

# **Casual and Seasonal Employment within the Food Processing Industry in Tasmania**

**Draft Issues Paper  
(for discussion)**

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## Background

National and State Food Industry Training Boards have in 1999-2000 conducted Strategic Planning Forums specifically directed to the implementation of new training arrangements. Key points drawn from these forums include:

- The skill requirements of industry are changing and it is now seeking to develop increased skills through flexible training programs that can be delivered cost effectively on the job. The opportunities that are offered to this sector by the current training reforms and new approaches to traineeships are identified as considerable but only if delivered within the agreed processes.
- Ongoing improvements in competitiveness seem likely to be critical to the success of many enterprises. Small producers are encountering difficulties in upgrading their technologies and accessing markets, in particular international markets and meeting import competition. The responsiveness of an enterprise's supply of labour to fluctuating or seasonal requirements can be an important determinate of its competitiveness
- The lack of a training structure in many parts of the industry and limitations generated by low literacy are impediments to the reform processes. As such ongoing improvements in competitiveness seem likely to be critical to the success of many enterprises.
- Competitiveness appears to be being generated by increases in workforce skills and by the introduction of technologies to reduce costs. New approaches to training at the operator level are likely to be a prerequisite for future improvements in competitiveness. Qualification benchmarks are important indicators of industry competitiveness. Tasmania's position in this regard needs to be addressed as more than 60% of the existing workforce hold no post compulsory school qualification. Competitiveness in this regard places Tasmania behind all other States in productivity.
- Casual and Seasonal Workers are identified as a significant group within the Tasmanian Food Processing Industry. Industry estimates are that as much as 30% of the industry's employees are engaged under a part time or casual/seasonal employment relationship. Major processors of vegetables in particular employ significant numbers of workers through labour hire companies. One major plant located at Devonport engages up to 85% of its employees through labour high organisations. Estimates of the total number of casual or seasonal workers in the industry are as high as 2500 full time equivalents.

## **Incidence and Nature of Casual and Seasonal Workers**

Data relating to the incidence and nature of casual and seasonal workers is often not readily identifiable. In particular as there is often no clear definition that applies to this group. For an industry which links processing and as such the need for labour to the fluctuating seasonal growing or production cycles the distinction between casual and seasonal employees is not made relative to the number of hours worked, but rather the operational arrangements through which the person is engaged. That is the fluctuations created in the supply of produce create variations in the demand for labour and in turn variations in the notice to terminate contracts created in this regard.

The Australian Bureau of Statistics does not identify these independently; rather all employees who are not permanent full time are classed for statistical purposes as part time. This creates the paradox of reporting full time seasonal workers as part time. Similarly it has not been possible to disaggregate specific data associated with seasonal workers from within the modelling provided to the Office of Vocational Education and Training by Monash/Syntec Consultancy.

The overlaps thus occurring in the classification structure available in statistical models both in real and theoretical terms makes it difficult to treat each group as a separate entity. This paradox has meant that using ABS and similar data sources to quantify the actual volume of casual/seasonal work, or actual numbers of such workers in the industry has not been possible. As such, data provided by these statistical models has been treated with caution. More in particular when evidence is presented by ABS in this regard it is sourced from or defined by an “absence of leave entitlements” from which a general benchmark of 25% was reported for all sectors in 1998. This process would by default exclude seasonal workers from such data as employees engaged under seasonal contract are granted leave entitlements on plant shut down and reengaged at start up.

Greater use has been provided by the Tasmanian Food Industry Training Board (TFITB) data generated from demographic surveys in 2000 and specific enterprise-by-enterprise consultations undertaken in 2000 for the purposes of developing a Vocational Education and Training Plan for the industry in Tasmania.

TFITB demographic data identifies sectors engaging significant numbers of FTE casual/seasonal workers as a proportion of the total sector workforce as:

Wine-	60%
Confectionery -	30%
Vegetable-	35%
Dairy Processing	30%

The dominance of seasonal workers in Wine is specifically linked to vineyard operations and is reflected in DPIWE evaluations determined from labour requirements per hectare for vineyards in this state.

## **Casual Worker/ Seasonal Worker-Definitions**

The Food Preservers' Interim Award defines a number of classifications under which workers may be engaged and include Weekly Employees, Seasonal Employees, Casual Employees and Part Time Employees. Seasonal Employees are engaged on a two-day notice basis during the season.

