



Department of Agriculture, Water and the Environment

National Agricultural Labour Advisory Committee: National Agricultural Workforce Strategy

August 2020

About the Australian Fresh Produce Alliance

The Australian Fresh Produce Alliance (AFPA) is made up of Australia's key fresh produce growers and suppliers. The members include:

- Costa Group
- Perfection Fresh
- Montague
- One Harvest
- Pinata Farms
- Fresh Select
- Mackay's Banana Marketing
- Driscoll's
- 2PH Farms
- LaManna Premier Group
- Rugby Farming
- Freshmax
- Fresh Produce Group.

These businesses represent:

- half the industry turnover of the Australian fresh produce (fruit and vegetables) sector - \$4.5 billion of the \$9.1 billion total
- a quarter of the volume of fresh produce grown in Australia - 1 million of the 3.9 million tonne total
- more than a third of fresh produce exports - \$410 million of the \$1.2 billion export total
- more than 1,000 growers through commercial arrangements, and
- more than 15,000 direct employees through peak harvest, and up to 25,000 employees in the grower network.

The key issues the AFPA is focusing on include:

- packaging and the role it plays in product shelf life and reducing food waste landfill,
- labour and the need for both a permanent and temporary supply of workers,
- market access to key export markets for Australian produce,
- product integrity both within and outside of the supply chain,
- pollination and research into alternative sources, and
- water security, including clear direction as to the allocation and trading of water rights.

The AFPA's aim therefore is to become the first-choice fresh produce group that retailers and government go to for discussion and outcomes on issues involving the growing and supply of fresh produce.

Products grown by AFPA Member companies include:

Apples	Blueberries	Cherries	Nectarines	Raspberries
Apricots	Broccoli	Fioretto	Onions	Salad leaf
Asparagus	Broccolini	Green Beans	Oranges	Spinach
Avocado	Brussel Sprouts	Herbs	Peaches	Strawberries
Baby Broccoli	Butternut	Lemons	Pears	Sweet Corn
Baby Corn	Pumpkin	Lettuce	Pineapples	Table grapes
Bananas	Cabbage	Mandarins	Plums	Tomatoes
Beetroot	Cauliflower	Mango	Potatoes	Water Cress
Blackberries	Celery	Mushrooms	Cucumber	Wombok



Summary

AFPA Submission: Key Points

1. Australia's move to an economy dominated by service delivery roles has created a disconnect between the emerging workforce and manufacturing/production-based industries. This is not unique to agriculture but is exacerbated in this sector when compared to other production-based industry's like mining.
2. The fresh produce industry's workforce is most commonly associated with only harvest or picking roles; there are three distinct areas of employment in industry: harvest roles, technical roles and management and administrative roles. Solutions for each area need to be considered independently.
3. Harvest workforce solutions need to delivery productivity to farmers to enable businesses to compete globally in spite of Australia's high production and wage costs.
4. Horticulture competes with the rest of the economy for technical and managerial workers; attraction and retention in these roles is critical.
5. Pathways to work in agriculture, including education and training, must be commercially led with input from employers on current future skills requirements in order to be of value.

The fresh produce (fruit and vegetable) industry is both the fastest growing and one of the most labour-intensive sectors within Australian agriculture. The labour intensity in horticulture is so high due to low levels of available mechanisation compared to other agricultural sectors such as broad acre farming. While finding mechanisation opportunities is a priority for all fresh produce businesses, this solution will not be arrived at in the short term, therefore industry will continue to remain reliant on manual labour for the picking and packing of fruit and vegetables for Australians.

Labour is the largest cost unit in fresh produce businesses, accounting for up to 60 per cent of the total cost of production in some instances. Sourcing labour in the fresh produce industry is also a significant challenge with the sector relying on temporary and seasonal migrant workers to harvest crops and competing with the rest of the economy for skilled, management workers. Historically, it has been difficult to attract and retain a local workforce in horticulture, this has been attributed to a number of factors surrounding the nature of the work and the nature of the location of fresh produce production. These factors have had a significant impact on the availability, quality, and retention of a highly productive workforce.

The Australian Bureau of Statistics reports that Australian horticulture employs 72,800 people across 11,490 individual businesses. Employment in horticulture can be separated into three distinct functional areas:

1. Harvest Labour: harvesting, picking, packing, planting and maintenance (e.g. pruning) of horticultural crops
2. Technical Expertise: skilled and semi-skilled roles including supervisors, agronomists, food technologists and food safety specialists



3. Management & Administration: farm managers, sales and marketing, category management, human resources and finance and accounting.

In order to maintain and grow the output and profitability of the fresh produce industry, it is vital to consider how each component of the overall workforce functions. Workforce solutions and planning should be targeted at the three distinct areas of the overall fresh produce workforce; harvest labour, technical roles and managerial and administrative roles.

The harvest workforce in fresh produce is dominated by temporary migrants, specifically Working Holiday Makers (WHMs) and Seasonal Worker Program (SWP) visa holders, which collectively make up 90% of the harvest workforce. The harvest workforce underpins roles in the fresh produce industry across technical areas (food safety, irrigation and agronomy) and management and administrative areas (sales, marketing, farm management); areas which employ predominantly Australians and permanent residents on a full time ongoing basis.

Initial results from modelling undertaken by Deloitte Access Economics commissioned by the AFPA demonstrates the economic impact of a reduction of temporary migrants, in this case specifically WHMs, on the horticulture industry and broader Australian economy. This modelling indicates that the removal of WHMs from the fresh produce industry would have a \$13 billion impact on Australia's GDP, or \$6.3 billion reduction in the value of the horticulture industry.

Removal of WHMs from the fresh produce industry would result in an estimated fall in jobs of 127,900 (headcount) across Australia's economy, with food manufacturing and retail in addition to fresh produce being the hardest hit. Further, the removal of the fresh produce industry's core workforce, WHMs, would lead to a 60% increase in the price of fruit and vegetables by kg for Australian consumers.

While the majority of roles in fresh produce are dominated by harvest labour positions in number, technical, managerial and administrative roles in fresh produce employ predominantly Australian citizens and permanent residents in long term, full time roles in regional communities. As industry grows, both in terms of increased production and value, so do the requirements for skilled technical, managerial and administrative roles in fresh produce businesses.

Examples of these roles in the fresh produce industry are agronomists, entomologists, horticulture growers, quality assurance professionals, food technologists, technicians, business managers, operations managers, sales and category managers, marketing managers, and roles in strategy development and implementation.

Members of the AFPA are focused on developing a reliable, productive and diverse workforce as part of the long term sustainable growth of the fresh produce industry. The key elements of this approach must be improved productivity and global competitiveness by supporting people with better technology, training and conditions. A better trained and supported workforce is likely to be more productive and earning more.

The AFPA recommend that the Australian government implement an agricultural workforce strategy which includes specific measures for fresh produce; providing a visa, training and regional development framework allowing the fresh produce industry to continue employing significant numbers of Australians while also drawing on international workers through the Seasonal Worker and Working Holiday programs during peak harvest times.



Recommendations

The AFPA recommend the follow actions be taken to ensuring fresh produce growers, and the broader agriculture industry, have ongoing access to a productive, reliable workforce. These workforce solutions will assist in managing both COVID19 related challenges in addition to the ongoing workforce challenges faced by industry.

Encouraging Fresh Produce Careers for Australians

1. Australians and Permanent Residents

Objective: Incentivise Australians and Permanent Residents that have become unemployed due to COVID19 to work in the fresh produce industry.

- Relocation Support: \$1,200/worker - paid to worker
- Induction Support: \$1,200/worker - paid to business for worker induction
- Payments made retrospectively to grower and worker after 3 months of work

2. 'Horticulture Careers for Young Australians'

Objective: support young Australians and employers to expand the careers in the horticulture industry through the recovery from COVID19. This program responds to the demands for Australian horticulture farmers, large and small, for skilled supervisors and technicians.

- 2 year trial program
- Up to 500 roles available for trainee supervisors (incl Quality Officers, Irrigation Technicians, Machinery Operators)
- Each applicant would be employed by a horticulture business for the two year period of the trial
- Each applicant would complete a Certificate III or IV in Production Horticulture
- Up to \$20,000 payment to fresh produce employer

3. Graduates for Fresh Produce Management

Objective: continue the expansion of graduate roles in the fresh produce sector through the recovery from COVID19.

- 2 year trial program
- Up to 200 graduate roles for fresh produce businesses
- Up to \$20,000 payment to fresh produce employer

Visa Reform for the Fresh Produce Harvest Workforce

1. Seasonal Worker Program and Pacific Labour Scheme

Objective: Increase industry's access to a productive, ongoing workforce; sourcing from countries with limited or no COVID19 cases recorded.

