the next financial year. This review endorses the approach recommended by the PALM Scheme Operational Delivery Model Review (Grosvenor, 2023) that the program initially focus on consolidation and then completed a review of performance to assess the appropriateness of moving to a more customer-centric delivery model.

5.1 Understanding the opportunity

This review used an open question format in interviews to canvas opinions of perceived gaps and opportunities for improvement. In addition to this, responses to KRQ 2 questions naturally led to people talking about gaps and future opportunities. It is highly relevant to note that engagement for this review occurred in March – April 2024 when the new operating arrangements were still being bedded down and a number of planned activities to support the delivery model had not been completed. These include:

- development of program logics for the scheme and the branches responsible for its delivery
- development of an evaluation and performance frameworks
- confirming SOPs (including mapping of roles and responsibilities across teams)
- a governance review undertaken in parallel to this review⁶
- PALMIS enhancements.

5.2 Gaps and opportunities

There are opportunities to address inefficiencies such as duplication of effort, delays and manual processes that were identified through the review. There are also opportunities to improve the effectiveness of how well the PALM scheme delivers its intended outcomes.

⁶ At the time of the completion of this review, the governance review was still ongoing.



The following gaps and opportunities were based on both direct feedback gathered through interviews and a consideration of the PALM Scheme Operational Delivery Model Review (Grosvenor, 2023).

Clarity on strategic direction

The program needs to clarify the scheme objectives and confirm its future workplan post 1 July 2024. This includes articulating to stakeholders, including PALM scheme workers, how PLO Division management will result in tangible improvements.

Delivery model

The 2023 Grosvenor PALM Scheme Operational Delivery Model Review identified that the interim delivery model would not be as effective as a customer-centric model at delivering better outcomes for PALM scheme workers and approved employers. The PLO Division needs to confirm whether a future delivery model review will be undertaken and how it plans to address known deficiencies in the interim.

Relationship management and communications

More clarity on the roles and responsibilities of DEWR vs DFAT is required for stakeholders. The PLO Division and DFAT need to collaborate to understand how potential future changes to PALM settings could better serve the needs of participating countries.

More generally, the PLO Division's relationship with all stakeholders (including approved employers, PALM scheme workers, CLOs, and LSUs) should continue to be strengthened.

Roles and responsibilities

Continue to prioritise work to clarify roles and responsibilities within internal teams. This should include more clarity about who needs to be involved in decision making. As the number of directors increased quickly during the insourcing, it was not always clear who needed to be consulted or how decisions were to be made.

Performance measurement and data analytics

Program performance measures and agreed service levels need to be established, agreed, and used to provide assurance and drive continuous improvement. Expectations regarding new service level standards should aim to be explicit e.g. 95% of plans will be reviewed within x days, noting key performance indicators will mature as data holdings mature.

Business processes

Internally business processes are not yet consistently defined, documented or optimised for efficiency and effectiveness. Explicit expectation setting and education about common sources of obvious and hidden process inefficiencies and the responsibilities each person has to support continuous improvement would help drive efficiency gains.



Establishing structured continuous improvement mechanisms and routines that enable staff to identify and explore improvement opportunities. Activities like value stream mapping could build upon the SOP documentation to identify further improvements.

Externally there is a need to take a service design lens to the design of processes and informational artefacts, ensuring that any decisions about how tasks need to be done are based on a good understanding of the practical implications of such decisions.

Governance

The program established some governance structures that were intended to be temporary. It needs to be clear how governance will change in the short to medium term and communicate this with teams. The governance review (underway at the same time of the insourcing review) is likely to assist in this process.

Work needs to continue on providing leaders and governance structures with high quality business performance information so that they can manage risks and issues and better understand improvement opportunities.

PALMIS

Delivering additional enhancements to PALMIS would improve process efficiency e.g. reducing manual workarounds. PALMIS enhancements were released in both April and May, but the extent to which that has improved process time is not yet clear.

Customer information

Improving DEWR's information about approved employers and PALM scheme workers will improve the depth of understanding about how operations could be enhanced to deliver better outcomes for those groups. This could be supported by the establishment of quality feedback loops from approved employers, PALM scheme workers and other involved stakeholders e.g. CLOs.

Workforce management

A workforce management framework, supported by quality data and analysis, would help ensure that resource capacity is well managed.

Opportunities for targeted skill development to support efficiency, motivation and effectiveness should be proactively explored.



6 Recommendations

The program is currently supporting a range of activities to embed and strengthen current operations. The program has insourced all required functions and is currently doing well to administer the PALM scheme and implement the remaining parts of the new delivery model including the development of a program evaluation framework, program and branch logics, and a performance monitoring framework.

The following recommendations should be considered for the development workplans post 1 July 2024.

Recommendations for the PLO Division

1. Develop a long-term strategic roadmap which shows how the PLO Division will introduce future changes to enable the full benefits of insourcing, including PALM scheme worker protections.
 - Use the roadmap as a tool to communicate to stakeholder groups including approved employers, Pacific Heads of Mission (HoMs), Country Liaison Officers (CLOs), Labour Sending Units (LSUs) and PALM scheme workers.
2. Confirm and communicate the scope of the PLO Division's FY 24/25 work program
 - Include planned changes with the deed and guidelines, PALMIS enhancements and the delivery model consolidation.
 - Ensure that recently designed changes such as SOPS and scheme frameworks are well understood and embedded.
 - Ensure that appropriate mechanisms are in place to enable stakeholders to communicate known concerns e.g. the PALMIS interface.
 - Ensure that mechanisms (feedback loops) are in place to identify emergent issues and opportunities and inform improvement initiatives. Approaches such as value stream mapping could be used to raise awareness of hidden inefficiencies, reinforce the continuous improvement culture and drive short-term efficiency and effectiveness improvements.
3. Consider where scaled change management approaches and tools could be appropriately applied to the future work program.
 - Consider appropriate mechanism to engage with key stakeholders to ensure that the implications and impacts of the proposed FY 24/25 work program are well understood and feasible.
 - Consider developing a 'single view of change' report to show what the cumulative workload pressure resulting from business-as-usual and change activities is on each team.



- Ensure that roles and responsibilities for leading and managing change are clear.
4. Establish new service level standards (based on the new performance monitoring framework) and begin making early progress toward the development of performance reporting dashboards for real-time, or near real time status monitoring, noting the performance monitoring will mature as the data collection activities mature.
 - Ensure key stakeholders are made aware of the PLO Division's commitment to the new standards.
 5. Develop an action plan to strengthen the PLO Division's collaborative relationships with key partners
 - Identify areas of outstanding ambiguity or disagreement and identify options for change.
 6. Continue to rebuild the confidence and trust of approved employers by involving users in PALMIS feature redesign and testing. Ensure any future updates are well tested and that releases are well communicated and supported.
 7. Commit to a future review of the delivery model to ensure it integrates organisational structure, supporting processes, enabling capabilities, and guiding principles in a way that enables the full realisation of expected insourcing benefits, including improving worker protections.
 8. Support cross-government capability building and decision making by extending an offer to present to other agencies on the insourcing experience and lessons learnt.

Appendices



Appendix A: Operating model and future state options analysis

Grosvenor Proposed Operating structure - Option 1b

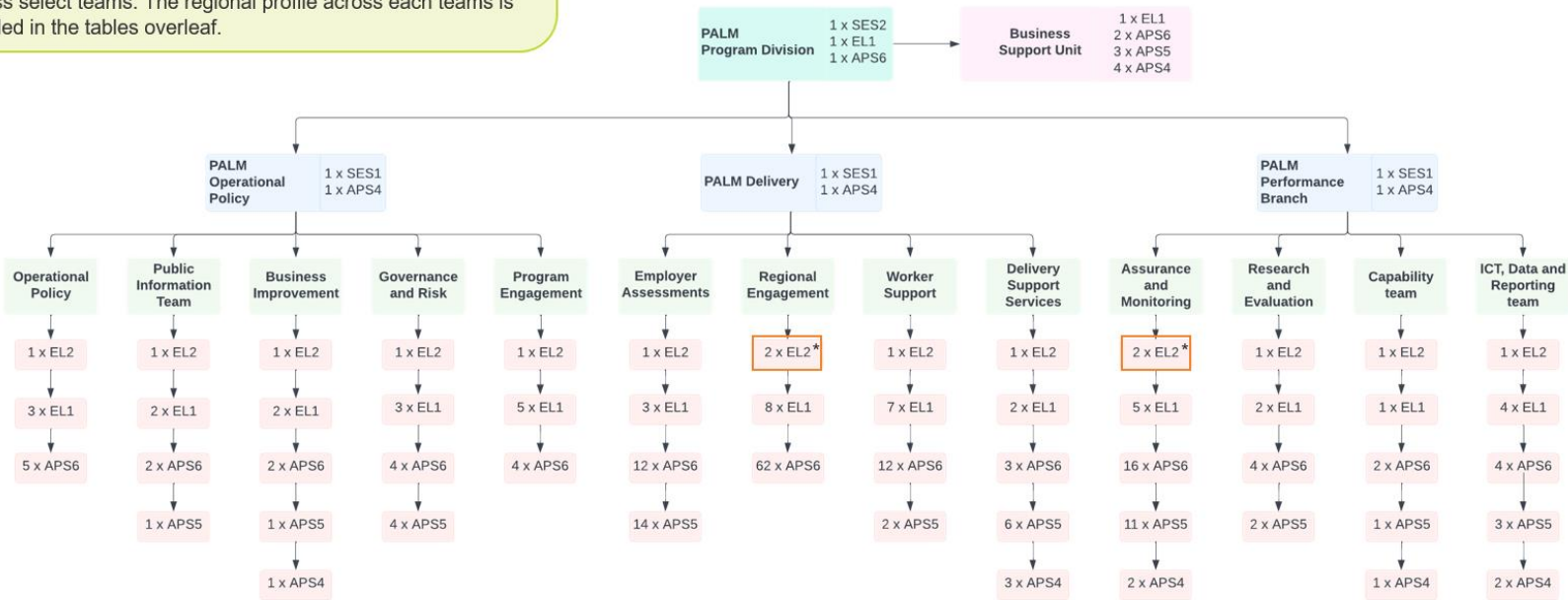
Option 1b | Detailed operating structure

Option 1b seeks to minimise changes and transition risks, while addressing service issues and positioning PALM scheme for delivery under one scheme. Key implementation considerations are provided on page 104.

This operating structure includes regionally-based positions across select teams. The regional profile across each teams is detailed in the tables overleaf.

Total FTE: 267

Total Cost (FTE only): \$28.77m

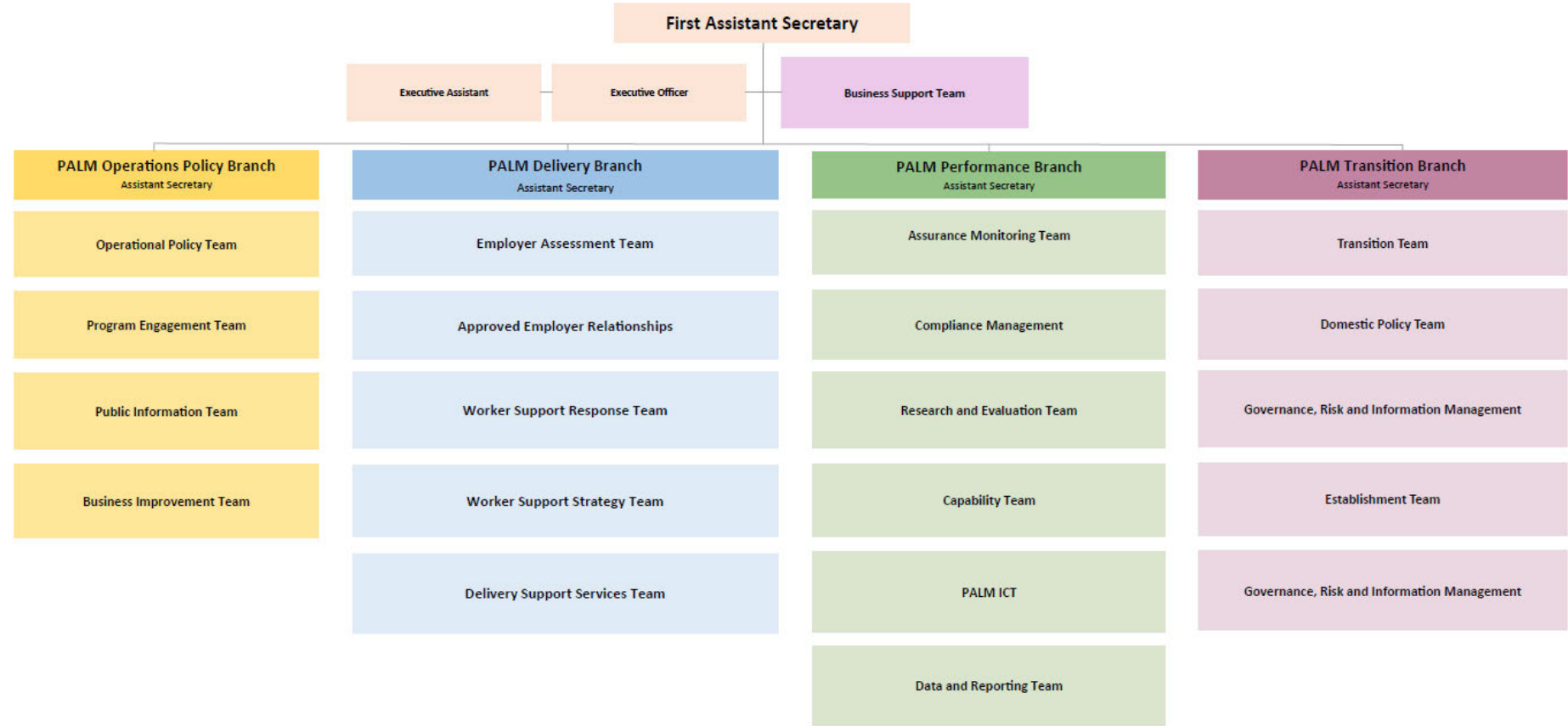


*Regional Engagement and Assurance and Monitoring branches are comprised of two teams



DEWR Organisational Structure as of February 2024

Pacific Labour Operations Division Organisation Chart





Future state Options Analysis (Grosvenor, 2023)

Future state | Operating Model requirements

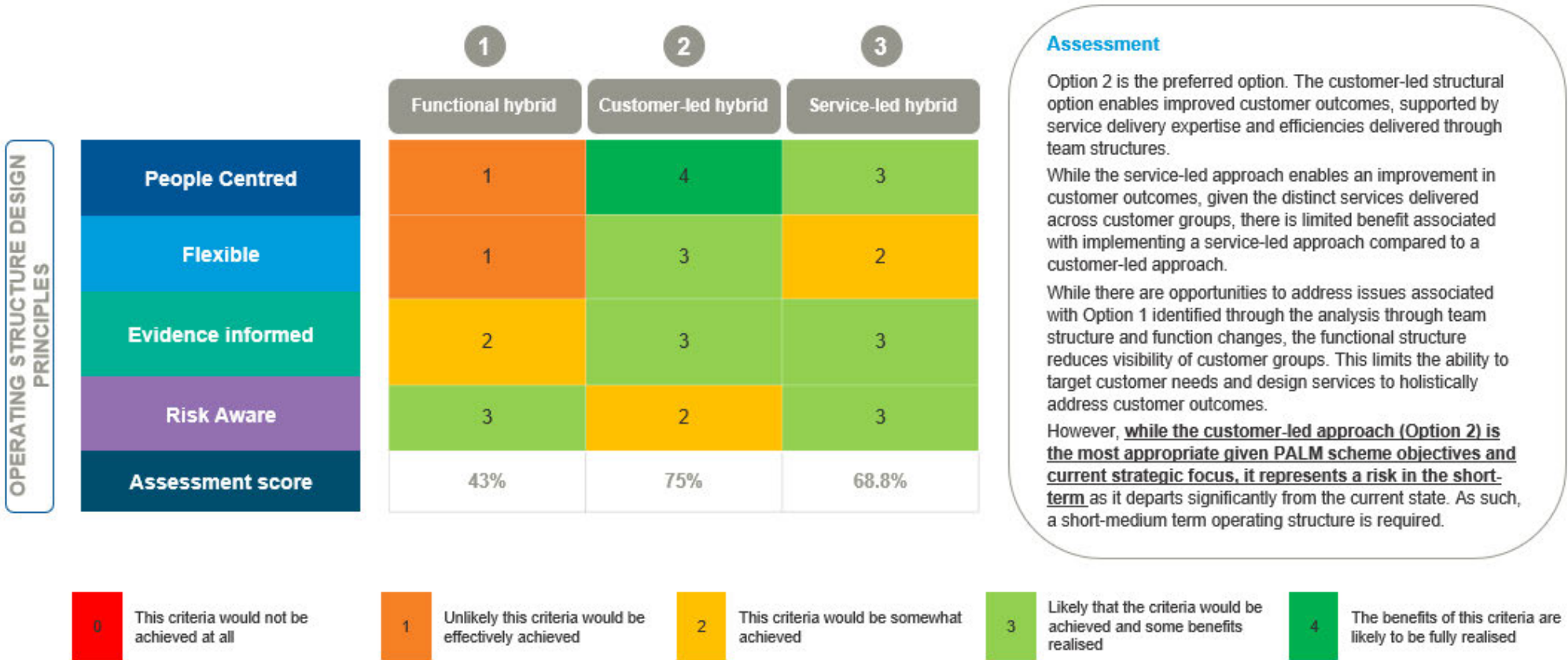
The diagram below describes the future state operating model requirements as they relate to PALM scheme delivery. It describes the ideal future state, which DEWR should pursue throughout the transition.





Future state Options Analysis (Grosvenor, 2023)

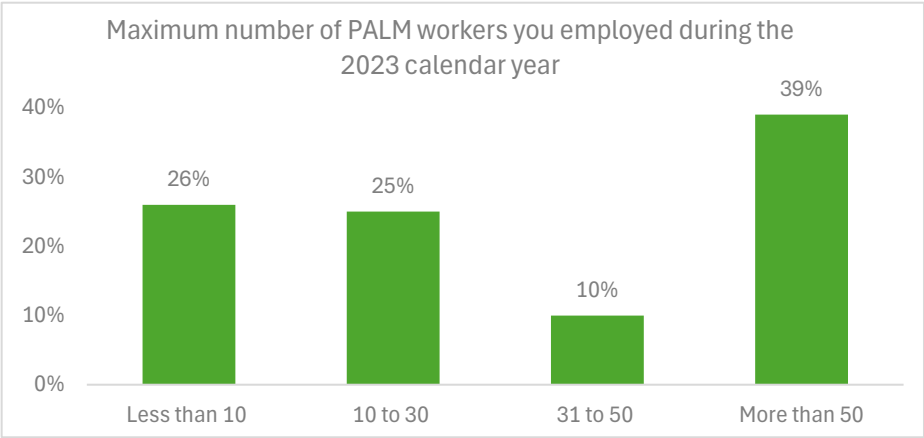
Future state | options analysis outcome



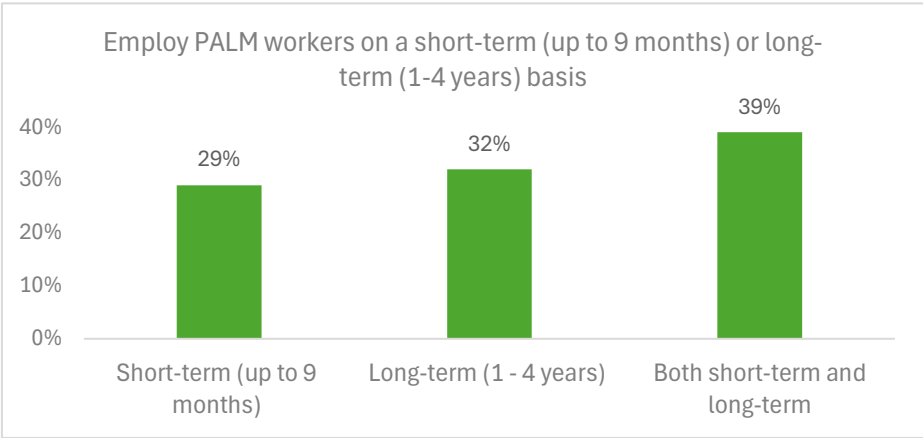


Appendix B: Survey data

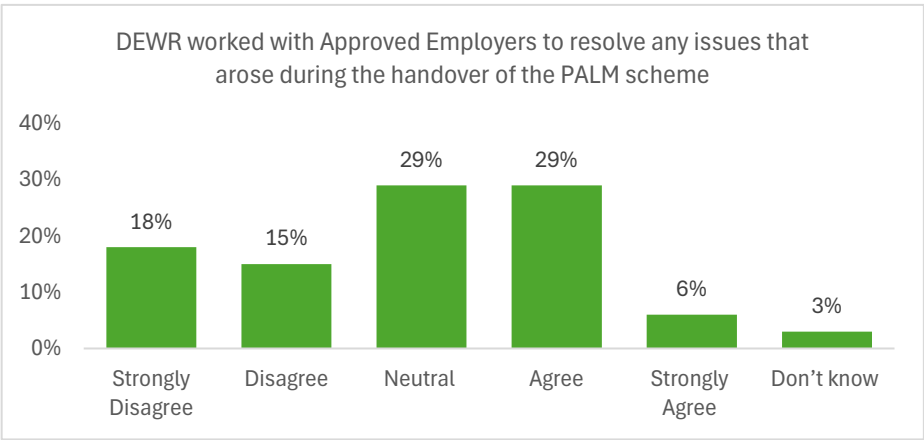
Approved employers survey data



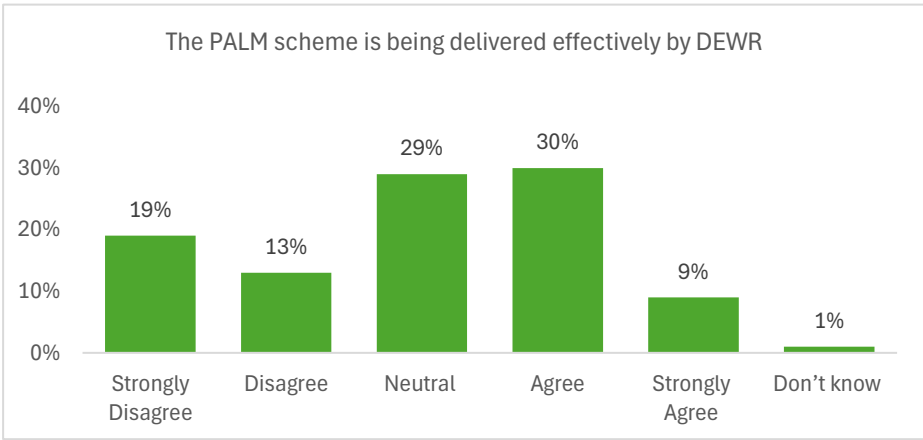
Question 1: 39% of respondents hired over 50 employees.



