



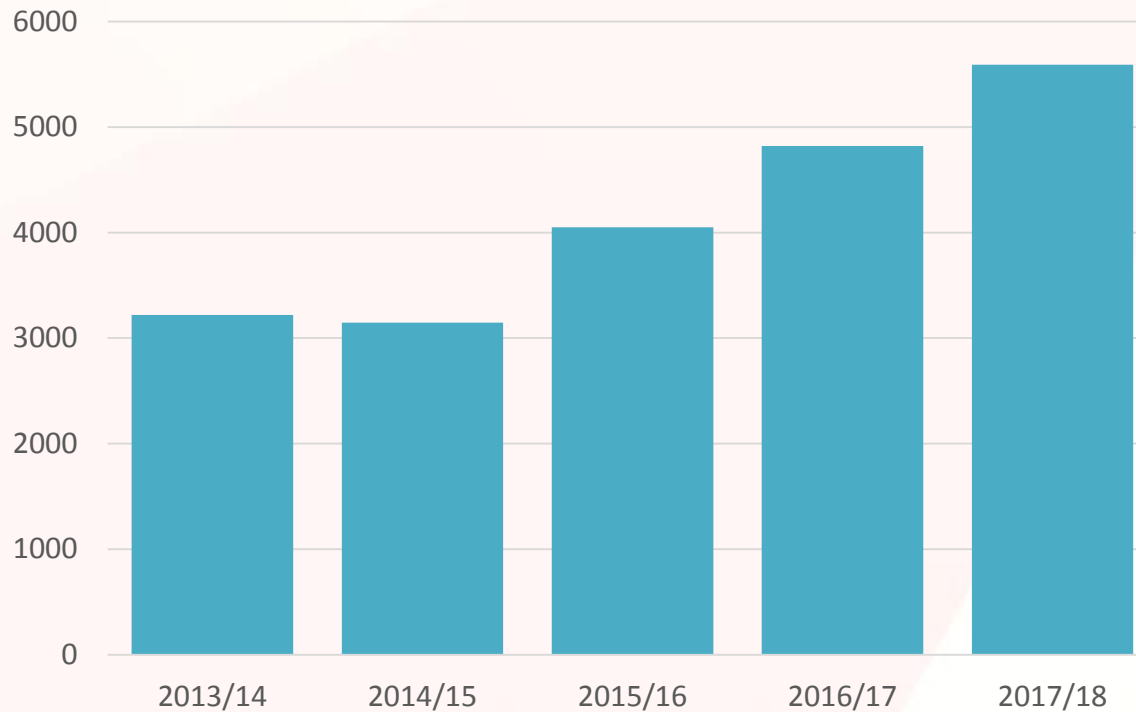
EMPLOYMENT TRENDS IN AG

TMA Annual Conference | Sydney, NSW

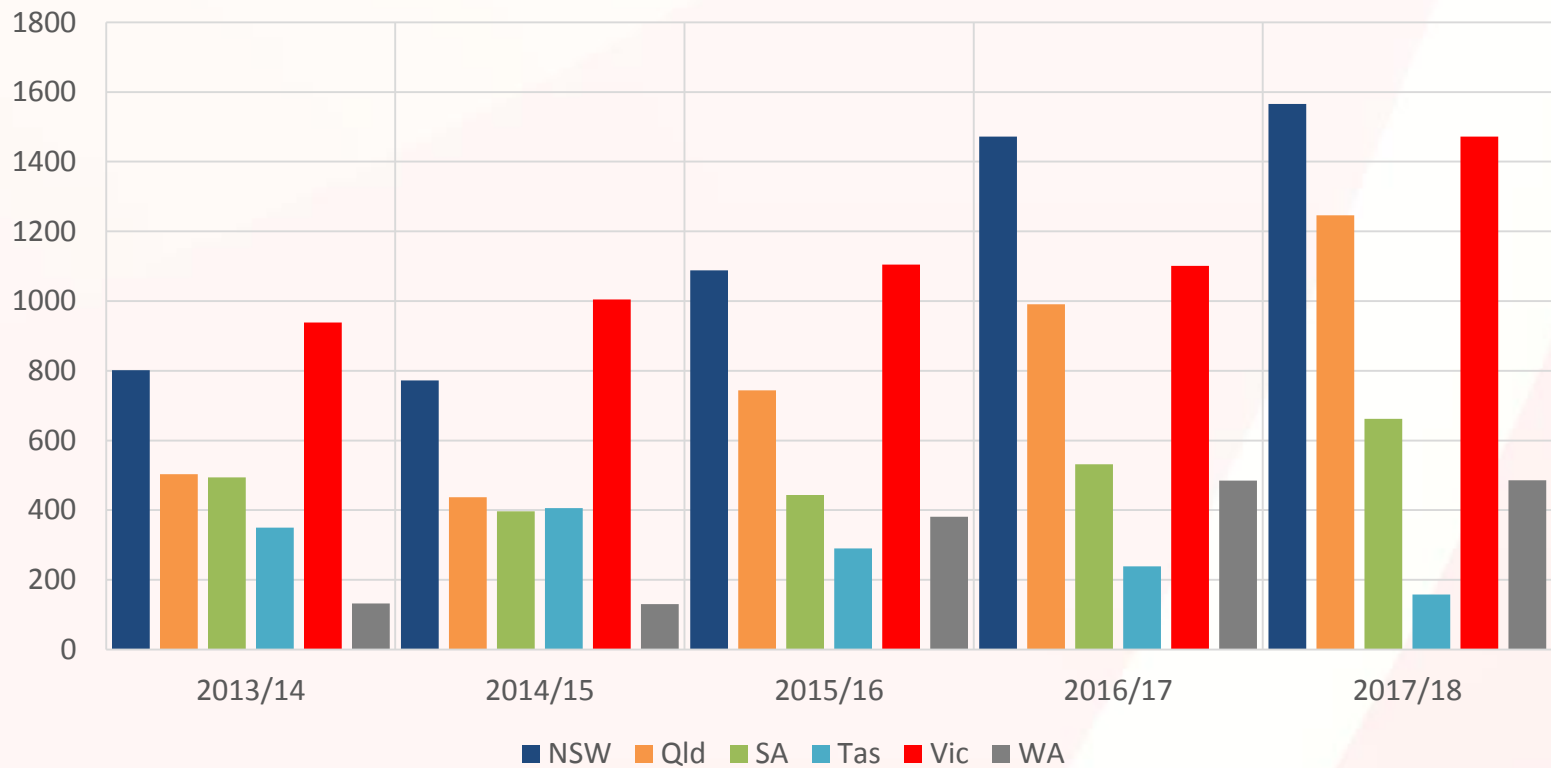


Nigel Crawley
Rimfire Resources
July 2018

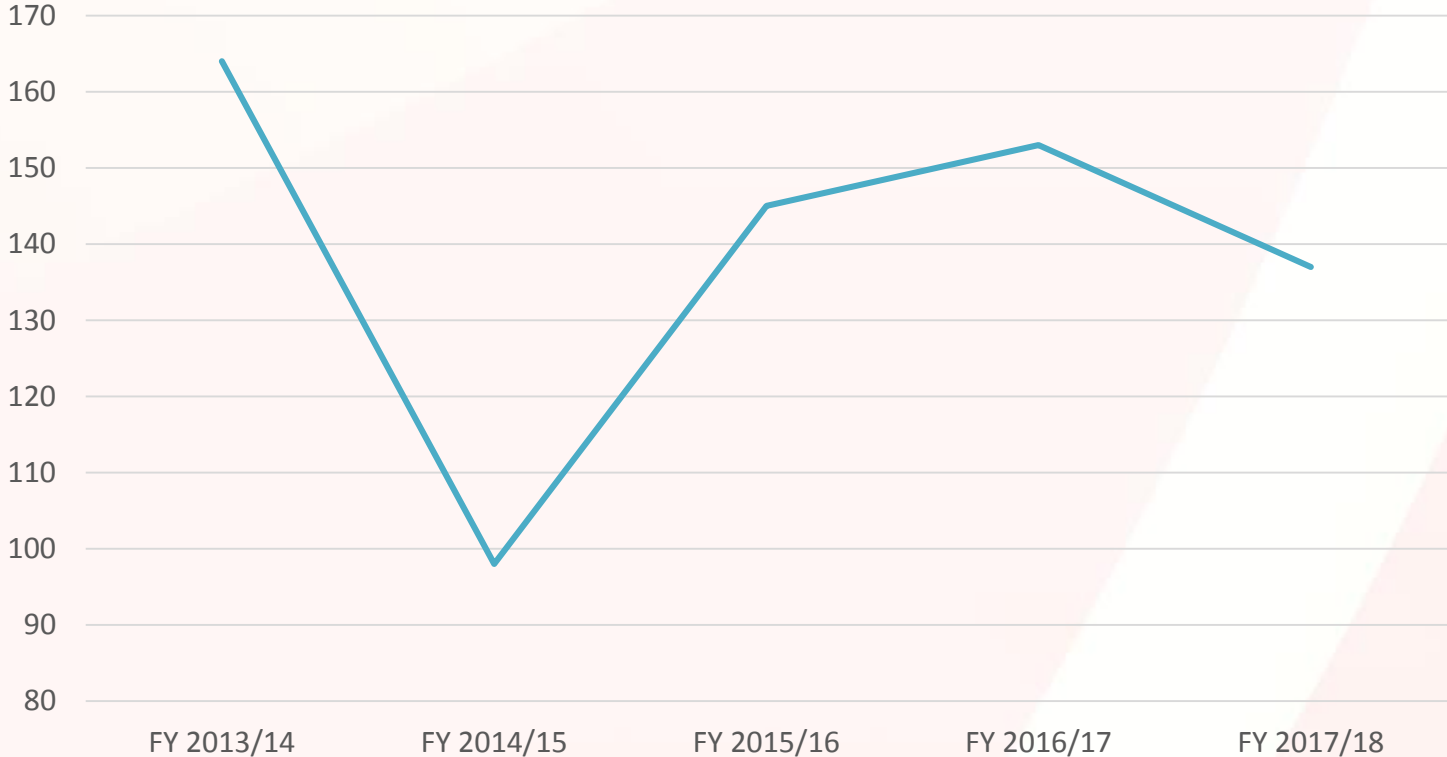
Total Online Job Advertisement numbers between FY 2013/14 and June 2017/18 (Source - Rimfire Resources Rural Jobs Index)



