

Australia's agricultural industry, the liberalisation of labour force formation and the exploitation of migrant workers

Conference on Farm Labor 2019:
Other Countries, California, and Immigration
University of California Davis

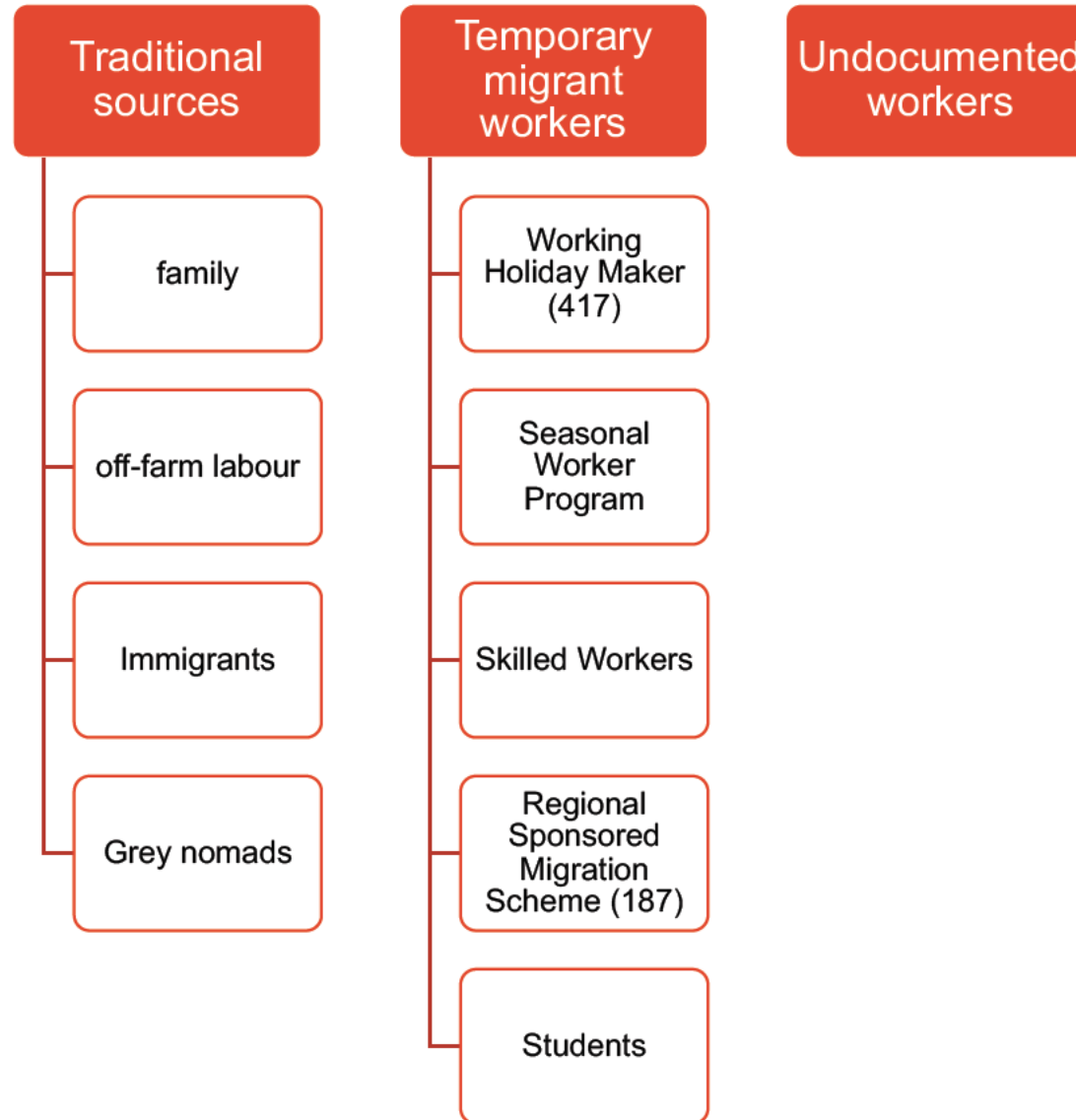
A/Prof Stuart Rosewarne and
Dr Christine Brickenstein

