# Food Supply Chain Capacity Study

Key highlights
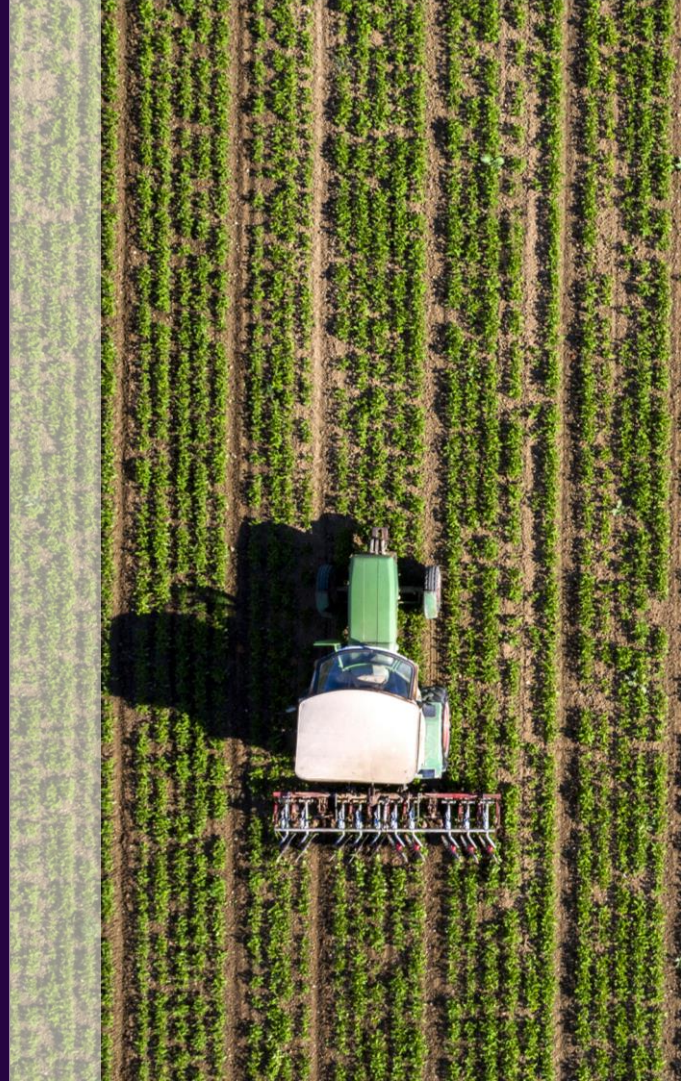
# The report

**This report:**

- explores the food production, manufacturing and distribution workforces

- makes 41 recommendations that target the Australian Government's role in workforce planning, and

- provides new insights, analysis and data to support the activities led by businesses, unions, education and training providers, and state and territory governments

