Seasonal migrant labour: a boon for Australian country towns?

Peter Mares

Introduction

In 2002 Queensland farmer Ian Nielsen was unable to harvest 30 per cent of his 80 hectare asparagus crop because he could not secure enough workers to do the picking. As a result 150 tonnes of asparagus worth around $1 million dollars was left in the fields. Most of the asparagus had been destined for export to Japan. Nielsen employs up to 150 casual workers during the asparagus harvest but securing labour is his ‘biggest and most difficult challenge’. He told a Senate committee that the situation was so bad that many of his farming colleagues had given up growing asparagus and switched to ‘crops such as peanuts, which can be mechanically harvested’. He said that similar labour shortages afflict citrus, onion and potato growers: ‘There are not enough workers capable of handling the physical rigours of harvesting fruit and vegetables’ (Nielsen, 2003). The Queensland Fruit and Vegetable Growers Association (now called Growcom) estimates that due to labour shortages its members lose up to 10 per cent of their crops – produce estimated to be worth $900 million (cited in EDC, 2004, p.44). Such problems are not confined to Queensland. Fruit growers from around Bunbury in the southwest of WA say demand for orchard workers outstrips supply, particularly during harvest season (Shine, 2005). In Victoria, Nigel Garrard, the head of SPC-Ardmona, says that for the last three years production at his Shepparton cannery has been lower than it might have been because ‘fruit has been left on the trees because there aren’t enough people to pick it’ (Colman and Korporaal, 2005), while a Yarra Valley berry grower says labour shortages in 2004 forced him to ‘drop’ 6 tonnes of raspberries from his vines. A leading Australian fruit exporter says the lack of a reliable supply of seasonal labour significantly inhibits industry growth in the Murray Valley irrigation region and limits export income.

Currently primary producers rely on both documented (‘legal’) and undocumented (‘illegal’) workers to meet seasonal labour market needs. The documented workforce includes itinerant farm labourers, family members, local casual workers, students, grey nomads (retirees travelling around Australia) and backpackers on the Working Holiday Maker Scheme (WHM), which allows tourists aged 18-30 from certain countries to work in Australia for periods of up to 3 months with any one employer (Harding & Webster 2002). The undocumented workforce consists of unauthorised residents (primarily from Pacific Island, Southeast Asian and Chinese backgrounds), overseas students working in excess of permitted hours, Australians working while in receipt of benefits and foreign travellers working without authorisation.

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The rural sector is one of the four major areas of employment for undocumented workers in Australiaiv (DIMA, 1999 p.21). Primary producers claim that they would prefer to only employ authorised workers but argue that ‘the nature and urgency of their need for casual labour at extremely short notice, and the way in which that labour is deployed, makes it extremely difficult to check documents at the time of employment’ (DIMIA, 2004). Growers fear that checking the work rights of each individual seeking employment would be time consuming and might invite claims of discrimination under the Racial Discrimination Act (NHTWG, 2000 p.43) These factors, plus the difficulty in securing sufficient workers at periods of peak demand, leave growers partly reliant on an undocumented workforce. The Victorian Parliament has acknowledged that ‘continuing labour shortages perpetuate the participation of illegal workers in rural industries’ (EDC, p.46) and union officials claim that ‘a significant proportion’ of Victoria’s fresh fruit crop is picked by undocumented workers who are highly vulnerable to exploitation and in some cases are offered wages as low as $3 per hour (Hughes & Schwartz 2004). Meanwhile primary producers are vulnerable to immigration raids that can have a devastating effect on output during highly time-sensitive harvest periods. Sometimes the window of opportunity for harvest is extremely small. For example some varieties of plum are grown specifically for export to ethnic Chinese markets like Singapore for sale as delicacies during the Lunar New Year (which usually falls in January or February). If the plums fail to make it onto the market in the crucial ten day period before the celebration, then the crop is rendered virtually worthless.

The urgency of the labour issue in horticulture has prompted the Victorian Farmers Federation and the Australian Table Grapes Association to call for an amnesty for undocumented workers (Fisher & Godwin, 2004; ABC Rural, 2003) and encouraged government backbenchers to push for refugees on temporary protection visas to be allowed settle permanently in rural areas (Grattan 2004; Mares, 2004). Nationals MP John Forrest, the Member for Mallee in Northwest Victoria, says labour shortages are a constant issue with his constituents, who are also angered by heavy-handed immigration raids during harvests. Raids are sometimes carried out in the early hours of the morning and may involve smashing doors and windows (Grattan, 2005; Marino, 2005).

Causes and consequences of the labour shortage in horticulture

Theories abound about why growers have such difficulty attracting sufficient authorised labour. A popular opinion amongst growers is that there is, as one grower puts it, ‘too much bloody welfare’. According to this view, social security benefits are too generous (‘they get the money too easy’) and remove the incentive for unemployed urban workers to take up jobs in regional areas, even when there is good money on offer. Somewhat paradoxically, growers are also generally opposed to schemes which would force them to take on unemployed workers, who they regard as lazy and unmotivated. A grower from Tooleybuc complains that he was sent 14 people by an employment agency in Wollongong, none of whom lasted beyond lunch on the first day. Growers say that if welfare recipients are forced to pick against their will, then these reluctant workers will deliberately go slow or spoil fruit or even break machinery in order to get themselves sacked. Some growers also voice a racialised view of workers, arguing that people of a specific nationality or ethnicity exhibit mental attitudes or physical characteristics that make them ideal employees. (For example one growers’ representative argues that ‘Asian’ workers are well suited to picking berries and cutting asparagus because they are “used to bending down in rice paddies”).
The view from trade unions is that labour shortages are the result of low wages and a lack of affordable accommodation and transport. Some growers are accused of cheating pickers by failing to count bins properly, of offering piece rates that fall below the hourly award and of failing to pay the applicable casual loading (Weekly Times, 2004; Lohse, 2005). In private conversations industry figures concede the existence of such problems. They claim that a minority of primary producers fail to offer adequate wages and conditions, and acknowledge that this contributes to labour supply problems in the industry.

