

**Review into the Impact of key PALM Scheme  
Deed and Guidelines Settings**

**September 2025**



## The National Farmers' Federation (NFF) is the voice of Australian farmers.

The NFF was established in 1979 as the national peak body representing farmers and more broadly, agriculture across Australia. The NFF's membership comprises all of Australia's major agricultural commodities across the breadth and the length of the supply chain.

Operating under a federated structure, individual farmers join their respective state farm organisation and/or national commodity council. These organisations form the NFF.

The NFF represents Australian agriculture on national and foreign policy issues including workplace relations, trade, and natural resource management. Our members complement this work through the delivery of direct 'grass roots' member services as well as state-based policy and commodity-specific interests.

## NFF Member Organisations



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## About us

For a description of the NFF and member organisations please refer to Page 2 of this submission.

## Introduction

The PALM scheme deed and guidelines were implemented in June 2023. This specific review will examine the impact of key PALM scheme deed and guidelines settings to determine if they are meeting the government's priorities of:

- ensuring scheme mechanisms protect workers at greatest risk of exploitation.
- enabling participating countries, workers, and their communities to benefit from participation in the scheme.
- ensuring there is a reliable and productive workforce available to meet the needs of Australian employers.
- understanding how the new settings have influenced PALM scheme employers demand for workers and support continued growth of the scheme.

Specifically, DEWR has asked stakeholders to comment on the following PALM scheme settings:

- accommodation standards
- pay parity.
- low hours safety net
- minimum net pay guarantee
- welfare and wellbeing support
- transparency of deductions
- cultural competency
- transport standards

The NFF submission will deal with all the above points and, even though it is not strictly in scope in terms of the settings set out above, will also emphasise again our views on the guaranteed 30 hour per week issue along with the need for a degree of harmonisation between schemes such as the Palm Scheme and the Pacific Engagement Visa Scheme.

As far as consultation on the review is concerned NFF participated in a consultation process with DAFF on August 26 and with DEWR on September 1 and September 3.

## Accommodation Standards

The general proposition in Australia is that accommodation is at a premium with shortages being experienced in rural and regional areas with the impact. The practical effect of this is that Palm Employers need to secure and hold on to accommodation earlier and for a longer period than before which leads to an increase in costs. Businesses who are either approved or host employers, (or both), must secure accommodation for Palm Scheme Workers whenever they can and hold on to it so that the accommodation is available for when the Palm Scheme Workers arrive. This means that they are paying rent, at an inflated price, for a longer period which increases the cost and decreases the viability of Palm Scheme Workers.

The alternative of securing accommodation for Palm Scheme is for businesses to invest in on-farm accommodation on their own properties. While it would take market forces out of play in terms of the accommodation issue this approach is not without its challenges. NFF would suggest the following as possible solutions:

- **Incentivize the creation of on farm housing** - NFF believes that Farmers can be part of the solution with an accelerated depreciation or instant asset write off scheme.
- **Remove disincentives to providing accommodation** - This occurs in situations where a farmer provides accommodation to an employee without charging or at a discount rate which means that they may be subject to fringe benefits tax. This cost is clearly a barrier to offering and therefore investing in workers accommodation and should be removed where accommodation is a necessary part the job rather than part of an incentive or remuneration package.
- **Simplifying planning regulations** - NFF would support the streamlining of planning regulations to facilitate on-farm accommodation solutions including planning waivers for temporary accommodation for up to twenty workers.
- **Financial issues** - NFF believes that the restraints in commercial financing in regional Australia such as level of deposit required for mortgage approval needs to be looked at along with issues such as short -term concessional loans to kickstart the development of quality temporary housing.

## Pay Parity

The principal of pay parity is supported by NFF but the complex nature of industrial regulation in Australia, through the Fair Work Act 2009 (CWTH) presents legal and administrative challenges and risks including but not limited to the following:

- Reconciling the applicable industrial instrument and job classification.
- Determining the applicable rate of the host organisation and entering a countersigned agreement with the Host organisation for the purposes of confirming the rate.
- Ensuring ongoing pay parity over the duration of the placement.
- Ensuring that accurate records are held for compliance purposes.

It is recommended that employers receive a greater level of education and support to ensure proper compliance with the complex requirements of the Fair Work Act 2009 (CWTH) and associated instruments.

## Low Hours Safety Net & Minimum Net Pay Guarantee

The low hours safety net is one of three safety net scenario's that are applicable to Palm Workers along with a minimum net pay guarantee and a minimum hour's guarantee. Specifically, the low hours safety net is applicable in situations where workers are offered less than 20 hours work in a week. This places an obligation on the approved employer to cover transportation and accommodation costs for the PALM worker which are not recoverable from the worker.

NFF is of the view that this, along with the other safety nets applicable to Palm Workers such as the Minnimum Net Pay Guarantee of \$200 per week after tax and deductions only adds to the complex legal and administrative challenges associated with engaging workers under the PALM Scheme. Not only does an employer have to try and navigate the Fair Work Act and associated instruments and the complexities associated with those the employer

must wrestle with the additional and related burden of compliance or attempted compliance with the three safety nets.

