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**Agriskills Project**  
**Projected skills assessment pilot**  
**project for the Northern Midlands.**  
**Summary Report**

**Report for:** Tasmanian Farmers and Graziers Association (TFGA)  
supported by project funding through Department of  
State Growth (Skills Tasmania)

**Project Location:** Northern Midlands Municipality

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## EXECUTIVE SUMMARY

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The purpose of this project was to gain a better understanding of the employment opportunities, how they may be changing, and what skills may be required for employees in the future within the agricultural sector in the Northern Midlands area. Twenty six businesses across the sector participated in this project.

A semi-structured interview method was developed to engage with the representative businesses. The results have been collated and summarised in this report.

### **Job Growth**

- All agribusinesses anticipate continued jobs growth to support their overall business growth. The biggest limiting factor will be finding suitable candidates to fill vacant positions. Positions will range from, sales, service (technical, mechanical), management and specialist (agronomy, viticulture, horticulture etc). The type of candidate will range from highly experienced individuals with university degrees to inexperienced juniors to fill traineeship and apprenticeship positions.
- The cropping contractors have seen controlled growth over last five years and this is expected to continue over the next five years. There will be an increase in machinery operators, for both permanent and seasonal positions. There is also an anticipation that as the workforce expands a larger management structure will be needed to assist with business growth and workforce management.
- For the farming enterprises increases in staff numbers was expected to be small (maybe one or two) or alternatively remain stable. However, often where staffing levels were anticipated to remain stable there was an expectation that they would likely use more contractors.
- For the horticultural operations that employ large seasonal workforces, there is a small amount of anticipated business growth, however, the focus is primarily on sourcing professionals and return seasonal workers to better enable greater productivity.

### **Skill Requirements**

Depending on the business and position there were a variety of skills that were sought, however, there were two main skills that consistently dominated: people skills and livestock handling skills.

Service providers also sought sales skills and service skills. Other identified skills required across the industry included:

- Machinery operation competency, including tractors and trucks for transport.
- Administrative and human resource skills.
- Technology literate.
- Qualified agronomists.
- Horticultural specialists.

Finding people with experience within the industry was also considered to be of great value. However, almost all employers recognised the character traits of a potential employees as being more important than pre-existing skills.

There were mixed opinions regarding future requirements for basic literacy and numeracy skills. However, it was evident that increasingly on farms, employers are looking for staff with these basic skills and without these, opportunities for career progression into positions with greater responsibility or management positions was severely inhibited.

All participants are of the opinion that the industry offers employment commensurate with all levels of educational attainment, with plenty of opportunities to progress within the industry if the individual has the drive to succeed. It was felt that more work in improving the public perception of the industry will assist with attracting more prospective employees.

Filling vacant positions, is generally found to be easier for the large businesses than the smaller businesses. Filling seasonal positions is not considered to be an issue, although the skills, experience and attitude of the employee can be an issue. For highly specialised positions there is often a lack of skilled people in Tasmania, which means employers either need to look outside the State or invest additional resources in training someone local.

Farms are generally outsourcing specialist work to service providers and contractors associated with agronomy, cropping preparation and harvesting. This is fuelling the trend of employment levels on farms remaining relatively stable in size, while the service sector businesses are continually requiring more staff to assist with business growth and meeting demand for their products and services.

### **Project Reflections**

Northern Midlands was utilised as pilot area for this project. The following reflections have been made to assist with future development of this project:

- Regions with differing dominant farming enterprise, for example the Huon Valley, where there are a large number of orchards, Tamar Valley where viticulture and berries are increasing may lead to different results.
- Northern Midlands is well connected to a major population centre, whereas results in more remote farming areas such as Circular Head, Dorset or the Bass Strait Islands are likely to be different.
- Applying the same methodology to each Municipality has the potential to then be utilised in conjunction with ABS data for the Value of Agriculture and Commodities. This may provide a greater scope for a broader analysis and application of results to determine how changes in production is affecting workforce development.
- It is recommended that a follow up flyer is sent to participants, thanking them for participating and, provide them with some information on the project results and how this information will be used.