- Create Pacific Bubble as soon as possible within health requirements
- Increase visas granted under the program to 15,000 annually
- Improve operation and administration of the program

2. Working Holiday Makers (WHM)

Objective: Re-establish access to industry's access to largest labour source, while addressing current program bottle necks.

- Open Australian border to WHM visa holders as a priority
- Identify accommodation shortfalls in particular regions and develop solutions with employers, council and state governments



3. Introduce a Harvest Work Visa

Objective: Appropriate address employers' requirements to source temporary migrants to fill roles with the harvest workforce

- Fill the gap between the WHM and SWP visa types to address industry's needs
- Create a 9-month visa type allowing workers from SE Asia to work in agriculture, with ability to return year on year
- Cap visas granted to 10,000 per year

Building Agricultural Education

1. Knowledge Based

Objective: Develop agricultural education modules for primary, secondary, vocational and tertiary education which can be completed as part of specific agricultural study or as 'electives' or short courses.

- Require nationally recognised modules on agriculture
- Content to facilitate a greater understanding of agricultural production and science
- Modules must be practical, relevant and up to date

2. Skills Focussed

Objective: Agriculture is becoming more data and technology driven. Training and education must build relevant skills for business and industry.

- The latest production technology and science will interest students from all disciplines
- Many of the roles in the agriculture sector are in the broader supply chain (input suppliers and manufacturers, transport and logistics providers, retails, and other service industries)

3. Industry Driven

Objective: Education, skills and training must be developed in consultation with industry, particularly growing employers.

- Agriculture education has previously been disconnected from the needs of employers
- Courses, modules and programs must be developed in consultation with industry – carefully selected industry advisory boards will address these issues



Contents

Summary	3
Recommendations.....	5
Introduction.....	8
Industry Background.....	8
Number of people in fresh produce.....	9
Composition of fresh produce workforce	10
Harvest Workforce Roles	10
Technical Roles	15
Managerial and Administrative Roles	17
Pathways to roles in Agriculture	18
Discussion Paper Questions.....	20



Introduction

The National Agricultural Labour Advisory Committee is preparing a National Agricultural Workforce Strategy for consideration by the Government. The strategy will recommend potential actions to address the future workforce needs of the:

- agriculture, fisheries and forestry industries
- closely allied service and supply chain industry sectors

These actions will target:

- school education
- vocational education and training
- higher education

The aim is to attract, retain and upskill the domestic workforce. As well as identify where access to a migrant workforce will be necessary to meet industry needs.

The Australian Government supports the agriculture industry's target of becoming a \$100 billion sector by 2030. The target is very ambitious and will require industry and governments to work together. We need an environment that enables growth. That supports the production of premium products that attract premium prices.

Industry Background

The fresh produce (fruit and vegetable) industry is both the fastest growing and one of the most labour-intensive sectors within Australian agriculture. The labour intensity in horticulture is so high due to low levels of available mechanisation compared to other agricultural sectors such as broad acre farming. While finding mechanisation opportunities is a priority for all fresh produce businesses, this solution will not be arrived at in the short term, therefore industry will continue to remain reliant on manual labour for the picking and packing of fruit and vegetables for Australians.

Labour is the largest cost unit in fresh produce businesses, accounting for up to 60 per cent of the total cost of production in some instances¹. Sourcing labour in the fresh produce industry is also a significant challenge with the sector relying on temporary and seasonal migrant workers to harvest crops and competing with the rest of the economy for skilled, management workers. Historically, it has been difficult to attract and retain a local workforce in horticulture, this has been attributed to a number of factors surrounding the nature of the work and the nature of the location of fresh produce production. These factors have had a significant impact on the availability, quality, and retention of a highly productive workforce.

The two key factors are:

- A. Nature of the work
 - Often physical work outside in variable weather conditions
 - Work periods and location dependent on the products being harvested
- B. Nature of the locations
 - Remote – difficult to travel, low level of service and accommodation
 - Regional – competition from other industries, opportunities in capital cities
 - Metropolitan – competition from other industry sectors for capable and skilled people

Over the medium term, there must be the development and implementation of an agricultural workforce

¹ Demand for farm workers, ABARES farm survey results 2018
National Agricultural Workforce Strategy | August 2020



strategy which includes specific measures for fresh produce. This strategy must provide a visa, training and regional development framework allowing the fresh produce industry to continue employing significant numbers of Australians while also drawing on international workers through the Seasonal Worker, Pacific Labour and Working Holiday programs during peak harvest times.

Number of people in fresh produce

There is currently very limited data on the total fresh produce workforce. In order to best explore the breakdown of the workforce in the fresh produce industry, the AFPA collected a workforce breakdown directly from AFPA membership, which is made up of 13 of the largest producers in fresh produce, accounting for approximately half of the fruit and vegetable industry turnover.

Members of the AFPA have provided a breakdown of their employment by total number of people, defined by their visa status. Collectively, these members employ approximately 22,000 people across 100 different production locations.

Australian Fresh Produce Alliance – Workforce Data

WORKFORCE (NUMBER OF PERSONS)				
Australian Citizen or Permanent Residents	Seasonal Worker Program	Working Holiday Makers	Other	Persons Total
5,717	2,924	12,379	1,030	22,049
26%	13%	56%	5%	

WORKFORCE (FULL TIME EQUIVALENTS)				
Australian Citizen or Permanent Residents	Seasonal Worker Program	Working Holiday Makers	Other	Persons Total
5,717	2,249	3,177	412	11,555
49%	19%	27%	4%	

In order to best interpret the AFPA member data it is important to understand a few basic principles:

- Australian citizens and permanent residents are more likely to be employed in a full-time ongoing basis, often in management and technical areas
- Seasonal Worker Program refers to workers who hold visas granted under the Seasonal Worker Program and Pacific Labour Scheme. Under these programs, workers are able to work in Australia for up to 9 months at a time. These workers are most likely to be employed in harvest and supervisory roles.
- Working Holiday Makers are most likely to work in horticulture filling short term, seasonal harvest roles. This is due to the 88-day requirement to work in agriculture to acquire a visa extension and their ability to travel to meet seasonal production peaks.
- “Other” refers to other relevant visa types, often this is workers who hold a student visa enabling them to work up to 20 hours per week.



Composition of fresh produce workforce

The Australian Bureau of Statistics reports that Australian horticulture employs 72,800 people² across 11,490 individual businesses³. Employment in horticulture can be separated into three distinct functional areas:

1. Harvest Labour: harvesting, picking, packing, planting and maintenance (e.g. pruning) of horticultural crops
2. Technical Expertise: skilled and semi-skilled roles including supervisors, agronomists, food technologists and food safety specialists
3. Management & Administration: farm managers, sales and marketing, category management, human resources and finance and accounting.

The fresh produce workforce is defined by a significant requirement for production/harvest labour roles, relative to output. This is demonstrated below in Figure 1.



Figure 1: Functional areas of fresh produce industry's workforce

In order to maintain and grow the output and profitability of the fresh produce industry, it is vital to consider how each component of the overall workforce functions. Workforce solutions and planning should be targeted at the three distinct areas of the overall fresh produce workforce:

1. The Harvest Workforce
2. Technical Roles
3. Managerial and Administrative Roles

Harvest Workforce Roles

In March 2020, the AFPA and AUSVEG collaborated with Ernst & Young (EY) to determine the number, location and timing requirements for harvest labour in horticulture. The analysis undertaken by EY outlined that there are between 50,000-71,000 short term roles in fresh produce throughout the year⁴.

This report demonstrates that these roles vary seasonally and by location. Figure 2 demonstrates the seasonal and geographical fluctuation of short-term roles. For example, production regions like Sunraysia see harvest labour requirements fluctuate from as high as 11,870 short term roles down to only 2,500 following peak season.

