

The Advertiser

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**Solving skills, housing crisis
will deliver \$44bn boost**

WE HAVE ONE JOB

Bordertown
business owner
Shane Longbottom,
with workers
Clement Dinning
and Toby Brown
Picture: Ben Clark

**BUILDING
A BIGGER,
BETTER**

*South
Australia*

ANDREW HOUGH

FIXING a chronic shortage of workers and housing across country South Australia will help turbocharge the state's economy and deliver more than \$44bn worth of future projects, community and business leaders say.

Official figures show almost 36,300 regional jobs were vacant in the past year with the biggest staff

shortages recorded in the Barossa Valley, Murraylands, Riverland and South-East.

Regional Development Australia estimates more than 776 projects across country SA worth \$44.7bn are slated over the next five years. But business owners, including Bordertown's Shane Longbottom, are having to buy properties to house their workers.

REPORTS, PAGES 6&7

WHAT WE'RE ADVOCATING FOR

- » Why we need to grow our population
- » Stopping the brain drain
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- » Driving future jobs and investment growth

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- The industries at the backbone of our state's success
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Hunt for staff in boom towns

SPECIAL REPORT: In the past year there have been more than 36,200 job vacancies in country SA. But a dire shortage of homes, and employers begging for workers, means at least \$44bn worth of projects are under threat unless drastic action is taken.

Tatiara Industrial Repairs owner Shane Longbottom, 55, front, with workers Clement Dinning, 26, back left, and Toby Brown, 17, at their Bordertown workshop. Picture: Ben Clark

ANDREW HOUGH INVESTIGATIONS EDITOR

FIXING a chronic shortage of workers and housing across country South Australia will help turbocharge the state's economy and deliver more than \$44bn worth of future projects, community and business leaders say.

Official figures show almost 36,300 regional jobs were vacant in the past year with the biggest staff shortages recorded in the Barossa Valley, Murraylands, Riverland and South-East.

With an average country unemployment rate of just 3 per cent, almost all industries are experiencing shortages but the most acute are in agriculture, medical, construction and hospitality.

There are six jobs available

for every current agriculture graduate.

Regional Development Australia, a country network funded in SA by the three levels of government, estimates more than 776 projects across regional SA worth \$44.7bn are slated over the next five years.

Major projects include a Port Augusta green concrete facility and an offshore wind farm near Kingston, SE.

Calling for specialised tax breaks and waiving of government charges such as stamp duty, industry leaders have revealed desperate farmers and business owners have bought their own worker accommodation to help recruit staff.

As some country residents wait more than three years to build a house, rental vacancies are at a 16-year low.

Regional Development

Australia's SA chairman, former premier Rob Kerin, said it was a "wicked problem" in every country area, which threatened investment worth billions of dollars.

"It's stifling growth, that's really the issue," he said. "It's very hard to build your business. It's hard enough to get workers anyway but when you do it's just as hard to house them.

"It's a bloody nightmare and really frustrating."

Federal Liberal MP for Barker, Tony Pasin, said shortages were his electorate's main issue from the Barossa Valley and Riverland to the Murraylands and South-East.

He said it was the country's "single biggest handbrake".

He said worker programs, such as the Pacific Australia Labour Mobility scheme,

needed to be permanent as the temporary solution was "like putting a Band-Aid on a bullet wound".

"More worryingly is they (businesses) are deferring investment decisions because they will not be able to meet their contracts," he said.

"This issue is having a serious impact on virtually all regional communities."

There are 481,000 people living in regional SA, which is 27 per cent of the state's population, according to the 2021 Census.

A quarter of SA's \$118bn gross state product is generated in the regions, government data shows.

Despite rising interest rates, Elders state manager Philip Keen said regional SA was Australia's best-performing housing market last year

as prices spiked 15 per cent. Underscoring extreme home demand and a lack of supply, he said many country renters were on huge tenant waiting lists.

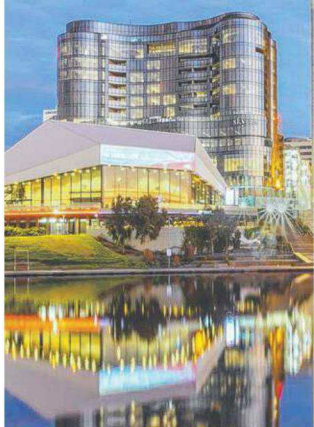
There were just 288 available rental properties across regional SA in December, the lowest vacancy rate since 2007.