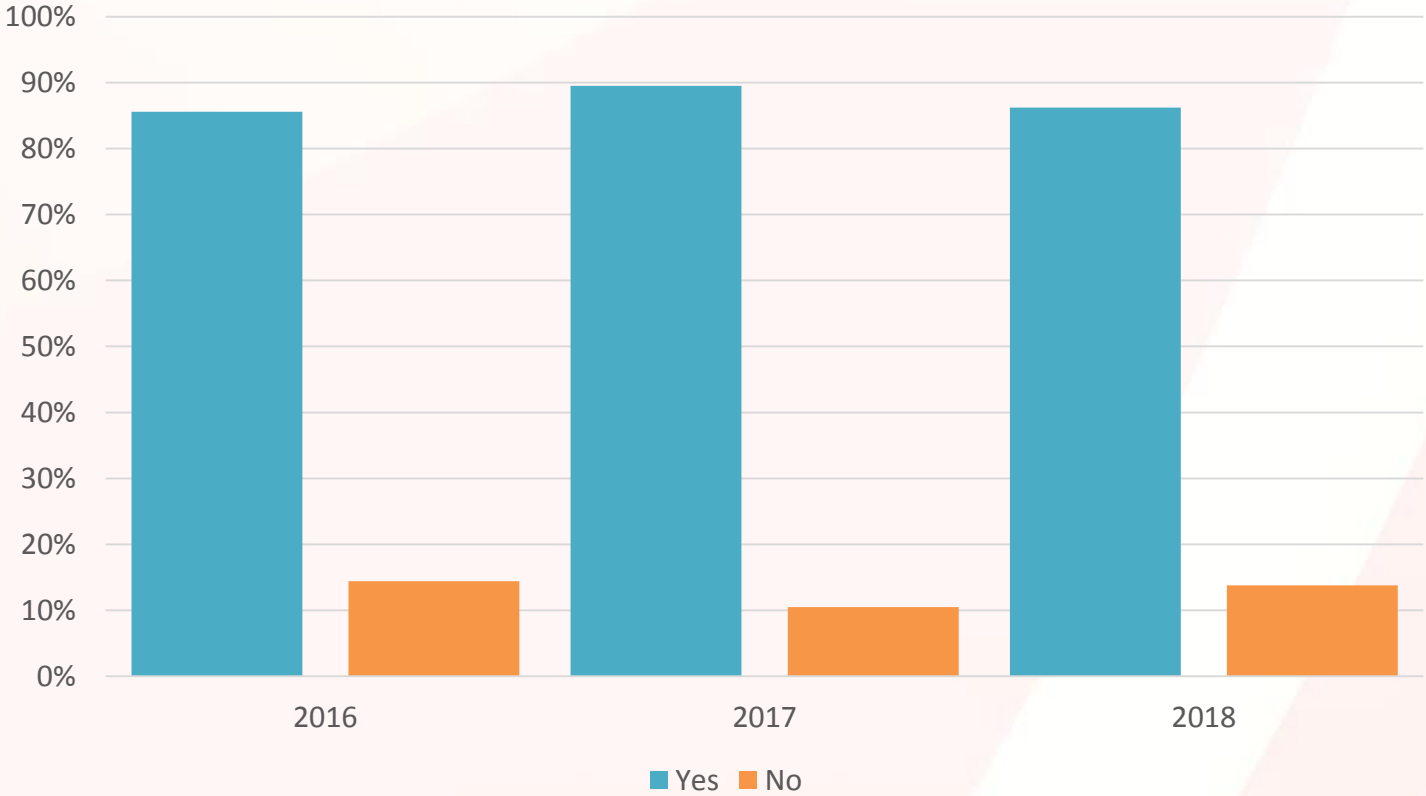
Total Online Job Advertisement numbers between FY 2013/14 and June 2017/18 by State



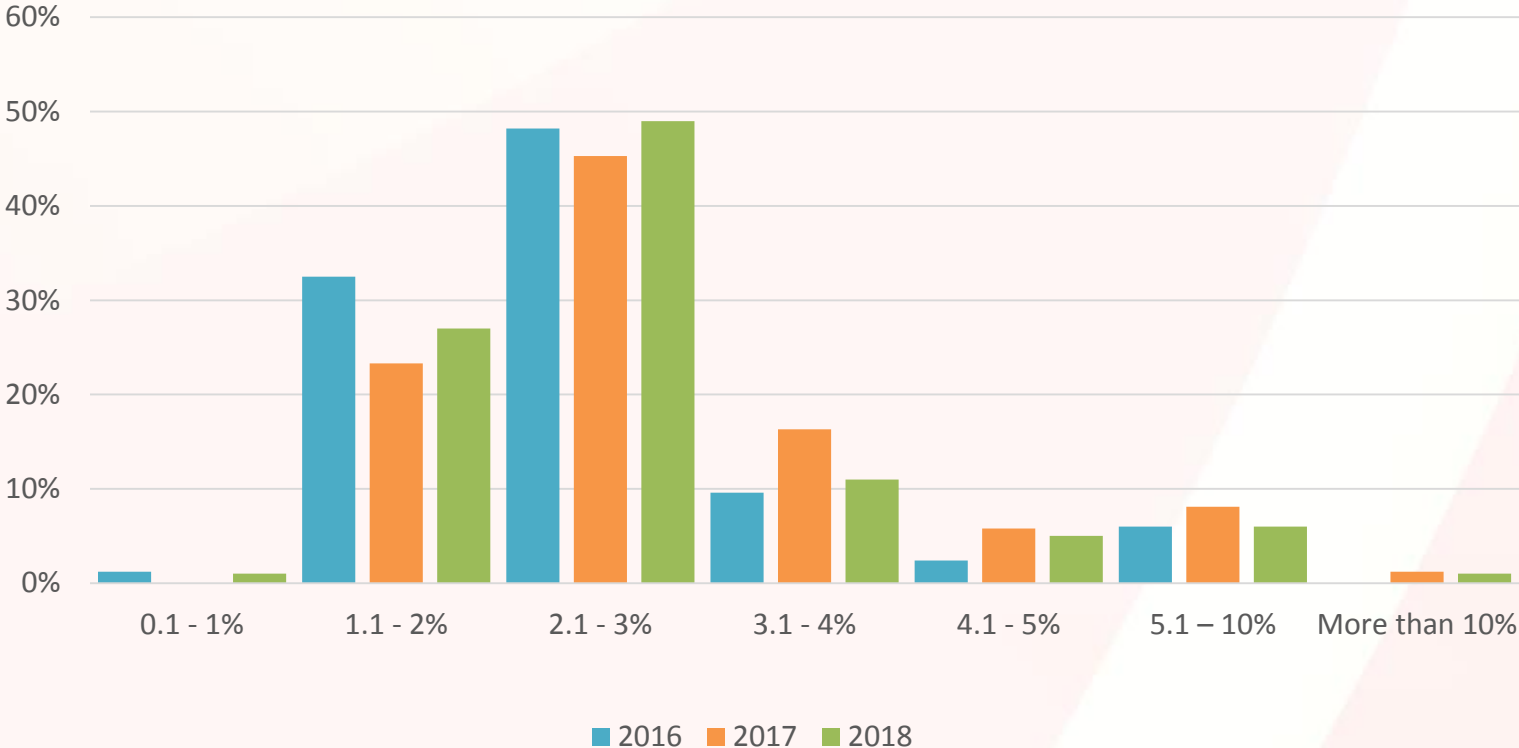
Total Online Job Advertisement numbers between FY 2013/14 and June 2017/18 for Farm Machinery Only