## INTRODUCTION

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AK Consultants has been engaged by TFGA to work with key employers in the agricultural sector in the Northern Midlands, to gain a better understanding of the employment opportunities, how they may be changing, and what skills may be required for employees in the future. This qualitative analysis is the final part of the Agriskills Project; a partnership between TFGA, Skills Tasmania and DPIPWE.

Agriculture, valued at \$1.5 billion a year at the farmgate, is a key part of Tasmania's economy. The Tasmanian Government recognises that the sector has the potential to contribute even more and has a target to grow the annual farm gate value of agriculture to \$10 billion by 2050.

In order to meet this target, it is anticipated there will need to be sufficient appropriately skilled people to meet the employment demand. Various reports and data sources at the national level are detailing that the future employees in the agricultural sector are going to need to be:

- technologically literate and capable,
- familiar with e-commerce and social media,
- have advanced managerial skills, and
- familiar with complex environmental issues and their interaction with modern production techniques.

While it assumed this will also be the case in Tasmania, the purpose of this project is to not only test this assumption but also to identify if there are other important skills that are specifically required within Tasmania, that are not necessarily captured at the national level and to obtain a snapshot of projected employee demand. The Northern Midlands has been selected as a pilot area to assess the profile of the future employment needs because of a large and diverse agricultural sector. The agricultural sector is considered to stretch beyond the farm-gate to include agribusinesses and contractors that provide sales, service and specialist expertise to assist on farm operations.

The Northern Midlands agricultural landscape is very diverse; with two large strawberry growers; two abattoirs; seed specialist businesses; a beef feedlot and numerous farming businesses covering beef and lamb production; wool growing; vegetable and dairy operations. These farming businesses are supported by a large agricultural service sector of consultants, machinery suppliers, irrigation specialists, machinery contractors, rural sales and agronomists. Participating businesses were located within the Northern Midlands Area, or just outside the Municipal boundary. All participating businesses conduct all or a significant portion of their business activities within the Municipality.

## METHOD

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A semi-structured interview process was developed to explore the workforce for each participating business. The interview structure covered three stages:

- Business Profile
- Business development over last 5 years
- Anticipated business development over next 5 years

The stages were designed to provide structure to the conversation and allow participants to progress from areas they are comfortable and familiar with to exploring more speculative future scenarios. Whilst the aim was to have a conversation, there were also specific questions used to extract quantitative information like, number of employees and gross annual income figures (not supplied by all participants). This format of interviewing meant that the interview questions were there more to guide the interviewer rather than to be followed explicitly. A copy of the interview questions template used is attached in appendix 1.

Notes were taken during interviews and most interviews were also recorded, with approval from participants. No quantitative data was specifically recorded due to the format of interview. Notes from interviews were collated into a spreadsheet to provide a platform for effective analysis of information. Summaries of key points have been provided in the results section of this report.

**Figure 1: Business type and number of each business type that participated in project.**

## RESULTS

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### **SNAPSHOT OF ANTICIPATED JOBS GROWTH AREAS AND SKILL REQUIREMENT.**

#### **Job Growth**

- All agribusiness anticipate continue jobs growth to support their overall business growth. All indicated this will be as fast they can do it in a controlled manner, some have indicated a possibility of doubling their workforce over the next 5 years. The biggest limiting factor will be finding suitable candidates to fill vacant positions. Positions will range from, sales, service, management and specialist. Type of candidate will range from highly experienced individuals, possibly sourced from rival businesses to inexperience juniors to fill traineeship and apprenticeship positions.
- The cropping contractors have seen controlled growth over last five years and this expected to continue over the next five years. There will be an increase in machinery operators, for both permanent and seasonal positions. There is also an anticipation that as the workforce expands a larger management structure will be needed to assist with business growth and workforce management.

- For the farming enterprises increase in staffing was expected to be small (maybe 1 or 2) or alternatively remain stable. However, often where staffing levels were anticipated to remain stable there was an expectation that they would likely use more contractors.

