

SUNSHINE COAST RECRUITMENT SERVICE

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The Hon Brendan O'Connor MP
Minister for Employment Participation
Parliament House
Canberra

Dear Mr O'Connor

Strategies to improve Workplace Participation within the Rural and Forestry Sectors in respect of Fully Job Network Eligible Jobseekers and Overseas Visitors on Approved Working Visas.

I refer to your recent request for suggestions on how the Government might achieve the objectives identified in its Social Inclusion and Skills policies.

I trust that the following will assist you in identifying issues and strategies to improve workplace participation within the Sunshine Coast's Agricultural Industry, particularly our local fruit and vegetable growers, who experience almost insurmountable difficulties to recruit sufficient labour for harvest work. This is of particular concern to strawberry growers in the Sunshine Coast and Caboolture Regions, which accounts for 90+% of the States strawberry production.

I advise that I am the proprietor of a Job Placement Office "Sunshine Coast Recruitment Service" with offices at Maroochydore and Caboolture. The primary focus of Sunshine Coast Recruitment Service is the recruitment of skilled and unskilled workers for the rural sector. The office also supports other industries, including: forestry, poultry, retail, engineering, foundry, transport and earthmoving, to name a few, with skilled and unskilled labour.

This representation is relevant to the recruitment of jobseekers, deemed suitable for seasonal harvest employment, particularly within the strawberry, other rural production and forestry industries. The Strawberry Growing Industry is the major rural industry on the Sunshine Coast with an estimated workforce of 7000 workers for planting, picking and packing work. However, this representation is also relevant and pertinent to other rural production industries including ginger growers, lychee, citrus, avocado and stone fruit orchardists that require harvest labour.

Workplace Participation within the Rural and Forestry Sectors in respect of Fully Job Network Eligible Jobseekers

There are a number of factors in respect of workplace participation which impedes the ability of local agricultural producers to maximise their produce output to local, national and international markets. The issues of primary concern affecting production output and its resultant financial input into the local economy are listed hereunder for your information. These issues are relevant to the forthcoming strawberry harvest as well as the other rural production industries.

The following issues are of deep concern within the rural and forestry sectors, particularly the strawberry growing industry.

1. The low participation rate of a number of jobseekers, in receipt of Newstart Allowance and other benefits, who are obliged to seek and accept suitable employment, and are not following through with their given commitment to do so, or even leaving employment for no satisfactory reason within hours of commencing employment.
2. Due to the highly competitive nature within Job Network to obtain 13 and 26 week paid outcomes for their jobseekers; this has a significant effect when trying to recruit for seasonal rural work. For example, in 2007 the strawberry industry on the Sunshine Coast was severely disadvantaged due to low participation rates of those Jobseekers who were only looking for permanent fulltime work and Job Network Member Agencies discouraged them to undertake short term seasonal employment despite these Jobseekers being in receipt of full benefits.
3. Job Placement Licence Organisations ("JPL") are not empowered to recommend lodging breaches for those jobseekers who fail to meet their mutual obligations. The Australian Jobsearch System only provides for a "Fail to Report", which in my opinion is never followed through with by Job Network Members or Centrelink Agencies.
4. Significant numbers of Jobseekers in receipt of Newstart Allowance or other Commonwealth assistance, who are obliged to seek and accept suitable employment, are not following through with their given commitment to contact rural sector employers or commencing employment following their given commitment to do so, or leaving employment for no satisfactory reason within hours of commencing employment.
5. Growers consistently advise that a very significant number of jobseekers, who are referred for harvest production work and are in receipt of a Government Allowance, are abusing their statutory obligation by failing to accept and undertake suitable employment. Growers also advise that they are aware of the practice of a majority of jobseekers, who are in receipt of a Centrelink benefit and start work, leaving employment before their Centrelink entitlement/s cease due to specified earning parameters being reached.

