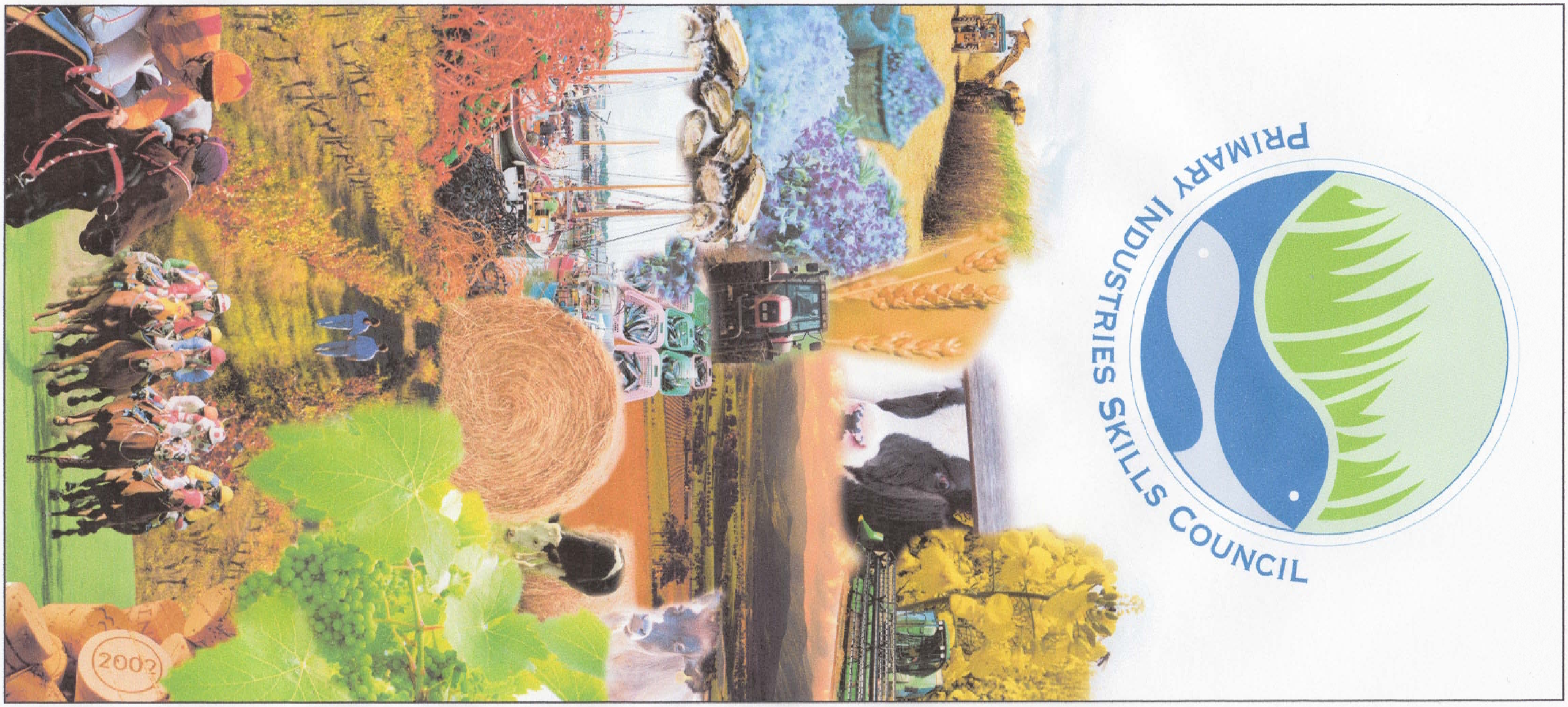

Labour Survey Report March 2009

Labour Survey of the Primary Industries Sectors of South Australia

Disclaimer
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1. PREAMBLE

The Primary Industries Sector is a critically important industry to the economy of South Australia. The production from this industry accounts for almost half of the major exports from the State and the industry has an enormous multiplier effect throughout the economy. Clearly South Australia's Primary Industries are the engine room of the State economy.

As a mainly regional industry, and the largest direct employer in regional South Australia, maintaining the industry and its labour force is a vital task for the State.

Recent trends have demonstrated that there is a progressive decline in the primary industry workforce. In fact since 2000 the industry has lost over a third of its workforce. Whilst some of this loss can be attributed to industry restructuring and technology advances, the impact of a lengthy drought at a time of high competition for labour has resulted in further losses particularly in the younger and prime age groups.

Retaining workers is also a difficult issue for the industry given its age profile and the very high percentage of workers in the 55+ age bracket.

In recent months the industry has been subject to further cost pressures, regulation and market issues which the economic downturn has simply exacerbated.

Getting a picture of the types of skills that are in short supply and current efforts to attract and retain the workforce has been an urgent task that this survey has sought to achieve.

It is important to recognise that the Primary Industry sector comprises dozens of individual sectors each with their own particular skills and labour needs. Getting a composite picture is difficult without a very detailed and lengthy survey process.

To overcome this a survey was designed to capture key information about the current workforce and its skill needs, areas where the industry is finding difficulty in securing skilled labour and what personnel the industry will require in two years time.

The survey has produced some very interesting findings that point to a deeper series of issues that will continue to see the workforce contract.

The results will be used to evaluate current strategies aimed at developing the industry workforce and develop sector and regional strategies to meet specific areas of skill need.

2. INTRODUCTION

The Primary Industries Skills Council labour survey was conducted between September 8th and November 28th 2008 a period of 12 weeks. Contact was made with 855 enterprises across the 7 major sectors through-out South Australia. The 7 sectors were Seafood, Production Horticulture, Amenity Horticulture, Rural Production, Animal Care, Rural Production and Conservation/Land Management.

Throughout this report comparisons have been made between the survey findings and data reported by the Department of Further Education, Employment, Science and Technology Industry Workforce Summary.

Responses to the Primary Industries Skill Council labour survey came from a range of enterprise sizes. For greater clarity and to reflect the more common patterns of enterprise size, especially the dominant percentage of very small family businesses, the survey classified business size in four groups, Businesses with between 1 and 4 staff were considered "micro", between 5-10 staff were considered "small", businesses between 11-49 staff were "medium" and 50+ staff were deemed to be "large" enterprises.

3. METHODOLOGY

The survey design commenced in July 2008 and with the assistance of a private Organizational Strategist company and the Department of Further Education, Employment, Science and Technology the survey was ready for implementation in early September 2008.

The survey design period also produced a comprehensive data base of primary industry businesses drawn from an established Skills Council database, some sector databases supplied by a number of industry bodies, industry association websites and finally a comprehensive investigation of all regional yellow page listings on yellowpages.com was undertaken.

Business listings were then looked at in terms of the particular business size mix and a final list of contacts drawn up. Two survey methods were used, mail out of the survey form with a covering letter and direct telephone contact and follow-up telephone contact.

A total of 855 surveys where distributed with 303 fully completed surveys were received and compiled to produce the findings outlined in this report, a 35.4% response rate. A total of 22 surveyed businesses provided data for 2 sectors in which their business operates. This boosted the total number of sector enterprise surveys to 325.

Approximately 80% of all surveys completed came from the mail out. A further 15% of received surveys came from the direct telephone approach. The remaining 5% were targeted survey respondents using a variety of methods including telephone calls, faxing and email contact.