However neither a failing work ethic nor dubious employment practices can fully explain the extent of the problem. The simultaneous co-existence of long term unemployment in some regions and pressing labour shortages in others is evident in other developed nations apart from Australia. And as Jordan and Düvell note (2002, pp72-73), efforts to ‘activate’ the unemployed and welfare-dependent into jobs on the basis of a ‘contract’ between the state and its citizens (‘mutual obligation’ in the Australian context) can involve considerable cost for limited return, ‘especially when the claimant population shrinks to a residuum of seriously disadvantaged and disabled people, and those with child care responsibilities’. The provision of a social safety net, combined with high rates of economic growth, has probably reduced the pool of unemployed urban workers that might have been encouraged or compelled to seek short-term seasonal work in regional areas. A high effective marginal tax rate (through the loss of Centrelink benefits) also acts as a disincentive for unemployed workers to take up casual jobs in horticulture, particularly where long distance travel and extended absence from home is involved. The increasing prosperity of Australian society also means that some categories of potential seasonal workers – such as school teachers and students – no longer see the need to devote their summer holidays to supplementing their income. The growth of the service sector – particularly restaurants and cafes – offer alternative and in many ways more attractive casual employment prospects than agricultural labour. One grower says pickers can earn in excess of $1000 per week (Neales, 2004), but this ‘fantastic’ money assumes a six day working week and may be reduced by out of pocket expenses for travel and accommodation. The physically demanding nature of agricultural labour, the separation from friends, family and familiar entertainment, the temporary and uncertain nature of the work (rain or hot weather can both reduce the hours of work and hence income on any given day) all reduce the incentive to leave the city to take seasonal jobs in horticulture (McAlister).

Australian primary producers also suffer from what Basok calls – in the Canadian context - ‘the farmers’ affliction’ (Basok, 2003 p.27). Falling family sizes and the increasing attraction of off-farm wages have depleted family farms of their traditional labour supply – spouses, sons and daughters. One grower puts it this way: ‘Our greatest export is our own children - we send them away to university and they never come home’ (Mares, 2004 p.63).

Economic theory suggests that the labour problems in regional areas should be self correcting; that the labour shortage will eventually force up wages and conditions to a level where horticultural jobs once again become attractive to potential workers. This theory ignores the structural constraints outlined above and fails to take account of social and cultural factors, such as the changing role of women in the labour force, or the cosmopolitan attraction of the urban centre. Another flaw is that this theory treats the Australian agricultural economy as a closed system; the reality is that Australian primary producers are competing in a global market and that an increase in a key cost of production (i.e. wages) will reduce market share. Australian exporters compete against growers in countries like South Africa and Chile, where labour costs are much lower. A strong Australian dollar (buoyed by the resources boom) only magnifies the export challenges for horticultural producers. David
Minnis, Deputy Chairman of the Australian Horticultural Exporters Association reports that exports have declined by about $200 million since 2003, from an $885 million peak (and many overseas markets remain closed to Australian produce). On the domestic market, consumer demands for cheap food, combined with the buying power of the two major supermarket chains (Hunt, 2005), creates volatility in fruit and vegetable prices that can leave growers with very thin margins. In this environment, there is a limit to the elasticity of the wages that can be offered, although some growers indicate that they would be prepared to pay above the award in return for greater labour security.

Without corrective measures, labour supply problems experienced by horticultural producers look set to worsen in coming years. The National Harvest Trail Working Group found that demand for seasonal labour will remain strong or increase due to:

- farmers coming out of other commodities, eg sugar cane and beef, into more labour intensive crops such as fruit, vegetables and cotton;
- increasing areas under cultivation to obtain returns from the efficiency of size;
- a growing export market in fruit and vegetables;
- the greater emphasis on quality which requires more careful and consequently slower picking especially in relation to export markets;
- new crops, eg olives, durian, rambutans, Chinese cabbage, walnuts; and
- new varieties of traditional crops (stella cherries, white flesh peaches, amber jewel plums, pink lady apples). (NHTWG, 2000)

Despite the challenges facing the fruit and vegetable industry, horticultural regions throughout Australia have experienced significant growth in recent years. The gross value of horticultural production in 2002 was estimated by the industry to be $9.65 billion dollars, and by the ABS to be $6.75 billion (HAL, 2004). Throughout the 1990s growth in the Sunraysia region significantly outstripped the national average (4.3% per annum versus 3.0% per annum) with the value of agricultural production rising 55% between 1997 and 2001. Similar growth has been experienced in the Central Murray (BTRE, 2003, p. xxii). Other regions are also experiencing dramatic growth; for example mango production is increasing sharply ‘not only in the traditional strongholds of northern Queensland, but also in the Northern Territory and Western Australia’ (Ludlow, 2005). David Hunt-Sharman from the Australian Table Grape Association predicts that concerns about the supply of water for irrigation ‘will pale into insignificance compared to the issue of sustainability of labour in the next 5 to 10 years’ (EDC, p. 42).

