

Frequently asked questions - Air Vanuatu international flight cancellations

On 10 May 2024, Air Vanuatu entered voluntary liquidation after suddenly cancelling dozens of its international flights. This document has been developed to support any impacted Pacific Australia Labour Mobility (PALM) scheme employers, workers or other stakeholders.

General information

- Impacted PALM scheme workers who were due to return home should aim to return home as soon as reasonably possible.
- PALM scheme employers should familiarise themselves with their workers' visa status and support workers to apply for new visas if possible.
- PALM scheme employers impacted by this event are required to support the ongoing safety, welfare and wellbeing of workers, including providing accommodation.
- PALM scheme employers should continue to support impacted PALM scheme workers and keep them engaged. The Department of Employment and Workplace Relations will support the extension of placements where work is available.

How do employers and workers report they have been impacted by this event?

For critical and urgent issues, please call the PALM scheme support service line on (1800 51 51 31). For non-critical matters, you should lodge an enquiry through PALMIS.

Who should explain the Air Vanuatu situation to impacted workers or assist them with any travel issues?

PALM scheme employers must take all reasonable steps to address and, where possible, resolve any issues relating to the welfare and wellbeing of any worker as soon as practicable under section 9.1.1(f) of the [employer guidelines](#).

If employers need assistance to explain the situation to workers, please contact the relevant country liaison officer (CLO) or the PALM scheme support service line (1800 51 51 31). CLO contact details are available on the PALM scheme website: (www.palmscheme.gov.au/contact).

Are employers responsible for booking and paying for new travel arrangements for workers to get home?

Employers are responsible for booking and paying for workers' return flights, in accordance with section 7.3.4 of the employer guidelines. We understand employers will have already booked and paid for flights in most circumstances. Employers are asked to

book new flights and may be eligible to claim flight reimbursement from the department (please see below).

Can employers deduct the cost of additional flights from impacted workers' pay?

Employers may deduct additional flight costs from workers with their consent, and up to the applicable flight matrix limit. For amounts over the flight matrix, employers would need to seek reimbursement from the department.

Employers must ensure PALM scheme workers continue to receive \$200 net pay each week after tax and deductions. Employers are reminded to ensure they comply with the *Fair Work Act* regarding wage deductions - for more information please visit the Fair Work Ombudsman website: (www.fairwork.gov.au/pay-and-wages/deductions-and-related-issues). Debt cannot be carried into a future placement if the worker returns to Australia.

Can an employer make a flight reimbursement claim to cover the costs of additional flights that are purchased to repatriate workers?

PALM scheme employers can seek a reimbursement for reasonable costs incurred in relation to a short-term worker where they have not been able to be reimbursed for those costs by the worker due to circumstances beyond the employer's control.

If employers are required to book an additional flight home for an impacted PALM scheme worker and cannot recover the cost through deductions, they may make a claim for flight reimbursement.

The department will consider costs associated with repatriation of workers including airfares, food allowances, and domestic transfer costs including accommodation and transport.

The requirement for employers to submit requests 28 days after the date of the event will also be waived for impacted employers.

Please see the reimbursement factsheet: (www.palmscheme.gov.au/resources/travel-cost-reimbursement-short-term-palm-scheme-workers).

Can employers make a travel reimbursement claim for workers' flight costs if those costs are above the cap in the travel matrix?

The department will consider claims on a case-by-case basis above the approved flight matrix, acknowledging the extreme circumstances of the Air Vanuatu liquidation. Employers should book the best value flights that return workers home safely.

Can employers submit a single claim request for multiple workers?

The travel cost reimbursement fact sheet advises that where employers need to claim for more than one worker, that a separate claim must be submitted for each worker. The department acknowledges the extraordinary circumstances with the Air Vanuatu situation

will result in PALM scheme employers generally needing to submit claims for multiple workers and will permit this to be completed as a single group claim.

Does the Air Vanuatu liquidation mean employers are not responsible for ensuring workers return home?

Section 11.1.2 and 11.4.3 of the employer guidelines states that when a PALM scheme worker ceases their employment the employer must continue to meet obligations under the deed and guidelines until the worker departs Australia to return to their home country. This means that the employer is responsible for ensuring that the worker can return to their home country regardless of unforeseen circumstances.

Can workers continue to work after the expiry of their recruitment plan until they can return home?

PALM scheme employers must support impacted workers to return home as soon as reasonably possible.

