



Core skill occupations list (CSOL) stakeholder submission

The Primary Industries Skills Council is an industry body located in South Australia covering all primary industry workforce issues. The organisation regularly meets with employers across the industry and feeds information on skills and workforce matters to both State and Federal Government agencies.

Over 20 years, the Council has provided a number of key reports on jobs and skills and more recently to the Review of the Migration System. In addition, the Council has participated in the development of National Labour Agreements for migration purposes.

This submission is the result of regular skill needs assessments across almost all sub sectors of the primary industry in South Australia including skills related to new or advanced technologies (AgTech). It is a much more reliable indicator of actual demand as it relates to "on ground" direct employer driven information rather than trend forecasts based on ABS figures or evaluating job search sites such as Seek.Com.

In undertaking an appropriate skills analysis process, it is important to note that the ABS has high standard error rates for this industry due to seasonality and incorrect occupational nomenclature which has impacted upon previous skill demand assessments.

In addition, we strongly believe that the current methodology behind the proposed Skills in Demand Visa is fundamentally flawed and especially in regard to remuneration boundaries and definitions of core and essential skills. We are of the firm opinion that adopting a micro-economic model for a macro-economic problem will result in skill demand lists that bear little resemblance to actual demand or demand which is critical to the functioning of Australian industries.

It is our firm belief that the current process will not provide a robust solution to the skills crisis in Australia and especially if the proposed capping adversely impacts upon essential occupations in extreme shortage (irrespective of the quantum of need).

This is especially relevant for our industry where the current analysis has created a situation of exclusion of Agribusiness occupations at a time of an emerging food crisis.

You may not be aware but Ausveg national in their submission to the Senate Inquiry to Food Security in August last year warned that increasing costs of production, tightening margins and chronic labour shortages are making vegetable growers question their future in the sector.

They reported that more than 30 per cent of Australian vegetable growers are now considering leaving the industry within the next 12 months.

An industry survey AUSVEG conducted also highlighted that:

72 per cent are currently experiencing workforce shortages.

45 per cent rate their future viability with current workforce shortages as poor to very poor.

Given this strong and disturbing evidence from the peak horticulture body in Australia which threatens the supply of food to our population, we are deeply concerned to see that the occupation of Vegetable Grower has been added to the Off List.



Any analysis of regional occupational demand has to factor in the demographic data which is clearly showing a continuous loss of working age people from the regions. This phenomenon has been evident for at least 20 years and resulted in serious shortages of skilled labour in a wide range of primary industry and other regional industry sectors including construction and health care services.

This disturbing trend has resulted in many farmers simply closing their businesses for a lack of workers. It must be stressed that whilst two thirds of primary industry labour demand is classified as seasonal/casual, one third of all demand is permanent and skilled.

During this time, current migration priorities have not resulted in the industry accessing skilled workers in the key skilled occupations they need. This is now threatening food security as investments are increasingly put on hold and some sectors contract due to a lack of skilled workers. The major problem areas are in middle skilled roles (Skill Level 2 and 3).

The Horticulture and Fishing Industry Labour Agreements have identified occupations as being in long term shortage. These Agreements provide further real evidence of the scope of the skill shortage in these two industry sectors.

From a macro-economic perspective, it is important to consider the proper functioning of industry sectors where skills are required at all skill levels. Developing a model which favours a small proportion of high income earners on the basis of potential tax revenue and labelling them Specialist Skills people is sheer nonsense.

The need for direct industry input into the modelling prior to putting out lists for commentary is the only way we will avoid basing judgements on potentially faulty data.

To compound the problem, there have been problems in recent years identifying some key occupations that were not listed on ANZSCO. Whilst some of these have been resolved in the more recent review, the uptake of advanced technologies across the industry is creating more and more refinements to established occupations which affect the definitions and skill levels of each occupation.

What is perhaps a much more important consideration is the culture of much of the primary industry which has not had a strong focus on formal HR systems resulting in the industry generally relying on informal "word of mouth" recruitment for specific occupations.

The result has been that much of the industry simply does not post job vacancies on sites such as Seek.com due to their inability to source any skilled labour in regional areas. Typically, these growers know who is available or not in their region and tend not to advertise if no suitable candidates are available.

This then results in difficulties identifying real occupational demand and especially serious shortage areas, a key factor in actual demand numbers in the industry.