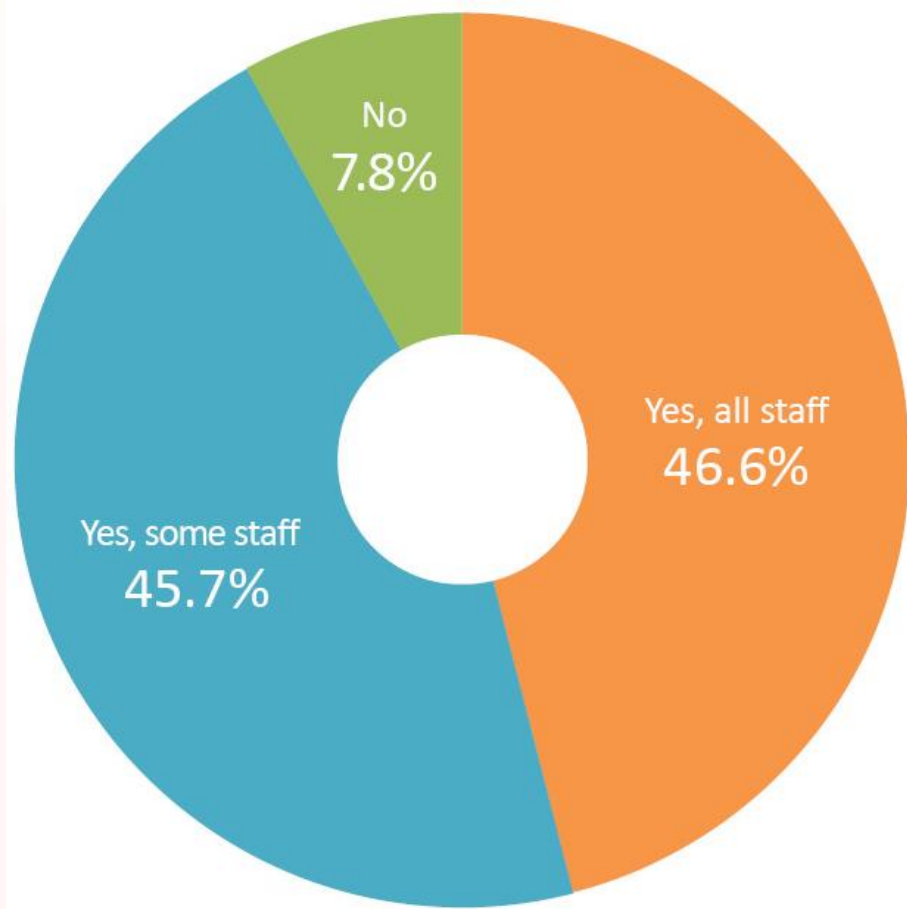
Have salaries increased during the last 12 months? (Source – 2018 Rimfire Resources HR Review – 116 Participants)



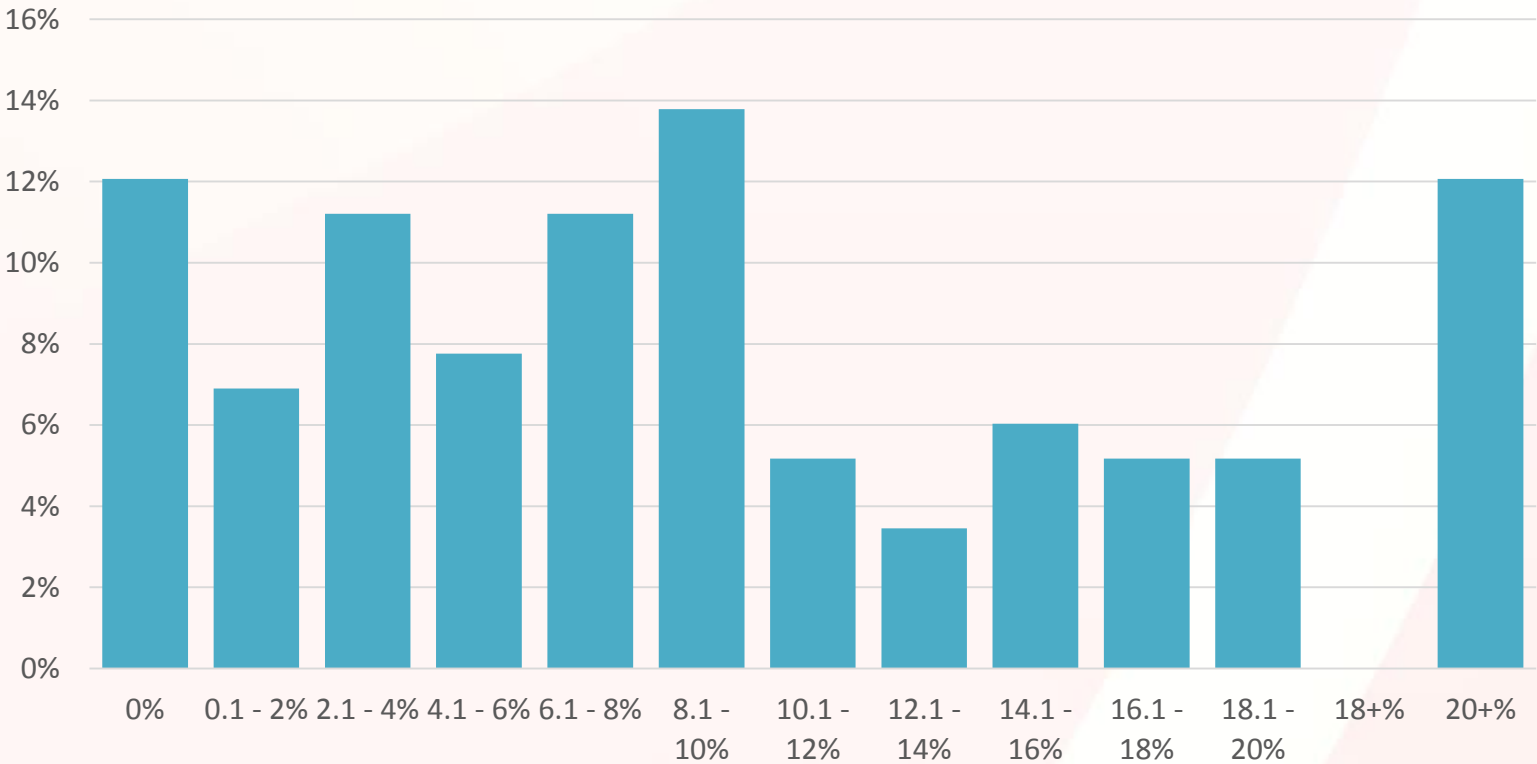
What was the average salary increase received by employees during the last 12 months?



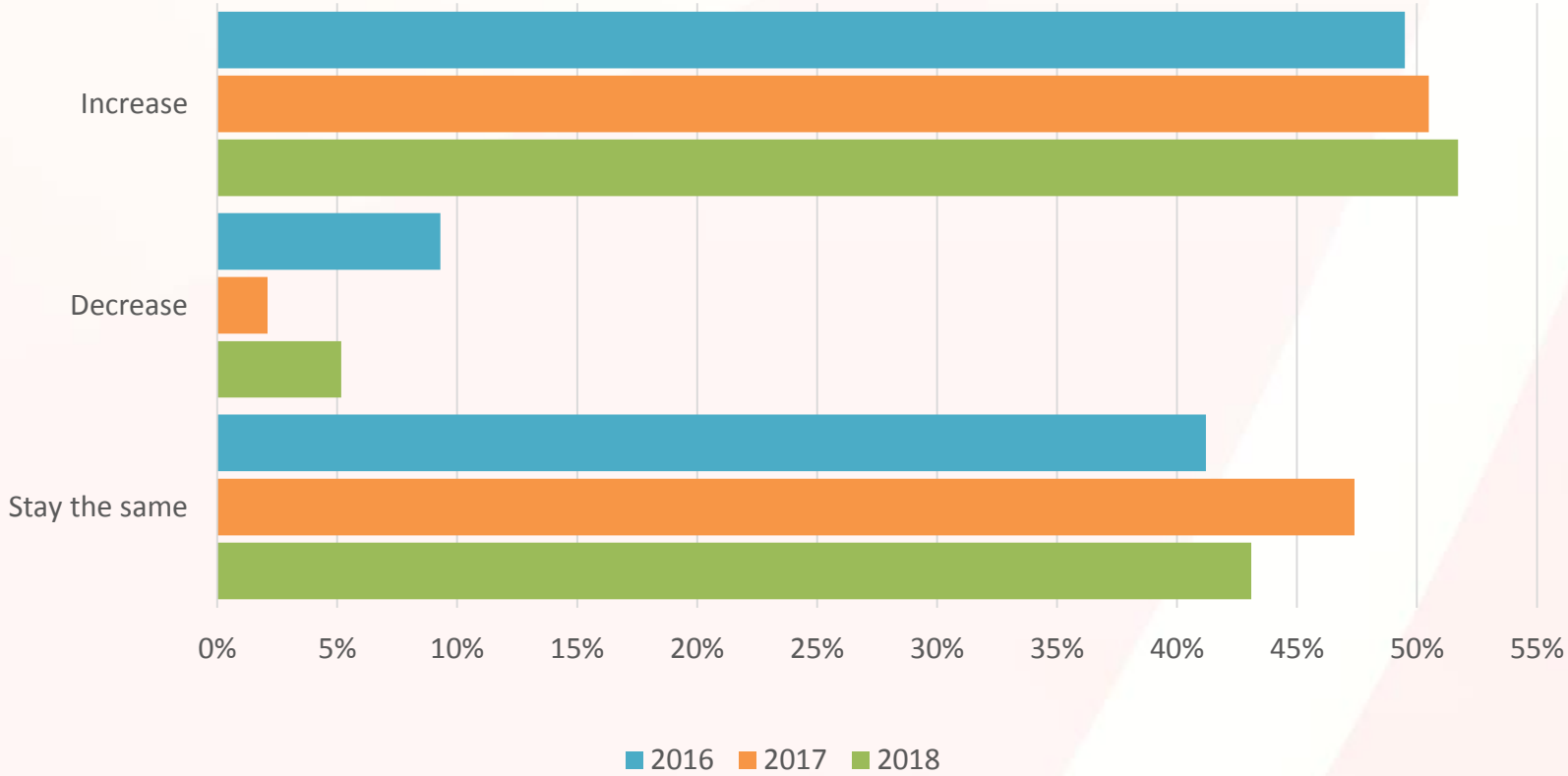
Are salaries likely to increase in the next 12 months?