These three safety nets also impose the risk of creating industrial relations anomalies on work sites which could of itself lead to discontent and disputation. You may have a scenario where a Palm Worker will work alongside local workers or workers on different visa conditions such as those on Working Holiday Visa's and Pacific Engagement Visa's performing essentially the same work but receiving different employment conditions with PALM conditions being the most preferential from the employee point of view. Unfortunately, the lost productivity and time in resolving these sorts of issues adds a further layer of cost and reduces the viability of Palm Scheme as a vehicle to attracting a skilled labour force.

Finally, and even though it is not strictly in scope for the purposes of this review it would be inappropriate not to comment on the minimum hours guarantee issue. NFF is of the view that this is the most critical of all as a proper treatment of this safety net will greatly assist in the resolution of the issues.

The current proposition is that the minimum guarantee of 30 hours per week needs to be averaged out over a four-week period and that provision will remain in force until March 2026. NFF is of the view that the minimum hours guarantee should return to scenario where the 30 hours per week is averaged out over the duration of the Palm Workers placement and that the proper payment of this guarantee effectively offsets the other two safety net scenarios.

## Welfare and Wellbeing Support

NFF and its members acknowledge the absolute importance of ensuring the safety and wellbeing of Palm Workers. It is both consistent with the Deed and Guidelines and is ethically the right thing to do.

The Deed and Guidelines place an obligation upon employers every two weeks to discuss welfare issues as well as grievances. This is challenging for a range of reasons such as

- Palm workers are reluctant to raise issues in front of their co-workers from different countries.
- Palm workers are generally reluctant to raise issues in groups preferring instead to have one on one discussions with their employer.
- Gathering Palm workers together when they may be working on different sites or shifts can be difficult, time consuming and costly.
- Attendance at welfare meetings with workers, especially returning workers who have been in Australia before not interested.
- Another issue of concern is that people in welfare or pastoral care type roles may not have the experience to deal with the potentially complex issues that occur from time to time such as domestic violence and those with pre-existing medical conditions.

To further progress Welfare and Wellbeing issues the following approach is recommended:

- Survey workers to determine whether welfare meetings every two weeks is recommended.
- Make greater use of digital platforms to make the management of worker welfare issues more efficient.

- Take a more flexible approach to the requirement for welfare officers to be within a 200 km radius of workers particularly in regional and remote areas of Australia.
- Initiate a consultation process with employers to develop guidelines for welfare officers to operate in for their own safety, mental health and wellbeing.
- Establish a critical response team with key stakeholders to provide support to all parties when serious criminal, medical or personal issues arise.

## Transparency of Deductions

NFF is of the view that there are often tensions between the Palm Deed and Guidelines on the one hand and the Fair Work Act and associated instruments on the other. Examples of this include but are not limited to the following-

- Employers not being able to recover vehicle costs if they own the vehicle.
- Confusing rules surrounding the payment of drivers.
- Paying workers to attend fortnightly welfare meetings as against work related briefings.

The following approach is recommended -

- Review the conflicting Palm settings with the Fair Work Act and associated instruments.
- Consult with industry to address discrepancies.

## Cultural Competency

The importance of cultural competency when dealing with Palm Workers from sending countries and indeed sending country representatives cannot be overestimated. It is important to note that the sending countries from the Pacific and Timor-Leste are relationship based. While sending countries have signed off on the cultural competency training there are several challenges including but not limited to the following

- The importance of not discriminating between multi -cultural groups.
- Focusing the training on new approved employers with no experience in dealing with sending countries.
- Broadening the focus of training to all stakeholders in the Palm Scheme such as Unions and community representatives.
- Retraining on cultural competency every 12 months is too frequent.

The following is recommended -

- Review the effectiveness of cultural competency training to make sure that it is more targeted.
- Consider a longer review period and the need for retraining.
- Acknowledge the cultural competence of approved employers and their staff who regularly visit the sending countries for the purposes of recruitment.

## Employer provided and private Transport Arrangements

Transport for workers is intrinsically linked to Workplace Health and Safety and is a key cost that employers who participate in the Palm Scheme either as approved or host employers must bear. Where an employer leases or purchases a vehicle to transport workers around, they are, according to DEWR policy, deductions including depreciation and drivers' costs. The Deed and Guideline act as a disincentive for approved employers to invest in worker transport.

It can also be argued that it is unreasonable to ask an approved employer to determine if transport arranged by the workers themselves as it hinders the capacity for workers to make these decisions and assumes that approved employers are appropriately qualified to provide advice in this area.

If an approved employer has concerns about a worker's own means of transport, regardless of the mode, they should notify the department particularly in circumstances where the worker continues to use their mode of transportation rather than the transportation provided by the approved employer.

## Conclusion

The bottom line for Agriculture is that there are significant skills shortages in the industry and NFF would support schemes which would mean that some of these skills shortages can be addressed

The PALM Scheme is one means to address this problem, but the complexity of the scheme means that it is a costly and time-consuming road to travel which leaves employers looking at other options such as the Pacific Engagement Visa program and the Working Holiday Visa Program

Ultimately employers need a simple system that is going to work and unfortunately the PALM Scheme in its current form does not meet that test.





National  
Farmers  
Federation

Leading  
Australian  
Agriculture

NFF House  
14-16 Brisbane Avenue  
Barton ACT 2600

Locked Bag 9  
Kingston ACT 2604

(02) 6269 5666  
[reception@nff.org.au](mailto:reception@nff.org.au)  
[nff.org.au](http://nff.org.au)



National Farmers Federation



@NationalFarmers