One response to labour shortages, has been the development of a ‘harvest trail’ (NHTWG, 2000). This has encouraged more backpackers (working holiday makers) into the rural labour market; one Goulbourn Valley fruit grower estimates that 70% of his fruit pickers were backpackers in 2004 and a tomato grower from the same region says his packing shed relies ‘totally on backpackers’ (EDC, p. 56-57). In April 2005, the Immigration Minister created additional incentives for travellers to take up agricultural work by allowing travellers who do three months of ‘seasonal harvest work in regional Australia’ to apply for an additional 12 month working holiday visa (Vanstone, 2005) But the changes do not guarantee that backpackers will undertake a second stint of agricultural work. Primary producers say backpackers’ travel plans often take priority over working and Jan Davis from the Queensland growers’ organisation Growcom points out that if backpackers ‘can stay by the beach and get hospitality work, they will do that’ (Shine, 2005). One of the major drawbacks
of backpacker labour is that each season brings a crop of novice pickers. Novice workers are less productive, require higher levels of supervision and are more accident prone; a proportion will simply find the work too arduous and give up before they become proficient. A major table grape grower from Mildura estimates that he could minimize the volume of rejected and wasted fruit by ‘sixty or seventy percent’ if he was able to retain the same workers – and their skills – season after season. Another grower at Wood Wood just north of Swan Hill pays her staff a premium above the hourly award rate, rather than at piece rates, for fear that in their ‘rush to fill the bins’ piece-rate workers might not take due care and end up damaging the fruit. The same grower was constructing on-site units in a bid to attract and retain staff. The units were to be equipped with a kitchenette and a shared bathroom, and she was planning to charge workers a modest $50 per week in rent; less than half the going rate at the local caravan park. ‘I need to train workers so then I want them to stay’ she says.

There have also been efforts to draw itinerant retirees (‘grey nomads’) into seasonal work. They are seen as steadier, more careful workers than backpackers but suffer from similar problems of limited financial motivation and in some cases, stamina. One grower told me that the older workers she employed would only work for a limited number of hours per week, stopping at the point where their wages would reduce their pension entitlements. Another said older workers would only work for a few hours in the morning, knocking off before the day became too hot.

Unless labour-supply problems in the horticultural industry are addressed, there is the potential for a growing number of jobs to be filled by undocumented workers. This will create an increasingly antagonistic relationship between primary producers and immigration officials due to the disruption caused by compliance raids. It will also mean reduced productivity due to the inevitably high staff turn-over that results. Such a scenario also has implications for the rights of undocumented workers who are more vulnerable to exploitation, underpayment and abuse. Increasingly, growers are turning to contractors and labour supply companies to provide them with teams of workers. The grower pays a premium in order to be free of the onerous task of checking identities, deducting tax and calculating entitlements, while the contractor shoulders the ‘risk’ of illegal employment contracts and secures a thick profit margin. Anecdotal evidence suggests this is also fostering the emergence of unscrupulous operators, who extract super profits by paying well below award wages. One (undocumented) worker in Victoria describes receiving $7 per hour (‘after tax’) for picking asparagus, when the contractor was receiving $18.50 per hour for his labour. At worst, unless alternatives are found to the use of undocumented labour, Australia’s agricultural and food processing industries could eventually be underpinned by a system of exploitative ‘gangmasters’ like that brought to light in the UK by the Morecambe Bay cockle-picking tragedy (Pai, 2004; EFRAC, 2004). In summary, sustainable expansion and increased productivity in Australia’s horticultural industries is unlikely without a more stable labour supply.

**Offshore options**

Local labour shortages have already prompted some in the horticultural industries to look offshore for a solution to their problems. In his submission to the Senate inquiry into Australia’s relations with the Pacific quoted above, Queensland asparagus farmer Ian Neilson proposes a system to bring workers from Papua New Guinea and the inquiry received numerous other submissions suggesting similar schemes to bring workers from the Pacific (Dobell, 2003; QFVG, 2003). NSW MLC Charlie Lynn has called for the working holiday scheme to be
extended to Papua New Guinea (Lynn, 2005), mango growers in the Northern Territory have suggested bringing in pickers from East Timor (Breusch, 2004) and the National Farmers Federation has submitted a proposal to the Immigration Minister calling for a new visa for ‘seasonal workers’ (Morris, 2005a). Individual unions have reacted negatively to the seasonal visa idea (Morris, 2005b) but the national leadership of the ACTU is more sympathetic, and has even been involved in preliminary discussions about a proposed pilot program to bring workers from Fiji to Shepparton in central Victoria (ACTU, 2003). The most ambitious proposal has come from the Mildura-based Sunraysia Mallee Economic Development Board (SMEDB), which has signed a memorandum of understanding with the Dali International Co-operative Company of Yunnan Province in China, with the ultimate aim of bringing up to 10,000 Chinese workers each year to work on orchards and farms in the Murray Valley. The Chinese company already sends some 5000 seasonal workers abroad each year to pick apples in Japan. While such an arrangement would be impossible under Australia’s current migration laws, SMEDB is hoping to win government approval for a pilot scheme in 2005 to bring 100 workers from Dali to Mildura to pick oranges, mandarins and grapes and to prune vines (Neales, 2004).

