

Skill Needs Report 2011

Victorian Food Industry Training Board (VFITB)



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Produced by the Victorian Food Industry Training Board Inc

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Victorian Food Industry Training Board



The **Victorian Food Industry Training Board** (VFITB) is the industry training board for all sub-sectors of the Food Processing industry. These include:

Baking

Plant, non-plant baking and retailing of bread, biscuits, cakes and pastry products.

Beverage

Still and carbonated drinks, fruit juices, cordials, health/sport drinks, beers and pre-mixed alcoholic drinks.

Confectionery

Chocolate, lollies and gum.

Dairy

Includes milk processing, cheese, yoghurt, ice cream and milk powders.

Edible Oils and Fats

Includes vegetable oils such as soya bean, sunflower, canola, cotton seed and palm oil as well as edible tallow. This sector supplies a diverse range of products to other food manufacturers, caterers and the hospitality industry.

Fruit and Vegetable

Fresh, canned, frozen, dried and other packaged products.

General Foods

Cereal foods, essences and flavours, food ingredients, frozen foods, health foods, ice cream cones, mustards, sauces, nuts, pasta products, pet food, potato chips, salt, spices, sugar, tea and coffee and materials used in other food sectors.

Meat

Fresh, frozen and other processed/packaged meats and smallgoods, includes meat retailing.

Milling

Products used in other food industry sectors, stockfeed and of value added export products.

Pharmaceutical

Processing and packaging, includes some raw material production.

Poultry

Fresh, frozen and other packaged poultry meat and processed poultry products.

Seafood

Fresh, frozen and other packaged seafood and processed seafood products.

Wine

Wine and spirit production and processing of by-products.

Contents

Annual Overview	4
Extreme weather impacts	5
Growing commodity demand	6
Global financial Crisis	7
Dollar Exchange Rate	7
Industry new technology	7
Strength of employment	7
Globisation	7
Worker attraction and retention	7
Demographics, Social Trends	8
Industry & Busines Response to Changes	12
Skills Implications	12
Skills Needs Table	15
Training Demand and Delivery Consequences	16
Competition, productivity and worker retention	16
Increased migration and workforce diversity	16
Maintaining industry currency – technical knowledge, safety and OHS procedures	16
New Qualifications for Food Industry Personnel	17
Upskilling Food Operators project 2010	18
Government legislation and changing consumer attitudes regarding animal welfare	19
Green Skills	20
Industry Consultation List	21

Industry Skill Needs Report

Annual Overview

The food and beverage, grocery and fresh produce industry is:

- A major contributor to the Australian economy – generates sales and service income of around \$102 billion annually;
- Australia's largest manufacturing sector – 26 per cent of total manufacturing and 18% of Australian manufacturing sector employment;
- A major employer, particularly in Victoria. The industry employed 3 per cent of the Australian workforce - 288,570 people in 2007-08; and in 2009 employed 72, 374 in Victoria (Access Economics, ABS)
- Paying employees significant incomes. The food and beverage and grocery sectors paid wages and salaries of around 13 billion in 2007-08;
- Responsible for nearly one fifth of Australia's manufacturing revenue. The sector accounts for 18 per cent total trade in the manufacturing sector valued at \$44.8 billion in 2009-10;
- A significant contributor to Australia's overseas export income. The industry exported \$27.3 billion worth of value-added products in 2007-08;
- The industry's trade surplus has dropped from \$4.4 billion in 2004-05 to a trade deficit of \$1.8 billion in 2009-10;
- A significant investor - \$3.5 billion on capital expenditure in 2006-07;
- A leading innovator - \$650 million spent on R&D in 2007-08.

Reference: <http://www.afgc.org.au/our-industry/facts-stats.html>

The 2010 Department of Agriculture Fisheries and Forestry (DAFF) *Australian Food Statistics* report noted that Australia is the world's 14th largest food exporter. But the value of food exports in 2009-2010 fell 9.6% partly due to the very strong Australian dollar.

Victoria is Australia's largest food production, processing and exporting state. In 2008 Victorian food exports were valued at more than \$5.9 billion and accounted for 17% of Victoria's total exports and 25% of Australia's food and beverage exports. Dairy exports comprise 13% of the world trade. (see Victorian government corporate [plan](#))

