

Australian Government

**Department of Education,
Science and Training**

Submission to

**The House of Representatives
Standing Committee on
Agriculture, Fisheries and
Forestry**

**Inquiry into Rural Skills Training
and Research**

June 2005

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The House of Representatives Standing Committee on Agriculture,
Fisheries and Forestry
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The Australian Government Department of Education, Science and Training welcomes the opportunity to provide this submission to the House of Representatives Standing Committee on Agriculture, Fisheries and Forestry Inquiry into Rural Skills Training and Research.

The Australian Government takes a national leadership role in education and training in the schools and VET sectors and is solely responsible for funding in the higher education sector. Education and training is funded through partnerships between governments, although States and Territories are primarily responsible for the management and delivery of education and training in schools and through VET.

Overall, educational campuses throughout Australia have more than an educational delivery role in the communities in which they are located. Often, they will also have an important role in the economic and social life of their communities which go far beyond traditional educational activities.

As various Departments define rural Australia differently, in preparing this submission the House of Representatives Committee Secretariat was consulted in defining what geographically constitutes rural Australia. DEST was informed that this submission should focus on agriculture related training and research.

This submission sets out the role of the Department of Education, Science and Training in rural skills training and research both through its leadership in education and training and through specific Australian Government programmes and initiatives. Most of these programmes and initiatives have a national focus and national coverage. However, in this submission, if a programme has a particular aspect targeted toward rural Australia, this will be emphasised.

As the VET sector provides vocational training for new labour market entrants and for those seeking further training or a change of career, the submission outlines the sector and its role in detail, including the part played by New Apprenticeships.

In addition to providing basic foundation skills, especially literacy and numeracy, schools are providing an increasing number of school students with basic vocational training, including in some cases part time work with employers as New Apprentices. This aspect is covered as is the Australian Government's work to improve the provision of careers information and advice.

The submission also outlines a number of current activities in which the Australian Government is involved which assist the rural industry to meet its current and future skills needs. These include:

- the National Skills Shortages Strategy – a partnership between industry and government to identify skills needs and strategies to address them;
- industry liaison and advisory arrangements;
- *Our Universities: Backing Australia's Future* – a package of reforms that aim to give universities access to the funding they need to deliver world-class higher education, with a focus on quality learning outcomes; and
- The outcome of the review of rural veterinary services.

Table of contents

1. Introduction and background to Department of Education, Science and Training (DEST) support of education, research and advisory programs in rural Australia.....	4
1.1 The DEST role.....	4
1.2 Recent DEST initiatives.....	5
1.3 Role of States and Territories.....	7
1.4 The role of industry.....	7
2. Agricultural industry in context.....	9
2.1 Skills needs of the agriculture industry.....	10
2.2 Overview of current and future skills needs.....	11
3. Vocational education and training in rural Australia.....	13
3.1 Overview of vocational education and training in rural Australia.....	13
3.2 Challenges to delivery in rural Australia.....	13
3.3 Recent changes to vocational education and training.....	14
3.4 Specific initiatives.....	16
3.5 Agri-food Industry Skills Council.....	22
3.6 Rural Training Packages.....	23
3.7 Quality assurance.....	24
3.8 Networks of advice in rural Australia.....	26
3.9 Articulation to Higher Education.....	28
4. Higher Education accessibility in rural Australia.....	31
4.1 Challenges to delivery in rural Australia.....	31
4.2 Higher education students studying agriculture courses.....	32
4.3 Higher Education initiatives for rural Australia.....	34
5. Schools in rural Australia.....	37
5.1 Special initiatives.....	37
5.2 Vocational education and training in schools.....	41
5.3 Transitions.....	43
5.4 Indigenous.....	47
6. Australian Technical Colleges.....	49
6.1 Background.....	49
6.2 Expected outcomes of ATCs.....	50
7. Research for rural Australia.....	51
7.1 Overview of research for rural Australia.....	51
8. Other activities.....	56
8.1 The outcomes of the Review of Rural Veterinary Services.....	56
8.2 National Skills Shortages Strategy.....	56
8.3 New Apprenticeships marketing targeting rural occupations.....	58
8.4 Ministerial Councils and inter-departmental committees.....	59
9. Conclusion.....	60
10. Glossary.....	60
11. Appendices.....	62

1. Introduction and background to Department of Education, Science and Training (DEST) support of education, research and advisory programs in rural Australia.

1.1 The DEST role

The role of DEST in support of education, research and advisory programs nationally is equally applicable to rural Australia. DEST provides national leadership and works in collaboration with the States and Territories, industry, other agencies and the community in support of the Government's objectives. DEST develops and implements policies to ensure the continuing relevance of education, science and training to contemporary needs and the growing requirement for lifelong learning. The Department also ensures high quality and value for money in delivering Government funded programmes.

Some of the Department's medium term strategic priorities are:

- Nationally comparable standards and reporting to drive improved learning outcomes for all students;
- Enhance quality of teaching and learning in a safe and supportive environment;
- Improve transitions of young people through school to further education and training or work;
- Increase the diversity of post school education and training provision to meet the expectations of individuals, industry and communities;
- Increase collaboration between and across vocational education and higher education sectors to respond to the needs of individuals, industry and communities; and
- Enhance research and development in key national priority areas.

Skills development in Australia is delivered through a variety of mechanisms:

- in compulsory schooling through the development of foundation skills especially the literacy and numeracy skills required for virtually every form of employment in today's economy. Increasingly schools in the senior years also provide training in vocational skills and in some case part-time work with employers as New Apprentices;
- in the VET sector through the development and implementation of a flexible and quality system responsive to industry's current and future skills needs;
- in Higher Education by providing the educational foundation for entry to the professions and associate professional occupations, and increasingly through providing higher level training in a variety of occupation specific areas. Additional professional skills priorities are determined with targeted reviews of, for example, nursing and teaching education and veterinary rural services; and
- in science and research through the very substantial Australian Government focus on skills development for new technologies and innovation through *Backing Australia's Ability*.

In relation to school education, the Australian Government works with the States and Territories through the Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA). The Australian Government, through MCEETYA, provides leadership in identifying national standards and priorities to achieve the agreed National Goals for Schooling.

In relation to VET, the Australian Government works with the States to ensure high quality outcomes for students and national consistency and coherence. This was formerly achieved through the Australian National Training Authority (ANTA), the

functions of which have now been assumed by DEST (for more information see section 8.3). The Australian Government also works directly with industry to ensure that the VET system is responsive to industry needs. DEST helps the Australian Government achieve its agenda for post-school education and training through three distinct, but closely interrelated, areas:

- quality policy advice and other support provided to the Minister, underpinned by capabilities in research, analysis and evaluation that also inform the policy debate within the VET and higher education sectors;
- efficient national programme management; and
- effective working relationships with state and territory governments, industry, education and training providers, and other stakeholders.

The Department administers diverse programmes and legislation to achieve the Australian Government's policy objectives. The Department also provides funding to support the Australian Government's role in promoting the uptake of information and communication technology in education and training.

The Australian Government has the primary responsibility for funding and policy-making in the higher education sector. Apart from the Australian National University and the Australian Maritime College, the States and Territories are responsible for legislation to establish universities and for the accreditation of higher education courses.

1.2 Recent DEST initiatives

The challenge for Australia is to maintain and further strengthen the VET sector by building an industry-led system that delivers what Australian businesses, communities and individuals need to build their own, and Australia's collective, economic and social prosperity.

Every year over 1.7 million Australians enrol in publicly funded vocational education and training, an increase of 35% since 1995, representing more than one ninth of Australia's working age population. In 2003, there were 662,300 students outside of the capital cities undertaking training, representing 39% of all students in training.

The Australian Government is undertaking a major reform of the VET system, to ensure it can address areas of emerging skills needs. The Government is also working towards better quality training and outcomes for clients, through more flexible and accelerated pathways, and simplification and streamlining of processes.

This year the Australian Government will spend a record \$2.5 billion on vocational education and training, including an additional injection of over \$280.6 million for a suite of new initiatives designed to address skill needs, particularly in the traditional trades.

Funding for 2005-06 includes:

- \$65.4 million to establish 24 Australian Technical Colleges (ATCs) in regional and metropolitan locations suffering skills needs to provide quality education and trade training for senior secondary students;
- \$120 million to extend entitlement to the Youth Allowance, Austudy and ABSTUDY to New Apprentices to ease the financial burden they face in the initial years of training; and
- \$0.5 million to extend entitlement to Living Away From Home Allowance to third year New Apprentices (currently only first and second year New Apprentices are eligible).

A full list of these Budget initiatives can be found at **Appendix A**.

There are also a number of initiatives in the Higher Education Sector which are targeted toward rural Australia:

- \$10 million in infrastructure funding for a medical school at the University of Wollongong. The Australian Government will provide \$10 million over two years to establish a medical school at the University of Wollongong which will enhance the teaching hospital capacity and the delivery of health and medical services in the Illawarra and rural New South Wales. The school is expected to commence in 2007 if approved by the Australian Medical Council.
- \$2 million infrastructure funding under the Capital Development Pool to Charles Darwin University. The Australian Government has provided special capital funding to Charles Darwin University from the higher education Capital Development Pool to assist the University improve its information technology infrastructure. This is in addition to the \$2.4 million provided by the Government to improve bandwidth for institutions in the Northern Territory.
- Additional funding and 40 new places to the Australian Maritime College for the new Point Nepean campus. The Government will provide a total of \$4.9 million over four years to the Australian Maritime College (AMC) for the development of a new campus at Point Nepean, Victoria and 40 commencing places from 2006. The campus will offer courses in marine and coastal conservation.
- \$26 million to James Cook University for veterinary science and tropical agriculture. The Australian Government is providing \$12 million for the infrastructure of a new veterinary science school at the University's Townsville campus, and \$13.9 million for the provision of 100 new places (growing to 274 by 2009) to be shared equally between new courses in veterinary science and tropical agriculture. The commitment will provide increased opportunities to students, particularly in rural and regional Australia, and ensure that Australia has veterinarians with expertise in tropical animal diseases and experts in tropical agriculture.

Schools initiatives

Non-Government School Term Hostels Programme is a new Australian Government programme that commenced in 2005. This assistance was announced 'Investing in Stronger Regions' policy launched on 24 September 2004 by the Deputy Prime Minister, the Hon John Anderson, MP.

The Programme is targeted at not-for-profit non-government school term hostels that operate principally to accommodate primary and secondary students from rural and remote areas of Australia. The objective of this initiative is to assist non-government school term hostels to provide a high standard of care to rural primary and secondary school students residing at the hostels. This four year initiative will also support rural communities by providing an affordable alternative to boarding school or distance education for rural and remote families.

Under the Non-Government School Term Hostels Programme, eligible hostels will attract a grant of \$2,500 per year per eligible student. Programme funds are to be used for the maintenance and operational costs of the hostel and are not to be used to reduce hostel fees.

An estimated \$73.8 million is being provided over the next four years to 2008-09 to assist rural and isolated families. The Assistance for Isolated Children scheme's (AIC's) Basic Boarding Allowance has been increased by an estimated \$39.6 million

over four years to 2008-09 through an increase from \$4,446 to \$6,000 per student per year from 1 January 2005. ABSTUDY's Basic School Fees Allowance has also increased to \$6,000 per year, providing an estimated additional \$13 million over four years to 2008-09. These increases will assist students with little choice other than to board away from home at a school, hostel or private home. The AIC's Distance Education Allowance has also increased to \$3,000 per year for students who study at home through distance education, with total additional funding estimated at \$21.3 million over the four years to 2008-09.

Funding for science and innovation

The Australian Government will commit \$5.5 billion in support of science and innovation in the 2005-06 Budget. This investment continues to demonstrate the significant commitment by the Australian Government to science and innovation and underlines the importance of research and development and innovation in enabling key sectors of the Australian economy to maintain competitive advantage in an increasingly globalised environment.

1.3 Role of States and Territories

States and Territories operate within the framework of the national policies and strategies for schools and vocational education and training to address priorities and needs in their individual jurisdictions. They have primary responsibility for the management and administration of compulsory and post-compulsory schooling, although the Australian Government has the primary responsibility for public funding of higher education.

For vocational education and training they are responsible for their own training systems. This includes State-level planning, regulation of training providers and the New Apprenticeships system, allocation of funds to public and private providers, setting student fees and charges and managing the TAFE system.

Many States including Queensland, NSW and WA fund Agricultural Colleges. These tertiary institutions principally focus on the provision of training at certificate and diploma levels under the Australian Qualifications Framework for the agricultural industry.

1.4 The role of industry

Industry engagement is vital to the effectiveness of education and training, particularly the VET system. The significant national reforms to the VET system that have occurred in the last decade have been driven by a need to ensure that VET is responsive to the current and future needs of industry.

Industry representation in vocational education and training is wide ranging and includes involvement in industry advisory arrangements in relation to vocational education and training and in the development of Industry Training Packages which form the basis for all nationally recognised vocational training in Australia.

The 24 ATCs to be established will work closely with industry. Each ATC will be based on local industry needs, local infrastructure, and economic demands and future growth. A key component of the Colleges is that local industry and community representatives will be taking a leading role in the governance of each of the colleges.

The Australian higher education sector plays a vital role in Australia's intellectual, economic, cultural and social development. The Australian Government has significant financial and policy responsibility for higher education, while State and

Territory governments retain major legislative responsibilities. Each Higher Education institution is responsible for ensuring their own curricula are responsive to contemporary practices, relevant to the needs of industry and business and, where appropriate, are accredited through industry advisory bodies.

2. Agricultural industry in context

A strong Australian economy combined with a weak rural economy is enticing people away from the country and into metropolitan areas.

Population drift

Population movement in regional areas is multi-directional, encompassing both in-flows and out-flows. Over the last century, a long-term population loss from rural locations has occurred, mainly seen through a movement to capital cities. More recently, however, there has also been a 'sea change' movement to coastal locations and regional centres, and within the capital cities from the fringes back to the centre.

Part of the regional population drift is the movement of older people associated with retirement. One in five people moving to coastal growth areas are over 50 years old.¹ Despite this trend, instead of a dramatic 'sea change' from the farm to the beach, the movement of older people is often staged: first from the farm into town, or from a small town into a regional centre, and then from the regional centre to the city or (quite frequently) to the coast.

Population drift is in large part explained by the movement of young people to capital cities and large regional cities to access greater employment, education and training opportunities. In 2001, there were 36 per cent less persons aged 15-24 years in rural areas than the number of 5-14 year olds in these areas 10 years earlier. In contrast, Major Urban areas had 23% more young people in 2001 than 5-14 year olds in 1991.² Rural areas that young people are moving away from usually experience associated declines in population and increasingly older age profiles.

The employment structure in regional locations is traditionally male dominated, with a strong association with the farming and mining industries.³ The movement from small rural cities to larger regional centres is associated with the shifting economic demands in these traditional industries. The composition of the farming industry is changing, with the amalgamation of smaller family farms into larger, more commercially viable farms. The number of farming families fell by 22 per cent in the 15 years to 2001.⁴

The high cost of living, particularly housing, in major metropolitan areas has also been a factor in the movement of some low-income people away from these locations.⁵ This suggests that an inability to compete for high skill, high remuneration jobs in the major capital cities may be a factor driving the migration of some lower skilled workers out of the cities. The relatively low educational profile of young people moving to the coast appears to be part of this movement⁶.

Regional economic development

Increasing diversity and specialisation of agricultural production, globalisation and greater consumption of services has seen regions respond in different ways to the changing economic environment.

¹ ABS, 'Seachange – new residents in coastal areas', *ABS Social Trends 2004*.

² ABS, 'Youth migration within Australia', *ABS Social Trends 2003*.

³ ABS, 'Population characteristics and remoteness', *ABS Social Trends 2003*.

⁴ ABS, 'Farming Families', *ABS Social Trends, 2003*.

⁵ ABS, 'Population characteristics and remoteness', *ABS Social Trends 2003*.