There appears to be a neat fit between the labour shortages experienced in Australian horticulture and the labour surpluses evident in many Asian and Pacific economies. There is already a trend towards temporary entry for employment purposes in the area of skilled migration in Australia (Hugo, 2004; Khoo et al 2004), with the recognition that international competition amongst industrialised economies for the best and brightest is fostering the creation of a supra-national elite of highly-prized knowledge workers and senior managers who are footloose in the global economy and who may only be attracted to a country for a limited time. While Australia allows temporary entry only for skilled workers, the growth of this component of the migration program reflects an international trend towards micro- or niche migration schemes designed to overcome labour shortages in particular industries at particular times. In other countries such schemes also extend to low or semi-skilled workers, particularly in agriculture (Martin, 2003). There has been ‘a generally steady upward trend in inflows of seasonal workers since the beginning of the 1990s’ and each year, half a million seasonal workers from non-EU countries are employed in EU agriculture, especially in Germany, which issued 260 000 seasonal work permits in 2001 (UNDESA, 2004 p.128). Most seasonal workers came from Poland and were allowed to work in the agriculture, forestry and hospitality industries in Germany for up to 90 days at a time (Martin, 2003). 95% of the permits issued were for agricultural work (UNDESA, 2004 p.128). The UK has a harvest labour scheme dating from the immediate post-war years. In 2003 a quota of 20,200 visas were allocated for full-time university students from non-EU European countries to work in the country between May and November (Home Office, 2002). The US operates the H2-A visa category for agricultural workers (Martin, 2003), although in the US a large proportion of seasonal agricultural work is performed by undocumented migrants.

In the long term it appears likely, if not inevitable, that Australia will also open up new migration categories to allow low or semi-skilled foreign workers to fill short term gaps in the agricultural labour market. (Shearers are another example of seasonal workers now in short supply.) Nevertheless, global trends and the appealing symmetry of a scheme to allow foreign workers to fill seasonal gaps in Australia’s rural labour market should not blind us to potential obstacles and dangers.

The obstacles are essentially political and bureaucratic. Firstly there is a popular antipathy to ‘cheap foreign labour’ from Asia and the Pacific that has historical roots stretching back at
least as far as the Victorian gold rush (Walker, 1999 p.36ff). Secondly, there is an entrenched orthodoxy within government that sees only high-skilled or capital-rich migrants as being of value to Australia. As immigration department officials informed the Senate inquiry into Australia’s relations with the Pacific ‘Australian migration policy has focussed strongly on attracting skilled migrants who can contribute to enhancing Australia’s economy and international competitiveness’ (SFADTRC, 2003). The era of low-skilled immigration to fuel industrial expansion that characterised much of the post-war period came to an end after the Hawke and Keating governments progressively dismantled tariff barriers, opening the economy to international competition and accelerating a structural shift from manufacturing to services. The bias against low-skilled migrants was formalised in the 1988 FitzGerald Report on Australian immigration, which recommended a shift from away from humanist concerns with family and asylum to an economically rational focus on the “quality” of immigrants’ (Jupp, 2003 p.49), and intensified further after 1996, as the Howard government decisively shifted the emphasis of the migration program to favour skilled and business migrants at the expense of family reunion (Jupp, 2003 p 145-6). Thirdly, despite the increase in temporary skilled migration noted above, there remains a well established bias towards permanent, rather than short term migration. The view of the Immigration department is that temporary migrant labour schemes ‘fail to provide long-term benefits for either sending or receiving countries’ (SFADTRC, 2003). This was reflected in the comments of Prime Minister John Howard when he responded to the idea of using overseas workers to pick fruit on ABC Regional Radio. He said that ‘for a long period of time we have put our face against a guest worker approach’ which could result in ‘[losing] control of a significant part of our immigration programme’ (Howard, 2004). The federal Treasurer Peter Costello also voiced opposition to the idea, although remarkably his arguments were couched in cultural terms and rather than the economic language specific to his portfolio. The Treasurer opined that visas for short-stay ‘guest workers’ would be ‘against the national ethos’ (Colman & Korporaal, 2005): This view is rooted in the perceived failure of ‘guest worker’ schemes in Europe, particularly Germany, illustrated by the aphorism that ‘there is nothing more permanent than temporary workers’ (Martin, 2003 ix).

The potential dangers of a seasonal labour migration scheme flow from the inherent inequality of power that exists between Australian employers and temporary foreign workers. It would serve neither the interests of Australian producers nor foreign workers to reprise – even as a faint echo – the odious 19th Century practice of ‘blackbirding’, in which Pacific Islanders were coerced and duped into cutting cane in Queensland (HREOC, 1992). If the conditions under which future temporary foreign workers are engaged are not adequately regulated and monitored, if their rights are not protected, then the vulnerability of those workers as non-citizens is certain to result in cases of abuse. Apart from the implications of such a scenario for human rights and occupational health and safety, this would also have the effect of undermining the wages and conditions of Australian workers, and would likely result in a popular backlash against ‘foreigners stealing Australian jobs’. It would also result in critical media coverage which could damage the reputation of horticultural industries at home and abroad. On the other hand, the Australian public is unlikely to tolerate a situation in which seasonal workers simply ‘disappear’ into the community as informal migrants: estimates in Britain suggest that as many as 10 percent of participants in its Seasonal Agricultural Workers Scheme fail to return home at the end of their contracts (Home Office, 2002), an overstay rate that would be politically unacceptable in Australia and which would undermine public support for any such scheme. In short, any successful seasonal agricultural workers scheme will need to be carefully designed and monitored to maximise the benefits to both workers and growers and to both the source and host country.
The Canadian Model

Of the existing seasonal agricultural workers schemes overseas, the one operating in Canada appears to provide the most useful lessons for Australia - not because it offers a perfect model that could be translated to Australian conditions, but rather because it has been subject to extensive study and critique. By paying close attention to the successes and failures of the Canadian scheme, Australia should be able to ‘leap-frog’ the Canadian experience and design a program which minimises the problems and maximises the benefits.