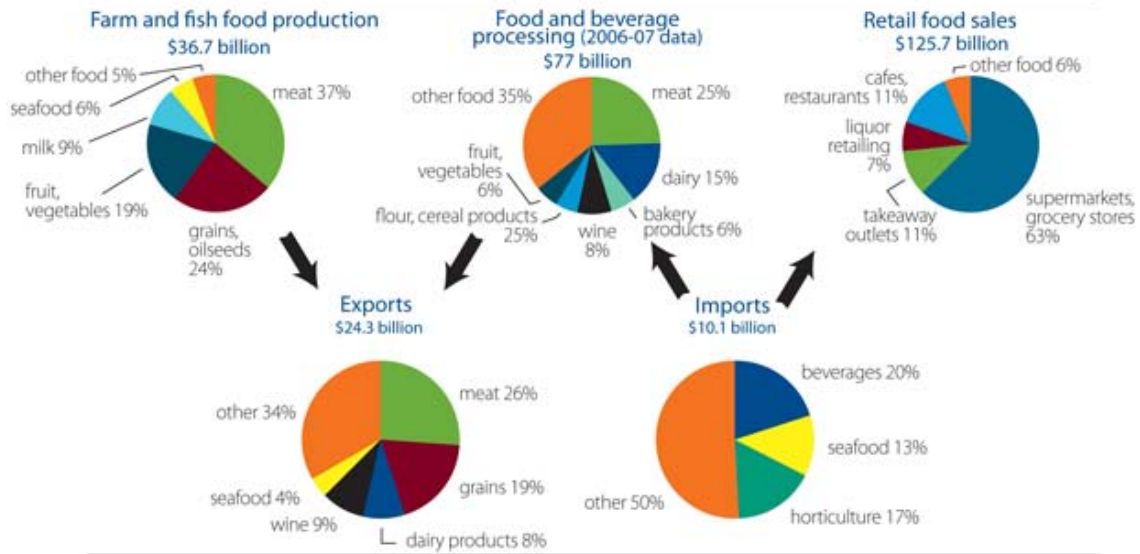
Domestic demand for food and liquor rose 6% in 2009-2010 to \$125billion. It represents 52.6% of total retail expenditure (including imports). But the value of food exports declined by 14% on the previous year, to \$24.3 billion.

From *ABARES Overview of the Food Industry 2009-2010*

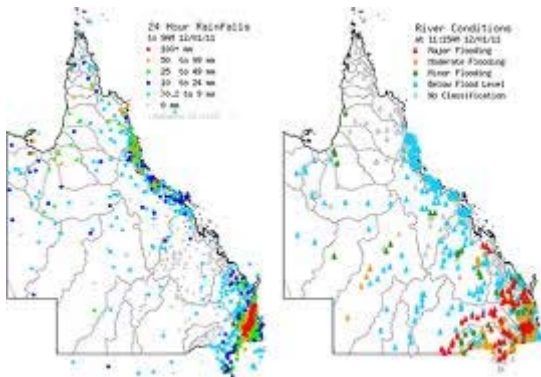


Hellenic Cheese exhibiting at Fine Food Expo, Melbourne, September 2010, a member of the Plenty Food Group

1 Value chain for food in Australia, 2009–10



Extreme weather impacts 2010-11



12 January 2011 Bureau of Meteorology charts show the extent of extreme weather on Queensland and its agricultural areas.

Victorian Floods Impact



Flooded wine grape vines in Myrtleford, January 2011



Flooding between Bendigo and Serpentine

The Hazeldene's chicken hatchery at Serpentine lost 300,000 chicks estimated to cost the company up to \$5 million.

Murray Goulburn Co-operative had their Rochester milk processing plant flooded and had to transport milk to sites at Cobram and elsewhere for processing. (*Australian Food News* 18 January 2011)

The impact on Victorian wheat production is expected to be severe, and the impact on the 2011 fresh produce season is also anticipated to see massive losses to growers and processors.

Growing commodity demand

Dairy prices are rising for producers due to strong export growth. Prices paid to farmers have been rising over the 2010-2011 season. "...farmgate prices for southern producers have improved strongly in the 2010-11 season.) Dairy 2011 "Situation and Outlook: Summary Report", May 2011, Dairy Australia.

Dairy prices reached their highest level for more than two years in Fonterra's latest global auction. Global Dairytrade recorded a 7.2% lift, with average prices at \$US4246 tonne, up from \$US3960 a fortnight ago. For Anhydrous milk fat, prices rose 9.2% to \$US6486, Skim Milk Powder up 8.5% to \$US3913, and Whole Milk Powder up 5.7% to \$US3995. (*Dairy Web News* 3 February 2011) In the Export Summary Statistics for January 2011 Dairy Australia noted that year-to-date exports to January were the same volume as the previous year to date figures for January 2010, but the value had increased 22.4%.



Montefiore Cheese (Turi Foods) senior cheese maker, Charlie Rosa, demonstrating stretching the curd for bocconcini February 2011

At its March 2011 'Outlook' Conference, ABARES reported the trend of rising dairy prices will fall within five years. David Barrett, ABARES dairy analyst, predicted production will increase and outgrow the improving demand. World dairy prices are predicted to average about 30-40% higher in real terms than the five years to 2006-07. However high feed grain prices will dent the profit margin, but all global production will have to factor in higher feed prices. He also noted rising milk and cheese production in Western Europe and the UK will impact on prices. Increases in world export supplies are expected to outpace the growth in import demand and Chinese imports of whole milk powder have increased significantly since 2009, and are forecast to reach about 400,000 tonnes in 2011, about 25% of global trade. Barrett noted the demand is also being driven by higher incomes and increasing share of dairy in Chinese diets.

