

Deputy Secretary Nathan Smyth

Role of Harvest Trail Service providers in implementation of the More Relocation Support for Agricultural Workers 2020-21 Budget measure

Dear Chief Executive Officer

Further to my letter of 7 October 2020, I am writing to provide more details on the Relocation Assistance to Take Up a Job measure that was announced in the 2020-21 Budget and to outline your organisation's central role in delivering this initiative.

To support the agriculture sector, the Australian Government is making changes to the existing Relocation Assistance to Take Up a Job program to make it available to job seekers who temporarily relocate to take up short-term agriculture work of at least six weeks duration (and at least 120 hours).

This measure is aimed at incentivising Australians (including those not on income support) and individuals who have a right to work in Australia to take up this kind of work, excluding seasonal workers who come to Australia under the Seasonal Work Programme and Pacific Labour Scheme.

Under the *More Relocation Support for Agricultural Workers* 2020-21 Budget measure, \$15.4 million will be available from 1 November 2020 to 31 December 2021 to help eligible job seekers to temporarily relocate to take up agricultural work. This will help them offset the cost of transport, accommodation and other financial barriers faced when people are moving to take up seasonal agricultural work opportunities. The incentive is also expected to assist your organisation to attract more job seekers in response to labour demand from your local farmers and growers and to fill those vacancies in your Harvest Areas.

Many Harvest Trail Services (HTS) providers have reported that the pool of available itinerant workers has significantly reduced since COVID-19 travel restrictions were introduced. The fill rate of harvest vacancies is at a historical low: dropping from 82 per cent in 2019-20 to 55 per cent in September 2020, while the employer demand for HTS services is growing with more and more employers posting vacancies with the HTS providers.

HTS providers are best placed to administer the relocation assistance for job seekers taking up horticultural work in their respective harvest regions. Australians, including those not on income support (such as grey nomads and domestic students), will be eligible to claim a

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reimbursement of up to \$6,000 and eligible visa holders will be able to claim up to \$2,000. As I mentioned, this assistance is reimbursement based and can be provided to job seekers or directly to suppliers, for example, to accommodation and transport providers.

Generally, reimbursement will be triggered six weeks after a harvest placement and at least 120 hours of work is confirmed by your organisation. However, people in hardship are able to ask for the payment upfront, at the discretion of your organisation.

Managing relocation assistance will help you to achieve more placements and also outcomes for Australian job seekers on income support and, therefore, will increase your organisation's capacity to claim placement fees together with outcome payments.

You will soon receive a HTS Deed variation outlining the changes for implementation of the measure. There will be detailed guidance on how to submit reimbursement claims for relocation assistance via the ESSWeb, as well as what expenses will be covered and what evidence you will need to ask from job seekers.

I mentioned in the CEO forum in June this year, that at critical times, such as now, the horticulture industry is recognised as an essential industry to maintain the food supply to Australians and your organisation plays a crucial role in assisting farmers and growers to ensure they have workers available during peak harvest periods.

I hope you will be able to utilise the new temporary relocation assistance as a helpful tool to address the labour shortages in your Harvest Area.

Yours sincerely

Nathan Smyth

9 October 2020