ACKNOWLEDGMENTS

Thank you to the NT Government Department of Primary Industries and Resources whom have funded the Workforce Planning Coordinator position for three years until 30 June 2020. Thus, provided NT Farmers Association with the resource to collate and record this important labour data required for national advocacy on many subjects; visa reform, programme improvements, etc.

Thanks to the Farmers who participated by completing the survey providing personal information for the purpose of assisting the whole of the industry.

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ANNEXURES

Annexure 1 2017 NT Harvest Labour Report
Annexure 2 2018 NT Harvest Labour Report
Annexure 3 2019 NT Harvest Labour Survey
The NT 2019 Harvest Labour Survey follows both the 2018 and 2017 Harvest Labour Surveys which were conducted to benchmark on an annual basis, industry workforce data. This report quantifies the growers seasonal labour requirements and identifies the timings and locations within the NT horticulture industry. This information will contribute to emergency management and advocacy.

The NT plant industries relies on internationals as its workforce to harvest produce throughout the year. In 2019 the number of staff accessed in the NT was approximately 2171 across the various commodities.

All producers in 2019 did not have their best season, grape harvest was completed in three weeks whereas some years can be up to eight weeks. The vegetable numbers are low but the chart represents the period of the annual season, again problems occurred which prevented a bumper year. Many vegetable growers use share farming management to harvest produce (sharing the workforce). Melon figures include Katherine and Central Australia where there are two distinct seasons. The workforce requirement for mango harvest peaked in November, this graph shows both Greater Darwin and Katherine numbers whereas the next graph reveals the total.
NT Mango Industry
Workforce Requirements 2019

2019 was a short intense season for the NT mango harvest. Unpredictably the annual harvest season can require more staff over a longer period.

[Bar graph showing workforce requirements over the months of July to December with a peak in November.]

Expected sources of growth

Most agri-businesses in the NT are growing, with six of those due to new plantations and two diversifying into new produce.
Grower Engagement

Whilst the survey is in its third consecutive year and notification of the requirement to participate in the annual harvest labour survey was advertised via electronic news and the bi-monthly newsletter, only nineteen Farmers from across the NT, who are farming a variety of commodities, completed the survey, eighteen of those verbally and one via email. It is estimated that representation includes 50% of the Darwin mango growers, 80% of Katherine mango growers and 40% of the NT melon growers.

What they grow

- **Mango**
  - Ripe: 44%
  - Green: 17%

- **Melon**: 10%

- **Tropical**: 10%

- **Citrus**: 3%

- **Vegetables & Herbs**: 10%

- **Grapes**: 3%

- **Hay**: 3%

<table>
<thead>
<tr>
<th>PRODUCT</th>
<th>REGION</th>
<th>HARVEST PERIOD (month)</th>
</tr>
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<tbody>
<tr>
<td>Mango (ripe)</td>
<td>Darwin/Pine Creek</td>
<td>J F M A M J J A S O N D</td>
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<tr>
<td>Mango (green)</td>
<td>Darwin</td>
<td>J F M A M J J A S O N D</td>
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<tr>
<td>Citrus</td>
<td>Katherine/Mataranka</td>
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<td>Melons</td>
<td>Darwin/Katherine</td>
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<td>Vegetables</td>
<td>Darwin</td>
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<td>Tropical Fruits</td>
<td>Darwin</td>
<td>J F M A M J J A S O N D</td>
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<tr>
<td>Other</td>
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<td>J F M A M J J A S O N D</td>
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</table>
Where agri-businesses are located

- **52%** Darwin
- **37%** Katherine
- **11%** Central AUS

How many years have the agri-businesses been operating?

- 1 year: 1
- 2 years: 2
- 3 years: 1
- 7 years: 1
- 15 years: 5
- 25 years: 5
- 30 years: 2

Note: Three survey participants did not answer this question.

Revenue & wages

- Revenue varied from $900K - $7.5M in 2019
- Gross wages varied from $100K - $1.8M in 2019

Tree crops - An average of 18% of revenue is spent on wages

Row crops - An average of 15% of revenue is spent on wages reflecting longer employment periods
What are the current issues affecting the supply and demand of labour and skills for agriculture in your region?

"Australians don’t want to do manual work, we use seasonal workers from Vanuatu, farmers don’t get returns on product to compete with oil, gas & mining. Can’t afford overtime rates, we are not getting more for product."

"Supply of adequately skilled workers"

"Up to 90% new staff yearly due to seasonal conditions"

"Getting people to stay in the region’"

"Problem getting right workers, they don’t stay long, backpackers just want hours then leave (88 days for second year visa), backpackers give me trouble"

"Red tape, we use labour hire, we manage the seasonal workers hours, but the overtime on casuals is wrong"

What barriers currently exist that prevent your business from attracting and retaining workers?