ABARES expects wheat exports to climb more than eight per cent from the previous year to 16 million tonnes. The government's chief commodities forecaster Jonathan Barratt said on Tuesday that it sees 1.86 per cent less of the grain for the year to September 30, 2011, than was estimated in December. He said weather concerns in other key grain producing countries were supporting wheat prices. Australia had a record harvest, but too much rain at harvest time saw a large percentage of the crop downgraded to less than milling wheat quality, with traders seeing China in the market as a big buyer this year. There is an international shortage of feed grains.

Global Financial Crisis

Global markets have firmed up since 2009, and by late 2010 dairy prices have strengthened leading Fonterra to increase farm gate prices to suppliers, back dated to 1 July 2010. (*Australian Food News* 20 January 2011) It is anticipated that this milk season will have a milk price that is one of the highest on record, even though the Australian dollar traded at or above the United States dollar.

Dollar Exchange Rate

The continuing strong Australian dollar has put pressure on exports, and made imported ingredients more attractive. This continues to put pressure on Victorian plants which are competing with other plants overseas within same company.

Industry new technology

Australia's first robotic pork cutting machine was installed at Linley Valley Fresh Port in WA at a cost of \$700,000. Overseas plants have already been using this equipment to reduce contamination of meat and wastage. Human error meant that regularly the animal's stomach is cut, causing contamination. The new equipment can reduce this incidence by 75% and also reduce costs associated with laboratory testing for bacteria. (*Australian Food News* 6 January 2011)

Across Victoria food plant is being upgraded and improved. Robotics to move packed boxes to pallets are continuing to be introduced.

Strength of employment

The ABS reported in December 2010 that employment was up and unemployment decreased 618,800, to a rate of 5.1%. The participation rate increased to 66%. Employment has risen over twelve months from approximately 11 million to 11.4 million to December 2010. Even though many companies are purchasing new plant and equipment, which result in decreased need for production line labour, they are planning to use the existing labour force in other roles in most instances. Deloitte Access Economics expects Victoria to record employment growth of 4.4% in 2011, but only modest growth in the food processing sector, due to the very high Australian dollar suppressing exports and encouraging imports. (Report to *Skills Victoria*, April 2011)

Globalisation

Australian food producers are continuing to look at overseas markets to improve sales. The value of food exports was \$24.3 billion in 2009-2010 and imports was \$10.1 billion for the same period. See *Australian Food Statistics 2009-2010, Dept of Agriculture, Fisheries and Forestry*. The report also noted that employment in the sector increased by 28% since 2000-2001, and accounts for 18% of the manufacturing sector's employment. The food and beverage manufacturing sector has increased its national workforce by 28% since 2000-2001 to 226,750 in 2009-2010.

Worker attraction and retention

The current labour market trends in food processing continue: major food processing companies operating in regional Victoria do not have problems with retention of staff (except for meat processors) but acknowledge that access to workers is limited in regional towns. This sector is notable for non English speaking background process workers, particularly in Melbourne.



Janine Sidebottom, TPM/Training Coordinator, Unilever Tatura

Process worker recruitment usually occurs via the employment of casual personnel. Permanent positions might then be offered later on, if the person has shown suitability for the role. Labour hire companies are often used to recruit the casual labour and do induction training.

One regional company has recruited for part time permanent process workers and been very impressed with the higher calibre of people who have responded. Some people were already in part time work and looking for something else to supplement their income. These people tended to have higher skills and experience so the company is looking forward to the impact this might have on productivity.

Demographics

Australia recorded 297,700 births in 2009, slightly fewer than 2008. At 30 June 2010 the Australian population increased by one person every 1 minute 30 seconds, when accounting for births, deaths and immigration. The Victorian population grew at 2.2% from 2008 – 2009 bringing the population to 5.44 million at 30 June 2009. Even though Australia is importing food at an increased rate, the domestic marketing is growing and sales for domestic producers are generally expanding.

Social trends

Healthy eating

Specialist processed food continues to boom. Halal, gluten free, organic, biodynamic and food with nutritional additives are increasingly common in supermarkets, as well as specialty stores. Patties Foods is doing well with its single pack gluten free meat pie. They also produce white bread, sausage rolls and lamingtons in their 100% gluten free environment bakery in Bairnsdale. (*Australian Food News* 22 Dec 2010)



To ensure no contamination by gluten occurs, the gluten free production facility is entirely separate from the main production area (pictured).