Canada’s Seasonal Agricultural Workers Program (CSAWP) has operated to bring temporary workers from the Caribbean since 1966 and from Mexico since 1974. In 2002, the program brought 19,000 workers to Canada (predominantly Ontario) for an average of 4 months employment. (The maximum stay allowable under the scheme is 8 months). Farmers need approval from local employment centres (to certify that no Canadian workers are available to fill the jobs) and must offer a minimum of 240 hours work over six weeks at or above prevailing minimum wage rates, free housing and meals and/or cooking facilities. Employers advance the travel costs, which are then partially recouped from the workers’ wages (Martin, 2003). Employers are potential subject to heavy sanctions (fines of up to $50 000 and/or 2 years imprisonment) if migrant workers leave the scheme and enter the local labour market (OECD/IOM/WB, 2003). A major study of CSAWP as a ‘model of best practice and migrant worker participation in the benefits of economic globalisation’ has been undertaken by the North South Institute in Canada. Preliminary results from this project suggest that CSAWP has benefits at a number of levels:

• The CSWAP provides opportunities for un- or underemployed Mexican and Caribbean farmers to earn income at pay rates well above those on offer in their home countries. Workers use their savings and remittances to improve housing, nutrition, clothing and health care for their families at home. Workers and their families enjoy greater income security and increased access to consumer goods (Griffith, 2004; Verduzco & Lozano, 2004; Downes & Odle-Worrell 2004, Russell, 2004)

• The scheme is more accessible to the very poor in the source countries, who do not have the financial resources required to pay the guides or bribes required to engage in cross border travel as undocumented migrants (Basok, 2004 p.104). Greater equity is achievable, because recruitment of seasonal workers can be targeted at impoverished regions, the unemployed and the landless (Basok, 2000)

• The scheme has long term development outcomes in source countries; in particular the children of migrant labourers are likely to stay longer in school. Jamaican workers were found to spend up to 35% of remittances on children’s education (Russell, 2004) and there was a positive correlation between the number of years workers are employed in CSAWP and their children’s school leaving age (Verduzco & Lozano, 2004). This finding is consistent with other surveys on the high proportion of migrant workers remittances used to fund spending on children’s education (UNDESA 2004 pp.95-111; Ratha, 2004).
The CSWAP increases labour reliability for Canadian primary producers at times of peak demand, and enables them to plan production increases with confidence (Preibisch, 2004). In this sense seasonal employment of foreign workers maintains and expands employment in higher skilled jobs, through the expansion of associated rural industries (eg transport services, construction, food processing). (Basok 2003 p.146)

The scheme offers a legal route to farm jobs that would probably otherwise be filled by undocumented workers (Griffith, 2004). This has benefits for both growers and workers. Growers need not fear being in breach of the law or suffering the disruption of immigration raids. Workers are spared the smugglers’ fees and risky journeys required to enter North America without the appropriate papers, and can live free of the corrosive fear that they may be discovered by the authorities or betrayed by their colleagues. The scheme also creates mechanisms (at least on paper) to protect the rights of foreign workers in terms of wages, health and safety and regulated work hours (Griffith, 2004; Preibisch, 2004) - protections that are completely denied to undocumented workers.

As noted above, a key concern with seasonal labour programs is the potential for temporary workers to overstay their visas and ‘disappear’ into the community (adding to the stock of undocumented migrants). The Canadian program tackles this problem in relation to workers from the Caribbean (but not from Mexico) by withholding a proportion of wages in a compulsory savings scheme. The funds are then remitted to workers after they return to their home country. While migrant workers complain about delays in remitting their savings, most support the scheme overall (Russell, 2004). The recruitment criteria for seasonal workers are also skewed to select migrants deemed most likely to return to their homeland – that is, workers who are married with children still at home (Basok, 2000). More importantly, workers return to their homeland with the expectation that they will be re-engaged to work in Canada under CSWAP in the following year. This incentive ‘partly explains the lower number of overstayers compared with those in other similar programs’ (UNDESA, 2004 p. 130), particularly as returning workers benefit from lower application fees and higher wages (OECD/IOM/WB, 2003) More than 70% of Mexican workers recruited for the scheme are ‘named workers’: that is, they have worked in Canada before and have been contracted to return by the same employer (CAMC, 2004). Recirculating workers through the system in subsequent years offers growers the significant advantage of skills retention, reducing the need to constantly train new workers that arises under Australia’s working holiday maker program.

The Canadian scheme is not without its problems however. The United Food and Commercial Workers (UFCW) Union Canada says the exploitation of migrant workers under CSAWP is ‘Canada’s shameful little secret’ (UFCW, 2002). There have been occasional protests and strikes by migrant workers (Martin, 2003; Basok, 2003, p.149), cases of abuse and exploitation (Lindsay 2004), examples of sub-standard or overcrowded accommodation, and industrial accidents (like chemical exposure or workers getting limbs caught in agricultural machinery) due to insufficient training, inadequate safety equipment or overlong working hours (UFCW, 2003; Ferguson, 2004).

