

SENATE SELECT COMMITTEE ON AUSTRALIA'S FOOD PROCESSING SECTOR

Public Briefing – 11 May 2012

Questions on Notice and Departmental Responses

1 Question one: Page 25

Senator EDWARDS: Did you hear my last question to the previous department about the dearth of graduates in food science? One thing that troubles me is that in schools they say, 'If you are really bright, you can do this and you will become an accountant or a lawyer; if you are not so smart you had better go and do the ag course,' which is really quite offensive, and, in my sampling, rough though it has been, at some major schools, the careers advisers have not even mentioned it when I have talked to them about what careers they are pushing their students towards. There are 5,000 jobs for 700 graduates and we now have—and you mentioned it in your opening statement—a migration solution. Where I see it, anecdotally, these people are represented in workplaces across this country, having come here under 457 visas, and they are tertiary educated. Where are we going with this? If it were a private enterprise it would be a market failure; that is what we would call it. We have a failure here. I have given you a broad range to work with there. You can all contribute if you like.

Ms Morehead: With that type of question, as I mentioned in the opening statement, we do not have people here today who can answer that. However, we can take that on notice and reply to that in writing. The people that we do have here are from the labour market and workplace relations area.

2. Question two: Page 26

Senator EDWARDS: Scientists in general, food scientists and agriculture—it does not necessarily have to be about wheat or wool. It is governance in manufacturing plants and things like that.

Mr Greening: One of the key factors—I am sure you are already aware of this—is that it is actually low entries into universities that are largely driving that shortage.

Senator EDWARDS: So who is going to talk to me about how you change the culture in secondary schools? Is that somebody else that is not here?

Ms Morehead: Yes, and that is what we will take on notice—the schools related part of your question.

Senator EDWARDS: It is a flare for estimates—I am sending a flare up. In two weeks time we will be looking to address it in some detail.

Ms Morehead: Thank you.

Senator EDWARDS: ACARA should be able to help us in talking to them about those curriculum based things.

Ms Morehead: ACARA should be able to help you with that. We will facilitate their involvement in that answer.

RESPONSE for both Question 1 and 2:

The Government believes that all Australian students should have a sound understanding of sustainable agriculture and primary industries within Australia. Key to this is the curriculum taught in schools.

Together with the state and territory governments, the Australian Government established the Australian Curriculum, Assessment and Reporting Authority (ACARA) to oversee the development of Australia's first national curriculum. Education Ministers have endorsed the curriculum for Foundation to Year 10 for the first four learning areas of Mathematics, English, History and Science.

The content of the curriculum is important in informing the attitudes of students to possible further study and careers in different fields and the Australian Curriculum will provide opportunities for students to develop a good understanding of food and fibre production in Australia. In the Australian Curriculum: Science, for example, there are opportunities for teachers to include education about agriculture and primary industries broadly and food processing more specifically. Additional opportunities will be afforded through the technologies learning area, the curriculum for which is still to be finalised. ACARA will continue to develop the Australian Curriculum for technology and other key learning areas and will consult widely to inform its work.

While the Australian Government plays a leadership role in advancing education in Australia's schools, State and Territory education authorities are responsible for the running of schools, including the provision of advice to students about possible careers.

3. Question three: Page 26

Senator EDWARDS: I understand that the Roseworthy campus of the University of Adelaide has been able to defy the national 40 per cent decline in agricultural graduates over the past decade by merging a number of their degrees. What is the department doing to try to extend this trend to other universities to bolster what is an ageing industry? I will come back to that point.

Mr Greening: I apologise, Senator, but the responsibility for tertiary education is now with the department of innovation and industry.

Senator EDWARDS: You can take it on notice; that is fine.

Ms Morehead: Yes.

RESPONSE from Department of Industry, Innovation, Science, Research and Tertiary Education

Australian universities regularly cooperate and share information on agriculture education, in particular through the Australian Council of Deans of Agriculture. Universities are continually looking to improve their courses and keep them relevant to students and industry.

For example the University of Western Sydney, in collaboration with the University of Sydney and the University of New England, is using funding from its Structural Adjustment Fund grant to identify how

best it can build enrolments in agriculture, food and environment and deliver a comprehensive academic program in a cost effective and viable manner over the long term.