But not all food companies are faring well. Susan Day Cakes went into receivership in March 2011, citing growing ingredients and other costs (energy and water) and pressure from their major clients, the two major supermarkets, to keep prices low. The degree to which shoppers are turning away from baked goods for health reasons is unknown but potentially a considerable factor. (Ref. Smartcompany.com.au)

Production development and diversity

Market place preference for novelty and choice has seen continual expansion of product lines such as yogurt and dairy desserts, new chicken options such as lime and chilli strips for KFC and other novelties in the health food snack market place. Snack foods such as dips and cheeses are constantly evolving and expanding consumer choice. Vegetarian and organic options are expanding with pre-prepared falafel, lentil burgers, soups, sauces and gluten free options taking up more space in supermarket refrigerators.



Each year William Angliss Institute of TAFE students demonstrate the new processed food items they have invented in their Diploma of Food Science and Technology. This 2010 final year student product is pressurised fruit, which retains more authentic flavour and nutritional value than other preserving methods.

Ethical and Green Production



The strong trend for sustainable food production and processing and ethical welfare for farmed animals continues. The RSPCA has instituted an Approved Farming Code and has a logo for products produced according to their standards. This covers egg, pork, meat, chicken and turkey farmers and brand owners. (MINTRACKER [November](#) 2010)



John Reid at Red Beard Bakery in Trentham demonstrating sour dough baking to the Baking Trainers Network professional development workshop, June 2010

Technology

See earlier reference to new pork facility laser cutting equipment purchase in WA.

The MINTRAC knife sharpening program in meat processing plants is also reducing physical exertion and injury.

Other companies are using more robotic equipment, for example in packaging departments to stack pallets, to improve efficiency and reduce injuries due to manual labour.



Ang Augello, Director “The Bean Alliance” (formerly Monte Coffee), right, was awarded for Outstanding Human Resource Management at the 2010 Northern Business Achievement Awards at Rydges, Preston. The Bean Alliance, a Fair Trade & Rainforest Alliance roaster, employs more than 100 people and is the first roasting plant in Australia to be certified to roast organic coffee. The plant is state-of-the-art, the first of its kind in Australia.

Legislation and regulation

Meat sector

There are ongoing changes being made to meat inspection arrangements for export registered meat processing establishments. The new arrangements will see company employees designated as “AQIS Authorised Officer” and work under the supervision of an AQIS on plant Veterinary Officer performing on-line meat inspection tasks. These “AQIS Authorised Officers” will initially have to hold a Certificate III in Meat Processing (Meat Safety) MTM 30307 as a minimum. However by June 2012 all “AQIS Authorised Officers” will be required to have a Certificate IV (meat safety) qualification.

A skills set for meat industry laboratory technicians has been developed to meet the NATA requirements for technicians performing pathogen screening in meat processing plants. It consists of the following Units:

MSL933001A Maintain the laboratory/field workplace fit for purpose

MSL973002A Prepare working solutions

MSL973003A Prepare culture media

MSL973004A Perform aseptic techniques

MSL933004A Perform calibration checks on equipment and assist with its maintenance

MSL934003A Maintain and control stocks

MSL935002A Assist in the maintenance of reference materials

MSL953001A *Receive and prepare samples for testing*

MSL974006A *Perform biological procedures*

MSL973007A *Perform microscopic examination*

MSL974004A *Perform food tests*

ML975001A *Perform microbiological tests*

MSL924001A *Process and interpret data*

MSL925001A *Analyse data and report results*

MSL935003A *Authorise the issue of test results*

Applicant students would have the prerequisite qualification of MTM30607 *Certificate III in Meat Processing (General)* which includes some of the units required.

Increased focus by regulators and by customers on animal welfare standards is creating a demand for accredited training in animal welfare at Certificate II, III and IV levels.

Environmental

COAG 7 December 2009 “Green Skills Agreement” commits states to embedding skills for sustainable practice and teaching in the VET sector. The Victorian government is supporting businesses to be more environmentally sustainable with a range of programs and activities. Grow Me the Money is one of these. Case studies of two Victorian bakeries, Ferguson Plarre Bakehouses and La Madre, can be seen here: <http://www.growmethemoney.com.au/SuccessStories>

Geographic and regional

The Victorian food processing industry has a significant presence in country Victoria and the small pool of residents in some communities does put pressure on companies when recruiting – see earlier comment re a part time employment initiative in regional Victoria.

Government intervention and policy

International

Stricter animal welfare monitoring and standards from customers in the EU and the US are impacting on the meat and poultry processing industries. The Australian meat industry is rising to the challenge with increased training for animal welfare and bobby calf handling.

National

The 24 February announcement by the Commonwealth Government that an interim fixed carbon price will be commenced in July 2012 will bring a degree of certainty to industry. It will be followed by an emissions trading scheme in three to five years. At this stage the price level has yet to be negotiated with the minor parties and independents. To some degree domestic processed food prices will be protected because primary/agriculture industry will not be taxed. (see The [Australian](#), 25 February 2011)

State

The state government has continued positive campaigns about regional living to enhance the community's perception of employment and life style opportunities in rural and regional Victoria. Infrastructure plans such as the 'Food Bowl Modernisation' project, to save water and protect agriculture, are being implemented. Export increases are being sought as part of the government's strengthening of the Victorian economy and labour market.