⁶ ABS, 'Seachange – new residents in coastal areas', *ABS Social Trends 2004*.

The successful application of new technologies to production processes may assist farms and other businesses to adjust to changing economic circumstances. Adapting to changes in the specialisation of production and changing global markets are also important factors in the adjustment of regions to economic change.

The ability to adjust to economic change depends on the continued maintenance of a diversified range of skills and other business inputs in the local community. Industry composition also has a bearing on the way in which a region responds to shocks. Regions with a diversified industry structure may be more able to adjust to economic changes than regions with narrow industrial structures that are more susceptible to industry-specific shocks.

A region's capacity to adjust to changing economic circumstances is also affected by its ability to adjust to changing skill requirements. The education and training system plays a crucial role in addressing such skill shortages. Concentrations of low skilled unemployed people are, however, significantly higher in country locations than metropolitan regions.

Government initiatives can provide leadership for advancing skills development and learning in rural industries. FarmBis, for example, is part of the Agriculture – Advancing Australia initiative and aims to:

- increase farmer participation in learning activities which will enhance the profitability, sustainability and competitiveness of their business;
- develop greater acceptance of the benefits of continuous learning and skills development, and its relevance to the changing management needs of a competitive farm sector; and
- enhance farmers' capacity to identify and access appropriate learning activities, and over time, influence more flexible delivery of such activities.

FarmBis supports rural industries undergoing economic adjustment by providing training in the areas of financial, marketing and human resource management, including farm performance benchmarking, leadership development, quality assurance activities, skills audits and specialised management areas, such as risk management.

2.1 Skills needs of the agriculture industry

The current skills needs of the agricultural industry are influenced by a wide range of domestic and international issues. In its 2005 pre-budget submission, the National Farmers Federation identified eight factors: the continuing drought conditions which emerged in 2001-02; competition from overseas; environmental demands; pressure from animal liberationists; labour shortages; excessive red tape and taxations; a high exchange rate and record high fuel prices.⁷ The submission noted that for 2002-03 and 2003-04 the net value of farm production was \$3.5 billion and \$7.3 billion respectively and the forecast for 2004-05 is expected to be \$5.5 billion. Crop production in 2004-05 is estimated to be down 10 per cent on the previous year. Notwithstanding the above issues, the National Farmers' Federation submission states that farmers are experiencing shortages of unskilled, semi-skilled and skilled labour and that these shortages, if unchecked, will impede the agricultural industry's capacity to contribute to economic growth.

Structural industry reform and deregulation, improved technology, increased mechanisation and automation, productivity improvements, new and emerging

⁷ National Farmers Federation, 2005 – 2006 Pre-Budget Submission, page 7

industry sectors, changing world markets, reduced herd and flock sizes, poor harvests and significantly the worst and most widespread drought Australia has experienced have all contributed to changing the profile of Australia's rural workforce.⁸

Employment in agriculture

The following is taken from the Rural Industry Task Force report.⁹

According to the Australian Bureau of Statistics Labour Force Survey August 2002, the total number of people employed in the agriculture employment division declined by over 10% since 2000, from 438,300 in May 2000 to 391,700 in August 2002 (see **Appendix B**). Some noticeable changes within occupational groups include:

- The number of people employed in horticulture and fruit growing declined by 18%. Despite the overall decline, the number of employees in the vegetable growing, grape growing, apple and pear growing and stone fruit growing industries has increased, in particular in the occupations of farmers, farm overseers, hand packers and farm hands.
- The number of people employed in the grain, sheep and beef cattle sector declined by 16% between 2000 and 2002 from around 210,500 to 176,500. The number of farmers in the sector declined by 15%, from around 149,000 to 125,000.
- The number of people employed in 'other crop growing' industries increased by 14% over the two years. The number of people employed in cotton growing almost doubled over the period from 2,175 to 4,288.
- The number of people employed in the industry sectors of cotton ginning, shearing services and 'other services to agriculture' has declined by 30% and in nearly all occupational groups. The number of people working in 'shearing services' for instance declined by over half, from 7,302 employees in 2000 to 3,443 in 2002.
- The number of environmental and agricultural science professionals have increased across a number of industry groups including sheep farming (increased 161% from 30 to 78 persons), beef cattle farming (increased 249% from 36 to 126 persons); and cotton growing (increased 164% from 30 to 79 persons).

Despite the 10% overall reduction in people employed in agriculture the actual number of rural and related traineeships and apprenticeships has increased significantly, by 35% over the four year period 1999/00 - 2002/03 (see **Appendix C**).

2.2 Overview of current and future skills needs

A large proportion (60%) of workers in the rural, forestry and fishing industries do not have post-school qualifications, this compares with a 42% average for all industries (see **Appendix D**). Formal qualifications are less important than on-the-job experience in the industry, and there is a high proportion of mature-age workers, 45 years or older, and many continue working beyond 65 years of age.

Although the drought has subdued employment growth in the industry, 9,000 new jobs are expected in the next 5 years. The Agri-Food Industry Skills Council (AFISC) observes in its Industry Skills Council (ISC) Report that the industry is facing a critical

⁸ National Skills Shortages Strategy, Rural Industry Task Force Report for 2001 – 2003 page 15

⁹ *ibid*, page 15

lack of people nationally.¹⁰ The report notes that skills development in this industry “is only meaningful if people are first attracted to live, seek employment and career development within a regionally based industry”.¹¹ Attracting suitable people requires a partnership between government, industry and communities.¹²

In common with several other industries, agri-food has an image problem amongst young people. The Council identifies a need to change the attitudes of young people, parents and careers advisers.¹³ This was also picked up by the National Skills Shortages Strategy Rural Industry Task Force and a number of responses were developed including the ONtrack website, www.ruralskills.com.au/Ontrack/menu.htm, and associated careers materials (see Section 8.3 of this submission).

The AFISC report indicates that there is a need for farm hands, people with business management skills, leadership skills, skilled machine operators and unskilled labour in the rural sector.

¹⁰ Agri-food Industry Skills Council, Draft Industry Skills Report, May 2005, page 5

¹¹ *ibid*, page 8

¹² *ibid*, page 9

¹³ *ibid*, page 9

3. Vocational education and training in rural Australia

3.1 Overview of vocational education and training in rural Australia

Since 1996, the Australian Government has reinvigorated vocational education and training — with record numbers of people in training, record numbers in New Apprenticeships and significant progress made towards developing a high quality, truly national system. More than 1.7 million students or about 13 per cent of the working age population take part in VET each year, with increasing participation by Indigenous Australians, and people in rural and remote areas.

The number and proportion of VET students in rural Australia are high and continue to increase.

Since 1995 the number of Australians outside the capital cities undertaking training has increased to 662,300 in 2003, representing 39 percent of students in training. People in rural and regional areas have significantly increased their participation in New Apprenticeships, to more than 150,300 places, compared with fewer than 54,000 in 1995.

The Australian Government is committed to maintaining this growth through initiatives such as:

- Additional incentives for employers in rural and regional Australia who commence a New Apprentice in an occupation experiencing skill shortages
- The establishment of ATCs – which will deliver additional training facilities and opportunities in regional areas experiencing skills needs and which have high rates of youth unemployment

The Australian Government will also continue to provide funding to schools, industry groups and indigenous organisations to develop or refurbish VET facilities, including mobile training units.

Since 1995, nearly two hundred training facilities have been established or redeveloped by the Australian Government in rural and regional areas. This is an important outcome – not only are more people able to access quality training locally, industries are being better supported and our regional and rural economies are sustained.

The course enrolment profile of rural and remote students is broadly comparable with the national profile of all students, with the majority of students undertaking Certificate Levels II and III. However, there are proportionately fewer 'country' students undertaking Diploma or higher level Certificates. The load pass rate for rural students (78.6%) and remote students (75.6%) is comparable to that of all students (77.3%).¹⁴

3.2 Challenges to delivery in rural Australia

VET students in regional, rural and remote areas have distinctly different needs compared to VET students in capital cities.

Issues facing VET providers and students in rural, remote and, to some extent, regional areas include: isolation and sparse numbers; limited course options; high

¹⁴ ANTA Annual Report 2002 Vol. 3 Pg 78-81; NCVET 2003 VET Statistics: In detail, Table 2; Equity in VET: An overview of the data for designated equity groups, NCVET, 2004, pp 15-17.

costs of providing technology infrastructure for innovative methods of delivery; low and often declining population levels and consequent thin job markets; low placement opportunities for apprentice and trainee employment; high youth unemployment; and limited economic viability of training for small business.

3.3 Recent changes to vocational education and training

More appropriate governance, accountability and operational arrangements are required to address a number of new challenges that now confront Australia. These challenges include:

- an urgent need for skills in many key industries;
- advances in technology and innovation;
- an ageing population;
- low unemployment;
- changing work practices; and
- changing work participation.

On 22 October 2004 the Prime Minister announced that from 1 July 2005 the responsibilities and functions of the Australian National Training Authority (ANTA) will be transferred to the Department. ANTA was established in 1992 to coordinate State, Territory and Australian governments in establishing a truly national vocational education and training system. Twelve years on, this national system, with industry leadership, is in place.

ANTA's successes include:

- the establishment of National Training Packages covering most industries and more than 80 per cent of the workforce;
- the offering of recognised qualifications by more than 4,000 registered training organisations (RTO);
- the implementation of New Apprenticeships and the AQTF;
- facilitation of Recognition of Prior Learning; and
- the expansion of VET in schools.

The new national training arrangements are intended to ensure that in the future Australia's training system will be even more responsive to the ever-changing needs of industry. In resuming the functions of ANTA in mid-2005, the Australian Government has a unique opportunity to build on ANTA's successes to date, and ensure the training system continues to improve – providing the skilled people required by industry and business to keep Australia's economic growth strong.

Five principles will guide the continued development of the Australian national training system:

- Industry and business needs, both now and in the future, must drive training policies, priorities and delivery.
- Clients must receive better quality training and achieve better outcomes, through more flexible and accelerated pathways.
- Processes must be simplified and streamlined and enhance national consistency.
- Young people have opportunities to gain a wide range of lasting skills that provide a strong foundation for their working lives.
- Training opportunities are expanded in areas of current and expected skills shortage.

The transfer of ANTA's functions to the Department will strengthen the cooperation between government and industry in terms of vocational education and training. It

will enable a more direct line of communication between the Australian Government and industry and provide a clearer focus on vital issues facing Australia such as skills needs.

A Ministerial Council on Vocational Education will be established to ensure continued collaboration and cooperation in implementing the new national training system.

A new Commonwealth-State Agreement for Skilling Australia's Workforce will replace the current ANTA Agreement. It will continue to set out overall objectives and aims for the national training system and provide the mechanism for the release of funding to State Governments. As with the existing ANTA Agreement, new funding arrangements will recognise and reflect that the training system is jointly funded by the Australian and State Governments.

Specifically, the Agreement will establish:

- a shared commitment to support national goals and objectives for vocational education and training;
- national policies to support the effective operation of the training system, including improving consistency and quality; removing barriers between jurisdictions; introducing greater innovation in the training system; raising standards of auditing and monitoring; and improving the system's responsiveness to rapid changes in demand for skills development and to addressing skills shortages;
- national planning arrangements to support improved training outcomes;
- national priorities that are to be achieved in the medium term;
- national outcomes-focussed performance measures, such as module and qualification completion rates, and employer satisfaction levels;
- national initiatives and project activities that would advance the training system, such as promotion and marketing, and research priorities; and
- national targets that will reflect Australian and State Government policy objectives.

In addition to a multilateral agreement, bilateral agreements with each State will provide flexibility to implement national priorities and establish performance levels that are relevant to each jurisdiction. For example, if addressing skills shortages is an agreed national priority, a bilateral agreement would specify which industries and regions would be priorities for addressing skills needs and the strategies that are likely to be most effective to address these needs in a particular State and region.

Bilateral agreements will include:

- State planning requirements and funding priorities;
- payment and acquittal processes;
- performance reporting; and
- State-specific initiatives, particularly those which are supported by Australian Government funding

The Australian Government has conveyed a funding offer of almost \$5 billion to the States and Territories under the Commonwealth-State Agreement for Skilling Australia's Workforce for the 2005-08 quadrennium.

The demand for skills is one of the key national priorities identified in the 2005-08 funding offer. States and Territories will be required to provide 20,000 additional places for New Apprentice commencements in traditional trades and other areas of skills shortage. They will also be required to participate in a Commonwealth-State

Skills Shortage initiative with local industry to tackle skills shortages. In addition, a number of measures have been included in the Agreement to increase the responsiveness and flexibility of the national training system so that is better able to anticipate and respond to industry skill needs, including those in rural and regional areas.

Bilateral Agreements will underpin the collaborative intent of the new national training arrangements. These Agreements will create the basis for a partnership between the Australian Government and each State and Territory and to advance national and State priorities for VET, including through the Commonwealth-State Skills Shortage initiative.

Development of rural skills

The new national training system will support the development of rural skills in a variety of ways, but particularly through its new structure for channelling industry leadership and engagement into the national agenda.

As part of the new system, a National Industry Skills Committee will be established to provide the Ministerial Council for VET with high level advice on key issues such as workforce planning and future training priorities. Membership of the committee will consist of a range of peak employer groups which includes the National Farmers Federation.

The National Farmers Federation will ensure rural and regional issues are represented at the highest level of the new national training system.

ISCs will also be maintained under the new arrangements as a source of expert industry advice in the development of training packages and skills forecasting.

The Agri-food Industry Skills Council, which is one of ten industry skills councils, will provide specific advice on a range of regional and rural industries issues including farming, meat and seafood, and food production. This will ensure that training courses are relevant to the workplace, whether that workplace be a paddock, a stockyard or a local cannery.

The Australian government has a number of other important initiatives that support the training needs of rural and regional communities.

This includes the *national skills shortages strategy*, which is successfully addressing the needs of regional communities. Under the strategy, the Australian government will continue to work with industry, education providers and communities to profile existing and potential industries in a region, identify common skills and training needs and solutions, and pilot practical strategies which could be used in other regions.

3.4 Specific initiatives

DEST manages a number of training programmes for equity groups, all of which are accessible to people in regional, rural and remote areas.

The Australian Flexible Learning Framework

The Australian Flexible Learning Framework is a collaborative strategy which supports the takeup of flexible learning in Australian Vocational Education and Training. Flexible learning offers the learner choice over what, when, where and how they learn and often incorporates the use of information and communications technology.

Learners in rural communities may be limited in the choice of study they can undertake locally and frequently have difficulty accessing traditional face-to-face training options. This could be because of the seasonal demands of their work or because of distance from the training provider. For rural communities, options to learn flexibly can provide them with a greater range of opportunities.

The Australian Flexible Learning Framework has commissioned several case studies that have focused on learning and skills development in rural areas, for example:

- River Murray Training, a private training organisation, has established partnership training arrangements within the agricultural and wine industries. By working closely with industry, River Murray Training is offering flexible training options that can fit around the needs of niche markets influenced by seasonal demands and production-driven environments.
- TAFE Tasmania has established a strategic alliance with North East Education and Training Incorporated to trial and implement a flexible learning model for high school students located in rural areas wanting to enter the automotive industry. They have improved equity of access to training for rural Tasmania school students by initiating flexible learning choices, pooling resources and sharing expertise.

New Apprenticeships

New Apprenticeships are a key element of the Australian Government's approach to maintaining a skilled, flexible and internationally competitive workforce. The number of people taking up New Apprenticeships in rural Australia has risen markedly over the last decade, rising consistently with the increases in number nationally (see **Appendix E**).

The New Apprenticeships Incentives Programme offers incentives to encourage employers to offer employment-related training that will encourage people, especially young people, to acquire and expand their working skills and set themselves toward worthwhile careers. New Apprenticeships may include full-time, part-time and School Based employment and training arrangements.