² ABARES (2018), Agricultural commodity statistics 2018

³ ABS (2019). Agricultural Commodities 2017-18 Cat no 7121.0



Analysis of both company-specific and key industry data suggests the minimum short-term roles that are required in major production regions

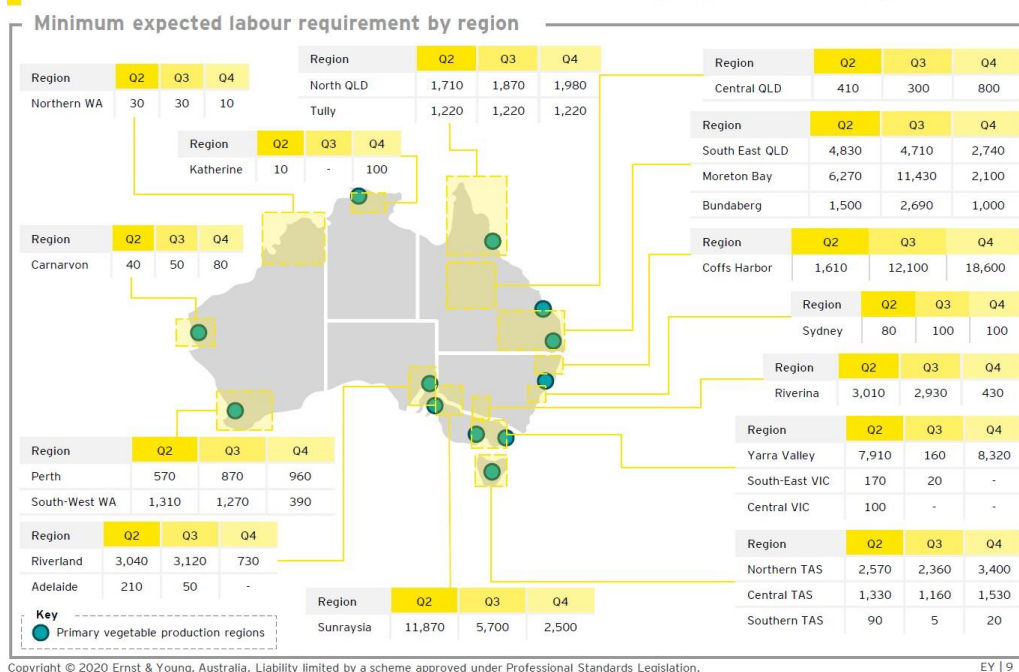


Figure 2: Location,

timing and number of short-term roles in fresh produce in 2020

Composition of fresh produce harvest workforce

The harvest workforce in fresh produce is dominated by temporary migrants/visa holders, specifically Working Holiday Makers and Seasonal Worker Program visa holders. This is predominantly due to the seasonal nature of work in fresh produce, that is most harvest roles require short, intensive bursts of work rather than ongoing, stable employment. Based on AFPA member data, ABS and ABARES statistics, the harvest workforce composition outlined in Figure 3 has been determined.

TOTAL WORKFORCE	80,000					
HARVEST	65,000					
MANAGEMENT	15,000					
COMPOSITION	52,000 Working Holiday Makers	8,000 Seasonal Worker Program	5,000 Australians & Permanent Residents	5,000 Australians & Permanent Residents	10,000 Owner Operators	

Figure 3: Composition of the fresh produce workforce by number and visa type

Sources of harvest labour in the fresh produce industry

As indicated in Figure 3 there are three predominant labour categories making up the harvest workforce; Working Holiday Makers, Seasonal Worker Program and Australians and Permanent Residents.



Australian citizens and Permanent Residents

Australian citizens and Permanent residents are the smallest portion of the fresh produce harvest workforce by number, but represent the largest proportion of Full Time Equivalent (FTE)⁵ employees. Historically, it has been difficult to attract and retain a local workforce in horticulture, this has been attributed to a number of factors relating to the nature of the work, including the temporary tenure associated with a defined harvest season period (ranging anywhere from 6 weeks to 6 months), and the often remote location of fresh produce production. These factors have had a significant impact on the availability, quality and retention of a highly productive workforce.

Seasonal Worker Program & Pacific Labour Scheme

The Seasonal Worker Program and Pacific Labour Scheme provide between 8,000-12,000 workers to the horticulture industry per year. The Seasonal Worker Program offers workers a *Temporary Work (International Relations) visa (subclass 403)*, this visa type enables qualifying workers to work in Australia for up to 9 months at a time.

The Seasonal Worker Program (SWP) is currently administered by the Department of Education, Skills and Employment and involves program users becoming Approved Employers and being responsible for the ongoing employment, accommodation and welfare of workers. This scheme provides approximately 12,000 workers per year. The Pacific Labour Mobility Scheme (PLS) is a newer scheme introduced in 2018 operated by the Department of Foreign Affairs and Trade. Many employers are currently investigating further utilisation of the PLS in addition to the SWP.

Members of the AFPA are large users of the Seasonal Worker Program and have consistently advocated for the expansion and continued development of this program to support industry's labour requirements.

Working Holiday Maker Program

The Working Holiday Maker (WHM) program accounts for the majority, approximately 80%, of the fresh produce industry's harvest labour workforce. Workers in Australia on this visa and engaged in farm work are most often referred to as "backpackers". WHM Program consists of two streams:

- Working Holiday (subclass 417) visa
- Work and Holiday (subclass 462) visa

Recommendations for ongoing management of the harvest workforce

The AFPA recommend the follow actions be taken to ensuring fresh produce growers have ongoing access to a productive, reliable harvest workforce. These harvest workforce solutions will assist in managing COVID19 related challenges in addition to the traditional and ongoing harvest workforce challenges faced by industry.

1. Australians and Permanent Residents

Objective: Incentivise Australians and Permanent Residents that have become unemployed due to COVID19 to work in the fresh produce industry.

- Relocation Support: \$1,200/worker - paid to worker
- Induction Support: \$1,200/worker - paid to business for worker induction
- Payments made retrospectively to grower and worker after 3 months of work

2. Seasonal Worker Program and Pacific Labour Scheme

Objective: Increase industry's access to a productive, ongoing workforce; sourcing from countries with limited or no COVID19 cases recorded.



- Create Pacific Bubble as soon as possible within health requirements
- Increase visas granted under the program to 15,000 annually
- Improve operation and administration of the program

3. Working Holiday Makers (WHM)

Objective: Re-establish access to industry's access to largest labour source, while addressing current program bottle necks.

- Open Australian border to WHM visa holders as a priority
- Identify accommodation shortfalls in particular regions and develop solutions with employers, council and state governments

4. Introduce a Harvest Work Visa

Objective: Appropriate address employers' requirements to source temporary migrants to fill roles with the harvest workforce

- Fill the gap between the WHM and SWP visa types to address industry's needs
- Create a 9-month visa type allowing workers from SE Asia to work in agriculture, with ability to return year on year
- Cap visas granted to 10,000 per year

1. Australians and Permanent Residents

COVID19 has left a significant number of Australians unemployed; however, despite high unemployment rates there has not been an increase in the number of Australians seeking employment in fresh produce, despite the availability of roles. A key difficulty in recruiting Australians in fresh produce is the regional location of the employment. In order to address this issue, a relocation payment should be offered to incentivise Australians to move from metropolitan areas to regional locations where there is harvest work.

Further, an induction support payment should be offered to the business employing this worker to minimise the financial burden of additional induction, training and support costs, as well as costs.

It is recommended that payment be made to both the business and the employee after 12 weeks work has been completed. The fresh produce industry has seen success in attracting WHMs to undertake harvest work in regional areas for 12 weeks with the current 417 and 462 visa schemes incentivising this work through 12-month visa extensions.

2. Seasonal Worker Program and Pacific Labour Scheme

The Seasonal Worker Program allows workers to be employed in fresh produce for up to 9 months at a time on a returning basis. Many growers have had great success with this program. COVID19 has seen a number of SWP workers unable to travel to Australia with only 8,000 workers currently in Australia compared to 12,000 in a typical year. The remaining 4,000 SWP workers who were due to arrive in Australia, but were unable to travel should be able to travel to Australia as a matter of priority under a Pacific Bubble travel arrangement.

This arrangement would allow industry to have access to its usual workforce necessary to productively harvest fruit and vegetables. Further, access to these workers is of a significantly lower risk than workers from other countries due to the absence of COVID19 infections in many countries participating in the program (e.g. Timor Leste and Vanuatu). Industry proposes to lift the number of workers that can be accessed annually through this program from 12,000 to 15,000 immediately to address the significant decrease in the number of WHM in Australia and provide more certainty to industry around access to a harvest workforce into 2021.

It is recommended that the administration and operation of this program is improved to assist employers and



SWP workers to have better certainty over working arrangements and management of worker health and wellbeing during employment in Australia. Improved administration and operation of the program would further assist in alleviating industry's workforce pressures.

3. Working Holiday Makers (WHM)

The number of WHMs currently in Australia have significantly reduced, with only 80,000 of the usual 140,000 currently being in Australia. As WHM continue to leave Australia, uncertainty around COVID19 and closures of the Australian international border mean that it is increasingly unlikely that WHM will return to Australia in any great numbers in 2021. Fresh produce, as well as tourism and hospitality rely on these workers; it is vital that WHM visas (417 and 462) are prioritised for access to Australia.