5 April 2019

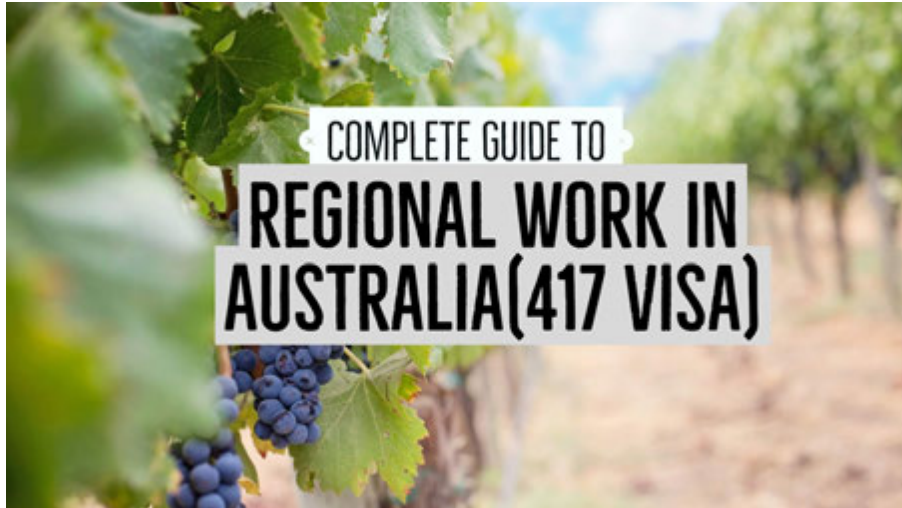


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An expanding industry in search of labour



