MICHIGAN'S 2019 LOCAL AND REGIONAL FOOD SYSTEM WORKFORCE ASSESSMENT

Webinar 2 (of 4):
A scan of jobs in Michigan's food systems – employment, wages, the future, and more

January 16, 2020 12:00PM - 12:30PM

Assessment Team

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Funders:

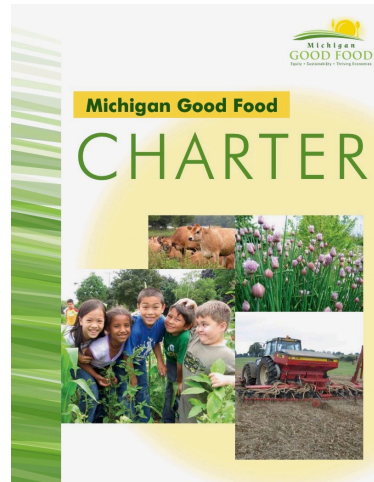W.K. KELLOGG FOUNDATION®

KalamazooVALLEY™ community college

LOCAL AND REGIONAL FOOD SYSTEMS DEVELOPMENT

Working closely with communities to:

- Improve HEALTH through better healthy food access

- Support ECONOMIC DEVELOPMENT through increased sales for Michigan businesses and better jobs.

Building collaboration infrastructure around the goals of the Michigan Good Food Charter.

Understanding the local and regional food systems workforce will help us better see how we can support communities in health and economic development goals.

WORKFORCE ASSESSMENT GOALS

- Better understand the local and regional food system workforce and identify challenges and opportunities.

- Identify possible gaps and opportunities in education and training.

Defining local and regional food systems

For the purposes of this work we defined local and regional food systems as:

Organizations that **produce, process and/or distribute food from Michigan** that is available to Michigan consumers, and/or organizations that **support this system**.

PROJECT RESEARCH AREAS

- **Food systems job scan**
  - Types of jobs, job and educational requirements, and salary ranges for jobs in the food system
  - Identified skills required and the different areas of growth
  - Note this was a broader food system scan and not specific to local and regional food systems

- **Survey of Local and regional food system businesses**
  - Data to better understand workforce needs, available jobs, gaps, challenges and opportunities.

- **Stakeholder interviews**
  - Data to enhance survey data on workforce needs, changes, challenges and opportunities.

- **Scan of other food system workforce research**

- **Food systems training/ education scan**
  - A review of the many training opportunities and educational offerings across MI that are pertinent to the job needs of the LRFS food system.

- **Worker profiles**

MICHIGAN'S FOOD SYSTEMS JOBS SCAN

THE GOALS OF THE FOOD SYSTEM JOB SCAN ANALYSIS

To better understand:

- job categories that represent the most significant areas of employment within the local and regional food system