A significant project, the *East Gippsland Food Cluster*, is receiving government support to implement projects aimed at strengthening the sector in that region, including recruitment, workforce development, training and retention.

2. Industry & Business Response to Changes

Dairy Australia is continuing its major Workforce Development project to examine and devise solutions to this sector's skills, work culture and practices issues. The sector is examining strategies to protect industry intelligence being lost due to staff retirements and a range of other skill development and management issues. Further project work will then be undertaken under three headings:

- i. Improving the links between training demand and training supply
- ii. Designing a communication strategy to allow the breadth of companies across dairy manufacturing to be part of this community of practice
- iii. Options for establishing an 'industry directory' on workforce development

Stricter requirements by international customers for food safety standards has seen partnerships with Dairy Food Safety Victoria, Dairy Australia and the National Centre for Dairy Education Australia/GO TAFE delivering more training to employees in a range of dairy processing plants in Victoria.

The meat industry has proactively developed programs to ensure all meat industry workers can comply with the animal welfare standards being demanded by major customers, and particularly the export sector.



Environmental sustainability has been at the forefront with the fit out and decision-making at Ferguson Plarre Bakehouses new facility in Keilor Park. Pictured is Steven Plarre outlining the use of bulk flour and sugar storage, which reduces packaging waste and manual handling stress.
(Photograph taken on 'Industry to Excellence' tour, 2010, by VFITB)

3. Skills Implications

Plant expansion within regional contexts of limited pools of labour in regional Victoria has led to a focus on training existing personnel. Supervisors and team leaders in large enterprises usually complete Certificate 3 in Food Processing or Process Manufacturing. One regional meat works is upskilling processors to Certificate 3 level, and encouraging team leaders to upskill to Certificate IV. The company is now so familiar with the requirements of its diverse ethnic workforce that training to accommodate limited language skills is the norm.

The dairy sector is upskilling processors to meet stricter food safety standards, to meet domestic and export customer standards. See above note regarding training partnerships and delivery in Victoria.



Bruce and Sue McGorlick, Locheilan Farmhouse Cheese, Wunghnu, NE Victoria

The national **Food Safety Auditor** requirements are below (newsletter [excerpt](#)) :

Table 1 – Minimum competencies for approved auditors

Unit of competency code Unit of competency title:

FDFFSACA	Assess compliance with food safety programs
FDFFSFSA	Conduct food safety audits
FDFFSCHZA	Identify, evaluate and control food safety hazards
FDFFSCOMA	Communicate and negotiate to conduct food safety audits

If an auditor wishes to audit specific high risk processes, further competencies are required and are set out in Table 2. Please note that these competencies are only required should you wish to audit food businesses conducting these food processing activities.

Table 2 – Additional competencies for specific high risk processes

Unit of competency code Unit of competency title:

FDFFS4A	Audit a cook chill process
FDFFSHT4A	Audit a heat treatment process (e.g. pasteurisation, canning)
FDFFSBM4A	Audit bivalve mollusc growing and harvesting processes
FDFFSME4A	Audit manufacturing of ready-to-eat meat products



VFITB and *Service Skills Victoria* staff made 550 sausage rolls on 23 March, for Melbourne's food charity, **FareShare**. Companies donate food ingredients and volunteers bake and deliver the goods to a range of local charities. This was our annual 'corporate responsibility' activity.

VFITB industry colleagues who participate include Jndi Cheese, Woolworths Safeway, Fonterra, Heinz, Golden Circle, Goodman Fielder, Phillipa's, SPC Ardmona, Top Cut and Unilever. By 24 March this year 267, 760 meals had been given to the hungry, homeless and working poor.

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VFITB Industry Skill Needs Report 2011 6 December 2010

The following table is intended to provide guidance for ITABs in providing contributions to the development of the 2011 Industry Skill Needs Report (ISNR). The purpose of the table is to provide a clear structure for addressing the key components of the 2011 ISNR.

In formulating your advice, please provide the consultant with a list of the enterprises, industry organisations and individuals consulted, and the nature of the consultative process, i.e. visit, telephone contact, survey, or group meeting. Identify other sources of information used as the basis for your ITAB's advice. Describe the measures taken to validate information obtained from industry parties and other sources. As with the 2010 report, Skills Victoria is particularly interested in any implications for green skills in 2011, along with occupations in demand and those experiencing critical skills shortages. Please ensure that occupations listed in these categories meet the definitions provided below.

In addition to your summary of the consultative process undertaken, please also provide specific references throughout when drawing on published or other materials to frame your response. Please refer to the **explanatory notes** and **key definitions** for guidance in addressing each area.