WHM in Australia commonly travel to regional areas to undertake horticulture work. Regional areas often have limited accommodation options due to smaller permanent populations. Due to social distancing requirements, a number of regional areas critical to the production of fruit and vegetables, are struggling to accommodate the number of WHMs required at peak harvest. The reduction of available accommodation in regions makes it difficult to attract WHMs to perform harvest work, therefore, in order to best attract this workforce, there is an opportunity to work with employers, councils and state governments to provide solutions to any accommodation shortfalls.

4. Introduce a Harvest Work Visa

The current visa settings do not appropriately allow employers to source temporary migrants to fill roles within the harvest workforce. This has created a variety of unintended consequences, which have been highlighted during COVID19, such as an over-reliance on workers under the WHM program.

Industry requires a visa that takes the elements from both the WHM and SWP programs to address labour concerns. Principally; secures a workforce that wants to work and enables workers to move between employers at their own discretion.

At a high level, the Harvest Work Visa (HWV) proposes to allow visa holders to access roles within the agricultural harvest workforce for up to 9 months at a time, with the ability to return to Australia year on year, within the visa parameters. Importantly, this visa would offer visa holders the flexibility to work for an employer of their choice during their time in Australia. This enables workers to relocate according to work locations and seasonal peaks. It is proposed that this visa type allows workers from South East and North Asia to apply, with countries proposed to be included: Malaysia, Taiwan, Philippines, Thailand and Vietnam.

The program should initially be capped at 10,000 visas per year, with an opportunity to review these numbers. An outline of the visa is provided below:

Harvest Work Visa Outline

Stay: 9 months (aligned with SWP)

Cost: \$485 (aligned with WHM program application costs) Conditions:

- Have proof of employment from an Australian employer that is either a:
 - Farming Business; involved in primary production of food and fibre OR
 - Labour Hire Companies that are:
 - Licensed under a federal, state or territory labour hire licensing scheme
 - Approved Employers under the Seasonal Worker Program or Pacific Labour Facility.
- Employment offer must be for a minimum of 12 weeks
- Applicants must undergo a police and health check before visa is granted and maintain health



insurance while in Australia

- Applicants must be able to demonstrate financial resources to return home
- This visa can only be applied for outside of Australia
- Continue to satisfy the criteria for the visa (i.e. ongoing employment in an agricultural sector)

Technical Roles

While the majority of roles in fresh produce are dominated by harvest labour positions in number, technical roles in fresh produce employ predominantly Australians and permanent residents in long term, full time roles in regional communities. As industry grows, both in terms of increased production and value, so do the requirements for skilled technical roles in fresh produce businesses.

Examples of these roles in the fresh produce industry are: agronomists, entomologists, horticulture growers, engineers, quality assurance professionals, food technologists, technicians, electricians, irrigation specialists and machine operators.

While many of these roles are filled by Australians and permanent residents, the sector faces significant challenges in encouraging Australians to move to regional communities, even for ongoing fulltime roles. Further, the specialised skill sets of a number of technical roles in produce means there are often few professional training options and pathways for Australians.

The challenge with a number of technical roles in horticulture is that individual employers are responsible for training and skill development, in the absence of professional pathways

The Government's policy framework must support skills and training programs which ensure people are equipped to be job ready. The Government's immigration program must recognise the skills/experience/expertise required for the continued growth of the fresh produce industry, including through skilled migration agreements.

There are opportunities to develop training tools specific to agriculture, including the use of virtual reality technology to train people in the picking of horticultural crops. This could be developed by industry in partnership with training/educational institutions and government, in recognition of the fact that it would be adaptable across a number of different crops and that training modules could be developed covering trainees and to train the trainer.

Recommendations for the fresh produce technical workforce

The AFPA recommend the follow actions be taken to ensuring fresh produce growers

1. Introduce a Horticulture Careers for Young Australians program

- 2 year trial program
- Up to 500 roles available for trainee supervisors (potential other roles are Quality Officers, Irrigation Technicians, Machinery Operators)
- Each applicant would be employed by a horticulture business for the two year period of the trial
- Each applicant would complete a Certificate III or IV in Production Horticulture within the two years completion of the program.



Horticulture Careers for Young Australians

The Australian horticulture industry is a rapidly growing sector providing employment opportunities across Australia. However, COVID19 is negatively affecting the employment opportunities for young Australians in rural and regional Australia, while employers are facing uncertainty which is affecting their ability to take on new employees.

This program 'Horticulture Careers for Young Australians' will support young Australians and employers to expand the careers in the horticulture industry through the recovery from COVID19. This program responds to the demands for Australian horticulture farmers, large and small, for skilled supervisors and technicians.

Structure

- 2 year trial program
- Up to 500 roles available for trainee supervisors
 - o (Potential other roles are Quality Officers, Irrigation Technicians, Machinery Operators)
- Each applicant would be employed by a horticulture business for the two year period of the trial
- Each applicant would complete a Certificate III or IV in Production Horticulture within the two years completion of the program.

Eligibility

- Must be Australian Citizens or Permanent Residents
- Applicants must complete 20 days of employment with a prospective employer before being accepted into the program
 - o This will ensure that the prospective employee and the employer enter into an agreement after suitable introductions

Funding

- The Australian Government would provide total payments of \$20,000 to the employing agricultural business over the two year period
- The costs of education (Certificate III or IV) would be met by existing arrangements for TAFE courses.

Employer Eligibility

- Have been in operation for 5 years or more
- Meet commitments to employ trainee on a permanent basis over the two year program

Restrictions

- No single employer can employ more than 4 trainees under the program
- The first round of applications from employers must be balanced across key horticulture growing regions, and balanced across a range of small, medium, and large employing farm businesses
- If the program is under subscribed, a second round of assessments will be undertaken to match potential employers with applicants, with the objective of filling the program.



Managerial and Administrative Roles

The fresh produce industry is competing with all employers for Australia's middle management talent to help grow and develop fresh produce businesses. Fresh produce employers have recognised that the business growth opportunities are a key attribute of the industry for middle managers looking to expand their career.

Examples of these roles in the fresh produce industry are: businesses management, operations management, sales and category managers, marketing managers and strategy development and implementation.

The majority of these roles are filled by Australians and permanent residents, however, like the majority of roles in industry, the sector faces significant challenges in encouraging Australians to move to regional communities, even for ongoing fulltime roles.

The development of leaders for middle management roles in fresh produce is not unique to this industry. A collaborative approach between key industry employers and government will support the development of new approaches to develop industry leaders to support the continued growth of fresh produce and more broadly, Australian agriculture.

Industry must also continue to promote the attractiveness of a career in agriculture through funding tertiary scholarships for the study of agriculture and providing a platform for tertiary students to undertake in field R&D projects. An overly bureaucratic approach will not be effective.

The Australian agricultural sector will be a key employer and driver of economic growth into the future. Practical initiatives like funding for schoolchildren to visit farms, experience and understand food production and learn about agricultural production are key elements of developing a future workforce. The development of an agricultural workforce must be broad based and multi-faceted supporting the wide range of skills and expertise required for a modern workforce. Working with schools, TAFE, universities and other educational providers is essential to ensuring that both young people, and those seeking a career change have the opportunity to take up careers in the fresh produce industry in Australia.

Recommendations for the fresh produce managerial and administrative roles

1. Graduates for Fresh Produce Management

Objective: continue the expansion of graduate roles in the fresh produce sector through the recovery from COVID19.

- 2 year trial program
- Up to 200 graduate roles for fresh produce businesses
- Up to \$20,000 payment to fresh produce employer

Graduates for Fresh Produce Management

The Australian horticulture industry is a rapidly growing sector providing employment opportunities across Australia. However, COVID19 is negatively affecting the employment opportunities for young Australians in rural and regional Australia, while employers are facing uncertainty which is affecting their ability to take on new employees.

This program 'Graduates for Fresh Produce Management' will support young Australians and employers to expand the careers in the horticulture industry through the recovery from COVID19. This program responds to the demands for Australian horticulture businesses for middle management roles.



Structure

- 2 year trial program
- Up to 200 roles available for graduates
 - o (Potential roles include sales and marketing, HR, Finance, Food Technology)
- Each applicant would be employed by a horticulture business for the two year period of the trial

Eligibility

- Must be Australian Citizens or Permanent Residents
- Applicants must complete 3 months of employment with a prospective employer before being accepted into the program
 - o This will ensure that the prospective employee and the employer enter into an agreement after suitable introductions

Funding

- The Australian Government would provide total payments of \$20,000 to the employing agricultural business over the two year period

Employer Eligibility

- Have been in operation for 5 years or more
- Meet commitments to employ graduate on a permanent basis over the two year program

Restrictions

- No single employer can employ more than 2 graduates under the program
- The first round of applications from employers must be balanced across key horticulture growing regions, and balanced across a range of small, medium, and large employing farm businesses
- If the program is under subscribed, a second round of assessments will be undertaken to match potential employers with applicants, with the objective of filling the program.

