

Joint Select Committee on Northern Australia Issues Paper - Workforce Development in Northern Australia

To whom it may concern

Cotton Australia is the peak body representing the interests of Australia's 1500 cotton growers, supporting around 1,200 cotton farming families across NSW, Queensland, Northern Australia, and Victoria. Additionally, representing Australia's 42 cotton ginneries located in NSW, Queensland, and Northern Australia. While the industry's production varies from year-to-year, largely dependent on rainfall and water availability, it averages \$2.5 billion in annual export earnings, employing over 12,000 people nationally.¹

The recent expansion of cotton production into northern Australia has provided a boost to the economies of regional, rural, and remote communities. The cotton industry complements our valuable northern cattle industry. Cottonseed is a highly valuable protein source for all livestock. Both industries, in collaboration, contribute significantly to Australia's annual export revenues and has necessitated change in the workforce skills requirements for northern Australia. Cotton is the third valued Australian global commodity after grain crops and cattle according to the Rural Bank Australian Agricultural Exports Report 2022-2023.²

Earlier this year, the Northern Territory Government launched their Agribusiness 2030 Strategy³ setting goals to achieve a \$2 billion agricultural sector by 2030. The NT Government committed to growing all agricultural sectors in a sustainable and responsible manner. A pillar theme underpinning this strategy is the need for the consideration of workforce, how strong skill-based training opportunities will be required to drive the sector and close the gap to the ongoing workforce shortages faced across the northern agricultural sector.

The construction and commissioning of the first northern Australia cotton gin in Katherine will shift the playing field for the cotton industry in the north, with a second gin commencing construction this year in Kununurra, WA. Opportunities for local employment, skillset training and micro credentials will enhance and boost the long-term economic viability and liveability of these northern regions.

Northern Australia's agricultural industries face different challenges when compared to the rest of Australia. The region's unique climate, isolated geography, and environmental conditions all playing a part. Despite these challenges the development of cotton into areas across the north is positive and the industry will have a significant role in driving the north's economic position for all Australia. The north is the global gateway and remains an underutilised resource. A focus on food and fibre production in the north will be Australia's defence toward mitigating food and fibre risks, security, and demand.

1. [Cotton Australia | Industry overview](#) 2. [Trade publications | Rural Bank](#) 3. [Department of Industry, Tourism and Trade, 2030 Agribusiness Strategy, Northern Territory Government](#)

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Northern Climatic Conditions

Northern Australia experiences a monsoonal climate with very distinct wet and dry seasonal patterns. While water availability during the wet season is abundant, the management of water resources during the dry season is a challenge. Droughts and irregular rainfall patterns affect productivity, creating a dynamic demand for the required workforce to service these industries.

The warm and humid climate of northern Australia provides an ideal environment for various pests and diseases that can impact crops and livestock. As the gateway to our northern neighbours many of our biosecurity incursions experienced have entered Australia from the north. The geographical isolation of these regions can make it difficult to quickly respond to and control outbreaks and often proficient workforce capacity is limited.

Northern Australia's vast and remote landscapes presents logistical challenges for transport of agricultural commodities. Insufficient infrastructure, including roads, ports, and storage facilities remain a significant roadblock for development. Developments often suffering the chicken and egg scenario.

Seasonal workforce challenges

Agriculture in northern Australia is characterised by seasonal variations in workloads. Creating challenges in terms of recruiting and maintaining a workforce that is willing to work during peak periods, often resulting in labour surpluses during off-season periods and occasional worker gluts during certain peak seasonal times.

The Australian Seasonal Worker Program (SWP)⁴ was designed to address labour shortages in the agricultural industry by allowing employers to hire workers from specific Pacific Island countries for seasonal work. While the program has been valuable in some regions, it does have several limitations.

The SWP was primarily open to workers from Pacific Island countries, such as Papua New Guinea, Vanuatu, and Tonga. This limited the pool of available workers which was not always sufficient to meet the labour needs of across all agricultural industries. Existing skill sets of SWP workers often requires extra on boarding training to ensure they are job ready and not just utilised for menial labouring type duties on farm.