Some of these problems are endemic to agricultural employment: as the Canadian union comments, the reason that more Canadians do not take up farm work is probably that it is ‘dangerous, physically arduous, requires extremely long hours, offers very low pay, and does not provide overtime pay or statutory holidays’ (UFCW, 2003). In Ontario, agricultural workers are not covered by the Occupational Health and Safety Act and are not permitted to
join a union. For temporary foreign workers the cards are stacked even more heavily in favour of employers. Farmers have the power to send foreign workers home, at the workers’ expense, before their contracts expire, on the basis of ‘non-compliance, refusal to work, or any other sufficient reason’. These sweeping powers are not checked by any process of review or appeal and the UFCW says workers have been sent home ‘for expressing concern over inadequate housing, for not receiving the hours of work contracted for, and because they have become ill or injured’ (UFCW, 2003). Nor can workers simply withdraw their labour and seek alternative employment on a different Canadian farm; each worker is contracted to a particular employer for the duration of the season. If they leave that employer they must leave Canada. The worker’s only recourse is to seek help from their consular representatives, but as the union notes, consulates do not have enough staff to offer adequate support to workers. In any case the ‘conflicts and dual roles’ of consular officials mean that they have an interest in minimising conflict with Canadian employers and government authorities, for fear ‘worker issues … will result in a reduction of the numbers of workers requested from their country’ in future years (UFCW, 2003).

Compliance amongst foreign seasonal workers is further enforced through a process of reporting; at the end of the season, employers fill out an evaluation form for each worker, which the worker must return, in a sealed envelope, to government authorities in their home country. These authorities will then determine whether the worker can be re-admitted to the scheme in the following year (Basok, 2004). There is no complementary process under which foreign workers evaluate their Canadian employers and working conditions. And while Canadian authorities check the accommodation provided to temporary foreign workers prior to their engagement, there is no subsequent check on actual conditions during the season. As the union notes inspectors who visit a building which normally houses a family of six to eight people ‘are likely unaware that up to 25 workers may soon inhabit the dwelling’ (UFCW 2003).

The fundamental issue here is the imbalance of power between employers and temporary foreign workers. As the UFCW (2003) notes; CSWAP is

‘[t]heoretically a win-win situation for employers and for impoverished migrant workers. In practice, the program has been tailored to meet the needs and suit the demands of employers and little attention has been accorded to the needs of the migrant workers. … The migrant workers have no voice and no representation.’

As Basok puts it, the seasonal foreign workers are ‘unfree’. Not only are they ‘unable to change employment, but they are also unfree to refuse the employers’ requests for their labour whenever the need arises’ (Basok 2003, p.4) She argues that it is this characteristic, rather than low wages, which makes foreign seasonal workers so attractive to Canadian primary producers. Detached from their home societies, foreign workers are temporarily disentangled from the ordinary obligations of family and community and can be relied upon to work to demand with perishable crops. Canadian workers are, by contrast, ‘too free’; they may take time off to care for a sick child or elderly relative, to play sport, attend a funeral or simply take a break. Or they might decide to seek better paid work elsewhere (Basok 2003, pp 55-56).

Implications for Australian country towns.
The development of a seasonal labour scheme for Australian horticulture offers both opportunities and challenges for Australia country towns.

The most obvious potential benefit is that a more secure labour supply would allow primary producers to expand their enterprises with greater confidence. In Ontario, where 85% of Canada’s seasonal workers are employed, horticultural output expanded by 90% between 1994 and 2000 and employers say that without the migrants ‘labour intensive agriculture … would be virtually non-existent’. (Ferguson, 2004). It is estimated that each horticultural farm worker supports ‘2.6 jobs in the supply and processing sectors’ (Basok, 2003, p.146) Thus, rather than “stealing” local jobs, a scheme to bring seasonal migrant workers to Australia would contribute to economic expansion and increase regional employment opportunities, particularly in non-agricultural industries like transport, construction and food processing.

Research on the Canadian scheme (Bauder et al, 2003) suggests that country towns would also benefit from the multiplier effect of spending by seasonal workers on goods and services, particularly food, entertainment, hardware products and telecommunications (phone cards). A shop owner in the Canadian town of Simcoe says the effect of local spending by seasonal workers is ‘literally like Christmas [i]n September’ (Bauder, et al, 2003). The workers’ spending patterns are influenced in part by their relative lack of autonomy. While permanent residents may drive to ‘urban mega shops’ in distant cities or large towns, seasonal migrants are restricted in their movements and their spending is more localised. They are in this sense a ‘captive market’ (Preibisch, 2004). Some shop owners in Canadian towns believe that migrant workers sustain the viability of their business, which would otherwise have closed down. Seasonal workers are also intensive users of banks and post offices (particularly to transfer money), thus assisting local communities to maintain and even expand services which might otherwise be at risk of closure or centralisation in urban areas. In some Canadian country towns, banks and post offices have altered their hours to open in the evening, in order to cater for migrant workers who are unable to come into town during the day (thus indirectly benefiting all townspeople with more flexible opening hours). The presence of seasonal workers can even have a revitalising effect on local church congregations.

In general however, after more than 30 years of CSWAP, relations between seasonal workers and local residents in Canadian country towns remain predominantly commercial (shopping trips, restaurant visits etc) and the temporary migrants are not engaged to any great extent in community life. This is only partly explained by language barriers (while Mexican workers mostly speak only Spanish, most Caribbean workers speak English). As Preibisch (2004) notes ‘residents, for the most part, are either unaware or choose to ignore the migrant worker community living in their midst’. Where awareness of the seasonal workers does exist, most local residents view them in stereotyped but generally positive terms (e.g. ‘friendly, hardworking people’), although this veneer can prove brittle when social relations move beyond the superficial to the intimate. For example, workers have suffered racial attacks after becoming involved with Canadian women. Such outbursts of animosity may explain why the workers themselves perceive that they are viewed negatively by the local community (Preibisch, 2004).