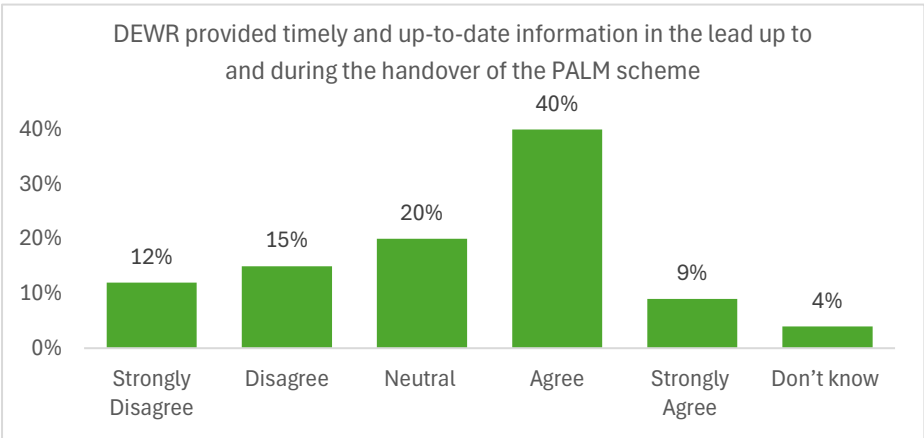
Question 2: 39% of respondents hired both short- and long-term workers.



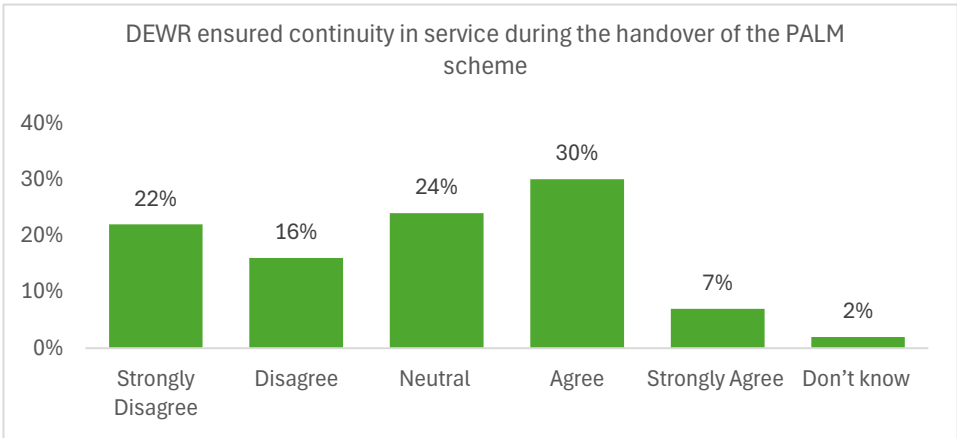
Question 3: Responses reflect the high level of communication; however comments indicate at times there was also too much and it became confusing.



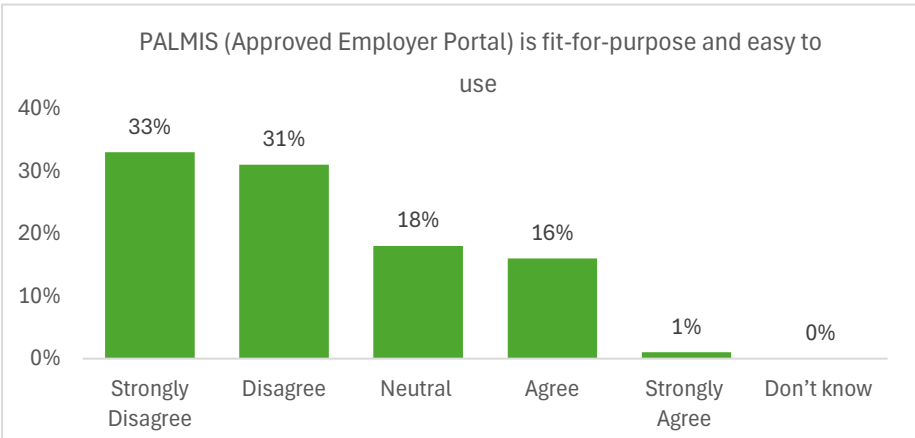
Question 4: Responses indicate that there is reasonable satisfaction with current performance but significant work is needed to build the confidence and trust of employers.



Question 5: More employers agreed versus disagreed with the statement but there was a sizeable (27%) who felt that the communications were not good enough.



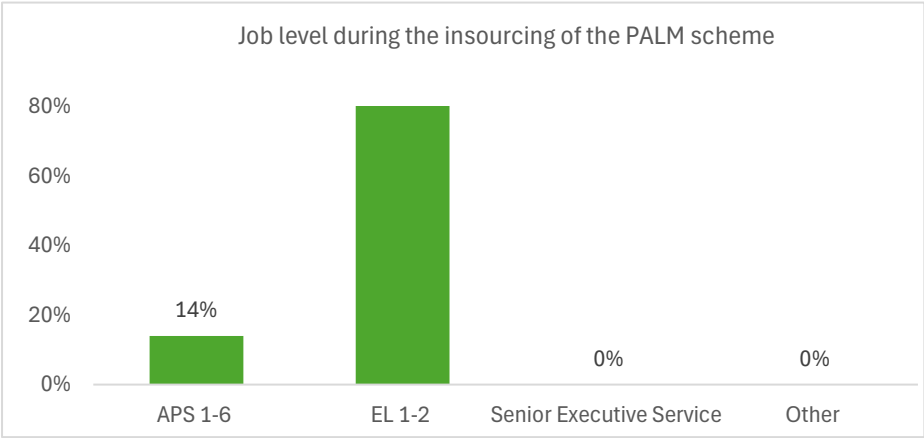
Question 6: Almost equal numbers agreed (37%) versus disagreed (28%), but commentary suggests much of the negative response reflected frustrations around the PALMIS system.



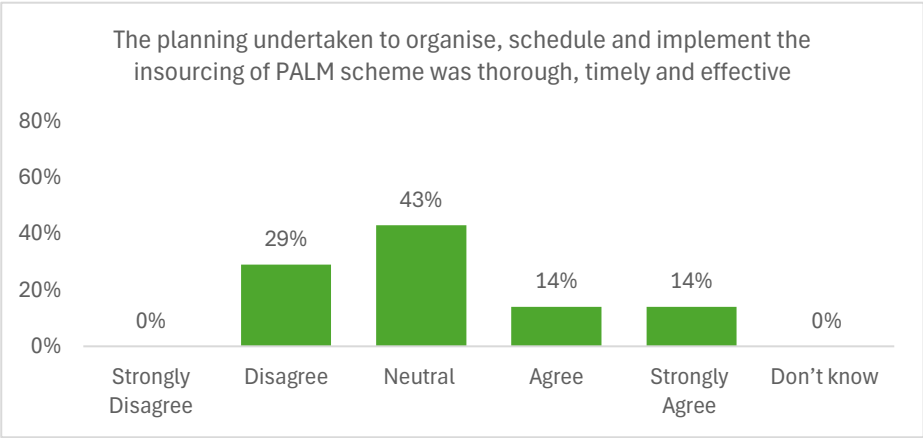
Question 7: A significant proportion of respondents (64%) felt that PALMIS is not fit for purpose. Negative commentary suggested resources provided only cover a portion of what is needed and timeframes on provision of information and approvals have been delayed.



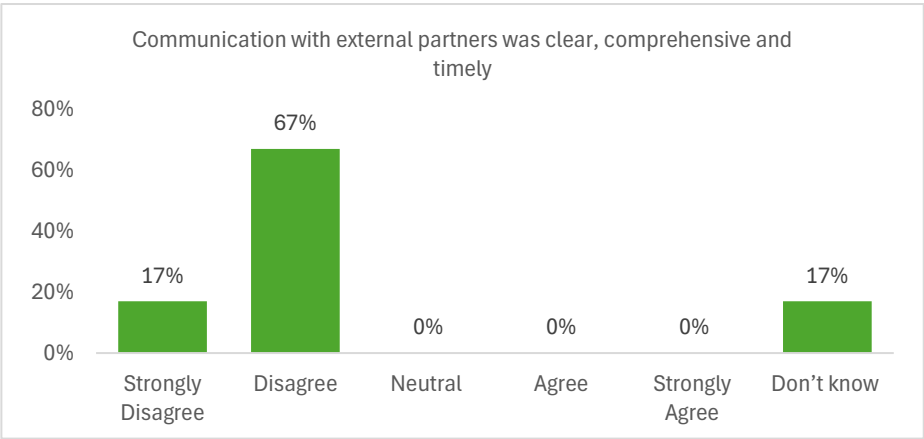
DFAT survey data



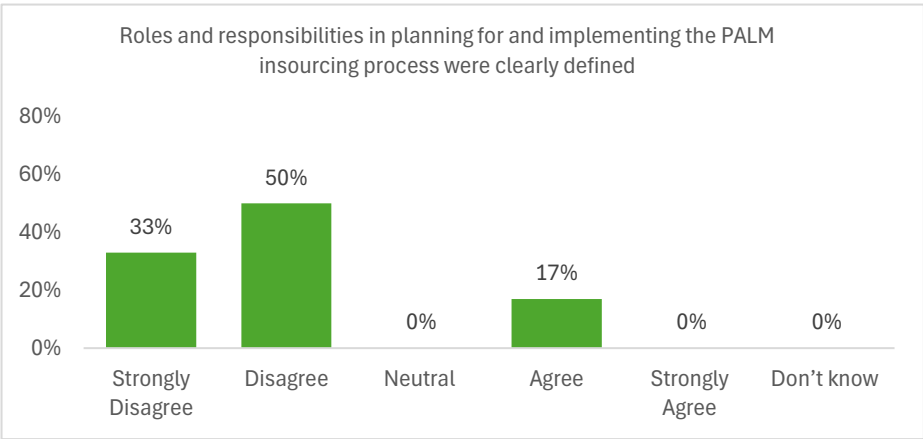
Question 1: 86% of DFAT survey respondents were EL1-2. There were no Senior Executive Service respondents.



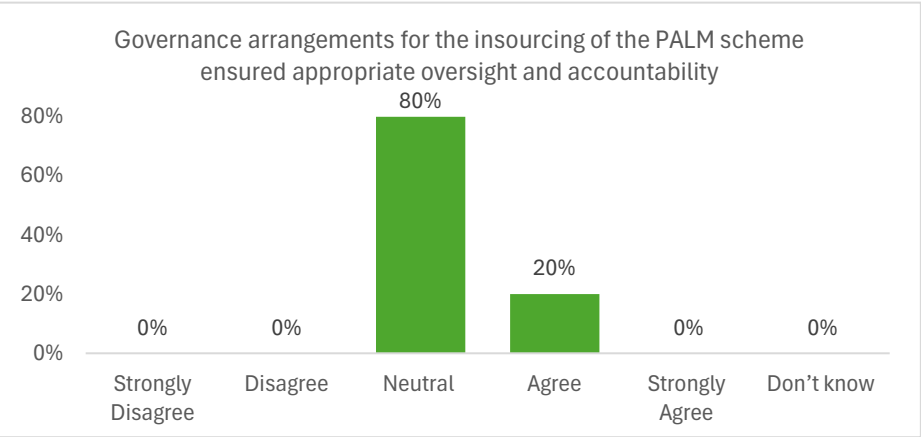
Question 2: The spread of responses reflects A level of dissatisfaction with the planning process.



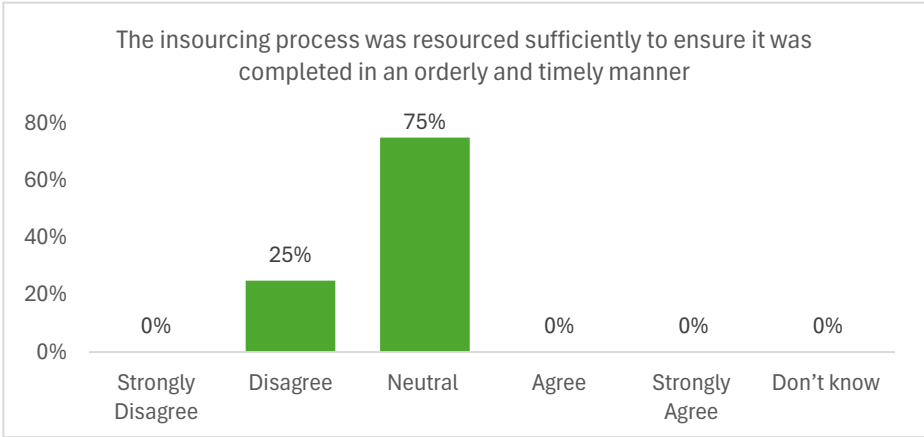
Question 3: The communications from DEWR to external staff lacked clarity, with 84% of DFAT survey respondents indicating they disagree or strongly disagree with the statement.



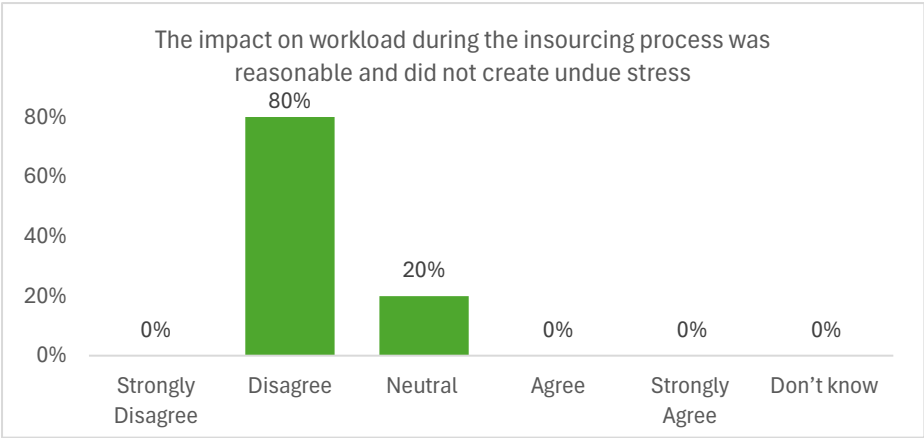
Question 4: 83% of DFAT survey respondents indicated the roles and responsibilities of DEWR, DFAT and the PLF during the insourcing were unclear and confusing.



Question 5: The high neutral response reflects the lack of insight DFAT had into DEWR governance arrangements.



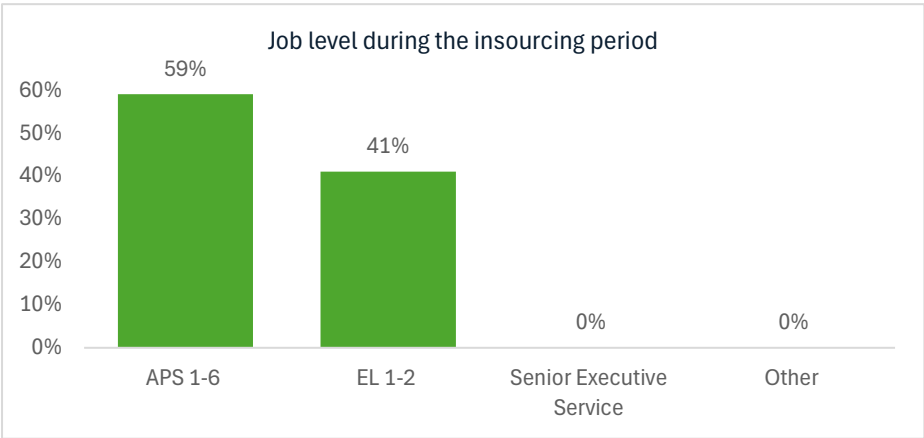
Question 6: The high neutral response reflects the lack of insight DFAT had into the resourcing process of DEWR.



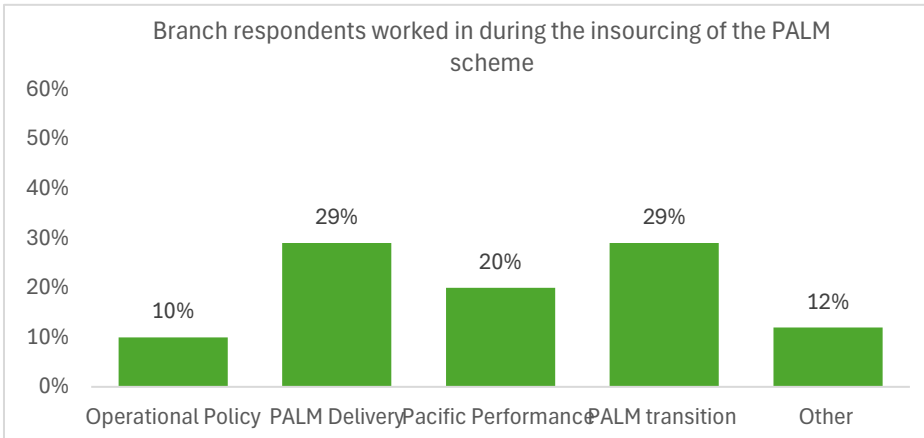
Question 7: The high disagree response indicates DFAT staff experienced an unreasonably high workload which caused undue stress.



