Temporary migrant workers in Australian horticulture: boosting supply but at what price?

Elsa Underhill, Deakin University
Malcolm Rimmer, LaTrobe University
Melbourne Australia
CONTRASTING IMAGES OF WORK IN AUSTRALIAN HORTICULTURE

Combining seasonal harvest work with travel around Australia while maintaining a fit and healthy lifestyle
In 2009, German backpacker Jessica Perra died of dehydration on her 2nd day picking tomatoes in Queensland. Her employer was fined A$25,000 for failing to supply drinking water.
PLAN

1. Temporary migrant workers (TMW) in horticulture
2. Counting and classifying TMWs in Australian horticulture
3. Research methodology
4. Job search and hiring: formal and informal methods matching supply & demand with casual workers
5. Employment relations: Are legal minimum standards observed?
6. Occupational health & safety risks in horticulture: Is protection sufficient?
7. Some conclusions
TEMPORARY MIGRANT WORKERS IN HORTICULTURE

- Approximately 3% of the global workforce cross national boundaries to find work (Martin, Abella & Kuptsch, 2006).

- Growth of skilled migrant worker programs – but not in horticulture

- Unskilled migrants fall into 2 types
  - Documented workers (brought in under formal short-term schemes) – Canada, Germany & Australia
  - Undocumented workers who have entered a country illegally or are working illegally after legal entry - USA

- The problem: As TMWs fill horticulture jobs, what employment & citizenship rights do they have and are minimum standards eroded?
COUNTING AND CLASSIFYING TMWS IN AUSTRALIAN HORTICULTURE

- ABS estimates only 55,000 work in horticulture
- Fair Work Ombudsman counts 30,000 growers & 130,000 employees
- Reasons for divergence arise from counting transient casual workers
- Categorisation of TMWs in Australian horticulture reveals 4 types – 2 of which appear to be numerically significant
  - Subclass 417 Working Holiday Maker (WHM) visa holders
  - Seasonal worker program (Pacific Islanders)
  - Willing workers on organic farms (WWOOFERS)
  - Undocumented workers
COUNTING AND CLASSIFYING TMWS IN AUSTRALIAN HORTICULTURE (CONT’D)

- **Subclass 417 Visas**
  - 132,000 in 2012
  - UK (19%)  South Korea (17%)  Ireland (14%)  Taiwan (12%)  France (8%)
  - Aged 18 – 30, no dependents
  - Second year visa requires 88 days work during the 1st year doing regional jobs mainly in agriculture
  - About 30,000 get a 2nd year visa: about 50,000 work in horticulture

- **Undocumented workers**
  - Over-stayers – about 50,000 mainly British & American doing skilled urban work
  - Tourist visa holders (typically 6 months) – not allowed to work. Perhaps 40,000
  - Student visa holders working in excess of permitted hours
The problem of interviewing transient &/or undocumented workers has led to use of snow-ball sampling.

8 Focus groups in regional Victoria & Tasmania (62 workers)
- 5 WHM visa holders
- 2 refugee settlers (UNHCR program)
- 1 undocumented workers

Semi-structured interviews
- Farmers
- Employers & Employment agencies
- OHS officials
- Trade union officials
JOB SEARCH & HIRING: FORMAL & INFORMAL METHODS MATCHING SUPPLY & DEMAND WITH CASUAL WORKERS

- **Formal schemes**
  - ‘The Harvest Trail’ – established in 2003, a national information network (booklet, webpage, free national telephone service) to help place WHMs with farms. Falling into disuse.

- **Informal methods for WHMs**
  - The working hostel network – uses websites to attract WHMs, and grower networks to place them in jobs.

- **Informal methods for undocumented workers**
  - The contractor / intermediary network (very poorly understood).
  - Agents recruit overseas (Asia & India) – tourist visas bring workers into Australia.
  - Attractive to farmers because they are not the employer (therefore reduced paperwork & responsibility); Also more disciplined workforce.
  - Government reports (Howell 2010) emphasise illegal behaviour by contractors.
EMPLOYMENT RELATIONS: ARE LEGAL MINIMUM STANDARDS OBSERVED?

- The Horticulture Award 2010
  - Minimum hourly wage ($15.96) plus 25% casual loading
  - 15% piece work loading – piece rates based on ‘average competent worker’
  - Piece rate earnings based only on productivity; there is no floor

- WHMs employment conditions
  - Audits find many farmers do not keep wage records nor observe the award
  - Unreliable working hours cause volatile weekly earnings
  - Piece rates are variable: strawberries yield low earnings; apples can pay well

- Undocumented worker employment conditions
  - No legal rights are enforceable in practice
OHS RISKS IN HORTICULTURE: IS PROTECTION SUFFICIENT?

- Apparently strong formal legal regulation of OHS imposes duties on farmers to protect all visitors and workers
- OHS for WHMs
  - They consider farm work to be safe; hazard avoidance is common sense; it won’t happen to them – they are wrong
  - Farm work is dangerous. The highest incidence of workers’ compensation claims in Australia and 7 times the national workplace death rate
  - Risks in horticulture include machinery / falls / sunburn / dehydration / musculoskeletal strains / chemicals / spider bites
  - Competing approaches to risk: designing safe jobs v. training for risk avoidance. Evidence suggests training is failing
- OHS for undocumented workers
  - OHS is complicated by the lack of legal rights, language barriers obstructing training & the mentality of ‘Asians avoid risk naturally’
SOME CONCLUSIONS

- Employment relations & OHS protection for workers is formally strong. In practice this protection does not extend to WHMs & undocumented workers have no practical access to it.
- The labour market appears to be changing as undocumented workers are displacing WHMS as a source of labour.
- The growth of undocumented employment erodes employment & civil rights as well as standard employer obligations (payment of tax, superannuation (pension) contributions etc.)
- Australian horticulture has suffered a decade of economic stress linked to:
  - 8 year drought forcing up water prices
  - Supply chain oppression by the duopoly of Australian supermarket chains
  - Dumping of produce by international competitors