

Benefits of the Seasonal Worker Program: a recruiter's perspective

By Grant Owen 26 February 2015

My name is Grant Owen. I spent 25 years in HR before redundancy led me to start Owen Pacific Workforce to service the horticulture sector with professional seasonal worker harvesters. I currently have 160 workers on the ground in Australia.

People frequently ask my workers why they are in Australia. I tell them, "Do not say 'I am here to pick fruit', answer by saying, 'I am part of a professional harvest crew'", because there is a world of difference between the two.

Australians not familiar with the horticulture sector have very little understanding of the working conditions and operation of horticulture enterprises. Employment in this sector is often casual in the award sense, but it is by no means casual in the attitude sense.

Typically my clients will get orders from the big supermarkets several weeks in advance. An order for 2,000 trays of berries for 14 days hence requires a confluence of many favourable factors:

- Is there enough green fruit that is exactly 14 days from maturity?
- Will the weather over the next 14 days bring the fruit to maturity on that day? A day after or a day before might as well be a month.
- Is the watering and nutrition program correctly set to ensure the fruit will be ready on that day?
- Are there enough punnets, cartons, picking trollies?
- Will there be space in the cool rooms for 2,000 trays?
- Are the logistics set up to get the packaged fruit to the client within the required time frame?
- And finally, **the issue we have an interest in here**, will there be enough skilled pickers to collect the fruit, in the allowed time frame, at a cost that will enable the predicted profit margin to be made within the price agreed for the order?

The reality of life as a professional harvester

The image of grey nomads and foreign backpackers chatting amicably while lazily picking fruit in the sun between extended coffee breaks on the days when they are not sight-seeing or surfing, is not the true picture of piece rate work, at least not on any commercially viable farm I have worked on.

The professional seasonal worker harvesters that comprise my crews:

- Turn up on time, every day, rain, hail or shine.
- Reliably pick the right fruit. Their quality is consistent and dependable.
- Pack their fruit in accordance with the specifications of the current order, with the required number, orientation and weight of fruit in the punnet. If a punnet sampled by the supermarket upon delivery is outside specs, the entire order may be rejected, the fruit sold at a loss at the markets, and further penalties by the supermarket will certainly follow repeated rejections.
- Clean off damaged and second quality fruit to maintain the health and viability of the bush.
- Set a steady pace and maintain it hour after hour, week after week, delivering a predictable result for the farm.

Last season I stood by a chariot (which is a big covered trailer out in the field where the picker brings the fruit to be weighed, checked and recorded) and listened while a worker (not one of our seasonal workers) starting that day tried to tell the supervisor about his upcoming dental appointment and driving test and which days he would be available to come to work. His attitude was "this is when I can get to work and you will just have to work around that". Multiply that by 800 workers and you get a glimpse of what a harvest manager's life is like!

Then consider this scenario. One morning I awoke at 4.30am to hear heavy rain drumming down on the roof. After getting my crew of 40 seasonal workers onto the bus I observed, "Today you will prove how valuable you are because many of the backpackers working on this farm will hear the rain on the roof when they wake up this morning and they will go back to sleep!"

Sure enough, the next morning at 6am I asked the harvest manager about the previous day, and he said, "Your seasonal worker crew saved us yesterday. Only about one third of the backpackers turned up for work because of the rain. Without your workers we could not have filled our orders."

No farmer wants to ring any of the major supermarkets and report they cannot fill an order. The supermarket will not be interested. They will just tell the farmer to fill the order or be penalised. That means making up the shortfall by buying fruit at market prices and filling the order at cost, or even at a loss.

Please note that I have no issue with backpackers. They fill a very important role in harvest. However, NZ research has found their average length of stay on any one farm is 5.2 weeks, so they never develop into professional harvesters. A sensible harvest labour strategy is to determine the absolute minimum requirement for the season, fill that space with reliable locals and seasonal workers who can be depended upon to turn up every day, and then meet the fluctuations above that, resulting from the ebb and flow of the crop, with backpackers.

The benefits of the SWP

In my experience, once a farm tries seasonal workers they like the results and increase their order next season. The reasons are both financial and operational.

From an operational perspective farmers quickly discover that having a professional harvest crew means that instead of spending every day scavenging hostels for backpackers, they are able to spend time developing their business because the harvest crews turn up reliably every day, get better as each week passes, and are there for the whole season.

From a financial perspective, if your best pickers are getting better, your piece rate is dropping. My experienced workers are picking at piece rates my clients never anticipated achieving two years ago, and as each year passes those rates are built into each succeeding budget. So, the seasonal workers become an essential part of the farm's strategy to deliver the result.

Let me also say that whilst they are very important, speed and productivity are not the only measures of the success of seasonal workers. Seasonal workers are also optimistic and cheerful. They appreciate the opportunity that has been given to them. They arrive at work in a good mood. They sing sometimes when they are working. They lift the spirits of everyone in the harvest team.

But the thing that makes a seasonal worker so successful is reliability and consistency. These are the "game changing" qualities that set them apart.

Let me observe here that the SWP must first and foremost run as a business. If the program is not commercially viable, it won't matter what else it is because it won't be sustainable. Some farmers get too close to their seasonal workers and lose sight of the commercial reasons for the program.

That is not to say I don't enjoy my role in the lives of my seasonal workers and try to help them when I can. I subsidise their purchases of computers, I assist them to start businesses at home and loan them money against wages to pay school fees. I have worked hard to set up a relationship with my bank in Tonga and Vanuatu to ensure that someone who knows about statutory declarations is available to help my workers fill out their super claim form when they go home, and to mail the completed documents to Australia. I bargain hard to get the best airfares and insurance deals for my workers, but I never lose sight of the fact that if my workers don't deliver a significantly better result than the other harvest workers, in six months I will be out of business, and they will be out of a job.

Grant Owen runs Owen Pacific Workforce. This post is based on his presentation at the launch on 18 February 2015 of the World Bank-Devpolicy <u>Australian Seasonal Worker</u> <u>Program: demand-side constraints and suggested reforms</u> report. In <u>his next post</u>, drawn from the same presentation, Grant turns to how the SWP should be reformed.

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