There are however, signs of a deepening engagement between Canadian residents and seasonal workers. Ironically, this has developed in part as the result of critical academic scrutiny and negative media reports about the rights and conditions accorded to workers. In response, a nascent advocacy movement has emerged - often based in Church communities
and now actively assisted by a leading trade union - that has generated more meaningful forms of interaction between workers and local residents. This takes the form of neighbourhood houses where workers can meet on their days off and access counselling and advice services, joint worship services, sports fixtures, dances and barbecues (Preibisch, 2004; Basok, 2003 pp 150-51).

This grassroots response to Canada’s migrant workers can be compared to the experience in Australia, where people in country towns have reached out to refugees living on temporary protection visas, particularly through such groups as Rural Australians for Refugees (Mares, 2004; 2002), and it suggests that diverse forms of community engagement could be planned and integrated into a well-designed seasonal workers scheme in Australia. As an example of how this might work in practise, one can envisage building on the model of ‘sister city’ type relationships that exist between some local municipalities in regional Australia and localities in Asia and the Pacific. Under this scenario, a particularly region (for example Weather Coast in Solomon Islands) might be twinned with an area in country Victoria (such as the Swan Hill region). In addition to recruiting seasonal workers from Solomon Islands to work in horticulture, associated educational activities could be devised for schools in Swan Hill and community organisations (perhaps Church groups) could take a lead role in organising social events and activities to welcome the workers into the community. With growing awareness of the workers’ social, economic and cultural background opportunities might arise for other forms of engagement – such as the Swan Hill Rotary Club raising money to purchase teaching materials for primary schools in Solomon Islands. The shape of this community engagement would vary from place to place; the key must be to create the conditions in which interaction between seasonal workers and the host community can flourish so as to reduce the ‘migrants’ isolation and any fears that might exist in the local community about the ‘foreigners’ in their midst.

At a practical level, the presence of temporary migrant workers in Australian country towns would pose a challenge for the adequate provision of services. The delivery of health services in rural areas is a constant subject of concern in the Australian media – so how would overstretched hospitals and GPs cope with the additional demand, particularly when there may be linguistic and cultural communication barriers? If special arrangements were made to cater for the migrants, then this might provoke resentment on the part of locals, whose calls for improved services have fallen on deaf ears. Another major question is how country towns would accommodate a temporary influx of workers. Inadequate or substandard housing is the cause of numerous complaints under the Canadian scheme; it is also seen as a major disincentive for urban workers to take up fruit-picking jobs in Australia. Australian country towns already experience difficulties in accommodating workers who are employed temporarily on the start-up phases of new investment projects (EDC, 2004 p53) and skill shortages in the construction industry make it unlikely that such bottlenecks can be quickly overcome (EDC, 2004, p43). If any such scheme is to proceed, then it must be done in such a way that an increase in services to meet the specific needs of the temporary labour scheme also benefits - and is seen to benefit – local residents.

**Other potential problems with a seasonal migrant labour scheme.**

There are potential problems with a seasonal agricultural workers program for Australian agriculture that are not canvassed in the available literature on the Canadian scheme.
Importing workers to resolve labour shortages may inhibit innovation and reduce investment in plant and equipment. The overall effect is to reduce productivity growth. As discussed above, there are limits to mechanisation in horticulture, given the sensitive handling required for some high-value crops, but this should not prevent us from asking hard-headed questions about relative efficiency and relative benefit. To take a hypothetical scenario; rather than grow mangoes in Australia and import East Timorese workers to pick them, perhaps it would be more ‘efficient’ to develop mango plantations in East Timor and then import the fruit.

While labour shortages in Australian horticulture are well documented, there are persistent pockets of high-unemployment in agricultural areas. For example, is it appropriate to import labour from overseas when many indigenous Australians remained excluded from the local workforce in regional areas? Will the creation of a pool of willing overseas workers further marginalise indigenous Australians in terms of employment? A pilot project to bring young indigenous workers from Cape York to pick fruit in Victoria and South Australia has proved successful and is now being expanded (James, 2005) but the organisers are concerned that this still fragile initiative could be swamped by a scheme to import workers from off-shore. And even if seasonal workers are guaranteed payment at the prevailing local wage, the impact of having access to a readily expandable pool of overseas labour from less affluent nations is certain to have a depressing effect on agricultural wages in the long term, further removing the incentive for Australian workers to take up such employment, or condemning them to surviving on less than a living wage if they do. This in turn will create pressure for a steady expansion of the seasonal labour program to allow in ever increasing numbers of overseas workers. Other industries experiencing labour shortages will no doubt use any such scheme to pressure the government to allow them too to bring in unskilled or semi-skilled workers from overseas (such as aged care workers or ancillary hospital staff).

There are also the practical issues associated with such a scheme. For example, is it possible to identify a ‘season’ of peak demand for labour? Harvest seasons in Australia vary from crop to crop and from the tropical north to the temperate south and there may also be spikes in labour demand at other times (eg pruning and thinning). It may be relatively easy for the owner of a large-scale single-crop plantation to predict labour demands several months out from the harvest but it is a much more difficult proposition for small-holders running mixed blocks. How would workers claim tax refunds? Would they pay the Medicare levy and be eligible for health cover? What would happen to the employers superannuation contributions?

