



National
Farmers
Federation

Horticulture
Council

12 September 2025

PALM Evaluation, Research and Monitoring Team
Department of Employment and Workplace Relations
GPO Box 9828
Canberra ACT 2601

By email: PALMResearch@dewr.gov.au

To whom it may concern:

RE: Review into the Impact of key PALM Scheme Deed and Guideline Settings – Phase 2

The National Farmers' Federation (NFF) Horticulture Council welcomes the opportunity to contribute to the Department's Phase Two review of the Pacific Australia Labour Mobility (PALM) Scheme. This submission is made in support of the Council's ongoing commitment to ensuring the Scheme remains a viable, fair, and responsive mechanism for addressing critical labour shortages in horticulture and regional Australia.

The Council is the recognised peak body for forming policy and advocating on behalf of the national horticulture industry. Established in 2017, it now comprises 19 national commodity and state-based horticulture bodies, who together represent the full breadth of an incredibly diverse industry, including growers of all sizes and products including fruits, vegetables, nuts, ornamental plants and turf.

The Council continues to support the PALM Scheme as a strategic supplement to the domestic workforce. It is our view that the Scheme must remain demand-driven, cost-effective, and accessible to employers of all sizes, while upholding robust protections for workers. We advocate for a balanced approach that reflects the diversity of horticultural operations and the realities of agricultural employment. The Scheme must be governed transparently, with meaningful industry input, and subject to continuous improvement through evidence-based evaluation.

The Council supports broadly the submission in response to this review made by the NFF. The Council also supports those made by Approved Employers of Australia and the Australian Fresh Produce Alliance, with only a difference concerning the minimum weekly hours guarantee setting.

To inform this submission, the Council together with the NFF, conducted a targeted survey of stakeholders engaged with the PALM Scheme. The

attached **Survey Summary Report** presents the views of 32 Approved Employers and Host Businesses, representing a broad cross-section of horticultural enterprises, engaging nearly 20 percent of PALM workers in the agriculture short-term stream. Their responses offer valuable insights into the operational impacts of current Scheme settings and highlight areas where reform is urgently needed.

Accommodation and Transport

Accommodation standards remain a significant source of frustration for many employers. While some respondents found the requirements clear and fair, a substantial proportion reported confusion, inconsistency, and impractical expectations—particularly in regional and remote areas. Employers described the approval process as overly bureaucratic, citing requirements such as photographing toilet bowls and documenting minor features. These administrative burdens are compounded by frequent re-approvals and unclear communication from DEWR.

Transport obligations were similarly problematic. Employers expressed concern about the cost and complexity of providing transport across dispersed worksites, especially in rural settings. The requirement to assess the safety and affordability of private transport was seen as unreasonable, placing liability on employers for matters outside their expertise. Respondents called for clearer guidelines and a shift toward notification-based processes, rather than assessments.

Deductions and Pay Parity

The deductions framework was widely viewed as unbalanced. Employers acknowledged the importance of protecting workers from financial exploitation but argued that the current settings fail to account for legitimate operational costs. Many reported difficulty recovering expenses related to accommodation, transport, and other services, particularly when costs are capped or subject to inconsistent assessments.

Pay parity requirements were also a source of concern. Employers noted that the obligation to pay all workers identically—including bonuses and performance incentives—limits their ability to reward high-performing or returning PALM workers. This rigidity undermines productivity and creates legal ambiguity when multiple industrial instruments are in play. Respondents called for clearer definitions of “full rate of pay” and greater flexibility to reflect the realities of agricultural work.

Minimum Net Pay Guarantee and Low Hours Safety Net

These settings were identified as having the greatest impact on employer decisions to engage with the PALM Scheme. While the intent of these provisions is supported, their implementation has proven challenging. Employers reported that weather events, crop cycles, and market fluctuations frequently trigger uplift payments, placing financial strain on businesses already operating on tight margins.

