Report from Ad Hoc Working Group on Skills Needs of the Dairy Sector

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Executive Summary

Since the abolition of milk quotas in March 2015, there has been a dramatic increase in the size of many Irish dairy farms, to the extent that in 2017 more than 50% of all dairy cows are in herds of more than 100 cows. The latest projections indicate ongoing expansion of the Irish dairy herd over the next five years.

This has resulted in a significant demand for skills labour on the larger dairy farms. Much of this demand is on a seasonal basis with peak demand from February to June. The Farm Relief Service Co-operative has been the principal provider of skilled operatives to the dairy sector for many years. However, since 2016 they have been unable to meet the demand from expanding dairy farms.

The South East Regional Skills Forum established an ad hoc working group to develop short term practical responses to this skilled labour shortage. The group tackled the issue between May and September 2017. Three target groups – job seekers, drystock farmers and women in agriculture - were identified and a campaign was delivered to attract candidates from these target groups. Fifty four (54) candidates were identified in Counties Waterford and Kilkenny.

The pilot initiative demonstrated the following:

1. There is a potential pool of local persons willing to work in the sector.
2. To attract these people into the sector, the benefits of roles in dairying must be developed, highlighted and promoted.
3. A multi stakeholder approach improved the responsiveness from prospective candidates.
4. A significant number of candidates that came forward were attracted by the offer of appropriate training.
5. Teagasc is willing and able to respond to the associated training needs.
6. The prospect of employment through the Farm Relief Service was seen as attractive to candidates.
7. Some people were attracted by the seasonal nature of the work.
8. Candidates seeking full time employment will only stay in the sector if a mechanism can be found to provide them with regular employment eg dairy farmers providing full time roles and the Farm Relief Service sharing of operatives during quieter times of the year.
Skills Needs of the Dairy Sector

Background
The EU milk quota regime came to an end on March 31, 2015. First introduced in 1984 at a time when EU production far outstripped demand, the quota regime was one of the tools introduced for overcoming these structural surpluses. Successive reforms of the EU’s Common Agriculture Policy have increased the market-orientation of the sector and, in parallel, provided a range of other, more targeted instruments to help support producers in vulnerable areas, such as mountain areas where the costs of production are higher. The final date to end quotas was first decided in 2003 in order to provide EU producers with more flexibility to respond to growing demand, especially on the world market. It was reconfirmed in 2008 with a range of measures aimed at achieving a "soft landing". Even with quotas, EU dairy exports had increased by 45% in volume and 95% in value in the five years to March 2015. - From EU Commission press release Brussels, 26 March 2015.

Most Irish dairy farmers were looking forward to the abolition of milk quotas for some time and the industry had been planning for a substantial increase in milk supply. Dairy farmers have been focused upon access to land to expand their enterprises and dairy processors have invested heavily in additional milk processing capacity. However, little attention was given to the need for additional skilled operative on dairy farms.

The Government’s plan for Irish dairy farming announced in the ‘Food Harvest 2020’ plan included:

- Target of 50% increase in production over the 2007-09 average
  o Milk quotas had meant no change in national production for 30 years so the removal of quotas was predicted to lead to big expansion in Ireland as dairy farming is the most profitable farming enterprise
- 5 billion litres being produced from 1.05 million dairy cows in 2007-09 average. Aim to increase this to 7.5 billion litres

The sector has expanded more rapidly than projected as can be seen from the following figures.

Cow numbers in 2016 averaged 1.35 million – an additional 300,000 cows in six years.

The number of dairy farmers has remained steady at approx. 18,000 farmers.

Milk production in 2016 was 6.8 billion litres – an increase of 36% on the 2007-09 base. Milk production in 2017 is about 10% ahead of last year. So the FH2020 target of +50% could be achieved by the end of 2018 – two years early.

This milk brought €3.4 billion in export value back to rural Ireland in 2016 – the sector exports 90% of the milk produced in the form of butter, cheese, powders etc. This is an increase from €2 billion in 2009.

Irish milk processors have invested approx €1 billion in additional milk processing facilities nationally during the 2013 to 2016 period.