The SWP has not addressed labour shortages in industries with year-round labour demands or multiple harvesting seasons, like the cotton production or general broadacre farming practices.

Employers must meet certain administrative and compliance requirements, like providing adequate accommodation and transportation with little to no government incentivisation funding models assisting the employer to help to alleviate any shortfalls. Employers may be expected to cover the costs of recruiting and transporting workers from their home countries to Australia. Both posing a significant barrier for smaller to medium businesses.

Workers under the SWP are typically allowed to stay in Australia for up to nine months, not sufficient for industries with extended or overlapping harvest seasons. This restriction of working in seasonal positions not providing opportunities for workers to gain year-round employment or develop long-term career pathways and skills.

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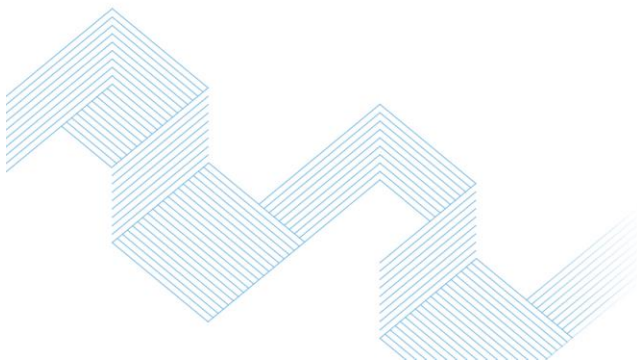
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Communication and cultural differences between Australian employers and Pacific Island workers do pose challenges, particularly in terms of skill set based training, english as a second language barriers and integration into the workforce.

Indigenous Opportunities

Indigenous employment opportunities in northern Australia faces limitations and challenges, many of which are complex and interconnected.⁵ These limitations vary depending on the specific region. Health disparities can be an obstacle to employment, chronic health issues often making it difficult for first nation peoples to work in physically demanding agricultural roles. Language barriers and cultural differences can lead to misunderstandings or difficulties within the workplace.

Indigenous communities possess valuable traditional knowledge and skills that are valued for the future of Australian agriculture. Recognising and utilising these skills can contribute to successful employment initiatives. Whilst there has been significant investment in this area, continued work needs to be a focus of government and industry. This may include providing training and education opportunities, improving access to healthcare, fostering cultural awareness, and creating more stable and diverse employment opportunities within the agricultural sector. Successful programs must involve genuine engagement and collaboration with indigenous communities to ensure that initiatives align with their needs and aspirations.

Liveability concerns

The remote locations of many agricultural operations in northern Australia can deter potential workers due to limited access to amenities, social services, liveability of remote towns and communities and social entertainment activities. Coupled with the isolation factor this may impact the social well-being and mental health of workers.⁶

Labour and training challenges

“Our people are agriculture’s most valuable asset”, National Farmers Federation.⁷

Skill based training opportunities is limited in remote areas, leading to a gap in the required expertise. There is currently an extreme lack of quality training organisations with the ability to train staff to meet industry requirements, particularly in rural and remote locations across northern Australia. Other industries, such as mining and tourism, can offer more competitive wages and often more suitable working conditions resulting in a competitive advantage against agriculture.

Remote and isolated locations make it difficult to attract and retain consistent labour force. Many agricultural practices are labour-intensive and require both skilled and unskilled capacity. The lack of available workers during peak times remains a constant challenge for all industries.

⁴. [Seasonal Worker Programme - MADEC Australia](#) ⁵. [Employment of First Nations people - Australian Institute of Health and Welfare \(aihw.gov.au\)](#) ⁶ [Big Rivers Liveability Project Final Report 2022 \(nt.gov.au\)](#) ⁷. [Workforce - National Farmers' Federation \(nff.org.au\)](#)

Translocation of young people from rural areas in northern Australia into urban centres for education, job opportunities and lifestyle, compound the shortage and attraction of young workers in the agricultural sector.