There are two categories of financial incentives available under the New Apprenticeships Incentives Programme. The standard New Apprenticeships incentives are the commencement incentive (\$1,375 for Certificate II and \$1,650 for Certificate III & IV qualifications GST inclusive) and the completion incentive (\$2,750 GST inclusive). A full list of incentives paid in rural Australia is in **Appendix F**.

The second category comprises additional and special incentives. These incentives are paid in addition to standard incentives and are provided to promote training in particular industries, regions or demographics. Some examples of additional and special incentives are women in non-traditional occupations additional commencement incentive; the school-based New Apprenticeship commencement and retention incentive and the rural and regional skill shortage additional commencement incentive. There is no legislative or policy barrier to a New Apprentice attracting more than one of these additional incentives.

The rural and regional skills shortage incentive is designed to boost training in rural and regional Australia. It provides an additional payment of \$1,100 (GST inclusive), above the standard New Apprenticeships incentives payment, to employers in non-metropolitan areas, who employ New Apprentices in defined training packages in trades and occupations experiencing skills shortages. Relevant training packages

would be those at Certificate III or IV level. Employers and New Apprentices would need to satisfy current New Apprenticeships Incentives Programmes eligibility criteria, which include formal approval of a training contract by the relevant State Training Authority. This incentive was introduced on 1 January 1999. The list of New Apprenticeships eligible to attract the incentive in rural and regional Australia was originally compiled using the DEWR Skills Shortage List which separately lists skill shortages by metropolitan, regional and state geographical classifications. Further information on the incentives available can be found at www.newapprenticeships.gov.au.

New Apprenticeships Support Services

The Department manages 72 contracts with 36 organisations to deliver New Apprenticeships Support Services to employers, New Apprentices and other interested parties. There is more than one New Apprenticeships Support Services provider (New Apprenticeships Centre) operating in 19 out of 22 regions nationally ensuring employer choice and competition in the market for service provision. Of the New Apprenticeship Centre (NAC) sites in regional Australia providing assistance under New Apprenticeships Support Services:

- 150 are full time sites;
- 64 are part time sites; and
- 121 are information sites.

The Basic IT Enabling Skills (BITES) for Older Workers Programme

The Basic IT Enabling Skills for Older Workers programme (BITES) was announced as the 'IT Skills for Older Workers' programme in the 2002-03 Budget, as part of the Australian Government's commitment to life long learning.

BITES aims to narrow the digital divide for those aged 45 and over by providing participants with the skills to operate personal computers effectively in the workforce. With the use of computers almost universal in business, BITES is designed to provide a basic level of skill to low income, mature age job seekers who have never had the opportunity to use computers.

BITES provides older workers with the opportunity to earn a nationally recognised Statement of Attainment for three units from the Certificate Level I (ICA 10101) in Information Technology. They learn:

- how to operate a personal computer;
- how to operate a word processing application; and
- how to send and retrieve information over the internet using browsers and emails.

BITES is available across all of Australia and is managed through a network of five brokers that cover ten regions. The brokers are responsible for contracting RTOs to advertise the courses and provide the training at locations throughout their region. Potential participants apply directly to the participating training provider most convenient for them. For industry, BITES opens up opportunities to employ or re-employ experienced and enthusiastic workers or workers coming back to the workforce.

In recognition of the difficulties and additional expense incurred when delivering courses in non-metropolitan areas, BITES training places are funded at two levels: training places outside metropolitan regions receive higher funding levels than metropolitan regions.

Feedback on the programme, both from participants and trainers, has been very positive.

Further information is available at <http://bites.dest.gov.au/>.

Disability Coordination Officer (DCO) and Regional Disability Liaison Officer (RDLO) Programmes

The Regional Disability Liaison Officer (RDLO) Initiative (in place since 1994), together with the Disability Coordination Officer (DCO) Programme (announced in the 2001-02 Australian Government Budget Australians Working Together package), aim to assist people with a disability move between school, VET and higher education; succeed in their chosen studies; and move to suitable employment.

The 12 RDLOs (eight full-time, four part-time), in conjunction with the 20 DCOs (ten full-time, ten part-time), form a comprehensive national network to provide information, co-ordination and referral services for people with a disability interested in, or enrolled in, post-school education and training. DCO services are provided by RTOs, higher education institutions, and government and community-based organisations, including disability organisations. RDLOs are hosted by universities.

DCOs and RDLOs can assist people with a disability by:

- Providing information about post-school options, supports and services.
- Helping with transitional arrangements between school and post-secondary education and training and post-secondary education and training and employment. This includes the provision of referrals to education and training providers and their support services, or other agencies, such as Centrelink and employment agencies.
- Improving the coordination of services across a region (eg. by providing a database of publicly available equipment and technology, and a register of learning support personnel available to education providers and students).

Further information is available at www.adcet.edu.au/rdco.

The Language, Literacy and Numeracy Programme (LLNP)

LLNP provides more choice and flexibility for eligible job seekers, offering three streams of training: Basic English Language, Advanced English Language, and Literacy and Numeracy. Funding of \$48.2 million was provided to the Programme in 2004-05. In the 2005-06 Budget, record funding of \$49.7 million was provided for the Programme.

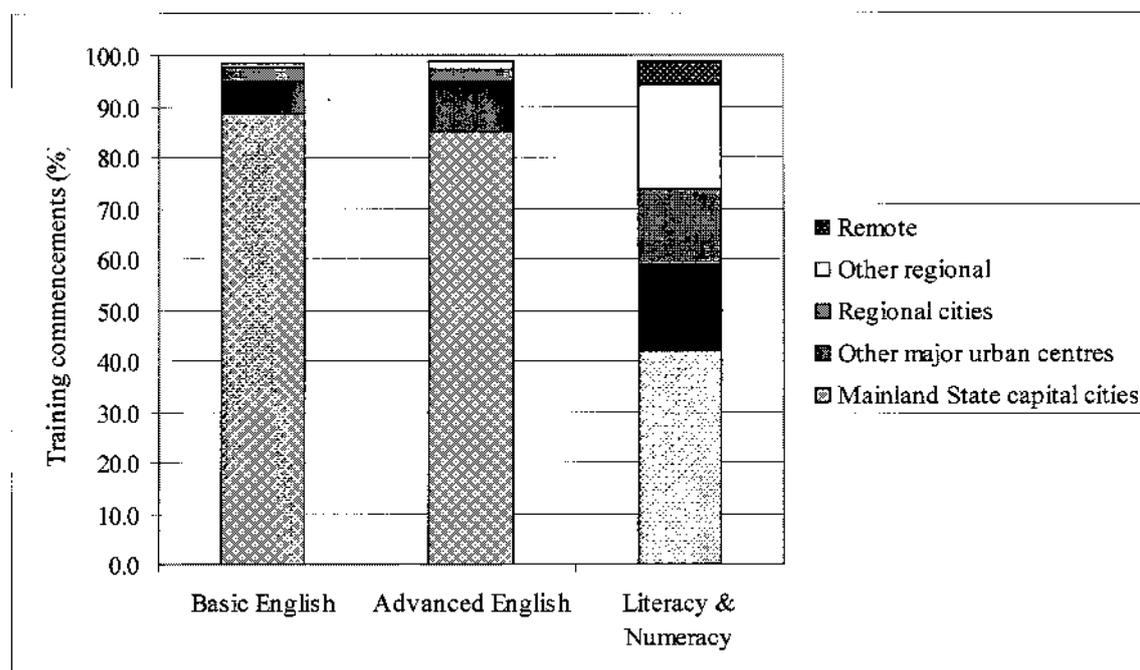
The training is designed to lead to a measurable improvement in participants' language, literacy and numeracy competencies. Training is available Australia-wide face to face or through distance education. A number of providers in regional Australia also use mixed mode teaching (combining face to face and distance education) in recognition that some clients find it difficult to regularly travel long distances to attend training.

The concentration of clients in major urban areas for Basic and Advanced English reflects the concentration of unemployed migrants in urban areas (see Figure 3.1). Less than 5% of clients on these courses are from regional and remote regions of Australia.

Clients undertaking Literacy and Numeracy training are more evenly spread geographically:

- 42% live in mainland State capital cities,
- 17% in other major urban centres,
- 35% live in regional cities, and
- 5% in remote areas.

Figure 3.1: Geographic location of clients commencing training by course type



Source: LLNP administrative records

Workplace English Language and Literacy (WELL) Programme

The main aim of WELL is to provide workers with English language, literacy and numeracy skills. Funding is available for language, literacy and numeracy projects integrated with vocational training to help workers meet their employment and training needs. Funding is not based on geographical areas: it is available in urban, rural and remote areas.

Funding is available for three types of projects: training activities, resources and strategic projects.

WELL Training projects

The majority of projects are for the provision of training for workers whose levels of language, literacy and/or numeracy skills place them at risk of losing their jobs; prevent them from participating in further training or promotion; and/or hinder them from doing their current job effectively.

Training applications are called for through advertising in major daily papers, on a rolling basis, which varies in timing from state to state. There have been a number of training projects in rural and remote areas including in rural and remote mining worksites and Indigenous communities.

Training is expected to be integrated with other workplace training using training packages where possible and must be delivered by suitably qualified trainers from an RTO. Training is delivered at the workplace usually by an enterprise based trainer

who works with the company's training manager to ensure the training is supported by both management and staff and becomes part of the normal workplace environment. This helps dispel the normal reluctance on the part of workers with low literacy skills to participate in any kind of training. Training can be conducted in small groups and also one to one.

WELL Resource and Strategic Projects

Resource and strategic project applications are called for once a year through advertising in major daily newspapers. Resource and strategic development projects may include:

- Development and trialling of training materials aligned with endorsed Training Packages to enhance LL&N skills;
- Development and trialling of industry relevant language, literacy and numeracy assessment and reporting methods; and
- Development and trialling of professional development resources for industry trainers/assessors aligned with Training Packages.

An example of a project currently being funded and nearing completion in the agricultural sector is the development of a CD/online package, including a teacher guide, to provide workers in the agriculture industry with LL&N skills to support the safe use of chemicals.

The resource will use activities and engaging techniques to predominantly train participants for whom English is a second language in areas such as safety rules, and transporting, measuring and applying chemicals. The product design will focus on making literacy and numeracy learning authentic, purposeful and relevant through the learner undertaking workplace tasks within an agricultural simulated context. A high proportion of visual and aural approaches will be used through animation and simulation. The resource will support units from the Conservation and Land Management, Agriculture, and Horticulture Training Packages.

Adult Literacy National Project

The Adult Literacy National Project (managed by DEST) has received annual funding from ANTA since 1997. The allocation of these funds is contested and allotted on an annual basis.

The specific objectives of this National Project are to:

- Foster adult skilling;
- Improve VET opportunities and outcomes, including through better linking of training and employment, particularly for people with a disability, women, and people from culturally and linguistically diverse backgrounds;
- Develop communities through better linkages with VET, including increased VET opportunities and outcomes for people in rural and regional Australia;
- Improve VET opportunities and outcomes for Indigenous Australians, including through better linking of training and employment; and
- Improve the client focus of vocational education and training, particularly for individuals and small business.

By funding a mixture of research, resources and Professional Development in the VET and community sectors, this National Project assists Australians as workers, citizens and learners to improve their literacy and numeracy skills.

Two areas funded under the Adult Literacy National Project are Innovative Projects in the LL&N field and research conducted by the National Centre for Vocational Education and Research (NCVER).

Adult Literacy Innovative Projects

Resourcefulness and creativity in the field of adult literacy is something that is fostered through the Adult Literacy Innovative Projects. Innovative Project funding is provided to organisations that demonstrate innovative approaches to resource development and literacy training. While some projects - such as pilot projects - are based in local communities, all projects must have national applicability. There is one funding round in April each year and the round is advertised in major metropolitan newspapers.

An example of a 2004 Innovative Project is 'Families in Focus – Mobile Literacy Mentoring' developed by the Riverina Institute of TAFE. Based in Wagga Wagga, the project brings together 6 major agencies to set up a mobile literacy mentoring service. The service assists those needing literacy assistance who have little contact with schools and other organisations. The project demonstrates strong cross-sectoral partnerships in meeting a literacy need in the community.

NCVER Research Programme – The Adult Literacy Research Programme

A significant component of the work that is conducted with the Adult Literacy National Project is research. Research informs policy and provides the adult Literacy community with insights into how 'literacy' is evolving as well as the literacy needs of various demographic groups across Australia. Since 2002 the research component of the Adult Literacy National Project has been managed by NCVER through their Adult Literacy Research Programme.

3.5 Agri-food Industry Skills Council

The industries represented by AFISC are the major employers in rural and regional Australia and the agri-food industry accounts for almost one fifth of Australia's exports.

AFISC is one of ten newly created Industry Skills Councils. ISCs have been created to provide, in partnership with industry and government, leadership in skills development, innovation and responsive vocational education and training.

The AFISC is an amalgamation of five former Industry Training Advisory Boards (ITABs), and brings together key industry sectors for rural and regional Australia. It was declared as an ISC by ANTA on 24 May 2004 through to 30 June 2007. AFISC is a registered public company limited by guarantee, and registered with the Australian Securities and Investment Commission on 18 June 2004.

The AFISC has a Board of 14 members from the industry sectors it represents. The Board is responsible for setting the strategic directions and priorities for the Council, and for overseeing its performance in meeting its business plan and governance obligations. A list of current Board Directors is at **Appendix G**.

The AFISC has set itself the following main roles:

- (i) to engage with and assist the industry sectors represented by the Council to integrate workforce and skills development with business goals, and through accurate industry intelligence on future directions, provide strategic advice on industry skills and development needs.
- (ii) to provide an influential voice for industry in the vocational education and training development processes at all levels of government.
- (iii) to develop high quality, nationally recognised training products and services.

- (iv) to support the development, implementation, continuous improvement and evaluation of quality, nationally recognised training products and services.
- (v) to develop and maintain high level partnerships with key bodies including government, industry peaks, enterprises and training providers.

Five Standing Committees have been established for the sectors that make up the agri-food industry – rural and related industries; food, beverages and pharmaceutical; meat; seafood; and racing. As an integral component of the Council's structure, Standing Committees work with industry to capture and analyse intelligence on priority skill needs and workforce issues, and work in partnership with the Board and staff to develop training and other workforce solutions for industry. The Standing Committees will also build and maintain networks as a basis for consultation and advice on industry requirements.

The AFISC is involving many industry groups in its activities through its Standing Committees, liaison and industry networking, including:

- National Farmers' Federation
- Meat and Livestock Australia
- Australian Institute of Science and Agriculture
- Australian Seafood Industry Council
- Chemcert
- Australian Wool Innovation
- Australian Racing Board
- National Food Industry Strategy
- Australian Harness Board
- Medicines Australia
- Australian Self Medication Industry
- Australian Wool Producers.

The draft Agri-Food 2005 *Industry Skills Report* is currently being circulated as part of a broad consultation process with industry and enterprises in all States and Territories. The report is scheduled to be completed in June 2005. DEST will be managing the AFISC contract for 2005-2006. The priorities for this period will be finalised soon.

3.6 Rural Training Packages

Training Packages contribute significantly to the quality of skills development for Australian industry. They comprise of integrated sets of nationally endorsed competency standards, assessment guidelines and qualifications for specific industries, industry sectors or enterprises. Training Packages have gradually replaced courses, although courses can still be developed and accredited where no Training Package qualification exists.

Training Packages are developed by Industry Skills Councils (which have recently replaced Industry Training Advisory Boards) or enterprises to meet the identified training needs of specific industries, industry sectors or enterprises. Funding for national Training Package development is currently provided by ANTA. From 1 July 2005 DEST will take over ANTA functions.

During their development, Training Packages are subject to a rigorous quality assurance process to ensure they meet the needs of industry. They are also endorsed by Training Ministers in all jurisdictions before being implemented.

Training Packages are designed to provide a flexible and broad framework within which training and assessment can occur, ensuring that they support changing technology, and varied workplace skills needs and practices. Their design provides the flexibility for training providers to customise training to meet specialised needs or to upgrade existing skills for students and their employers.