Table 1. Number of dairy cows by herd size 2005 to 2016

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<tr>
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</thead>
<tbody>
<tr>
<td>1 to 2 cows</td>
<td>690</td>
<td>630</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>3 to 9 cows</td>
<td>5,860</td>
<td>4,120</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>10 to 19 cows</td>
<td>35,180</td>
<td>24,640</td>
<td>30,780</td>
<td>25,290</td>
<td>20,595</td>
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<tr>
<td>20 to 29 cows</td>
<td>78,120</td>
<td>65,270</td>
<td>56,720</td>
<td>47,480</td>
<td>38,828</td>
</tr>
<tr>
<td>30 to 49 cows</td>
<td>294,100</td>
<td>252,750</td>
<td>194,450</td>
<td>171,640</td>
<td>142,922</td>
</tr>
<tr>
<td>50 to 99 cows</td>
<td>523,400</td>
<td>525,900</td>
<td>486,850</td>
<td>518,110</td>
<td>536,390</td>
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<tr>
<td>Greater than 100 cows</td>
<td>144,620</td>
<td>184,910</td>
<td>302,060</td>
<td>400,690</td>
<td>659,149</td>
</tr>
<tr>
<td>Total</td>
<td>1,081,960</td>
<td>1,058,210</td>
<td>1,070,860</td>
<td>1,163,200</td>
<td>1,397,884</td>
</tr>
</tbody>
</table>

Outlook

Half of Irish cows are now in herds of greater than 100 cows – farmers milking this number need relief help in spring and many farmers are now employing a second person full time.

Creating more jobs in rural Ireland

More expansion will happen in the future – Teagasc predicts 6,000 people will be needed to enter the industry by 2025 – both people to take over farms – successors/ collaborators and employees to work on farms.

Teagasc has been studying the issue of people and skills needs in dairying and published its ‘People in Dairy Project’ report in June 2017 by Paidi Kelly et al. The report stated that the expanding Irish dairy sector will depend upon ‘having good access to both full and part time labour as needed during the year. This involves dairying competing with alternative careers.’ The report estimates that the Irish dairy farm sector will require approximately an additional 300 full time equivalent persons per year for the next eight years to cope with the ongoing planned expansion. This is in addition to the need for people to replace retiring dairy farmers.
Emerging Skills Shortages

In April 2017 the Department of Agriculture Food and the Marine hosted a Food Wise 2025 Workshop on skills needs at farm level. The workshop was attended by a variety of stakeholders including farmers, farmer representative bodies, Government Departments, Teagasc and the Farm Relief Service. It provided a very useful opportunity to gain a greater understanding of the growing issue of skills needs within the dairy sector.

In 2016 the Farm Relief Service experienced significant growth in the demand for skills operatives on dairy farms but has found it particularly difficult to attract people to the sector. They tried to source candidates from Eastern Europe with the support of the Department of Social Protection’s European Employment Service ‘Eures’ but with no success. In the Spring of 2017 the Farm Relief Service was unable to meet the demand from dairy farmers for skilled operatives. They estimated that they immediately needed an additional 100 full time equivalent skilled operatives to meet the current demand.
South East Regional Skills Forum Pilot

The South East Regional Skills Forum (SERSF) decided to call a meeting of stakeholders to consider practical responses to the emerging skills needs of the dairy sector. The SERSF established an ad hoc working group with representatives from the following:

- Teagasc Education Department
- Teagasc Advisory Services
- Teagasc Research
- Farm Relief Service Co-operative
- Department of Social Protection
- Macra na Feirme
- Irish Farmers Association
- Industry – Glanbia.
- Farmer representative: from Nuffield Ireland.

See Appendix 1 for list of attendees representing the above stakeholders.

The ad hoc working group, chaired by Edmond Connolly, SERSF Manager, met as follows:

- 28th June 2017 Kildalton Agricultural College, Co. Kilkenny.
- 26th July 2017 Kildalton Agricultural College, Co. Kilkenny.
- 7th September 2017 Kildalton Agricultural College, Co. Kilkenny.
Focus of Pilot & Methodology

The group agreed that it would confine its deliberations to developing a response to the anticipated skills shortages in the dairy sector for the Spring 2018 period. The wider skills needs of the sector was considered to be beyond the scope of this short term working group.