4. EXECUTIVE SUMMARY

30% of all primary industry survey respondents across all sectors and regions within South Australia have reported that they have a current labour and skills shortage.

The survey findings indicate that medium businesses (11-49 staff) and large businesses (50+staff) are more impacted by current skills and labour shortages. Over 40% of medium and large sized businesses have a current skills and labour shortage.

60.1% of survey respondents reported that they have experienced difficulties in finding employees for their business.

The Seafood industry has the greatest number of businesses with current skills and labour shortages (50.9%) AND the highest number of businesses experiencing difficulties finding employees (78.1%).

Analysis of the data captured shows that skilled and trained workers are in greatest demand across most sectors.

Overall 30.6% of all businesses surveyed said that they use labour hire or contract employees.

Of those businesses that have experienced difficulties finding people for existing skills and labour needs, 70.7% said they recruited through asking friends/family to refer people

59.1% of all positions listed as being currently 'in demand' were considered to be of a 'skilled' worker level.

However, survey respondents across South Australia reported that of the positions they expect to recruit for in 2 years time, only 24.1% will be for skilled workers. Significant increases are expected for general hand or low skilled workers.

19.6% of respondents across all sectors have reported that they will have fewer staff in 2 years time. Of those respondents, 50.8% cite business closure or retirement as the main reason.

Environmental factors are the other major reason for businesses requiring less staff in the future particularly in the amenity horticulture and racing industries.

51.1% of respondents advised that they would not be looking to use other methods of recruitment for future growth in their business.

Overall, skilled migrants would be considered by almost twice as many respondents to meet the demands of future recruitment needs within some primary industry sectors.

24.5% of respondents specifically stated that there was not affordable housing available close to their business.

5. STRATEGIES FOR ACTION

5.1 The 24.5% of respondent businesses who cited a lack of affordable housing close to the business presents a major difficulty for the industry in securing skilled labour. It appears that this problem is across the board with some regions experiencing greater difficulty in offering suitable , affordable accommodation for workers.

It is proposed to work with the Minister for Housing in securing specific targets for regional housing in the State Housing Plan in line with accommodation needs for skilled workers. Regional Development Boards will need to develop strategies and innovative "package" solutions to improve regional housing stocks.

5.2 The 30% of respondents citing a current labour and skills shortage is high by industry standards. Although medium to large businesses seem to be more affected, there needs to be a clearly defined deployment program in line with actual labour and skill demand. This should encompass a range of skill solutions including migrant labour, improved attraction programs, flexible up-skilling programs to deliver higher skills and the development of a retention support model for the industry. A sector and regional approach to identifying and quantifying labour and skill demand is considered to be the most appropriate approach in support of any skills deployment programme.

5.3 With continuing urban population drift, shortages of prime age group job applicants in regional areas are impacting upon the capacity of many primary industry sectors. The 60.1% of respondents who cited difficulties recruiting people is extremely high for an industry that has been through a prolonged drought period. This suggests that there is a major regional issue in supplying sufficient numbers of people in a range of occupational categories. It is recommended that there be a new regional engagement program managed by the Regional Development Boards in conjunction with urban and regional Job Network and private employment providers.

5.4 The findings for the Seafood Industry suggest that special action is warranted for that sector. With the greatest number of businesses with skills and labour shortages and the highest number of businesses experiencing difficulties finding employees, the industry requires a special strategy that aims to deliver skilled personnel across the State. The growth rate of the Seafood Industry has been exceptional over the past decade and further substantial growth is forecast for the aquaculture industry over the next decade. This suggests that an integrated strategy is required that can deal with housing, upskilling and labour attraction.

5.5 The consistent need for trained and skilled personnel across the entire primary industry sector is something that is not easily addressed given the remote and regional nature of many enterprise locations and the significant workplace changes that have taken place over the past decade. In particular, the move towards more technician level positions in such sectors as intensive livestock suggests that there is a need to re-focus existing training programs and deliver a new generation of practically skilled technicians.

5.6 With over 30% of businesses using contractors or labour hire companies, the industry will need to engage more directly with these sectors to investigate ways of training new operatives through accelerated learning programs that can be attractive to contractors and labour hire companies.

5.7 With over 70% of those businesses that are experiencing difficulties finding people using word of mouth recruiting as a principal recruiting tool, coupled with a smaller regional labour pool to meet this labour demand, it is no surprise that so many businesses are having difficulty finding people. What is disturbing is that over 50% of respondents will not be using other methods to recruit labour. This suggests that there is a real need for an across the board human resource development resource to assist primary industry businesses understand the current labour market and make the necessary recruitment adjustments.

5.8 With only 24% of future (2 years) estimated recruitment being for skilled workers, the expected growth in demand for lower skilled or general hand workers came as a surprise and possibly indicates that labour losses in the lower skilled categories over this period will outstrip likely replacements.

5.9 Almost 20% of businesses stated that they will have fewer staff in 2 years time with over half citing business closure or retirement as the main reason. This is consistent with the general age profile problem of the industry but higher than expected. However, the implications for regional communities may not be as severe as expected given an increased level of corporatization and farm rationalization. In any case larger business units will need personnel with higher skills including business management skills. Current farm management training systems will need to more directly relate to sector and learner needs to build new management level skills. In fact it may be appropriate to look at business mentoring models in an online and distance learning environment.

5.10 The drought and water issues have clearly had a devastating impact upon a number of industries such as citrus and amenity horticulture. These industries together with racing (equine flu) reported a smaller workforce requirement in 2 years as a result of "environmental" factors. The actual impact of long term climate change is yet to be clarified but based on recent drought impacts, there is a possibility of further workforce reductions in some regions and sectors. This will require more regular industry reporting to ensure an integrated response when additional labour is required.

5.11 Skilled migration was reported as being a consideration in future recruitment. This suggests that there will need to be a close match between the actual skill needs of industry sectors and the profile of migrant workers, particularly higher skilled workers. A skills profile model is being investigated to address this issue and provide the Immigration Department with an improved tool to meet actual skill gaps that cannot be addressed by short to medium term training programmes.

6. RESPONSE SUMMARY

Response by Business Size

The total number of responses was made up of the following business size percentages.

60.7% Micro
20.6% Small
16.3% Medium
2.4% Large

Total 100%

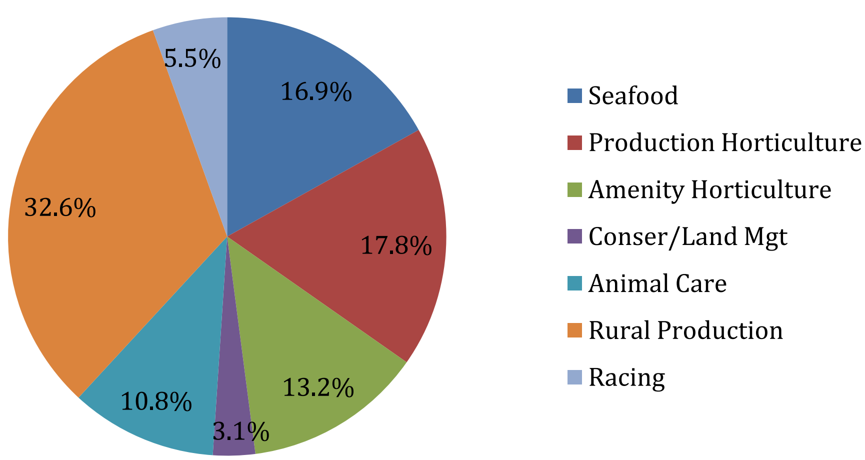
Response by Regional Area

The total number of responses by regional area consisted of

Adelaide Metropolitan	13.2%
Adelaide Plains	8.3%
Adelaide Hills	9.6%
Riverland	7.6%
Murraylands	10.3%
Kangaroo Island	3.3%
Limestone Coast	8.9%
Barossa/Gawler District	9.6%
Fleurieu Peninsula	8.6%
Eyre Peninsula	10.6%
Yorke Peninsula	5.6%
Far North/Flinders	3.3%
Total	**100%**

Overview of Respondents by Sector:

Table 1 **Total 100%**



7. CURRENT SKILLS AND LABOUR SHORTAGES

30% of all primary industry survey respondents across all sectors and regions within South Australia have reported that they have a current labour and skills shortage.