There are also potential problems in source countries. Could a reliance on the remittances brought in by labour migration inadvertently suppress or displace productive investment in the home country? Is there a risk that it will increase inequality and social tensions, as some families, who have members working abroad, become significantly more affluent than their neighbours who do not? Will it disrupt families and undermine marital stability as working age adults travel overseas for extended periods of time? Could it result in a demographic imbalance, with only the children and the elderly left at home? Will the attraction of significantly higher wages in Australia entice some skilled and highly valued workers to join the scheme, thus exacerbating the problem of ‘brain drain’ in developing societies? (One undocumented worker gave up her job as a primary school teacher in her Pacific Island homeland because she could earn much more money working in a chicken processing factory in Australia. A highly motivated, resourceful and articulate woman, her skills as valuable education professional were lost to her own society.) This in turn raises the question as to whether it is feasible and/or desirable to impose criteria on the selection of potential seasonal workers, such that only unemployed or low-skilled candidates can apply for example, or that
only one person per family will be accepted for the scheme, or that (as in Canada) applicants
are drawn from poor and underdeveloped regions of the home country.

Conclusion:

The problems associated with the Canadian Seasonal Agricultural Workers Program could be
overcome with better design and regulation. Even the UFCW, critical as it is of Canada’s
scheme, does not suggest scrapping the program altogether; rather the union has called for
essentially minimal reforms to increase the rights and representation of foreign workers. As
far as the Mexican and Caribbean seasonal workers themselves are concerned, research
indicates that while they may have complaints about the operations of CSWAP, they would
prefer to remain involved in the scheme than forgo the opportunity to work in Canada. Basok
found that workers favour the relative job and wage security of the Canadian scheme over the
uncertainty of working as an undocumented migrant in the US (Basok, 2004 p. 97). Other
research indicates that seasonal workers in Canada are also able to remit significantly greater
sums of money to their families (Colby, 1997). This suggests that the ‘unfreedom’
experienced by seasonal migrants in the host country may be a lesser evil than the privations
of poverty that they otherwise experience as unemployed workers at home, or the alternative
scenario of employment as an undocumented migrant.

If Australia is to proceed down the path of a seasonal migration scheme, then the challenge is
to construct a program that improves the stability of labour supply for growers, while at the
same time giving voice to the visiting workers and protecting their rights. In short, there
needs to be a system of regulation and checks and balances to mitigate the structural
inequality between employer and temporary foreign worker. The scheme must also be
designed in a way that fosters social and cultural interaction between the temporary migrants
and their host communities in Australia. There are strong arguments for hastening slowly and
for thinking carefully about how such a program should be constructed. Given Australia’s
historical and geo-political relationship with the Pacific Island states, and given those states
limited options for economic development, an appropriate place to start would be a pilot
scheme to recruit horticultural workers from Pacific nations as recommended by the Senate
Foreign Affairs, Defence and Trade Committee in its report A Pacific engaged (SFADTRC,
2003 p76). In developing any such scheme, we should keep in mind the words of Swiss
writer Max Frisch: ‘man hat Arbeitskräfte gerufen, und es kommen Menschen - we called for
labour power and we got people’. Growers may just want ‘a pair of arms’ to bring in the crop
before it spoils, but importing labour is not like importing farm machinery. A seasonal labour
migration scheme that respects the dignity of migrant workers, protects their rights and
fosters their social and physical welfare does have the potential to create a win-win situation
with benefits for communities in rural Australia and in the workers’ homeland.

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1 Personal interview. Where not otherwise attributed, all quotations in this article are based on personal interviews conducted by the author.

2 I use the term ‘undocumented’ workers in preference to the more pejorative term ‘illegal’

3 Australia’s current reciprocal working holiday arrangements are all with the developed states or territories that the Immigration department regards as posing a ‘low-immigration risk’, namely Belgium, Canada, Cyprus, Denmark, Finland, France, Germany, Hong Kong, Ireland, Italy, Japan, Korea, Malta, Netherlands, Norway, Sweden, Taiwan and the UK.

4 The other main sectors being hospitality, the sex industry and factories.

5 When the price for zucchini fell to $4 per box in Melbourne last season a Tooleybuc grower decided to leave 6 acres of unpicked vegetables to rot in the field. With fixed costs of almost $3 per box in freight ($1.20) and packaging ($1.76), it was more economical to plough the zucchinis back into the soil than to invest more money paying workers to harvest them.

6 The ‘risk’ is in fact limited, since there is no provision to prosecute employers for hiring undocumented workers; at most they will receive an ‘Illegal Worker Warning Notice’ advising them of the ‘possibility of further prosecution’. There are currently no fines or penalties in the Migration Act for employing illegal workers, although employers could potentially be prosecuted under the Criminal Code 1995, or for breaching existing tax and labour laws.

7 As Lynn points out, as members of the Commonwealth, PNG citizens can get working visas for the UK but not for Australia.

8 Following the recent eastward expansion of the EU, Poland is now an EU member. It will be interesting to see whether new recruits from further east now fill their shoes, while Polish workers move into more secure or better paid positions as EU citizens.

9 The historical reality of guest worker schemes is somewhat different to perception; in the case of Germany for example, the vast majority of guest workers ‘rotated in and out of jobs as anticipated’ and did return to their homelands (Martin, 2003).

10 My emphasis