If workers need to remain in Australia for a short time after their placement has ended (for example due to flight availability) the department will support PALM scheme employers to continue to employ workers.

Please note the implications for visas outlined below.

What if a worker still has time before their 403 visa expires?

PALM scheme employers are encouraged to continue employing and supporting PALM scheme workers whose visa duration has not yet expired. The 403 visa remains valid in this circumstance.

Question: ‘My visa is still valid for more than 7 days?’

If you hold a valid visa you will remain lawful.

Question: ‘My visa is about to expire in the next 7 days?’

If you hold a valid visa you will remain lawful. If your visa is due to expire in the next 7 days, please see the Department of Home Affairs website: (immi.homeaffairs.gov.au/what-we-do/status-resolution-service/overview).

Question: ‘My visa has expired?’

If you are unable to depart and your visa has expired, please see Department of Home Affairs website: (immi.homeaffairs.gov.au/visas/visa-about-to-expire). PALM scheme employers are encouraged to contact the Department of Home Affairs via the online Status Resolution Service to discuss support options available for PALM scheme workers whose repatriation plans have been impacted by the Air Vanuatu voluntary administration.

Employers are required to continue to support the ongoing safety, welfare and wellbeing of workers until such time as they can return home.

If workers need to move to access ongoing work because they cannot get home, who bears the cost for this?

The PALM scheme employer is responsible for the cost of relocating the impacted worker.

Will employers be required to submit a new recruitment plan in the event they have ongoing work available for workers while they are awaiting repatriation?

The department's priority is the welfare and wellbeing of PALM scheme workers and employers. We will assess and approve contingencies that allow continued work outside of PALMIS. Employers are asked to engage closely with their relationship managers and remain flexible as the situation evolves.

Do workers need a new offer of employment if they continue to work for a short period of time after expiry of their recruitment plan?

The department does not need to pre-approve a new offer of employment. PALM scheme employers are asked to communicate clearly and transparently in writing to impacted workers if extending their offer of employment. Generally, employment should be on the same terms as under the worker's previous placement (if this is possible). If you need help with a variation letter, please contact your relationship manager.

What should an employer do if a worker's placement has ended and they have work available for them - but it will not meet the minimum hours requirement?

The department acknowledges the current situation is exceptional and encourages employers to keep workers engaged and employed wherever possible, even if this is for reduced hours until they can depart Australia. The department will take a flexible approach to managing minimum hours given these exceptional circumstances.

Do employers have to provide the \$200 net pay each week while workers cannot return home?

If a PALM scheme worker remains employed, the employer needs to continue to ensure the worker has a minimum of \$200 each week. This is to ensure the worker has enough money to meet their basic needs until they can return home. Note that debt cannot be carried over to a new placement if workers subsequently return to Australia.

The department acknowledges feedback from employers that workers may have sufficient means to meet their needs and not wish to take on further debts. Employers should retain written evidence (e.g. an email from a worker or a file note of a conversation with a worker) where workers elect not to accept a cash advance for a top-up of wages.

Do employers have to cover the cost of worker’s accommodation and transport if they offer fewer than 20 hours of work in a week?

The department acknowledges the current situation is exceptional and encourages employers to keep workers engaged and employed wherever possible, even if this is for reduced hours until they can depart Australia. The department will take a flexible approach to managing deductions safeguards given these exceptional circumstances. Employers are encouraged to engage with their relationship manager.

If the employer needs to move workers to new accommodation, does the accommodation move require prior approval by the department?

The department’s priority is the welfare and wellbeing of PALM scheme workers and employers. We will assess and provide conditional approval that allows workers to move accommodation outside of PALMIS. Employers are asked to engage closely with their relationship managers and remain flexible as the situation evolves.

Vanuatu doesn’t allow for contract extensions. Do we need to seek approval from the labour sending unit prior to workers beginning work again?

The Vanuatu Commissioner of Labour has agreed to relax the ‘no extension’ decree for the next month or until Air Vanuatu starts operating again. In the interest of worker welfare, employers do not require endorsement from the Vanuatu labour sending unit prior to recommencing work.

I am an employer with workers from Vanuatu due to arrive in Australia. Do I need to seek reapproval from the department if mobilisation dates are forced to change?

The guidelines provide that you must notify us and seek our approval if the variation to the arrival or departure date has changed or is likely to change by more than 2 weeks of the dates specified. The department acknowledges the current situation is exceptional and requests that you advise us by creating an enquiry case in PALMIS of any changes to mobilisation dates, but it will not require our pre-approval.