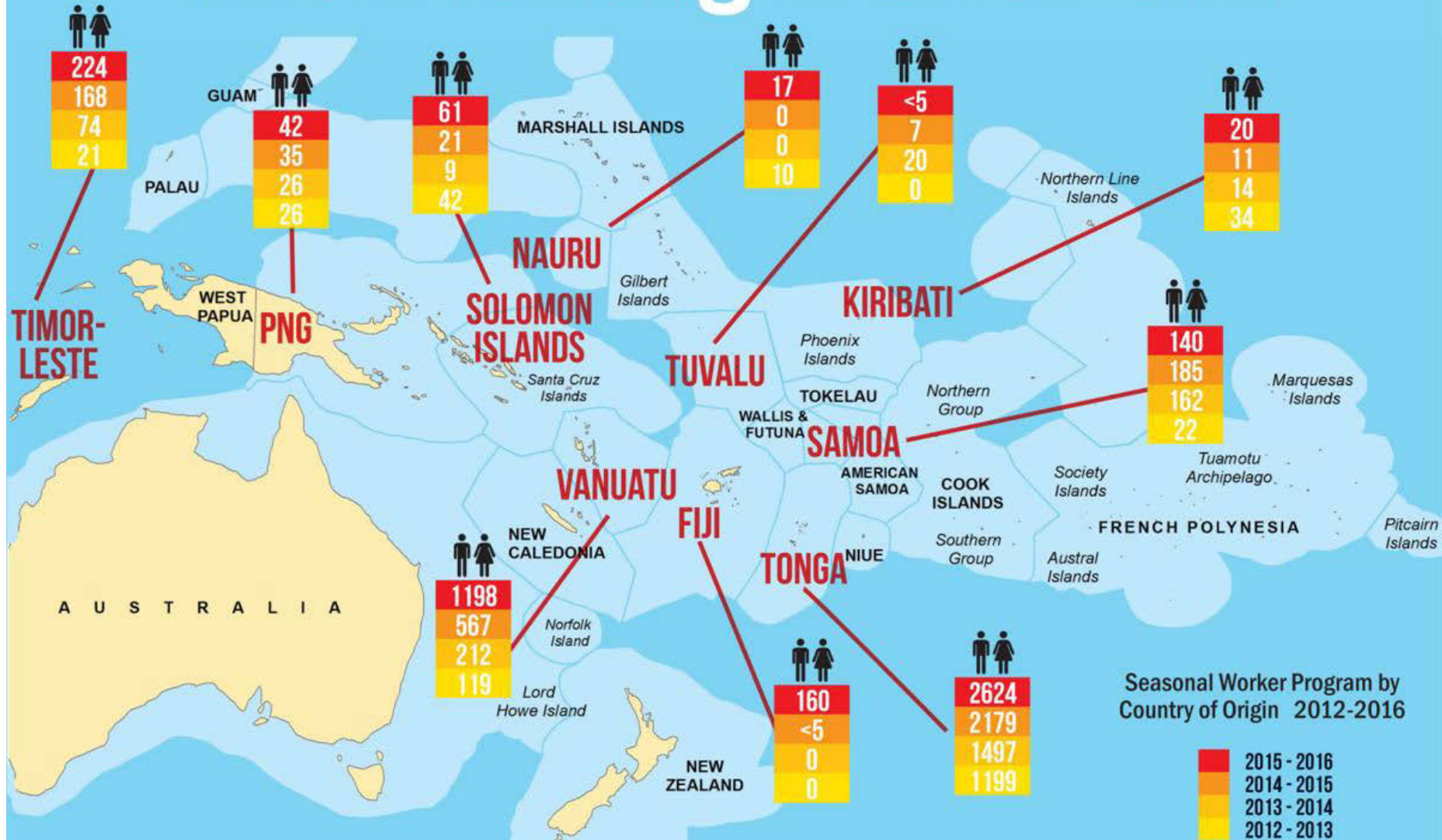
The most prolific worker categories



SEASONAL WORK INCENTIVES TRIAL

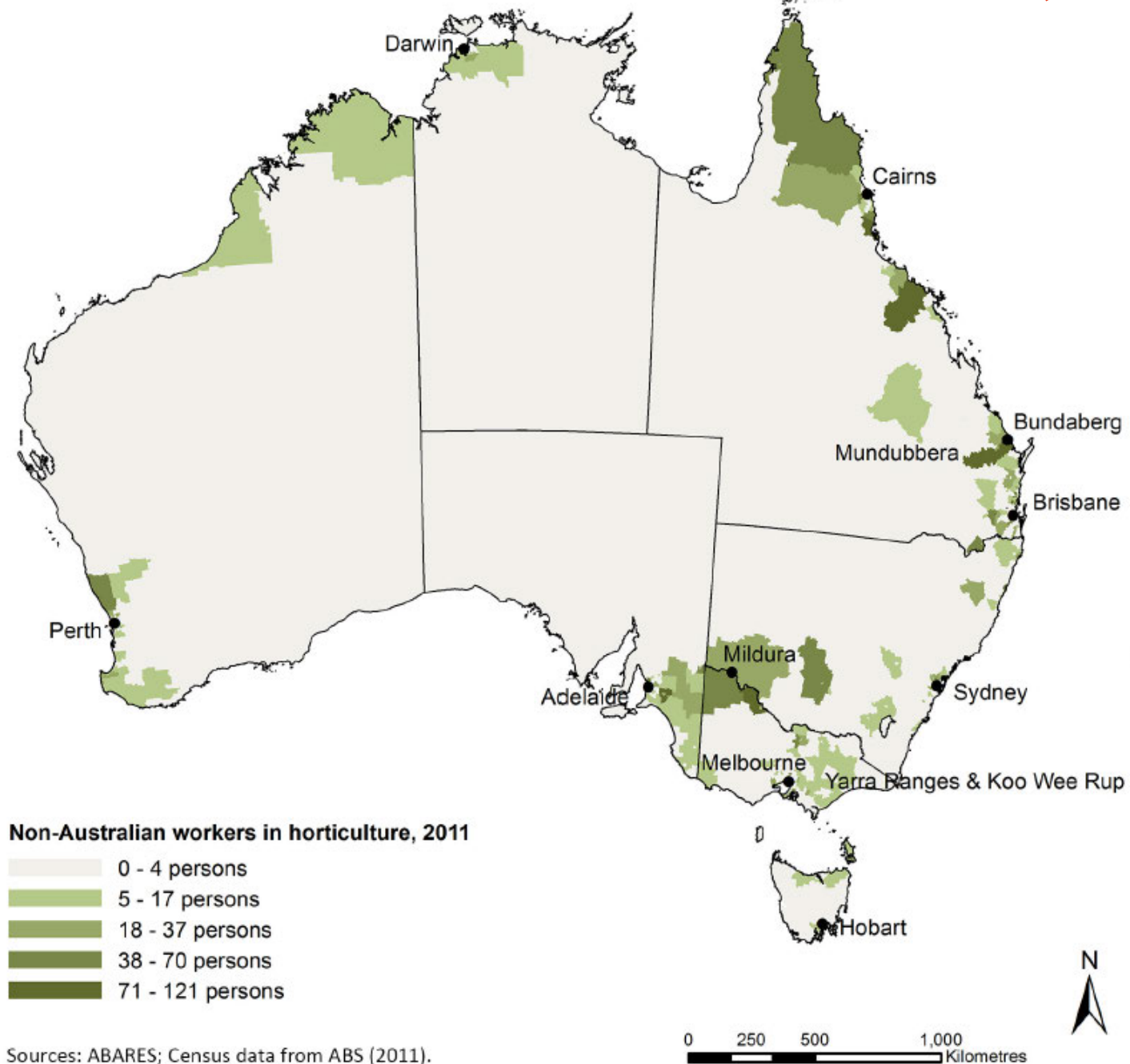
In 2017 the Australian Government has introduced a two-year Seasonal Work Incentives Trial to help domestic unemployed workers as well as meet the labour needs in the horticultural industry.

