

Submission to the Standing Committee on Agriculture, Fisheries and Forestry inquiry into Rural Skills Training and Research.

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After giving considerable thought to how best to address the Terms of Reference I have decided to present a paper listing what changes can be made and what issues considered to improve Training provision to the Rural Sector.

For the purposes of this paper the Rural Sector includes the following industries

- Grain and Cotton and all broadacre crops
- Livestock including sheep, cattle and alternative livestock bred for fleece or meat consumption
- Dairy
- Horticulture and Viticulture
- Aquaculture and Wild Catch
- Horse Industries
- Rural Business Management

Training Package – Rural Production

The current training package allows most training courses to be put together with appropriate units of competence and following the qualification packaging rules with a few exceptions.

1. Rural Business Management qualifications can be accessed using primarily imported units from Business Studies packages (or Business Studies units brought into the Rural Production package) allowing a qualification to be built on very low nominal hours. The imported business studies units do not allow for the level of complexity required in tasks/skills related to the rural sector as compared to the small business sector. As such many of the business studies units are not appropriate.
2. There are not enough appropriate unit choices to allow for a very good Diploma in Rural Business to be created.
3. The Certificates in Agriculture (Horse Breeding) is an inappropriately named qualification. There are also not enough Equine based units in the training package especially for non breeding related training. As the Rural Production package has a Certificate 1 – Diploma in Irrigation so should it have a Certificate 1 – Diploma in Equine Industries.
There are 3 other packages with equine based units being Racing Industry, Sports Industry & Outdoor Recreation. None of these packages deal with the emerging Performance Horse Industry adequately except perhaps at the basic AQF 2-3 level
4. The Rural Production package has far too great a percentage of the units with an irrigation focus thus rendering many units useless to non irrigating businesses/industries.

Adequacy of funding

1. The current funding situation is adequate at AQF levels 4 -6 because of AAA Farmbis funds. This allows industry driven training whether accredited or non accredited to be delivered by expert trainers and training providers that are SELECTED BY INDUSTRY. This means that the industry drive the training demand and results in training being delivered that is cost effective, delivered in the regions it is needed and delivered by industry experts not long term lecturers who have lost industry relevance and competence.
2. AAA Farmbis funding recognises that the rural industry is suffering from declining commodity prices, increased fuel prices, declining community services and drought therefore a greater need for training and skills upgrades exists than ever before: The Government must address the issue regarding “Education after Farmbis” as soon as possible.
3. The Government must address the issue of funds availability to public as well as private Registered Training Organisations. This inquiry states that the committee will investigate the number and range of educational campuses across Australia. Don't forget to look at the provision of training by Registered Training Organisations that are Private Training Providers. In many instances the private provides are out there delivering training to the regions and don't need physical campuses. They have established strong industry and community links and are utilising facilities already in the community such as telecentres, industry resources, schools etc. This provides for very flexible cost effective training whilst they are able to access AAA Farmbis funding.
4. Government funded TAFE Institutes currently receive uncontested funds to deliver training to various industry sectors including the rural sector & particularly in the area of rural business management. The TAFE courses provided are generally AQF 4 – 6 and attract a regulated fee to be paid by the student with the remaining fee based on nominal hours funded by State Appropriation Government funds. Private providers do not have access to these VET funds and this prevents the rural sector from accessing their preferred provider unless on a prohibitive full cost Fee for Service basis. This restricts the availability of competition in the delivery of training thus reducing the quality of training.
5. User Choice funding is confined to operative level training and is inadequate for the rural sector. New Apprenticeship Centres “sign up” trainees and do not give thought to having a group of trainees in 1 geographic region able to be serviced by an RTO in a cost effective manner. On farm visits are required and in isolated areas a lecturer may drive all day using fuel, vehicle and time for 1 visit. School based New apprenticeships are even less attractive in the Rural sector as inadequate funding is then halved for a part time traineeship. It is also often the case that these trainees require greater contact and lecture time than full time trainees thus making a group of school based trainees even less cost effective. Increasing the current \$/hour rates by \$1.50/hr would significantly improve the situation.

Access to training

1. As stated previously the current AAA Farmbis funding enables fair and equitable access to training at AQF levels 4 – 6 for any rural industry sector that wishes to access funds. AAA Farmbis have listened to industry and allow training to be delivered in the regions, with childcare support and by industry respected trainers. Units of Accredited training ~~is~~ are provided by the Registered Training Organisation chosen by industry whether public or private. The cost effectiveness of AAA Farmbis funded training and the appropriate and critical industry up skilling occurring as a result of this training is a credit to the current Government and a step in the right direction to a training market that is totally open with all funds being contestable.