### **Skill Requirements**

Depending on the business and position there were a variety of skills that were sought, however, there were two main skills that consistently dominated:

- People Skills – whether this be at a management level and being able to manage a team and subordinate staff, or interacting with clients and colleagues, or through sales skills. Some businesses indicated that they support managers to undertake leadership courses to better enable them to manage their workforce. This ranges from diplomas to short courses. It was indicated that almost all positions required a certain level of people skills.
- Livestock handling - Every business that deals with livestock, mentioned finding people with good animal husbandry skills as being a significant issue. This was recognised by both farming enterprises and agribusinesses. For example, the transport company discussed the need for truck operators who transport livestock, to have good livestock skills to be able to efficiently load and un load them. They also need to be aware of animal welfare requirements particularly in relation to load numbers, time in transport and conditions during transport. There was also discussion around there previously being accreditation courses for various aspects of animal handling and welfare, which are seen as being highly important for staff development and to assist with the industry's external perception. Participants indicated that the courses had not been available for some time.

While for the service providers in the agribusiness sector there was also a focus on:

- Sales skills – good sales technique with an ability to develop relationships with clients was a highly regarded skill. Having a basic understanding of industry is also seen as being important to be able to effectively relate to clients and better understand their needs. Good product knowledge, or the desire to develop a good product knowledge is also a key requirement.
- Service Skills – skilled technicians are required to provide after sale services to clients, for things like design, installation and ongoing maintenance of irrigation infrastructure or mechanical servicing of farm machinery. Businesses are looking for people who have practical and/or mechanical skills from a broader sector (not just agriculture) as these people have a wide range of experience. While not essential for every position, individuals with trade qualifications are highly valued as these skills are transferrable.

Other identified skills required across the industry included:

- Machinery operation competency, including tractors and trucks for transport.
- Administrative and human resource skills.
- Technology literate.

- Qualified agronomists.
- Horticultural specialists.

Finding people with experience within the industry was also considered to be of great value.

Farm owners and upper end management of both farms and agribusinesses generally have attained some form of formal education. Common academic qualifications were from Agricultural Colleges or University and/or business degrees/diplomas. While not all businesses identified this type of qualification as a requirement for these positions, the majority of business identified them as highly desirable.

There were mixed opinions regarding requirements for basic literacy and numeracy skills moving forward. However, it was evident that increasingly on farms, employers are looking for staff with these basic skills. One farmer commented that they are after '*people with brains, not drop outs*'. However, for some of the less specialised more repetitive positions with the service sector there was not as much stock placed on these basic skills, as they were not a necessarily to being able to do the assigned job. However, there was unanimous agreement that without these basic skills, opportunities for career progression into positions with greater responsibility or management positions was severely inhibited.

Almost all employers recognised the character traits of a potential employee as being more important than pre-existing skills. The general opinion was that "*the required skills can be taught, but good character can't be*". For specialist positions such as agronomists, this is slightly different as these positions require academic qualifications, however, generally it was felt that as long as the base level of education attainment was commensurate with the required responsibilities of the job, additional in-house training was a worthwhile investment for employees with the appropriate enthusiasm and aptitude.

The rest of this section goes into greater depth discussing the above key points and all other areas discussed with participants.

### **WORKFORCE SNAPSHOT**

- All mixed farming operations (livestock and cropping) were owner-manager structures. The smaller operations would have the owner(s) as the manager(s) and would then generally have 1 to 2 full time employees and then some casual staff for peak periods. Four of the smaller operations, had a father and son working as a partnership. The larger operations would have potentially a further 1 to 2 managers and 2 to 3 more general staff.
- For the high intensity dairy and horticultural operations, there is a larger structure in place with more management positions. These operations generally rely on additional casual labour through busy periods. This is especially true for the horticultural operations. The cropping contractors also rely on hiring an annual seasonal workforce to assist with managing the work load during peak periods.

- For other service providing agribusinesses there are large employment numbers, with positions ranging from management, to specialist roles, to service and sales roles.
- The abattoirs were the two largest employers (around 430 employees combined). These operations have positions ranging from management and office admin staff to on the floor labour and supervisors. These are labour intensive operations.
- In general, for full time positions, all businesses reported having good retention rates.
- All mixed farming operations utilise contractors for cropping activities. Only one reported a reduction in use of contractors over the last 5 years, this was due to the purchase of their own equipment. Livestock contractors are also used to varying degrees by farms. All farms utilise external specialist agronomy advice and all have irrigation infrastructure. Generally farming enterprises reported doing their own general administrative work or had a family member who would do this.
- For the agribusinesses, there is some subcontracting that occurs, but generally there is not a lot of outsourcing of work to contractors.