The Seasonal Worker Program: who is coming to Australia?



Source:
Dailypost.vu

Non-Australian workers in Horticulture, 2011



Australia's horticulture sector at a glance

- Geographic location matters
- Over-reliance on WHMs (initial purpose: cultural exchange)
- Slow uptake of the SWP (main intend: foreign development program)
- Mass production, economies of scale and the disappearance of small family run farms
- Duopoly of Woolworths and Coles causing a price manipulation
- Vulnerability of the workforce
- Low level of trade union oversight
- Intermediaries such as labour-hour companies exacerbate the risk of worker exploitation



Do farms experience labour shortages?

A narrative of the conventional arguments

- demographic
 - rural depopulation and ageing population
 - exodus of youth
 - Low incentive for domestic workers
- expanding production and intensification of competition
 - decline of the family farm
 - exercise of market power beyond the farm gate
 - increasing farm size
- Corporatisation of agricultural industry
 - increasing production
 - export focus
 - Economies of scale

Question

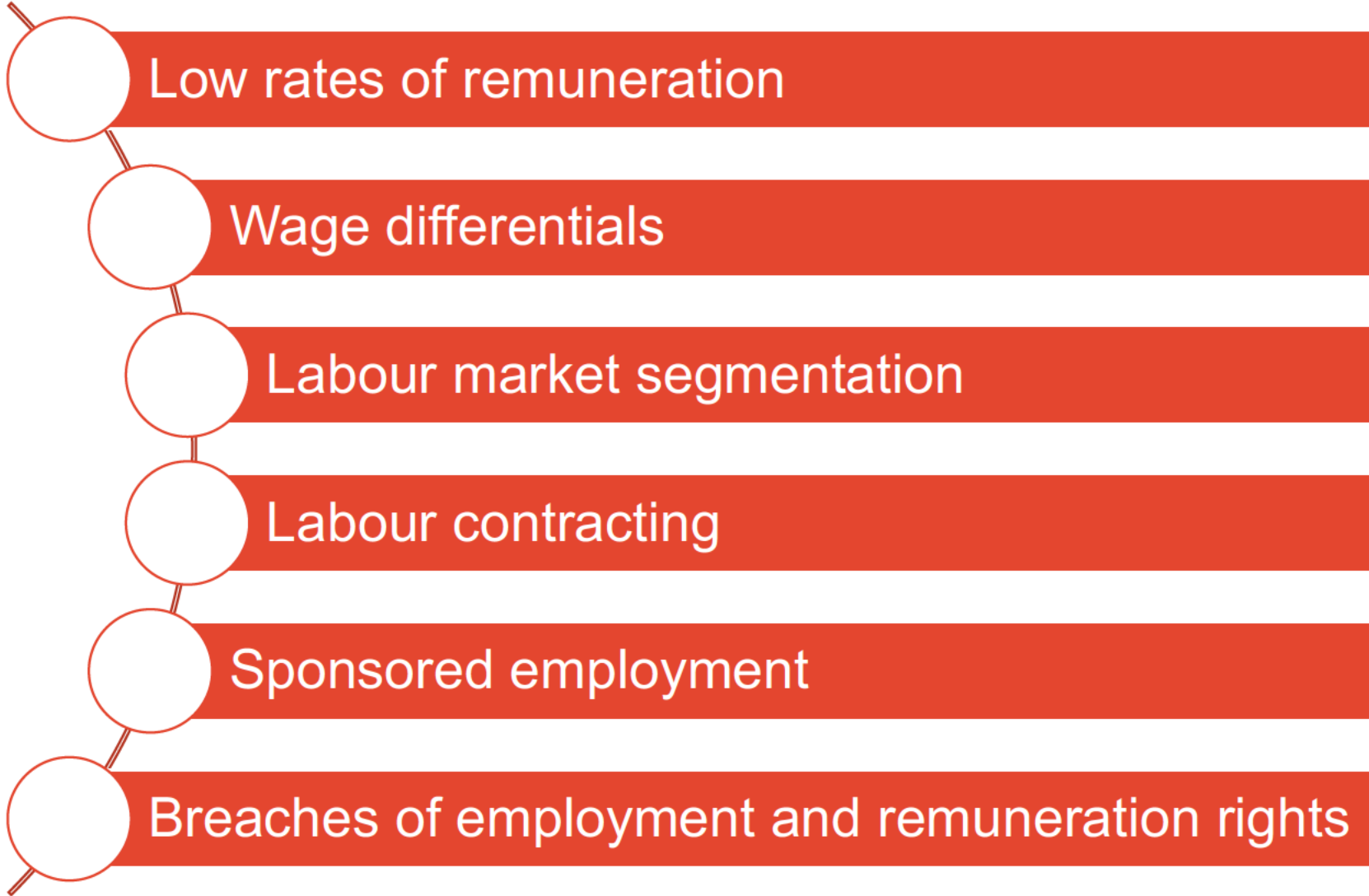
Are the estimated workforce shortfalls seasonal or structural?



Increased employment of temporary foreign workers



Labour supply: systemic exploitative employment practices



"Those workers don't make good union members, but that is where the real exploitation is happening."



Contradictory government responses

Enhancing the liberalisation of international-based labour force formation

- extending employment opportunities for WHMs and SWPs
 - age range expanded
 - duration of employment extended
- expanding the number of WHM and W&H source countries
 - boosted by free trade/labour mobility agreements with China and Indonesia
- abolishing 457 visas and replacing with more restrictive 482 visas
- establishing migration agreements that permit sponsored 482 visa recruitment for skilled and semi-skilled occupations
 - Designated Area Migration Agreements; Dairy/Meat Industry Labour Agreements negotiated via the Department of Immigration and Border Protection

Lagged development of reciprocal policy protection measures

- No evidence of Home Affairs auditing Agreements

"Increasing wages won't do anything when the problem is non-compliance."

What are some of the reform proposals and suggestions?

Collaboration and Compliance

Resource allocation for the Fairwork Ombudsman

Oversight by the Department of Home Affairs

Establish a National Labour Hire Registration Scheme

Expand regulatory requirements of the WHM 417 visa category

Establish a peak body such as Horticulture New Zealand

Links for further information

- <https://www.abc.net.au/4corners/slaving-away-promo/6437876> The dirty secrets behind Australia's fresh food.
- Australian Government: [Report of the Migrant Workers' Taskforce](#) - March 2019
- Joanna Howe, Alexander Reilly, Diane van den Broek & Chris F Wright: Sustainable Solutions: The Future of Labour Supply in the Australian Vegetable Industry – Horticulture Innovation Australia - February 2017