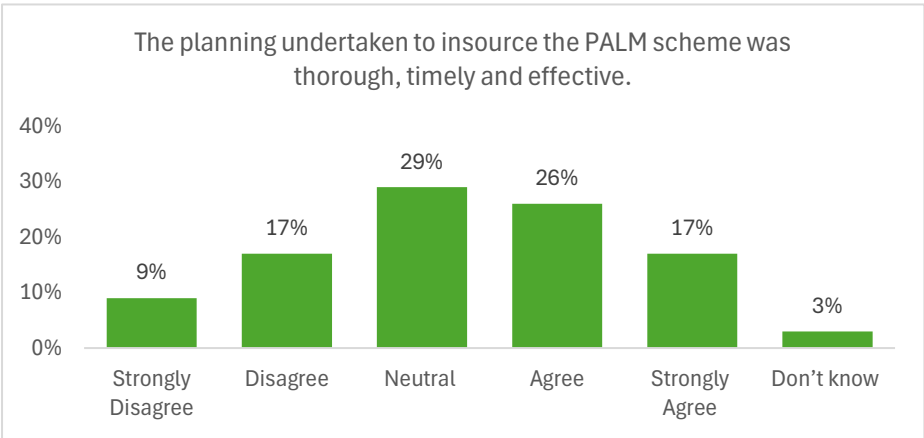
DEWR survey data



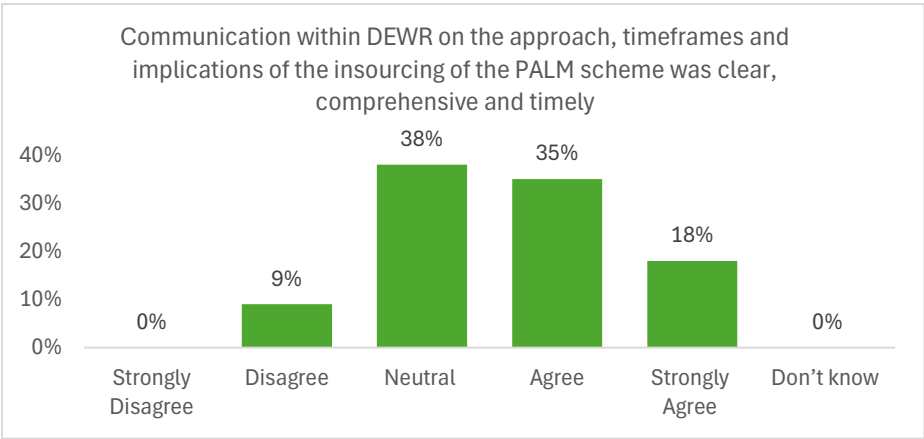
Question 1: All DEWR survey respondents were APS 1-6 or EL 1-2. There were no Senior Executive Service respondents.



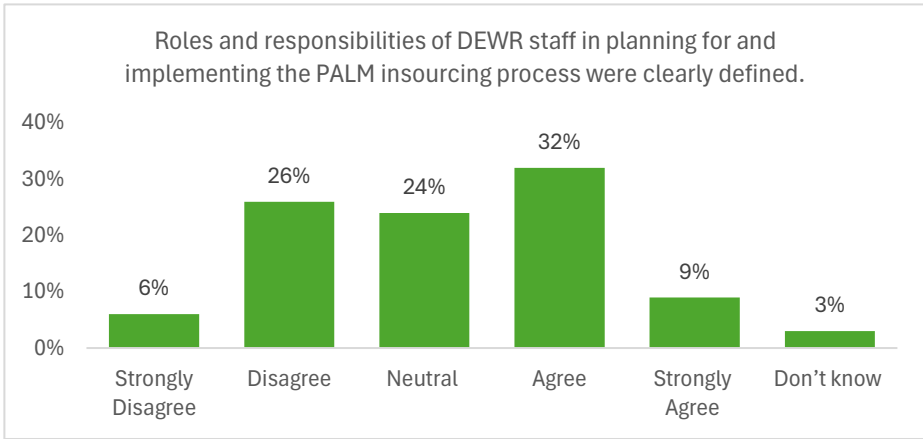
Question 2: Responses were from across all branches.



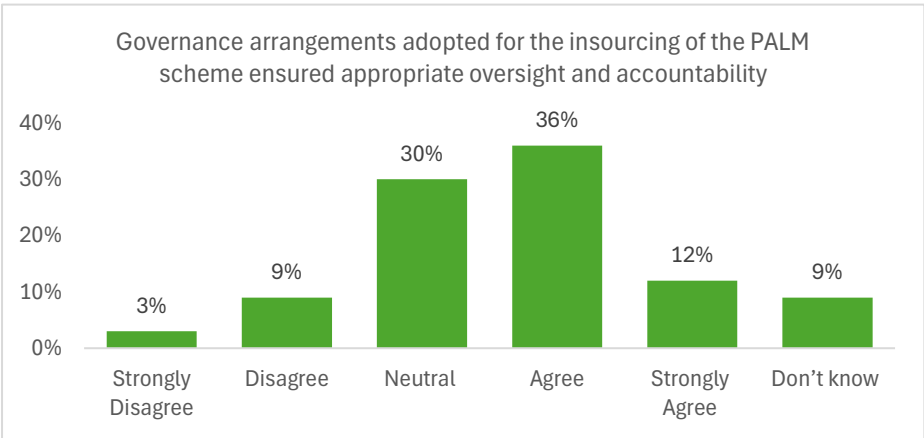
Question 3: A net 17% of DEWR respondents agreed that planning was good. The high neutral response reflects comments of respondents who did not have enough oversight or were not present in DEWR at the time when planning took place. A strength appears to be work that was done to support recruitment. A perceived weakness was that planning did not sufficiently involve staff early in the process.



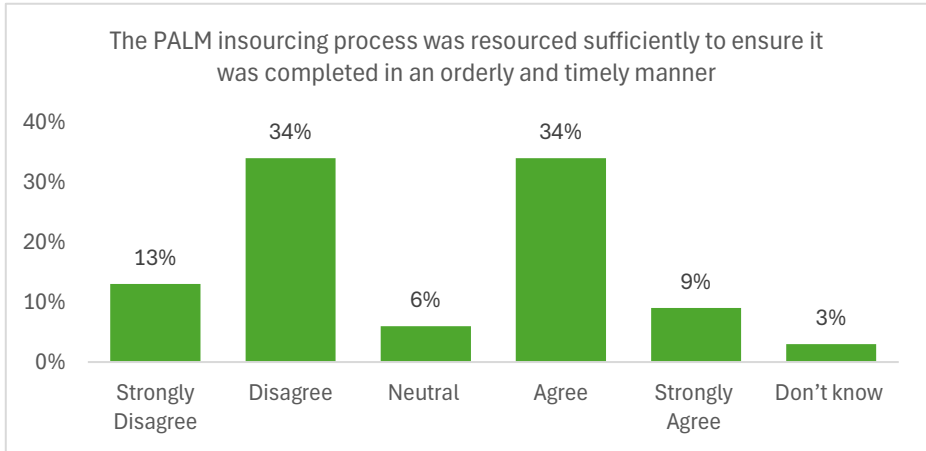
Question 4: 53% of respondents agreed communications were good. The high neutral response reflects comments of respondents who did not have enough oversight of communications at the time to provide a comment.



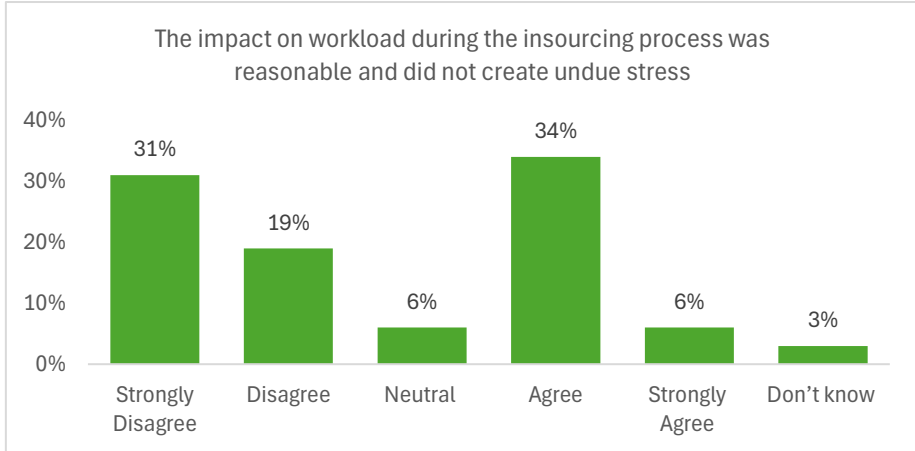
Question 5: 41% agreed there was clarity across the division on the roles and responsibilities. 32% suggested there was uncertainty and at times people were overwhelmed due to the volume of information. The high neutral response reflects comments of respondents who did not have enough overall knowledge of the process to provide a comment.



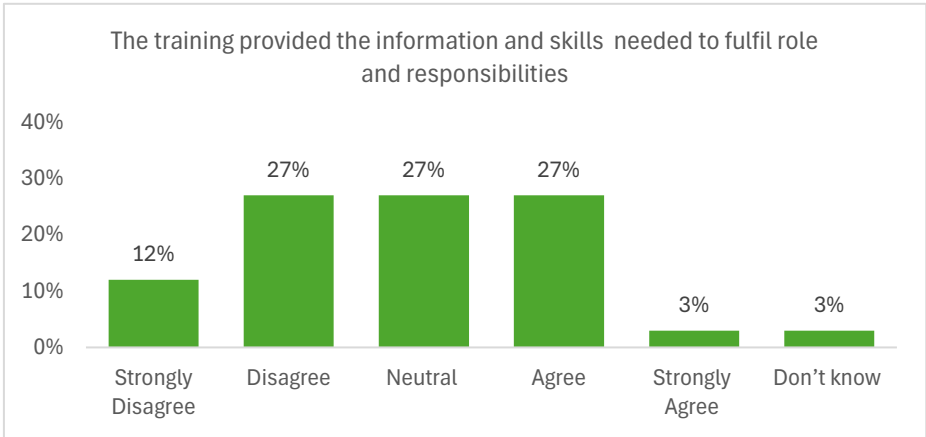
Question 6: A large proportion of respondents (48%) felt the PALM governance was conducted in a very professional way. The high neutral response rate reflects comments from respondents who had limited engagement with governance structures, therefore could not provide comment.



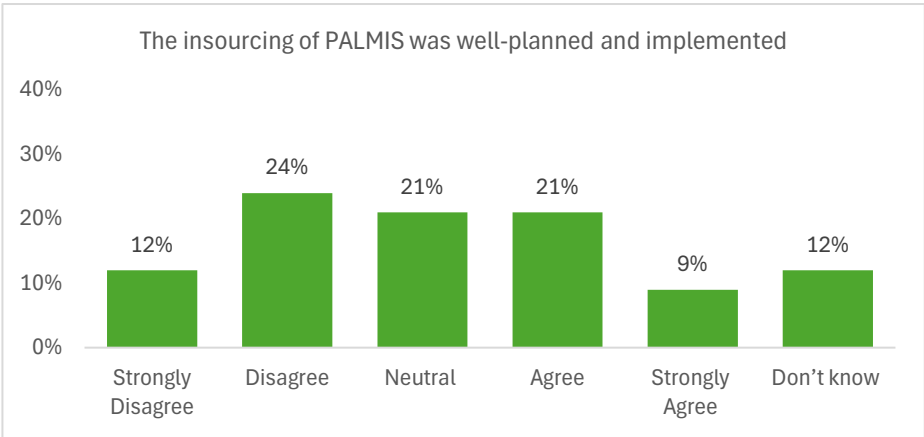
Question 7: Almost equal respondents agreed (41%) or disagreed (47%) that resourcing was sufficient. Some respondents felt DEWR was not appropriately resourced for the increased work responsibilities that came with functions being insourced, whilst others felt generous funding was provided in the budget to ensure the insourcing was completed successfully.



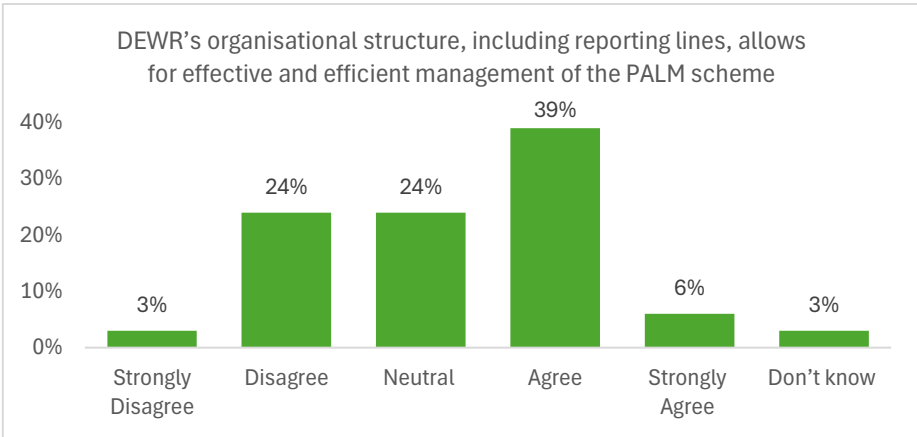
Question 8: A net of 10% of respondents felt their workload became unworkable and staff were struggling to meet the demands of their job.



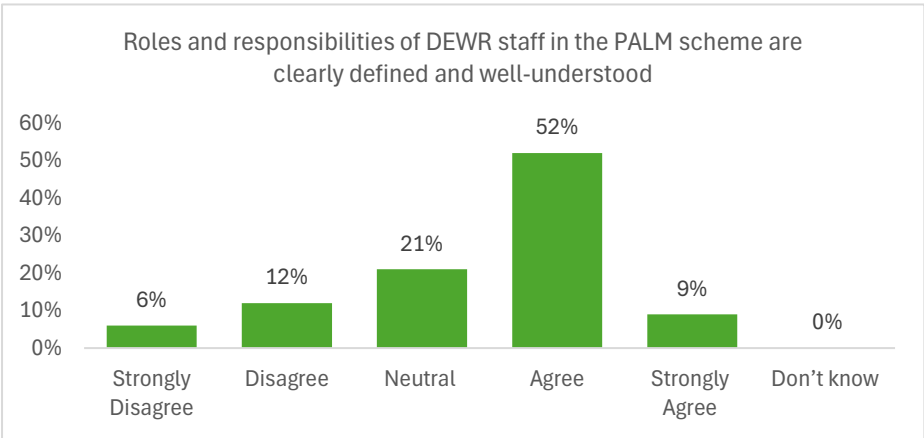
Question 9: Mixed responses were received on the training provided. 39% felt there was insufficient training and capability development offered to new DEWR staff resulting in increased workload and pressure on staff with existing PALM knowledge. 30% felt training received was adequate to allow for them to perform their role.



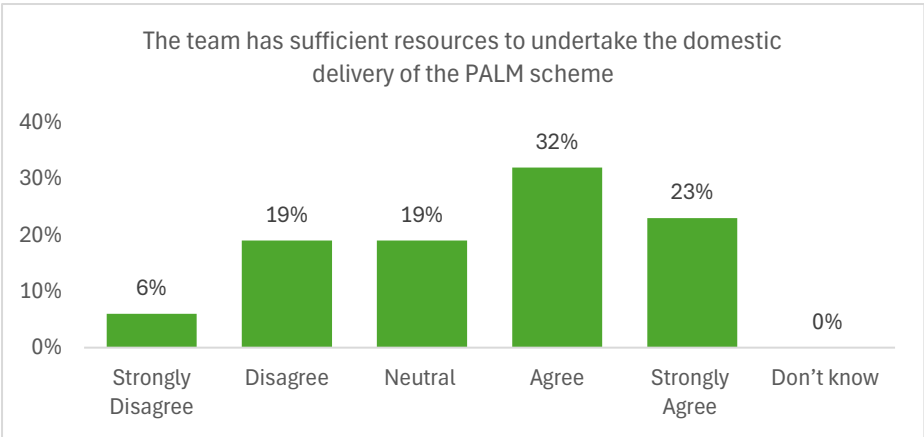
Question 10: Mixed responses were received on the planning and implementation of PALMIS insourcing. 36% felt the insourcing was rushed, meaning there was inadequate for DEWR staff to be trained and understand the system. 30% felt the insourcing of PALMIS was well-planned and implemented with a relatively low impact to business activity. The high neutral response reflects comments of respondents who were not involved in the planning of the insourcing, therefore provided no comment.



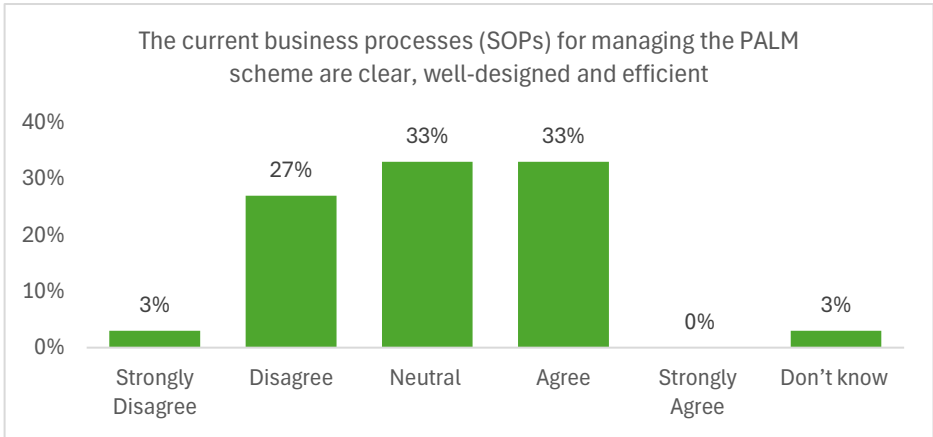
Question 11: A net 18% agreed the organisational structure is a good foundation allowing for effective management. Some comments suggested there are opportunities to improve information sharing and collaboration across teams.



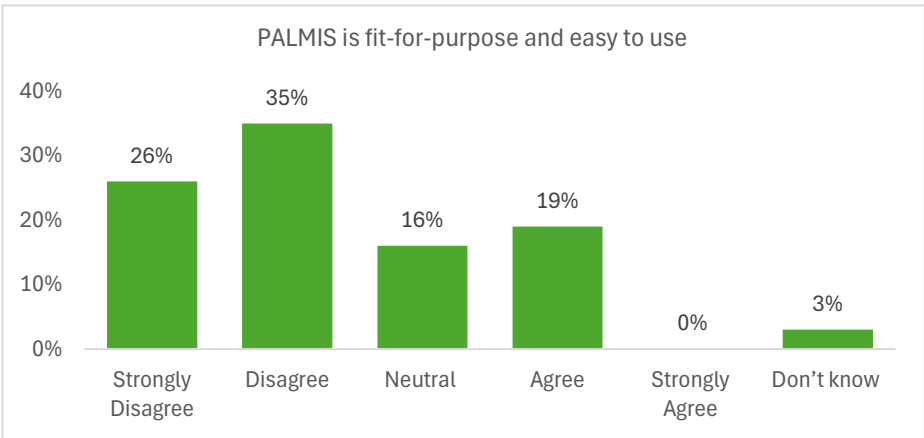
Question 12: 61% of DEWR survey respondents indicated roles and responsibilities are clear however some comments were received that there is a lack of clarity between divisions on who is responsible for what.



Question 13: A net 20% agree there are sufficient resources to deliver the PALM scheme. Disagree results likely due to time it has taken to scale up.



Question 14: Almost equal responses agreed (33%) and disagreed (30%) that business processes are clear. The high neutral response rate reflects comments that many of the standard operating procedures are still in development.



Question 15: 61% of DEWR respondents indicated PALMIS is not fit for purpose nor ready to use. At time of survey PALMIS enhancements had not yet been released.



Appendix C: Data collection summary

The KRQs are high-level questions that are designed to guide the review. A review should target between three and five KRQs, with additional sub questions. This allows for a focus on the priority issues and concentrates resources on considering the issues that matter.

There are three KRQs for this review:

1. Did DEWR successfully insource the domestic delivery model of the PALM scheme, including the IT system?
2. How well is the new delivery model performing?
3. What are the options for improving the efficiency and effectiveness of the insourced arrangements?

Several sub-questions sit under the KRQs. These identify the areas of inquiry we will pursue, i.e., what is important to answer the KRQ.

The review will collect data via three main methods:

- Two online surveys (6 -27 March 2024)
- Interviews with key stakeholders (6 – 29 March 2024)
- A full-day workshop with DEWR staff (20 March 2024).

An overview of the KRQs, sub questions and data sources are included in **Tables 1 – 7** below.

**Table 1:** Methods for KRQ 1: To what extent did DEWR successfully insource the domestic delivery model of the PALM scheme, including the IT system?

Sub questions	Focus	Interview/ workshop	DEWR / DFAT survey	Approved employer survey	Document
What are the key elements or results you would expect to see from a successful insourcing process? What was envisioned as a 'successful' insourcing process? (timeframe, scoping, resourcing, communications with key stakeholders, governance, management).	Identify a benchmark or standard against which to compare what happened. Also identify the important components of insourcing.	X			X
What did the insourcing process look like in practice? What aspects worked well / less well and why? (scope, schedule, budget, resourcing, stakeholder engagement, management lines, structures, processes, policies, PALMIS transfer and training)	Stakeholders' perspectives on how well the insourcing process worked.	X	X	X	X
What monitoring and assurance processes were put in place to manage operational and reputational risks associated with the transition (including service delivery) and how effective were those processes?	Effectiveness of monitoring & assurance processes implemented by DEWR to manage risks associated with the insourcing process.	X			X



Table 2: Methods for KRQ 2: How well is the new delivery model performing?