Across the state, the sectors experiencing the greatest level of current skills and labour shortages are Seafood, Amenity Horticulture, Racing and Animal Care. However all sectors have reported quite significant shortages in their business at the time of the survey.

19.8% of respondents in the Rural Production sector reported that they have a current skills and labour shortage, this being the best result across all regional and metropolitan areas. This contrasts with the Seafood sector where 50.9% of respondents reported that they have a current skills and labour shortage, by far the highest amongst all sectors.

However 50.9% of Seafood respondents have reported that they have a current skills and labour shortage, this being the highest amongst all sectors.

Table 2 specifies the percentages of survey respondents in each primary industry sector with a current skills and labour shortage.

Table 2

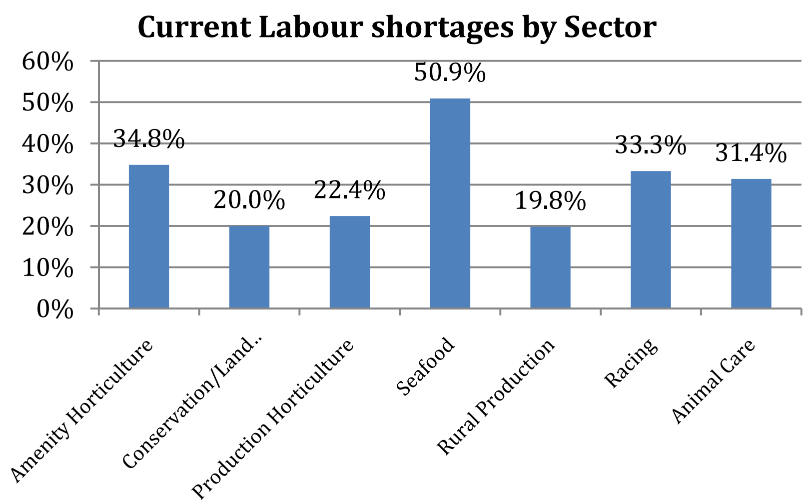
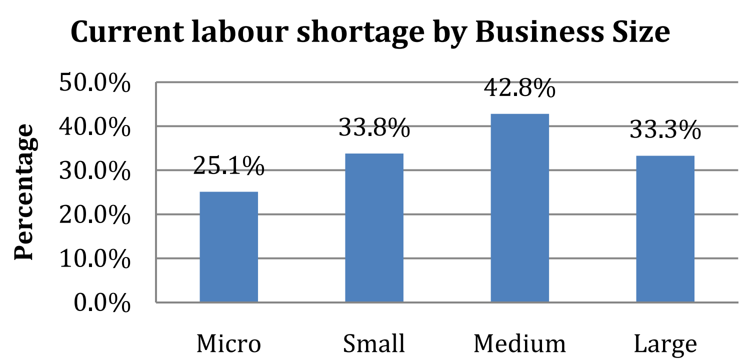


Table 3 shows the percentage of survey respondents by business size with a current skills and labour shortage.

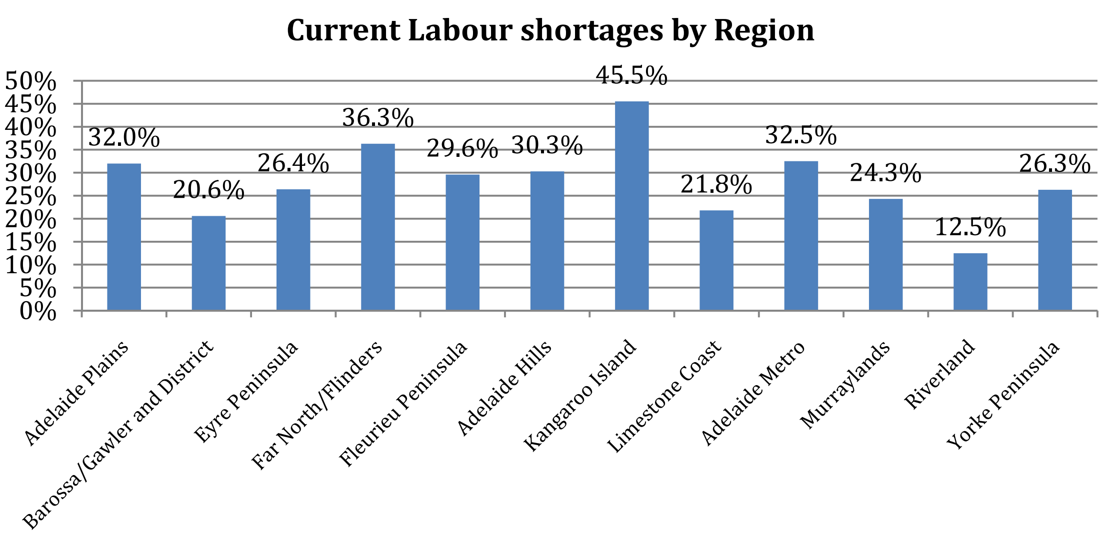
Table 3



8. REGIONAL LABOUR SHORTAGES

The findings for specific regions were influenced to an extent by inconsistent survey responses. In some industry sectors, there were a highly disproportionate number of responses for some regions which influenced the final results. The following table shows the actual regional data with the percentage of respondents reporting a labour and skill shortage.

Table 4



9. DIFFICULTIES FINDING EMPLOYEES

60.1% of survey respondents reported that they have experienced difficulties in finding employees for their business.

This finding is a significant problem for primary industry businesses and when prompted in the labour survey to identify the reasons, the results were:

- 62.4% said that they didn't feel there were enough trained/skilled people
- 58% reported a general lack of people available
- 13.2% said that their business was too far away
- 6% said a lack of transport
- 5.5% said a lack of experience using new technology
- 3.3% was due to a lack of available housing

Additionally 25.9% of responses had "other" specific reasons.

The labour survey provided businesses with an opportunity to provide general feedback on reasons why they are having difficulties finding employees to fill their current skills and labour shortages. In addition to the above, some respondents felt that the industry in which they operated was not attractive to people. This was especially the case for seafood industry respondents.

In other feedback, some respondents felt that workers were leaving their industry to work in more lucrative industries such as mining which offered much higher income levels. A number of respondents also felt that the cost of employing people was a deterrent to even if they had a demand within the business to take on extra employees.