The reliance in the north on overseas 'backpacker' visa holding workers makes the pool of employees limited at times and very transient. While some overseas travellers have valuable agricultural skills, they are often limiting the time they wish to spend in the north and are often just 'travelling through'. Employer investment by in training for these overseas workers remains a challenge and immigration policies and regulations continue to impact the availability of suitable overseas workers.

Many agricultural workers in northern Australia are aging, and the industry is struggling to replace their expertise as they retire. There needs to be government supported and industry led solutions developed to ensure there is appropriate succession planning of the current workforce set in place.

To address these workforce challenges, a multi-faceted approach is necessary. This includes providing training and skill development opportunities to local community residents resulting in a more skilled and reliable local workforce. Highlighting career progression opportunities within the agricultural industry can attract and retain workers.

Targeted Solutions

Solutions to the training gaps may be the implementation of an industry led government supported workforce training initiative. The AgSkilled 2.0⁸ has been delivering accredited training across NSW in partnership with the government, Cotton Australia, and other agricultural industries across the commodities of grain, horticulture, rice and viticulture. The program receiving an additional \$3m funding in February 2023, taking the total program budget to \$18m and expanding to include NSW's livestock farming sectors.

AgSkilled 2.0 is ensuring training leads to improved agricultural productivity while embedding innovative and sustainable farming practice change. It has helped current and future agriculture workers with career entry pathways and employment outcomes, focusing on the 4 pillars of production, business, technology, and safety skills.

The program supports NSW industry by helping primary producers develop and retain a productive workforce, boosting the agricultural industry in NSW while increasing farm efficiency, productivity, and profitability. Applicants can be a primary producer, farm employee, industry professional (agronomist) or someone seeking employment in the sector, including job seekers like the long term unemployed and school leavers.

The model has gained broad recognition as a successful model of industry and government collaboration in the training space, with numerous program and model briefings and presentations delivered to industry, government, and workforce development representatives.

Over 850 farmers, farm staff and consultants involved in the cotton industry attended close to 200 training sessions, across 29 different courses with more than 6,000 places supported since it began in mid-2020.⁸

⁸. [AgSkilled](#)

The most accessed courses for cotton producers focussed on WHS, ag chemical skills, truck licencing, advanced spray training, and cotton pest management.

The completion rate which officially sits at 85% but is closer to 90% given the number of students still active in their training. One of the reasons for the high completion rates for AgSkilled training was the ability delivery training flexibly in regional and remote communities, or on properties to suit the needs of learners. AgSkilled facilitated partnerships and relationships between training organisations and industry, including researchers and subject matter experts, to ensure inclusion in learning content of the latest research and best practice.

In Queensland, Cotton Australia has recently secured \$3 million to deliver training under the banner of SmartAg QLD which was modelled off the successes of AgSkilled. Delivery of accredited, micro credential and skill set training will commence in 2024. The program will provide an opportunity to support changing workplaces by enabling the provision of focused training for new or transitioning employees in specific skills. This will support businesses and industries to adopt innovations and improve productivity.

TAFE QLD has recently announced the delivery of many fee-free micro credential courses. Developed in partnership with industry and designed to provide valuable information on new and emerging areas, particularly in the aquaculture and agriculture industries.

The available micro-credentials have been categorised into three main skills set areas of work skills, digital skills and technology skills.

The adoption of automation and modern technologies through incentivised programs and funding models will reduce the reliance on labour-intensive tasks also making the agricultural industry more attractive to skilled workers.

Conclusion

Acknowledging and addressing these workforce challenges will enhance northern Australian agricultural industries to create a more sustainable and resilient labour force and support their continual growth and development. Finding solutions to the complex workforce issues in northern Australia will require a strong focus and commitment from all levels of government working collaboratively with all industries and communities. The future is bright for the north.

To discuss any part of this submission, please contact Simone Cameron or Paul Sloman.

Best Regards,



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