



10 June 2025

Via email: palmresearch@dewr.gov.au, PALM@dewr.gov.au

RE: The operation of the PALM Scheme and the sugar manufacturing sector

To whom it may concern,

1. About Australian Sugar Manufacturers

Australian Sugar Manufacturers (ASM) is the peak industry body representing the nation's sugar manufacturing sector, contributing \$4.4 billion annually to the Australian economy and supporting more than 20,000 jobs in regional communities. ASM works closely with its members, industry stakeholders, and government to develop and advocate for policies that enhance the sustainability, competitiveness, and long-term economic contribution of the sugar manufacturing sector. From the production of raw sugar, bio-based manufacturing and generation of renewable energy, the sugar manufacturing sector continues to support communities, create jobs, and foster a sustainable future for the industry, and the broader economy.

2. Introduction

The ASM welcomes the opportunity to provide feedback to the Department of Employment and Workplace Relations' (DEWR) on the PALM Scheme Deed and Guidelines.

The PALM Scheme is vital to the continued success of the sugar industry, addressing ongoing labour shortages and providing substantial economic and social development of pacific island nations who participate in the Scheme. Ensuring the long-term viability of the Scheme is of utmost importance to the sugar industry, the regional development of countries involved in the Scheme, and Australia's geopolitical imperatives in the region.

Despite the significant benefits of the Scheme for Australia, the utilisation of Scheme is in decline within the sugar industry due to:

- The lack of explicit recognition in the guidelines of the sugar industry and sugarcane processing eligibility; and
- Increased operational and cost challenges with the introduction of the 2023 Deed and Guidelines.



3. ASM Position

Lack of recognition of the sugar industry as an eligible industry

The ASM has noted that more recently, application approvals by sugar manufacturers are being delayed or sometimes initially rejected on the assumption that we are not eligible for the Scheme. As a highly seasonal industry, with a very short time window to harvest and process sugarcane, this delay and uncertainty create significant operational issues that puts the proper functioning of facilities and supply chains into risk.

Despite being an agricultural industry, we believe that those responsible for the review of applications sometimes may not view sugar processing and manufacturing as eligible. This misconception must be rectified. The PALM Scheme explicitly recognises the agriculture, meat processing, aged care, hospitality and tourism sectors as being eligible to recruit workers through the Scheme. The ASM seeks that sugar processing, like meat processing, be explicitly recognised as a sector eligible for the PALM Scheme.

It is instructive to note that meat processing accounts for employing more than one third of all PALM Scheme workers – this could be partially explained by the fact that the sector’s explicit recognition within the Scheme, giving comfort to employers and departmental staff reviewing applications as to eligibility for the Scheme.

Growing operational and cost challenges associated with the Scheme

Based on the sugar industry experience, the implementation of the 2023 Deed and Guidelines has introduced a range of operational challenges and unintended consequences. These include increased administrative burden, rising operational costs, and reduced flexibility – factors that have contributed to a measurable decline in PALM worker recruitment, especially in the short-term stream (predominantly utilised by the sugar industry). The following issues are not meant to be exhaustive but highlight challenges with the prescriptive nature of how the PALM Scheme is being administered.

Requirements to ensure that employers have cultural competency and effective communications in working with PALM Scheme workers is inadequately administered by DEWR. While DEWR now provides Cultural Competency Training, there is no automatic certification for it, making it more difficult for employers to track their compliance with their obligations. Similarly, the DEWR system does not support employees linking their training to multiple PALM approvals, only being allowed to link their training to one licence.

Under current Guidelines, Approved Employers (AE) are required to determine whether they are ‘satisfied’ whether PALM workers own transport is suitable before ceasing employer provided transport. It is very hard for an AE to adequately dispel this liability, having to make assessments as to the safety and cost effectiveness of a private vehicle the worker might have purchased, or the reliability of a public transport service. None of these terms (safe, reliable, affordable) are defined by the Guidelines.



Despite the significant need and shortage of seasonal workers within the sugar industry, many sugar manufacturers may avoid the PALM Scheme due to overly prescriptive and unworkable compliance requirements. The ASM seeks that DEWR engage with relevant industries who regularly participate in the Scheme, to remove prescriptive provisions that add administrative cost, needless liability, while not substantially improving outcomes for the seasonal workers they are purportedly trying to serve.

To discuss this letter further, please contact Mr Ash Salardini, Chief Executive Officer at a.salardini@sugarmanufacturers.org or on 0490 785 390.

Yours sincerely

Ash Salardini
Chief Executive Officer