### **SKILLS CHARACTERISTICS OF PREFERRED EMPLOYEES**

The level of skills required were dependent on the position. For some specialist positions there is a requirement of a tertiary degree or high-level skills. However, there was also an emphasis from the majority of employers that they invest resources into training the right person, rather than hiring someone who might already have the skill but does not fit within the business culture or environment. Good character was in many instances considered to be the most important attribute for potential staff. The cost of training and the risk of not retaining staff are constant business risks that employers are grappling with. Some employers are introducing new workplace benefits and opportunities for internal career pathways, to enhance staff retention rates.

Depending on the business and position there were a variety of skills that were sought, however, there were two main skills that consistently dominated:

- People Skills – whether this be at a management level and being able to manage a team or subordinate staff or interacting with clients and colleagues or through sales skills.
- Livestock handling - Every business that deals with livestock, mentioned finding people with good animal husbandry skills as being a significant issue.

While for the service providers in the agribusiness sector there was also a focus on:

- Sales skills – good sales technique with an ability to develop relationships with clients was a highly regarded skill. Having a basic understanding of industry is also seen as being important to be able to effectively relate to clients and better understand their needs. Good product knowledge, or the desire to develop a good product knowledge is also a key requirement.
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have practical and/or mechanical skills from a broader sector (not just agriculture) as these people have a wide range of experience. While not essential for every position, individuals with trade qualifications are highly valued as these skills are transferrable.

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Farm owners and upper end management of both farms and agribusinesses generally have attained some form of formal education. Common academic qualifications were from Agricultural Colleges or University and/or business degrees/diplomas.

## PROJECT REFLECTIONS

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It is the author's opinion that this has been a valuable project that has identified some important areas where there appears to be skill gaps and has also identified some possible actions that can be taken to assist the industry with its workforce development. Using the Northern Midlands area for the pilot has worked well, because of the large variation of agricultural enterprises that are located in the area.

If this project was to be undertaken at a larger scale, it would likely be excessive to apply this methodology to every municipality within the region, however, targeting a range of diverse areas with differing core farming enterprises would be beneficial. While the Northern Midlands is diverse, the main enterprises are mainly based around livestock (especially sheep), hence livestock handling skills was identified as a highly desirable skill. However, if this project was conducted in the Huon Valley, where orchards are one of the main enterprises or the Tamar Valley where viticulture and horticulture is growing in scale, or Burnie/Devonport where cropping is the major enterprise, the required skills may be different. Northern Midlands is also well connected to a major population centre whereas the results in more remote farming areas such as Circular Head, Dorset or the Bass Strait Islands would likely be different again.

There are, however benefits in applying the same methodology for every Municipality as this correlates with ABS census data collection areas and provides for broader application and analysis of the results. For example, AK Consultants undertook agricultural profiles of each of the eight Municipalities in the northern region in 2010 -11. We have recently updated the West Tamar profile and found some interesting results. There has been a significant decrease

in land available for agriculture in the Municipality due to changes in zoning; this has resulted in a reduction of land potentially available for agricultural production. However, despite this, ABS data indicates that there has been an increase in the value of production of agricultural products of more than 62% over the ten-year period between the two Profiles. There has also been investment in increasing the water resources available for irrigation in the Municipality. There is clear evidence that despite a reduction in available area, the agricultural industry is growing in the Municipality.

The format of the interviews seemed to generally flow well, with most participants happy to give their time and provide answers. If the project was to be replicated in other areas, some small adjustments to the interview sheet should be undertaken to increase its usefulness to the interviewer. The structure and format of the prompting questions could be aligned better with the conversations flows that have been experienced in the 26 interviews. Having the opportunity to test the interview sheet through this project pilot has been beneficial in gaining a better understanding of how this could best be achieved and any reformatting should be tested in mock interviews before applying. Having a single interviewer allows for consistency in conversation structure and more confidence in the end results, however, due to the nature of the methodology the subjective nature of the results is unavoidable. In the author's opinion it is important to structure future project timeframes to allow for a single interviewer to conduct all the interviews. Timing should correlate with non-busy periods for each of the enterprises.

It is recommended that a follow up flyer be provided to the participants to provide information on the project results and how these will be utilised as a means of thanking participants and providing acknowledgement for their contributions.