Rural Training Packages

Industry Training Packages have been developed to meet the skills needs of the agri-food industry and an ongoing programme of evaluation and review is being undertaken by AFISC, to ensure that these Training Packages are updated to reflect the changing needs of industry. Training Package review also enables issues that arise during implementation to be addressed.

Training Packages relevant to rural skills training are listed at **Appendix H**.

In addition to those listed in the appendix the Agri-Food Industry Skills Council is also responsible for the Amenity Horticulture, Seafood, and Food Processing Industry Training Packages and the Woolworths and the Ricegrowers' Cooperative Enterprise Training Packages.

Students enrolled in Rural Industry Training Packages

The take-up of rural training under Training Packages has expanded by around 1.8% since 2001, with total enrolments at 92,064 in 2001; 97,258 in 2002 and 93,696 in 2003.¹⁵ This number is expected to increase as more Packages are reviewed and implemented.

3.7 Quality assurance

The *Outline of Key Issues* for this Inquiry states that there are concerns that present training quality assurance processes are compromised or corrupted.

The AQTF is the major platform for quality control in the VET system. The AQTF is a set of nationally agreed quality assurance arrangements for training and assessment services delivered by training organisations.

The Framework is one of the three core elements of the system for vocational education and training that operate in Australia – the other two being Training Packages and the Australian Qualifications Framework.

The AQTF comprises two sets of quality standards:

- *Standards for Registered Training Organisations* – training providers must meet these standards in order to deliver and assess nationally recognised training and issue nationally recognised qualifications.
- *Standards for State and Territory Recognition/Course Accreditation Bodies (RCABs)* – these standards provide a common framework for authorities in each state and territory that register and audit training organisations and accredit courses.

All jurisdictions have also agreed on the principle of 'national recognition', i.e. that providers registered in another jurisdiction can operate in their State or Territory without having to reregister. In addition, qualifications gained in one jurisdiction are recognised nationally.

¹⁵ *Agri-Foods industry Skills Report 2005, p37*

Frequency of Auditing of RTOs

The AQTF has standards for the frequency of audits of RTOs which ensures that this is nationally consistent. These state that there is to be an on-site audit preceding initial registration, an audit at least within 12 months of the RTO's initial registration, and an on-site audit of the RTO prior to renewal of its registration. In addition, audits can occur for particular RTOs in response to complaints or identified risk factors, or as part of a program of strategic industry audits.

Complaints

The AQTF Standards provide for complaints against both providers and RCABs. All RTOs and RCABs must have a complaints procedure. In the case of RCABs, the Standards state that complaints must be dealt with in compliance with the *National Complaints Code*. Complaints to RCABs can be about the quality of training provision by an RTO, or about registration decisions made.

DEST also houses a national training complaints hotline, where dissatisfied consumers of training can ring in and have their complaints referred to the appropriate bodies.

National Strategic Industry Audits

The National Training Quality Council (NTQC) has in the past undertaken national strategic audits of training in particular industries. As there have been concerns expressed about quality assurance in rural industries, there may be a possibility that the NTQC replacement body could be requested to undertake a national audit of training provided to the agricultural industry, where any industry *concerns that present training quality processes are compromised or corrupted* could be explored.

New Apprenticeships

In relation to New Apprenticeships, State and Territory Training Authorities are responsible for monitoring the training agreement between the employer and the New Apprentice, which outlines each party's responsibilities.

The Department monitors NACs' processing of New Apprenticeships Incentive Programme claims and claiming their Fee-for-Services using a sampling methodology developed by the Australian Bureau of Statistics. Monitoring occurs bi-annually and the results are compiled at the end of the financial year to provide the Department with assurance that: (a) the NACs are complying with the New Apprenticeships Support Services contractual and programme guidelines; (b) the expenditures recorded in the Department's financial statements are true and correct; and (c) NACs have administrative processes in place to support their meeting Key Performance Indicators in relation to lodging and processing training contracts and incentives claim forms.

User Choice

Under the New Apprenticeships system, New Apprentices and their employers ideally are given a choice of provider for the off-the-job component of the training. However, choice is often limited by location, and in rural areas the market is usually too thin to support more than one local RTO, which is often a TAFE college. If the local RTO cannot meet the requirements of the employer and/or the apprentice or trainee, either in terms of content or timing of the off-the job component, this can lead to frustration with the system. However, providers are being encouraged to offer more flexible training, eg on-line delivery, or training in the workplace, in an attempt to meet industry needs.

3.8 Networks of advice in rural Australia

The Department provides funding through the Industry Training Strategies Programme (ITSP) to a number of industry peak bodies including the National Farmers Federation (NFF). The funding provides Education and Training Advisers (ETAs) to support the rural industry throughout Australia, to promote New Apprenticeships, and training Package Qualifications to NFF members.

The NFF sub-contracts this activity to Rural Skills Australia (RSA). RSA has ETAs located in VIC/TAS, SA, WA, NSW/ACT, QLD and in the NT. ETA funding also provides for a National Coordinator located in Canberra. The activities of the RSA ETAs encompass all aspects of vocational training in the rural industries. The work of the ETA involves:

- providing additional information and support activities to the NFF membership, typically all commodity group members, during implementation of relevant new Training Packages and New Apprenticeships;
- on Internet sites, provide relevant and appropriate information regarding the National Training Framework (NTF), Training Packages, New Apprenticeships and links to relevant workplace relations sites;
- provision of on-going support and encouragement to members to assist them to utilise the benefits and flexibilities of Training Packages and New Apprenticeships;
- work with State and Territory governments to support the implementation of their agreements to establish nationally consistent vocational education and training arrangements;
- work with agencies with responsibility for workplace relations, such as the various award information services, the Office of Employment Advocate and NACs;
- provision of intelligence and advice on issues related to VET;
- participation, where necessary, in other activities directed at increasing Members knowledge of Training Packages and New Apprenticeships utilised by the NFF membership;
- developing and implementing national plans to address information provision priorities, including annual goals and progress points for each twelve month contract period.

Given the increasing diversity of the rural industry, timely and consistent advice to the industry is paramount. As parts of the rural industry diversifies into new 'drought resistant' activities such as farm-based aquaculture and farm-based forestry, the information needs have shifted from the more traditional areas of agriculture, livestock management and fibre production. The ability of the industry to source accurate advice and to access relevant training increases the demands placed on ETAs.

In reporting on the activity of ETAs, RSA notes that travel and isolation remain a significant issue for trainees attending off-the-job training, while RTOs are still reluctant to deliver in these 'thin' markets. In Victoria, the ETA has noted that the Rural Operations New Apprenticeship is able to fill specialists needs as increasingly providers and NACs are using the flexibility of these qualifications to meet the needs of various industry sectors (such as mushroom cultivation, beekeeping etc.);

ETAs in all states continue to work on School-Based New Apprenticeship issues:

- in SA the ETA has expressed concern that funding is provided to TAFEs by the state government but not to private RTOs, who are believed to be able to deliver more flexible training for the agriculture sector;

- in Vic/Tas the ETA has been supporting school to industry project staff, in particular assisting the Victorian Curriculum Assessment Authority with the development of Agriculture and Horticulture VET in schools programs using the revised training package;
- in WA a concerted campaign has helped to raise the profile of School-Based New Apprenticeships, which previously had low and static numbers;
- in Qld the ETA has been working on a program involving work experience as a first step toward school-based New Apprenticeships to assist with skill shortages in the Condamine district.

Work undertaken recently by the NSW ETA to update the Vocational Training Orders for agricultural pathways is only now starting to have an impact, with 220 wool handlers and shearers commencing traineeships in NSW in the last 12 months. This being an indication of the lengthy timeframes involved in delivering the needs of the industry. In some jurisdictions, new qualifications not yet gazetted as Declared Vocations, are not being made available as New Apprenticeships.

RSA have suggested to the Department that despite a range of obstacles at State and Territory level, there has been a steady and continuing improvement in rural and related New Apprenticeship commencements over the last year. RSA believe that this indicates a growing acceptance within agricultural industry sectors of the value of New Apprenticeships in assisting with skilling workers and addressing skills shortages.

The diversity of ETA activity across Australia is demonstrated by the following examples:

- in WA, the ETA has been working with industry to progress the implementation of an expanded range of New Apprenticeships. The State Department of Training recently announced the approval of 400 existing worker New Apprenticeships within regional local government authorities. The ETA has also been working with the poultry industry to explore the demand for a Certificate III in Agriculture (poultry production);
- in SA, the ETA provided the initiative, then later support and advice, for the Civil Construction Skills and Technology Centre to expand its RTO scope to include Rural Operations. RSA views this as very significant because the RTO can now offer qualifications across multiple sectors (some public providers are still seen as being inflexible in delivering qualifications outside the classroom);
- also in SA, the ETA has provided support towards integrating agricultural and horticultural training opportunities from different regions to allow students to attend training elsewhere, thus increasing their exposure to alternative agricultural career paths;
- the NSW ETA has had considerable contact with the Industrial Relations director of the NSW Farmers' Association regarding several matters to do with State wage case rises and award variations;
- the NSW ETA has been working to resolve continuing difficulties in securing the registration of NSW interstate students attending Victorian agricultural colleges as school-based New Apprentices with the NSW Department of Education;
- the Vic ETA has been providing advice to GTOs in the dairy sector who are seeking greater industry involvement prior to seeking candidates for placement;
- the Vic ETA has been working with the Primary Industries Curriculum Maintenance Manager and Animal Care providers to assist with delivery following the progressive introduction of the Animal Care and Management training package across jurisdictions;

- also in Victoria, the ETA set up an information forum for NAC staff, DEST regional staff and the OTTE regional apprenticeship field officer. Feedback on the usefulness of the forum has been positive;
- the Qld ETA has been working with Agforce senior policy officers to develop a range of promotional materials for the beef, sheep, wool and grain sectors. He has also provided Agforce with material and information about skills shortages. RSA considers this to be a significant development as to date Agforce has had limited involvement with government initiatives and New Apprenticeships;
- the Qld ETA has also continued his work with various fruit and vegetable associations, as reported on last year. In addition he has been discussing skill shortage issues with Growcom (the principal Qld association for this industry), and has been involved with a project to assist the Qld Irrigators Council to promote information on New Apprenticeships;
- at the national level, RSA has finalised plans for a joint promotional activity with the Tasmanian Farmers and Graziers. The Tasmanian venture is aimed at providing rural employers with first hand information on employment, education, training and New Apprenticeships.

Although operating nationally, the work of ETAs is enhanced at the local level by a cohesive network of (state-based) training advisory mechanisms and sector-specific groups managing the training development needs and training delivery mechanisms of their sector. These local arrangements respond to demands identified by their own networks and priority areas identified by respective State or Territory governments. Equally, the work all groups operating at both the national and local level is enhanced by the AgriFood Industry Skills Council as the body responsible for the development and maintenance of a range of industry Training Packages in place across all sectors of the rural industry. Industry Skills Councils are supported financially by the Australian Government and, in addition to the development of Training Packages, provide a vital industry intelligence tool for the setting of priorities for vocational training in the industry.

3.9 Articulation to Higher Education

Articulation between VET and higher education is based on agreements made between institutions at a local level. These are generally based on VET Diploma and Advanced Diploma level courses and usually provide credits into three- and four-year Bachelor Degrees. Currently, many such agreements exist between institutions and there is evidence of increasing formal articulation from VET to higher education.

In terms of the movement of students between the VET and Higher Education sectors:

- in 2001, 15,300 (7%) commencing undergraduates out of a total of 220,000 were admitted on the basis of their TAFE studies, complete or incomplete. This proportion has grown from 3.9% in 1993; and
- in 2001, 83,900 VET clients (4.8% of the total) had a degree or postgraduate diploma as their highest prior qualification. This compares with 43,700 (3.4%) in 1995.

In terms of the movement of students from higher education to the VET sector, the number of commencing VET students (excluding full fee-paying overseas students) with prior higher education achievement increased from 57 330 in 1997 to 73 492 in 2002 (by 28.2%). These figures represent significant growth. For the years 1997–2001, there was also national growth in articulation to VET in the fields of land and marine resources, animal husbandry, science and veterinary science and animal care.

In terms of the movement of students from the VET sector to higher education, the proportion of commencing domestic undergraduate agriculture students studying in rural campuses who are admitted to higher education on the basis of TAFE education is substantially less than for the domestic undergraduate sector as a whole.

For all domestic undergraduate students, the proportion commencing study on the basis of TAFE studies has increased from 8.3% in 2002 to 9.4% in 2004. However, the corresponding proportion for commencing students studying agriculture was only 4.2% in 2004, up from 3.4% in 2002.

Commencing domestic undergraduate students studying agriculture courses in rural campuses⁽²⁾, who are admitted on the basis of TAFE education⁽¹⁾, 2002-2004⁽²⁾

Year	TAFE admitted	All commencing students	% TAFE admitted
2002	129	3,789	3.4
2003	158	3,252	4.9
2004	119	2,838	4.2

(1) Comprises field of education codes 050000, 050100, 050101, 050105, 050199, 050300, 050301, 050303, 050500, 050501, 050701, 050799.

(2) Campus postcode used to identify rural campuses has only been collected since 2002.

Credit Transfer between VET and Higher Education

In 2003 20.7% of commencing domestic undergraduate students reported some prior TAFE study and 3.4% were granted exemption from part of their university course on the basis of their prior TAFE study.

There is some evidence that universities in rural and regional areas perform better in credit transfer and articulation than metropolitan institutions. For example, in 2003 Charles Sturt University provided credit for 8.7% of commencing domestic undergraduate students. Other regional institutions reporting above national average levels of credit transfer were the University of South Australia (7.0%), Deakin University (5.6%), the University of Newcastle (5.2%) and the University of Southern Queensland (5.1%).

The subjects in which credit transfer and articulation operate vary from university to university. For example:

- Charles Sturt University offers a number of Bachelor degree programs that combine TAFE and University study in the areas of Business Studies, Information Technology and Social Work;
- The University of Newcastle has formal articulation arrangements with TAFE NSW and a range of other VET providers in fields such as design, engineering, economics, business, teaching, science and social work;
- The University of Melbourne, through its Institute of Land and Food Resources, has a formal articulation arrangement to its higher education Advanced Diploma of Horticulture from relevant TAFE qualifications, from Certificate III through to Diploma. A formal articulation arrangement is also being considered from the TAFE Advanced Diploma of Agriculture (Dairy) to a new Bachelor of Rural Business course.

Improving Credit Transfer and Articulation

A key priority for the Australian Government is to make it easier for Australians to enter higher education from a diversity of backgrounds and experiences, including

those students transferring from VET to higher education. The Minister for Education, Science and Training raised concerns about credit transfer and articulation with his State and Territory counterparts in 2003 and MCEETYA agreed that the Australian Government and States and Territories would work together to develop national credit transfer and articulation arrangements.

At its May 2005 meeting MCEETYA agreed to pursue two broad strategies. The first is to improve the information available to students. MCEETYA has endorsed a draft set of information principles for further consultations with both the Higher Education and VET sectors. In a complementary exercise, DEST is enhancing the information currently available on the *Going to Uni* website by including institutional links on credit transfer and articulation.

The second strategy will be to achieve better implementation of credit transfer and articulation in practice. To this end, MCEETYA adopted a set of Principles for Good Practice on Credit Transfer and Articulation to provide high-level Ministerial endorsement for further improvements in institutional practice. A national study on the various models of credit transfer and articulation already in place and the barriers/incentives to further advances will also be conducted. The study will identify gaps in practice and make recommendations for initiatives to drive further improvement.

MCEETYA has also endorsed the establishment of a Working Group to bring stakeholders together to discuss data improvement and will also raise the inclusion of credit transfer and articulation in formal auditing, both with the Australian Universities Quality Agency (AUQA) and with the audit bodies responsible for audits in the VET sector. DEST is also encouraging universities to improve their performance by including a clause on articulation and credit transfer in their 2005 and beyond university funding agreements.