*“The season means the period from which a seasonally grown item is made available to a processing plant to the end of such item being available to it and shall include a lead period where required by the employer for the commissioning and decommissioning of plant and equipment and the training of employees for the processing of such seasonally grown items”*

The opportunity to be employed therefore within the industry for less than full time employment is varied and dependent for the most part on the availability of either seasonally grown or available produce for processing. For those engaged under seasonal or casual classifications the availability factor can represent extensive periods of employment throughout the year. Thus workers engaged for a “season” tend to fall into a category of ‘permanent seasonal’ whereby their tenure is treated more as a permanent relationship with the employer rather than a temporary one. That is the worker returns to work for the ‘season’ in each year.

Research undertaken as part of the 1995 Australian Workplace Industrial Relations Survey tends to support this form of “tenure profile” in employment. The findings are contrary to the perception that casual/seasonal employees are perhaps “disposable”. The data presented from this analysis confirms that employment for this group is quite long with an average at just over three years for both men and women.

## **Equity and Access**

The MOVEET 1992 Policy Statement on Training for Casual and Seasonal Workers determined that the provision of training for part time, casual and non permanent employees should take account of the distinction between “career and non career aspirant workers.

Given the “tenure profile” of seasonal workers in the food processing industry it is arguable that they have demonstrated a commitment to the industry and may, due to a range of circumstances, be unable to work on a full time basis. They should however not be considered as having any less need for both skills training and or opportunity to access career opportunities through access to New Apprenticeships or other forms of labour market initiatives.

Similarly the lack of a training structure and opportunity in many parts of the industry that have for the most part a competitive dependence on a trained seasonal workforce places limitations to industry development in that regard. As such ongoing improvements in competitiveness seem likely to be critical to the success of many enterprises.

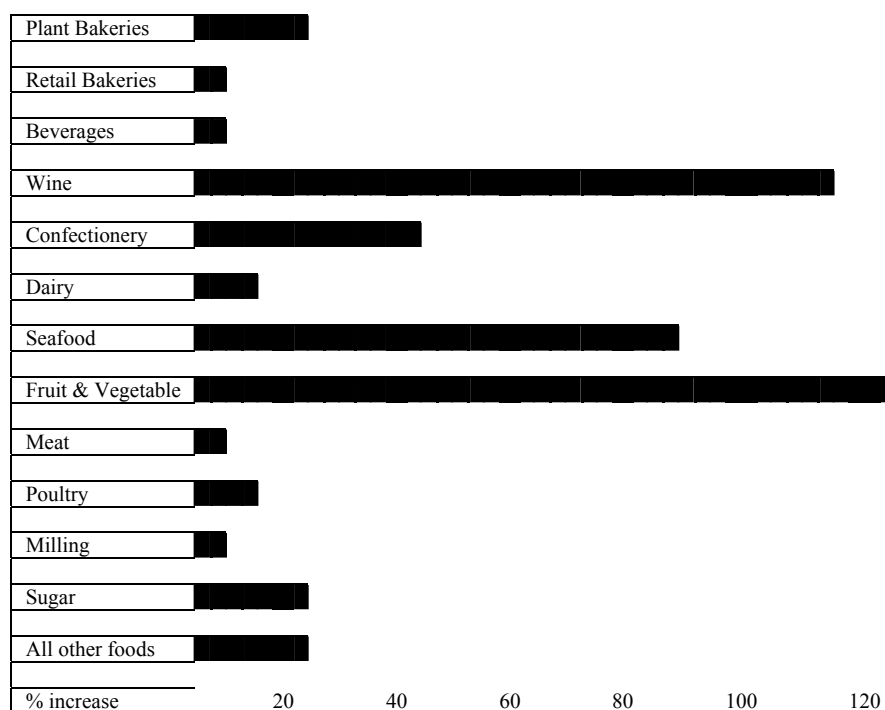
DEET in its 1993 discussion paper on Training for Part Time and Casual Workers argues that the “access of part time, casual and seasonal workers to training has for some time been an issue of concern”. This is of more relevance when consideration is given to demographic data which identifies that more males than females are employed overall in the industry (66% to 34%) in permanent work but in seasonal or casual positions there are more female workers to male (36% to 64%).

The contradiction in the equity arrangements for seasonal workers however is that this form of employment represents to both employee and employer a “permanent tenure profile”. That is industry requirements and regional employment relationships have established interdependent employment structures that are seasonal in nature but have no access to training support mechanisms that exist for permanent employees.