The initial meeting concentrated on the following:

- reviewing the data available about the skills shortage.
- profiling in some detail the specific roles that are required to be filled.
- determining the earning capacity of skilled operators.
- considering the standards expected from host farmers by staff.
- training needs of prospective operators and host farmers.
- agreement that it was worthwhile to develop a pilot initiative in Waterford and Kilkenny targeting persons not previously targeted by the sector.

The second meeting concerned itself with the following:

- Identifying specific target audiences. The following were identified:
  
  1. **Jobseekers – with and without a farming background**
  2. **Drystock farmers**
  3. **Women**
  4. European students
  5. Irish nationals working in dairying in New Zealand
  6. Non nationals
  7. Irish students

  It was agreed to concentrate on the first three categories for the pilot initiative.

- refining the training requirements of candidates.
- Each stakeholder agreed to consider how it would contribute to a promotional campaign that would commence in August 2017.

The third meeting concerned itself with the following:

- The specific message to attract each target audiences.
- The content & design of brochures targeting
- Jobseekers – with and without a farming background
- Drystock Farmers
- Women in Agriculture

Targets were set for the pilot as follows:
- 3,500 people to be contacted including by DSP & Teagasc.
- Expressions of interest from 75-80 persons.
- 30-40 candidates interested in employment.
- 15-20 candidates requiring training.

- The promotional campaign
  - DSP to target jobseekers
  - Teagasc to target drystock farmers & women in agriculture
  - IFA to promote to members in the pilot area.
  - Macra Skillnet to support training.
  - All stakeholders to support the initiative through their own networks.
  - Teagasc, FRS and the SERSF agreed to provide the resources to implement the promotional campaign.
  - A timeframe for the campaign was agreed as follows:

**July:**
Promotional material and campaign finalised.

**August:**
Teagasc finalised training content for the pilot initiative.
Commenced promotional campaign.
FRS managed responses to enquiries from prospective candidates.

**September:**
Continued promotional campaign and considering expanding to other regions.
First intake of candidates for training.
Host farmers identified and induction training delivered.
Review pilot initiative and SERSF to publish a summary report.

**October:**
Additional intake(s) of candidates.
Further induction training for host farmers.

**November / December:**
Commitments from dairy farmers to engage dairy operators via Farm Relief Service.

**January 2018 onwards:**
Positions to be filled on farms.
Review of Pilot Initiative

The promotional campaign was implemented as planned. This included

- The Department of Social Protection (DSP) briefing all of its case officers followed by written communication to 1,000 jobseekers in Waterford and Kilkenny.
- Teagasc writing directly to 1,200 client drystock farmers in Waterford and Kilkenny.
- Promotion by other stakeholders to their constituents.
- Radio interviews by Teagasc with regional radio stations.

Unexpectedly, the Irish Farmers Journal published a front page article titled ‘€5,000 for dole workers to milk cows’ in the 5th August edition of the paper which also appeared online on 2nd August. This resulted in a significant amount of national media coverage elsewhere, including:

- RTE Radio 1 – Morning Ireland interview with Sean O’Leary, IFA Dairy Committee Chairman. 3/8/17
- Farming Independent 8th August
  - ‘Milk jobs plan a ‘short term’ solution warns dairy expert’. Article by Claire McCormack.
  - ‘An imaginative first step towards tackling dairy labour issues’. Article by Darragh McCullough.
- Agriland – online.
  - ‘Dole labour option is an insult to Irish dairy farms’. Opinion piece by Richard Halloran 5/8/17
  - ‘Farmer group welcomes measures’ – based upon interview with Pat McCormack ICMSA. 10/8/17

While there was some negativity arising out of the misleading headline by the Irish Farmers Journal, most of the subsequent media coverage was fair and positive towards the initiative. The DSP Press Office was forced to issue a statement of clarification to explain that there was no special arrangement for jobseekers. Overall, the extra media attention resulted in a much higher awareness regionally and nationally towards the initiative.
Outcomes
Actual response:
- 2,200 people contacted directly by DSP & Teagasc.
- Expressions of interest from 88 persons.
- 54 candidates interested in employment.
- Most candidates interested in training – 16 trained by end October.