Key Change Drivers & Developments	Industry & Business Response to Changes	Skills Implications	Training Demand & Delivery Consequences
1. New national meat inspection regulations – more self regulation	1. Training own staff	1. Training in meat inspection increased	1. Increased demand and delivery training for 2011, Certificates III and IV in Meat Safety
2. Customer quality standards rising	2. Higher emphasis on quality, food safety standards	2. Staff required to operate food production processes more stringently, for example, labelling re presence of nuts in food production lines.	2. Increase in formal and informal
3. Exchange Rate	3. Puts pressure on competitiveness, even with overseas plants within companies	3. Processors are looking to employ fewer people, but with higher skills	3. Increased demand at higher AQF levels, including competitive manufacturing
4. Consumer trends Consumers looking for more sophisticated, healthy and sustainable products	4. More sophisticated production processes and equipment (eg. Nestle and Goodman Fielder investments) Investment in product development	4. Higher order product development and operator skills	4. Demand for new higher order Food science and technology qualifications, Higher order operator qualifications New Cert IV in Advanced Baking
5. Increasingly ethnically diverse population	5. Ethnic diversity is being replicated in workforce profiles	5. Language, literacy and numeracy	5. Foundation training
6. Technology	6. Increasing use of technology to reduce costs	6. Higher order skills required, more technical requirements at all levels	6. Literacy and numeracy training

Occupations in demand: Baker; Pastry Cook; Butcher – retail; Slaughterer, Boner / Slicer – abattoirs; Meat Inspector (company employed)
(note: no occupations match the definition for Critical Skills Shortage)

4. Training Demand & Delivery Consequences

1. Competition, productivity and worker retention

<http://www.skills.vic.gov.au/skills-and-jobs-outlook/what-jobs-will-be-available/bakers-and-cooks>

“Over the past ten years the employment of bakers and pastrycooks has expanded by around 30 per cent. The employment of bakers and pastrycooks is expected to increase slightly by around 1 per cent in the next five years.” *Skills Victoria* website

There is a shortage of qualified bakers in Victoria, which is particularly pronounced in regional towns. To better understand the reasons for this and to address national shortages, the national industry skills council, AgriFood Skills Australia has commenced a project to look at the baking and pastry cook industry. Although over 1,000 people commenced apprenticeships in 2009 in baking or combined baking and pastry cook, those who leave prior to completion are estimated to be 67%.

With unemployment sitting at historically low levels, companies and bakeries are looking to training to improve worker retention, improve workplace and cultural attitudes to work, to productivity, to promotions to higher level tasks. It is hoped that the new Certificate IV in Advanced Baking will assist the industry to keep skilled and experienced personnel (see next page).

2. Increased migration and workforce diversity

As the Australian workforce continues to be strengthened by new arrivals from non-English speaking backgrounds, the need for language, literacy and numeracy skill development grows. There are also a number of very experienced workers who lack language and numeracy proficiency and need training to fulfil process requirements, food safety, data input and reporting tasks. The federal government Workplace English Language and Literacy program subsidises onsite training.

<http://www.deewr.gov.au/Skills/Programs/LitandNum/WorkplaceEnglishLanguageandLiteracy/Pages/default.aspx>

The 11 national industry skill councils have released a report, “No More Excuses” calling on joint action by government and industry to tackle language, literacy and numeracy shortfalls in the Australian working age population.

<http://www.agrifoodskills.net.au/publications/industry/no-more-excuses/>

3. Maintaining industry currency – technical knowledge, safety and OHS procedures

Throughout 2010 AgriFoods Skills Australia has been overseeing the rewriting of the Food Training Package. The review of the Food Processing Training Package has been divided into three separate parts:

- Review of the Food Processing, Pharmaceutical Manufacturing, Plant Baking, Retail Baking and Food Processing (Sales) qualifications – now accredited and on the NTIS website
- Review of the wine qualifications
- Additional projects:
 - Review of Food Safety units and Food Safety Auditing units and qualifications.
 - Development of new **Food Science and Technology** qualifications, Certificate IV and Diploma (using the existing Victorian qualifications as a starting point) ^

- Certificate IV in Advanced Baking qualification* – the Baking Industry Association of Victoria and the Baking Trainers Network are actively pursuing implementation of this new qualification, which offers post trade training in artisan baking and business streams;
- Development of a Certificate IV qualification in flour milling
- Development of additional units in malting and brewing
- Advanced Cheese making units

^ The 2009 enrolments in Victoria for the Certificate IV and Diploma in Food Science and Technology totalled 368, having risen from 359 in the two previous years.

* The **Certificate IV in Advanced Baking** targets those working in a retail baking enterprise as owners, managers and/or senior bakers or pastry cooks. This qualification includes technical, artisan and creative skills and knowledge required to produce bakery products, solve baking problems, and ensure that operations are implemented and maintained to optimal performance. It also covers skills in monitoring the implementation of systems and procedures and management functions of the organisation.



