

Australian Meat Industry Council

SUBMISSION on

**Review of the Australian Apprenticeships National
Skills Needs List – Methodology Discussion Paper**

January 2020

AMIC

The Australian Meat Industry Council (AMIC) is the Peak Industry body representing some 2,000 post-farm red meat industry enterprises. AMIC members include firms processing for domestic and export consumption, smallgoods manufacturers, boning rooms, wholesalers and distributors through to independent retail butchers. The Australian meat supply chain makes a substantial contribution to the national economy each year by accounting for over \$16.2 billion in the Gross Domestic Product (GDP), or 1.5% of total GDP and \$8.7 billion in Australian household income.

The meat industry chain of enterprises underpins more than 1.6% of total FTE (full-time equivalent) employed positions in Australia and about 15% of employment in agriculture, around 134,000 FTE jobs*. Through full-time and part-time employment, as well as local plant purchasing of supplies and services, red meat processing is vital to many regional areas across Australia.

The Australian meat industry is international, with around 70% of beef exported and 60% of lamb and mutton exported. It is estimated that 70% of smallgoods sold in Australia is manufactured from imported pig meat from a range of overseas countries, primarily Denmark, Canada and the USA.

Key Points

- The Department of Employment, Skills, Small and Family Businesses has implemented reforms to Australia's current Apprenticeships National Skills Needs List. (NSNL) Established in 2011 the Government has expressed concern that the NSNL has not been reviewed since its implementation and it is not meeting the current needs of the Australian labor market
- AMIC members have raised concerns with respect to the difficulty in recruiting and retaining apprentices and trainees in the meat industry.
- In September 2019 AMIC provided a submission on the Departments first paper "Review of the Australian Apprenticeship National Skills Needs List"

Methodology Discussion Paper - Responses

1. AMIC recognises the difficulty in determining the skills shortage in Australian Industry and that in some vocations, such as the Meat Industry recruitment falls far short of the attrition rate.
The provision of incentives to potential employees in trades that are identified as Green is imperative to negate the flow of skilled workers leaving these roles.
These incentives do not necessarily need to be money or uniform across all trades and regions.
For example, rental assistance, grocery and petrol discounts and more should be considered as incentives in addition to those that already exist.
2. The current method for determining skills shortages has failed to meet the training and retention needs for the modern market. For this reason AMIC supports the new methodology to address these shortcomings.
The methodology appears to be well thought out and logical.
The only disagreement AMIC has with the proposed redesign is that the new methodology does not support traineeships.
3. As already provided AMIC supports the proposed changes in methodology in determining skills shortages in the workplace.
AMIC reiterates and strongly recommends the inclusion of traineeships in this analysis. The rationale for this is that apprenticeships represent less than 10% of the skilled roles in the Meat Industry. The other, approximately 90% of skilled roles, are through accredited traineeships. The exclusion of traineeships will be at the detriment of the analysis by not providing a true and accurate summary of the skills shortages within the Meat Industry.

CONTACT

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*Australian Meat Processor Corporate Report – Evaluating the Socio-economic benefit of the red meat industry in regional Australia