Generally, many respondents felt that there was a lack of motivated people available who were willing to do hard work. Many cited that the type of work that is available, such as seasonal or periodic employment, discouraged potential employees.

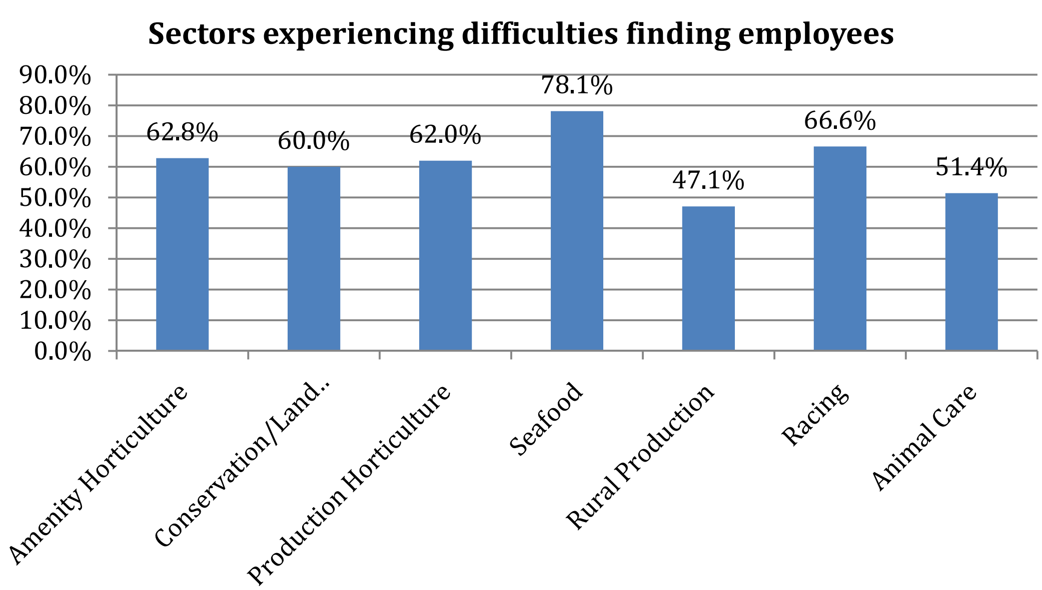
Table 4 shows the percentage of respondents experiencing difficulties finding employees.

In this table the sector with the greatest difficulty is Seafood with 78.1% of all respondents reporting difficulties finding employees.

This is followed by Amenity Horticulture (62.8%) and Production Horticulture (62%).

The Seafood industry is a major cause for concern. The survey results indicate that the Seafood industry has **the greatest number of businesses with current skills and labour shortages (50.9%) AND the highest number of businesses experiencing difficulties finding employees (78.1%).**

Table 5



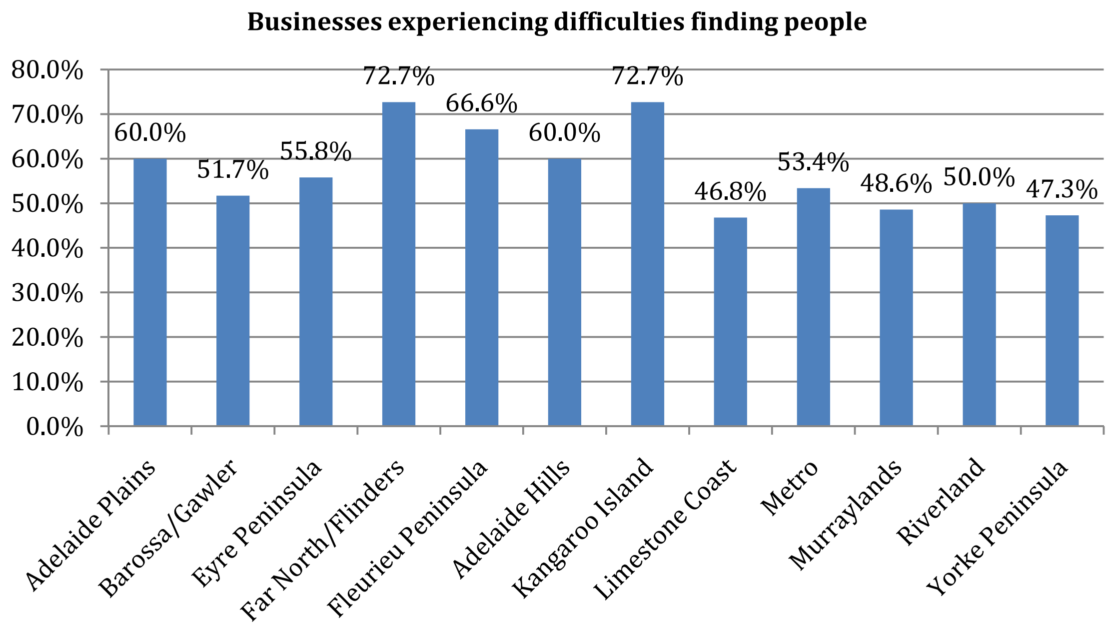
10. NEED FOR YOUNGER WORKERS

Survey respondents stated that there was a need for younger people to do the more labour intensive tasks. They commented that it is generally difficult to find people who are willing to work in remote areas, and especially in extreme weather conditions.

This result is consistent with the DFEEST Industry Workforce Summary which reports that Agriculture, Forestry and Fishing has an age profile generally older with 50% of workers aged 45+ compared to 39.8% across all industries and only 11.5% are 15-24 years of age compared to 17.4% across all industries.

Table 6 below shows the percentage of survey respondents experiencing difficulties finding people by region.

Table 6



11. SKILLS AND JOBS CURRENTLY IN DEMAND

A key part of the survey sought information on actual and current skills and labour in demand.

Survey respondents were provided with an opportunity to specify if they had a current skills and labour shortage, which skills and occupations were in shortage, the number of employees required, the full-time equivalency, and the skill level status.

The skill level status question asked whether the job vacancy within that enterprise was considered to be a low skilled employee, skilled/trained worker, management level, tradesperson or a professional staff member.

Table 7 below shows actual and current skill demand results across all sectors by region

Table 7

SECTORS WITH JOBS CURRENTLY IN DEMAND BY REGIONS

	Amenity Hort	Animal Care	Conser/Land Mgm	Production Hort	Racing	Rural Prod	Seafood	TOTAL
Adelaide Plains	2	2		2		5	3	14
Eyre Peninsula		2			6	6	18	32
Far North/Flinders		9				15		24
Fleurieu Peninsula	2			3	2	4	3	14
Gawler/Barossa District	1			2		5	2	10
Adelaide Hills	6	2		4	2	2	4	20
Kangaroo Island							14	14
Limestone Coast		2		4		10	3	19
Adelaide Metro	6	6	2	3			101	118
Murraylands	4	2		23		7	13	49
Riverland	2			7				9
Yorke Peninsula			2				7	9
TOTAL	23	25	4	48	10	54	168	332

Once again some inconsistencies in the region specific data may not reflect actual skills and labour demands for any particular region reported on.