Sub questions	Focus	Interview / workshop	DEWR / DFAT survey	Approved employer survey	Document
What was proposed (i.e. intended operating model) and what was the rationale for this? What was expected in terms of efficiency and effectiveness? How did DEWR assess and decide on the operating model needed for insourcing the PALM scheme? What informed this assessment?	Identify a benchmark or standard against which the operation model that has been implemented will be compared.	X			X
Does the current delivery model differ from what was proposed and if yes - why? What incremental improvements have been made since the operating model was implemented? What has informed these improvements? (e.g. systems, data, research)	Understand any diversions from the divisional structure (Option 1b) and identification of changes to roles and responsibilities during the transition period.	X			X
Are the changes that have been implemented working well, including for employers? If not, why not? Do employers believe the new approach to domestic delivery is meeting their needs? What evidence is there to support employers' experiences of the new approach to domestic delivery of the PALM scheme?	In depth assessment of the operating model and how this is working for different stakeholder groups (DEWR & DFAT staff, employers and country liaison officers).	X	X	X	X

Table 3: Methods for KRQ 3: What are the options for improving the efficiency and effectiveness of the insourced arrangements?

Sub questions	Focus	Interview / workshop	DEWR / DFAT survey	Approved employer survey	Document
What does DEWR have in place to further optimise the domestic delivery of the PALM scheme?	Understanding what is already planned.	X			X



Sub questions	Focus	Interview / workshop	DEWR / DFAT survey	Approved employer survey	Document
Are there any additional gaps in the delivery model that you think may not be currently considered? What are these and how may they be addressed?	Process / operational delivery	x	x	x	x



Survey tool

The project team developed three surveys for the following stakeholder groups:

- Approved employers.
- DEWR
- DFAT

Survey One: Approved employers (approximately 395⁷ invited participants)

This survey explored the user experience of approved employers through the transition period, with comparisons sought between past and present operating models. Questions related to:

- Communication effectiveness
- Transition impact on organisations and workers
- Service delivery through the change period and ongoing
- Opportunities for improvement

Survey period: 6 March – 27 March.

To minimise respondent burden, approved employers who agreed to be interviewed were not sent the survey.

Surveys Two and Three: Relevant DEWR and DFAT staff (up to 100 invited participants)

This survey explored DEWR and DFAT staff member' perspectives and experiences of the change process, with comparisons sought between past and current operating models. Questions related to the effectiveness of:

- Communications
- Organisational structures and reporting lines
- Roles and responsibility definition
- Resourcing
- Capability development
- Business processes
- PALMIS
- Opportunities for improvement

To minimise respondent burden, DEWR/ DFAT staff who agreed to be interviewed were not sent the survey.

Survey period: 6 March – 22 March.

⁷ This is the total number of approved employers involved with the PALM scheme from the transition period.



Each survey was piloted using Computer Assisted Telephone Interviewing (CATI). An interview was arranged, and survey questions were read aloud to respondents and answers recorded. Additional questions were asked to validate the suitability of the question set and instructions. Table 4 outlines the stakeholders that participated in a CATI interview.

Table 4: CATI interview participants

Number of participants	Organisation
4	DEWR
3	Approved employer
1	DFAT

The CATI process identified a number of opportunities to refine the question set. The wording of some questions was altered to make them easier to understand and respond to. We also ensured that the survey routing was optimised to avoid people being asked unnecessary questions. The process did identify a risk that DEWR staff may take longer than 15 minutes to complete the survey if they wanted to express a lot in the free text field however this risk was acceptable to the DEWR project team.

The surveys were approved by the DEWR project team on 6 March 2024. Table 5 outlines the dates each survey was initially distributed; reminders were sent and the date the survey closed. Table 6 provides a breakdown of the survey response rates.

Table 5: survey key dates

Survey	Distributed	Reminder	Closed
DEWR	6 March 2024	13 March 2024	20 March 2024
DFAT	7 March 2024	15 March 2024	20 March 2024
Approved employer	6 March 2024	13 March 2024	27 March 2024

Table 6: survey response rates

Survey	Number distributed	Number responded (%)
DEWR	80 invited	48 total responses (60.0%) of which 34 are complete and 14 are partial.
DFAT	10 invited	8 total responses (80.0%) of which 5 are complete and 3 are partial.
Approved employer	411 individual emails (391 employers)	129 total responses (31.4%) of which 105 are complete and 24 are partial.



The response rates achieved for all surveys were in line with or above the expected response rates for the different cohorts and are sufficiently high to enable the project to complete the analysis.

Interviews

The project team developed interview guides for five stakeholder groups:

- DEWR
- DFAT
- Approved employers
- Pacific Labour Facility (PLF)
- Country Liaison Officers (CLOs)
- Labour Sending Units (LSUs)
- Heads Of Mission (HoMs).

The interview guides were included in the review strategy document. The final version of the review strategy was provided and approved by DEWR on 20 February 2024.

A total of 61 stakeholders were invited to participate in an interview with the project team, over the consultation period a total of 31 interviews were completed with 44 stakeholders. Table 7 provides a breakdown of the interview completion rate.

Table 7: Interview group completion rates

Interview group	Number invited	Number completed (%)
DEWR	21	15 (71.4%)
DFAT	6	5 (83.3%)
Approved employer	12	8 (61.5%)
PLF	4	4 (100%)
CLOs	13	6* (66.7%)
HoMs	5**	5 (100%)
LSUs	3	1 (33.3%)
Total	61	44 (72.1%)

*One CLO provided answers to the questions over email.

**Formal invitations were only sent to those PALM HOMs that indicated availability on the interview dates.



The interviews took between 30 minutes to 1 hour and elicited high quality data which included a broad range of perspectives. Interviews were recorded (with the interviewees' permission) to allow for verification of written notes taken during the session. All participants were offered the opportunity to be provided with a copy of the audio, visual, and written information collected.

In addition, when permission was given, de-identified transcripts of the interview were provided to DEWR. Introductory questions to build rapport were not included in the transcript. Where interviewees did not agree for transcripts to be shared with DEWR, de-identified summary notes were provided to DEWR. The verbal consent process ensured these options clear, and participants were able to reserve the right not to participate.

Full day workshop

A full day workshop was held in Canberra on 20 March 2024. This workshop was used to surface new insights and deepen understanding of issues identified through the data collection process. The workshop had 13 attendees representing the PALM Delivery Branch, PALM Transition Branch, PALM Performance Branch, Research and Evaluation Team, Workforce Support Strategy, PALM Project Office, Employer Assessment Team, Public Information Team, Business Improvement, approved employer Relationships Team 2, Delivery Support Services Team, PALM ICT and Research and Evaluation Team.

The workshop provided an opportunity to get a sense of which insights were resonating most strongly with the group, and which subject areas will require careful nuance in the final report. It also deepened the team's knowledge in some key areas.

Analysis

Thematic analysis of the qualitative data from the surveys, key stakeholder interviews, the full-day workshop with DEWR staff and relevant documents, was undertaken using NVivo Pro software. The data was be coded by KRQ into emergent themes and demographic characteristics to enable sorting and analysing in a variety of ways.

Quantitative analysis of survey data was undertaken to industry standards using the Qualtrics package. Descriptive statistics were calculated, including percentages. Response rates by respondent type will be provided in a format which ensures anonymity.

Sensemaking session

A two-hour sensemaking session with DEWR stakeholders was completed on 3 May 2024. Emerging key themes were tested and discussed. The following branches were represented at the sense-making session: PALM Transition Branch (PALM Project Office), PALM Performance Branch (Research and Evaluation Team) PALM Operations Policy Branch, and PALM Delivery Branch (Worker Support Strategy Team, approved employer Relationships Team 1).



Appendix D: Governance arrangements of insourcing

Governance arrangements: DEWR and DFAT (whole PALM scheme)

PALM Project Governance Committee		
PURPOSE	MEMBERSHIP	MEETINGS
PALMSEC provides strategic direction to the PALM scheme to ensure the scheme meets the needs of industry, workers, Pacific and Timor-Leste Governments, the government's priorities in the region, and the Australian government's broader policy agenda.	First Assistant Secretary, Pacific Labour Operations Division, DEWR (Co-Chair), First Assistant Secretary, Pacific Integration and Economic Division, Office of the Pacific, DFAT (Co-Chair), Assistant Secretary, Pacific Labour Policy and Engagement DFAT, Assistant Secretary, Pacific Labour Operations Branch DEWR, Executive Director, PALM Implementation, DEWR.	Bimonthly.

PALM Project Governance Committee		
PURPOSE	MEMBERSHIP	MEETINGS
The PALM Project Governance Committee oversees the implementation of DEWR's insourcing of the PALM scheme.	Deputy Secretary, Employment and Workforce (Chair), First Assistant Secretary, Pacific Labour Operations Division (Senior Responsible Officer) (Deputy Chair), Deputy Secretary, Workplace Relations, Assistant Secretary, Chief Internal Auditor, Assistant Secretary, Strategic Project office, Assistant Secretary, Chief Internal Auditor, First Assistant Secretary, Chief Digital Officer.	Monthly.

PALMIS Project Board		
PURPOSE	MEMBERSHIP	MEETINGS
The PALMIS Project Board is the central decision-making body overseeing the development and implementation of the PALMIS system.	Assistant Secretary PALM Performance Branch (Chair), Assistant Secretary, Application Development Branch, Digital Solutions Division, Assistant Secretary, Digital Security and Operations, Assistant Secretary, Infrastructure, Platforms and Projects Branch.	Monthly.



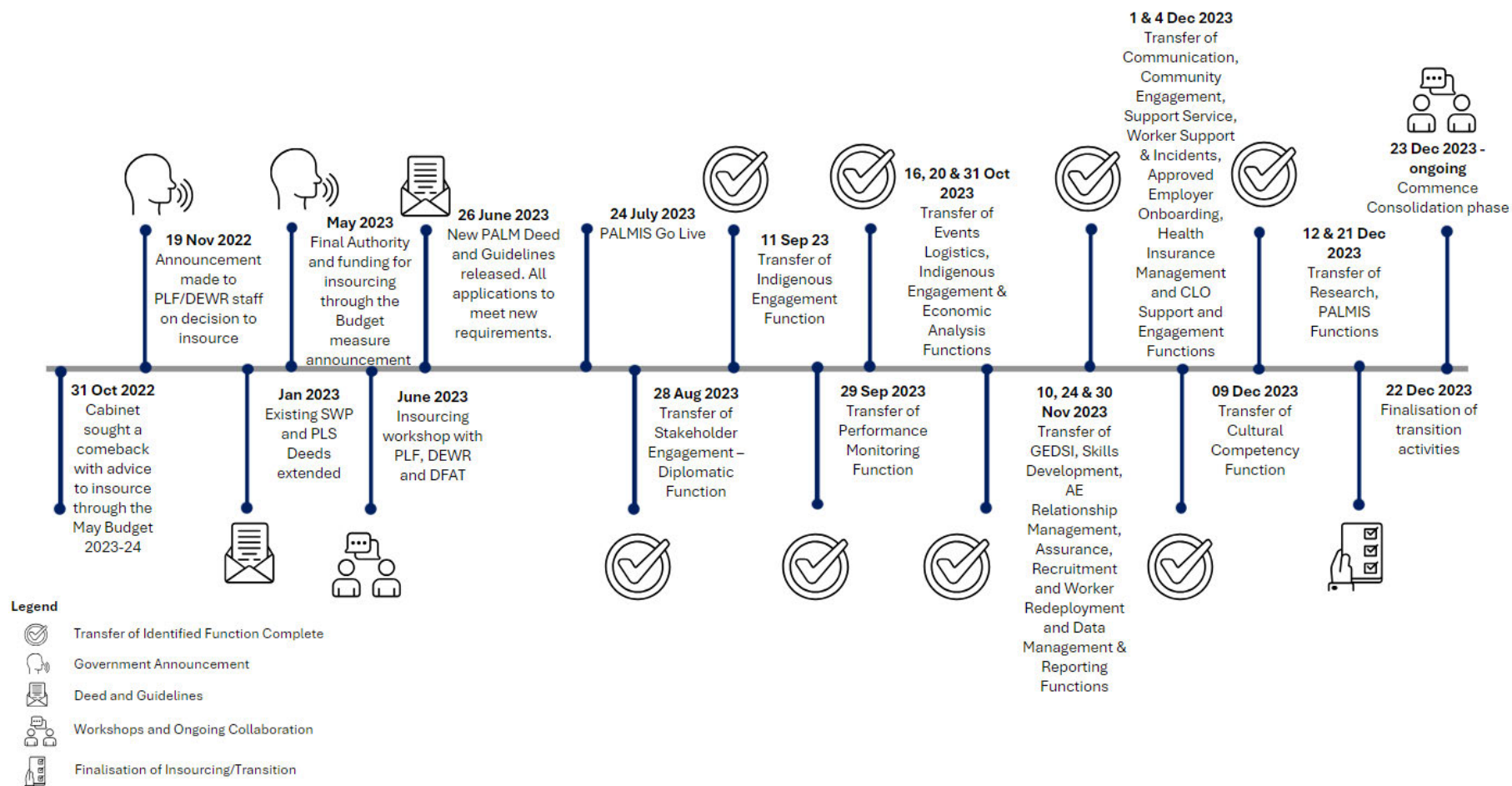
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Attachment D - PALM scheme Insourcing Timeline



Documents 30 and 31 at pages 204-207 deleted pursuant to section 47G(1)(a) of the Freedom of Information Act 1982



Australian Government
**Department of Employment
 and Workplace Relations**

To Minister for Employment and Workplace Relations
CC N/A.
Subject Review into the impact of the PALM Deed and Guidelines
Sent to the MO 3 September 2024
Priority Routine/Low Complexity
Action date 13 September 2024 to allow consultations to commence prior to peak harvest season and the holiday period

Recommendation - That you:

- 1) **approve** the Terms of Reference (ToR) for the review into the impact of the Pacific Australia Labour Mobility (PALM) scheme deed and guideline settings (the Review) at Attachment A
agreed / not agreed / please discuss
- 2) **note** the extension to the Review to February 2025, to incorporate assessment of the new minimum hours' settings
noted / please discuss

Signature:

___/___2025

MO Comments

Executive summary

1. In late 2023, the Hon Tony Burke MP, former Minister of Employment and Workplace Relations, committed to PALM stakeholders to undertake a review of the impact of the PALM scheme deed and guideline settings, in the first 12 months of those settings being implemented. The new settings were introduced in June 2023.
2. In late June 2024, Minister Burke agreed to a critical change in PALM relating to minimum hours for short-term workers. This change sought to better reflect industry operations, address key implementation issues and balance the commitment to minimum hours. This change in settings delayed the timing of the Review.
3. Draft ToR for the Review are provided for your approval at Attachment A.

Key points

4. The objective of the Review is to assess the impact of key PALM scheme deed and guideline settings and to determine if they meet Australian Government's priorities. Some of the new settings, attracted significant commentary from stakeholders, especially employers in the agriculture industry who advocated for flexibility of minimum hours to adapt to weather and market conditions.
5. In late June 2024, in response to industry feedback, Minister Burke agreed to extend the requirement for employers to offer short-term PALM workers a minimum of 120 hours reconciled over 4 weeks to 30 June 2025 (rather than requiring PALM scheme employers to offer short-term PALM workers a minimum of 30 hours per week, every week, from 1 July 2024).
 - a. This change included additional safeguards which require employers to pay workers for any shortfall in hours at the end of the 4-week reconciliation period.

6. The attached draft ToR set out the scope of the Review with a focus on whether key settings have met the Government's priorities.
7. Subject to your agreement, the ToR will then be circulated to key stakeholders to seek their input on issues that fall within the scope of the Terms of Reference to be considered as part of the Review. The Department of Foreign Affairs and Trade (DFAT) has indicated the impact of the minimum hours setting to be of critical importance.
8. Data collection is intended to commence in September 2024, with a final report to be provided for your consideration, by February 2025.

Government policy issues and impact on other portfolios

9. This Review provides the opportunity to examine the impact of the new settings, the extent to which they achieved government's priorities and to consider options for policy refinements and inform the ongoing evaluation of the PALM scheme.
10. DFAT has a particular interest in PALM scheme settings given its policy role in PALM and the broader interest in expansion of the scheme into different sectors and higher skilled jobs. The Department of Agriculture, Fisheries and Forestry (DAFF) is particularly interested in matters affecting the availability and costs of the agriculture sector workforce.

Key risks and mitigation

11. Government publicly committed to complete the Review by 30 September 2024 (SQ23-001533 refers). Stakeholders are expected to support the new delivery date to ensure the Review considers key settings and is informed by data and evidence.
12. Stakeholders may attempt to use the Review as an avenue to advance specialist interests. To mitigate this, the draft ToR specifically focus on whether key settings achieve government priorities and has built in methods to ensure commentary/anecdotal input is validated by data.

Gender diversity targets

13. N/A

Budget impact, financial considerations

14. Funding for a consultant to support aspects of stakeholder data collection is available within existing resources. It is important that this Review is conducted at arm's length from the Department of Employment and Workplace Relations to provide independent advice and ensure stakeholder acceptance of the Review findings.

Stakeholder consultation

15. The Review will capture consultations with a broad range of stakeholders including Pacific and Timor-Leste Heads of Mission, PALM scheme employers, workers, industry and community organisations, to gather their perspective on the impact of the settings. Surveys, interviews and focus group consultations can commence in September 2024, to enable stakeholders to contribute before the peak harvest season and the Christmas period.
16. The department is seeking input from DFAT, DAFF, Department of Home Affairs, Department of Health and Ageing and the Fair Work Ombudsman as part of the Review within the scope of the agreed ToR.

Attachments

- Attachment A – Terms of Reference

Clearance

Primary Contact Officer: s 22(1)

PALM Performance Branch

| Emp & W | Pacific Labour Operations

Clearance Officer: s 22(1)

| Emp & W | Pacific Labour Operations

A/g Assistant Secretary
s 22(1)

First Assistant Secretary
s 22(1)



DRAFT Terms of Reference

Review into the impact of the Pacific Australia Labour Mobility (PALM) scheme deed and guideline settings

Purpose

To review the impact of the PALM scheme Approved Employer Deed and PALM scheme Approved Employer Guidelines (the deed and guidelines) settings.

Objectives

The review will examine the impact of key PALM deed and guideline settings, implemented in June 2023, to determine if they meet the Government's priorities, including:

- ensuring scheme mechanisms protect workers at greatest risk of exploitation
- enable workers and their communities to benefit from participation in the scheme
- ensuring there is a reliable and productive workforce available to meet the needs of Australian employers¹

Scope

The review will collect evidence and assess whether key settings meet the Government priorities. Key settings to be assessed include:

Minimum Hours	Welfare and Wellbeing Support
Pay Parity	Transparency of Deductions
Low Hours Safety Net	Cultural Competency
Minimum Net Pay Guarantee	Transport and Accommodation Standards

Out of scope

- the impact of the insourcing on domestic operations of the PALM scheme (reviewed separately)
- findings of the evaluation of the PALM scheme (which will overlap with the review), and
- Department of Foreign Affairs and Trade (DFAT) delivery responsibilities (administered bilaterally via a Memorandum of Understanding).

Approach and timing

A broad range of stakeholder views will be captured including employers, workers, industry, pacific countries and community organisations through surveys, focus groups and interviews.

Views expressed will be triangulated with departmental, and broader government, administrative data. Data collection will commence in September 2024 and a final report will be provided to the Minister of Employment and Workplace Relations by end of February 2025.

¹ Available subject to evidence of labour market testing and meeting program eligibility requirements



Australian Government
Department of Employment
and Workplace Relations

MS24-000518

To **Minister for Employment and Workplace Relations**

Subject **PALM scheme data publication**

Sent to the MO **26 July 2024**

Priority **Urgent/High Complexity**

Action date **Please action by 29 July 2024.** Ahead of Pacific Labour Mobility (PALM) data being provided to key stakeholders on 30 July 2024 and published for the first time on 31 July 2024.

