

Visa coup for meatworks

ADJUSTMENTS to the 457 visa scheme announced by the Federal Government this week are likely to improve opportunities for meat processors to utilise overseas workers to ease their current labour shortage crisis.

New regulations made effective this week will allow meat industry companies in all States to access overseas skilled workers by entering into Labour Agreements. A second regulatory adjustment will now see boners and slicers identified as skilled workers under the 457 visa process.

Immigration Minister Kevin Andrews announced that after months of unsuccessful negotiations with state governments in NSW and Victoria, the Commonwealth would now enter into Labour Agreements directly with meat companies, bypassing the state process.

The benchmark for the agreement was signed by the Commonwealth, the Queensland Government and Australia



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Meat Holdings earlier this year. However it is understood no other Queensland processors have yet signed the agreement.

Several speakers at last week's meat industry conference on the Gold Coast touched on labour issues as a key challenge ahead for the processing sector.

Meat Processor Council chairman Allan Teys said his organisation had committed substantial resources to negotiating an imported labour agreement with the Federal Government that would be acceptable to all States – an outcome that had proven very difficult to achieve.

“Lack of skilled labour in abattoirs remains a significant and limiting factor to utilising available processing capacity, and producers need to understand that this also then reflects on the livestock prices they receive,” he said.

Several speakers outlined new automation and robotics technology that would go some way towards alleviating the labour shortage in the meatworks environment:

- Australian Meat Processors Corporation chief executive, Joanne Sillince said AMPC had set a target to release one major piece of commercial automated or robotic processing equipment each year for the next ten years

- New Zealand processor Stewart Barnett showcased several pieces of robotic slaughter floor and boning room equipment that were easing labour pressures, reducing staff turnover and delivering occupational health and safety benefits in NZ sheepmeat plants.

● MLA's manager for productivity and competitive advantage, Sean Starling, foreshadowed a gradual move into plant automation, where robots and other machines would perform almost all processing operations by the year 2040.

Prominent sheepmeat processor Roger Fletcher said his company was moving in new and different directions in an effort to ease its labour shortage problems.

His company, Fletcher International, employs 1300 staff across two processing sites at Dubbo, NSW and Albany, WA. The company had spent \$1.5 million recruiting overseas labour under 457 visas – mostly in its WA operations, where labour shortages were acute due to the mining boom and smaller population.

“It's not easy, because there have been virtually no new 457 visa holders in for 18 months. We have just not been able to get through to the Government

on this issue,” he said. “But we should be looking at the broader employment issue – not just the narrow band of skills covered in the 457 guidelines.”

Mr Fletcher said the nature of sheepmeat processing had changed dramatically, with much greater emphasis on value-adding by dividing carcasses up into smaller portions, which could then be sold into different markets at optimal prices.

“It's frustrating because there are days when we are effectively ‘devaluing’ products, because we do not have the labour resources to break-up the carcase further to add value to it,” he said.

At the Dubbo factory, where the population base is larger than it is in WA, the company is working in new and different ways to attract employees.

● **Next week: Outcomes from the Australian Meat Industry Council conference in Rural Press's nine-page National Beef Review.**



David Torrissi, Vitwood Stud, Pialba, with his record-breaking purchase, the \$42,500 Glenlands Kineesha and her calf after this week's annual Glenlands Droughtmaster Sale, Gracemere. With the record-breaking duo are Tanya Hartwig and Jason Childs, Glenlands Stud, Bouldercombe.

\$42,500 FEMALE:

Kineesha claims seedstock record for Droughties

DAVID Torrissi and Droughtmaster breed record prices seem to go hand in hand.

On Tuesday at the annual Glenlands Droughtmaster Sale, Gracemere Saleyards, another breed record was established due to the tenacity of Mr Torrissi.

At \$42,500 the Pialba-based breeder got what he desired – the 36-month-old Glenlands Kineesha.

Kicked off at \$10,000, the female was the subject of fierce bidding ending in a battle between two parties – the Torrissi camp and that of the underbidders Terry and Jenny O'Meara, Halcyon, Langshaw.

Adding to Mr Torrissi's determination and resolve was the impressive bull calf that Kineesha is nursing at present – a three-month-old by the \$47,500 Glenlands Invincible.



“I hope this little bloke keeps going like he is at present – he's something special,” Mr Torrissi said.

“I'll be happy if he ends up like his half-brother that sold here today,” added the new owner.

The half-brother was the day's high seller, the \$60,000 Glenlands Legend, a maternal half-brother to the former breed record-holder, the \$95,000

Glenlands Hilton which Mr Torrissi purchased in 2004. At the National Droughtmaster Sale the following year, Mr Torrissi and his wife Anita went one better, outlaying \$140,000 for the then all breeds auction record-priced bull, Strathfield Upton.

Kineesha was the reserve junior champion at last year's Beef 2006 expo and is a daughter of the former breed record-holder, the \$42,000 Cungelella



Jeopardise. Her selling price topped the previous mark by \$7500, also held by and set by Glenlands at their 2004 production sale where Glenlands D Hav-A-Heart sold for \$35,000 to Charles and Grace Lund, Laglan, Clermont.

In a tremendous result for the Droughtmaster breed and the Childs families of the Glenlands prefix, Bouldercombe, this week's sale saw led bulls hit \$60,000 to average \$20,500, unled registered bulls sell to \$28,000 and purebred counterparts make to \$11,000, while 53 females topped at the record level to set a \$6019 medium on the way to delivering a \$1.56 million gross. – **Story and picture: KENT WARD.**

● Full report in next week's QCL.

Wheat futures top \$400

DOMESTIC wheat futures have soared well above their previous highs, with the ASX Milling Wheat January 2008 futures now at \$426/tonne.

Three key drivers have conspired to push up the market – reduced estimates for the Australian crop, a lower-than-expected Canadian inventory and some big buying from key importers such as Japan, Korea, Egypt, Algeria and India, headlined by the Indians splurging on nearly 800,000 tonnes at record prices.

Locally, there have been a number of reports which have slashed tonnage off ABARE's early prediction of 23 million tonnes of wheat. Estimates are generally in the 15-20 million tonne range, with most hovering around the 18 million tonne mark.

Market Check managing director Brett Stevenson said the worst case scenario has now dropped below 15 million tonnes.

“There is the potential for a sub 15 million tonne crop in the worst case. With average rainfall we're tipping it will be close to 17 million, which is down from a couple of weeks ago when we said we would get to 18 million. We've dropped about a million tonnes in the past 10 days as crops lose foliage and yield potential.”

On the higher end of the scale, the USDA and Australian Crop Forecaster have both put out numbers at around the 18 million tonne mark.

All eyes will now be eagerly looking on at ABARE's latest figures, due to be announced on September 20.

Meanwhile, the pressure is on world wheat stocks, which are at their lowest level since the early 1980s. The Australian Bureau of Statistics released figures in July showing the amount of wheat held by Australian bulk handlers had fallen from 5.9 million tonnes in May to 3.5 million tonnes in July.



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