Articulation between VET and higher education will also be promoted through the National Skills Framework which will be in place from 1 July 2005. The framework will continue the national approach to qualifications through industry defined competencies, and a unified regulatory scheme. The framework also recognises the integration of learning in the workplace with structured training that results in national qualifications gained through the New Apprenticeships system.

4. Higher Education accessibility in rural Australia

4.1 Challenges to delivery in rural Australia

Higher education providers in regional areas play a critically important role in the economic and social life of their communities which goes far beyond traditional educational activities. The Australian Government recognises the unique contribution made by regional higher education campuses to their local communities and to students from regional and rural areas.

Institutions that provide places at regional campuses face higher costs as a result of location, size and history. Regional campuses often have less potential to diversify revenue sources, a smaller capacity to compete for fee paying students and a narrower industrial base providing fewer opportunities for commercial partnerships.

Following a review of higher education in 2002, the Government introduced the *Our Universities: Backing Australia's Future* package of reforms which include a number of measures to provide additional support for regional campuses, higher education providers and students.

Regional Loading

The Australian Government provides additional funding to regional campuses of Australian higher education providers through the regional loading. Regional loading is available to campuses located outside a mainland State capital city (with the exception of Darwin) and in a population centre of around 250,000 people or less (with the exception of Wollongong).

Once eligibility is determined, funding is allocated on the basis of bands which take into consideration distance from the closest mainland State capital and size of the institution. Funding bands are determined as follows:

Table 4.1 Regional loading eligibility and criteria

Band	Location	Size of Provider
1	Northern Territory	N/A
2	Campus is more than 300 kms from nearest mainland capital city	Higher education provider has less than 10 000 Australian Government-supported EFTSL
3	Campus is more than 300 kms from nearest mainland capital city	Higher education provider has more than 10 000 Australian Government-supported EFTSL
	OR	
	Campus is less than 300 kms from nearest mainland capital city	Higher education provider has less than 10 000 Australian Government-supported EFTSL
4	Campus is less than 300 kms from nearest mainland capital city	Higher education provider has 10 000 or more Australian Government-supported EFTSL
5	Wollongong	N/A

In 2005, \$28.4 million in regional loading was paid to higher education providers.

In 2005, DEST is providing regional loading funding to campuses located in the following areas (**Appendix I**).

Regional Protection Fund

The Regional Protection Fund (RPF) was created in response to the new research arrangements contained in the *Knowledge and Innovation* white paper of 1999, to ensure that no regional university would suffer deterioration in its research funding from its starting position in the first three years of the new arrangements. The RPF was established in 2001 to provide protection from 2002 to 2004.

The RPF has been extended through to 2008. Funding under this programme is limited to \$3 million annually indexed to current prices. The available funding will be distributed to designated regional Higher Education Providers (HEPs) from losses they incur in total Research Training (RTS) and Institutional Grants Scheme (IGS) grants against their 2001 baseline. The designated regional HEPs as identified in *Knowledge and Innovation* are:

- Charles Sturt University;
- Southern Cross University;
- The University of New England;
- The University of Newcastle;
- University of Wollongong;
- Deakin University;
- La Trobe University;
- University of Ballarat;
- Central Queensland University;
- James Cook University;
- University of Southern Queensland;
- University of Tasmania; and
- Charles Darwin University.

4.2 Higher education students studying agriculture courses

The total number of students studying agriculture courses at Australian universities has consistently declined since 1996. Between 1996 and 2000 there was a 9% decline in total students from 8,587 students in 1996 to 7,846 students in 2000 (**Table 4.2**). Since 2001 there has been a further 6% decline. It should be noted that the change in course classification from field of study (used up to 2000) to field of education in 2001 means that there is a break in series between 2000 and 2001. An exact concordance for agriculture courses between the field of study and field of education classifications cannot be produced. This results in the sharp increase in total agriculture students between 2000 and 2001.

Commencing students in agriculture courses also declined markedly between 1996 and 2000, falling 16% from 3,462 students in 1996 to 2,897 students in 2000. However, in contrast with the decline in the total number of agriculture students since 2001, the number of commencing agriculture students has remained at a similar level over this period.

Table 4.2 Higher Education students studying agriculture courses ⁽¹⁾, 1996-2004
⁽²⁾

Year	Commencing students	All students
1996	3,462	8,587
1997	3,251	8,523
1998	2,932	8,164
1999	2,807	7,903
2000	2,897	7,846
2001	3,014	8,718
2002	3,154	8,845
2003	3,066	8,475
2004	3,172	8,208

(1) Comprises field of study codes 010101, 010201-010206, 010299 for years 1996-2000, and field of education codes 050000, 050100, 050101, 050105, 050199, 050300, 050301, 050303, 050500, 050501, 050701, 050799 for year 2001-2004.

(2) Numbers for 1996 to 2000 represents students undertaking units of study in higher education courses as at 31 March in each year. From 2001, numbers represent students undertaking units of study in higher education courses during the period 1 September of the previous year to 31 August of the reporting year.

Both commencing students and total student numbers studying agriculture courses at rural campuses have shown sharp declines since 2002 (the first year rural campuses could be identified). The number of commencing agriculture students studying at rural campuses declined by 25% from 3,789 students in 2002 to 2,838 students in 2004, while the corresponding total number of students fell 20% from 8,400 students in 2002 to 6,731 students in 2004 (**Table 4.3**).

In contrast to declines in the numbers of students studying agriculture since 1996, the number of students completing an agriculture course has increased over the 1996-2000 (field of study course classification) and 2001-2004 periods (field of education classification) (**Table 4.4**). Between 1996 and 2000, completions in agriculture courses increased by 12% from 1,453 completions in 1996 to 1,622 completions in 2000, while between 2001 and 2003 there was a further increase of 7% from 1,713 completions in 2001 to 1,831 completions in 2003.

Table 4.3 Higher Education students studying agriculture courses ⁽¹⁾ at rural campuses ⁽²⁾, 2002-2004 ⁽²⁾

Year	Commencing students	All students
2002	3,789	8,400
2003	3,252	7,034
2004	2,838	6,731

(1) Comprises field of education codes 050000, 050100, 050101, 050105, 050199, 050300, 050301, 050303, 050500, 050501, 050701, 050799.

(2) Campus postcode used to identify rural campuses has only been collected since 2002.

Table 4.4 Award course completions for Higher Education students studying agriculture courses ⁽¹⁾, 1995-2003 ⁽²⁾

Year	Students
1996	1,453
1997	1,564
1998	1,613
1999	1,551
2000	1,622
2001	1,713
2002	1,767
2003	1,831

(1) Comprises field of study codes 010101, 010201-010206, 010299 for years 1996-2000, and field of education codes 050000, 050100, 050101, 050105, 050199, 050300, 050301, 050303, 050500, 050501, 050701, 050799 for year 2001-2004.

(2) Numbers for 1996 to 2000 represents students undertaking units of study in higher education courses as at 31 March in each year. From 2001, numbers represent students undertaking units of study in higher education courses during the period 1 September of the previous year to 31 August of the reporting year.

The number of students completing higher degrees by research at regional campuses has followed a similar trend to student numbers studying agriculture courses at rural campuses. During the period 2001-2004, Commonwealth Funded Higher Degree by Research Student Load (HDR Student Load) in the Agriculture, Environmental and Related Studies (AERS)¹⁶ field in the Regional Universities' cohort as a whole has fallen by 15%, from 349 to 298. A full list of Commonwealth Funded HDR Student Load at regional Universities is at **Appendix J**.

Within the cohort, Deakin and James Cook Universities have increased their load by 129% and 41% respectively.

The total Commonwealth Funded HDR Student Load throughout all Australian Universities for the period 2001-2004 shows that, in the Agriculture, Environmental and Related Studies field, total load has fallen by 5%, from 963 to 915.

During the period 2001-2004, the total Commonwealth Funded HDR Student Load in Regional University's has fallen by 4.4%.

4.3 Higher Education initiatives for rural Australia

New Places

Out of the 9,100 new Australian Government supported places allocated to higher education providers in 2005, 4,155 places were allocated to regional universities. These places will grow to 11,361 by 2008. Of the 440 new aged care nursing places allocated in 2005, 220 places were allocated to regional universities. This will rise to just over 600 new places by 2009.

In 2004, the Government provided 210 new nursing places, specifically in regional areas. This will grow to 574 places by 2009. These places are intended to respond to the current shortage of nurses in rural areas.

Promoting and assisting access to higher education for rural and isolated students

The Australian Government recognises that rural and isolated students face difficulties in accessing higher education and it is committed to providing funding to

¹⁶ Australian Standard Classification of Education (ASCED), Appendix 5. Field of Education Classification (Post 2000)

eligible universities to assist in overcoming barriers to access for designated student groups, including those from rural and isolated areas (Table 4.5).

In 2005, \$10.832 million has been allocated under the Higher Education Equity Support Program, and \$26.531 million under the Higher Education Indigenous Support Program, for universities to implement measures to improve access and academic outcomes for disadvantaged students.

Measures targeted specifically at rural and isolated students include:

- outreach programs to attract students from rural secondary schools;
- special entry arrangements;
- mentoring and peer support for students who have moved away from home to study; and
- help with obtaining accommodation.

Table 4.5 Numbers of Rural and Isolated Students and Share of Total Domestic Student Population 1996, 2001 and 2004

	1996**	Share of domestic students (%)	2001	Share of domestic students (%)	2004	Share of domestic students (%)
Rural*	105,694	17.6	119,936	17.5	119,812	16.7
Isolated*	11,180	1.9	9,889	1.4	9,101	1.3
Total domestic students	600,061		684,975		716,422	

* Students whose home address is identified as rural or isolated according to the Rural, Remote and Metropolitan Classification (RRMA): 1991 Census edition, and the updated RRMA classification prepared by the Australian Institute of Health and Welfare
 **Students enrolled in a particular higher education course at a particular higher education institution after 31 March 1996 and before 1 April 1996.

Commonwealth Learning Scholarships

Students from rural and regional areas are also supported in accessing higher education by the Australian Government's Commonwealth Learning Scholarships (CLS) programme. The CLS programme was introduced in 2004 as part of the *Our Universities: Backing Australia's Future* package of reforms to higher education. The CLS comprises the Commonwealth Education Costs Scholarships, valued at \$2,000 per annum, and Commonwealth Accommodation Scholarships, valued at \$4,000 per annum. Both Scholarships are for up to four years and the value is indexed each year. Income from the CLS is not taken into account for purposes of social security income tests.

The Government is committing approximately \$400 million over five years to 2009 through the CLS to assist students from low socio-economic backgrounds, particularly Indigenous students and those from rural and regional areas, to meet some of the costs of undertaking higher education. Between 2005 and 2009 around 43,000 scholarships will have been allocated to students in need.

Significantly, Commonwealth Accommodation Scholarships (CAS) assist with accommodation costs for students who have to move from rural and isolated areas to undertake higher education.

Australian Research and Education Network

To support the provision of quality education and training in rural areas, affordable and adequate bandwidth needs to be available at least to education institutions and preferably to the student's home desktop. The Australian Government has to date invested some \$80 million in high bandwidth capacity, both nationally and internationally, for Australian universities and research institutions.

AREN is progressively being rolled out through a series of collaborative stakeholder projects with the work generally being co-ordinated and implemented by AARNet, a not-for-profit company owned by the universities and the CSIRO. Over the next 12 months the AREN will become fully operational, providing high bandwidth capacity to most Australian university campuses and many research institutions, including those in rural areas. Rural students will have access to a greater choice of both courses and resources than can be accessed physically within their own location. Keeping up-to-date with the latest techniques, methods, information and safety issues for student and teacher will be much easier.

Once the AREN is fully operational, researchers in rural areas will have greater opportunities for collaborating with colleagues both within Australian and internationally. The next challenges are to enable researchers, whatever their geographical location, to access and manipulate remote research instruments, discover and access research data, and analyse data with the use of advanced computing facilities from their desktops.

Business/Industry/Higher Education Collaboration Council (BIHECC)

As part of the higher education reform package *Our Universities: Backing Australia's Future*, Minister Nelson has established the Business/Industry/Higher Education Collaboration Council (BIHECC). The Council's role is to advise the Minister on ways to increase collaboration between the higher education sector and other public and private business, industry, community and educational organisations.

BIHECC's overarching areas of focus are business/industry involvement in the higher education sector, collaboration between Australian universities, and the interface between higher education and vocational education and training.

With respect to rural skills training and research, BIHECC's responsibilities include promoting regional engagement between universities and business and industry; developing initiatives to further facilitate the commercialisation of intellectual property; and advising the Government on priorities for selecting collaboration projects for funding from the Collaboration and Structural Reform (CASR) Fund.

With respect to skills needs, BIHECC has nominated several aspects of skills at a broad national level that it proposes to consider. These include shortages, strategies for interaction between higher education and industry to foster responsiveness, and re-skilling needs where skills mismatches are revealed.

5. Schools in rural Australia

States and Territories have the primary responsibility for funding State government schools. They also provide supplementary assistance to non-government schools. The Australian Government is the primary source of public funding for non-government schools, while also providing supplementary assistance to government schools. Most non-government schools have some religious affiliation, with approximately two-thirds of non-government school students enrolled in Catholic schools. Overall, state government schools enrol 68 per cent of students, while non-government schools enrol 32 per cent of students.

To improve the quality of schooling nationally, the Australian Government works with State and Territory governments, non-government school authorities, parents, educators and other organisations to seek the best possible outcomes for young Australians. Strategic policy development and delivery of programmes and services at the national level are coordinated through MCEETYA.

This cooperation is underpinned by the National Goals for Schooling in the 21st Century for all students. These goals, which were agreed by the ministerial council in 1999, focus on the learning outcomes of students, and provide a framework for national reporting on student achievement and for public accountability by school education authorities.

The National Aboriginal and Torres Strait Islander Education Policy was endorsed by all Australian governments and is reflected in the Indigenous Education (Targeted Assistance) Act 2000. The policy guides programme initiatives across Australia in a continuing effort to achieve equity between Indigenous and non-Indigenous Australians.

The Australian Government provides Indigenous-specific funding as a supplement to other mainstream funds. This funding is intended for strategic interventions which aim to accelerate learning outcomes for Indigenous students. The Australian Government also provides assistance directly to students.

The Australian Government works collaboratively with education providers, Indigenous communities, and other State and Territory and Australian Government agencies to ensure that policies and strategies are mutually supportive, culturally appropriate and acknowledge the disparate needs of Indigenous communities.

The Australian Government provides General Recurrent Grant (GRG) funding to States and Territory government systems and non-government schools and systems to assist children attending schools wherever they are located in Australia. During the 2005-06 financial year it is expected that the Australian Government will provide around \$6.7 billion in GRG to government and non-government schools. A breakdown of the funding to each State and Territory is at **Appendix K**.

It is not possible to split the funding into rural and non-rural areas, however, a list of student numbers in metropolitan, remote and provincial schools is at **Appendix L**.

5.1 Special initiatives

The Australian Government has a leadership role in identifying and promoting national standards and priorities for students; reporting nationally comparable data on student achievements and improving reporting and accountability on schooling outcomes to parents and the wider Australian community.

In addition to this, the Australian Government funds a number of targeted initiatives, including projects for students in schools in non-metropolitan areas:

Country Areas Programme (CAP)

The Australian Government is committed to improving learning outcomes for students in geographically isolated areas across Australia. One of the initiatives designed to assist with meeting this objective is the Country Areas Programme (CAP).

CAP aims to help schools and school communities improve the educational outcomes and opportunities of students who are educationally disadvantaged because of their geographical isolation so that their learning outcomes match those of other students. To assist with this, the Australian Government will provide approximately \$117 million over the period from 2005 to 2008. This amount represents an increase of \$25 million, or 27%, over the last four year funding period.

In 2005, an initial allocation of almost \$26 million will be provided to state, Catholic and independent schools in all Australian states and the Northern Territory. This payment will be supplemented at the end of the year in line with movements in the Average Government School Recurrent Cost Index.