16 candidates will receive the initial 20 days training in September and October – the maximum per course is 8 as it is an intensive programme.

<table>
<thead>
<tr>
<th>Source of Candidates received by FRS</th>
<th>Waterford</th>
<th>Kilkenny</th>
<th>Total Candidates Identified</th>
</tr>
</thead>
<tbody>
<tr>
<td>Referrals from DSP campaign</td>
<td>14</td>
<td>12</td>
<td>26</td>
</tr>
<tr>
<td>Referrals from Teagasc campaign</td>
<td>7</td>
<td>8</td>
<td>15</td>
</tr>
<tr>
<td>Referrals from Newspapers</td>
<td>3</td>
<td>5</td>
<td>8</td>
</tr>
<tr>
<td>Referrals from Radio</td>
<td>3</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>27</td>
<td>27</td>
<td>54</td>
</tr>
</tbody>
</table>

Waterford & Kilkenny

- Referrals from DSP campaign
- Referrals from Teagasc campaign
- Referrals from Newspapers
- Referrals from Radio
Analysis of Gender, Status & Type of Employment Sought

<table>
<thead>
<tr>
<th>Gender</th>
<th>Waterford</th>
<th>Kikenny</th>
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<tbody>
<tr>
<td>- Male</td>
<td>23</td>
<td>25</td>
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<tr>
<td>- Female</td>
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<table>
<thead>
<tr>
<th>Status</th>
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</thead>
<tbody>
<tr>
<td>- Job seeker</td>
<td>14</td>
<td>12</td>
</tr>
<tr>
<td>- Drystock farmer</td>
<td>1</td>
<td>8</td>
</tr>
<tr>
<td>- Others</td>
<td>12</td>
<td>7</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Type of Employment Sought</th>
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</thead>
<tbody>
<tr>
<td>- Full time</td>
<td>20</td>
<td>18</td>
</tr>
<tr>
<td>- Part time</td>
<td>7</td>
<td>9</td>
</tr>
</tbody>
</table>

Additionally, Wexford Local Development contacted the SERSF in response to expressions of interest in dairying received from the Roma community based in Enniscorthy, Co. Wexford. WLD have interviewed all persons who expressed an interest and have identified 18 persons interested and willing to access training and enter the dairy industry.

The Farm Relief Service are continuing to work with identified candidates to support them enter the dairy sector and support their training needs. Progress will be monitored by the South East Regional Skills Forum.
Recommendations

1. Where skills shortages are identified in sectors where there are barriers to entry such as relevant skills, these can be overcome with appropriate targeted training.

2. Where skills shortages are identified in sectors which are not regarded as attractive, these can be overcome by identifying positive attributes that can be highlighted such as flexibility, seasonality and locally based opportunities.

3. This pilot initiative identified 54 candidates in Counties Waterford and Kilkenny, where previously no candidates could be found. The initiative should be replicated in other regions where there is a shortage of skilled operators on dairy farms.

4. There is a need to educate and train dairy farmers about the skills necessary to be effective and well regarded employers.

5. A collaborative approach by the main stakeholders is a very effective approach to tackling skills shortages in specific sectors.
Appendix

Appendix 1. Participants in ad hoc working group.