Pathways to roles in Agriculture

As ever-increasing numbers of Australians chose to live in metropolitan cities, Australian's are becoming more removed than ever from primary production. The unawareness of Australian's about the agricultural supply chain, compounded by workforce competition from similar industries like mining are making it increasingly difficult for the agriculture sector to attract and retain a workforce.

Industry must now focus on attracting and retaining the future agricultural workforce. In order to do this, relevant education and training pathways must be relevant to the future needs of industry and connected with the needs of employers. Examining future skilled requirements in the agricultural supply chain will be critical in determining the vocational and higher education pathways necessary to appropriately prepare the future workforce.

However, despite well intentioned training programs or even incentives to undertake these programs, the most critical step in this process will be introducing a generation of Australians to primary production via agricultural education modules within Australia's education system. Creating an awareness of primary production will be critical to industry in the medium and long term, both in terms of attracting a workforce and enabling Australian's across all sectors to better engage on the future of food and fibre manufacturing in Australia.



Recommendations for building agricultural education

1. Knowledge Based

Objective: Develop agricultural education modules for primary, secondary, vocational and tertiary education which can be completed as part of specific agricultural study or as 'electives' or short courses.

- Require nationally recognised modules on agriculture
- Content to facilitate a greater understanding of agricultural production and science
- Modules must be practical, relevant and up to date

2. Skills Focussed

Objective: Agriculture is becoming more data and technology driven. Training and education must build relevant skills for business and industry.

- The latest production technology and science will interest students from all disciplines
- Many of the roles in the agriculture sector are in the broader supply chain (input suppliers and manufacturers, transport and logistics providers, retails, and other service industries)

3. Industry Driven

Objective: Education, skills and training must be developed in consultation with industry, particularly growing employers.

- Agriculture education has previously been disconnected from the needs of employers
- Courses, modules and programs must be developed in consultation with industry – carefully selected industry advisory boards will address these issues



Discussion Paper Questions

1. During the next 10 years, what impact will the following changes to agricultural production, processing and distribution have on the workforce:

a. innovation and technological advancement, including robotics and Artificial Intelligence

The fresh produce (fruit and vegetable) industry is both the fastest growing and the most labour-intensive sector within Australian agriculture. The labour intensity in horticulture is currently so high due to low levels of available mechanisation compared to other agricultural sectors such as broad acre farming. While finding mechanisation opportunities is a priority for all fresh produce businesses, this solution will not be arrived at in the short or medium term, therefore industry will continue to remain reliant on manual labour for the picking and packing of fruit and vegetables that are sold to all Australians.

There are opportunities to develop training tools specific to agriculture, including the use of virtual reality technology to train people in the picking of horticultural crops. This could be developed by industry in partnership with training/educational institutions and government, in recognition of the fact that it would be adaptable across a number of different crops and that training modules could be developed covering trainees and to train the trainer.

Over the next 10 years, industry will still be require a harvest labour workforce. However, there will be increasing opportunities in industry's technical and managerial workforce to recruit workers with skillsets that will enable the introduction, maintenance and management of increasingly levels of technology.

b. changes to agricultural production—for example, moves to high-value crops and produce, or structural adjustment

The fresh produce industry has a large number of small, family owned and operated businesses. Over time, industry has seen a strong consolidation of these businesses into larger, scaled farming businesses. These businesses are able to operate at an economy of scale not available to small family farms and therefore, the minority of fresh produce businesses are responsible for the majority of employment, production output and value of industry.

The below chart demonstrates that there are a small number of large businesses that drive the value and volume in the fresh produce industry.

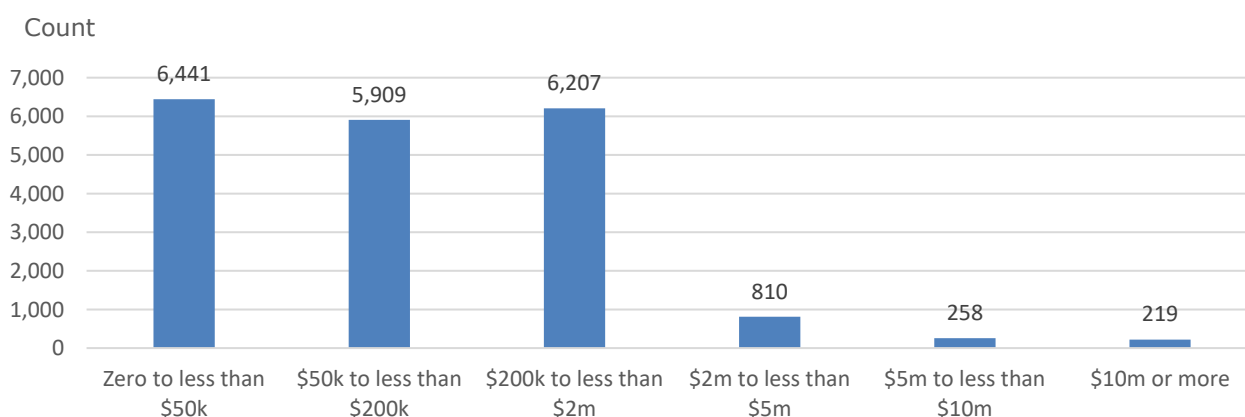


Chart: Number of fruit and vegetable growing business in Australia, by revenue, 2019

Source: ABS Counts of Australian Business, including Entries and Exits, Cat. No. 8165.0, June 2019

Note: Totals may not add due to rounding and other discrepancies.



The consolidation of industry is not necessarily resulting to a move to ‘higher value crops’, rather is driving a stronger focus on productivity, that is being able to produce crops with greater levels of input efficiency.

Industry’s consolidation is likely to drive the requirements for more technically skilled workers, managing people, equipment and technology. As businesses become larger and more advanced into the future, workforce requirements will increase.

c. changes in supply chains and distribution of farm produce

There are four primary markets for fresh produce; retail, wholesale, processing and export. As the number of farm businesses consolidate, there is a more streamlined supply of fresh produce. This transition is seeing a number of larger businesses vertically integrating their supply chains and managing the production of produce from farm to point of sale.

There is an increase in farming businesses supplying direct to Australia’s major retail channels, bypassing the additional cost associated with multiple handling of fresh produce. There is a reduction in the volume of fresh produce being traded in Australia’s central wholesale markets as a result of direct supply arrangements, regardless, these sites remain important distribution centres for industry.

Many farming businesses provide inputs to Australia’s food manufacturing or processing sector. There is also opportunities for farmers to expand and own and operate value adding businesses to better capture the value associated with these businesses. Growers supplying input for manufacturing processes, are required to supply inputs at a lower price due to cost constraints within the manufacturing sector, making this a limited market opportunity. Where fresh produce growers are able to undertake their own processing, for example, bagged lettuce or cut carrot sticks, businesses are better able to recoup the additional value associated with transforming this product.

Export markets are increasingly important for the fresh produce industry providing strong growth opportunities for farming businesses. Fruit exports have grown by 20% annually for the last 8 years and vegetable exports have nearly doubled over the last 7 years. Supplying products for exports, and meeting the necessary requirements for export are also changing the nature of industry supply chains and distribution. Export opportunities are resulting in businesses internalising export related functions, again further streamlining and vertically integrating businesses to better manage costs.

The streamlining of fresh produce supply chains will drive industry’s requirements in technical and managerial workforce areas. The increase in exports and closer management of domestic distribution will drive logistics roles, managerial roles, quality and food safety needs and sales and marketing opportunities within industry.

d. changes in consumer demand—for example, end-to-end supply chain traceability as a development of the ‘clean and green’ brand, provenance and the use of more plant-based ingredients?

Domestic consumption of fruit and vegetables in Australia is not increasing, therefore industry is reliant on export opportunities to grow fresh produce businesses. Increasing fresh produce exports will drive industry growth.

Fortunately, there is strong demand globally for Australian fresh produce. Key limitations to realising export opportunities are the high costs of production in Australia and limited technical market access to key export markets.



Should the Australian government be able to negotiate more and less restrictive access for fresh produce with a range of export markets, industry would be able to grow significantly and therefore employ more Australians in regional areas.

The Australian citrus industry provides a case study of the benefits of export. The volume of Australia's citrus exports increased on average 8 per cent annually over the last ten years. By value, exports (\$428 million) comprise over half the total production value (\$798 million) of the citrus category. For oranges in particular the export story is even more stark with 75 per cent of Australia's oranges being exported to high value markets across Asia. The growth of Australia's citrus exports has underpinned jobs, investment, and infrastructure across some of Australia's key regional communities. The ongoing success of the citrus industry underpins rural communities by providing jobs for families, which in turn ensures people live and work in our regional communities. The opportunity for fresh produce is to replicate the citrus export story across more than 100 fruit and vegetable products for the benefit of Australian families and our broader community.