CAP funding is **additional** to the funds provided by education authorities. Education authorities allocate funds to schools, according to the priorities identified by them, using their knowledge of local needs.

The funding is allocated in accordance with the conditions set out in the Australian Government Programmes for Schools Quadrennial Administrative Guidelines 2005 to 2008. Projects which may be funded include those that support:

- Curriculum enhancement, such as excursions and hosting visits, support for subjects such as Languages Other Than English, music and attendance at sporting events and activities which support secondary students making the transition to further education, training and work (post school pathways) including VET in schools and work experience;
- Information and communication technology; and
- Professional development.

Assistance for Isolated Children (AIC) Scheme

The AIC Scheme helps the families of primary, secondary and under 16 year old tertiary students who are unable to attend an appropriate government school on a daily basis because of geographic isolation. An appropriate government school is one that offers the student's level of study or, if the student has special health-related or educational needs, one that provides access to the facilities, programmes, and/or environment required for those needs.

The underlying principle of the AIC Scheme is that all Australian children should have reasonable daily access to an appropriate government school without regard to parents' income. Families living in areas without access to such a school incur additional costs in educating their children. The purpose of the AIC Scheme is to provide financial assistance in recognition of the additional expenditure incurred by mainly geographically isolated families for the education of their children.

The AIC Scheme comprises of five allowances:

- Basic Boarding Allowance (\$6,000 pa) for eligible students who board away from home at a school, hostel or private home;
- Distance Education Allowance (\$3,000 pa for both primary and secondary students) for students who study at home by distance education methods
- An Additional Boarding Allowance (payable at a maximum rate of \$1,069) is available in addition to the Basic Boarding Allowance, subject to parental income and actual boarding fees paid;
- Second Home Allowance (\$4,557 pa) for families who set up a second home to allow their children to attend school daily; and
- A Pensioner Education Supplement of \$1,627 for eligible students under 21 who receive certain pensions. This Supplement is only available under the AIC Scheme when the student is studying below secondary level.

All allowances except for the Pensioner Education Supplement are indexed annually.

Apart from the Additional Boarding Allowance, all allowances under AIC are free of income and assets tests but applicants must meet the eligibility criteria. All allowances, with the exception of the Pensioner Education Supplement, are indexed annually.

Recent AIC Budget Initiatives

The Basic Boarding Allowance increased from \$4,446 to \$6,000 per student per year from 1 January 2005, providing an estimated 39.6 million over four years to 2008-09. This will help around 7,500 students who have little choice other than to board away from home at a school, hostel or private home.

A significant increase in support has also occurred for geographically isolated families whose children are studying by distance education. The Distance Education Allowance increased to \$3,000 per year for students who study at home through distance education. The increase – some \$1,759 for a primary school student and \$1,140 for a secondary school student in 2005 – reflects the increased costs of new computer technology and communications infrastructure required by students. The total funding for this measure is expected to be \$1.3 million over four years.

Literacy, Numeracy and Special Learning Needs (LNSLN) Programme

As with other areas of its commitment, the Australian Government supports the National Literacy and Numeracy Plan through a key targeted programme, the LNSLN Programme.

The LNSLN programme will provide an estimated \$2.1 billion over the 2005–08 quadrennium to support the most educationally disadvantaged students, including students with disabilities. There are three elements of the programme:

- **Schools Grants:** The Schools Grants element will contribute an estimated \$1.87 billion over the 2005–08 quadrennium to complement that of the state and territory government and non-government education authorities towards the cost of additional assistance for those most disadvantaged students, including students with disabilities;
- **National Projects:** The National Projects element will provide an estimated \$32 million over the 2005–08 quadrennium for national projects and initiatives; and
- **Non-government Centres Support:** The Non-government Centres Support will provide an estimated \$146 million over the 2005–08 quadrennium to improve the educational opportunities, learning outcomes and personal development

of children with disabilities who receive services provided by non-government centres.

Family-School Partnerships

The current situation in Australia with respect to family-school partnerships is one in which parents by and large are still confined to traditional roles, such as helping run the canteen or fund-raising activities. Anecdotal evidence from school parents suggests that implementation of official parent policies is often patchy, uncoordinated and under-resourced.

The Australian Government has developed a draft *Family-School Partnerships Framework* in consultation with the Australian Council of State School Organisations (ACSSO), the Australian Parents Council (APC), state and territory government and non-government school authorities, principals' associations, academics, Indigenous experts, and teachers and students.

The Australian Government is supporting the trialling in schools of the draft *Family-School Partnerships Framework* during 2005. The purpose of the trial is to help refine the draft Framework and measure the impact of genuine family-school partnerships. This trial includes schools in rural and urban locations.

Education for Gifted Students

The 2001 Senate Committee Report *The Education of Gifted Children* (The Senate Report) was informed by the view that all Australian children should have the opportunity to maximise their educational potential.

In response to the findings of the Senate Report and as part of a coordinated national response to the needs of gifted students, the Australian Government is progressing the development of a gifted education strategy. The strategy includes \$2.3 million for the professional development of teachers in gifted education; grants of \$10,000 each to assist teacher education faculties to acquire expertise in gifted education; and \$550,000 for a series of workshops for parents of gifted children in regional and remote areas.

These Workshops will be managed by the Gifted Education Research, Resource and Information Centre (GERRIC) at the University of New South Wales and held between September 2005 and September 2006. The Workshops will improve parents' understanding of gifted education issues and research and provide advice to parents about how they can help to meet the needs of their children at home and at school. While primarily aimed at parents, the Workshops will also benefit school teachers, teacher educators and others who may attend.

Tutorial Voucher Initiative

The Tutorial Voucher Initiative (TVI) is a pilot programme which provides assistance to parents and caregivers who have received advice that their child was below the Year 3 national reading benchmark in 2003. Under the pilot initiative, the Australian Government will trial the delivery of a Tutorial Voucher to the value of \$700 (GST exclusive) to parents of eligible students. The Tutorial Voucher will provide for a pre and post assessment and reading tuition delivered on a one-to-one basis outside school hours.

The Australian Government is committing \$20.3 million to the initiative, which is being delivered in all States and Territories throughout 2005.

An independent evaluation is running concurrently with the TVI, with the evaluation report available towards the end of 2005. The evaluation will assess the impact of the TVI on student reading development, and the effectiveness of the TVI as a means of assisting children who did not meet the Year 3 national reading benchmark in 2003. Parental participation and eligible student take-up rates in each State and Territory, including in rural areas, will form an integral part of the evaluation.

Other funding

The Rural Education Forum Australia (REFA) has been assisted through the Quality Outcomes Programme to undertake two projects. The first, due to be completed in June 2005 is to map the current scope and diversity of the teaching practicum in rural and remote Australia and the second is to assist REFA to develop and run a number of education and training related activities.

5.2 Vocational education and training in schools

Increasing the diversity of education pathways allows all students opportunities to explore and achieve their potential. VET in Schools programs complement the traditional academic pathways, providing both the technical and employability skills that all students need.

Students and parents have signalled their strong support for VET in Schools programmes, in which students can gain credit towards a nationally recognised VET qualification while completing their senior secondary certificate. In 1996, 60,000 students undertook VET in Schools programmes. In 2003, there were over 200,000 students in VET in Schools programmes – that is 44% of senior secondary school students which is an increase of 116% since 1997. In 2002 the Primary Industries were identified as the 10th most popular industry area for VET in Schools programmes, with 3.4% of all VET in Schools enrolments.

Formal ***VET in Schools*** are programs undertaken by school students as part of the senior secondary certificate that provide credit towards a nationally recognised VET qualification within the Australian Qualifications Framework. The training that students receive reflects specific industry competency standards and is delivered by an RTO or a school in partnership with an RTO.

Structured Workplace Learning (SWL) provides students with structured learning opportunities in a real or simulated workplace. This structured work placement is usually a component of a VET in Schools course undertaken by senior secondary students. The placement provides on the job training and mentoring that develops the students' technical and generic employability skills. The skills are assessed, usually following the work placement, by an RTO and the VET qualifications are recognised nationally by industry and education systems.

VET in Schools is different to ***Vocational Learning*** (also referred to as Vocational Education) programmes for primary and secondary students. Vocational education can be incorporated into general learning in other discipline subjects, such as interview techniques, work and volunteer experience, or may be a stand alone subject. A broadening of the school curriculum to include experience in the world of work and the opportunity to learn in environments outside a traditional school setting is important in making the school experience more relevant and engaging for all students.

School-based New Apprenticeships involve a student undertaking a national vocational qualification while completing school studies. A School-based New Apprenticeship student will:

- be enrolled in a senior secondary certificate under the relevant Education Act;
- have the school or education provider at which the student is enrolled acknowledge and endorse the Training Plan/Outline required by the Apprenticeship/Traineeship Training Contract; and
- have the School-based New Apprenticeship recognised on the senior secondary certificate.

There has also been a large increase in the numbers of young people undertaking School-based New Apprenticeships. There are now 12,900 young people in School-based New Apprenticeships compared to 1,500 in 1998, representing a ninefold increase. These pathways lead to industry recognised qualifications and provide a range of pathways allowing all young people to explore their potential.

Rural Skills Australia

Rural Skills Australia (RSA) is funded through the **Industry Engagement Projects** programme. The objective of RSA's project is to create links between industry, schools and students to promote vocational education in schools and the viability of pathways within the rural sector, with a focus on the agricultural and horticultural industries.

The contract provides funding for RSA to work with state based agricultural organisations in New South Wales, Queensland, South Australia, Tasmania, Victoria and Western Australia.

RSA's project officers in each of these jurisdictions have established links and formed partnerships to promote career and education pathways in the rural sector and to promote vocational education in schools. Examples include:

- In Tasmania, the "Cropping a Career" and "Working in Wool" Programmes provide students with industry visits, 5-day vocational placements with a host employer and activities with the University of Tasmania and TAFE Tasmania in the wool and vegetable cropping industries.
- In Queensland, the project officer was responsible for bringing 6 different organisations, including employers, from the rural sector together to provide a one-stop careers shop at the Brisbane Career Expo in 2004. 40,000 people, including 5000 school students visited this one-stop shop, which showcased rural careers under the theme of "Animals, Plants and Science." The project officer has also promoted rural pathways to students at schools. For example the project officer conducted a three week road show in October 2004, visiting 18 schools with 450 students in 14 regional (including rural and remote) centres in Queensland.
- One of the key initiatives in South Australia is the development and promotion of the annual Australian Schools Wine Show. The Australian Schools Wine Show encourages Regional Wine Associations to work with local schools to assist them with product development and production for presentation at the show. The Wine Show allows students to develop an understanding of the career pathways in the viticulture industry and provides an opportunity for industry to provide careers information to students.
- In Western Australia the promotion of vocational education in schools pathways has resulted in four high schools in Broome delivering the Certificate I in Rural Operations in 2005. The Certificate I provides an

opportunity for students to explore rural careers with a view to undertaking a School-based New Apprenticeships to build on this experience.

Other industries are engaged through the Industry Engagement Projects programme to promote vocational education in schools and the viability of a range of industry pathways.

Both the Australian Chamber of Commerce and Industry (ACCI) and the Australian Industry Group have encouraged partnerships between industry and young people to promote vocational education pathways. ACCI national office has coordinated projects with ACCI members, for example, the Housing Industry Association has worked in Queensland with schools to provide structured opportunities for senior secondary school students to work in the building and construction industry. Whilst the Australian Industry Group has developed and implemented an Adopt a School model to encourage meaningful industry and school partnerships.

Enterprise Education

The recently announced *Enterprise Learning for the 21st Century* initiative will build upon the success of the *Action Research* project. The Australian Government is providing \$2.5 million per annum from 2004-05 to 2007-08 to fund innovative projects that will encourage young Australians to be more enterprising. Partnerships are encouraged between education authorities, business and industry and local communities to successfully deliver enterprise learning.

Employability Skills

Industry across the country is seeking young people with an understanding of the world of work, including a sound understanding and ability to demonstrate the employability skills. The Employability Skills include communication, team work problem-solving and planning and organising.

The Australian Government is undertaking several related projects to support employability skills. The Government recently completed a national strategic project, the Universal Recognition of Employability Skills, to facilitate the implementation of the Employability Skills Framework in the schools sector as well as other sectors. The Australian Government also supports an initiative to develop a model Certificate I qualification directed at employability skills in various industry contexts.

The Australian Government announced on 19 July 2004 an initiative to develop an 'e-portfolio' website (online). Individuals will be able to develop an electronic record (e-portfolio) to record their employability skills, learnt in a variety of contexts and present their skills to future employers. This will be particularly useful for isolated students.

5.3 Transitions

Australian Career Development Studies

Australian Career Development Studies (ACDS) is a package designed to broaden access to career development learning opportunities. ACDS has been developed by a team of highly respected career educators and specialists. ACDS offers three learning programmes tailored to the needs of career practitioners, and others (such as parents, youth workers, coaches and community leaders) who have an interest in fostering in others the capacity to make informed education and employment choices, access appropriate specialist support, and connect education and training pathways with career choices and employment prospects.

The three programmes are:

- *Awareness of Career Development*: A non-accredited introductory programme for those wishing to learn the basics of career development in a brief, enjoyable and easily understood format.
- *Elements of Career Service Delivery*: Three accredited units at Certificate IV level of the AQF (plus assessment), for those who are currently involved, or would like to be involved, in delivering career development services to individuals in the community.
- *Career Development Studies*: An accredited unit at postgraduate certificate level, for anyone wishing to expand and consolidate their career development learning.

The Real Game Series

Since 2001 DEST has worked closely with State and Territory governments, industry partners and all sectors of the community to tailor the Canadian Real Game series for Australian use and implement the series across the country.

The Real Game series – a suite of six innovative, experiential and interactive programmes that show young people connections between their school studies and life after school and help them develop the knowledge and skills to make well-informed choices about careers and transition pathways.

Each programme enables students to undertake a range of practical, hands-on activities such as role-playing occupations, budgeting, paying tax, and creating the kind of communities they want to live in.

Steve Waugh presents: Chase Your Dreams

Steve Waugh presents: Chase Your Dreams is an innovative teaching resource including an interactive DVD, video, lesson plans and activities. In *Chase Your Dreams*, Steve Waugh interviews six prominent Australians about their lives, their aspirations, setbacks and successes.

Over 10,000 *Chase Your Dreams* kits were distributed by the DEST, free of charge, to all government and non-government schools around Australia in March 2005.

myfuture.edu.au

A joint initiative of the Australian, State and Territory governments, myfuture.edu.au, is Australia's national online career information service and is free to internet users.

Myfuture is for people of all ages, including students, those seeking to enter or re-enter the workforce, mature aged workers and others interested in developing or changing their careers. The service is also used by teachers, career practitioners and others to assist people with career development and planning.

Myfuture has two major sections – The Facts and My Guide. The Facts provides comprehensive career information and statistics, whilst My Guide provides a personalised career exploration tool to support users with career decision making and pathway planning.

Myfuture plays an important role in the suite of career products and services available in Australia, helping to develop a labour force that can respond to the diverse needs of Australia's economic and social future.

Career Information Products

Books and posters covering career planning, job searching and career information for school students, career practitioners, parents and job seekers are printed and made available to schools, Centrelink, DEST Programme providers and others who request them. One of the available products is a Rural Industry Poster.

Job Guide

The Australian Government produces Job Guide each year to assist young people to identify career options and to provide helpful hints on how to choose their career pathway. Job Guide is a suite of products including a print version for each state and territory, as well as national CD-ROM and internet versions.

Job Guide describes nearly 600 occupations with over 1,000 job titles and explains how to choose a job, plan a career and look for work and is available on the internet at jobguide.dest.gov.au. Schools/teachers place a high value on Job Guide stating that it plays a central role in delivery of career advice and education.

Year 12 – what next?