Recommendations - That you:

- 1) **note** that the Department of Employment and Workplace Relations has completed the PALM scheme Data Quality Review (MS24-000309 refers) and will publish data for January to June 2024 on 31 July 2024. Key findings are at Attachment A.
noted / please discuss
- 2) **note** that the Department of Foreign Affairs and Trade (DFAT), the Department of Agriculture, Fisheries and Forestry (DAFF) and Heads of Mission in the Pacific and Timor-Leste will be provided with an advance copy of the July data, the day before publishing (on 30 July 2024).
noted / please discuss
- 3) **sign** the letter at Attachment B to Heads of Mission in the Pacific and Timor-Leste, that summarises the issues discussed at the June 2024 roundtable and informs Heads of Mission of the upcoming data publication and the commitment to provide them with a pre-release copy of the data via email.
signed / not signed
- 4) **agree** the department ceases the PALM scheme monthly data brief and dashboards and commences providing data to your office via email ahead of each monthly data release, consistent with the Workforce Australia approach.
agreed / not agreed
- 5) **agree** the department commences providing quarterly PALM analysis via departmental advice, combining assurance and compliance updates, critical incidents and data trends.
agreed / not agreed

Signature:

___/___2025

MO Comments

Executive summary

1. The department has finished the PALM Data Quality Review (the Review). It identified previously reported PALM worker data has been historically over reported by approximately 13% each month. The department suspended reporting worker data in March 2024 to enable a full analysis of the issues and a development of a robust methodology for calculation of worker counts (MS24-000309 refers).
2. Using the department's new methodology, data for January to May 2024 has been calculated (see [Attachment A](#) for key findings). June 2024 data is currently being prepared and will be provided to your office separately via email.
3. The department will publish January to June 2024 data on 31 July 2024. This is the first in what will be routine monthly reporting of PALM scheme data. Reconstructed historical data counts (December 2022, April 2022, June to December 2023), prepared with the new calculation method, will be published by end September 2024.

Key points

Recalculated data January 2024 and February 2024

4. For January and February 2024, correct worker numbers are about 13% lower than previously reported. There were errors in both streams:
 - the short-term stream was most impacted, with a downward correction of 30% (February 2024), likely due to high numbers of arrivals and departures exponentially expanding errors
 - the long-term stream had an upward correction of 15% (February 2024).
5. Agriculture was the most affected industry, with a downward correction of 25% in February 2024.

January to May 2024 - summary of data to date

6. Based on 5 months of data, 2024 data to date shows a healthy trajectory, with strong demand from employers and continued demand for PALM workers.
7. The 2024 data reveals PALM scheme worker numbers increased slightly between January to May 2024, and overall have been reasonably stable ([Attachment A](#)).
 - a. This is not unexpected and reflects a broad range of factors, including a slowing in the economy and a decrease in the demand for labour.
 - b. There has also been growth of almost 8% in the number of PALM visas (May 2023 to May 2024) issued by the Department of Home Affairs over the last year.
 - c. The data shows a positive uptick in PALM Agriculture workers, with 3% growth between January and May 2024.
8. The number of PALM scheme employers has continued to grow since the new deed and guidelines were introduced in July 2023.
 - a. 78 new employers have joined the scheme since July 2023, bringing the total number of employers to 473 in May 2024, a record high.

Publishing details and processes

9. A new data page has been created on the department's external facing PALM website (which will also link from the department's website and data.gov.au) to provide the key data for each month, such as the number of workers and employers, and number of workers: by industry, by state/territory; and by country of origin. A spreadsheet will be attached to provide users with more detailed time series data, including:
 - Worker counts by state and country
 - Worker counts by stream and country
 - Worker counts by state and stream
 - Worker counts by industry and stream
 - Approved Employers including a distinction between direct/labour hire.
10. This is a significant milestone. For the first time PALM stakeholders will have up-to-date, detailed and accurate data which enables them to self-service.

11. With the commencement of routine publication of data, the department will cease production of the monthly dashboards previously provided to the Ministers' office. These were a static view containing limited data. The published data will offer more meaningful information.
12. Instead, the department proposes to provide your office with the data a few days prior to release each month via email. This is consistent with the established practice for routine data updates in other areas of the department. The department will continue to monitor trends in the PALM scheme and will continue to escalate any issues.

Quarterly PALM report

13. While the monthly publishing of PALM data provides transparency and a commitment to sharing information with key stakeholders, data from month to month does not change significantly nor can it be used to identify longer term trends. The department therefore proposes to produce a quarterly report, for you and stakeholder Ministers, that examines the data in more detail with analysis of the trends over longer periods of time.
14. The report would also incorporate updates on other important scheme operational issues, such as compliance and assurance activities, and reporting on worker incidents.
 - a. This would replace the monthly Worker Support and Assurance update. This data does not change significantly over a short duration and the quarterly view will provide greater clarity on trends.
 - b. The report will identify risks, compliance events and exposures. Therefore, this report would be for internal use only. The department will continue to escalate relevant critical incidents.
15. The first quarterly report will be produced after the entire worker time series is published in end September, likely by mid-October 2024 and would be provided to you via ministerial submission.

Government policy issues and impact on other portfolios

16. Key stakeholders such as DFAT, DAFF and Heads of Mission in the Pacific and Timor-Leste rely on PALM worker data. These stakeholders will be provided with an advance copy of the July data the day before publishing (30 July 2024).
17. The department has engaged with DAFF and DFAT on the findings of the data review and to develop the Ministerial Talking Points at [Attachment C](#).
18. The letter to Heads of Mission at [Attachment A](#) summarises the issues discussed at the June 2024 roundtable on 12 June 2024. The letter notes the upcoming data publication and reminds Heads of Mission of the commitment to provide a pre-release copy of the data via email.
19. In addition, the department will discuss PALM scheme data with Heads of Mission on 31 July 2024 at the DFAT led PALM Heads of Mission Meeting.

Key risks and mitigation

20. Clear communications with key stakeholders will be important to maintain confidence in the scheme data (see Communication and Media strategy below).

Budget impact, financial considerations

21. The department is working internally and with agencies who received PALM funding in the 2023–24 Budget and will work with the Department of Finance to assess any budget implications of the recalculation of PALM worker data on the forward estimates. We will brief you on any material implications (refer MS24-000309).

Communications and media strategy

22. A communications strategy has been developed to advise key stakeholders of the conclusion of the review and the upcoming publication of data.
23. A key function of the communication strategy is to promote the department's proactive engagement, ensuring data integrity and promote the department's open and transparent approach. See [Attachment D](#) for the communication strategy.

Stakeholder consultation

24. The Review and subsequent revised methodology was a joint undertaking with the department's Chief Data Officer. This ensured it aligned with the department's Data Strategy and provided independent oversight of the Review.
25. The department has advised other PALM stakeholders including the DFAT, Fair Work Ombudsman, Home Affairs, the Department of the Prime Minister and Cabinet and DAFF.

Attachments

- Attachment A PALM 2024 data summary
- Attachment B Letter to Heads of Mission in the Pacific and Timor-Leste
- Attachment C Ministerial Talking Points
- Attachment D Communications strategy summary

Clearance

Primary Contact Officer: s 22(1)

PALM Performance Branch

Clearance Officer: s 22(1)

Pacific Labour Operations Division

| Employment and Workforce Group

A/g Assistant Secretary

Ph: s 22(1)

First Assistant Secretary

Ph: s 22(1)

ATTACHMENT A

Key findings of the Data Quality Review (for Jan and Feb 2024)

For January and February 2024, revised worker counts are around 13% lower than previously reported. When disaggregated further however, the results vary for different components.

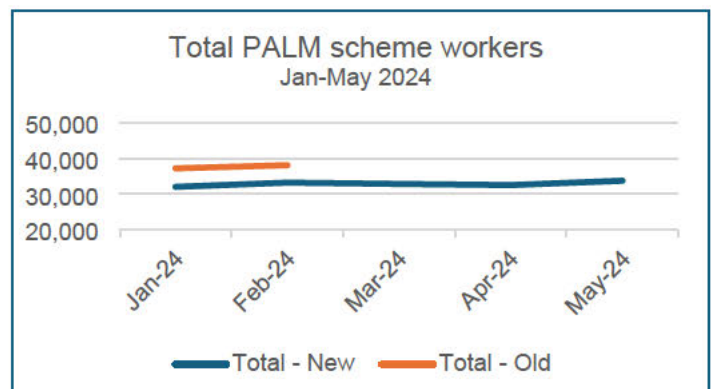
- By stream:
 - The short-term stream declined by around 30% in February 2024.
 - The long-term stream increased, by 15% for February 2024.
- By country of origin:
 - Fiji, Nauru, PNG and Tuvalu increased.
 - Remaining country counts decreased. In percentage terms, Tonga decreased most significantly, by 42%; followed by Vanuatu (32%) and Samoa (18%).
- By industry
 - Agriculture was the most affected, revised down by 25% in Feb 2024. Accommodation also decreased.
 - All other industries increased.

Work on the recalculated historical time periods is nearing completion. The results reveal that the order and magnitude of changes described for January and February 2024 are similar across historical time sets.

Key findings for Jan to May 2024 overall

Total PALM scheme worker counts:

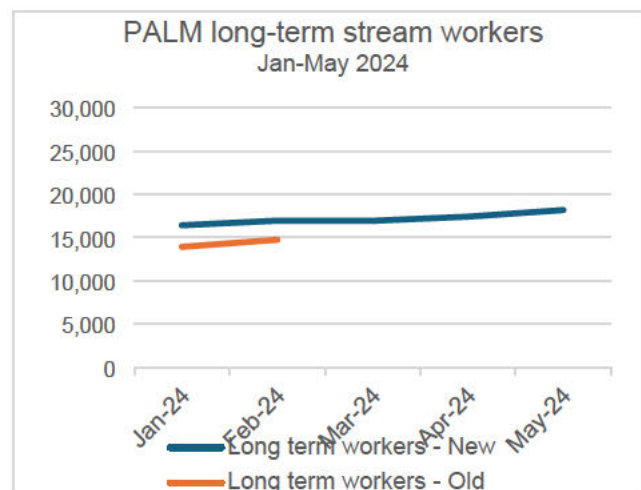
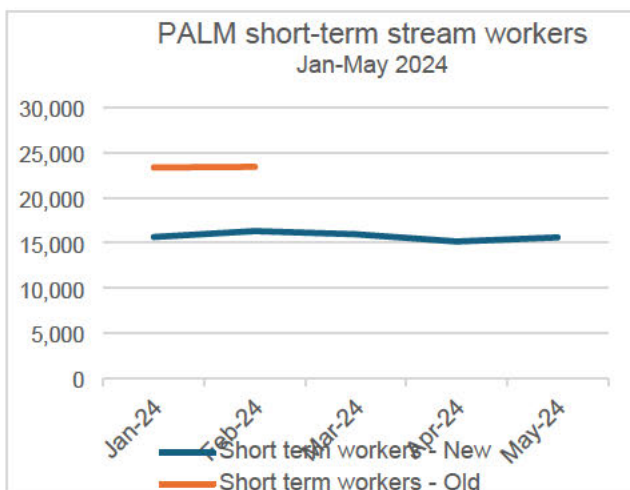
- Up slightly (by 5%) for 2024 to date, and while encouraging, the 5 months of available data is too short to draw any conclusions about long-term trends.



Note: In each of the charts, the orange line depicts the original worker count, while the navy blue line shows the new/revised count.

By stream:

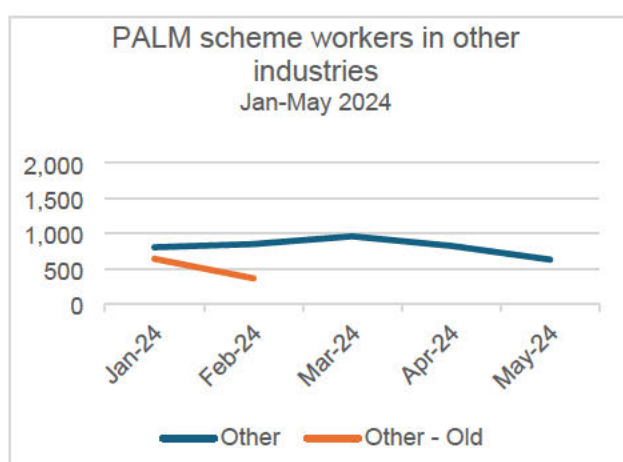
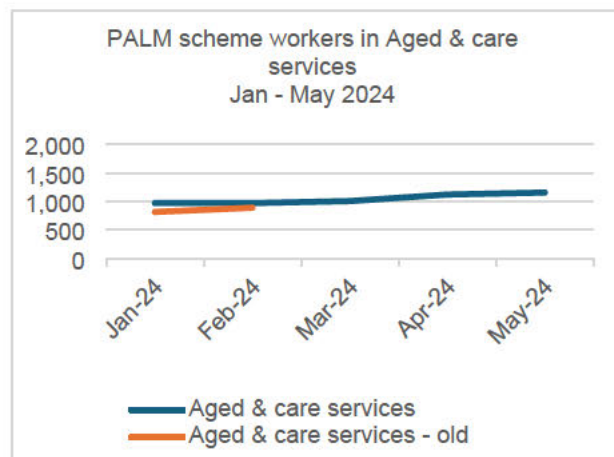
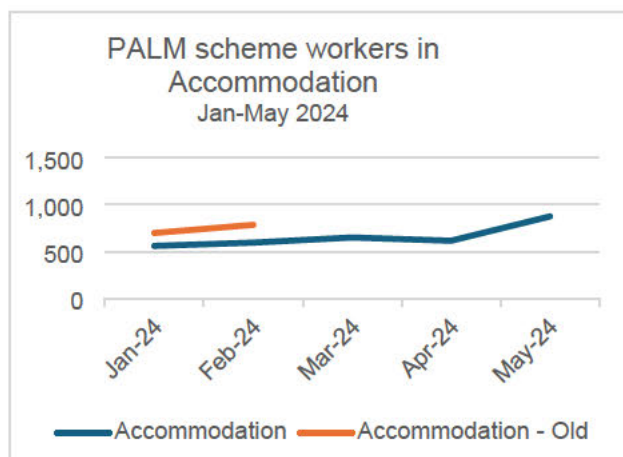
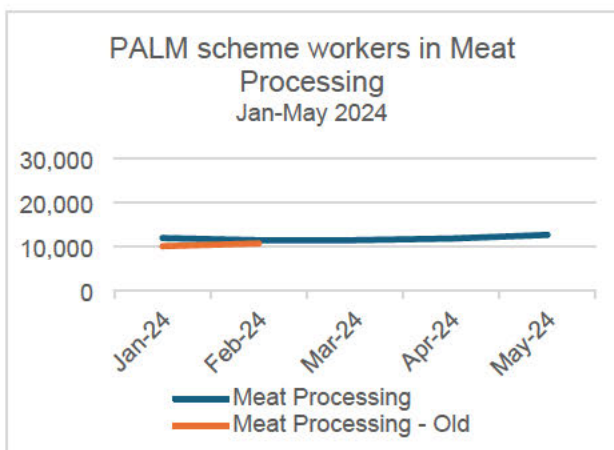
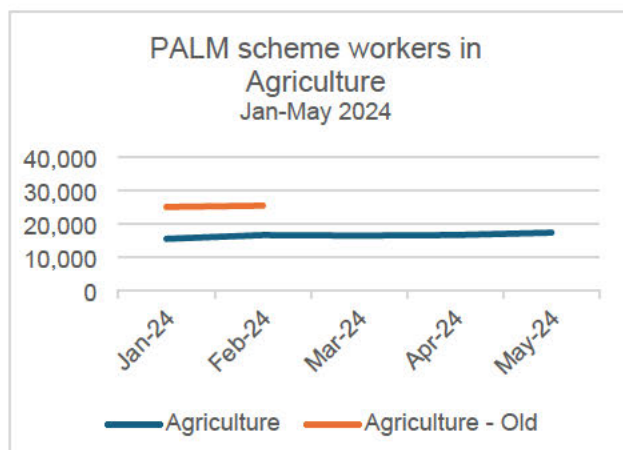
- Both the short-term and long-term streams are slightly up over the year.



By industry

(data by industry excludes 408 visa holders in the charts)

- Agriculture is increasing in 2024, by around 3% so far this year when 408 visa holders are included.
- other industries are increasing slightly or steady.

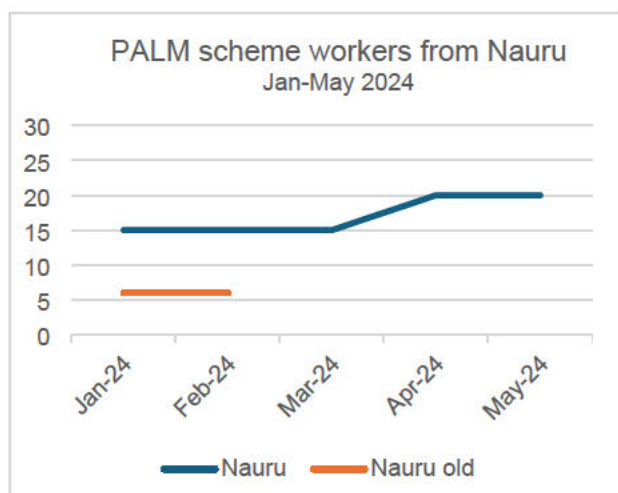
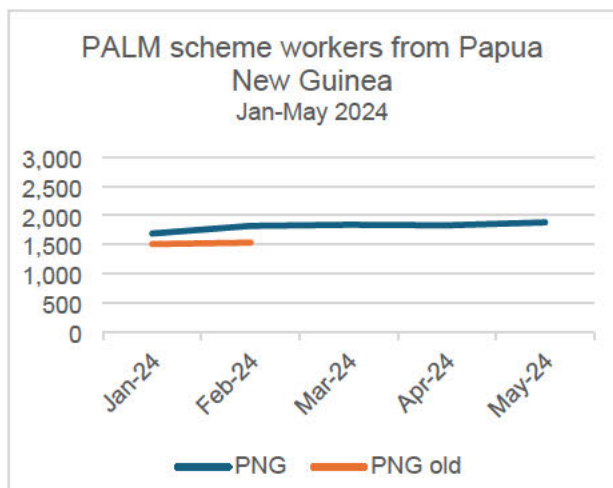
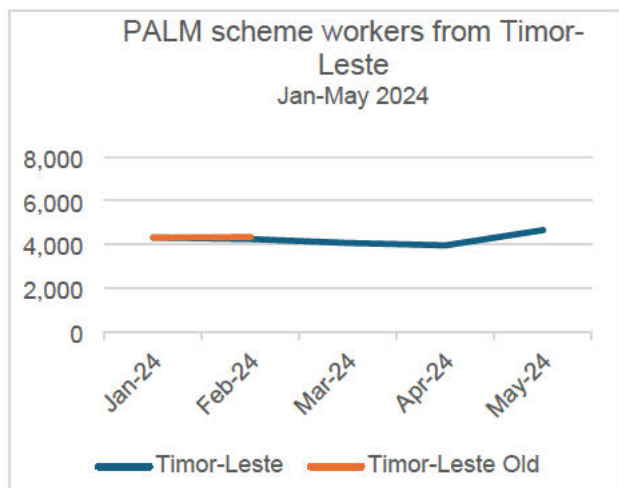
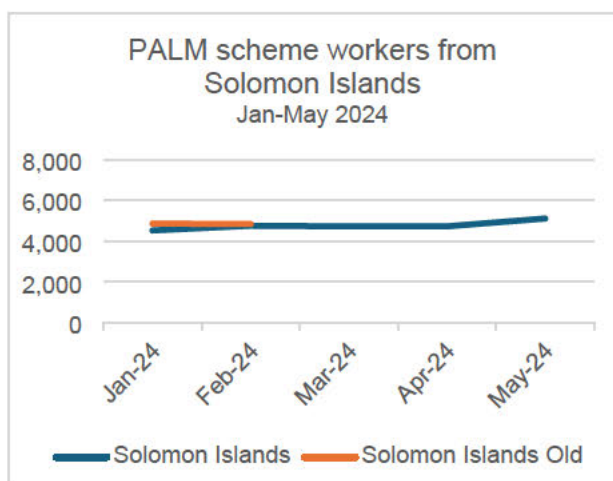
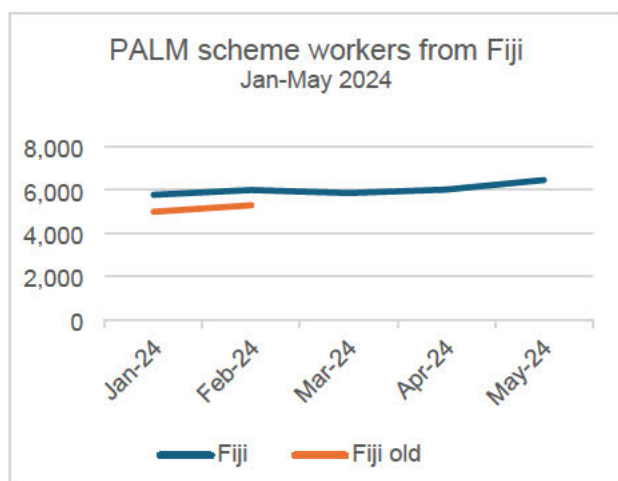


Includes: Health Care and Social Assistance. Includes aged, disability and other health care services, including residential care.