Primary Producers SA chairman Professor Simon Maddocks said availability of adequate housing was a "major challenge", particularly during vintage and harvest.

Further pressure has been heaped on country housing stocks after an influx of city residents during the pandemic and then those who can't afford a metropolitan property, he says.

He called for more regional hi-tech workers and also those for basic production work.

"There's an age-old problem of how to get people to under-





JBS meat production workers, from left, Aizhu Fu, 55, from China, Ma Leah Saraosos, 41, of the Philippines and Pavi Ellangkouan, 27, from Malaysia. Picture: Ben Clark

stand agriculture is not just about dust, dirt and work boots," he said.

Citrus SA chairman Mark Doecke, who is a Riverland farmer, said he took weekly phone calls from workers wanting a home, including one last week for accommodation for May's picking season.

Opposition Leader David Speirs is developing a state migration strategy. "It has crept up quite rapidly but it needs some pretty significant and deft policy solutions," he said.

In separate statements,

Skills Minister Blair Boyer, Human Services Minister Nat Cook and Regional Development Minister Clare Scriven said the government was tackling the crisis and spending more than \$200m on housing and on training.

"As a nation we are facing the most acute skills shortages in decades and the key to addressing this is by rebuilding TAFE, improving completion rates and making our training system more agile and responsive," Mr Boyer said.

EDITORIAL: PAGE 22



JBS plant manager Trevor Schiller outside his Bordertown plant. He says he could employ a further 50 people to join his 500-strong workforce but a lack of housing and labour is a significant hurdle. Picture: Ben Clark

Lots of work needed to solve problems

ANDREW HOUGH BORDERTOWN

THE state's upper South-East is considered ground zero for South Australia's regional worker and housing crisis.

Bordertown, 18km west of the Victorian border, is a hot-spot of intense demand for rental accommodation and homes to meet an abundance of well-paid jobs.

Community leaders say almost every business could hire more staff today, such as mechanics, tradies, processor workers for crops or meat work, cleaners, hospitality staff and farm hands.

Compounding the housing shortage and rental crisis is a mains water problem, which locals say is preventing new home and commercial land construction 270km south-east of Adelaide.

Tatiara Business Association chairman Daniel Stau-

de, 39, said the large road-blocks "dampens your spirit".

Mr Staude, who could hire three new tradies for his 15-year electrical business, accused state and federal governments of years of inaction. "They just think small towns just putter along," he said. "You will be surprised that our regions are flying along but we need their support."

Shane Longbottom, 56, has been forced to buy several homes to help house workers for his Tatiara Industrial Repairs business of 25 years, located on the northwest industrial park.

"We never say no to a job – we'll work out a way to deliver – but we've got enough work to see out the year already," said the father of two, in between calls for new orders and queries.

"I could put a dozen people on right now and a pay them a

decent wage. We're here to spend money and grow but we can't because we can't get staff. It's a nightmare and we're not alone."

Meatworks JBS, which employs the area's biggest workforce, spent \$3m in late 2021 buying a local motel to house 70 food process staff.

Plant manager Trevor Schiller, 60, said he could hire another 50 workers today to join his 500-strong workforce, who produce \$1bn worth of meat a year.

"Ongoing labour shortages are a challenge for our business," he said. "(This) has been compounded by a lack of affordable housing and infrastructure."

Tatiara District Council chief executive Anne Champness said the latest industrial estate sold in six months in 2020 and a next stage is planned for 28 new allotments.

But while preparing land

division last year, SA Water advised that its water supply was "at capacity" and the new industrial development could not be serviced. Ms Champness said supplies relied on a groundwater lens from Tatiara Creek but reduced flows had increased salinity, meaning the aquifer was not replenishing to meet demand of 2800 residents.

"Infrastructure work is now required to meet increasing demand and ensure the long-term security of (our) water supply," she said.

SA Water advised extending the River Murray pipeline 45km from Keith would cost \$43m. Labor ministers were briefed in June last year during Country Cabinet. An SA Water spokesman said it was "exploring a broad range of infrastructure solutions and the associated costs" to help development and ensuring reliability of supply.