12. SKILL LEVELS IN DEMAND

Analysis of the data captured shows that skilled and trained workers are in greatest demand across most sectors. However, within the Animal Care sector 44% of the skills currently in demand are at the professional level, mostly Veterinary Surgeons. A summary of jobs currently in demand based on skill level by sector is at table 8

Table 8

SECTORS WITH JOBS CURRENTLY IN DEMAND BY SKILL LEVEL

Occupational Levels	Amenity Horticulture	Animal Care	Conser/Land Mgm	Production Hort	Racing	Rural Prod	Seafood	TOTAL
General Hand/low skill		7	1	39		21	13	81
Skilled Workers	19	6	1	9	9	14	135	193
Trades/Professional	4	11	2		1	19	16	53
TOTAL	23	24	4	48	10	54	164	**327**

The DFEEST Industry Workforce Summary Report shows that 66.1% of people employed in the Agriculture, Forestry and Fishing workforce have no qualifications compared to 46% of the workforce across all industries. The Primary Industries Skills Council labour survey results were that 75.2% of current jobs were either skilled workers or Tradesperson/Professional level. This highlights the different definitions of "skilled workers" used within the Primary Industry sector.

13. ABILITY TO REPLACE EXISTING STAFF

The Primary Industries Skills Council Labour Survey provided survey respondents with an opportunity to specify which of their current employees they considered 'easy to replace', 'hard to replace' or 'impossible to replace'.

The following shows the data for each sector and occupational group.

Amenity Horticulture	**Easy**	**Hard**	**Impossible**
Managers and Administrators	27.5%	42.5%	30%
Professionals and Associate Professionals	0%	100%	0%
Tradesperson and Related Workers	16.5%	83.5%	0%
General Clerical and Service Workers	28.5%	66%	5.5%
Labourers and Related Workers	49%	51%	0%

Rural Production	**Easy**	**Hard**	**Impossible**
Managers and Administrators	20%	48%	32%
Professionals and Associate Professionals	18%	82%	0%
Tradesperson and Related Workers	10.5%	75.5%	14%
General Clerical and Service Workers	25%	50%	25%
Labourers and Related Workers	11%	86.5%	2.5%

Production Horticulture	**Easy**	**Hard**	**Impossible**
Managers and Administrators	17.5%	72.5%	10%
Professionals and Associate Professionals	57%	43%	0%
Tradesperson and Related Workers	10.5%	51%	38.5%
General Clerical and Service Workers	21.5%	77.5%	1%
Labourers and Related Workers	49.5%	42.5%	8%

Seafood	**Easy**	**Hard**	**Impossible**
Managers and Administrators	7%	65%	28%
Professionals and Associate Professionals	0%	100%	0%
Tradesperson and Related Workers	14%	86%	0%
General Clerical and Service Workers	64%	36%	0%
Labourers and Related Workers	53.5%	43.5%	3%

Animal Care	**Easy**	**Hard**	**Impossible**
Managers and Administrators	21.5%	65%	13%
Professionals and Associate Professionals	13%	72.5%	14.5%
Tradesperson and Related Workers	0%	50%	50%
General Clerical and Service Workers	20%	40%	40%
Labourers and Related Workers	28%	70.5%	1.5%

Note:

Due to overall low responses from the Racing and Conservation/Land Management sectors, data on these sectors has not been reported in this section but is available.

14. COMPARATIVE DATA ON PRIMARY INDUSTRY OCCUPATIONS

In total, the survey identified over 2600 employed people across all sectors and regions within South Australia. According to DFEEST's Industry Workforce Summary, there were approximately 38300 people employed for the year ending February 2008 within the sectors covered in this survey. The sample gathered by this survey represents 6.8% of all people employed.

NOTE: The DFEEST Industry Workforce Summary does not cover occupations within the Animal Care and Conservation/Land Management Sectors.

The following table shows a comparison of percentages of employees employed within primary industries by occupational group.

	ABS Labour Force survey	PISC Labour Survey
Managers and Administrators	55.9%	26.3%
Professionals and Associate Professionals	4.8%	7.8%
Tradesperson and Related Workers	5.1%	8.3%
General Clerical and Service Workers	15.3%	11.3%
Labourers and Related Workers	18.6%	46.1%
TOTAL	**100%**	**100%**

15. EMPLOYEE STATUS BY PRIMARY INDUSTRY SECTOR

All sectors reported the number of employees by employee status e.g. Full-time, part-time etc. Understanding the specific mix of employment categories is important in devising appropriate strategies to meet labour and skills needs.

The following table provides actual employment numbers by sector and employment status.

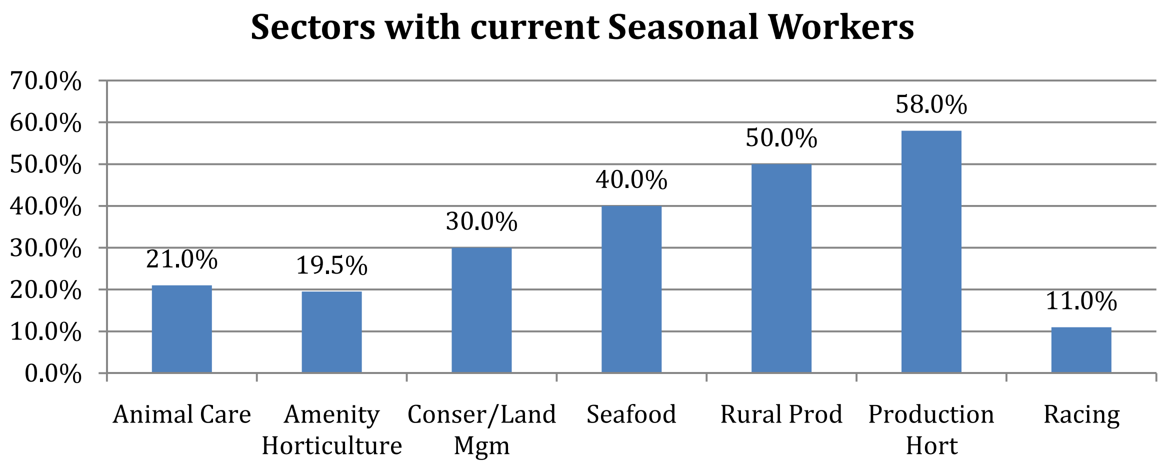
Table 9

	Full-time	%	Part-time	%	Seasonal	%	Contractor	%	Temp/Cas	%	Unknown	TOTAL
Seafood	272	39.1%	45	6.5%	36	5.2%	17	2.4%	323	46.4%	3	**696**
Rural Production	140	26.4%	116	21.9%	139	26.2%	74	14.0%	48	9.1%	13	**530**
Production Horticulture	315	37.5%	73	8.7%	194	23.1%	43	5.1%	216	25.7%	0	**841**
Amenity Horticulture	145	52.3%	62	22.4%	2	0.7%	17	6.1%	51	18.4%	0	**277**
Racing	17	48.6%	11	31.4%	3	8.6%	3	8.6%	1	2.9%	0	**35**
Conservation/Land Mgm	69	51.5%	35	26.1%	0	0.0%	4	3.0%	11	8.2%	15	**134**
Animal Care	117	45.5%	84	32.7%	13	5.1%	19	7.4%	24	9.3%	0	**257**
TOTAL	**1075**		**426**		**387**		**177**		**674**		**31**	**2770**