This includes Vocational Pathway arrangements in Food Processing providing New Apprenticeships in the various streams of the National Certificate in Food Processing. As such under current arrangements up to 30% of employees within the food processing industry in Tasmania cannot access training that is available through commonwealth incentives because of the limitations created by the tenure of their employment.

**Graph 1.**

Food Industry Sectors experiencing increases in demand for labour in accordance with seasonal production. % Increase in employees in high season (as a percentage of the permanent workforce)



## **Employment Classifications- Seasonal Workers**

Outcomes of the analyses carried out suggest that some casual and seasonal workers follow the agri-food production and processing chain. This group tends to fall within the itinerant and “working holiday” groups. In these cases an individual may work in the rural sector undertaking roles in harvesting of the raw product or in first stage processing or packaging roles either in an on farm or processing plant environment.

*A second but more significant group in Tasmania is that which forms a regional or “in-plant” permanent seasonal employment relationship. Typically employees in these relationships with industry are regarded as medium to long-term employees who retain valued skills within the industry.*

Classifications of employees in this regard are extensive and cover the breadth of specialisations within food processing from AQF 1 to AQF 3. Longer-term employees are typically placed into supervisory roles and there is evidence of “career aspirant seasonals” voluntarily undertaking studies through TAFE to improve their prospects for more specialised employment within the sector as high as AQF 4.

### **Need for AQF1 Training**

The DETYA report “Meeting Business Needs – Food Processing” (1998) was prepared following a national forum on specific needs in this sector associated with New Apprenticeships. The report outline the call for the provision of Commonwealth incentive payments to be made available in respect of New Apprenticeships training delivering an AQF1 outcome. It further reported that an AQF 1 New apprenticeship, possibly delivered over a six to eight month period would meet the needs of several sectors, particularly if it attracted Commonwealth incentives and State training funds. Employers and New apprentices could then decide if it were appropriate to continue training to AQF 2 and 3. This would also give both parties an opportunity to assess the suitability of higher level training.

### **Current Training for Casual and Seasonal Workers**

The most common form of training casual and seasonal workers receive is part of the induction process. Although this is not usually formal training in the sense that outcomes are usually not accredited, it can include areas that can be mapped against industry competency standards. Most induction programs include the development of competencies from core food processing standards along with training in enterprise policy and the operation of specific equipment and processes.

As such training for workers in this regard is both comprehensive and specific to both the enterprise and the industry. It is not however supported through either state government allocations or commonwealth incentives for entry level training.

## **Structure of Work Relationships**

The structure of seasonal labour appears to be one of the greatest barriers to the implementation of training. During the “processing season” the production demands are great and translate into long days of what is often physically demanding work. The exigencies of seasonal production work and manning arrangements generally place constraints both on the practicality of conducting training within the work process ie trainees released for training need to be replaced by additional labour and the often unwillingness of workers to undertake training as an unpaid arrangement.

In this regard there is an absence of a number of key incentives. Firstly employers are unable to access incentives that support New Apprenticeships which could be an option for training and secondly employees are not provided with the incentive to achieve a nationally accredited qualification or recognition for their training.

## **Recommendations (for discussion)**

The research indicates a wide spread concern for the lack of recognition for the need to address the specific needs of seasonal workers in the food processing industry.

- The Vocational Pathway arrangements established to support New Apprenticeships for the industry in Tasmania do not take into consideration the need to address the specific industrial arrangements for seasonal workers in this sector.
- The level of take up by the industry for the current New Apprenticeship arrangements is low as the general pattern of recruitment in most sectors is in the a casual or seasonal employment selection process for which there is no pathway.
- The size of the seasonal worker group in food processing is significant. However they are denied access to training under the current access arrangements that is working against policy initiatives designed to raise the overall skill level of the workforce. As such Commonwealth incentives for New Apprenticeships are not available to the industry to support vocational mechanisms for seasonal workers.
- Recognition needs to be provided within State Government resourcing arrangements that support the delivery of AQF 1 training in food processing for seasonal workers.
- A review of Vocational Pathway structures needs to be considered to streamline both funding and accessing arrangements for the seasonal group including training contract arrangements that reflect realistic employment structures in seasonal work.

- An AQF 1 New Apprenticeship should be negotiated, possibly delivered over a six to 12 month period, would meet the needs of several sectors, particularly if it attracted Commonwealth incentives and State Government training funds.

*A number of sources were accessed to compile this draft paper and to the extent that it is 'for discussion only' the sources have not been properly referenced in the text.*

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