4. New Qualifications for Food Industry Personnel

Based on industry advice to the VFITB, *Skills Victoria* commissioned two new Vocational Graduate qualifications – the **Graduate Certificate in Food Industry Management** in 2009 and the **Graduate Diploma of Food Industry Management** in 2010. A General Foods unit was also devised in 2010 for the Vocational Graduate Certificate to match those prepared for dairy and confectionery careers.

<http://www.vfitb.com.au/projects.php#graddip>

Under new funding guidelines released in January 2011, the Victorian Government's 'Training Guarantee' will be extended to cover students in vocational postgraduate programs who have completed undergraduate degree programs. It is anticipated that a significant number of food industry personnel enrolling in these programs will be university graduates so this change in policy will encourage greater take up of the programs.

In 2010 the first cohort of students commenced the Vocational Graduate Certificate qualification at the National Centre for Dairy Education Australia, auspiced by Goulburn Ovens Institute of TAFE. They are all Murray Goulburn Co-operative Ltd employees from a range of sites, with a range of previous education and training backgrounds. The course delivery method is flexible with off campus and on campus activities and strategies. A number of current students have expressed interest in furthering their studies by pursuing the Graduate Diploma in the future.

The NCDEA is planning a second intake in the middle of 2011, and may extend its coverage to non dairy food sectors, using the new General Foods unit above. Industry representatives are advised to contact Michael Robinson at the NCDEA to discuss this. The VFITB has also had other training

providers indicate they may offer the Graduate Certificate in Food Industry Management in the future.

5. “Upskilling Food Operators” project – supported by the Skills Victoria Manufacturing Skills and Training Taskforce

In 2010 the VFITB conducted a major research project on “Upskilling Food Operators”. This report can be found at <http://www.vfitb.com.au/projects.php#upskilling>

This work identified that food processing enterprises that use the formal, accredited VET training system, are by and large happy with the units of competency, the coverage of qualifications and the standard of training their VET providers offer. But also significant was that many companies do not understand the system, do not understand the way government subsidises training and provides support for the traineeship model of incentive payments to companies to upskill their workers. The complexity of the VET sector was a considerable barrier, and in particular the emphasis on whole qualifications, say for Traineeship incentives, versus small ‘bites’ of qualifications, groups of units of competency.

In the 31 January 2011 report to the federal training Minister, “A Shared Responsibility: Apprenticeships for the 21st Century”, the following statements appeared in the Executive Summary:

“The current system suffers from administrative confusion as governance structures, responsibilities and custodianship of the system remain unclear to many users.

The workplace relations system does not complement the Australian Apprenticeships system ...”

One medium sized producer found that utilising the state government’s “Skills For Growth” program, which included a skills audit of staff and a chance to talk about training needs across the whole enterprise, resulted in an impressive training strategy being suggested. This program covered areas in food production, baking, OHS, transport and logistics, cleaning, office administration and competitive manufacturing. A mix of government and private providers is being used to deliver the various training programs and traineeships are being utilised to support upskilling staff. By adopting a whole of business approach, all personnel can appreciate the role and purpose of training to improve productivity, food safety and improve motivation and worker retention.

The “Skills For Growth” program was able to highlight the depth and breadth of the accredited Vocational Education and Training system available to business, and showed that formal training could powerfully align with business goals and strategies. There was also the opportunity to access language and literacy support via the federal government WELL program, to help those learners with special needs.

In general, unless a company has a training ‘champion’, who understands the system, and how to get the most from it, they will underutilise training opportunities. The food sector is unusual in that process workers and production team leaders are unlikely to have prior training or qualifications in the sector, so employers must carry the burden of skilling up, while workers are in the workforce. There is a significant barrier to training on the job, with production work, as the staff person must come off the line. This adds financial costs, and production shift pressure to have the person

replaced, whilst they are undergoing training. This is particularly so for small and small to medium sized businesses.

This work follows on from the 2009 project to research and write new training plans for mechanical engineering apprentices in the maintenance departments in the food processing sector. The final report is on the VFITB website (past projects) and provides case studies and innovative solutions to better match training to work environments by bringing in units from other engineering fields.



Petrina Wetzel, National Manager Training Services, Skilled Group, and member of the Victorian Skills Commissions' Manufacturing Skills and Training Taskforce discusses food processing training with project consultant, Casey van Berkel, VFITB.

6. Government legislation and changing consumer attitudes regarding animal welfare

Consumer, corporate customer and government concerns re animal welfare, have resulted in red and white meat processing companies being subject to more rigorous animal welfare audits. In fact the EU has mandated (for EU listed meat processors) accredited training for stock handlers, slaughterers and processing plant animal welfare officers. The provision of this training will be compulsory for all companies exporting meat to EU companies as of the 1 January 2013. In response to the increased focus domestically and internationally on animal welfare Australian meat processors have implemented more comprehensive animal welfare standards, policies and procedures supported by training for the relevant plant operatives and staff.