16. PRIMARY INDUSTRY SEASONAL WORKER DEMAND

Survey respondents were asked to specify whether their particular enterprise employed seasonal workers to meet their business demands as opposed to the employment of full-time, part-time, casual and contract/labour hire staff. A total of 37% of survey respondents said that they employ seasonal workers within their business. From a sector perspective the percentages of respondents employing seasonal workers were:

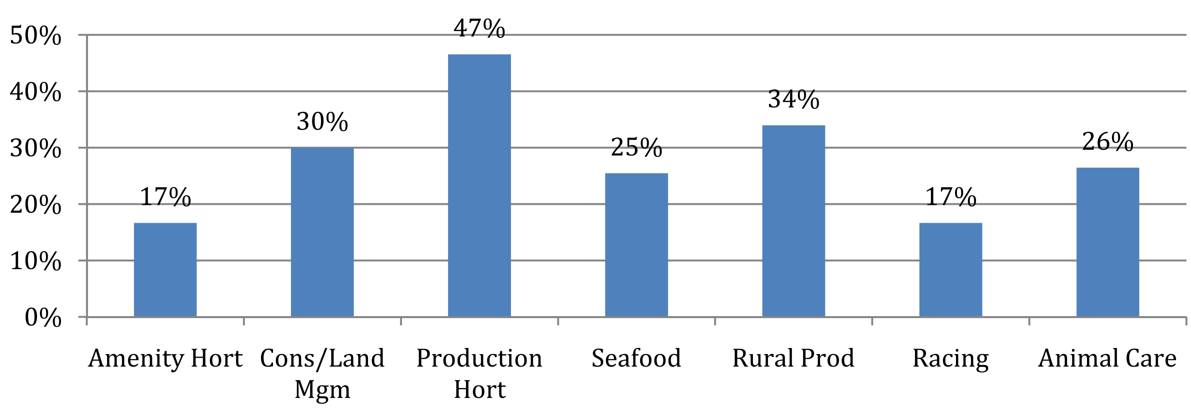
Table 10



17. CONTRACTORS AND LABOUR HIRE STAFF

Table 11 specifies the level of use of contractors and labour hire staff throughout the different primary industry sectors. **Overall 30.6% of all businesses surveyed said they use labour hire or contract employees.** 65.5% said that they did not use labour hire or contractors and 4% said they didn't know. From a sector perspective the results were :

Table 11 Businesses that use Contractors and/or Labour Hire Staff



18. METHODS OF RECRUITMENT FOR CURRENT LABOUR AND SKILLS NEEDS

Businesses that have experienced difficulties finding people were asked to identify the method of recruitment they use to attract people for existing skills and labour needs. The results of this question are as follows:

The results show that there is a major reliance on asking family and friends to refer people for work. This word of mouth method of recruitment is noticeably high. In fact, 22.6% of all respondents who have experienced difficulties finding people reported that they solely rely on friends and family to refer people.

A. Ask friends/family to refer people	**70.7%**
B. Advertise in the papers or online	42.5%
C. Use an employment agency	38.7%
D. Use a group training company	5.5%
E. Skilled migration	6.1%
F. Other	23.2%

Responses in the "other" category mostly stated that they use 4 other methods of recruitment. These being:

- Liaising with local training providers/TAFE
- Keeping in touch with community networks such as caravan parks, sporting venues and hotels
- Maintain good relationship with industry contacts and other businesses with the industry
- Pursuing ex-employees

Advertising in the papers or on-line was the preferred method for Conservation and Land Management 83%, sector respondents with Amenity Horticulture 78%, Animal Care 72%, Production Horticulture 42%, Rural Production 36%, Racing 25% and Seafood 23%.

Skilled migration was more regularly used as a method of recruitment for shortages occurring in the **Animal Care** sector (22% of respondents). This sector also used advertising methods through newspapers and on-line services and employment agencies. Other sectors use of skilled migrants as a method of recruitment were Rural Production (6%), Seafood (4%), Amenity Horticulture (4%) and Production Horticulture (2%).

Using family and friends to refer people was the preferred method for the **Seafood** sector but this sector also had the greatest response to 'other' methods and in most cases these methods continued with word of mouth processes using community networks and industry contacts.

Word of mouth recruitment was the favoured process for **Rural Production** respondents. This sector also reported using employment agencies but only in addition to their family and friend networks.

19. ADDITIONAL LABOUR REQUIREMENT IN 2 YEARS TIME

41.5% of all survey respondents said that they would not require additional labour in 2 years time.

Only 30.2% of businesses reported that they feel that their business will require additional labour in 2 years time.

The following percentage of respondents within each sector reported that they expected growth in 2 years time that would require additional labour.

Amenity Horticulture	16.2%
Seafood	45.5%
Conservation/Land Mgt	40%
Production Horticulture	27.5%
Rural Production	28.3%
Animal Care	40%
Racing	5.5%

These demands from a regional perspective show the following results.

Adelaide Plains	36%	Barossa/Gawler District	20.6%
Eyre Peninsula	32.3%	Far North/Flinders	27.2%
Fleurieu Peninsula	14.8%	Adelaide Hills	21.1%
Kangaroo Island	54.5%	Limestone Coast	25%
Adelaide Metropolitan	30.2%	Murraylands	24.3%
Riverland	29.1%	Yorke Peninsula	36.8%

There are some variances with these results due to inconsistent regional responses from the range of sectors within these regions.

20. FUTURE DEMAND FOR SKILLS AND LABOUR

Table 12 shows industry sectors that listed jobs expected to be in demand in 2 years time.

Table 12

	Amenity Hort	Animal Care	Conser/Land Mgm	Production Hort	Racing	Rural Prod	Seafood	TOTAL
Adelaide Plains	4	6		9		2	5	26
Eyre Peninsula		4				4	6	14
Far North/Flinders		7				11		18
Fleurieu Peninsula	2	1		5			1	9
Gawler/Barossa District				5		5	2	12
Adelaide Hills	9			3	1			13
Kangaroo Island						8	13	21
Limestone Coast		6				10		16
Adelaide Metro	3	14	8				34	59
Murraylands				8		8	3	19
Riverland				16		5		21
Yorke Peninsula			1			8	10	19
TOTAL	18	38	9	46	1	61	74	**247**

Table 13 This table specifies labour demand across all sectors by occupational level in 2 years time.

Occupational Levels	Amenity Horticulture	Animal Care	Conser/Land Mgm	Production Hort	Racing	Rural Prod	Seafood	TOTAL
General Hand/low skill	6	5	1	19	1	38	28	98
Skilled Workers	7	1	4	22		9	36	79
Trades/Professional	5	32	4	5		14	10	70
TOTAL	18	38	9	46	1	61	74	247

From this information, we can gain insight into which sector expects to require ongoing recruitment strategies to meet their business demands. The Animal Care sector reported a high level of demand, with emphasis on professionals such as Veterinarians and Vet nurses.

Current reports from across South Australia show that there is a significant shortage of skilled and experienced workers. The survey found that 59.1% of all positions listed as being currently 'in demand' were considered to be of a 'skilled' worker level.

However, survey respondents across South Australia reported that of the positions they expect to recruit for in 2 years time, only 24.1% will be for skilled workers. Significant increases are expected for general hand or low skilled workers.