There have been numerous instances of growers simply closing their businesses (Tree crops, vineyards, fishers etc) and shelving expansion plans due to skilled labour shortages

To compound the problem, there are relatively few people being sourced through existing migration pathways due in the main to almost all middle and senior skilled positions in the industry not being seen to be in demand.

It is critically important that people undertaking occupational analysis also understand that some skilled occupations such as irrigation designers or agronomists may only require a relatively small number of skilled people (20-50). Not securing these people has a huge impact on crop production with potential losses of many millions of dollars of production.



The importance of ageing in regional areas which is disturbingly high in South Australia and other States, threatens the viability of many regional communities especially in the provision of key services such as health and education.

We are especially concerned that without a more targeted strategy to maintain and re-invigorate regional areas, we will see a further contraction of food production which may yet result in food insecurity. If that is not addressed we expect to see significant rises in the price of food in Australia.

The current model that JSA is using, with the proposed division of skill demand, is taking us back to multiple demand lists again, something that has not previously resulted in any real outcomes for industry and regional areas. .

Given that Jobs and Skills Australia is operating with this model currently and requesting information from industry about the three draft lists, we are providing the following information:

The On List

The occupations of **121321 Poultry Farmer** and **233912 Agricultural Engineer** are supported as there are real shortages across the industry.

The Off List

We were surprised to see a number of occupations on this list that we know are in current and long term shortage. Specifically:

121616 Vegetable Grower

There are shortages due to ageing and solid long term growth especially in the larger hydroponic farms. This was the subject of the Ausveg submission on Food Security. It should be noted that the non-inclusion of Assistant Grower by ANZSCO also needs to be addressed as this occupation is now common in the larger companies.

231211 Master Fisher

Long term shortages are reported due to retirements, especially (tuna/prawns/marine scale)

231213 Ships Master

Serious shortages across the industry resulting in vessels being tied up and industry contraction.

363311 Shearer

Long term shortages reported by the industry (AWI) that have forced some growers to exit the industry

363312 Wool Classer

Long term shortages and difficulty attracting younger workers (AWI).

The Consultation List

We have identified 9 occupations on this list that should be included in the On List as follows:

121313 Dairy Cattle Farmer -

Long term shortages forcing many smaller dairies to exit the industry due to ageing and lack of replacement staff

234115 Agronomist

There is a serious shortage of Agronomists across Australia and very few new entrants (GRDC)



311112 Agricultural and Agritech Technician

High growth in horticulture, and especially in advanced hydroponic farms, is requiring large numbers. The growth in AgTech especially in larger enterprises shows the urgent need to source a larger number of specialist skills people in this occupational category.

311114 Aquaculture or Fisheries Technician

The growth in large scale marine farms has resulted in long term shortages of skilled technicians.

311115 Irrigation Designer

There is a national shortage of irrigation specialists especially in design and management/consulting. The high growth of citrus and nuts is driving this in SA, Victoria and NSW although demand is across the horticulture industry.

362411 Nurseryperson

Serious shortages of this occupation in SA and across the nation. Mostly due to expansion in horticulture production (protected cropping) and in the amenity horticulture area. We note that this occupation is on the current Skills Priority List and also raised by NGISA.

362611 Gardener (General)

There has been a huge expansion in this sector over the past five years and especially since the Covid pandemic which resulted in renewed interest in gardening and plants. Long term shortages are evident as per the 2021 survey we conducted and information from the larger contracting companies.

363114 Horticulture Supervisor or Specialist

Constant shortages of these skilled workers which is most evident in the larger horticulture corporates and the giant advanced hydroponic farms. Large numbers needed during a rapid expansion phase in this sector.

363213 Senior Dairy Cattle Farm Worker

Long term shortages which are already resulting in Dairy farmers exiting the industry

Summary

In our extensive submission to the Migration Review, we recommended that Australia move away from national top down approaches and adopt individual State based skill demand listings.

Such listings should also identify priority skills as evidenced by industry, the quantum of that demand and the location of that demand (urban, regional, remote) We also believe that the structure of ANZSCO continues to paint a confusing picture of demand as it is not based on ANZIC codes and therefore cannot identify skill demand by occupation, by industry.

Moving to such a model would allow JSA to more adequately identify real demand by industry by location and be used in determining the deployment of skills, especially to regional areas, something that is not happening with the current model.

I hope this information can result in some changes to the current draft CSOL model.

Sincerely

[Redacted signature]

26 May 2024

[Redacted contact information]