The Department of Industry, Innovation, Science Research and Tertiary Education has also assisted universities to improve their agriculture education, including projects on soil science, plant breeding and a national award to a rangelands management program, through the Office for Learning and Teaching. Approximately \$1.2 million has been allocated over the period 2007-2011. The Department has also helped universities to engage with schools and industry by providing \$3.6 million to the Primary Industries Centre for Science Education.

As part of the 2012-13 Budget, the Government announced a \$54 million maths and science package to improve student engagement in these disciplines. This included funding for the Australian Mathematics and Science Partnership Program, which commences on 1 January 2013. Funding through this program will support innovative partnerships between universities and schools that are experiencing difficulty in engaging students in science and maths, have poor outcomes in maths and science, and/or have low numbers of students going on to further study in science and maths.

4. Question four: Page 29

CHAIR: So, do you have any more detailed numbers—and I am happy for you take this on notice—on the ups and downs in particular sectors of food processing? You have said that most of the growth is in dairy and meat. What are the problem sectors?

Ms Morehead: We could provide that in writing on notice. In general in the food manufacturing sector there are around 194,300 people employed. That is across around 10,000 businesses. As I was saying before, overall there has been a net growth in jobs in this sector over the last year or so, in fact trending up over the last five years. And then, as I was saying, around 57,645 employees from that sector are covered by agreements, as at 30 September last year. That gives you some sense of it.

CHAIR: Do you have with you any specifics on which are the key areas under pressure?

Ms Morehead: No, but we could get that for you.

RESPONSE

Since DEEWR's private briefing to the Committee on 13 December 2011, more up-to-date industry employment data have become available. This response updates the figures previously provided to the Committee, and addresses the Committee's request on 11 May for further detail.

In the ABS statistics, Food Product Manufacturing is divided into nine sub-sectors. Some of these sub-sectors are quite small and, in these cases, data quality can be a significant issue. The largest sub-sectors are Bakery Product Manufacturing (68 400 people employed as at February 2012), Meat and Meat Product Manufacturing (53 200) and Dairy Product Manufacturing (17 500).

The table below provides employment data for the nine sub-sectors.

Industry Code	Industry Title	Employment at Feb 2012 (000s)	1 Year Change to Feb 2012 (000s)	5 Year Change to Feb 2012 (000s)
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11	Food Product Manufacturing	194.3	-11.0	5.8
111	Meat and Meat Product Manufacturing	53.2	-1.9	1.8
112	Seafood Processing	1.7	0.2	-0.5
113	Dairy Product Manufacturing	17.5	-4.2	1.4
114	Fruit and Vegetable Processing	4.8	-3.0	-4.2
115	Oil and Fat Manufacturing	1.6	0.2	-0.9
116	Grain Mill and Cereal Product Manufacturing	3.2	-2.4	-3.9
117	Bakery Product Manufacturing	68.4	5.4	10.1
118	Sugar and Confectionery Manufacturing	10.5	-4.7	-1.1
119	Other Food Product Manufacturing	9.8	-3.9	-4.6

As at February 2012, the Food Product Manufacturing sector employed 194 300 people¹. Employment in Food Product Manufacturing declined over the year to February, contracting by 11 000, or 5.4 per cent. Over a five year timeframe, however, it remains a growth sector within Manufacturing with an employment gain of 5800, or 3.1 per cent.

Three of the nine sub-sectors saw growth in employment over the five years to February 2012. By far the greatest gain over this period was in Bakery Product Manufacturing where employment grew by 10 100. Meat and Meat Product Manufacturing (up by 1800) and Dairy Product Manufacturing (up by 1400) also grew over this period.

Employment losses occurred in the remaining sub-sectors, with the largest decline (4600 workers) recorded in Other Food Product Manufacturing, which includes potato crisp manufacturing, animal feed production and other 'non-staple' items such as coffee and tea. Significant employment losses of 4200 in Fruit and Vegetable Processing and 3900 in Grain Mill and Cereal Product Manufacturing were also recorded. Other sub-sectors with declining employment over the five years to February 2012 were Sugar and Confectionary Manufacturing (down by 1100), Oil and Fat Manufacturing (down by 900) and Seafood Processing (down by 500).

¹ ABS, Labour Force Survey, February 2012, DEEWR trend data