21. BUSINESSES REQUIRING FEWER STAFF IN 2 YEARS TIME

19.6% of respondents in all sectors have reported that they will have fewer staff in 2 years time.

Respondents were asked why they thought this will occur and the results were as follows:

A. Leaving for other industries	18.6%
B. Lack of available work	8.4%
C. Retirement/Business Closure	50.8%
D. Environmental factors	47.4%
E. Leaving the community	0%
F. Better income elsewhere	10.1%
G. Other	32.2%

From these findings it is evident that business closure/retirement and environmental factors are the major reasons for respondents reporting fewer staff requirements.

In the category of "other" the following specific issues were provided.

- Lack of government support for local businesses
- Technological improvements to machinery
- Economic climate
- Drought
- Travel costs
- Lack of efficient labour

A very high percentage of respondents reporting fewer staff needs in 2 years time in the Racing, Amenity Horticulture and Rural Production sectors attributed this to single issues.

- The Racing Industry consistently reported that they are currently suffering the longer term consequences of the Equine Flu outbreak of 2007. **81.8% of all Racing Industry respondents specifically reported that 'environmental factors' are the main reason that they will require fewer staff in 2 years time.**

- **The Amenity Horticulture sector is also mostly affected by environmental factors with 82% of all survey respondents stating that this is the reason why they will not require any additional staff in 2 years time.**

- **68% of Rural Production sector respondents reported that Retirement and Business Closure are the main reasons they expect fewer staff in 2 years time**

Overall, the number of respondents stating that they felt that they would not require extra staff due to business closure and/or retirement is significant.

According to the DFEEST Industry Workforce Summary document, the percentage of employed people in the Agriculture, Forestry and Fishing workforce who are aged 65 years and older is 11.7%. By comparison the percentage of the workforce across all industries for this age group is only 2.5%.

Looking at the results of businesses requiring fewer staff due to business closure/retirement it could be determined that some regions within South Australia are likely to have less employment opportunity than others.

Respondents in the Far North/Flinders regions reported that 20% will not be in operation within 2 years, with the Limestone Coast region reporting the second largest percentage of 14.8%. The full results of this analysis are as follows:

Adelaide Plains	12%	Barossa/Gawler District	10.3%
Eyre Peninsula	9%	Far North/Flinders	20%
Fleurieu Peninsula	11.5%	Adelaide Hills	10.3%
Limestone Coast	14.8%	Adelaide Metropolitan	7.5%
Murraylands	6.4%	Riverland	8.6%
Yorke Peninsula	11.7%		

There were some variations in regional responses which may affect the percentages .

22. OTHER METHODS OF RECRUITMENT FOR FUTURE LABOUR AND SKILLS SHORTAGES

51.1% of respondents advised that they would not be looking to use other methods of recruitment for future growth in their business.

25.5% of respondents reported that they would be looking for other methods to meet their future demands. When provided with an opportunity to specify which other methods they would most likely use the results were as follows :

A. Use a Labour Hire company	20.8%
B. Advertise in papers or online	35.1%
C. Use recruit/employ agency	28.6%
D. Use a Group Training Company	13.0%
E. Skilled migration	24.7%
F. Other	32.5%

Other Responses

The majority of the responses specified as 'other' fell into two categories:

- Using industry networks and contacts (especially in the Seafood Industry) is consistently reported as a major method of recruitment.
- Training is also generally reported using a variety of systems including traineeships and apprenticeships, and less formal on-the-job training processes.

Skilled migration is currently used by 6.1% of respondents for recruitment across all sectors in the State. However, when asked about other methods of recruitment for future employees this figure increased to 11.4%. **Overall, skilled migrants would be considered by almost twice as many respondents to meet the demands of future recruitment needs within some primary industry sectors most notably in the Seafood sector where 15% of respondents chose skilled migration.**

23. ACCOMMODATION ISSUES FACING PRIMARY INDUSTRY EMPLOYEES

Business Owners and Managers were asked to provide their opinion as to the availability of affordable housing close to their business.

45.5% of respondents reported that they felt that accommodation was not an issue for their employees and that affordable housing was available.

30% of respondents reported that they were not sure of the housing availability and

24.5% specifically stated that there was not affordable housing available.

The regions that had the poorest results in relation to housing availability were:

- The Far North/Flinders area with 36% of all respondents in that region stating that there was not enough housing,
- The Riverland, where the figure was 33% of respondents
- The Barossa/Gawler District where the figure was 32% of respondents

10% of all respondents said that they provide accommodation to their workers, 85% of these respondents were within the Rural Production or Production Horticulture sectors.

Specific accommodation responses in relation to the question
Does your business provide housing for workers?, the actual responses were:

208 businesses responded “No” they do not provide housing
30 businesses responded “Yes” they do provide housing
65 businesses responded with “Not Applicable” or did not answer the question at all

In relation to the question
Is there affordable housing available close to your business?, the actual responses were:

74 businesses responded “No” there is not affordable housing available close to their business
137 businesses responded “Yes” there is affordable housing available close to their business
92 businesses responded with “Not Applicable” or did not answer the question at all

The critical issue with these results is that 61 businesses (or 20%) said that they do not provide housing AND that there is not affordable housing available close to their business.

The following table specifies the number of respondents within each sector reporting critical accommodation issues and percentage of respondents reporting this issue compared to all other respondents in that sector.

Table 14

Sector	Responses with critical accommodation issues	% of total responses within sector
Amenity Horticulture	11	26.8%
Production Horticulture	13	22.4%
Rural Production	11	10.3%
Seafood	16	29.6%
Animal Care	2	20%
Conservation/Land Mgmt	2	5.2%
Racing	6	33.3%

24. LOCATIONS WITHIN SOUTH AUSTRALIA EXPERIENCING SIGNIFICANT ACCOMMODATION ISSUES

The survey respondents were asked to provide their postcode, and this information was used to gain further specific detail relating to the business location. Throughout the survey, the results were more broadly described by region such as Limestone Coast, Murraylands and Adelaide Plains, although accommodation issues were recorded by actual postcode.

Note : Some postcodes have multiple suburbs, eg the postcode 5345 covers Barmera, Loveday and Spectacle Lake.

Sector	**Suburbs experiencing significant accommodation issues**
Amenity Horticulture	Charleston, Langhorne Creek, Barmera, Renmark, Gawler, Klemzig, Claredon, Newton, Royal Park, North Plympton, Brompton.
Production Horticulture	Cobdogla, Clare, Angle Park, Waikerie, Cooltong, Eden Valley, Coonawarra, Tanunda, Booleroo, Brooklyn Park, Uraidla, Virginia, McLaren Vale.
Rural Production	Waikerie, Kanmantoo, Clare, Crystal Brook, Nepean Bay (KI), Angaston, Pompoota, Wudinna, Willowie, Brinkley, Mount Barker.

Seafood	Port Lincoln (x2), Meningie (x2), Kangaroo Island, Beachport, Millicent, Ceduna, Port Adelaide, Port Victoria, Queenstown, Mt Gambier, Pooraka, Ceduna, Coffin Bay, Maitland.
Animal Care	Elizabeth, Nuriootpa.
Conservation/Land Mgmt	Adelaide, Ardrossan
Racing	Mt Compass, Keppoch, Narrung, Cockatoo Valley, Pt Lincoln, Woodside.