**Its main focuses are:**

- PALM and Working Holiday Maker reforms
- education, training and research pathways
- labour hire, biosecurity & veterinary workforces
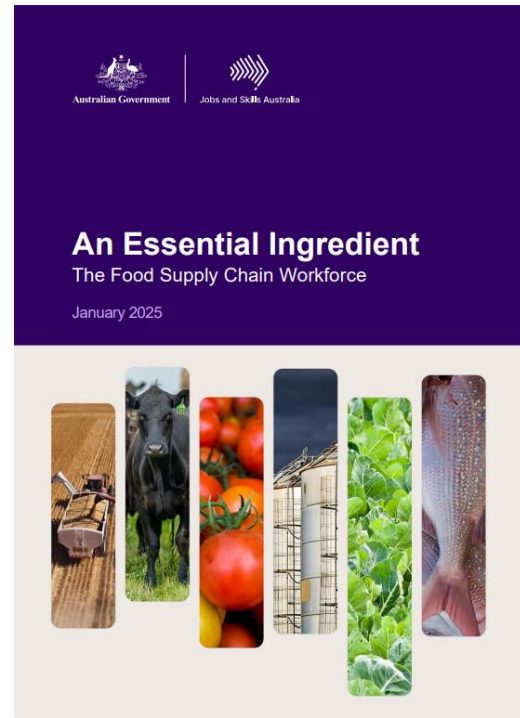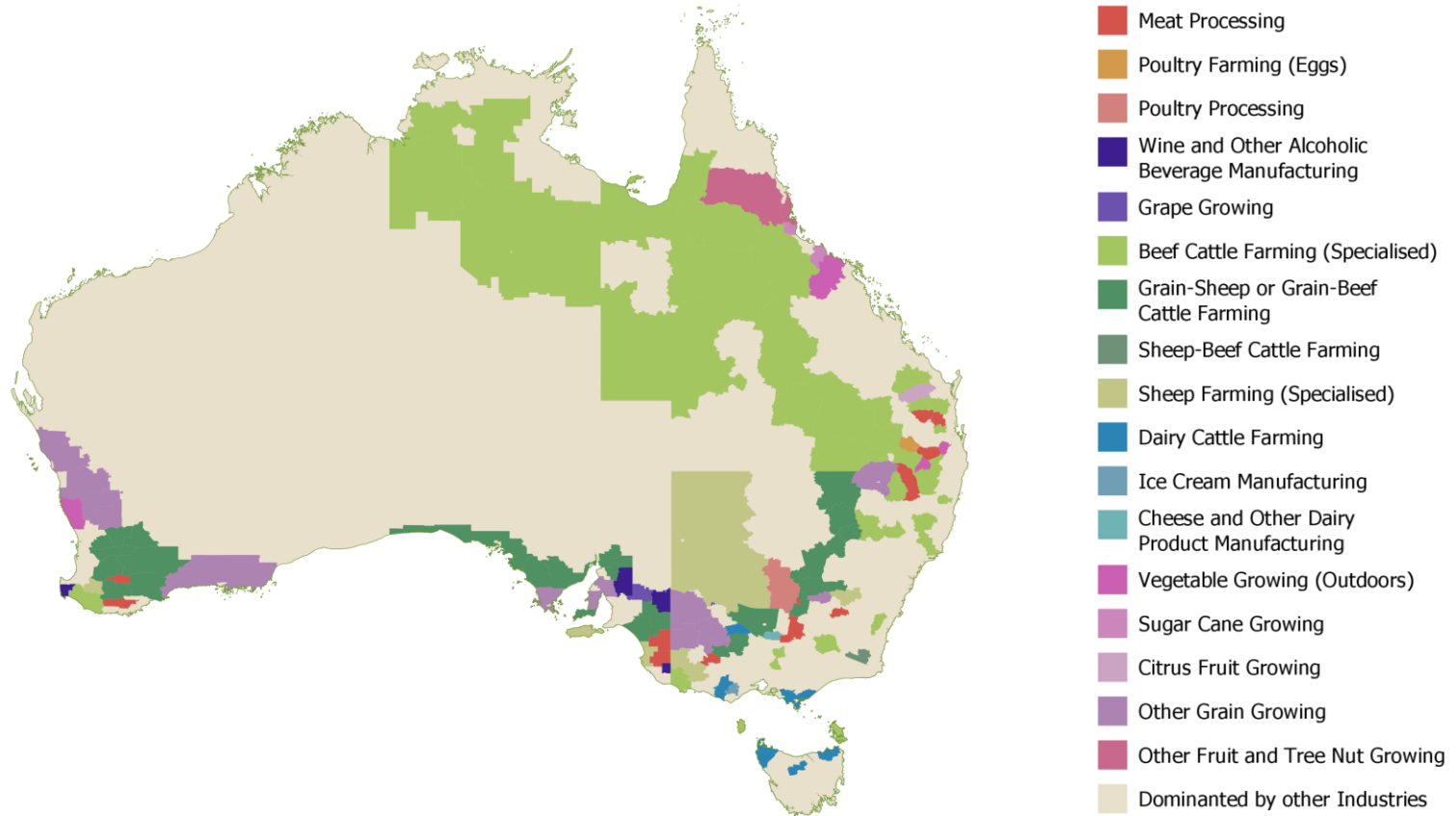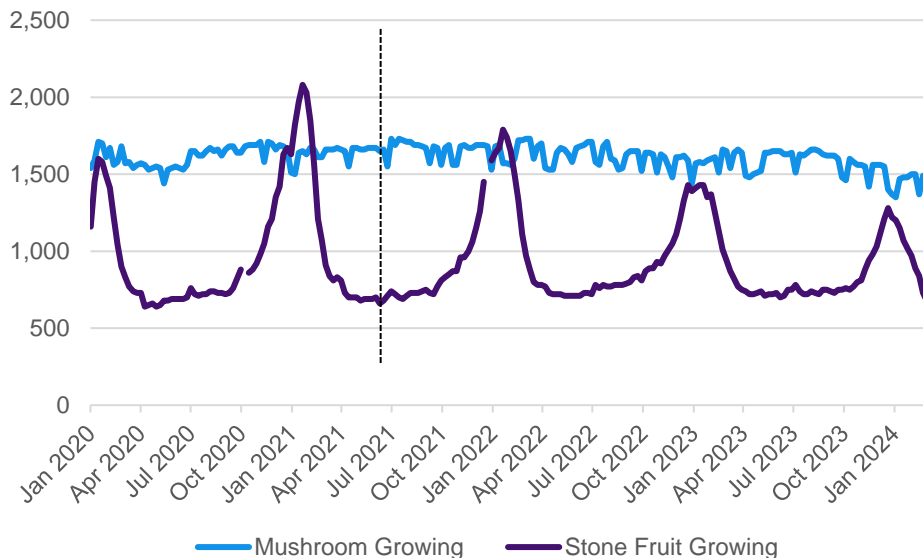- workforce planning through partnerships and data