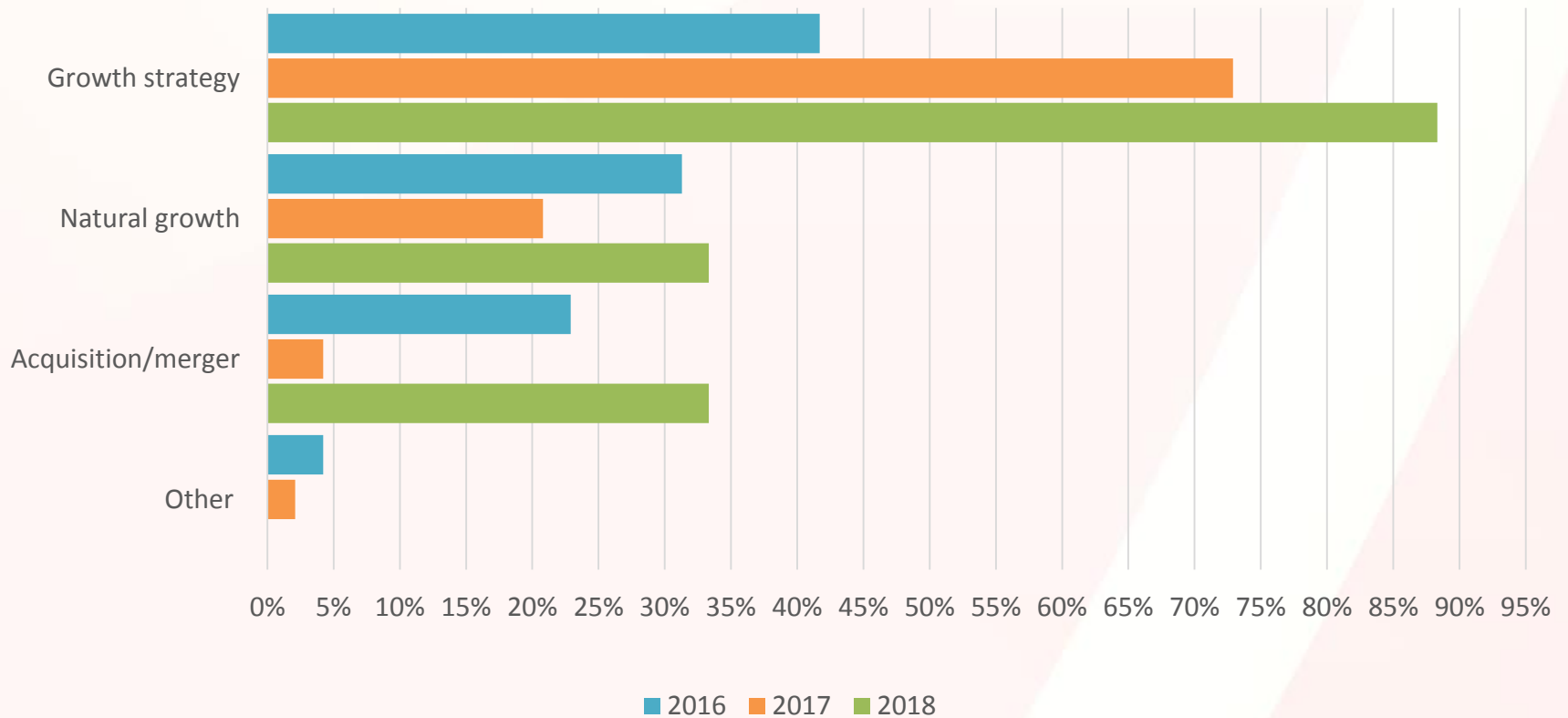
What was the rate of employee turnover within your organisation in the last 12 months?



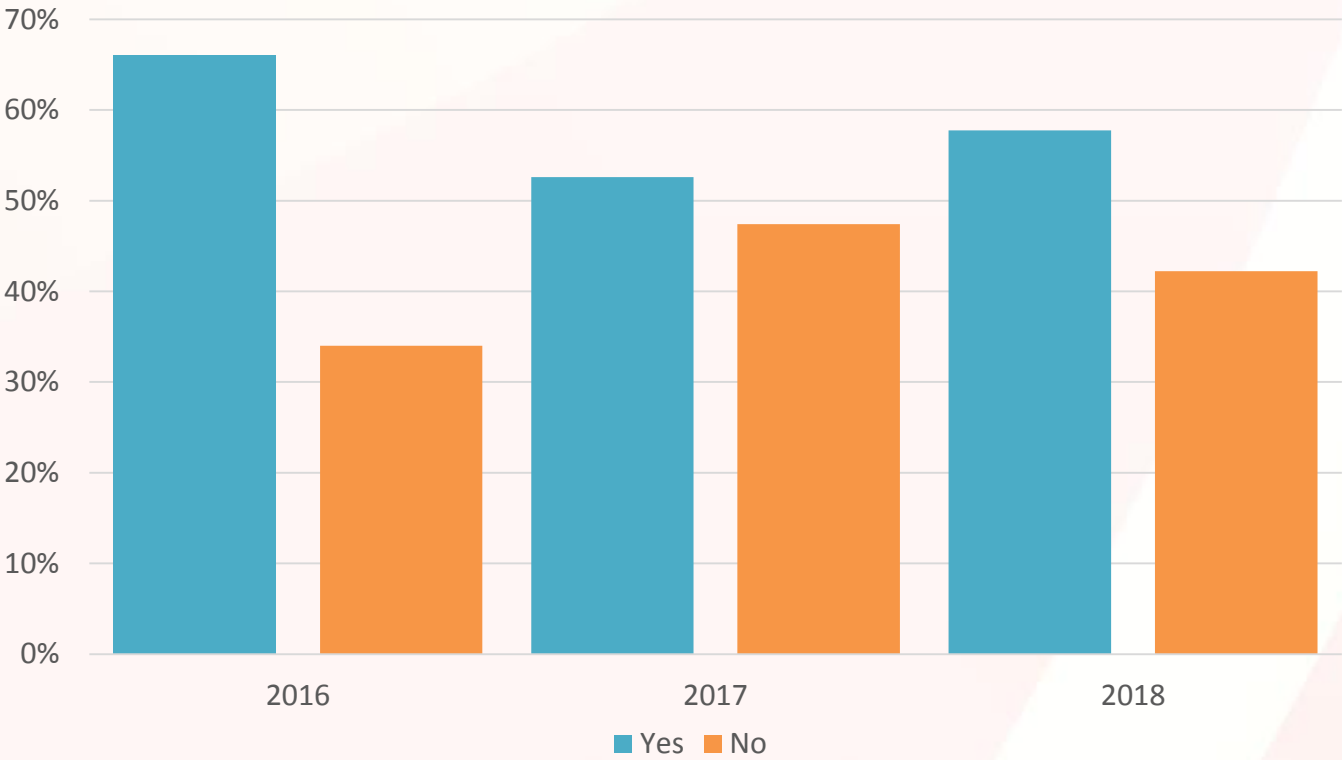
Is the size of your workforce likely to change in the next 2 years?



