Working Holiday Visa program must be axed to end worker exploitation says the Retail Supply Chain Alliance

August 11, 2020

The Retail Supply Chain Alliance is calling on the Federal Government to axe the Working Holiday Visa program in a bid to stamp out widespread worker exploitation, industry lawlessness and provide more jobs for young people in regional and rural Australia.

The Alliance, made up of the Australian Workers' Union (AWU), the Shop Distributive and Allied Employees Association (SDA) and the Transport Workers' Union (TWU), says urgent action must be taken to improve the working conditions of hundreds of thousands of people employed in the horticultural industry and break an industry model that rewards exploitation.

"This is an industry that is essentially lawless, totally broken and run by industry cowboys. It needs an overhaul from top to bottom that looks at every policy parameter – visas, worker rights, labour hire, enforcement – the lot," said AWU National Secretary Daniel Walton.

The Alliance says the horticultural industry has relied for too long on exploited backpackers to fill jobs that could be done by workers already living in remote and rural Australia and says the COVID-19 pandemic has laid bare this over-reliance. The Alliance also pointed out that with unemployment at levels not seen for decades it was increasingly impossible to justify a need for temporary overseas labour.

Mr Walton said: “Our international borders are destined to remain closed for many months and unemployment in the regions due to COVID-19 – particularly amongst young people – is through the roof. Farmers will need to attract Australians back into the horticultural workforce.

“The concept that Australians don’t want to do this work isn’t just wrong, it’s offensive. All work is dignified and should be respected. If they actually started paying people decent wages, there’s a willing workforce already out there in rural and remote Australia that should be used throughout the crisis and beyond. They deserve a fair shot at a good job.”

In a submission to the Agriculture Workforce Strategy, the Alliance sets out a plan to reform the visa system which would see horticultural workers paid a fair wage and an end to employers exploiting workers.

SDA National Secretary Gerard Dwyer said: “Every year tens of thousands of young people arrive in Australia with dreams of travelling around our great country by making money picking fruit and veg. But they can end up on remote farms where they are packed into shoddy accommodation, are verbally and physically abused and often end up being chronically underpaid.

“They’re often too scared to speak up because their visa depends on them completing the work for the very employer that is abusing them. The level of exploitation is so widespread and so ingrained, the Federal Government needs to act now and junk the current program.”

The Alliance also says a major problem causing the exploitation is retailers forcing farmers to accept low cost contracts.

Nick McIntosh, National Assistant Secretary of the TWU, said: “I think most Australians would be horrified to think that their two dollar punnet of blueberries could actually be the result of modern slave labour. It’s time the top of the retail supply chain is held to account for when exploitation occurs.”

The Alliance also calls for an improved and targeted Seasonal Worker Programme as a better scheme for protecting overseas workers’ rights and pay which could continue to deepen Australia’s relationship with its Pacific and regional partners.

The AWU’s Mr Walton said: “Farmers have a choice right now. They can choose to employ workers employed under the working holiday visa scheme and get away with underpaying them. Or pay regular rates and be subject to national standards and oversight under the Seasonal Workers’ Program. It’s not surprising that many choose the exploitative model.”

The report notes that there are still incidences of exploitation in the Seasonal Worker Programme, which should be fixed with greater enforcement, a resourced FWO ‘cop on the beat’ and an expanded role for unions in investigating potential breaches.

The SDA's Mr Dwyer said: "Unions have a crucial role to play in ensuring compliance; we are industry experts and have a national presence. Our alliance shows we can work together to stamp out exploitation. We should have a crack squad of unions and inspectors doing spot checks and shutting down these dodgy operators once and for all."

The report sets a series of recommendations that would overhaul the current system including:

- Abolishing the WHV visa scheme in its current form.
- Establish a national labour hire licencing scheme – one where unions would be allowed to spot visit and conduct checks on wages and other key markers.
- Introduce a consumer facing industry supply-chain accreditation scheme for the horticultural industry – with government, business, and union oversight.
- Set up a national accommodation provider licencing scheme that allows unions to exercise right of entry on accommodation.
- Stricter labour market testing for 'labour shortages' with a focus on local training and hiring.
- Stricter penalties for those breaking the law.
- Maintain a public register of visa workers, their visa status, their worksite, living arrangements and labour hire employer.

The AWU's Mr Walton added: "We've had inquiry after inquiry and countless horror stories in the media. But, nothing ever changes. There are farmers who are doing the right thing by their employees. If they can pay a fair wage and treat their workers with respect, why can't everyone."

Read the submission here.