2. What will be the effect if agriculture continues to trend towards supplying up-market, premium, and high quality produce, with increasing value-adding manufacturing?

The fresh produce industry in Australia should be encouraged to continue supplying fresh fruit and vegetables for all Australians. Domestic consumption of fruit and vegetables has constrained the growth of the fresh produce industry, which is why industry is focused on supplying export markets to drive growth.

Australian fruit and vegetables are of a high quality; however, quality must be high, in order for farmers to sell fresh produce with a high enough margin in these overseas markets to compensate for Australia's high cost of production.

The effect on the fresh produce industry, regardless of where product is supplied (i.e. Retail, processing or export) is that the high cost of production of fruit and vegetables needs to be offset by productivity and efficiency gains. This means that industry needs to be focused on obtaining, training and retaining a highly productive and efficient workforce in order to remain competitive.

The benefits of 'value-adding manufacturing' are held by the entity that transforms the ingredients into retail ready offerings. Growers simply supplying greater amounts of produce to be turned into processed food products by someone else is unlikely to maximise returns to growers. As noted above, growers are moving into pre-cut fruit and vegetables had seen increases in sales prior to COVID19, as consumers increasingly seek meal and snack options which are natural and healthy, and have reduced preparation times.

3. What impact will climate change and other environmental situations such as severe droughts, severe storms and long fire seasons have on the agricultural workforce?

Fresh produce, like all other agriculture industries is climate dependent, with even protected cropping operations relying on favourable climatic conditions. The fresh produce industry is dependent on climate conditions and access to inputs such as water to both maintain and increase production which in turn supports current and future employment in the industry.

Favourable climate also extends to the attraction and retention of a workforce. Increased risk of bushfire, issues around water access and security that are being observed in regional areas of Australia, for example Southern Queensland, may make regional communities a less attractive place for Australians to



relocate to for roles in agriculture. The same is also true when considering the impact that fires, floods, storms or water availability have on regional economies generally, with many local businesses closing in regional communities, again compounding the difficulty in attracting a workforce to these communities.

4. What ways might changing social perceptions of different agricultural activities (for example, perceptions about sustainability, emissions, and animal welfare) affect the agricultural industry and its workforce?

There may be an opportunity for the fresh produce industry to capitalise on the changing perception of other sectors of agriculture such as dairy or cattle, where roles in this sector of agriculture may be perceived as less desirable compared to horticulture production due to concerns around animal welfare.

However, it is more likely that animal welfare, sustainability and emissions concerns will negatively affect the entire agriculture sector rather than individual areas such as fresh produce. There is an increasing disconnect between Australians and the production of food and fibre that is being exacerbated by changing social perceptions of agriculture. In order to attract a workforce to the fresh produce industry, this should be addressed.

In addition, the examples of social issues listed above, horticulture struggles with its own perception problems, with instances of mistreatment of workers in the industry. There is no doubt, that the mistreatment of workers in industry, by a small number of employers, has had an effect on industry's ability to attract and retain a workforce.

The Australian Fresh Produce Alliance is supporting a workforce that is sourced and employed legally and ethically to enable the long-term sustainable growth of the fresh produce industry and has publicly committed to creating a culture of pro-active management by improving the sector's employment practices and reputation, through proactively meeting all employment and duty of care requirements and obligations.

5. What impact will societal changes, such as the ageing workforce, low unemployment, low immigration and relocation of regional population (and agricultural, health and education workers) to urban areas, have on the agricultural workforce?

The fresh produce industry is reliant on temporary migration pathways to undertake a number of roles within the industry, predominantly within the harvest workforce. This workforce underpins all other roles within the sector, specifically technical and managerial roles; most of which are filled by Australians and permanent residents.

Data from members of the AFPA suggests that every permanent job performed by an Australian citizen or permanent resident in the industry is dependent on three harvest roles, usually performed by visa holders. The AFPA has obtained data from member companies, other growers and labour hire companies that indicates from March 2020 to June 2020 a period during which unemployment increased significantly, these companies received 23,000 enquiries for work. Only 8% of these enquiries were made by Australian citizens and Permanent Residents.

Initial results from modelling undertaken by Deloitte Access Economics commissioned by the AFPA demonstrates the economic impact of a reduction of temporary migrants, in this case specifically WHMs, on the horticulture industry and broader Australian economy. This modelling indicates that the removal of WHMs from the fresh produce industry would have a \$13 billion impact on Australia's GDP, or \$6.3 billion reduction in the value of the horticulture industry.



Removal of WHMs from the fresh produce industry would result in an estimated fall in jobs of 127,900 (headcount) across Australia's economy, with food manufacturing and retail in addition to fresh produce being the hardest hit. Further, the removal of the fresh produce industry's core workforce, WHMs, would lead to a 60% increase in the price of fruit and vegetables by kg for Australian consumers.

Without an appropriate framework addressing industry's requirement for temporary migrants to undertake harvest roles, there is significant risk to the entire fresh produce industry and the regional economies in which these businesses operate.

The continued growth of the fresh produce industry has the potential to underpin regional economies and communities. Prior to COVID19, the 'hollowing out' of regional economies was having a significant impact on the viability of regional communities. Industry and government can work together on new investments and proposals which bring both economic and social sustainability to regional communities.

a. Are there other societal changes that will affect the agricultural industry and its workforce?

As above.

6. What impact does the continuing international corporatisation of agriculture have on labour and jobs?

The consolidation of businesses in the fresh produce industry will create additional skilled roles within the industry, will enable better management of people and conditions and enable greater business growth. Businesses within the fresh produce industry are consolidating with a number of small owner operator farms electing to exit the industry. This consolidation enables greater profitability of farming businesses and the corporatisation of businesses enables an introduction of diverse skills sets to industry including sales, marketing and financial management.

These corporate skill structures enable greater levels of oversight and business management, which in turn creates the requirement for more highly skilled roles such as agronomists, technical officers, new product development specialists and a variety of other skilled roles. Larger fresh produce businesses are also able to either outsource or engage HR expertise, which enables better employment and practices and critically better recruitment practices which will be key in attracting and retaining a fresh produce workforce.

7. What are key health and wellbeing considerations for the agricultural workforce?

Health and well being considerations for those employed in the fresh produce industry are no dissimilar to other agriculture sectors and in fact the broader economy. There are health and wellbeing consideration with regard to harvest roles, due to their physical nature, with work often performed outside.

There are further health and well being considerations that may also result due to the regional location of agricultural work, whereby access to facilities (i.e. childcare, schooling, healthcare, retail) may be more limited than metropolitan cities. Ensuring wellbeing of the workforce both within their workplace and the community in which it operates should be considered.

a. How can health and wellbeing best be maintained and improved?

The health and wellbeing of employees at their workplace can be maintained and improved by continuous improvement within business of workplace policies and procedures to ensure they are aligned with requirements and take into account particular workplace circumstances.



8. What are the key drivers that will influence the size and skill needs of the agricultural workforce in the next decade?

The key driver that will influence the size of the fresh produce industry in the next decade is access to export markets. Industry's growth will be dependent on export opportunities. Where market access for exports can be achieved for a particular product, industry's demand for both harvest workers and technical and managerial workers will increase proportionally to this demand.

Consolidation of businesses and increased corporatisation will also increase sales, marketing, human resources and strategy based roles as businesses restructure to accommodate shorter supply chains and increased direct supply relationships.

In order to manage these changes, industry will require a productive and efficient harvest workforce, while also needing to attract technical and professional skillsets to regional Australia.

9. What factors (e.g. status of the agricultural industry compared to other industries, competitive labour market, workplace conditions, public perceptions of agricultural jobs and industries) impact the pool of talent available to pursue agricultural careers?

Historically, it has been difficult to attract and retain a local workforce in horticulture, this has been attributed to a number of factors surrounding the nature of the work and the nature of the location of fresh produce production. These factors have had a significant impact on the availability, quality, and retention of a highly productive workforce.

The two key factors are:

- A. Nature of the work
 - Often physical work outside in variable weather conditions
 - Work periods and location dependent on the products being harvested
- B. Nature of the locations
 - Remote – difficult to travel, low level of service and accommodation
 - Regional – competition from other industries, opportunities in capital cities
 - Metropolitan – competition from other industry sectors for capable and skilled people

The above factors are compounded by competition to attract skilled and managerial workers elsewhere in the economy, where wage rates are significantly higher (e.g. mining).

a. How can these factors be mitigated?