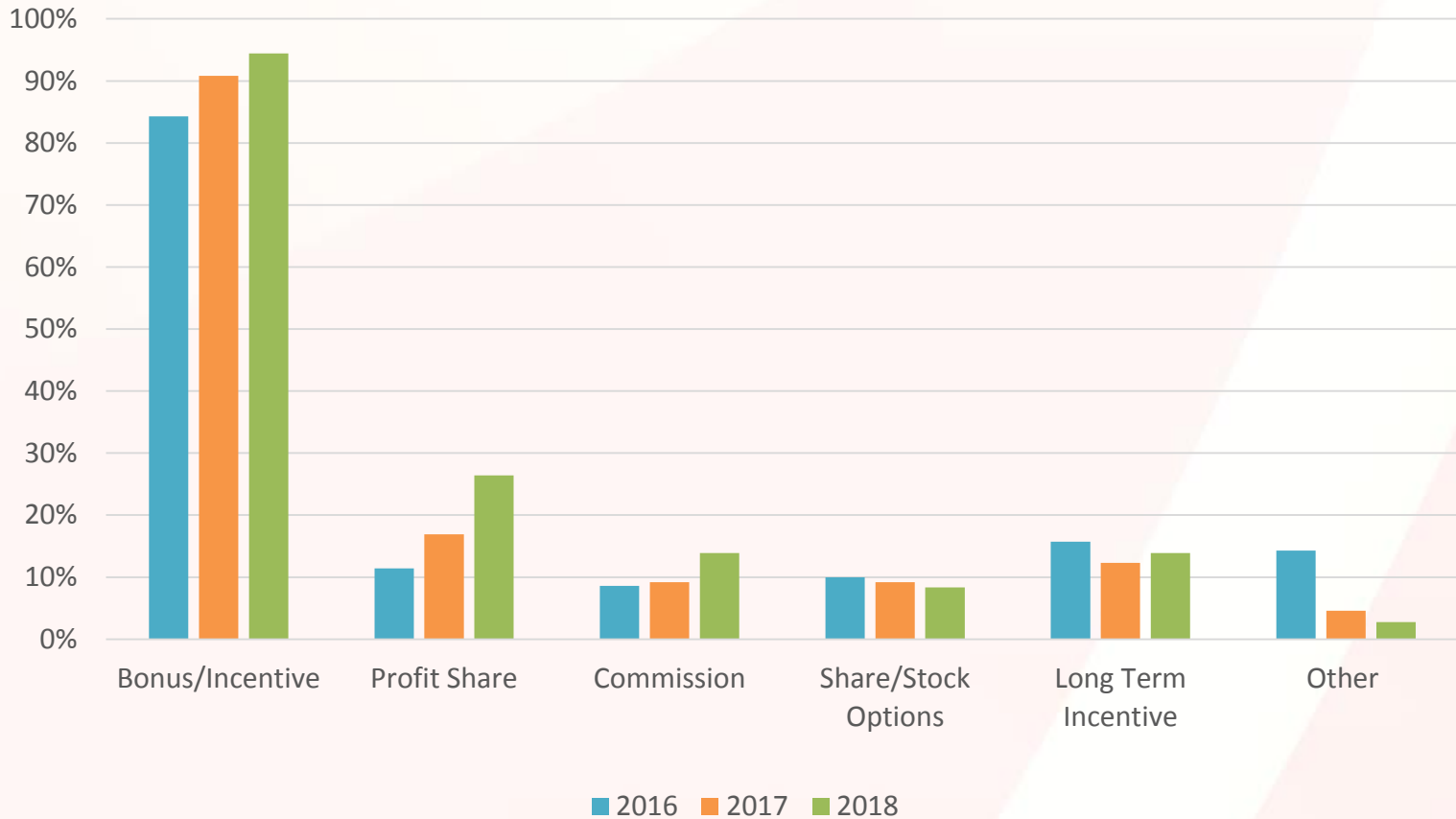
Please indicate what this increase is as a result of



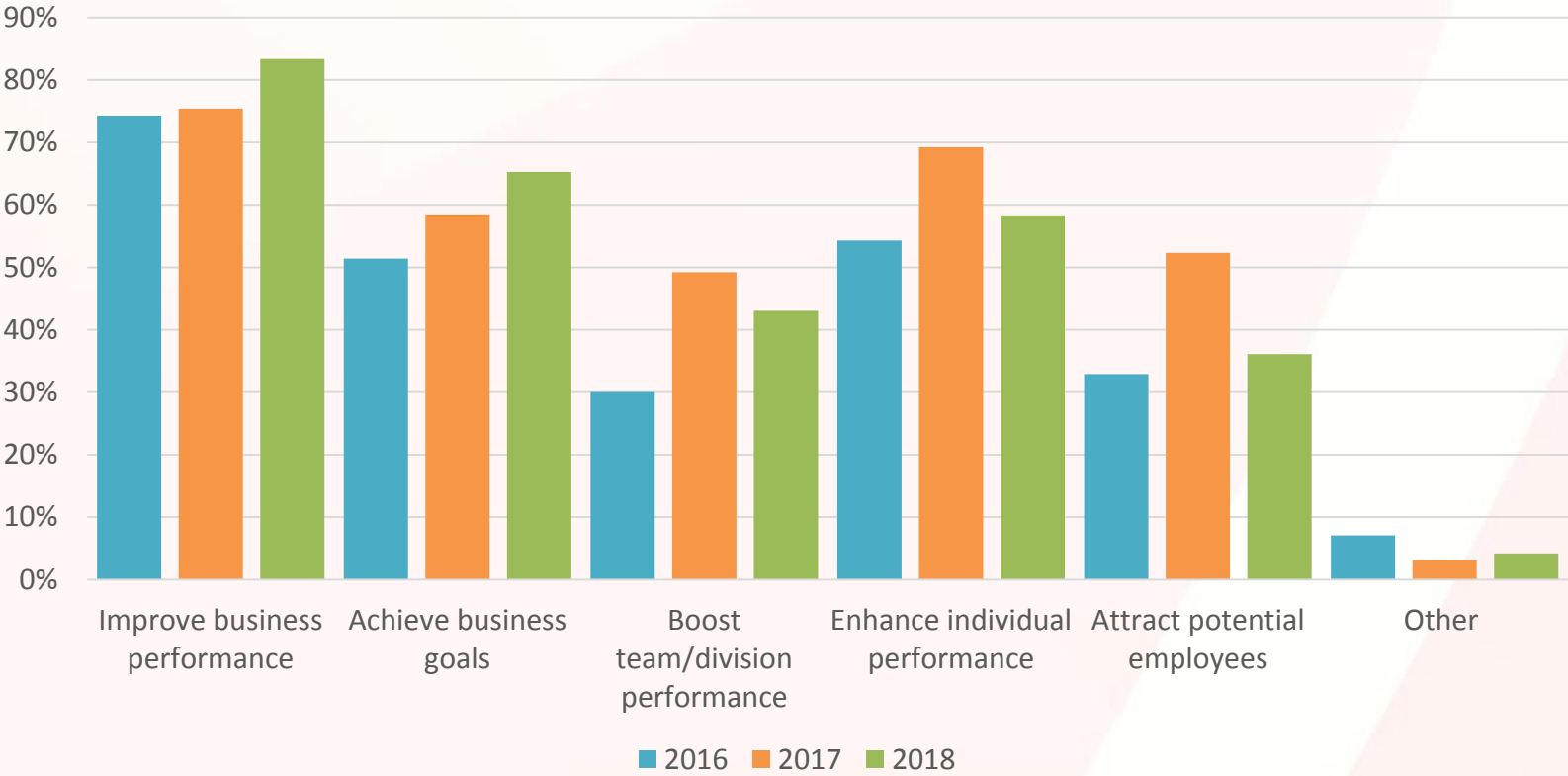
In the last 12 months, have you noticed a need to adopt a more flexible staffing approach?



What best describes the staff performance reward?



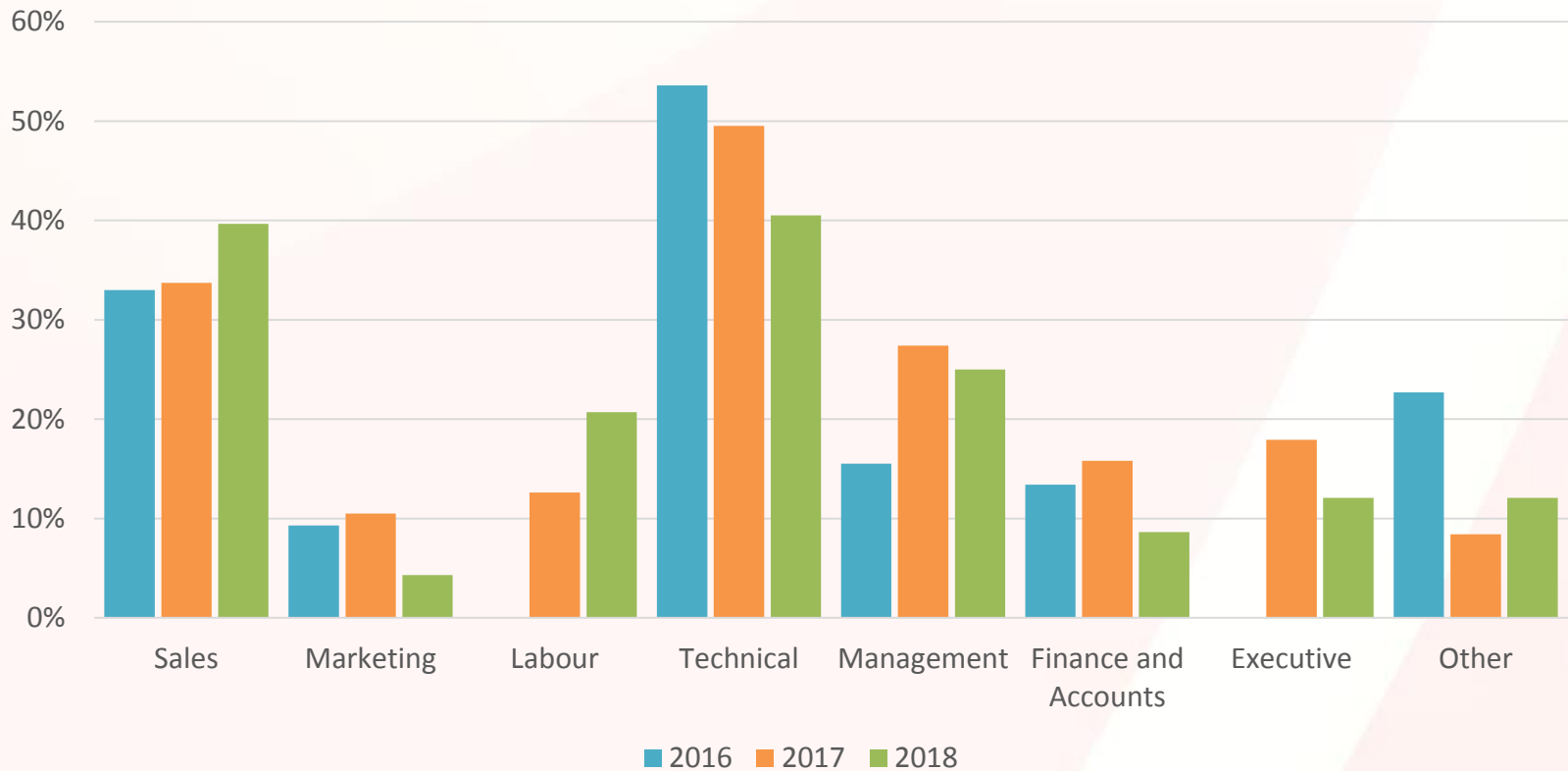
Which of the following are your main objectives for introducing a staff performance reward system?