In brochure format and online it is a free national resource that sets out all education and training options in an uncomplicated style with fast fact, quick links and case studies. It provides a balanced presentation of both VET and university post school study options, emphasises the value of continuing on with education and training post school and encourages students to explore and discuss options with their families and career advisers.

Career Planning Programme

The Career Planning Programme provided by the Australian Government is a service to help people make appropriate and realistic career choices. The programme is for job seekers who are having trouble deciding what they want to do and where they want to go; whether it is deciding on a course of study, upgrading their existing skills, or finding the right job, they can get help through Career Planning.

Some 12 000 are placed in the Programme each year. It is open to job seekers on income assistance, young people registered with Centrelink and parents/carers returning to the workforce.

Career Information Centres

There are twelve Career Information Centres (CICs) around Australia which provide a comprehensive free service to the public. Specialist staff assist students, the unemployed or people who are looking at changing jobs. Career Information Centres can help customers make informed decisions about education, training and employment options and pathways. Career Information Centres have printed, video and computerised information to help plan or decide on a career, including a comprehensive library of information about occupations, courses provided by colleges, TAFE and universities in each state and territory, employment trends and opportunities, and resources to help prepare applications and résumés.

The twelve CICs are located in the capital cities and several regional cities and provide outreach services to rural areas, deliver services through telephone contacts and mail or email information and in some instances provide services through Centrelink Customer Service Offices in rural areas. Rural school groups are able to undertake visits to the CICs.

Local Community Partnerships

The Government is strongly committed to ensuring that young people achieve their full potential and currently provide more than \$14 million annually for Local Community Partnerships to deliver the SWL Programme nationally.

Specifically, the SWL Programme provides students with structured on the job training and mentoring that develops the students' technical and generic employability skills. The skills are assessed, usually following the work placement, by an RTO and the VET qualifications are recognised nationally by industry and education systems.

Currently, the SWL programme is administered through a national network of Local Community Partnerships (LCPs) which have: good links with their community, schools, business and industry; knowledge of local education, training and employment opportunities; and the ability to relate to young people. The current LCP network has over 200 partnerships operating throughout Australia including rural and remote locations.

Australian Network of Industry Careers Advisers (ANICA)

To further strengthen the current work being delivered in the Transition from school to work environment the Australian Government has recently announced the Australian Network of Industry Careers Advisers initiative. This builds upon the existing network of Local Community Partnerships across Australia, expanding the role beyond the facilitation of SWL from 2006.

In partnership with industry and professional career advisers, LCPs will assist students to understand study and work options through career information, advice, support and planning. They will also facilitate meaningful work experience and promote VET in schools.

From 2006, the network of Local Community Partnerships will be extended to achieve national coverage and ensure access to all rural and remote areas in Australia. Under the ANICA initiative, there will be a strong focus on ensuring career and transition support services are in place and are accessible by young people in rural Australia.

Jobs Pathway Programme

The Australian Government's Jobs Pathway Programme (JPP) targets 13 to 19 year olds at risk of not making a smooth transition through and beyond school into further education, training or employment and active participation in the community. JPP aims to help these at risk young people to realise their full potential by keeping them engaged or re-engaging them with the education system, so that they attain a level of education that will allow them to obtain the qualifications required to achieve their career goal or aspirations.

There are 95 JPP projects throughout Australia servicing regions that historically have had low school retention rates and high levels of youth unemployment. Students attending approximately two thirds of the secondary schools in Australia have access to JPP, including those in rural and remote regions. From 2006, a new tender process will seek service providers to deliver support to the most at risk young people across Australia, ensuring young people in rural Australia have access to JPP.

Details of current JPP providers and the schools that are assisted are available at <http://jpp.dest.gov.au/>.

5.4 Indigenous

Indigenous Youth Mobility Programme (IYMP)

The Indigenous Youth Mobility Programme will provide 600 young people with an opportunity to relocate to centres including Cairns, Townsville, Toowoomba, Dubbo, Newcastle/Hunter Valley, Canberra, Shepparton, Adelaide, Perth and Darwin.

Participants will elect to relocate to one of these centres with the support of their families and communities. The first young people to access this Programme will begin their training during the second semester of 2005. There will be subsequent intakes in 2006, 2007, and 2008.

These training opportunities will give the participants the opportunity to build satisfying careers in the trades, nursing, accountancy, business management and teaching – all in high demand in remote Australian communities.

A community of support will be built around the young people who relocate involving educational institutions, employers, mentors and Aboriginal Hostels Limited, who will provide safe and supported accommodation in each location.

To maximise opportunities for success and in recognition of the difficulties a young person will face when moving long distances from home, the Programme will ensure young people are provided with mentors, a supportive training environment and the support needed to maintain contact with their home communities.

Indigenous Youth Leaderships Programme (IYLP)

The Indigenous Youth Leadership Programme will encourage talented Indigenous students, mainly from remote areas, to apply for 250 scholarships. The scholarships will begin at the start of the 2006 academic year.

The scholarship support will better place these talented students to undertake further education and training, move towards fulfilling employment and develop the skills to become leaders in their communities.

As part of the Programme, structured study tours, internships and work experience will be offered to Indigenous students interested in gaining experience and building networks with industry and business partners.

An Indigenous Elders' Advisory Group will support the Programme by selecting students and designing an appropriate mentoring and support strategy.

This initiative highlights the Australian Government's continued commitment to reducing the gap in education outcomes between Indigenous and non-Indigenous Australians.

Increasing Vocational Learning Opportunities for Indigenous Students (IVLOIS)

IVLOIS increases vocational learning opportunities for 2,300 Indigenous secondary school-aged students based on local industry options.

The objectives of this strategy include:

- providing Indigenous students with appropriate workforce skills and competitiveness to make sure that when they exit initial education and training, they have the skills, knowledge and attitudes that will enable them to become productive and employable workers;

- developing and strengthening partnerships between schools, government, institutions of higher learning, local business structures, industry and Indigenous parents and communities; and
- contributing to addressing the long-term education and employment outcomes of Indigenous communities.

IVLOIS is implemented through the provision of resources to a network of LCPs in targeted locations to support the development of a range of meaningful locally-based vocational learning opportunities that are built around elements such as: general employability skills; enterprise education; career education and community and work based learning.

6. Australian Technical Colleges

In September 2004, the Australian Government announced its election commitment to establish 24 ATCs as part of the Government's broader strategy to address skills needs in the trades in regional and metropolitan areas.

6.1 Background

The Colleges will operate as specialist senior secondary schools, providing high quality education and technical training relevant to the trades, raising the profile of school-based vocational training and further strengthening the national training system. They are part of the Government's strategy to address industry skill needs and to ensure that high quality VET is as valued as university education as a pathway to a rewarding and sustaining career.

The Government will invest over \$350 million over five years to establish the ATCs. The first of the Colleges will begin accepting students in 2006, with all 24 operational by 2008.

The 24 regions were identified on the basis that they have a strong industry base and are experiencing skill gaps. Three-quarters of the regions earmarked for a College are in rural areas (see below).

A distinguishing characteristic of the ATCs will be industry leadership and involvement. Each College will have a governing body chaired by local business and industry representatives with other members also drawn from the local business community. Industry's involvement will ensure that the skills training provided by the Colleges are relevant to local needs and that students will have opportunities for School-Based New Apprenticeships and employment opportunities.

The principals of the Colleges will have the autonomy to manage day to day operations and will have the capacity to offer attractive working arrangements, such as reward for excellent performance and professional development opportunities, so as to attract quality teaching and support staff. All staff will be offered the option of an Australian Workplace Agreement. Consistent with Australian Government policy to encourage teachers to maintain relevant up-to-date industry skills and experience, the Colleges will have strategies for providing professional development plans for teachers. Strategies could include provision of industry placements for teachers of vocational subjects.

Around 70 proposals to establish an Australian Technical College were received by the deadline, which was 20 May, and assessment is proceeding. The Australian Government aims to select the College which best fits local needs and circumstances in each region. The small number of Colleges which will commence operations in 2006 will be announced in July 2005. These proposals are likely to be from existing schools, using existing infrastructure and resources. Colleges to be implemented in 2007 and 2008 will be announced later in the year.

6.2 Expected outcomes of ATCs

The ATCs will provide high quality facilities where capable and committed students interested in pursuing a rewarding career in trades can commence their vocational studies. Each College will provide tuition to up to 300 students in Years 11 and 12, providing opportunities for up to 7,200 students per year in total, once all colleges are fully operational.

The Colleges will be schools, offering academic subjects relevant to a career in the trades and leading to the senior secondary school certificate. Students will combine their academic studies with a School-Based New Apprenticeship in a trade, leading to a nationally endorsed Training Package qualification. It is expected that most students will continue on to complete their New Apprenticeship after completing secondary school. However, some students may choose to go directly on to employment or to further education or training. The Colleges will provide students with employability, entrepreneurial and business skills, resulting in better employment opportunities.

At establishment, each College will offer training in at least one of the following preferred industry areas:

- metal and engineering (e.g. machinists, fabricators, toolmakers, welders, sheet metal workers);
- automotive (mechanics, auto electricians, panel beaters, vehicle painters);
- building and construction (bricklayers, plumbers, carpenters);
- electrotechnology (including refrigeration, air-conditioning, electrician);
- commercial cookery.

It is expected that the Colleges will expand their trade training offerings to at least four industry areas once fully operational. The actual mix of trade skills will depend on the needs of local industry, economic demands and future growth. There is scope to offer training in industries beyond those identified above, as long as they are identified areas of skill need and are important to the local industry base.

The ATCs present a unique opportunity for education and training providers to work closely with business, industry and local communities to address skills needs in the identified regions and provide an alternative school-based pathway to career and employment opportunities in the trades for young Australians.

The Colleges will be located in the following regions:

NSW:	The Hunter, the Illawarra, Queanbeyan, Port Macquarie, Lismore/Ballina, Dubbo, Gosford, Western Sydney
Victoria:	Geelong, Warrnambool, Eastern Melbourne, Sunshine, Bairnsdale/Sale, Bendigo
Queensland:	Townsville, Gladstone, North Brisbane, Gold Coast
South Australia:	Adelaide, Whyalla/Port Augusta
Western Australia:	Perth South, Pilbara
Tasmania:	Northern Tasmania
Northern Territory:	Darwin

7. Research for rural Australia

7.1 Overview of research for rural Australia

Rural research in Australia is coordinated and funded by a number of agencies and statutory authorities. For the purposes of this submission the focus is on Australian Government statutory authorities and national focused research organisations which research rural issues.

Key research bodies include the Rural Research and Development Corporations (RDCs), the Australian Bureau of Agricultural and Research Economics (ABARE) and the Bureau of Rural Sciences (BRS) – all part of the Agriculture, Fisheries and Forestry portfolio. The Australian Centre for International Agricultural Research (ACIAR) operates as part of Australia's Aid Program within the portfolio of Foreign Affairs and Trade. It contributes to the aid program objectives of advancing Australia's national interest through poverty reduction and sustainable development.

Within the Education, Science and Training portfolio significant contributions to rural research are made by the CSIRO and the Cooperative Research Centres programmes. (See further information below.)

CSIRO has made a separate submission to this Inquiry. Detailed information on their activities is available in that submission.

In addition the Australian Government announced in December 2004 four National Research Priorities (NRP) to highlight areas of particular social, economic and environmental importance to Australia, and where a whole-of-government focus has the potential to improve research and broader policy outcomes. The relationship of the National Research Priorities to rural research is detailed below.

National Research Priorities

In December 2002 the Australian Government announced four National Research Priorities. The priorities highlight areas of particular social, economic and environmental importance to Australia, and where a whole-of-government focus has the potential to improve research and broader policy outcomes. They are broadly based, thematic and multi-disciplinary in nature. National Research Priorities address areas of strength, opportunity or need in Australian research and assist in promoting, coordinating and implementing the national research effort.

The research priorities are an important element of the Australian Government's *Backing Australia's Ability* initiative. This initiative committed \$8.3 billion over the ten years 2001-2011, to science and innovation, and flagged the need to direct research investment in areas in which Australia has, or is likely to achieve, competitive advantage.

The four-National Research Priorities (each of which each is underpinned by a number of priority goals listed at **Appendix M**) are:

- An Environmentally Sustainable Australia;
- Promoting and Maintaining Good Health;
- Frontier Technologies for Building, and Transforming Australian Industries;
and
- Safeguarding Australia.

Since the original announcement of the priorities, the Government has worked closely with the social sciences and humanities research communities to refine the priority framework. In November 2003, the Government announced enhancements to the National Research Priorities.

The additional four priority goals are:

- *Responding to climate change and variability* (goal under the Priority *Environmentally Sustainable Australia*)
- *Strengthening Australia's social and economic fabric* (under the Priority *Good Health*)
- *Promoting an innovation culture and economy* (under the Priority *Frontier Technologies*)
- *Understanding our region and the world* (under the Priority *Safeguarding Australia*).

Implementing the National Research Priorities

Minister Nelson released the details of a National Research Priorities Standing Committee in February 2005.

The Chief Scientist, Dr Robin Batterham, was named as the Chair of the Committee. Other committee members include: Dr Jim Peacock, Professor Henri d'Assumpcao, Mr Hugh Morgan, Mr Terry Enright, Associate Professor Bob Beeton, Professor Suzanne Cory, Professor Susan Rowley and Professor Brian Anderson.

The Standing Committee will meet at least annually, to

- Assess the progress of Australian Government agencies in implementing the National Research Priorities;
- Advise on possible improvements to the reporting framework;
- Assess the success of the National Research Priorities in achieving their objectives; and
- Report annually to the Government.

The Standing Committee first met on 31 March 2005, and subsequently has provided feedback to NRP-reporting agencies about their revised NRP implementation plans and their Implementation Progress Reports for 2004, as well as guidance on future reporting.

Relationship to rural skills training and research

The National Research Priorities provide a broad national view of where research effort is to be encouraged. However, they do not prescribe any processes by which these priorities should be actualised.

Among the 24 Australian Government-funded agencies/programmes that currently report on their National Research Priority activity, ones that have a specific focus on the rural sector are the Rural Research and Development Corporations (RDCs), the Australian Bureau of Agricultural and Research Economics (ABARE) and the Bureau of Rural Sciences (BRS) - all part of the Agriculture, Fisheries and Forestry portfolio.

- RDCs are a unique partnership between industry and government to invest in R&D to advance the interests of industry as well as the wider community. Emphasis is on the delivery of R&D outcomes that have a practical application. RDCs provide an industry-driven approach to innovation directed at enhancing the international competitiveness of Australia's rural industries. Each of the fourteen RDCs work in close collaboration with their industry sector and draw funding from producers in that sector through compulsory levies which are

matched by the Australian Government. Agricultural R&D delivers economic and environmental benefits, and provides broader, positive social outcomes for the wider community. In the broad area of public benefits, the RDCs have been particularly active in the areas of diet and nutrition and food safety, the former issues being especially relevant because of the increasing incidence of obesity.

- ABARE's research relating to the National Research Priorities is widely disseminated through a program of national and regional outlook conferences, other seminars and workshops, *Australian Commodities*, a range of reports produced in cooperation with various industry research bodies, and through briefings and collaboration with other research agencies. In addition, ABARE aims to provide relevant information to governmental committees and working groups, either through direct participation or through Department of Agriculture, Fisheries and Forestry (DAFF) representatives.
- BRS provides nationally focussed scientific advice as a foundation for evidence-based policy development and decision-making by government and rural industries stakeholders. Scientific advice is provided through oral presentations, written briefings, input to and service on committees, computer-based databases and decision-support systems. Scientific advice is also provided in the form of published books, reports and papers in primary literature, the media, conference presentations and workshops.

Cooperative Research Centre Programme

The CRC Programme was established in 1990 to bring together researchers and research users in long term collaborative arrangements.

The programme emphasises the importance of collaborative arrangements to maximise the benefits of research through an enhanced process of utilisation, commercialisation and technology transfer. It also has a strong education component with a focus on producing graduates with skills relevant to industry needs.