**Figure B.2. Labour markets where the food supply chain is the predominant employer**



Dominant Industry

- Meat Processing
- Poultry Farming (Eggs)
- Poultry Processing
- Wine and Other Alcoholic Beverage Manufacturing
- Grape Growing
- Beef Cattle Farming (Specialised)
- Grain-Sheep or Grain-Beef Cattle Farming
- Sheep-Beef Cattle Farming
- Sheep Farming (Specialised)
- Dairy Cattle Farming
- Ice Cream Manufacturing
- Cheese and Other Dairy Product Manufacturing
- Vegetable Growing (Outdoors)
- Sugar Cane Growing
- Citrus Fruit Growing
- Other Grain Growing
- Other Fruit and Tree Nut Growing
- Dominanted by other Industries

# Seasonal employment patterns

**Figure 1.13. Weekly payroll jobs in Horticulture**



- New industry-level payroll data lets us analyse seasonal workforce patterns

- This is particularly important in industries likes Horticulture where peak demand is significantly higher than off-peak

- It also highlights the challenge of other point-in-time sources like Census, which is held in August.

- According to Census, there were 1,500 workers in Apple and Pear Growing. But according to payroll jobs, there were 4,200.

- However, payroll jobs doesn't capture labour hire, cash-in-hand or family contributors. A mix of data sources is needed to tell the full story.

- Peak seasons also vary significantly between regions and commodities, so regional data is key.

# Education and training insights

## Small numbers of education and training providers

- Fewer VET providers delivering food quals across the board
- Some disciplines are only delivered by 1-2 RTOs
- Specialist providers play an important role
- Only 7 veterinary schools in Australia. None in Tas, ACT or NT.