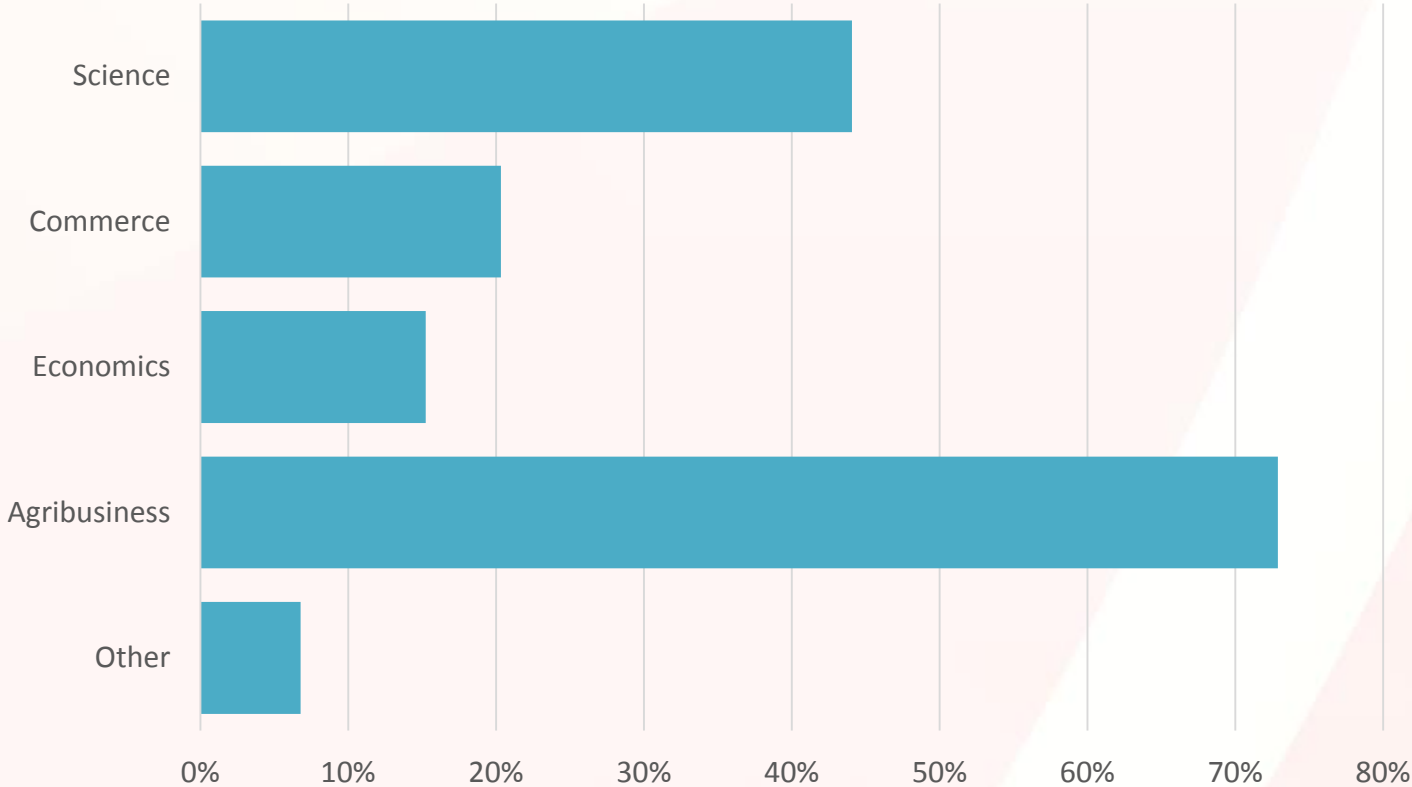
Did employees receive a bonus in the last financial year?



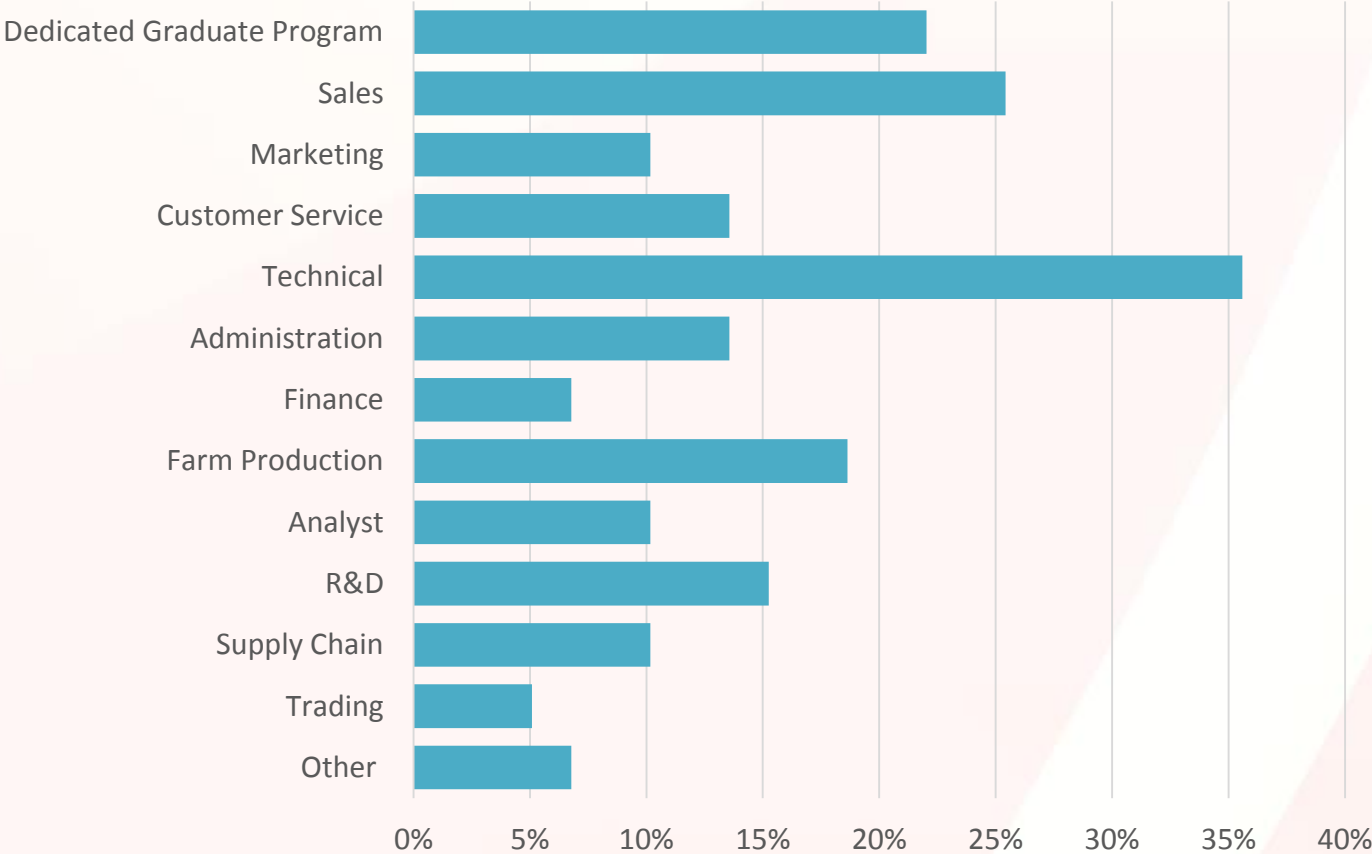
What roles do you find difficult to recruit for?