As part of the industry's ongoing commitment to continuous improvement MINTRAC is currently updating its Animal Welfare Officer, animal handling and humane slaughter training Units and materials to ensure that they align with the requirements of importing countries and major corporate customers.

In addition the industry has addressed some specific concerns in Victoria about the young dairy calf (bobby calf) industry and recently finalised the development of training materials to improve calf transport and handling techniques. This training is now being delivered in abattoirs across Victoria.

See the MINTRAC website to view training materials available. <http://www.mintrac.com.au/index.php>

7. Green Skills

2011 will see the first implementation of 'green skills' in all Australian accredited training programs. As the new **FDF10 Food Processing** training package will not be implemented until the second half of the year it is too early to comment on industry's use of and worth from these new units.

See the new mandatory unit covering sustainability in each separate qualification on the [NTIS website](#). Lean manufacturing processes have been addressing waste in particular, as one powerful aspect of sustainability in food processing businesses.

A 2011 Victorian curriculum implementation project will assist in the upskilling of baking trainers to deliver the new 'green skills' units. Trevor Lange, the General Manufacturing Curriculum Maintenance Manager, Chisholm Institute of TAFE, is managing this project. The imported unit MSAENV272A "**Participate in environmentally sustainable work practices**" involves being aware of and minimising environmental risks and maximising opportunities to improve business environmental performance and promote more efficient production and consumption of natural resources via minimising waste, using energy efficiently, and alternative energy generation, efficient water use and efficient use of all materials and appropriate disposal of waste. Compliance issues regarding federal, state and local government laws, by-laws and regulations will also be covered.

This training package development is an excellent opportunity for all food processing enterprises to engage staff in sustainable practices, discussing improved work practices and documenting changes in use of energy and other inputs. Standard Operating Procedures and other tools can be updated to ensure they adequately reflect these aspects of the work environment and goals for sustainable work practice.



Victorian baking trainers judge the annual meat pie competition at Fine Foods Australia expo, Melbourne September 2010

Industry Consultation List

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- Bakers Delight
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- Heinz – Echuca and Girgarre
- Hospira
- Jindi Cheese
- Locheilan Farmhouse Cheese
- McCain Foods Australia
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- National Foods
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- Patties Foods, Bairnsdale
- Pfeiffer Wines
- Pure Harvest, Drouin
- Ridley Agri Products
- Simplot
- Somerville Retail Services
- SPC Ardmona
- Unilever - Tatura
- Veg Co One Harvest, Bairnsdale

Industry Organisations and Agencies:

- AgriFood Skills Australia – training package consultants and industry liaison personnel
- Australian Industry Group including Confectionery sector
- Australian Meat Industry Employees Union
- Baking Industry Association Victoria
- Baking Trainers Network, Victoria
- Australian Industry Group – confectionery sector consultant
- Dairy Australia – Manufacturing Advisory Committee
- Dairy Food Safety Victoria
- East Gippsland Food Cluster
- National Meat Industry Training Advisory Council (MINTRAC)
- Plenty Food Group

Registered Training Providers

- Chisholm Institute of TAFE
- University of Ballarat TAFE Division

- William Angliss Institute – commercial food processing department; baking department; etc.
- East Gippsland Institute of TAFE
- Goulburn Ovens Institute of TAFE
- National Centre for Dairy Education Australia
- National Food Institute
- SW Institute of TAFE
- Northern Melbourne Institute of TAFE
- National Food Institute

Further reading

<http://www.daff.gov.au/agriculture-food/food/publications/afs>

2009 – 2010 Australian Food Statistics, Department of Agriculture, Fisheries and Forestry

<http://www.afgc.org.au/our-industry/facts-stats.html>

Australian Food and Grocery Council [A Growing and Sustainable Industry - the case for a national food and grocery agenda - October 2009](#)

Government grants for industry

<http://www.business.gov.au/grantfinder/grantfinder.aspx>

Victorian Government Business Development Corporate Plan 2009-12

http://www.dbi.vic.gov.au/_data/assets/pdf_file/0007/207943/DIIRD_CorpPlan_2009-12_10_July_2010.pdf

Final Report “Apprenticeships for the 21st Century Expert Panel Paper” January 2011

<http://www.australianapprenticeships.gov.au/experts/default.asp>

Dairy 2011 Situation Outlook: Summary Report, May 2011 [Dairy Australia](#)

2011 Federal Budget [announcements](#)



Golden syrup flavoured gluten free pancake mix on tasting

William Angliss Institute final year students demonstrate their new food products at the Product Launch, 25 November, 2010. These Diploma of Food Science and Technology students strut their stuff to industry at this special end of year event, and many gain important contacts and employment through this event.

The Certificate IV program is now also open to part time students.