As the fastest growing agriculture sector, the Australian fresh produce industry will experience growth challenges that need to be overcome. Industry must be committed to the development of a long term permanent local workforce and a significant improvement in the sector's employment practices and reputation. A collaborative approach with Government to develop industry leaders, train and develop skilled specialists, and the continued development of a harvest workforce is a priority for the Australian Fresh Produce Alliance.

With regards to the Harvest Workforce, the AFPA recommend the following strategies to mitigate these challenges, particularly considering the impact of COVID19 on the sector.

Australians and Permanent Residents

Objective: Incentivise Australians and Permanent Residents that have become unemployed due to COVID19 to work in the fresh produce industry.



- Relocation Support: \$1,200/worker - paid to worker
- Induction Support: \$1,200/worker - paid to business for worker induction
- Payments made retrospectively to grower and worker after 3 months of work

Seasonal Worker Program and Pacific Labour Scheme

Objective: Increase industry's access to a productive, ongoing workforce; sourcing from countries with limited or no COVID19 cases recorded.

- Create Pacific Bubble as soon as possible within health requirements
- Increase visas granted under the program to 15,000 annually
- Improve operation and administration of the program

Working Holiday Makers (WHM)

Objective: Re-establish access to industry's access to largest labour source, while addressing current program bottle necks.

- Open Australian border to WHM visa holders as a priority
- Identify accommodation shortfalls in particular regions and develop solutions with employers, council and state governments

Introduce a Harvest Work Visa

Objective: Appropriate address employers' requirements to source temporary migrants to fill roles with the harvest workforce

- Fill the gap between the WHM and SWP visa types to address industry's needs
- Create a 9-month visa type allowing workers from SE Asia to work in agriculture, with ability to return year on year
- Cap visas granted to 10,000 per year

10. How can agribusinesses and related industries better attract workers?

Commercial operations and government policy and programs should integrate to deliver outcomes for business, government and our broader Australian society. For each discrete area of employment opportunity there are a range of levers for business and government:

1. Harvest Roles

AFPA members have committed to the continued development of a permanent local workforce, creating opportunities for young Australians, improving the sector's employment practices and reputation, and developing practical solutions. The Government's policy framework must support opportunities for people in local communities to work in fresh produce, continued expansion of the Seasonal Worker Program the ongoing availability of the Working Holiday Maker Program, and the introduction of a Harvest Workforce Visa.

2. Technical Roles

AFPA members have graduate programs to attract skilled young Australians into fresh produce, on the job training programs to support skills development, and recruitment policies to encourage diversity. The Government's policy framework must support skills and training programs which ensure people are equipped to be job ready. The Government's immigration program must recognise the skills/experience/expertise required for the continued growth of the fresh produce industry, including through skilled migration agreements.

3. Middle Management Roles



AFPA members are competing with all employers for Australia's middle management talent to help grow and develop their operations into thriving businesses. Fresh produce employers have recognised that the business growth opportunities are a key attribute of the industry for middle managers looking to expand their career.

The development of leaders for middle management roles in fresh produce is not unique to our industry. A collaborative approach between key industry employers and government will support the development of new approaches to develop industry leaders to support the continued growth of fresh produce and more broadly, Australian agriculture.

a. What factors affect entry into the agricultural workforce? How can the agricultural industry achieve greater exposure?

Entry to the fresh produce industry is limited due to available pathways and perception of work. There are few skilled pathways into the horticulture industry, with many training programs across TAFE and University not focusing on production horticulture, in favour of other areas of agriculture (e.g. animal agriculture). Further, people who may wish to work in the horticulture industry are often encouraged to undertake other skilled roles via incentives from employers or other areas of the economy, for example incentives to employ trade apprentices.

b. Why do people leave the agricultural workforce? How can these factors be mitigated?

A primary reason for the harvest workforce in the fresh produce industry to seek employment elsewhere, is the ability to obtain more regular (i.e. not seasonal) employment, in metropolitan cities. The requirement to live regionally to undertake a vast majority of role in fresh produce can make it challenging to both attract and retain a workforce.

As an example, those with children may seek to find alternate employment in metropolitan cities on the basis of the availability of childcare, schooling and other facilities for their families that may not be as easily accessible in regional communities.

11. What are the implications if the supply of skilled agricultural workers is insufficient for your sector or business?

The fresh produce industry is a significant employer of skilled workers, with a large number of these workers being Australian citizens or permanent residents. These skilled roles in industry are often technical roles around crop production, quality and management that ensures the ongoing and productive production of horticultural crops.

An inability to fill skilled positions in the fresh produce industry may result in a lower level of productivity and as a result a potential increase in costs. This would be due to a number of factors, by way of example, poor product quality due to poor agronomic practices in the absence of an agronomist would result in a lower yield and lower product sale price.

12. What skills and knowledge does the agricultural workforce need in the foreseeable future to ensure the ongoing productivity of the agricultural industry given the changes the industry and Australia is experiencing?

The harvest workforce in the fresh produce industry, must be a highly motivated and productive workforce. In order to obtain this productivity, this workforce must be well trained and practiced in harvest work (picking, planting, packing and maintenance of horticulture crops). Currently, this productivity is gained by employer provided training and induction and experience. High levels of productivity in these roles are observed in the Season Worker Program (SWP) workforce, when compared



the Working Holiday Marker (WHM) workforce due to the fact the SWP workforce are able to return to Australia year on year. The SWP workers therefore become proficient and productive at harvest work when compared to other cohorts.

There may be opportunities to vary the way the harvest workforce is inducted and trained, for example, including the use of virtual reality technology to train people in the picking of horticultural crops. This could be developed by industry in partnership with training/educational institutions and government, in recognition of the fact that it would be adaptable across a number of different crops and that training modules could be developed covering trainees and to train the trainer.

With respect to skilled roles, industry will require a workforce with farm management, horticultural production, food safety, food technology and agronomy skills. This is in addition to the ongoing requirement for professional middle management skills. As farming businesses become increasingly corporatized, the requirement for technical and professional skills will continue to grow.

13. Is the current education and training system for agricultural workers fit for purpose? Are the needs of the agribusiness workforce adequately served by current education and training systems (high school programs, vocational education and training, and higher education)?

There are few skilled pathways into the horticulture industry, with many training programs across TAFE and University not focusing on production horticulture, in favour of other areas of agriculture (e.g. animal agriculture).

The Australian agricultural sector will be a key employer and driver of economic growth into the future. Practical initiatives like funding for schoolchildren to visit farms, experience and understand food production and learn about agricultural production are key elements of developing a future workforce. The development of an agricultural workforce must be broad based and multi-faceted supporting the wide range of skills and expertise required for a modern workforce. Working with schools, TAFE, universities and other educational providers is essential to ensuring that both young people, and those seeking a career change have the opportunity to take up careers in the fresh produce industry in Australia.

a. What is working? What is not?

There is a lack of agricultural education models for primary, secondary, vocational and tertiary education. Modules delivered at each level of Australia's education system should be implemented both as part of specific agricultural study, electives or short courses. Relevant, up to date and practical modules would deliver content that would facilitate a greater level of understanding of agricultural production and science.

b. How can these systems best meet the needs of the agricultural workforce?

All education, skills and training systems must be developed and delivered in consultation with industry. Agricultural education is currently disconnected from employers and their needs. Engaging industry on the development of courses, modules and programs via the use of an advisory board/mechanism will best address employers needs and therefore increase the value of agricultural education for a future workforce.

c. What changes might be required to accommodate the different learning style of younger generations of people?

Agriculture is becoming more data and technology driven. Training and education must build relevant skills for business and industry in order to make it valuable for younger generations of people. Further, many of the roles in the agriculture sector are in the broader supply chain (input suppliers and



manufacturers, transport and logistics providers, retails, and other service industries), as opposed to just production-based agriculture. Broader understanding of the agriculture industry may assist in cross over of a workforce previously engaged in other industries.

14. What skills and knowledge do business owners need and how can this be best achieved (formal education or informal education and different modes of delivery, for example micro-credentials, online learning, workplace learning)?

There are increasing requirements for fresh produce business owners to be more engaged in the administration of their businesses. New or increasing requirements include food safety, ethical sourcing, sales and negotiation and human resources management. The majority of businesses in fresh produce are small, owner operator businesses, which will feel an increasing burden on their operations due to the need for a small staff to become skilled in multiple areas.

There is a real opportunity to upskill medium to large fresh produce businesses, which require some additional assistance to transition to more professional, corporate businesses. Models such as roundtables, or centres for excellence that are led by other fresh produce business professionals and their staff would be beneficial to these emerging businesses. Core areas of focus for the fresh produce industry should be human resources and people management and food safety.