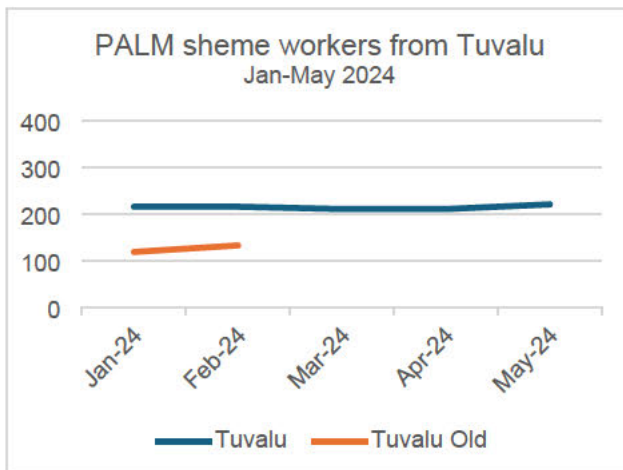
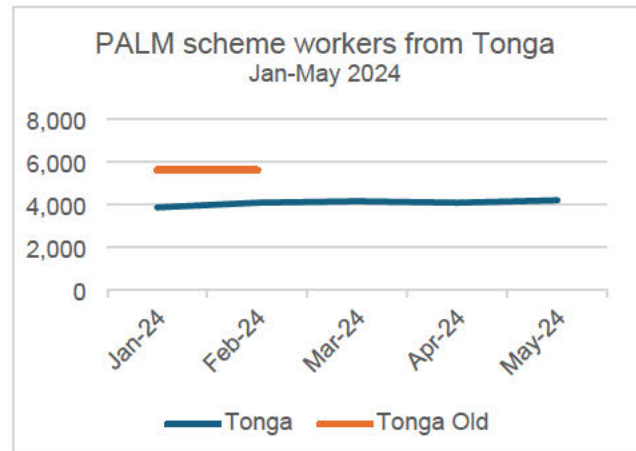
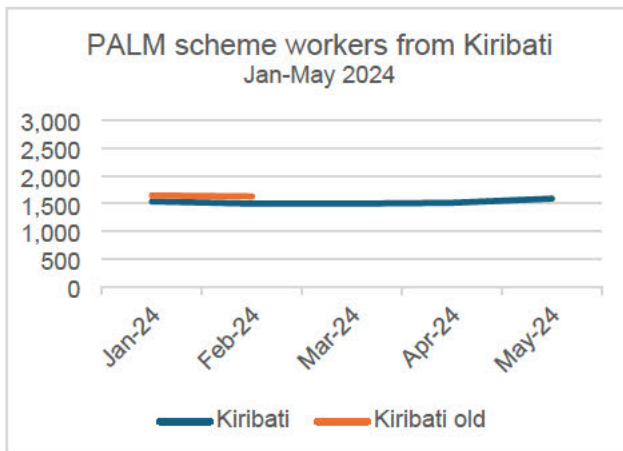
Other industries includes all remaining industries, that are not otherwise classified to the industries above (Agriculture, Meat Processing, Accommodation, and Aged & Care Services).

By country of origin:

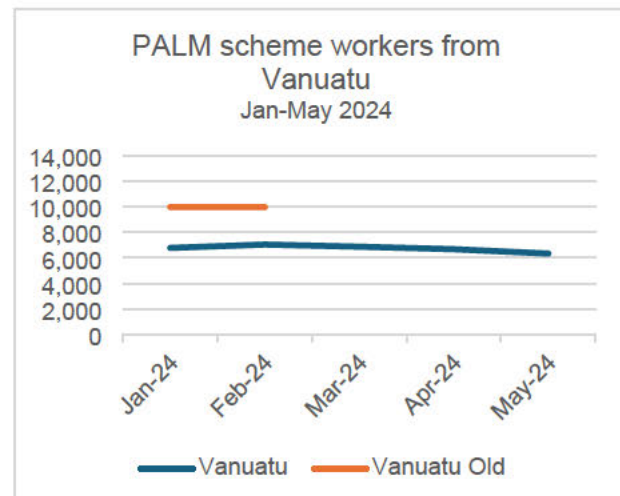
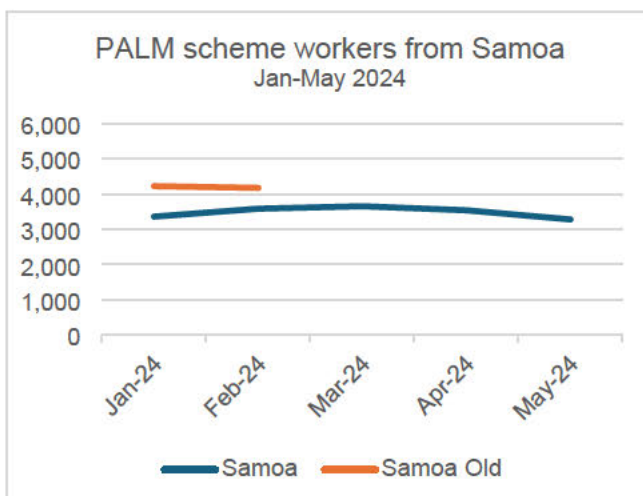
- Fiji, Nauru, PNG, Solomon Islands, Timor-Leste: increasing over 2024 to date.
 - In addition, the recalculated data is over or in line with the previously reported data.



- Kiribati, Tuvalu, Tonga: slight increases/steady over 2024 to date.
 - The recalculated data is under the previously reported data for Kiribati and Tonga, and over for Tuvalu (noting it is a small sending country).



- Samoa, Vanuatu: slight decreases (-2% and -6%) for 2024 to date.
 - The recalculated data is under the previously reported data for each of these countries.



Document 36 at pages 219-220 deleted pursuant to section 33(b) of the Freedom of Information Act 1982

PALM scheme data - first public release

Talking points - attributable to the MO/department

- The Australian Government is committed to responsible and sustainable growth of the PALM scheme to meet industry demand and the aspirations of partner countries. Our analysis confirms this is on track.
- The Department of Employment and Workplace Relations has conducted a quality review of PALM scheme data, specifically worker data, to ensure the availability of quality and reliable data.
- With the completion of the review, I am pleased to announce that, for the first time, PALM scheme data is publicly available on the PALM scheme website. This release of 2024 data supports stakeholders to access reliable and transparent data when they need it.
 - Data will continue to be released monthly.
 - Additional data, covering historical time periods, will be published by end September 2024.
- The 2024 data shows a healthy trajectory, with continued demand from employers for workers from our neighbouring Pacific countries and Timor-Leste.

Background information (not for publication)

- New PALM scheme settings introduced from July 2023, such as the minimum hours requirements and net pay guarantee, have encouraged employers to better plan their workforce needs.
- Data on the number of PALM scheme employers and visa numbers provided by the Department of Home Affairs is not impacted by the review.
- The department is committed to transparently publishing the monthly PALM scheme data on data.gov.au, dewr.gov.au and palmscheme.gov.au.
- The department has commenced its communication with key stakeholders to support improved data entry in line with the requirements of the deed and guidelines (refer MS24-000309).

If asked (for verbal response - not for publication)

If asked: What does the 2024 data show?

- It is too early to infer any long-term trends until the full worker data series is available in September. However, the data provides positive indications there continues to be demand for the PALM scheme:
 - The 2024 data reveals PALM scheme worker numbers have increased slightly between January to June 2024, and overall have been reasonably stable.
 - This is not unexpected and reflects a broad range of factors, including a slowing in the economy and a decrease in the demand for labour.
 - There has also been growth of almost 8% in the number of PALM visas (May 2023 to May 2024) issued by the Department of Home Affairs over the past year.
 - The number of PALM scheme employers has continued to grow since the new deed and guidelines were introduced in July 2023.
 - 78 new employers have joined the scheme since July 2023, bringing the total number of employers to 473 in May 2024, a record high.

If asked: Why was the data review conducted and can I get more detail on the findings?

- Insourcing the PALM scheme has enabled the department to strengthen oversight of the scheme's domestic operations and included the implementation of a new delivery model with enhanced capability and functions.
- Shortly after insourcing was finalised, the department commenced a data quality review of PALM scheme worker data to achieve a level of data hygiene not previously possible. The review has been jointly conducted with the department's Chief Data Officer.
- The review identified issues resulting in incorrect calculation of worker counts. The comprehensive data review has revealed previous estimates of worker counts for January and February 2024 were over reported by around 13% (or around 5,000 workers).
 - This does not represent a drop in workers, rather it is a correction of previously reported data.
 - The department's analysis reveals these errors have been present for some time and have likely been carried forward over time.
- The department has established a new methodology to calculate worker counts and has applied a disciplined process to recalculate worker data.

If asked: Does the drop in worker data demonstrate an overall decrease in the number of PALM scheme workers in agriculture?

- The data quality review revealed a range of industries were impacted by the incorrect calculations.
 - Worker counts in the short-term PALM scheme stream were the most impacted and were revised down by about 30% in February 2024. By contrast, worker counts in the long-term stream were revised up, by 15% in February 2024.
 - The downward revision in the short-term stream had a significant impact on worker counts in agriculture, as this industry comprises most short-term and cyclical work. In agriculture, worker counts were revised from 25,402 to 18,990 in February 2024, a reduction of 6,412 workers (or 25%).
 - This does not reflect a drop in the number of workers in agriculture. The department's analysis reveals that the over reporting in worker counts has been present for some time.
 - The review has enabled the department to correct a range of data collection issues to ensure reliable and transparent data is available.
 - The 2024 data shows 3% growth in agriculture sectors of the PALM scheme from January to May 2024.

Data Publication - Communication Strategy

Key actions already completed ahead of 31 July data publication [as at mid-July 2024]

- Key stakeholders/partner agencies informed of developments throughout data quality review and data publishing planning process, including:
 - 17 June: PALM scheme update and each subsequent fortnightly edition (audience is key scheme stakeholders including internal DEWR/partner agency staff, HOMs, LSUs, CLOs, employers, etc.) included information on data quality review and upcoming data release, including reminder for employers to update worker arrival/departure information.
 - 26 June: PALMIS update (audience is all approved employer PALMIS users) included information about data quality review, upcoming data release and reminder for employers to update worker arrival/departure information. This will be repeated in subsequent monthly editions.
 - Mid July: Partner agencies informed of overall trends in the January-May data analysed to date.

Next steps - initial release of public PALM scheme data (31 July)

- Inaugural set of PALM scheme data will be published/released on 31 July, and communication activities will occur in the following stages:
 - Friday 26 July/Monday 29 July: Updated talking points shared with the MO, partner agencies, PLOD staff and other key stakeholders.
 - Monday 29 July: Brief announcement in regular PALM scheme update about the upcoming inaugural release of January-June 2024 PALM scheme data on palmscheme.gov.au, dewr.gov.au and data.gov.au, noting the data will be published on 31 July.
 - Tuesday 30 July: January-June 2024 data tables document shared via email with partner country HOMs and partner agencies under embargo.
 - Wednesday 31 July:
 - January-June 2024 data tables published on palmscheme.gov.au, dewr.gov.au and data.gov.au
 - Special edition PALM scheme update with information and links to data tables
 - Data release agenda item discussion at HOM roundtable
 - Information and links shared with DFAT posts via cable (DFAT)
 - August: data release discussion at PALM scheme advisory group meeting/other scheduled committee meetings, partner country representative meetings.

Final step (by September 2024)

- The release of historical time series, with explanation of the new methodology, and related data caveats. This will include messaging to key stakeholders, including whole of Australian government agencies. This will occur before the next Minister and Head of Mission roundtable (due in December 2024).
- The September 2024 release will follow similar process to 31 July data publication.

Ongoing

- Messaging will continue with employers and labour sending units to promote accurate and timely data entry as detailed in MS24-000309.

MS24-000910

Standard Brief

To **Minister for Employment and Workplace Relations**

Action Required **For Decision**

Response to the NSW Anti-Slavery Commissioner's correspondence regarding the report *'Be Our Guests: Addressing urgent modern slavery risks for temporary migrant workers in regional and rural New South Wales'*

Timing Please action by **8 November 2024** to allow Dr James Cockayne, NSW Anti-Slavery Commissioner (the Commissioner) to consider the Australian Government's response.

Recommendations:

1. That you **sign** the letter (**Attachment C**) to the Commissioner in response to his correspondence to you on 23 September 2024 regarding the report *'Be Our Guests: Addressing urgent modern slavery risks for temporary migrant workers in regional and rural New South Wales'* (the report).
Signed / Not signed / Please discuss
2. That you **approve** the activities proposed in the Pacific Australia Labour Mobility (PALM) scheme communication strategy in response to the issues raised in the report (**Attachment D**), noting that specific content approvals will be sought as required prior to specific activities being implemented.
Approved / Not approved / Please discuss

Minister Watt

Date: / /2025

Comments:

Clearing Officer:	s 22(1)	First Assistant Secretary Pacific Labour Operations Division Employment and Workforce Group	s 22(1)
Contact Officer:	s 22(1)	Assistant Secretary PALM Operations Policy Branch Pacific Labour Operations Division Employment and Workforce Group	s 22(1)

Executive summary:

1. On 23 September 2024, the Commissioner wrote to you (refer **MC24-003481**) regarding the report (letter at **Attachment A**, report at **Attachment B**).
2. The Department of Employment and Workplace Relations understands that the Commissioner also wrote along similar lines to the Attorney-General, the Hon Mark Dreyfus KC MP, the Hon Tony Burke MP, Minister for Home Affairs, and the Hon Amanda Rishworth MP, Minister for Social Services.

MS24-000910

3. The department has consulted closely with key agencies to develop a whole-of-government response to the Commissioner (**Attachment C**) and a draft communication and media strategy, including whole-of-government talking points and a positive PALM scheme promotion campaign (**Attachment D**).

Key Points:

4. On 24 October 2024, the department briefed you on the Commissioner's report and noted that the department, in consultation with other whole-of-government delivery partners, was reviewing claims relating to the PALM scheme (refer to **MS24-000910**).
5. The Commissioner wrote to you on 23 September 2024, providing a copy of his report and highlighting the risks identified in relation to the PALM scheme. s 33(b)

8. The department has commenced work on positive media drops. The department will share these with your office shortly.

Next Steps

9. s 33(b)

MS24-000910

10. The department and DFAT, including DFAT's Ambassador to Counter Modern Slavery, People Smuggling and Human Trafficking, are meeting with the Commissioner on 5 November 2024, to discuss findings of the report.

Public Sensitivities:

11. Following the tabling of the report in NSW State Parliament on 18 September 2024, several media reports have been published.
12. The communication strategy, including whole-of-government talking points and a positive PALM scheme promotion campaign, will also support responses to media queries.

Consultation: Yes

13. The department has consulted with key Commonwealth agencies to prepare a whole-of-government response letter to the Commissioner. This includes DFAT, Home Affairs, Fair Work Ombudsman, Department of Social Services, Department of Health and Aged Care, Attorney-General's Department, Department of Agriculture, Fisheries and Forestry, and Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

Legal advice / Legislative impacts:

14. N/A

Financial impacts:

15. N/A

Stakeholder Implications:

16. The department is working closely with DFAT, our whole-of-government partners, our Pacific and Timor-Leste partners, industry, unions and community organisations to ensure the scheme delivers for all stakeholders, including whether policy changes may be required.

Attachments:

- A:** Letter from the NSW Anti-Slavery Commissioner
- B:** Report *Be Our Guests: Addressing urgent modern slavery risks for temporary migrant workers in regional and rural New South Wales* report
- C:** Response letter to the NSW Anti-Slavery Commissioner
- D:** Communication and media strategy

SENATOR THE HON MURRAY WATT
MINISTER FOR EMPLOYMENT AND WORKPLACE RELATIONS

MS24-000910

Dr James Cockayne
NSW Anti-slavery Commissioner

Commissioner.Cockayne@dcj.nsw.gov.au

Dear Commissioner

Thank you for your correspondence of 23 September 2024 attaching your report to the NSW Parliament, *'Be Our Guests: Addressing urgent modern slavery risks for temporary migrant workers in regional and rural New South Wales'* (the report). I understand that you have also written to other federal Ministers with relevant responsibilities. I am pleased to be able to respond on behalf of the Australian Government, reflecting the commitment and work across our portfolios.

Your report comprehensively assesses the key risks of modern slavery and exploitative practices faced by temporary migrant workers across rural and regional NSW. The findings of the report highlight the need to strengthen protections for temporary migrant workers. Our government is deeply committed to addressing this issue and has taken active steps protect all workers over the past 2 years.

Migrant workers make a significant contribution to the Australia economy, help fill labour shortages across Australia, including rural and regional Australia, and enrich the culture of Australian communities. The government is working to improving conditions for all migrant workers by delivering migration and workplace relations systems that treat them fairly and protect them from exploitation.

While your report acknowledges that temporary migration is largely well-managed in NSW, there remain significant risks for workers. The government takes a zero-tolerance approach to worker exploitation. Under national workplace laws, all workers in Australia are entitled to the same minimum workplace rights and protections, noting that some migrant workers have work related restrictions imposed through visa conditions. The government acknowledges that temporary migrants are at higher risk of exploitation and modern slavery.

The government is driving broader reforms to workplace relations and migration settings to combat migrant worker exploitation and remove barriers to reporting exploitation and seeking support. This includes reforms that give effect to the government's commitment to implement all recommendations of the 2019 Report of the Migrant Workers' Taskforce. Further details about the government's initiatives to combat migrant worker exploitation and modern slavery risks, including in the Pacific Australia Labour Mobility (PALM) scheme, are attached to this letter.

Your report specifically raised risks associated with the PALM scheme. The PALM scheme is highly valued by Pacific island countries and Timor-Leste, and makes a significant contribution to their communities and economies.

It supports the economic development of these countries, with remittances accounting for more than 40% of GDP in some participating countries. The scheme has helped to build vocational skills of returning workers and strengthened the domestic labour markets of participating countries. It also makes a valuable contribution to the Australian economy and local communities, including by filling workplace shortages in rural and regional Australia.

The government has committed \$440 million across successive budgets (2022–27) to expand and improve the PALM scheme, including to better protect and support workers while in Australia. This includes bringing administration and oversight of the domestic operations into the Department of Employment and Workplace Relations. Since 2022 we have supported additional country liaison officers to provide culturally appropriate support to workers; strengthened transparency and compliance mechanisms; better prepared workers and their families for their mobilisation through a comprehensive pre-departure briefing to inform workers of their rights and the supports available to them; increased requirements for approved employers in relation to worker safety and wellbeing; and supported reintegration activities on return. The resourcing and powers of the Fair Work Ombudsman to crack down on migrant worker exploitation have also been further strengthened, including through additional funding of \$27.3 million from 2023–24 over 4 years to protect PALM scheme workers.

The government introduced new PALM scheme settings in June 2023 which aim to strengthen protections for PALM workers and improve worker experiences. These measures which include minimum hour and payment settings are detailed in the attachment. A review of the impact of these settings is currently underway. I expect to receive the findings before the end of the year and would be happy to share an update and any outcomes of that review with you in due course.

To participate in the PALM scheme, employers are subject to stringent vetting processes in relation to Australian workplace laws. The PALM scheme settings also provide a level of protection above legislated minimums. This recognises that PALM workers are making a significant upfront commitment and spending time-away from their families and communities to participate in the scheme.

The wellbeing of PALM scheme workers is of central importance to the Australian Government and to our partner countries. The government takes all allegations of PALM scheme worker exploitation seriously and acts immediately to investigate specific allegations raised.

Where appropriate, the department refers matters to other relevant agencies, such as law enforcement, Fair Work Ombudsman and the Department of Home Affairs.

Your report specifically raises complexities and challenges in the Griffith and Leeton region of NSW. The department has met with workers, community groups, local councils, and employers in the region on 13 occasions since March of this year and continues to work proactively in the area. The employer that you profile in the report was a PALM Approved Employer terminated by mutual agreement from the scheme in September 2023.