- the wage data associated with those jobs

- the skills that are required to fulfill those jobs

- growth projections in specific fields of employment

CORE INDUSTRY SECTORS

1. Food production
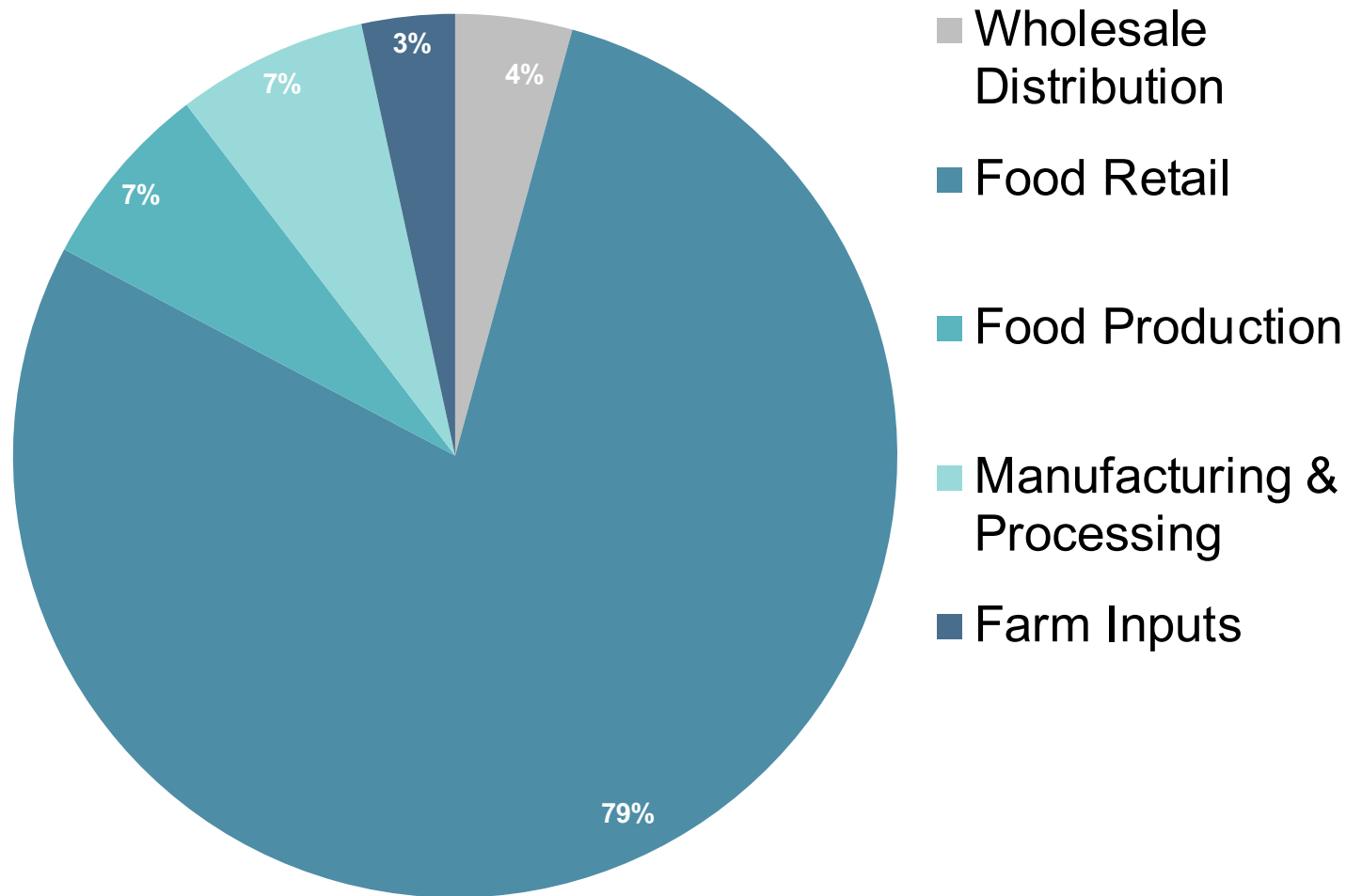
2. Farm inputs

3. Food manufacturing and processing,

4. Wholesale distribution, and

5. Food retail sales and service

LOCAL AND REGIONAL FOOD SYSTEM INDUSTRY SECTORS THAT FORM THE FOOD SYSTEM (AS A % OF TOTAL FOOD SYSTEM EMPLOYMENT)

Legend:
- Wholesale Distribution
- Food Retail
- Food Production
- Manufacturing & Processing
- Farm Inputs

Pie chart values: 79%, 7%, 7%, 3%, 4%

OCCUPATIONS SPANNING TWO OR MORE CORE INDUSTRY CATEGORIES

Occupation	Total number of people employed	Food production	Farm input	Wholesale distribution	Food retail	Manufacturing and processing
Cashiers	30,457				29,988	
Stock clerks and order fillers	15,900			1,499	13,985	
Farmworkers and laborers, crop, nursery, and greenhouse	11,692	8,445	3,247			
Drivers/sales workers	8,088			1,852	5,746	
Retail salespersons	6,685				5,803	
Packers and packagers, hand	6,564			261	790	3,930

EMPLOYMENT AND AVERAGE EARNINGS

	Total Employment (number of people working)	Average earnings ($)
Food Production	37,178	25,822
Farm inputs	18,048	30,096
Wholesale distribution	27,095	64,889
Manufacturing and processing	43,203	55,189
Retail	268,825	25,738

MICHIGAN FOOD SYSTEM WAGES

	Growth in wages 2013-2018
Food systems jobs in Michigan	19%
All industry jobs in Michigan	14%
Food Systems jobs nationally	16%

Food System wages have **risen at a higher annual rate than other industries** in the state.

Wages for food systems jobs in Michigan are also **increasing at a faster rate than similar jobs nationally**.

FOOD PRODUCTION

Total Employment: 37,178
Average Earnings: $25,822

- The key occupations that form this sector:
    - Farm managers (39.6%)
    - crop farmworkers and laborers (22.4%) and
    - animal farmworkers (10.7%)
- Highest paying roles come with managerial and technical duties
- Farm supervisors are the highest paid ($18.47/hour) followed by tehnical skills, equipment operators ($16.74/hour)
- Low education requirement. Those that do require HS diploma and prior work experience offer less on-the-job training than those that have lower education requirements.