Since the commencement of the programme, all parties have committed more than \$9.7 billion (cash and in-kind) to CRCs. This includes \$2.2 billion from the CRC Programme.¹⁷ In December 2004, the Minister for Education, Science and Training announced funding of \$407 million for those applicants successful in the 2004 selection round, bringing the total CRC Programme funding to \$2.6 billion.

The next selection round is scheduled for 2006. Guidelines for applicants are currently being developed and it is anticipated that they will be released in late 2005. It is not anticipated that there will be any significant shifts in the direction of the programme for the next round.

CRCs involved in research in Agriculture

There are 15 CRCs that are conducting research directly involving Agriculture. In addition, there are some CRCs in the environment sector which undertake research of significant relevance to agriculture, for example the CRC for Australian Weed Management, the CRC for Plant-based Management of Dryland Salinity and the Bushfire CRC. A brief description of these CRCs (including the number of postgraduate students) is at **Appendix N**.

The CRCs conducting research involving Agriculture have a strong education component that focuses not only on producing graduates with skills relevant to industry needs but also on the transfer of new technologies to individual farmers.

¹⁷ CRC Directory 2004

Education and Training activities with Schools

CRCs are involved in education and training with schools in their region. Examples include:

The Rice CRC has been actively involving school children in its Crop Critters project. The Rice CRC Education Officer visits schools (normally Infants and Primary level) to talk about biodiversity in rice fields and has also hosted visits by school children to actual rice paddies to catch and inspect insects/animals which live there.

The Molecular Plant Breeding CRC's Education Program, in association with the Australian Centre for Plant Functional Genomics, is currently delivering a series of workshops for high school students called 'Get into Genes'. During a Get into Genes workshop, students:

- examine conventional plant breeding
- explore the concepts of genotype and phenotype
- extract DNA
- perform gel electrophoresis
- investigate the use of restriction enzymes and molecular markers in plant breeding.

Education and Training activities with Farmers and Rural Industries

CRCs are involved in education and training with farmers and rural industries in their region. Examples include:

In conjunction with Dairy Australia, the CRC for Innovative Dairy Products has funded dairy farmers and industry people to undertake the CSIRO Industry Link Gene Technology Workshop. This is a hands-on workshop developed for people in agribusiness which educates participants about the science, regulation, issues and research developments associated with gene technology. Dairy CRC scientists have regularly participated as course presenters. As at 30 June 2004, 54 dairy representatives have taken part.

The CRC for Viticulture provides the Viticulture Research to Practice topics delivered under licence by 16 organisations including grape and wine producers, regional associations, universities, TAFEs, viticulturists and agribusiness companies. The topics include *Water Management for Grapevine Production, Integrated Pest Management, Grapevine Nutrition and Spray Application in Viticulture*. The 16 organisations are providing the training and information to their clients in the format that best suits their needs. This approach has proven to be extremely successful with more than 740 people attending Viticulture Research to Practice training in 2003/04, compared with a total of 429 attendees for the same topics in the 2002/03.

The CRC for Sustainable Rice Production works closely with the network of NSW Department of Primary Industries' District Agronomists in raising awareness of CRC progress within the farming community. The main focus for the agronomist team has been the education and training of farmers in the project "Targeting better Near Infrared test sampling through remote sensing". Over the 2 years the number of farmer participants increased from 179 to 549, crop numbers from 450 to 834 and crop area from 14,000 ha to 29,500 ha. Overall the project has generated enormous farmer interest.

Education and Training activities with Vocational Education and Training

CRCs are involved in education and training with VET providers in their region. Examples include:

The Australian Sheep Industry CRC is currently creating and disseminating new resources in sheep meat and wool education based on national competencies for the VET sector. It is important to note however that these resources do not seek to duplicate or compete with VET resources already in the marketplace. Rather the CRC seeks to identify gaps in the availability of resource material and develop resources in partnership with providers to meet these needs. A steady flow of inquiries and interest in collaboration from VET stakeholders nationally indicates growing recognition of the value that the CRC can deliver to the VET sector in terms of coordinated effort, increased efficiency and improved communication.

The Molecular Plant Breeding CRC has been active with two major workshops/short courses in conjunction with TAFEs - 'From Genome to Phenome' and 'Molecular Markers in Plant Breeding'. The CRC is currently filming an educational DVD on molecular marker techniques with TAFE SA due for release in 2005.

8. Other activities

8.1 The outcomes of the Review of Rural Veterinary Services

The Review of Rural Veterinary Services, conducted by Peter Frawley, was jointly funded by the Australian Government and the livestock industries, to investigate concerns that veterinarians are increasingly reluctant to work in rural practices servicing the livestock industries. This report was released in February 2003.

The outcome of the review was that there is no current crisis in the availability of veterinarians. The review found that the number of veterinarians located in rural Australia had doubled between 1981 and 2001, to 2473 practising veterinarians. Rural veterinarians are meeting the production needs of livestock producers, but lifestyle issues and the generally low returns significantly affect the long term retention of practitioners in rural areas.

Within this context, the Review of Rural Veterinary Services provided a number of recommendations, including a recommendation that the Australasian Veterinary Boards Council (AVBC) should initiate a thorough review of veterinary science education and registration requirements.

The AVBC conducted the subsequent review with project management provided by DEST, and funding provided by DAFF. A steering committee was established, led by Dr John Craven, and included representatives from DEST, DAFF, Veterinary Surgeons Board of SA, Australian Veterinary Association, Veterinary Schools (University of Melbourne), Cattle Council of Australia and the Animal Health Committee.

The review considered matters including: entry requirements for veterinary science courses and articulation arrangements between veterinary science and related courses; content and balance of undergraduate veterinary science courses; the efficacy of introducing some form of post graduation training with specialisations in specific areas of animal health as a precursor to full registration; and the efficacy of mandating minimum levels of continuing professional development activity as a condition of maintaining registration and the scope for collaboration between universities, and between schools within universities, in the conduct of veterinary undergraduate courses and veterinary-related postgraduate courses and research.

The AVBC has submitted a draft report for the consideration of the steering committee and the report is to be finalised by 28 June 2005.

8.2 National Skills Shortages Strategy

Since 1999, the Australian Government has been working with industry to investigate and develop solutions to current and future industry skills needs.

Building on this experience, the Government announced the National Skills Shortages Strategy in April 2004, to trial new approaches to address the issue.

Innovative approaches to New Apprenticeships in key industries experiencing skills gaps are being tested, such as accelerated or fast-track apprenticeships, a generic apprenticeship for rural related industries, specialised New Apprenticeship pathways in industries such as building and construction and attracting new entrants (in addition to school leavers) with a view to skilling up a labour force more effectively and efficiently.

A particular focus of the new Strategy has been working with communities that are facing skills gaps as a result of the introduction of new industries or the departure of existing industries in areas like Newcastle, Wollongong and Townsville.

It is essential that industry has access to better quality data for workforce planning. A national, government-industry Working Group has been established to improve national consistency in skills needs and labour market data, with a particular focus on regional data, and is developing an Australian Skills portal which will be launched later in the year.

Work to date through the Strategy has discovered many common themes between industries and tackled many of the significant disincentives which can turn young people away from choosing a trade as a career, such as the perception that jobs in the industries are dirty, dangerous and difficult. Fourteen industries have been involved in the Strategy to date, including the rural sector.

The Rural Industry was one of the first industries involved in the National Industry Skills Initiative (a precursor of the Strategy). The Rural Industry Working Group, chaired by Mr Wayne Cornish, who was at that time the Vice President of the National Farmers Federation, worked to identify specific issues associated with investment in training, skill sets and gaps, and labour shortages. These were translated into an Action Plan agreed by industry and Government. Through the Rural Industry Task Force, also chaired by Mr Cornish, a number of projects were undertaken. These include: the development of a new rural operations apprenticeship; marketing of careers in the rural sector through the development of the ONtrack CD-ROM and related promotional materials; and improving the skills of farmers in recruiting and inducting workers.

The Rural Operations New Apprenticeship was developed on the recommendation of the Rural Industry Task Force and is designed to transform seasonal jobs into year-round career jobs. The project was funded through the Strategy to address issues deriving from the seasonal nature of much of the work of the agricultural and horticultural sectors. This qualification utilises existing training arrangements to combine diverse training needs into a single qualification by introducing Certificate II and III qualifications that include a mix of agricultural and horticultural competencies with other competencies suitable for work in rural communities. Under the pilot project, 120 New Apprentices in NSW, South Australia, and Victoria commenced the Rural Operations New Apprenticeship.

The Rural Industry Task Force, led by the National Farmers Federation through Rural Skills Australia, developed a number of solutions to Rural Industry skill needs in addition to the Rural Operations New Apprenticeship. The Rural Action Plan identified a need to improve the skills of farmers in farm business planning processes and in recruiting and inducting workers, as a result, two information kits were developed.

These information kits – “Good Times/Hard Times” and “Farm Recruitment” were designed to provide practical assistance and advice to farmers through an informative magazine that included case studies and an interactive CD-ROM that provides ready access to useful material and advice to guide recruitment and farm business planning processes. 9,500 copies of both kits have been distributed to farmers and farm advisers.

The Task Force also identified a need for better promotion of the industry through the development and production of a suite of modern and attractive materials promoting rural careers. The ONtrack products included an interactive careers CD-ROM – ONtrack:Real skills rural future, a website www.ruralskills.com.au/ontrack and related promotional material. The CD-ROM highlighted the diversity of career and employment opportunities in rural and related industries and included fifteen video case studies of people working in different sectors in Agriculture, Horticulture, Conservation and Land Management and Animal Care.

In excess of 10,000 copies of the ONtrack CD-ROM, original and updated version, were distributed across Australia to high schools, Centrelink offices, libraries, farm organisations, New Apprenticeships Centres, registered training organisations and government departments. Feedback on the content and quality of both CD-ROMs from industry representatives, industry associations, school, individual careers advisers has been above expectations.

The activities of the Rural Industry Task Force through the National Skills Shortages Strategy influenced a number of other key outcomes for the industry, including:

- The DEWR National Harvest Labour Information Service;
- A marketing and information kit to assist New Apprenticeships Centres increase their understanding of rural and related New Apprenticeships, and promote their services to the rural sector; and
- Updates of the rural training packages.

The National Skills Shortages Strategy has demonstrated the benefits of an industry-Government partnership to address skill needs into the future and the importance of industry taking the lead in identifying their needs and developing strategies to address them. The Industry Action Plans have driven the development of other approaches to addressing skills needs, and articulate strategies that will help shape industry recruitment, skills recognition and training to redress existing and projected skills needs.

Further information on the Strategy and the individual elements, information on careers in the traditional trades, and a downloadable copy of the rural report can be found on the 'one-stop-shop' website www.getatrade.gov.au

8.3 New Apprenticeships marketing targeting rural occupations

Approximately \$36 million has been invested in overall marketing for New Apprenticeships since 1999. Marketing campaigns have included television commercials, public relations, print advertising, regionally based marketing and the development of information products.

In 2000, a marketing campaign specifically targeting rural and regional areas was developed and aired during the periods July to December in 2000 and March to June in 2001. The campaign consisted of magazine advertorials, development and distribution of specifically targeted marketing products, television advertisements and eight new colour/mono print executions to promote New Apprenticeships to rural and regional Australians. Industries highlighted during the campaign included: mixed agriculture, automotive, electro-technology and production horticulture.

This creative was used again during the period April through to June 2002 and included television advertising, press advertisements, regional radio and internet advertising.

Currently, there is a range of promotional material available which specifically targets New Apprenticeships in rural and regional areas. These promotional materials are distributed by New Apprenticeships Centres in their local areas and through events such as regional shows and careers expos.

8.4 Ministerial Councils and inter-departmental committees

DEST is working with all government departments to progress policies and programmes to address areas of skills needs through an Inter-departmental committee (IDC). Priorities are to improve labour market forecasting, linkages between training and employment initiatives and targeting of skilled migration.

Addressing skills needs will also be a priority for the Council of Australian Governments and the Australian Government is using this focus to drive needed reform in the areas of occupational licensing, regulation, industrial relations reform, flexibility and user choice.

MCEETYA is responsible for pre-primary education, primary and secondary education, vocational education and training, higher education, employment and linkages between employment/labour market programs and education and training, adult and community education, youth policy programs and cross-sectoral matters.

The Prime Minister's Science, Engineering and Innovation Council (PMSEIC) is the Australian Government's principal source of independent advice on issues in science, engineering and innovation and relevant aspects of education and training. The Council meets in full session, twice a year, to discuss major national issues in science, engineering and technology and their contribution to the economic and social development of Australia. The Australian Government sees an increasingly important role for science and technology in Australia's future and the membership of the Council complements the Government's plans for Australian industry.

9. Conclusion

This submission seeks to highlight elements of DEST programmes that relate to rural skills training and research. Full details of DEST policies and programmes can be found at www.dest.gov.au.

10. Glossary

ABARE	Australian Bureau of Agricultural and Research Economics
ABS	Australian Bureau of Statistics
ACCI	Australian Chamber of Commerce and Industry
ACDS	Australian Career Development Studies
ACER	Australian Council for Education Research
ACIAR	Australian Centre for International Agricultural Research
ACSSO	Australian Council of State School Organisations
AFISC	Agri-food Industry Skills Council
AIC	Assistance for Isolated Children
AIG	Australian Industry Group
ANTA	Australian National Training Authority
ANTA MINCO	ANTA Ministerial Council
AQF	Australian Qualifications Framework
AQTF	Australian Quality Training Framework
AREN	Australian Research and Education Network
ASCO	Australian Standard Classification of Occupations
ATC	Australian Technical Colleges
AVBC	Australasian Veterinary Boards Council
AWA	Australian Workplace Agreement
BIHECC	Business/Industry/Higher Education Collaboration Council
BRS	Bureau of Rural Sciences
CAP	Country Areas Programme
CAS	Commonwealth Accommodation Scholarships
CASR	Collaboration and Structural Reform
CICs	Career Information Centres
CLS	Commonwealth Learning Scholarships
CRC	Cooperative Research Centre
CSIRO	Commonwealth Scientific and Industrial Research Organisation
DAFF	Department of Agriculture, Fisheries and Forestry
DCO	Disability Coordination Officer
DEST	Department of Education, Science and Training
ETA	Education and Training Advisers
GTO	Group Training Organisation
ICT	Information and Communication Technology
IDC	Inter-departmental committee
ISC	Industry Skills Council
ITAB	Industry Training Advisory Board
ITSP	Industry Training Strategies Programme
IVLOIS	Increasing Vocational Learning Opportunities for Indigenous Students
IYLP	Indigenous Youth Leaderships Programme
IYMP	Indigenous Youth Mobility Programme

JPET	Job Placement, Employment and Training Programme
JPP	Jobs Pathway Programme
KPI	Key Performance Indicator
LCP	Local Community Partnership
LLNP	Language, Literacy and Numeracy Programme
LNSLN	Literacy, Numeracy and Special Learning Needs
MCEETYA	Ministerial Council on Education, Employment, Training and Youth Affairs
NAC	New Apprenticeships Centre
NCVER	National Centre for Vocational Education Research
NFF	National Farmers Federation
NISI	National Industry Skills Initiative
NRP	National Research Priorities
NSSS	National Skills Shortages Strategy
NTF	National Training Framework
NTQC	National Training Quality Council
PMSEIC	Prime Minister's Science, Engineering and Innovation Council
RCAB	Recognition/Course Accreditation Body
RDC	Rural Research and Development Corporations
RDLO	Regional Disability Liaison Officer
REFA	Rural Education Forum Australia
RPL	Recognition of Prior Learning
RSA	Rural Skills Australia
RTO	Registered Training Organisation
SWL	Structured Workplace Learning
TAFE	Technical and Further Education
TVI	Tutorial Voucher Initiative
VET	Vocational Education and Training
WELL	Workplace English Language and Literacy
WR	Workplace Relations