The government continues to review measures in place and work to improve the PALM scheme to ensure partner countries, workers, employers, and communities continue to benefit.

I encourage you to share any information you can with the department to assist with further investigations into the issues and case studies you raise in your report. I understand that senior officials from the department and the Department of Foreign Affairs and Trade are due to meet with you in early November to discuss your findings in greater detail. I welcome this ongoing engagement.

Anyone with concerns about PALM scheme workers' welfare and wellbeing should contact the PALM scheme support line immediately (phone 1800 515 131 or email PALM@dewr.gov.au) or contact the FWO or Border Watch.

Should you wish to discuss the PALM scheme further or share information regarding worker concerns, please contact s 22(1) , First Assistant Secretary, Pacific Labour Operations Division on s 22(1) . For matters regarding the Working Holiday Maker program or other temporary work visas, please contact s 22(1) , Skilled Visa Branch, on s 22(1) .

I have copied this letter to the Attorney-General, the Hon Mark Dreyfus KC MP, the Hon Pat Conroy MP, Minister for International Development and the Pacific, and the Hon Tony Burke MP, Minister for Home Affairs.

Thank you again for raising this matter with me.

Yours sincerely

MURRAY WATT / /2025

Enc

Australian Government initiatives to combat migrant worker exploitation and modern slavery risks

Australia has comprehensive legislative and policy frameworks to combat modern slavery, including:

- a robust criminal justice framework that has penalties of up to 25 years' imprisonment.
- a visa framework that enables suspected victims of modern slavery to remain lawfully in Australia to receive support and assist with a criminal investigation
- specialist Australian Federal Police (AFP) teams which investigate crimes involving exploitation, trafficking, slavery and human trafficking
- the Australian Government funded Shadow Economy Program, which includes the Shadow Economy Taskforce comprising of 11 federal agencies to address shadow economy behaviours impacting on the taxation and regulatory systems, including workplace exploitation
- protections for victims and survivors giving evidence in court
- a dedicated Support for Trafficked People Program (STPP) which provides individualised case-managed support for victim-survivors of modern slavery.
- a National Action Plan, with 5 National Strategic Priorities: prevent, disrupt, investigate and prosecute, support and protect, partner, and research.

The Australian Government is further strengthening its response to modern slavery at home and abroad, including its root causes through:

- providing \$24.3 million over 4 years (from 2023-24) and \$5.9 million per year ongoing to enhance STPP to better meet the needs of victims and survivors of modern slavery
- introducing in July 2024, an 18-month pilot of an additional referral pathway which is enabling clients to access the STPP through a referral by a consortium of community service providers (led by the Salvation Army), without the requirement to engage law enforcement.
- establishing an Australian Anti-Slavery Commissioner role with \$8.0 million in funding over 4 years and \$2.0 million thereafter to engage and support victims and survivors of modern slavery in Australia, and to work with Commonwealth agencies and across sectors to bolster our response to modern slavery.

Introduction of broader Government reforms to address migrant worker exploitation in Australia:

- The *Migration Amendment (Strengthening Employer Compliance) Act 2024*, commenced 1 July 2024, introducing a range of mechanisms to bolster compliance and enforcement efforts and enhance protections for vulnerable migrant workers, including powers to prohibit employers from hiring additional temporary migrant workers if they have been found to have previously engaged in serious, deliberate or repeated exploitation.
- The Workplace Justice Visa Pilot enables temporary migrant workers who have been exploited while working in Australia to extend their stay for a short period to pursue workplace justice. This visa is available to a range of temporary visa holders who are unable to effectively pursue the matter before the end of their visa, including PALM scheme workers. Applicants must have their claim of exploitation certified by a recognised expert, and they must have appropriate support to pursue the matter.
- The Strengthening Reporting Protections Pilot legislates protections from visa cancellation in prescribed circumstances. The aim is to address the fear that reporting exploitation or seeking to resolve the issue would result in visa cancellation.
- Progressing, together with states and territory governments, a harmonised approach to national labour hire regulation. This will ensure consistent protection for labour hire workers irrespective of where they work. The NSW Government's support in this work is acknowledged.
- The *Fair Work Legislation Amendment (Closing Loopholes) Act 2023* introduced a criminal offence for intentional wage theft, with the offence commencing from the later of 1 January 2025 or the day after a Voluntary Small Business Wage Compliance Code is first declared by the Minister for Employment and Workplace Relations. The Australian Government also increased maximum civil penalties for underpayment related breaches of the *Fair Work Act 2009* through the *Fair Work Legislation Amendment (Closing Loopholes No 2) Act 2024*.

- The Australian Government has committed to extend the Fair Entitlements Guarantee to migrant workers.
- The Fair Work Commission made a decision to change piecework rules in the Horticulture Award which took effect from 28 April 2022—this provided a minimum wage guarantee. This was important in addressing misuse of piece rates and ensuring workers in the horticulture industry receive appropriate pay].

Strengthened worker safeguards in the new PALM scheme Deed and Guidelines

- The PALM scheme settings (above legislated minimums) provide a level of protection for PALM workers and recognise that workers can't access alternative income support. This includes stringent vetting of PALM scheme employers in relation to Australian workplace laws, including work health and safety, immigration requirements, provision of sufficient hours of work, and accommodation standards. Settings align to participating country expectations for protection of workers and recognise the work is performed in sectors at high risk for non-compliance with workplace laws and the restrictions applied to mobility visas. This includes:
 - settings above minimum legislated standards such as minimum hours, low hours safety net, minimum pay safety net, increased transparency of deductions and accommodation standards
 - robust monitoring, compliance, and assurance oversight
 - referral to regulatory authorities where enforcement issues are identified
 - access to welfare and wellbeing support including a 24/7 support line and grievance reporting processes
 - requirements for employers to provide a culturally safe and inclusive workplace, as well as undertake cultural competency training related to the country/ies they are seeking to recruit from.
 - requirements for employers to source accommodation and arrange transport that is affordable, comfortable and safe.
 - Australian Government also funds the Community Connections program that provides support to PALM workers and helps create better relationships between workers and their local communities and improved cultural understanding. This program is available in NSW.
- PALM program delivery is underpinned by robust monitoring, compliance, and assurance framework that includes a range of controls and action to manage and monitor approved employer compliance with PALM scheme settings, applying a risk-based approach. The department has expanded its regional footprint to support both employers and workers and undertakes regular site visits and engagement with workers, including in NSW.
- The Australian Government has also established a Disengagement Taskforce to develop an action plan across relevant government agencies on PALM scheme disengagement, including identifying gaps and recommendations for education, prevention, detection, reengagement and enforcement. Many of the recent changes to the PALM scheme, including new minimum hours and minimum net pay requirements, directly address some of the key drivers of disengagement – insufficient hours and pay.

Working Holiday Maker (WHM) program

- A key reform priority outlined in the Australian Government's Migration Strategy is to evaluate regional migration settings and the WHM program. The information, feedback and suggestions gathered from this review will be used to inform development and implementation of future policy options.
- Any changes to program settings will consider stakeholder views, immigration risks, labour market impacts and protections for vulnerable migrant workers.

Document 41 at pages 227-231 deleted pursuant to section 33(a)(iii) of the Freedom of Information Act 1982

DRAFT WofG talking points - highlighting the benefits and protections of the PALM scheme

25 October 2024

General talking points - whole of government

- There is no place for modern slavery in Australia. The Australian Government is strengthening Australia's comprehensive response to combat all forms of modern slavery at home and abroad.
- The welfare and wellbeing of Pacific Australia Labour Mobility (PALM) scheme workers is of central importance to the Australian Government and our Pacific and Timor-Leste partners.
- The PALM scheme settings aim to balance the needs of employers with strong protections for PALM scheme workers. Addressing risks of exploitation is central to new scheme settings and APS program delivery.
- Exploitation of workers is not tolerated, including where workers are coerced to leave the scheme, or their migrant status is used to threaten and coerce.
 - All workers have the same workplace rights and protections as Australian workers.
- The government has introduced a range of measures since June 2023 to strengthen protections for PALM scheme workers, including measures that safeguard against worker exploitation. These include:
 - settings above minimum legislated standards such as minimum hours, minimum pay safety net, increased transparency of deductions and accommodation standards
 - robust monitoring, compliance, and assurance oversight
 - referral to regulatory authorities where enforcement issues are identified
 - access to welfare and wellbeing support including a 24/7 support line and grievance reporting processes
 - requirements for employers to provide a culturally safe and inclusive workplace.
 - PALM scheme employers are required to source accommodation and arrange transport that is affordable, comfortable and safe.
- The government is open to further changes to ensure partner countries, workers, employers and communities continue to benefit from the PALM scheme.
- The impact of COVID-19 correlated with increased disengagement rates 2020-21 and 2021-2022. Since mid-2023, disengagement can be observed to have declined even as the worker numbers grew.
- Where genuine concerns are raised by workers about their workplace or accommodation, the government is able to move them to another PALM scheme employer or require their employer to relocate them to alternative appropriate accommodation.

- An ANU/World Bank survey of more than 2,000 Pacific workers found the vast majority of workers surveyed (over eight out of ten) were very satisfied with their accommodation.
 - 92 per cent of workers said they wanted to work under the scheme again, while 98 per cent of workers said they would recommend the scheme to others.
- The PALM scheme is delivering on our commitment to the Pacific and Timor-Leste to improve mobility opportunities and deepen links between our people.
- The PALM scheme is highly valued by Pacific countries and Timor-Leste and is central to our engagement in the Pacific region.
 - It generates remittances, with PALM scheme workers on average able to save or remit \$1,500 a month and earn up to 9-10 times more than they would be able to in their home countries.
 - It supports the economic development of Pacific countries and Timor-Leste, with remittances accounting for more than 40 per cent of GDP in some participating countries.
 - It builds skills and strengthens the domestic labour markets of participating countries.
 - It makes a valuable contribution to the Australian economy, including by filling workplace shortages in rural and regional Australia.
 - It also enriches the culture of local communities across the country.
- The Australian Government has invested \$440 million (2022-2027) to expand and improve the PALM scheme, including to:
 - strengthen its oversight of domestic operations to better protect and support workers while in Australia
 - embed skills development as a key feature of the scheme including funding 1,500 workers to obtain formal qualifications in important sectors for the region, with 489 workers already obtaining formal aged care qualifications as at 30 September 2024
 - support additional country liaison officers to provide culturally-appropriate support to workers.
- All allegations of PALM scheme worker mistreatment are taken seriously and investigated promptly and where appropriate, matters are referred to the relevant agencies, such as law enforcement and the Fair Work Ombudsman (FWO).
- The overwhelming majority of PALM scheme employers engage with the scheme responsibly. We strongly encourage anyone with concerns about the treatment of PALM scheme workers in Australia to report them by:
 - calling the PALM scheme support service line (1800 51 51 31)
 - emailing the PALM scheme at (palm@dewr.gov.au)
 - lodging a formal complaint to (palm@dewr.gov.au)
 - lodging a grievance to palm@dewr.gov.au (see [Grievance management policy](#)).
- The government will continue to work closely with Pacific and Timor-Leste partners, industry, unions and community organisations to ensure the scheme delivers for all stakeholders.

Background information

- The government is aware that the NSW Government announced a parliamentary inquiry on 15 October 2024 into modern slavery risks faced by temporary migrant workers in rural and regional NSW in response to the first recommendation in the NSW Anti-slavery Commissioner's [report](#) tabled in the New South Wales State Parliament on Wednesday 18 September 2024.
 - The NSW Anti-slavery Commissioner's report found that temporary migration, which includes the PALM scheme, is largely well managed.
 - This is backed by the ANU/World Bank survey which found 92 per cent of workers wanted to work under the scheme again, while 98 per cent would recommend the scheme to others.
 - The Commonwealth Government is reviewing claims relating to the PALM scheme in the Commissioner's report and will take action where necessary.
- Positively, the Commissioner's report acknowledges that the majority of migrant workers who are able to come to Australia, work without exploitation or being subjected to modern slavery practices.
 - They return home with good experiences and tangible benefits of their time in Australia, and PALM scheme workers are no different.
 - This is backed by the Australian National University/World Bank survey of more than 2,000 Pacific workers which found that workers were overwhelmingly satisfied with their experience in Australia.
- The department is in contact with PALM scheme delivery partners in the Department of Foreign Affairs and Trade (DFAT) (which leads on strategic policy and communication for the PALM scheme).
 - The department will continue to work with DFAT colleagues to respond to the claims made in the report and any subsequent queries.
- In the time since the information was gathered by the Commissioner to develop the report, the government has insourced the domestic operations and enhanced the delivery of the scheme.
 - Insourcing has enabled the implementation of a number of reforms to program settings and stronger levers of control in terms of worker protections.
- The government is aware of media coverage on ABC News on 11 October describing the PALM scheme as a 'modern day slavery risk' and calling for increased reforms to protect workers, including increased worker mobility, access to Medicare, better regulations around labour hire and access to the Fair Entitlements Guarantee and greater powers for the Commonwealth Anti-slavery Commissioner. It also references the NSW Anti-slavery Commissioner's report.
 - The ABC also [covered](#) the publication of Commissioner's report after it was published in September, alongside a number of other media outlets.
- The 11 October ABC coverage includes public comments from Australian Council of Trade Unions President Michele O'Neil who the article states is "calling on the government to reform a temporary working visa scheme that prevents workers leaving bad bosses and to blacklist dodgy employers who use migration worker exploitation as a business model".

- On 9 October, the ABC reported on accusations made by Timor-Leste President, His Excellency Jose Ramos-Horta, in a speech at the National Press Club that PALM scheme employers were exploiting Timorese PALM scheme workers by charging excessive costs for accommodation and transport.
 - The department has undertaken a review and has not identified any active or recent cases relating to Timor-Leste workers and accommodation/transport concerns as outlined by President Ramos-Horta.
- On 18 August, allegations were made about exploitation in the PALM scheme in a post shared on social media channels that also referenced the tragic death of a Fijian worker at Midfield Meats in Victoria. This post received widespread media attention in Australia and Fiji.
- The department responded to a number of media inquiries about this publication at the time and worked with DFAT to brief Fijian Government representatives on actions being taken to investigate the allegations raised.

Responses to 'if asked' questions

Do the current requirements for employers to sponsor PALM scheme workers' visas exacerbate worker exploitation?

- PALM scheme employers must meet the Department of Home Affairs' temporary activities sponsorship requirements including being an organisation that is lawfully operating in Australia and demonstrating their capacity to meet their obligations under the scheme.
 - A range of sanctions can be applied against PALM scheme employers who have breached their obligations, including barring them from one or more visa programs, cancelling a sponsorship agreement, infringing an employer/sponsor or pursuing legal action.
- To participate in the PALM scheme, employers are subject to stringent vetting processes in relation to Australian workplace laws, including work health and safety, immigration requirements, provision of sufficient hours of work, and accommodation standards.
- The PALM scheme settings also provide a level of protection for PALM workers above legislated minimums, in recognition that workers are making a significant upfront commitment and time-away from their families and communities to participate in the scheme and can't access alternate income support while in Australia.

What is the government doing to detect and remove unscrupulous operators from the scheme?

- The government applies proactive assurance activities designed to prevent, deter, detect and correct PALM scheme non-compliance with the requirements of the scheme.
- The department monitors PALM scheme employer's compliance with their obligations by undertaking a range of activities, including desktop reviews, targeted assurance activities and monitoring and assurance visits to worksites, accommodation and to meet with PALM scheme workers.
- All allegations of PALM scheme worker mistreatment are taken seriously and investigated promptly and where appropriate, matters are referred to the relevant agencies, such as law enforcement and the Fair Work Ombudsman (FWO).

Will the government take any action in response to the claims made in the NSW Anti-slavery Commissioner's report about the PALM scheme?

- There is no place for modern slavery in Australia. The Australian Government is strengthening Australia's comprehensive response to combat all forms of modern slavery at home and abroad.
- The government takes all allegations of PALM scheme worker exploitation seriously.
- The government acknowledges the NSW Anti-Slavery Commissioner Report and NSW parliamentary inquiry. Some aspects of the report do not reflect PALM scheme settings implemented in mid-2023 and a letter will be prepared for the NSW Anti-Slavery Commissioner to outline these.

What is the government doing to address calls for the increased mobility of PALM scheme workers?

- The PALM scheme already supports workers to change employers where concerns arise about their employer, place of employment, or available work hours. This process is administered by DEWR.
- The government is aware of the suggestion from the Lowy Institute that the PALM scheme could be improved by allowing PALM scheme workers to unilaterally leave their employers with one to two months' notice.
- The government is also aware that ACTU President Michele O'Neil has recently called for mobility rights to allow PALM scheme workers to change employers particularly if they have concerns in relation to their employer.

What is the government doing to address PALM scheme worker disengagement?

- The government has established a Disengagement Taskforce to develop an action plan across relevant government agencies on PALM scheme disengagement, including identifying gaps and recommendations for education, prevention, detection, reengagement and enforcement.
- Many of the recent changes to the PALM scheme, including new minimum hour and minimum net pay requirements, directly address some drivers of disengagement - insufficient hours and not enough pay.
- Agencies across government (DFAT, DEWR, ABF and FWO) are responding by
 - improving conditions for workers to address drivers of disengagement (for example new minimum hours and take-home pay requirements)
 - enabling employers to work together to ensure enough hours are available to workers
 - resourcing FWO and ABF to act against unscrupulous people who encourage workers to disengage
 - and providing culturally appropriate avenues - including through country liaison officers and DEWR - for workers to raise and resolve issues before they escalate.
- The government is also driving broader reforms to workplace relations and migration settings to combat migrant worker exploitation and overcome barriers to reporting exploitation. These changes benefit all temporary migrant workers, including PALM workers.
- Workers with concerns about their work conditions can contact their CLO, the FWO, or call the PALM scheme 24/7 support service line for help and advice on 1800 51 51 31 or via (PALM@dewr.gov.au).
 - The PALM scheme also has grievance reporting processes which allows for anonymous submissions.

How is the government responding to calls for PALM scheme workers to have access to Medicare?

- Access to Medicare will be provided for the 200 workers and their families participating in the government's family accompaniment pilot.
- All PALM scheme workers are required to hold adequate health insurance while in Australia as part of their visa conditions.
 - This supports workers to access health services without the risk of excessive costs.
- Health insurance is usually arranged and paid for initially by the PALM scheme employer with ongoing deductions from the worker's pay to cover the premiums.
 - A customised PALM scheme health insurance product is available for PALM scheme workers to reduce costs and includes tailored information resources for PALM scheme workers.
 - NIB is currently the preferred insurer for workers under the PALM scheme.

What cultural support is provided to PALM scheme workers while they are in Australia?

- The government is committed to supporting culturally appropriate worker support services. This includes:
 - Pacific and Timor-Leste government country liaison officers (CLOs) who can provide culturally appropriate worker welfare support.
 - The Community Connections program which builds positive relationships between PALM scheme workers and their local communities, helping workers settle into life and work in Australia.
 - Requirements for PALM scheme employers to undertake cultural competency training or demonstrate cultural competency related to the country or countries their PALM scheme workers come from.
 - Within the government, the PALM scheme support service line includes staff with Pacifica backgrounds.
 - Where government staff meet with PALM scheme workers, where possible, an officer of the same cultural background as the workers attends to create cultural safety and assist with language and translation if required.
 - Government staff implementing the PALM scheme in Australia are required to meet the same cultural competency requirements
 - A range of factsheets and supporting information available in all participating partner country languages on the PALM scheme website.
- DEWR has contracted The Salvation Army to deliver the Community Connections program with their partner network:
 - New South Wales Council for Pacific Communities
 - Pacific Island Council of Queensland
 - Uniting Church of Australia (Synod of Victoria and Tasmania).

- Workers with concerns about their work conditions can contact their CLO, the FWO, or call the PALM scheme 24/7 support service line for help and advice on 1800 51 51 31 or via (PALM@dewr.gov.au).
 - The PALM scheme also has grievance reporting processes which allows for anonymous submissions.

What is the government doing to support PALM scheme workers to access their superannuation savings?

- The government is increasing support for PALM scheme workers to access their superannuation savings and is making it easier to lodge their DASP claim when they return home.
- Additional resources for the Australian Tax Office will supplement existing tax clinics to support workers prepare their Departing Australia Superannuation Payment (DASP) claim while still in Australia.

How is the risk of exploitation by labour hire companies addressed in the PALM scheme?