"38-hour week restriction"

"With Horticultural Award changes, having to pay casuals overtime"

What strategies used by the businesses to address these challenges? What has worked and not worked?

"TOIL works but it affects the workers, they have to work longer to pay off their deductions (seasonal workers)"

"Bring in more workers so that we are not charged time and a half, this is a loss for the Ni-Vans" (seasonal workers from Vanuatu)"

"I employed an extra 10%, rotated them and gave them TOIL"
In a perfect world, what would your business be like? (size, number of staff, year-round income)

"Small business, 50 staff, business income $3M, staff income $40K - $60K per annum per person’ “same”

“Increase”

“Regular is good, regular income for us and workers, easy to manage staff e.g. year-round produce like bananas.”

“Need another cash flow revenue, would like to increase produce to be year-round, this would be an incentive for employees to apply to get a year-round income, win-win”

“Widen income, mangoes seasonal hence moving workforce from one farm to another”

“Want the market to reflect the cost to the farming industry”

“As is, maybe more staff”

“Reverse the Hort Award changes”

Are you aware of various business assistance available?

3 – Yes
2 - No
3 - Not applicable

“Need assistance with horticulture produce agreements, have agreement with one agent but two agents/wholesalers act as wholesalers, they avoid GST, can’t get info/reports from them”

“Went to EvokeAg conference and saw what is offered in WA, recommend that free business assistance is provided to NT Farmers - Paperless Farm Office”

“No need”

“Workforce planning templates”

“Open to avenues, look all the time”
What assistance (if any) do you require with labour requirements?

4 - No assistance required.

"Better prices at the right time, we are currently paying more for everything; labour, diesel, fertiliser etc, but getting paid less for our produce. AUDITS are ridiculous, failed HARPS but had never done it before, the Auditors are out to fail you."

"Seasonal worker program, there is not much flexibility with start and stop dates for getting workers on and off farm when the farm requires. The SWP is always changing, sometimes more paperwork than necessary."

Try various avenues, open to assistance, depends on timing

"Open to suggestions"

"Information about types of visas, access to more contractors, most suitable visas"

"ADVOCATE to reverse the Hort Award changes regarding overtime for casuals"

Expected growth over the next 5 years?

"Current - 15,000 trees. Forecast 30,000 trees = double the income."

"Nil, limited to land holdings (full of trees)"

"Increase by 40,000 trees"

"Plant more trees in existing orchards"

"Increased production with mangoes and variety sold, diversify into other areas of production"

"50% more"

"Going into vegetables (on top of mangoes)"
What are your expected sources of growth?

*Most agri-businesses in the NT are growing, with six of those due to new plantations and two of those diversifying into other produce.*

"New plantations, larger land holdings, investment in technology, value adding, processing, adding/increasing packaging facilities, new markets"

"Increasing packaging facilities, investment in technology, value adding"

"Nil"

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What are the greatest challenges for the business in the next 5 years?

"Staffing rules, wage rises - we can't keep accommodating"

"Fair work rules - Horticultural Award changes, 38 hours per week over a short period of time"

"Labour & regulation"

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Are there any areas where the Owner/Manager could benefit from training / upskilling?

"Biosecurity & retirement planning"

"No"

"Continuously learning, did 3 courses in 2019"

"Always learning, supervisory, leadership, horticulture"

"Recruitment"

"Policy development"

"Export"
Recruitment Methods

Some farms do not need to advertise as their reputation proceeds them, backpackers talk and use social media to inform each other of best practice employers.

Pre-employment Checks

VEVO: 4%
Trial: 4%
References: 17%
Interview: 31%
Pre-employment medical: 22%
Psychometric test: 22%
2019 Staffing Requirements

Staffing Origins

- Backpackers: 46%
- Seasonal Workers: 52%
- Locals: 1%
- Interstaters: 1%
Staffing Origins & Visas/Programs

North & South America
Canada
Chile

Africa
Zimbabwe

Europe
United Kingdom – England
France
Germany
Netherlands
Sweden
Portugal
Czech Republic
Italy
Spain
Belgium

Asia
Indonesia
Malaysia
East Timor
China
Hong Kong
Korea
Taiwan
Vietnam
Japan
Thailand
Nepal

Visa & Programs
403
467
417
482
457
DAMA

Oceania
Australia - locals, intrastate, interstate
- indigenous & non-indigenous
Vanuatu
New Zealand
Solomon Islands
Samoa
Staff Age and Gender

- 76% male workers
- 24% female workers
Entitlements

Most Employers provide accommodation, shared room with others, kitchen and laundry facilities, some provide caretakers and incentives such as bonuses and awards.