## Postgraduate research in decline

- PhD commencements in Agriculture are about 1/3 of what they were in 2013
- Only around 40 domestic students starting an ag PhD in 2022. Postgraduate Coursework becoming more popular

## Strong outcomes for students

- Very high employment rates for VET students completing Agriculture, Veterinary Nursing and Meat Processing
- This includes 90%+ employment rates for people doing entry-level Cert-2 qualifications
- JSA research shows apprenticeship pathways delivering stronger outcomes in areas like Driving Operations
- University graduates also in high demand, particularly in ag and veterinary sciences

## Significant opportunities

- Using scholarships to overcome significant underrepresentation of First Nations students
- Paid-prac placements to reduce the financial burden on veterinary students
- Supporting more students to study and undertake placements in regional Australia. Investing in Study Hubs and needs-based funding.
- Encouraging work-based learning by updating the incentives system and trialling new pathways

# Migration insights

**Figure 8.14: Working Holiday Makers, berry fruit growing (%)**
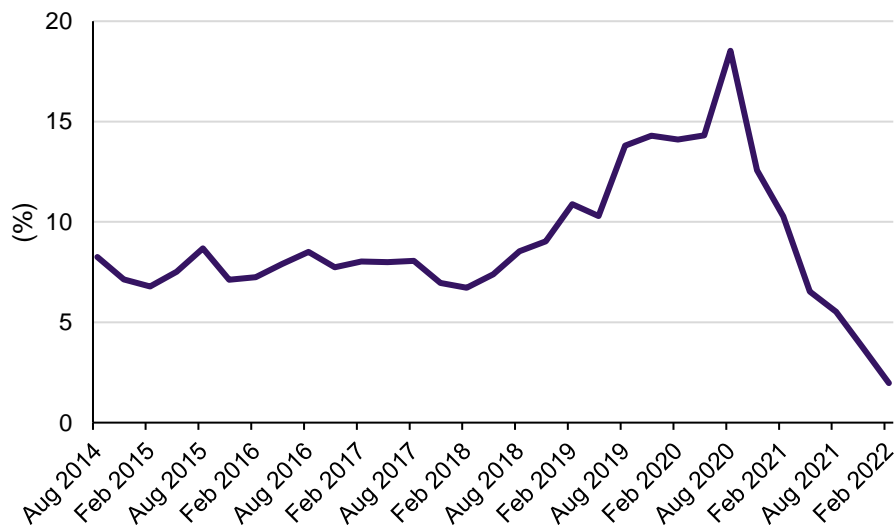


*Note: these are national figures, which smooth out the significant peaks that occur at a regional/grower level . It also doesn't include labour hire.*

- Working Holiday Makers (WHMs) and PALM workers are incredibly important to the food supply chain. Particularly in Horticulture where the fill very short-term harvest work.

- We also see both migrant groups in long-term roles, like in year-round harvest and meat processing.

- The number of PALM workers has grown significantly since COVID-19, although numbers in agriculture have softened as more WHMs return to Australia.

- The share of WHMs in agriculture remained steady up until 2019 when a third-year visa was introduced. There was a brief uptick before boarders started closing.

- Labour hire is widely used to employ WHMs and PALM workers, however, there has been significant exploitation and non-compliance by some firms. Poor visibility of labour hire workers in data is a key concern.

**Opportunities include**:
- investing in targeted migration pathways,
- trialling worker-led mobility within PALM,
- consistent English language requirements for WHMs, and
- prioritising worker accommodation.

# Opportunities in Data

## Data Challenges

- Food Production industries are heterogeneous and geographically dispersed.
- the food supply chain experience significant seasonal fluctuations in labour demand
- Recruitment activity in Food Production is less likely to occur through online jobs boards compared to most industries
- The Agriculture, Forestry and Fishing industry is currently excluded from the scope of ABS labour-related business surveys

## Investment in Data

- There are opportunities to enhance the evidence base on the food supply chain workforce through the use of administrative data and integrated datasets which link this information with other data collected by the ABS
- A dedicated workforce unit could harness administrative data to bridge major data and information gaps
- Has the potential to improve policymaking to support industry workforce planning

## Examples from the Study

Administrative data can be leveraged to produce new insights including:

- weekly payroll jobs by detailed industry
- experimental estimates of WHM employment by industry and quarter
- real world occupation-to-occupation transitions (Workforce Profiles), and
- income and employment outcomes from VET training (Education and Training).

*RECOMMENDATION 41*

*Establish a workforce data unit within the Australian Bureau of Agricultural and Resource Economics and Sciences*