15. What initiatives have worked to raise the status of agribusiness, increase the supply of workers or increase the skills and knowledge of agricultural workers? What factors have contributed to the success of these initiatives?

a. Specifically, are you aware of examples of collaboration between employers, education providers and regional communities? Which intermediaries supported these collaborative arrangements?

An example of a successful training program is the collaboration between Costa Group, Melbourne Polytechnic and virtual reality (VR) company Liminal with funding from the Victorian Government's Workforce Training and Innovation Fund. The funding and collaboration is being used to develop state-of-the-art VR technology designed to revolutionise the training of the mushroom harvesting workforce. The technology promises gains in productivity and safety – and its multi-lingual delivery is perfect for the Costa's predominantly migrant workers, many of whom have English as a second language.

The VR training environment mirrors the harvesting operations of the mushroom farm but does not impact business output. It allows potential employees to fully understand the job and skill requirements before committing to the role, allowing prospective harvesters to 'try before they buy'.

Initiatives like this work because they are commercially driven, with buy in from employers to solve specific training requirements.

16. What existing education, training, workforce or other relevant initiatives can be leveraged to support agribusinesses workforce needs?

Most AFPA members have graduate programs to attract skilled young Australians into fresh produce, on the job training programs to support skills development, and recruitment policies to encourage diversity.

The Government's policy framework must support skills and training programs which ensure people are equipped to be job ready. Leveraging existing commercial programs would be the most beneficial way to support workforce needs, rather than introducing new or excessively bureaucratic programs.



17. How can existing government programs be improved to better support agribusinesses and related industries workforce needs?

Agricultural education and programs these initiatives are often disconnected from the needs of employers. Education, skills and training must be developed in consultation with industry, particularly growing employers, this will ensure programs, training and materials are relevant to employers needs (both current and future) and make these programs valuable to employees, as these qualifications and programs will be desirable within industry.

18. How consistent across agriculture and horticulture is the need for more and targeted immigration to sustainably increase the national agriculture labour pool and support national capability and capacity building?

Critical to industry growth, is access to reliable and productive harvest labour. Fundamentally, industry requires workers that want to undertake harvest labour roles. These workers are more productive and willing to undertake training and guidance. The core issue that agriculture, specifically the fresh produce industry faces in terms of attracting harvest labour work is the nature and location of the work. The WHM visa type addresses the nature and location of the work, by making a condition of visa extensions that visa holders must work in horticulture for a short period of time in a regional location, however does not address the issue that WHM are in Australia for a holiday, not to work for an ongoing period in agriculture.

The SWP ensures that workers who travel to Australia have a role in industry, for 9 months, prior to their arrival, therefore addressing the issue of wanting to work in industry. However, this program is highly prescriptive and prohibits SWP workers moving between employers, therefore excluding farmers without 9 months consistent work from the program.

Industry is overly reliant on the WHM visa holders, who make up 80% of the harvest workforce. COVID19 has seen a significant decrease in the number of WHM in the country, with approximately 80,000 WHM visa holders currently in Australia, down from the usual 140,000 WHMs. This poses a significant risk to industry. Further, as this visa category is designed as a holiday and cultural exchange program, it is likely that there will be fewer WHM returning to Australia in the coming years during the global COVID19 recovery period.

Industry requires a new visa that takes the elements from both of these programs to address labour concerns. Therefore, industry proposes the introduction of a Harvest Work Visa. The purpose of this visa is to secure a harvest workforce that wants to work in agriculture and enables visa holders to move between employers at their own discretion. This visa type would decrease industry's reliance on the WHM, thereby allowing it to commence a return to its intended purpose of a cultural exchange program, while supporting harvest roles in the fresh product industry that underpin regional economies and full time ongoing employment of Australians and permanent residents.

Temporary migration, under the correct conditions, is required to support the ongoing growth of the fresh produce industry. The AFPA support the expansion of the SWP, introduction of a Harvest Work Visa and other areas of temporary migration reform that aim to improve the fresh produce industry's access to a reliable, productive workforce. The harvest workforce is a key contributor to the value of the fresh produce industry, and the regional economies in which fresh produce businesses operate.



19. Will the actions taken or committed to by governments and industry address concerns about workplace exploitation given time?

The AFPA has made public commitments to support a workforce that is sourced and employed legally and ethically to enable the long-term sustainable growth of the fresh produce industry. As large employers who collectively employ more than 22,000 people, AFPA members operate across more than 100 locations in Australia, and have committed to:

- Creating a culture of pro-active management by improving the sector's employment practices and reputation, through proactively meeting all employment and duty of care requirements and obligations,
- Working with retailers, suppliers and growers to ensure that industry can adopt and maintain management systems required to comply with relevant laws and standards of sustainable and ethical employment, and
- Collaborating to mitigate the risks of modern slavery and poor labour practices in member businesses and their supply chains and reporting under the Modern Slavery Act 2018.

With regard to the issues more broadly, it is important to consider options for grower training and education, implementation of a National Labour Hire Licensing Scheme, and continued enforcement to address any non-compliance of current laws.

20. What should be done in the short (1 year), medium (2 to 3 years) and long term (5 to 10 years) to improve the productivity and resilience of the agribusiness workforce? Of these actions, what are the top 3 priorities?

The AFPA recommend the follow actions be taken to ensuring fresh produce growers, and the broader agriculture industry, have ongoing access to a productive, reliable workforce. These workforce solutions will assist in managing both COVID19 related challenges in addition to the ongoing workforce challenges faced by industry.

Encouraging Fresh Produce Careers for Australians

1. Australians and Permanent Residents

Objective: Incentivise Australians and Permanent Residents that have become unemployed due to COVID19 to work in the fresh produce industry.

- Relocation Support: \$1,200/worker - paid to worker
- Induction Support: \$1,200/worker - paid to business for worker induction
- Payments made retrospectively to grower and worker after 3 months of work

2. 'Horticulture Careers for Young Australians'

Objective: support young Australians and employers to expand the careers in the horticulture industry through the recovery from COVID19. This program responds to the demands for Australian horticulture farmers, large and small, for skilled supervisors and technicians.

- 2 year trial program
- Up to 500 roles available for trainee supervisors (incl Quality Officers, Irrigation Technicians, Machinery Operators)
- Each applicant would be employed by a horticulture business for the two year period of the trial
- Each applicant would complete a Certificate III or IV in Production Horticulture
- Up to \$20,000 payment to fresh produce employer



3. Graduates for Fresh Produce Management

Objective: continue the expansion of graduate roles in the fresh produce sector through the recovery from COVID19.

- 2 year trial program
- Up to 200 graduate roles for fresh produce businesses
- Up to \$20,000 payment to fresh produce employer

Visa Reform for the Fresh Produce Harvest Workforce

1. Seasonal Worker Program and Pacific Labour Scheme

Objective: Increase industry's access to a productive, ongoing workforce; sourcing from countries with limited or no COVID19 cases recorded.

- Create Pacific Bubble as soon as possible within health requirements
- Increase visas granted under the program to 15,000 annually
- Improve operation and administration of the program

2. Working Holiday Makers (WHM)

Objective: Re-establish access to industry's access to largest labour source, while addressing current program bottle necks.

- Open Australian border to WHM visa holders as a priority
- Identify accommodation shortfalls in particular regions and develop solutions with employers, council and state governments

3. Introduce a Harvest Work Visa

Objective: Appropriate address employers' requirements to source temporary migrants to fill roles with the harvest workforce

- Fill the gap between the WHM and SWP visa types to address industry's needs
- Create a 9-month visa type allowing workers from SE Asia to work in agriculture, with ability to return year on year
- Cap visas granted to 10,000 per year

Building Agricultural Education

1. Knowledge Based

Objective: Develop agricultural education modules for primary, secondary, vocational and tertiary education which can be completed as part of specific agricultural study or as 'electives' or short courses.

- Require nationally recognised modules on agriculture
- Content to facilitate a greater understanding of agricultural production and science
- Modules must be practical, relevant and up to date

2. Skills Focussed

Objective: Agriculture is becoming more data and technology driven. Training and education must build relevant skills for business and industry.

- The latest production technology and science will interest students from all disciplines
- Many of the roles in the agriculture sector are in the broader supply chain (input suppliers and manufacturers, transport and logistics providers, retails, and other service industries)

3. Industry Driven

Objective: Education, skills and training must be developed in consultation with industry, particularly



growing employers.

- Agriculture education has previously been disconnected from the needs of employers
- Courses, modules and programs must be developed in consultation with industry – carefully selected industry advisory boards will address these issues