25. TABLE OF SURVEY RESPONDENTS

Table 15

Survey Responses

	Seafood					Production Horticulture					Amenity Horticulture					Conserv/Land Mg					Animal Care					Rural Production					Racing					TOTAL
	Micro	Small	Medium	Large	TOTAL	Micro	Small	Medium	Large	TOTAL	Micro	Small	Medium	Large	TOTAL	Micro	Small	Medium	Large	TOTAL	Micro	Small	Medium	Large	TOTAL	Micro	Small	Medium	Large	TOTAL	Micro	Small	Medium	Large	TOTAL	
Adelaide Plains	6	1	0	0	7	4	3	2	0	9	0	2	0	0	2	0	0	0	0	0	2	0	1	0	3	4	0	0	0	4	0	0	0	0	0	**25**
Barossa/Gawler District	2	0	0	0	2	0	2	3	0	5	1	2	0	0	3	0	0	0	0	0	0	1	0	0	1	14	2	0	0	16	1	0	0	0	1	**28**
Eyre Peninsula	6	2	4	1	13	0	0	0	0	0	0	1	0	0	1	0	0	0	0	0	1	0	2	0	3	16	0	0	0	16	1	0	0	0	1	**34**
Far North/Flinders	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	1	8	0	2	0	10	0	0	0	0	0	**11**
Fleurieu Peninsula	4	1	0	0	5	6	2	0	0	8	1	0	1	0	2	1	0	0	0	1	1	1	2	0	4	3	1	1	0	5	2	0	0	0	2	**27**
Adelaide Hills	0	1	0	0	1	4	2	1	0	7	4	4	0	1	9	0	0	0	0	0	1	2	0	0	3	3	1	1	0	5	6	2	0	0	8	**33**
Kangaroo Island	4	2	1	0	7	0	0	0	0	0	0	0	0	0	0	1	0	0	0	1	4	0	0	0	4	0	1	1	0	2	0	0	0	0	0	**14**
Limestone Coast	3	0	0	0	3	2	0	0	0	2	1	0	1	0	2	0	0	0	0	0	3	1	1	0	5	15	1	1	0	17	1	1	1	0	3	**32**
Adelaide Metro	2	1	2	2	7	1	1	1	0	3	6	6	2	0	14	2	1	4	0	7	5	1	3	1	10	1	0	0	0	1	0	0	0	0	0	**42**
Murraylands	2	1	0	0	3	6	1	2	1	10	1	0	1	0	2	0	0	0	0	0	1	1	1	0	3	13	3	1	0	17	1	1	0	0	2	**37**
Riverland	0	0	0	0	0	6	2	4	2	14	3	3	0	0	6	0	0	0	0	0	0	0	0	0	0	0	2	2	0	4	0	0	0	0	0	**24**
Yorke Peninsula	5	0	1	0	6	0	0	0	0	0	0	0	0	0	0	1	0	0	0	1	1	0	0	0	1	7	2	0	0	9	1	0	0	0	1	**18**
TOTAL	34	9	8	3	54	29	13	13	3	58	17	18	5	1	41	5	1	4	0	10	20	7	10	1	38	84	13	9	0	106	13	4	1	0	18	**325**

26. COPY OF LABOUR SURVEY

Office use only

QA check done by ________________ on_____/_____/_______

Data entry done by ________________ on____/______/_______

QA comments : ____

The information you provide will be confidential and our

report will not identify you in any way.

Date of interview____________Postcode _____________ _____________

1. What is your role in the business ? *(circle)*

Owner/Partner Manager Other (pals state) ____________________

2. **Can you tell me which industry sector(s) your business is in ?** ***tick box(es)***

- ☐ **Seafood**
- ☐ **Production Horticulture**
- ☐ **Amenity Horticulture**
- ☐ **Conservation and Land Management**
- ☐ **Animal Care**
- ☐ **Rural Production**
- ☐ **Racing**

3. **Excluding seasonal workers and contractors, how many staff do you currently have ?**

Full-time: ______________ Part time: ___________________

Temp/Casual :_______________

4. How many seasonal workers do you normally have ? *(circle)*

NONE ***1-10*** ***11-25*** ***26-40*** ***41+***

4a. Do you employ any staff on a labour hire or contract basis YES/NO/Don't Know

5. What is the number of employees you have by broad occupation? We need to account for all employees.

Q5 **Occupation**	**Number**	**(F)ull-time/ (P)art-time/(S)easonal/ (C)ontractor/ (T)emporary/casual**	**Level** **A** = apprentice/trainee **L** = low skill **S** = skilled hand/operator **T** = technician/trade **M** = manager **P** = professional **X** = Other	**How important to your business**: a= easily replaced b= hard to replace c= impossible to replace
EXAMPLE : Farm Hand	*4*	*F*	*L*	*b*
EXAMPLE : Accountant	1	P	P	a

6. Do you have any current labour or skill shortages? YES/NO/Don't Know

If YES, what occupations do you have skill shortages in:

Q6 **Occupations with current skill shortages**	**Number**	**(F)ull-time/(P)art-time/(S)easonal/(C)ontractor/(T)emporary/casual**	**Level** **A** = apprentice/trainee **L** = low skill **S** = skilled hand/operator **T** = technician/trade **M** = manager **P** = professional **X** = Other
EXAMPLE : Farm Hand	*1*	*F*	*T*
EXAMPLE : Accountant	1	P	P

7. Have you experienced any difficulties finding people ? YES/NO/Don't Know

If YES, What have been the main issues ? ***(circle)***

a. Lack of people available

b. Business is too far away

c. Not enough trained/skilled people

d. Lack of housing available

e. Lack of experience using new technology

f. Lack of transport

g. Other ____

NOTE – Only answer this question if the answer to Q7. is YES

7a. In attracting people for existing skills shortage, how do you find staff ?
(circle as many mentioned)

a. Ask friends/family to refer people

b. Advertise in the papers or online

c. Use an employment agency

d. Use a Group Training company

e. Skilled migration

f. Other ______________________

8. Do you expect that your business will require additional staff in 2 years time?

If YES, what occupations will you require ? **YES/NO/Don't Know**

Q8 **Additional occupations required in** **2 years time**	**Number**	**(F)ull-time/(P)art-time/(S)easonal/(C)ontractor/(T)emporary/casual**	**Level** **A** = apprentice/trainee **L** = low skill **S** = skilled hand/operator **T** = technician/trade **M** = manager **P** = professional **X** = Other

<u>**NOTE – Only answer this question if the answer to Q8. is NO**</u>

8a. Do you expect to have fewer staff in 2 years time ? ***YES/NO/Don't Know***

If YES, Why ***(circle as many mentioned)***

a. Leaving for other industries

b. Lack of available work

c. Retirement/Business closure

d. Environmental factors affecting business

e. Leaving the community

f. Better income elsewhere

g. Other ____________________________________

9. Do you expect to use other methods of recruitment for future growth in your business?

If YES, please specify **YES/NO/Don't Know**

a. Use Labour Hire

b. Advertise in the papers or online

c. Use an employment/recruitment agency

d. Use a Group Training company

e. Skilled migration

f. Other ________________________

10. Does your business provide housing for workers ? **YES/NO/Not Applicable**

11. Is there affordable housing available close to your business ? YES/NO/Not Applicable