**SERSF**
Edmond Connolly, Manager, South East Regional Skills Forum (chairperson)

**TEAGASC**
Tony Pettit, Head of Education Teagasc
Frank Murphy, Curriculum Development, Teagasc
Paul Hennessy Kildalton College Principal, Teagasc
John Moloney, Teagasc Area Manager Waterford Kilkenny
Paidi Kelly Researcher Teagasc, Moorepark

**FARM RELIEF SERVICES**
Peter Byrne, CEO Farm Relief Service
Padraig Madden, FRS Network
Ned Dunphy, Manager Waterford FRS
Philip Kenny, Manager Kilkenny FRS

**DEPARTMENT OF SOCIAL PROTECTION**
Con Quinlan Area Manager Department of Social Protection

**MACRA NA FEIRME**
James Healy President Macra na Feirme
Denis Duggan CEO Macra na Feirme
Derrie Dillon, Agricultural Affairs Manager, Macra na Feirme
Brigid Quigley, Training Network Manager, Macra na Feirme

**IRISH FARMERS ASSOCIATION**
Catherine Lascurettes, Executive secretary, IFA Dairy Committee
Pat Farrell, Executive Secretary, IFA Horticulture Committee

**FARMER**
Bill O’Keeffe Nuffield Ireland & dairy farmer

**INDUSTRY**
John Murphy & Pat Ryan, Farm Development Team, Glanbia
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An FRS Operator’s work is flexible and varied, each work arrangement is different, contact us and we can talk through your questions and give you all the information you need.

Some Frequently Asked Questions are:
• Who is my employer?
• How many hours will I work?
• What is the hourly rate of pay I will get?
• What type of work will I be doing?
• Do I have the required skills?
• Will I get sufficient training?

Here is what some of our FRS Operators have to say:

Michael Kelly, Wicklow
"I can do 2 hours in the morning and 2 hours in the evening and still help out on the home farm, which I think would suit a lot of people as it is flexible."

Tom Connolly, Waterford
"Working with FRS was the difference between making a living or not."

Who are we looking for to join the team?

People who:
• have a positive attitude to new work opportunities
• have a liking for working outdoors
• want work flexibility
• are available to commit to working during spring season
• are willing to do the training to upskill if required
• have milking experience
• have no or limited milking experience will be trained

Contact your local FRS office:

Cavan/Raphoe/Enniskillen: (049) 8545 100
Cork, Bandon: (023) 8852 630
Cork, Kanturk: (029) 50750
Cork, Mallow: (086) 2633 517
Cork, Middleton: (021) 4613 501
Donegal/Monaghan, Raphoe: (074) 9145 386
Galway, Athenry: (091) 844 551
Kerry, Castlegland: (066) 7143 089
Kilkenny/Carlow, Kilkenny: (056) 7761 671
Limerick/Clare/North Cork, Bruree: (063) 90666
Roscommon, Boyle: (071) 9662 781
Tipperary Nth/ Laois/ Offaly, Roscrea: (050) 21366
Tipperary Sth, Cahill: (052) 7441 598
Waterford, Kilmacthomas: (051) 294 277
Wicklow, Tinahely: (0402) 38427

FRS is an equal opportunities employer. T&C’s apply.
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- What type of work will I be doing?
- Do I have the required skills?
- Will I get sufficient training?

Here is what some of our FRS Operators have to say:

Anne Galligan, Co. Meath
“Women have been farming forever, I choose this career and think that more women should get involved.”

Dan Harold, Limerick
“I wanted to get back into farming. My work with FRS is flexible and I am free during the day to go about my other business. I think there are a lot of people out there that could avail of the opportunities.”

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Who are we looking for to join the team?
People who:
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- have a liking for working out doors
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Contact your local FRS office:

<table>
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<tr>
<th>Area</th>
<th>Phone</th>
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<tr>
<td>Cavan, Ballyjamesduff</td>
<td>(049) 8545 100</td>
</tr>
<tr>
<td>Cork, Bandon</td>
<td>(022) 8852 630</td>
</tr>
<tr>
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<tr>
<td>Limerick/Clare/North Cork, Bruree</td>
<td>(069) 90966</td>
</tr>
<tr>
<td>Roscommon, Boyle</td>
<td>(071) 9662 781</td>
</tr>
<tr>
<td>Tipperary North/ Laois/ Offaly, Roscrea</td>
<td>(0505) 21166</td>
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<tr>
<td>Tipperary South, Cahirciveen</td>
<td>(052) 7441 598</td>
</tr>
<tr>
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<td>(051) 294 277</td>
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