6. The majority of strawberry growers advise that each year they have to "spray off" some of their patches due to insufficient and unsatisfactory labour. Advice received from industry leaders, within the local strawberry industry, is that approximately sixty percent (60%) of the "spraying off" of patches is directly attributable to insufficient and unsatisfactory labour to cope with production. Other "spraying off" is attributable to end of season varieties which are no longer marketable. This unnecessary "spraying off" translates into a financial loss for the industry, as a whole. However, more importantly, a significant financial loss to the Region and local community.
7. Job Placement Organisations (JPO) and Job Network Members (JNM), which are contracted by the Commonwealth Government to assist and enable jobseekers into suitable employment, are being discredited, in the eyes of employers, by jobseekers who are not committed to their employment obligations within the rural and forestry sectors.
8. The majority of employers, that utilise the services of Job Placement Organisations and Job Network Members, say that they are very concerned and reluctant to recruit jobseekers, who are in receipt of unemployment benefits, because of past experiences of unreliability and lack of work commitment especially within the rural and forestry sectors.
9. Colleagues in local Job Network Member Organisations are saying that lack of transport is the number one overriding issue preventing the majority of local jobseekers being actively employed within the rural industry. Public transport is not available to local farming properties. Job Network Member Organisations are able to help Jobseekers, who have own transport, with basic assistance such as fuel vouchers, finance towards basic repairs etc. However, they are generally unable to assist jobseekers, deemed suitable for harvest work, but have no reliable transport of their own, to access local harvest work. Whether or not this is an issue for Job Network Member Organisations to deal with or a broader initiative for Government to address, it is, however, an underlying factor to enable jobseekers to actively participate in the local rural and forestry sector workforce.

**Interim Application for HLS Licence
Harvest Labour for Overseas Visitors on Approved Working Visas**

The Sunshine Coast Region and the Caboolture Shire is host to the nucleus of the Nation's strawberry growing industry. Strawberry production season commences late May and continues through its peak production period in August/September and finishes in mid to late October. The strawberry growing industry together with ginger, lychees, citrus, stone fruit and avocados makes the Sunshine Coast a significant fruit growing district competing for labour in the National Harvest Trail.

All harvest work is basic, training is provided to unskilled workers and payment is based on Award conditions, usually either the Fruit or Vegetable Growing Industry Award (State) or Individual Workplace Agreement.

The emerging workforce of sought after overseas visitors/workers, with approved working visas, are referred onto harvest work by local backpacker hostels. Significant numbers of these prospective workers contact this office for referral to local harvest work. However, in the main, these workers are advised to contact the National Harvest Office for employment referrals as there is no financial incentive to be gained in their referral into local employment.

The issue here is that this is a missed opportunity of securing additional workers, in sufficient numbers, to meet local demand, because of no financial recompense for the work involved. There is no coordination of the prospective overseas workforce into employment, particularly harvest work that the Government is supporting through amended workforce participation guidelines to encourage longer term stays in Australia, and to help meet the harvest work nationally. This prospective workforce can be better utilised locally and nationally if it is coordinated by professional Job Placement Organisations rather than the ad hoc service provided by unregulated backpacker hostels/agencies.

I do not currently hold a Harvest Licence (HLS). Unfortunately, I was not aware when tenders were called for the 2006-2009 Licence; otherwise I would have lodged an application immediately to provide extra assistance and support to the rural and forestry industries. I therefore seek your support and approval to be granted an interim Licence pending the next round of the tender process. Attached are letters of support from:

- The National Harvest Office;
- Queensland Strawberry Growers Association. Inc; and
- Tomarata Group Pty Ltd;

On a final note, industry leaders, particularly within the strawberry growing industry, have expressed concern over the differentiation of the rate of tax deductions of Australian Citizens/Permanent Residents to that of those jobseekers on approved working visas.

Thank you for this opportunity to present my response to your request. I would welcome the opportunity to discuss any issues further with either yourself or your representative and if agreeable to such a meeting, that it be held on the Sunshine Coast where I would be able to include rural and forestry industry leaders.

Yours sincerely,

Peter Blanche
Proprietor
Sunshine Coast Recruitment Service

15 February 2008