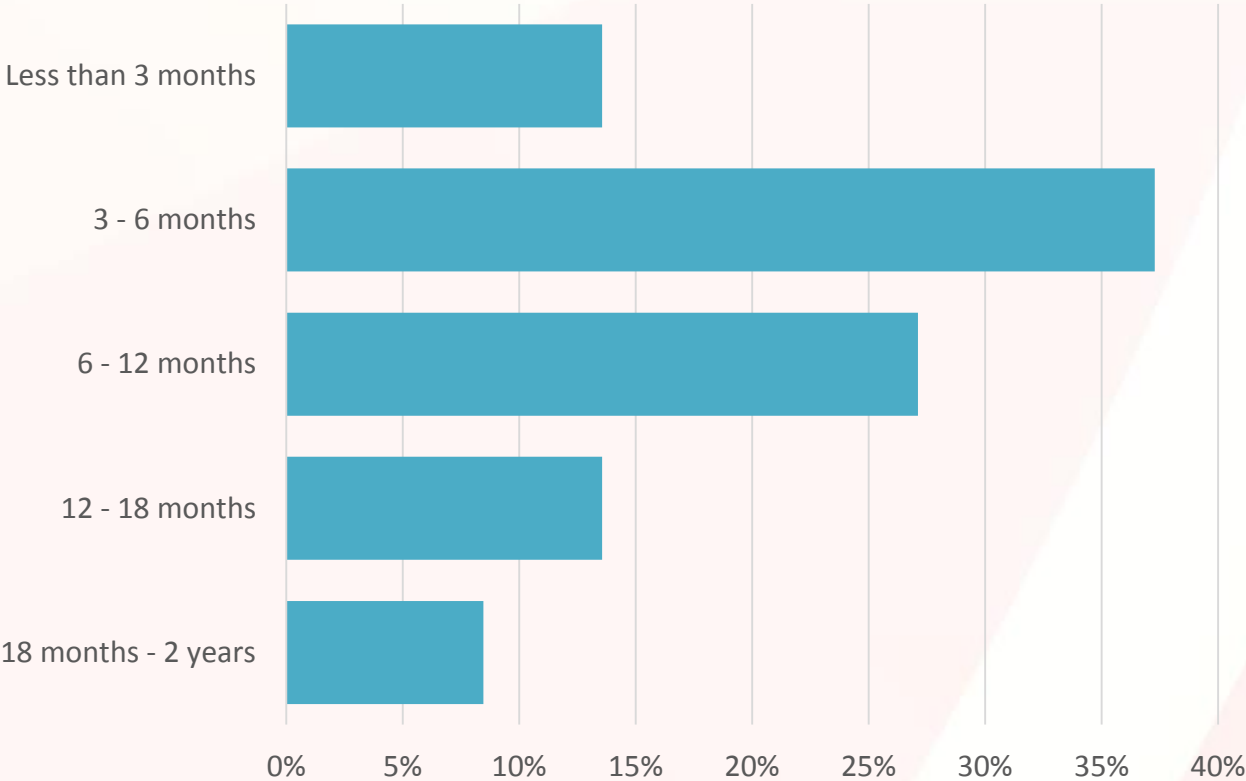
Which higher education disciplines did your graduates come from?



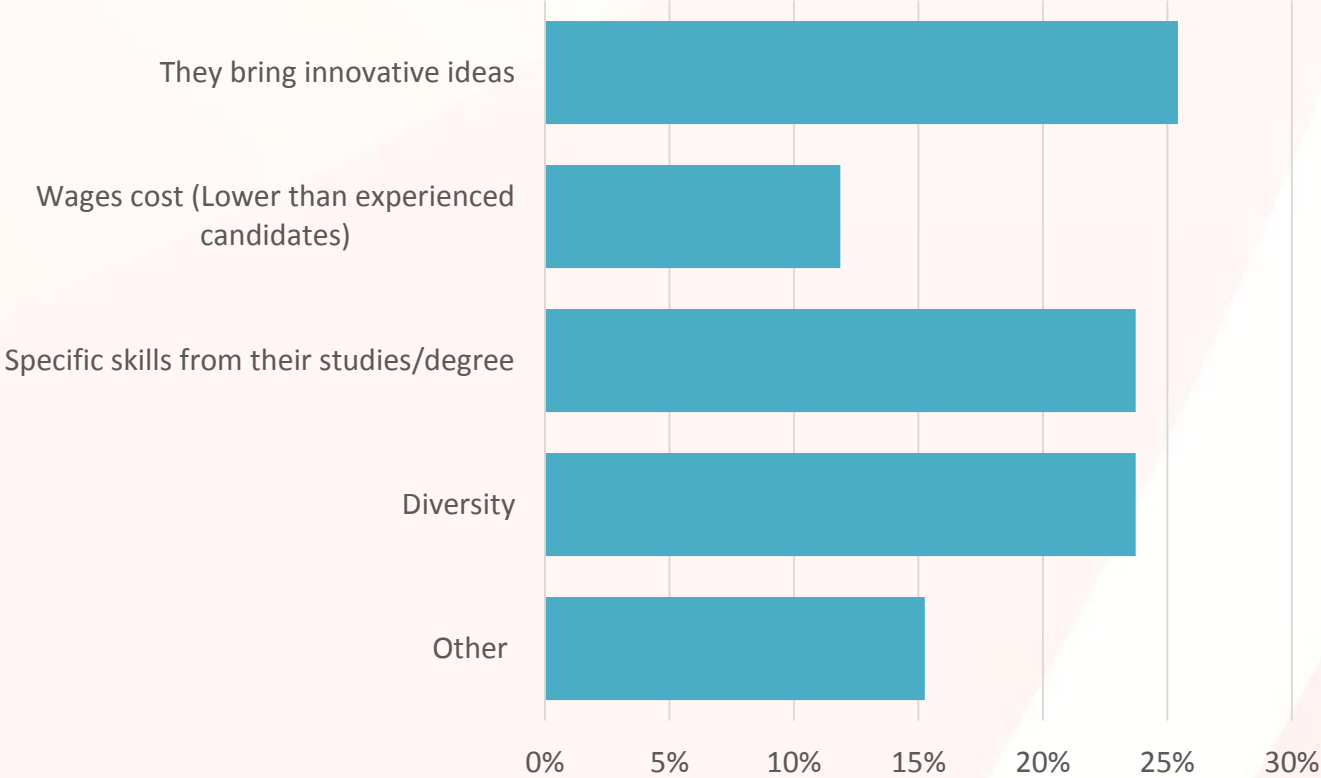
Which roles did you employ graduates directly into?



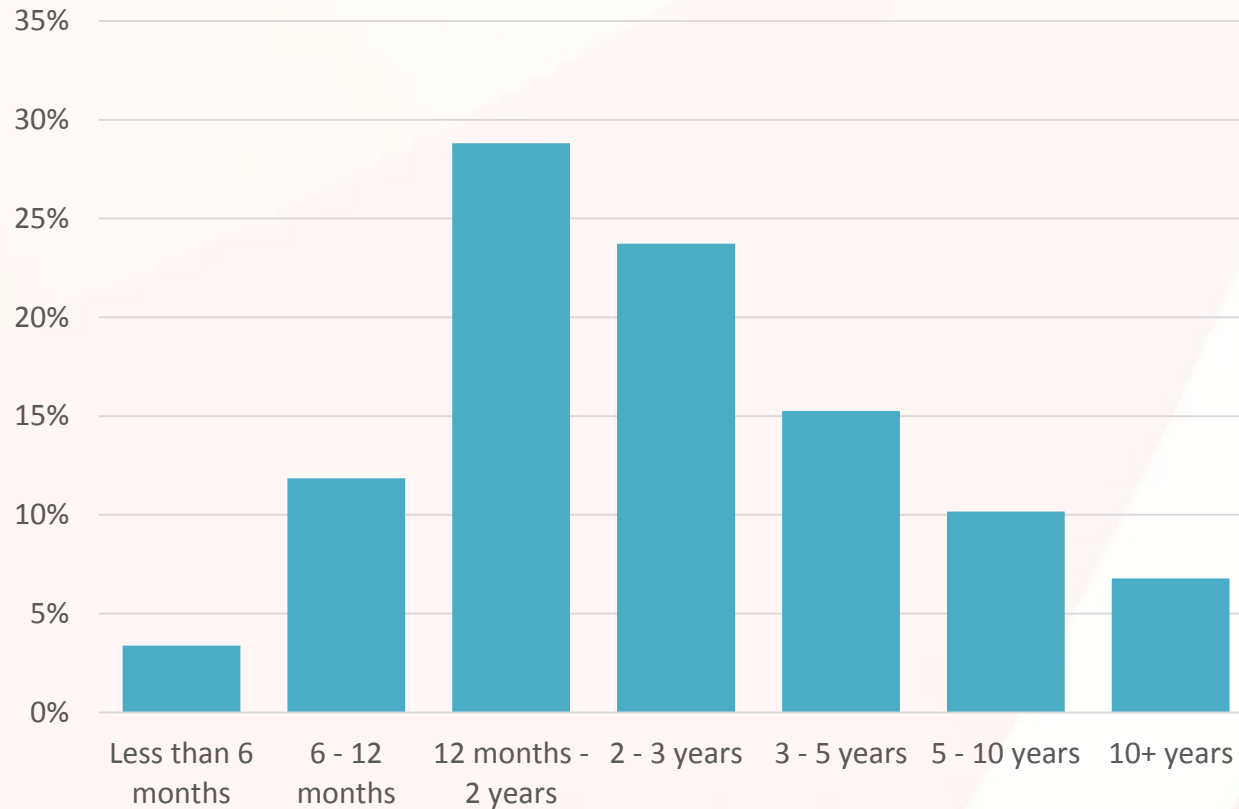
On average, how long does it take for a graduate to contribute meaningfully to the organisation?