- Labour hire companies can apply to become PALM scheme approved employers. There are additional requirements applied to labour hire organisations seeking to engage in the scheme.
 - As part of the application process, labour hire companies must provide copies of the last 5 years of financial statements prepared by an external accountant, to evidence continuous operation in the industry you are applying for.
 - It is a requirement of the PALM scheme deed that labour hire organisations are required to licensed under the relevant state or territory law in which they operate, hold and maintain its relevant licence, and comply with any applicable labour hire licensing laws in Australia, including under relevant state and territory legislation.
- PALM scheme employers who are labour hire organisations must comply with applicable labour hire requirements and laws in Australia, including relevant state and territory laws.
- Host organisations for PALM scheme employers who are labour hire companies must complete cultural competency training or complete a statement of cultural competency.
 - PALM scheme employers who are labour hire companies must also ensure they and their host organisations support workers' welfare and wellbeing as necessary in line with the requirements of the scheme.
- The government is continuing to work with states and territories to progress a harmonised national labour hire licensing scheme.
 - This will ensure consistent protections for labour hire workers, irrespective of where they work.

Why hasn't the Australian Government committed to including the Fair Entitlements Guarantee to migrant workers?

- The government has committed to implementing Migrant Worker Taskforce recommendations, including the recommendation to extend the Fair Entitlements Guarantee to migrant workers.
- The detail and timing for implementing this recommendation remains under consideration by government.

Background only

- Eligibility for the Fair Entitlements Guarantee (FEG) is currently limited to employees who are Australian citizens, permanent residents, or special category visa holders (NZ citizens).
- The government has committed to implementing the recommendations of the Migrant Workers' Taskforce as part of its Plan to Build a Stronger Pacific Family, which includes extending FEG to migrant workers (recommendation 13).
 - Migrant Worker Taskforce recommendation 13: The government extend access to the Fair Entitlements Guarantee program, it should be done following consultation regarding the benefits, costs and risks, and it should exclude people who have deliberately avoided their taxation obligations.
- This commitment was reiterated in the government's response to recommendation 15 of the final report Senate Economics References Committee's inquiry into the unlawful underpayment of employees' remuneration.
 - Recommendation 15: The committee recommends that the Australian Government, as a priority: extend the Fair Entitlements Guarantee to all employees, including those on temporary visas, building on recommendation 13 of the Migrant Workers' Taskforce report.

MS24-000917

Standard Brief

To Minister for Employment and Workplace Relations

CC N/A

Action Required For Noting

PALM scheme: NSW Anti-Slavery Commissioner report 'Be Our Guests: Addressing urgent modern slavery risks for temporary migrant workers in regional and rural New South Wales'.

Timing Not Applicable.

Recommendations:

1. That you **note** the department's analysis of NSW Anti-Slavery Commissioner report '*Be Our Guests: Addressing urgent modern slavery risks for temporary migrant workers in regional and rural New South Wales*' (the report).

Noted / Please discuss

2. That you **note** the Department will separately brief you with:
 - a. a letter in response to the Commissioner's correspondence of 23 September 2024 that addressed whole of government considerations; and
 - b. an updated communications and media strategy

Noted / Please discuss**Minister Watt****Date:** / /2025**Comments:**

Clearing Officer:	s 22(1)	First Assistant Secretary, Emp & W Pacific Labour Operations	s 22(1)
Contact Officer:	s 22(1)	Assistant Secretary, PALM Operations Policy Branch Emp & W Pacific Labour Operations	s 22(1)

Executive summary:

1. Dr James Cockayne, the New South Wales (NSW) Anti-Slavery Commissioner, tabled a report with the NSW Parliament on 18 September 2024, '*Be Our Guests: Addressing urgent modern slavery risks for temporary migrant workers in regional and rural New South Wales*'. The report provides an assessment of modern slavery risks and highlights exploitation of temporary migrant workers, including Pacific Australia Labour Mobility (PALM) scheme workers, in rural and regional parts of NSW. The report is at **Attachment A**.
2. The department is working with other Commonwealth agencies to review claims relating to the PALM scheme and take a whole-of-government approach to the issues raised in the report. While the report pre-dates the insourcing of PALM and new settings implemented in mid-2023 to address worker exploitation risks, the department has taken action in response to some of the issues raised and will continue to investigate the claims in the report.

Key Points:Key findings of the report

3. The key issues raised in the report are attributed to “*the situation of a minority of temporary migrant workers in NSW who are at risk of modern slavery*”. The report states there are different types of migrants in this category, however, goes on to focus on the PALM scheme. The report acknowledges there is very low visibility of migrant workers in exploitative or modern slavery conditions.
4. While the report found that temporary migration is largely well-managed, it highlights exploitative practices against temporary migrant workers in rural and regional NSW (particularly in the Griffith/Leeton area) and suggests disengaged PALM scheme workers face increased risk of exploitation due to visa settings that require them to be sponsored by their employer. This is exacerbated due to workers being reluctant to report mistreatment as they feel employers will not be held accountable, fear reprisal and/or jeopardising their visa status.
5. The report recommends that the Australian Government review visa settings and protection requirements for temporary migrant workers, as well as for an inquiry into modern slavery risks for PALM scheme workers and other temporary migrant workers in agricultural, horticultural and meat processing sectors.
 - a. The NSW Government [announced](#) a Parliamentary Inquiry on 15 October 2024¹ into modern slavery risks faced by temporary migrant workers in rural and regional NSW in response to the recommendation. Submissions to the inquiry will close on 31 January 2025.
6. The report details a case study of an employer, Linx Employment TAS Pty Ltd (page 21 of report). This employer was a PALM Approved Employer terminated by mutual agreement from the scheme in September 2023. Affected workers were then either transferred to new PALM approved employers or, where they had completed their deployment, were supported to return home. Several workers are known to have disengaged and remain in the community. The department has actively attempted to contact and assist disengaged workers.
7. Following this action and at the direction of the former Minister for Employment and Workplace Relations, the PALM Interdepartmental Disengagement Task Force was established (refer MS23-000732).
 - a. Phase one addressed the worker disengagement associated with Linx Employment and examined key lessons as a result of the compliance action (refer MS24-000099).
 - b. Phase 2 of the Taskforce is underway and is examining approaches reduce and respond to disengagement more broadly with the report due to the Minister for Employment and Workplace Relations by the end of 2024.

PALM reform and enhancements since 2022

8. The findings in the report predate measures introduced since the Government insourced PALM operations and introduced measures to strengthen protections for PALM scheme workers in June 2023, including:
 - a. Insourcing domestic delivery of PALM Scheme, bringing the program into the portfolio responsible for workplace protections and implementing a new delivery model.

¹ Parliament of New South Wales, Media Release, INQUIRY ESTABLISHED INTO MODERN SLAVERY RISKS FACED BY TEMPORARY MIGRANT WORKERS IN RURAL AND REGIONAL NEW SOUTH WALES, 2024, online, accessed 23 October 2024.

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- b. settings above minimum legislated standards such as minimum hours, minimum pay safety net, increased transparency of deductions and accommodation standards
 - c. robust monitoring, compliance, and assurance oversight
 - d. referral to regulatory authorities where enforcement issues are identified
 - e. improved access to welfare and wellbeing support including a 24/7 support line and grievance reporting processes
 - f. requirements for employers to provide a culturally safe and inclusive workplace and undertake cultural competence training
 - g. requiring PALM employers to source accommodation and arrange transport that is affordable, comfortable and safe
 - h. an updated Community Connections program that provides support to workers and helps create better relationships with local communities and improved cultural understanding.
9. The government has invested \$440 million (2022-2027) to expand and improve the PALM scheme, including to:
- strengthen its oversight of domestic operations to better protect and support workers while in Australia
 - embed skills development as a key feature of the scheme including funding 1,500 workers to obtain formal qualifications in important sectors for the region, with 489 workers already obtaining formal aged care qualifications as at 30 September 2024
 - support additional Country Liaison Officers to provide culturally appropriate support to workers.
10. The Government also made commitments to implement the recommendations of the 2019 [Migrant Worker Taskforce Report](#)², has implemented new laws that better protect migrant workers and [create offences](#) that make it illegal for employers, including sponsors and labour hire firms, to exploit workers³ and rolled out the [Workplace Justice Visa Pilot](#).

Engagement with the Commissioner and Griffith/Leeton community representatives

11. In the past few weeks, the department has met with the NSW Anti-Slavery Commissioner and community stakeholders in the Griffith/Leeton area of NSW (**Attachment C**) to discuss worker wellbeing, community matters and options for worker re-engagement. At that time, stakeholders were asked to provide any information and/or evidence about worker exploitation for investigation.

Next steps

12. The Commissioner wrote to you on 23 September 2024 in relation to the report and his findings. The department is leading a whole-of-government response to the Commissioner's correspondence, as it has implications for the Foreign Affairs, Home Affairs and Attorney General's portfolios in particular. A draft reply and updated communications strategy will be progressed in a separate brief in the coming days.
13. [The Terms of Reference](#)⁴ for the NSW Inquiry go beyond the PALM scheme. The department is working with the Attorney General's Department (AGD) to consider Commonwealth engagement

² Australian Government, Report of the Migrant Workers' Taskforce, (2019), online, accessed 23 October 2024.

³ See the *Migration Amendment (Strengthening Employer Compliance) Act 2024* amendments to the *Migration Act 1958*. online, accessed 23 October 2024.

⁴ Parliament of New South Wales, Terms of reference Inquiry into modern slavery risks faced by temporary migrant workers in rural and regional New South Wales, 2024, online, accessed 23 October 2024.

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with the Inquiry, and provide you with advice on how to proceed and whether a submission is appropriate.

14. The department and the Department of Foreign Affairs and Trade (DFAT), including DFAT's Ambassador to Modern Slavery, People Smuggling and Human Trafficking, are meeting with the NSW Anti-Slavery Commissioner on 5 November 2024, to discuss findings of the report. DFAT as the lead on strategic policy for the PALM scheme initiated the meeting.

Public Sensitivities:

15. Following publication of the report and tabling in NSW State Parliament on 18 September 2024, several media reports have been published.

16. s 33(a)(iii)

Consultation: Yes

17. The department is consulting closely with key affected agencies to develop whole-of-government messages and suggested handling strategies, and the preparation of the response to the Commissioner.
18. This includes DFAT, Home Affairs, FWO, AGD, Department of Social Services, Department of Health and Aged Care, Department of Agriculture, Fisheries and Forestry, and Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

Legal advice / Legislative impacts:

19. N/A

Financial impacts:

20. N/A.

Stakeholder Implications:

21. The department is working closely with DFAT, our whole-of-government partners, our Pacific and Timor-Leste partners, industry, unions and community organisations to ensure the scheme delivers for all stakeholders, including whether policy changes may be required.

s 22(1)

MS24-000922

Standard Brief

To Minister for Employment and Workplace Relations

Action Required For Noting

PALM approved employer Plant Grow Pick Pty Ltd - Administration

Timing Not Applicable.

Recommendations:

1. That you **note** PALM Approved Employer PGP Group (Aust) Pty Ltd moved into voluntary administration on 16 October 2024 (the second time in 12 months). As a result, up to 650 PALM workers may need to be redeployed to other employers.

Noted / Please discuss
2. That you **note** the Department of Employment and Workplace Relations has established a Taskforce to closely monitor and manage the situation, including engaging with stakeholders, develop contingency plans and actively manage the redeployment of workers.

Noted / Please discuss

Minister Watt

Comments:

Date: / /2025

Clearing Officer:	s 22(1)	First Assistant Secretary, Emp & W Pacific Labour Operations	s 22(1)
Contact Officer:	s 22(1)	Assistant Secretary, PALM Delivery, Emp & W Pacific Labour Operations	s 22(1)

Executive summary:

1. An Approved Employer under PALM, PGP Group (Aust) Pty Ltd (PGP – Plant Grow Pick) (PGP) entered voluntary administration on 16 October 2024. The Administrator advises the period of administration is part of a planned acquisition of the business by KPT Restructuring. Since entering administration in 2023, PGP has been subject to conditions imposed by the department. PGP employs over 650 PALM workers.
2. A decision about the outcome of administration is expected at a second creditors meeting on 20 November 2024. s 47G(1)(a)

This would be the largest redeployment undertaken by the department in the history of the scheme and will require significant resources and planning to deliver on the ground support to workers.

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3. The department has established a taskforce to implement the planned approach during and following the administration, in readiness for a range of possible outcomes.

Key Points:

4. PGP Group is a labour hire company with PALM workers located across Queensland, New South Wales, Victoria and South Australia. s 47G(1)(a)
7. A taskforce commenced on 24 October 2024 to prepare, plan and (if needed) execute the redeployment. Staff are prepared to activate an on the ground response, welfare support for workers and the redeployment process.
 - a. The department had staff on the ground in Mareeba and Emerald in Queensland over 4–7 November 2024 and in South Australia, Mildura and New South Wales from 11–15 November 2024. During these visits staff spoke to workers about the voluntary administration, and ensured appropriate support is being provided by the employer and administrator. The taskforce is prepared for more intensive work, if a major redeployment be required at short notice.
 - b. Staff are actively checking on welfare and wellbeing of workers at each site and seeking to identify any heightened risk of disengagement to best target support from the department, Country Liaison Officers and other stakeholders to areas of high risk.
 - c. An at scale redeployment activity will include several teams concurrently engaging with workers, new employers and other stakeholders across multiple states when the outcome of administration is decided. An outcome is expected at the second creditors meeting on 20 November 2024.
8. Under the PALM Deed and Guidelines, the department applied temporary measures on PGP on 4 November 2024 to manage the impact of PGP re-entering administration. The measures imposed additional reporting requirements and stopped PGP from receiving workers who were scheduled to arrive in Australia up to the end of December 2024. This prevented the need to immediately redeploy those workers upon arrival. As an alternative, the department identified alternate Approved Employers who took on these workers. This minimised the impact on workers, host employers and industry as well as ensuring the safe operation of the scheme.

MS24-000922**Key Risks:**

9. s 47G(1)(a)

10. s 47G(1)(a)

s 42(1)

s 47G(1)(a)

11. s 47G(1)(a)

12. s 47G(1)(a)

Public Sensitivities:

13. Messaging by media may go to this being the second time PGP has entered voluntary administration in 12 months and question why the department has allowed them to remain in the program.

a. The department will provide tailored talking points in anticipation for media enquiries.

Consultation: Yes

14. Fair Entitlements Guarantee Recovery and Litigation Branch in Entitlements Safeguard Division in relation to the administration process and background checks on the entity looking to acquire PGP Group.

15. Home Affairs about joint operations in the event of increased disengagement so that workers' visa status can be resolved on the ground and workers reengaged with the program promptly where possible.

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s 42(1)

Financial impacts:

19. If redeployment is required, the department will incur additional costs related to resourcing and travel.

Communications and media strategy:

20. The department is finalising a communications plan which will include media statements, general talking points and scripts for the PALM information line staff.
 - a. Our communication strategy includes engagement with participating countries, unions, impacted communities, industry groups, PALM employers and PALM workers (worker products will be translated to assist our staff on the ground).
 - b. Department of Foreign Affairs and Trade, Home Affairs, Department of Agriculture, Fisheries and Forestry, the Fair Work Ombudsman and relevant state and local government bodies such as labour hire authorities will also be briefed when required.
 - c. The departments media team has been briefed in advance of any possible media activity.

Stakeholder Implications:

21. The department is aware that DWG/PGP Group had emailed a large number of stakeholders to advise of their purchase of the business.
 - a. s 47G(1)(a)
 - b. The department also met with other relevant stakeholders to update them on the situation, particularly relevant country Labour Sending Units and other representatives of sending countries.

Attachments: N/A

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Standard Brief**To** Minister for Employment and Workplace Relations**CC** N/A**Action Required** For Decision**Thank you letter to Minister^{s 47F(1)} - Minister for Employment Productivity and Workplace Relations, Parliament of the Republic of Fiji****Timing** Please action by **11 November 2024**. The reason is to keep a short timeframe between the visit and the thank you letter.**Recommendations:**

1. That you sign the thank you letter to ^{s 47F(1)} and Workplace Relations (<u>Attachment A</u>).	, Minister for Employment Productivity
Signed / Not signed / Please discuss	
2. That you note the minutes and actions from the meeting with Minister ^{s 47F(1)} on Friday, 18 October 2024 (<u>Attachment B</u>).	
Noted / Please discuss	
Minister Watt	Date: / /2025
Comments:	

Clearing Officer:	s 22(1)	First Assistant Secretary, Pacific Labour Operations Division Emp & W Pacific Labour Operations	s 22(1)
Contact Officer:	s 22(1)	Assistant Secretary, Pacific Labour Operations Division, Emp & W Pacific Labour Operations	s 22(1)

Executive summary:

- Following your meeting with ^{s 47F(1)} and his Fiji delegation on 18 October 2024, a letter has been prepared for you, thanking ^{s 47F(1)} for the meeting and providing a gift (**Attachment A**).

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2. The minutes and actions from the meeting are provided for your information at **Attachment B**. For transparency, the Department of Employment and Workplace Relations will share these with the Department of Foreign Affairs and Trade (DFAT). It is proposed that the department and DFAT continue work on matters raised during the meeting and an update be provided at your roundtable with Pacific and Timor-Leste Heads of Mission on 9 December 2024, as well as during regular engagement between the department, DFAT and Pacific and Timor-Leste Heads of Mission.

Key Points:

3. The letter to s 47F(1) recognises Fiji's role in the PALM scheme, challenges faced and acknowledges the delegation's openness in raising and discussing issues they identified. During the meeting, you and s 47F(1) engaged in dialogue about the difficulties PALM workers experience withdrawing their superannuation and s 47F(1) requested that PALM workers voluntarily contribute to their superannuation fund in Fiji. The letter reinforces the Australian Government's commitment to identifying ways to address access to superannuation, as well as encourages the Fiji government to share information and evidence about misuse of standdown provisions, to enable the department to conduct investigations.
4. The department has arranged an appropriate reciprocal gift for s 47F(1), in line with the Department of the Prime Minister and Cabinet's official gifts guidance. A Small Off Round Platter – Flowering Gum, has been purchased from the official government provider and will accompany the letter to s 47F(1). DFAT will arrange delivery of the letter and gift, in line with relevant protocols.
5. The department will work with DFAT to close the action item from the meeting (DFAT to supply further information about the family accompaniment plot to s 47F(1)).
6. The visit by s 47F(1) and his delegation resulted in several positive stories posted on the Fiji Ministry of Employment, Productivity and Workplace Relations' social media. The Fiji government have expressed their interest in publishing their own positive media release following the meeting. The department is liaising with DFAT on the coordination of this activity.

Public Sensitivities:

7. Nil.

Consultation: Yes

DFAT on the content of the letter and protocols on delivery.

Legal advice / Legislative impacts:

8. Nil.

Financial impacts:

9. Nil.

Background:

10. s 47F(1) and his delegation visited Approved Employers who employ Fijian PALM workers in the week of 14 October 2024.

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11. The 3 teams from the delegation were led by:

- a. s 47F(1) (NSW and Qld site visits)
- b. s 47F(1) Permanent Secretary / Chief Executive Officer Ministry
Employment, Productivity and Workplace Relations (Vic site visits)
- c. s 47F(1) Director National Employment Centre (WA site visits)

12. The Fiji delegation reported very positively about all visits.

Stakeholder Implications:

13. The department does not anticipate any implications to the Government of Fiji, Australian Government, Approved PALM Employers or PALM workers.

Attachments:

- A:** Letter to s 47F(1)
- B:** 18 October 2024 meeting notes

Documents 46 - 48 at pages 256-283 deleted pursuant to sections 33(a)(iii) and 22 of the Freedom of Information Act 1982

s 22(1)

Pacific Australia Labour Mobility Program

- The Government will provide \$168.1 million over 4 years to grow and support the Pacific Australia Labour Mobility (PALM) scheme, aimed at providing unskilled, low-skilled and semi-skilled workers to regional Australia.
- The PALM scheme supports Australian businesses to fill labour gaps in rural and regional Australia by offering access to a pool of reliable and productive workers.
- The Australian Government is committed to responsible and sustainable growth of the PALM scheme to meet industry needs and the aspirations of partner countries.
- The Government is also committed to improving conditions for PALM scheme workers including protecting the welfare of workers, and better pay and conditions.
- New PALM scheme settings introduced in June 2023 support this with minimum hours and net pay guarantee for workers, as well as increased focus on worker welfare and wellbeing.
- These elements, and the continued interest from partner countries in participating in the PALM scheme, will support regional Australia to meet its labour needs, as well as improving local economies.

s 22(1)

Document 48 at pages 285-288 deleted pursuant to section 22 of the Freedom of Information Act 1982