

20 August 2016

Barnaby Joyce
Deputy Prime Minister
Minister for Agriculture and Water Resources
Shop 5
259 Peel St
Tamworth, NSW, 2340

Dear Mr Joyce

Re: Urgent requirement to engage and support Queensland Strawberry Growers to address labour market concerns and productivity improvements

Without Prejudice, this letter provides evidence and testimony to the facts.

Subject Matter: This letter highlights the **plight of our strawberry growers**, their collective response and the **call to action** for a co-ordinated government engagement and support program.

The strawberry industry across the Moreton Bay and Sunshine Coast Regions over time has become progressively reliant on overseas workers to pick fruit. The 'Backpacker' tax reform has significantly impacted on the availability of this labour source, which required urgent attention by the growers to engage with a more localised labour supply or risk having unpicked fruit rotting in the fields!

The purpose of this letter is to outline a solution initiated by Regional Development Australia Moreton Bay, which galvanised support by the industry and local government to secure employment for up to 6,000 'locals' during the growing season.

This solution has the ability to support fruit growers across Australia who will be significantly impacted by the decline in overseas workers due to taxation changes, which make it less attractive to visit and work in Australia!

Context and Background

Regional Development Australia (RDA) Moreton Bay has identified the agribusiness sector and the Strawberry industry specifically, as critical to the region's economic and employment success.

Moreton Bay region grows approximately 50% of Queensland's total strawberry output and together with the neighbouring Sunshine Coast region, accounts for over 80% of the States production. During peak season of August and September an estimated 6000 people are employed in the industry.



RDA Moreton Bay has formed a strategic alliance with the peak industry body, the Queensland Strawberry Growers Association, along with Moreton Bay and Sunshine Coast Councils. This Alliance has been formed to “support the activities of the Queensland Strawberry Growers Association, to encourage growth and development of the Strawberry industry in Moreton Bay and Sunshine Coast regions”

Five collaborative initiatives are underway, with cash and in-kind support, all focused on building the capacity, innovation and resilience of our biggest Agribusiness sector. The projects are:

1. Editable waste product development and innovation;
2. Plastics waste reduce, reuse, recycle;
3. Packing automation ;
4. Export capacity building; and
5. **Labour Supply & workforce development**

Labour supply & workforce development

Access to a reliable, quality workforce is a significant challenge for the Strawberry industry and anecdotally, the wider horticultural sector on a national basis. A major contributor to this situation is the seasonal nature of the workforce requirements, plus the often weather dependant fluctuations.

Whilst the workforce challenge has been experienced for many years, the situation has been accentuated by the so called ‘Backpackers’ tax change initially proposed in early 2016 and now parked for review and consideration in December 2016. [REDACTED]

Growers say 80-90% of workforce is made up of foreign workers. This reliance on an overseas sourced workforce presents a significant business risk and exposure to a sudden reduction in numbers. Backpacker numbers are already reported to be reducing at about 10% per year.

Local growers say “10 to 12 years ago the workforce was made up of a majority of locals, with only 20% of employees being overseas based”

Local Unemployment and Barriers to employment

[REDACTED] unemployment rate for Moreton Bay North, the primary Strawberry growing area, increased to **16.9%**.

The obvious question is ‘**why aren’t unemployed locals being employed to pick strawberries?**’

Engagement with Growers in February 2016 was a robust affair. The large majority had tried to employ locals who were unemployed and part of the Centrelink benefits system. Comments included:



"They would only last a day and then not come back"

"They only turned-up to get tick a centrelink box"

"The seasonal and weather dependent nature of the industry made it difficult for centrelink clients to work as it impacted their payments and longer term income – no incentive"

"Centrelink benefits are not flexible and do not support or encourage clients to take career building seasonal work"

Growers were not convinced that the local employment market could fill the predicted shortfall in workers. However, following a number of meetings and negotiations a large group of Growers, agreed to be part of a local recruitment campaign.

The Sweetest Job Recruitment Campaign

In late **April 2016**, a group of **11 growers** and support organisations agreed that a local recruitment campaign on a trial basis had the potential to:

- 1) **start down the road of employing more locals**, ideally discovering a loyal returning workforce;
- 2) **raise the profile of the industry** locally (positive PR to balance some negative stories associated workforce issues);
- 3) **re-connect the local community** with strawberry growers;
- 4) **reduce the risk** of 90% overseas workforce given the proposed tax changes and evidence of declining numbers of backpackers (especially from Asia); and
- 5) **raise the employment compliance** standards overall (with involvement of Fairwork)

The **Sweetest Job Campaign** and website www.thesweetestjob.com.au was launched on **26 May** at Taste n See Farms in Bellmere and on the Sunshine Coast at Jedaco Berries Farm. The media coverage was fantastic, with Channel 7 and WIN both featuring the campaign on their local and national primetime news bulletins and local print media running with front page stories.

The following table highlights the positive impact of the high profile media exposure:

Stats Description	7 days post Launch	4 weeks post launch
UNIQUE WEBSITE HITS	4,657	6,565
JOBSEEKER REGISTRATIONS	1,234	1,809
EMAILS SENT	1,127	1,777
EMAILS OPENED	677	1,089
COMPLETED SURVEYS	560	1,025
INFO SESSION ATTENDEES		350 (over 4 sessions)
INTERVIEWED		37
COMMENCED WORK		18



Sample testimonial

***“We had no hesitation in selecting Mark because of his enthusiasm and great attitude,”** says Rodney Prestia who manages recruitment at Sunray Strawberries. “If all goes well, we would be keen to keep Mark on during the off season and to put him in a more senior position next year. Ideally, we would like to have plenty of returning local workers in key positions within our business.”*

Call to Action

The Strawberry Growers of the Moreton Bay and Sunshine Coast regions have signalled their commitment to embrace the changing landscape of agribusiness by forming partnerships to address challenges and seize opportunities.

Government representatives, departments and Ministers are now called on to take action. RDA Moreton Bay has taken a leadership position with the agribusiness sector and is offering to work with government departments to scope a review and action program. The Federal Government Agribusiness Growth Centre, Food Innovation Australia Limited, has already offered to promote the Sweetest Job campaign through its networks.

RDA Moreton Bay has developed a strong and trusted relationship with the Queensland Strawberry Growers Association and is now calling on Federal Government Ministers and Local Members to engage with the industry to address labour market concerns and productivity improvements.

RDA Moreton Bay is offering to organise a meeting between government officials and Strawberry industry representatives.

Please contact Anthony Dow, Business Adviser, RDA Moreton Bay [REDACTED]

Yours Sincerely

Noel Powell
Deputy Chairman,
Regional Development Australia Moreton Bay
OAM C.Dec.
[REDACTED]
[REDACTED]

CC:

Luigi Coco, President, Queensland Strawberry Growers Association

Senator Fiona Nash, Senator for New South Wales, Deputy Leader of The Nationals, Minister for Regional Development, Minister for Local Government & Territories, Minister for Regional Communications

Luke Howarth, Federal Member for Petrie

Susan Lamb, Federal Member for Longman

Hon. Peter Dutton, Federal Member for Dickson, Minister for Immigration and Border Protection