Access to Training for Women

1. Childcare availability and cost is a major deterrent to women studying.
2. Distances travelled to TAFE campuses and inappropriate class hours are also a deterrent. Training can be delivered between school hours and in local towns using existing community centres very adequately if training funds are equally available to all providers.
3. This ~~in~~enquiry should ~~contact~~consult the Department of Agriculture Fisheries and Forestry FarmBis unit to understand the needs of rural women. The AAA Farmbis ~~to review a system of providing~~program provides funds for training to the rural sectors that deals with the requirement of women very well.

The Population Drift

1. The impact of population drift is always going to be significant and increasingly so. If training is ~~able to be~~ delivered cost effectively in the regions it will help in stemming the population drift. The current Rural Production Training Package allows for Delivery of AQF 2 – 6 (Advanced Diploma). This means that we have the Nationally recognised and accredited framework that with appropriate training, can be issued to the “man on the land” whilst he is still working on the farm, combining on job and off job training to achieve a qualification to Advanced Diploma. This qualification and skills, assuming it is well delivered and appropriate training that meets industry needs will help STOP the population drift. People will stay at home in their businesses to train. Children can achieve a high level post secondary education whilst still working on the farm. If a business should suffer irretrievable down turn then a qualified business manager will make the right decisions to exit the industry & will be adequately trained to secure other employment rather than being a welfare recipient.
This training should not be the sole responsibility or domain of TAFE. This opportunity to meet industry training needs should be on a fair & equitable basis for all providers & require high quality training delivered by providers that understand industry requirements & are able to work with industry. The quality & relevance of training should be accountable at all times.
2. It is critical to recognise the importance of complete qualifications as well as short course training. The complete qualification can be built from appropriately assessed short course training and provides the added benefit of Nationally recognised qualifications. In times when farmers may need to leave the land a formal qualification is increasingly necessary. However unless these qualifications can be gained whilst on the job it is often difficult to maintain the family business and justify leaving the farm to gain a qualification.

Links between research, education, farming systems groups, extension

It is important to achieve links between research, education, farming systems groups & education but the links need to be useful, beneficial to the business person and managed by the right people so that the links stay useful. Farming systems groups appear to be the flavour of the month but it is becoming increasingly apparent that many of these groups are accessing funds for various reasons with one of the main ones being funds to keep the group administration running. As such the risk is creating another “layer” that needs funds to operate in the provision of education and the dissemination of information if funds are “funnelled” through specific groups. Again I invite this committee to closely observe the success of the AAA Farmbis program where funds for education are available based on successful applications in a fully contestable model with the administration system efficient and capped ~~at costing a % of total funds~~ to ensure most of the funds are directed to training.

The AAA Farmbis program, because of how it is managed has already created the appropriate links between research, education, extension and farming systems groups.

ABB Grain Pty Ltd work closely with RST Pty Ltd to deliver training related to marketing & product quality.

ABB Grain Ltd is a significant player in the world grain market, exporting over 7 million tonnes of grain to international markets each year. ABB is also the third largest exporter of barley in the world, produces 80% of Australia’s malt for beer and food production for the domestic and export markets and owns and operates the grain storage system in South Australia.

Education is crucial to the current and future sustainability for Australian grain growers. In the very near future there will be an accelerated change in ownership of farms. This will be either through succession with current farmers (the average age of Australian farmers is > 50 years) retiring and their sons or daughters taking over the business or retiring farmers selling properties resulting in fewer farmers operating larger farms. Operating a farming enterprise in the current tough economic and environmental conditions requires a high level of business skill. And the need for learning never ends as the industry continues to change.

The terms of trade for grain growers continue to decline. In order to remain viable and competitive our farmers must be trained in;

1. The best agronomic practices developed through adequately funded long-term research.
2. Business management.

The Grains Research and Development Corporation, supported by matching funds from the Federal Government, provide funding for agronomic research. Extension (the delivery and training of research outcomes) is critical and must also be adequately funded.

ABB has the opinion that highly developed business skills are essential for our current and future farmers. This could be short-course, diploma or even degree level. A rural Masters of Business Administration delivered locally would be very relevant.

Areas we believe are critical for the future of the industry are:

1. Developing skills for growers to encourage and enable their appointment to the Boards of Directors of Australia’s agri-business companies.
2. Risk management related to whole farm planning & business
3. Basic accounting and interpretation of financial statements.

4. Marketing.
5. Environmental sustainability.
6. Succession planning.
7. Human resource management.
8. Understanding of share markets and company structures and ownership.

From ABB perspective our farmers require access to education facilities in their local area. It is extremely difficult, both financially and operationally, for farmers to attend tertiary, vocational or short course training that requires significant travel and time away from the farm.

We encourage the Government to invest in the training and formal education of our farmers and others living in the rural sector. It is essential for the long term sustainability and international competitiveness of Australia's agriculture industries and importantly the well being of the people living in our rural communities.