FARM INPUTS

Total Employment: 18,048
Average Earnings: $30,096

- The key occupations groups that form this sector:
    - Farm workers and laborers in crop/nursery and greenhouse (17.6% of total farm input jobs; $10.79/hour)
    - Vet assistants and lab animal caretakers (16.1%; $11.77/hour)
    - Vet techs (12.5%; $16.35/hour)
- Highest paying roles include the veterinarians ($38.27/hour) and the vet techs (16.35/hour) but come with significant demand for education. Demand for these roles expected to increase.
- Office administrators (11.1% of farm input jobs) are slightly better paid ($13.43-$15.58/hour) than farm labor occupations ($10.79/hour) but require HS diploma and short-term on-the-job training.

FOOD MANUFACTURING AND PROCESSING

Total Employment: 43,203
Average Earnings: $55,189

- There are wide range of different jobs with a wide range of salaries in this sector, The jobs with the highest number of employees in this sector include:
    - Packaging and filling machine operators and tenders (11.8% of total sector; $14.77/hour)
    - Food batchmakers (5.9% of total sector; $14.77/hour)
    - Bakers (4.9%; $11.58hour)
- Growth of key occupations in food manufacturing and processing projected to grow between 4-24%
- The occupation with the most employees is packing and filling machine operators (5000 employees; median wage $14.77/hr). Could be entry level pathway to industrial mechanics at $24/hr
- Longer on the job-training generally (jobs tend to be more specialized)

WHOLESALE DISTRIBUTION

Total Employment: 27,095
Average Earnings: $64,889

- The key occupations groups that form this sector:
    - Sales Representative for whole sale and manufacturing(14.4% of total whole distribution jobs; $28.05/hour)
    - Laborers and freight stock and material movers (9.8%; $13.41/hour)
    - Heavy and tractor-trailer truck drivers (8.4%; $18.89/hr)
- Employment in this sector is expected to grow in next 5 years
    - Jobs in truck operation, shipping and delivery expected to grow between 10-15%
    - Transportation jobs have limited career growth unless moving into supervisory or logistics roles.

FOOD RETAIL

Total Employment: 268,825
Average Earnings: $25,738

- The key occupations groups that form this sector:
  - Combined food preparation and serving workers including fast food (26.3% of total retail jobs; $9.43/hour)
  - Waiters and waitresses (16.6%; $9.41/hour)
  - Restaurant cooks (8.0%; $11.28/hr)
  - Cashiers (7.5%; $9.60/hr)
- Nearly 60% 0f the jobs in retail pay less than $10/hour – however much is in fast food and less likely tied to local and regional food system
- Higher median wage in food retail compared to food service workers.

TOP REQUESTED SKILLS BY EMPLOYERS

Commonly requested skill clusters across the food systems industries included:

- Food service (food safety, handling and preparation)

- Customer service

- Sales and business management

TOP REQUESTED SKILLS BY EMPLOYERS

Food production and farm input sectors:

- **Food and crop handling**
- **Occupational health and safety**
- **Business management**
- **Managing natural resources**
- **Agronomy and farming skills**

Manufacturing processes

- **Machinery repair and packaging**

Warehouse distribution

- **Sales**
- **Supply chain logistics**

Retail

- **Customer interaction**
- **Food handling**
- **Instore operations**

HIGHEST PROJECTED GROWTH IN JOBS OVER NEXT 5 YEARS

- **Meat, poultry, and fish cutters (+19%)**

- **Veterinary technologist (+11%)**

- **Labor and freight material movers (+11%)**

- **Industrial truck and tractor operators (+10%)**

- **Heavy tractor-trailer drivers (+10%)**

- **Institution and cafeteria cooks (for example at schools or hospitals) (+10%)**

SUMMARY AND POTENTIAL NEXT STEPS

- Further identify challenges and potential solutions to wage disparities and skill shortfalls

- Many jobs require high school education – what does this mean for workforce development with our schools? Deeper dive?

- Engage in more discussions with workforce development organizations, food businesses, workers and advocates.

FUTURE WORKFORCE ASSESSMENT WEBINARS

JANUARY 30, 2020 – 12PM

Webinar: Developing Michigan's local and regional food system workforce – challenges and opportunities (part 3 of 4)

FEBRUARY 13, 2020 – 12pm

Webinar: Workforce education and training opportunities in Michigan's local and regional food systems (part 4 of 4)