What Future Skills are required?

High tech agronomy, managing PC programs, monitoring crops, Apiarist

Specialised technician in the field of automation

IT skills, due to increased IT on farm, automation, drones. Non-Destructive Inspection - infrared tech, computer programming and operation

What performance management is performed on farm?

Whilst Managers have Key Performance Indicators and some farms perform annual or bi-annual performance reviews, most are managed in an informal method where the Supervisor will feel out issues and correct immediately (i.e. provide training).
What has been the implication on your business due to the changes to the Horticultural Award from the modern award review dated 15 April 2019?

*Where the Hort Award now includes payment of overtime and nightshift penalties for casual workers.*

"The overtime on casuals has disadvantaged worker and management. We now only offer 38 hours/week thus have trouble getting backpackers to stay for the full season due to not enough hours to earn good money. Increase in infrastructure to accommodate. Increased number of employees to maintain the 38-hour week (rule to get the fruit picked in time)"

"None offered, each employee is only entitled to 38 hours a week"

"38-Hours restricted, had to have more staff, extra accommodation"

"Try to harvest with as little workers as possible to stay viable. Being penalised for night harvesting although it is more beneficial to the workers due to cooler working conditions, large amounts of workers for short periods"

"Higher cost"

"It is a pain, hard to make it affordable, backpackers come here to earn money, they don't like the idea"

"The award changes are squeezing margins, unfairly not getting more money for produce"

"Short harvest season requires long hours to pick fruit within the optimum timeframe, farming is not a 38-hour week job"

"Makes farming unattractive. We can't afford to pay casuals overtime, we average 65 hours a week which equates to less than 38 hours a week for two crews, which is not what the workers want, they want long hours to earn the money in a short period"

"The wages have increased, it is increasingly difficult to maintain an income (for the farmer)."

"Problem, too expensive, had to reduce hours, need more workers"

"Didn't pay overtime, the workers did 38 hours a week, it is too hard for me to calculate (if they work overtime, how much to pay)"
Emerging workforce challenges & opportunities in the next 3 to 5 years?

“The increasing employee wages, every year keeps getting higher and higher”

“Labour at the right price”

“Continuity of work for workers through the seasonal worker program, wages must be worth their travel and time here away from their family”

“Expanding the business, reduced cashflow, retail opportunity limited due to three major retailers, bigger competition opportunities seek a quality, unique, premium product”

“Consistency of seasonal workers”

“Current legislation and auditing requirements in packed on flexibility / fast moving technology are challenging to upskill”

“If there are any hiccups to labour supply, labour hire disaster for NT mango industry”

What does the Vocational Education & Training System need to do to assist the NT plant industries access senior school students?

“Farming for the future, access to horticulture courses, Ag sciences, push kids to the right space, awareness of support required for food bowl”

“Make it known can make a career out of it, local people should have a go, they need exposure to farms.”

“Extend practical placement times to a minimum of 2 weeks and communicate with farmers more closely”

“Subsidise travel for school groups”

“In small towns with limited workplaces, spread the timing of work experience”

“Great idea, how to implement successfully? Year 9 & 10 students are unexcited, unless they come from a family business, and see the daily demand on work-life”
"Australian youth do not want to do manual work"

"Young kids are not interested in physical work. I have been here 7 years and not once asked by a young local person for a job"

"Gone through a number of millennials, not stable, loyalty, basic; get up and attend work, ambition and ability, not self-starters"

"Teach a good work ethic, they want the easy jobs, e.g. Tractor operation"

"Annoyed that I had a young couple from overseas working here that were good but due to visa law they could not stay and have returned to their home country, they were good workers."

Are there any undocumented workers in the NT plant industries?

Whilst some Employers are aware of undocumented workers many perform the VEVO check to protect themselves from illegally employing a person without working rights.

"Not on my farm, as that would jeopardise our operation, we don’t employ undocumented workers, they must have a working visa."

"One of my workers (backpacker from France) returned from last year, I found out his visa had expired and he was deported."

"Yes, unsure, maybe 10% of NT plant industry"

"Yes we pick up 10-20 annually by running the VEVO checks first."

Whilst union membership is an employees right, there are currently no union members in NT plant industries that employers are aware of.

Suggestions to improve NT plant industries access to labour?

"Marketing and allowing overseas workers to apply for working visas more easily to allow more people to come and find work. Locals are barely interested in this type of work as it is only seasonal and they feel that the pay is not worth their labour."
Disclaimer
The information in the 2019 Harvest Report was collected prior to COVID-19 and NT Farmers Association Inc has attempted to ensure it is accurate at the time of publishing, no responsibility will be accepted for any errors or omissions.