The average payment made to comply with the minimum net pay guarantee was approximately \$210 per week per entitled worker. For the low hours safety net,

payments ranged from \$100 to \$400 per week. Employers expressed concern that these costs are unsustainable, particularly when combined with other compliance obligations. Many called for the introduction of averaging mechanisms, exemptions for exceptional circumstances, and clearer guidance on allowable deductions.

In light of these concerns, the Council recommends that DEWR consider a dramatic simplification of the PALM Scheme's financial safeguard architecture. The current layering of protections—including the Low Hours Safety Net, Minimum Net Pay Guarantee, and Minimum Weekly Hours Guarantee—has created a duplicative and administratively burdensome framework. These overlapping obligations not only increase compliance complexity for employers and regulators but also introduce financial exposure that is difficult to manage, especially during periods of disruption. The result is a system that is costly, confusing, and increasingly unviable for many horticultural businesses.

A streamlined approach would preserve the core intent of protecting worker earnings while eliminating redundant weekly tests and loan arrangements. This would reduce the administrative load on employers, simplify compliance for DEWR, and ensure that protections remain meaningful without becoming punitive. Rationalising these settings into a single, predictable safety net would be a particularly impactful outcome of this review and a vital step toward restoring confidence in the Scheme.

Depending on the extent of optimisation gained through any rationalisation, the Council will likely still strongly recommend the minimum weekly hours guarantee setting revert to an averaging period over the course of a placement, consistent with the former Seasonal Worker Programme. This approach reflects the operational realities of horticulture, where seasonal variability, weather disruptions, and crop maturity cycles make it impractical to guarantee a fixed number of hours each week. Averaging hours over the full placement period ensures that workers receive a stable income while allowing employers the flexibility to manage natural fluctuations in labour demand. Evidence from recent surveys—including those conducted by the Council, DEWR, and AFPA—demonstrates that employers consistently exceed the 30-hour threshold when measured across placements, with averages ranging from 36 to over 40 hours per week.

The Council further supports the establishment of a tailored version of the PALM Scheme Deed and Guidelines for horticulture. The current one-size-fits-all framework does not adequately reflect the unique characteristics of the horticulture sector, which is distinguished by its seasonality, regional dispersion, and reliance on short-term labour. A horticulture-specific version of the Deed and Guidelines would allow for more appropriate and proportionate settings, reduce compliance burdens, and improve program viability for smaller enterprises. This would also help ensure that the Scheme remains responsive to the needs of both employers and workers, while preserving its integrity and development objectives.

Support Person and Cultural Competency

The role of the Support Person was broadly supported, with 82 percent of respondents recognising its value in assisting PALM workers with welfare and wellbeing. However, employers requested greater flexibility in how the role is delivered. Suggestions included allowing fortnightly meetings to be conducted via videoconference and enabling experienced PALM workers to take on support roles as part of their professional development.

Cultural competency requirements received mixed feedback. While some employers found the training valuable, others viewed it as a “tick box” exercise with limited practical benefit. Respondents recommended tailoring modules to specific roles, offering periodic refreshers, and involving PALM workers in co-designing content. There was also support for reducing the frequency of renewal and improving access for host employers.

Confidence in DEWR and Government Decision-Making

The survey revealed low levels of satisfaction with DEWR service levels and limited confidence in the Government’s ability to make decisions that balance the interests of PALM stakeholders. These findings underscore the need for improved engagement, clearer communication, and more responsive administration.

Conclusion

The PALM Scheme is a vital component of Australia’s horticultural labour strategy. However, its continued success depends on settings that are practical, regionally sensitive, and economically sustainable. The Council urges DEWR to consider the findings of the attached Survey Summary Report and to adopt reforms that reflect the realities of agricultural employment.

We reaffirm our commitment to working collaboratively with the Department to ensure the Scheme delivers mutual benefits for employers and workers alike. The Council stands ready to assist further in the review process and welcomes ongoing dialogue to support continuous improvement.

Should the department wish to discuss any of the above further, please be in contact with Richard Shannon, Executive Officer to the Council either by email at hortcouncil@nff.org.au or phone on 0448 860 630.

Yours sincerely,



JOLYON BURNETT
Chair
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