What has been the greatest benefit to your business in hiring graduates?



On average, how long have graduates been employed within your business?



EMERGING SKILLS IN AG

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AUSTRALIAN AGRICULTURE

Industry snapshot - Fast Facts

Value of Australian farm production
\$53 billion

Industry contribution to Australia's GDP
2%

Percentage of world agricultural production
1%

Source: ABARES

Producing sufficient food to feed
60 million people

People employed in the agricultural sector
270,000 (or 2% of the population)

Percentage of agricultural produce exported
65%

Percentage of Australia's tradable exports
15%

Median age of industry workers
50 years

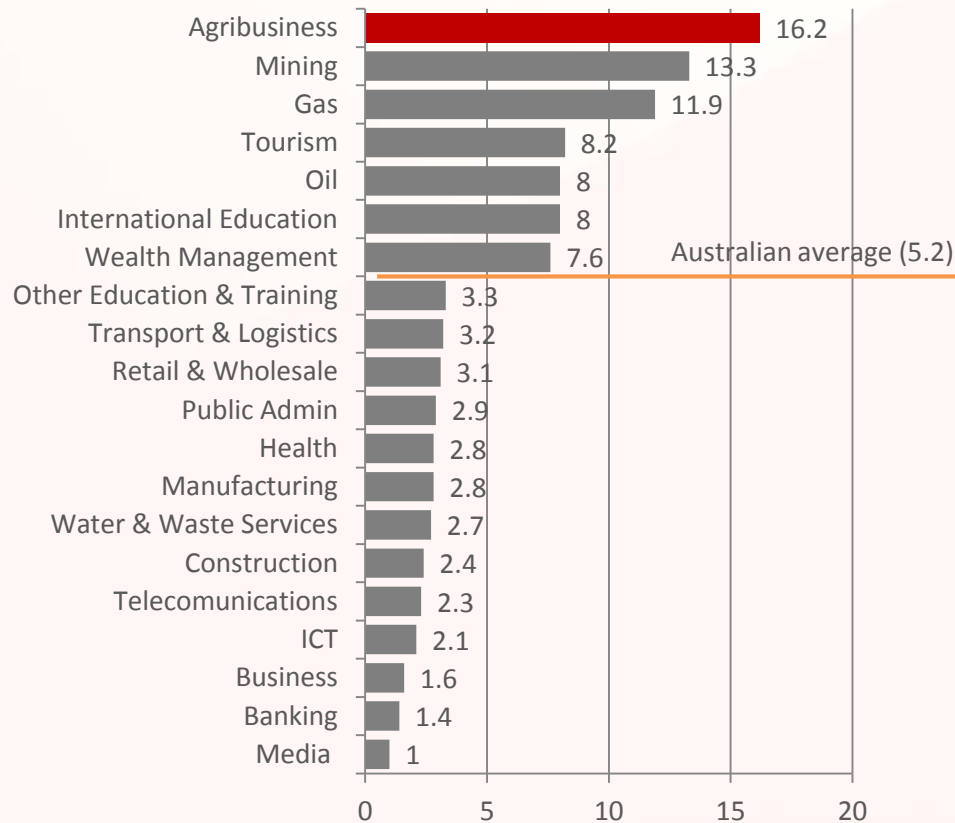
People employed in the food, tobacco and beverage manufacturing sector
223,000

Percentage of agricultural employees living outside capital cities
89%

AGRICULTURE GROWING IN IMPORTANCE

Sectors of relative comparative advantage for Australia

Relative advantage score

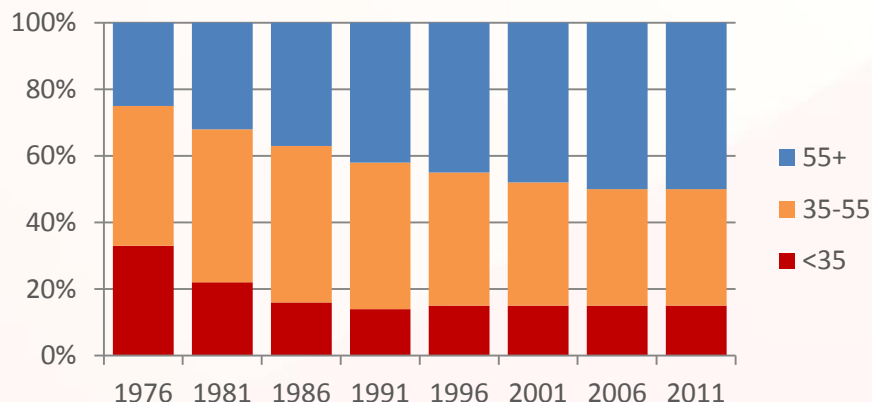


- Australia is transitioning from the mining boom to the dining boom
- Global demand for food increasing rapidly –70% more food required by 2050
- Australia can't feed the world but it can increase production and exports
- Success will depend on our competitiveness

Source: Deloitte Access Economics, *Positioning for Prosperity*

CHALLENGES

Australian farmer population by age group



Number of Australian Farms (thousands)



- Declining productivity
- Managing drought
- Ageing farmers
- Less farms
- Higher input costs and declining cash income
- Tightening lending criteria
- Quality and quantity of our infrastructure and transport network

Source: RIRDC, ABS, Neil Clark

CURRENT AGRI SKILLS LANDSCAPE

- Near record levels of employment
- The number of people employed in regional and rural Australia is falling
- Labour is more mobile and transferable and the workforce is ageing



CURRENT AGRI SKILLS LANDSCAPE

- Competition for both skilled and unskilled labour is fierce – not just in regional and rural Australia



- Generally, businesses have not focussed enough on the management of people and the development of their workforce

CURRENT AGRI SKILLS LANDSCAPE



- Generational change – employers cannot assume loyalty
- Demographic change – more females working in more “traditional” roles
- More agri grads but less from farming background

CURRENT AGRI SKILLS LANDSCAPE



- Increasing legislation
 - ✓ OH&S
 - ✓ Employment law
- Technologically 'savvy' workforce
- Workforce 'skill sets' changing

SO, WHAT DOES ALL THIS MEAN?

- Attitudes towards work are changing
- Jobs are seen as more transactional
- We all need to embrace workforce planning
- We are in a market with high labour mobility and skills transference
- There is (and will be in the future) a talent shortage
- The market has swung from an employer driven market to a candidate driven market



SO WHAT WILL THE FUTURE LOOK LIKE IN REGARD TO SKILLS & AGRI?

- Speed of technology development is rapid
- Digital ag is rapidly becoming standard operating practice



- Everyday there are new technology challenges for farmers to embrace

Source: Digital Farmers Conference, AFI June 2018

SO WHAT WILL THE FUTURE LOOK LIKE IN REGARD TO SKILLS & AGRI?

- Biggest gap is not so much the understanding of the technology, rather how people will interact with it



* Still a need for grower trusted advisors to explain this technology and get it adopted.

Source: Digital Farmers Conference, AFI June 2018

SO WHAT WILL THE FUTURE LOOK LIKE IN REGARD TO SKILLS & AGRI?



- Digital Ag provides opportunity for new entrants
- Startups and technology developers bring excitement and new ways of doing things
- Rural communities are getting more connected

Source: Digital Farmers Conference, AFI June 2018

SO WHAT WILL THE FUTURE LOOK LIKE IN REGARD TO SKILLS & AGRI?



- Digital Ag is providing consumers transparency and traceability they demand (provenance)
- Helps producers talk to the consumer

Source: Digital Farmers Conference, AFI June 2018

ONE EXAMPLE OF CONSIDERABLE SKILL SET CHANGE IN THE AGRI SECTOR THAT IS GROWING RAPIDLY...

Corporate farming

- Expectation of skills, such as:
 - ✓ Leadership
 - ✓ People management
 - ✓ Budgeting
 - ✓ Financial analysis
 - ✓ Understanding of new technology
 - ✓ Operational and corporate reporting
 - ✓ Presenting to a Board
- All this in addition to running the farm or farms

THANK YOU

GOT A QUESTION OR JUST WANT TO KEEP IN TOUCH?

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