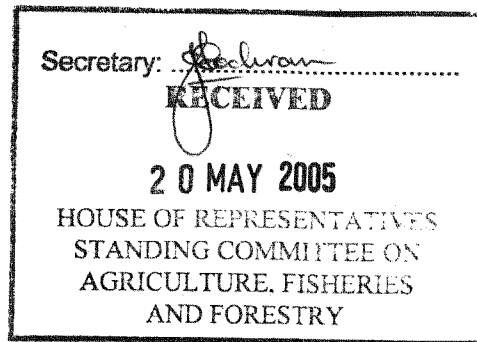




Northern Melbourne Institute of TAFE

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13 May 2005



Committee Secretary  
 House of Representatives  
 Standing Committee on Agriculture, Fisheries and Forestry  
 Parliament House  
 CANBERRA ACT 2600

Dear Sir or Madam

**Re: House of Representatives Standing Committee on Agriculture,  
 Fisheries and Forestry Inquiry into Rural Skills Training and Research**

Northern Melbourne Institute of TAFE is a major provider of VET sector training for the rural industries in Victoria. We therefore welcome the Inquiry and also the opportunity of providing input. We are sure the Inquiry will indicate a very wide range in terms of training and research activities supporting the rural industries in Australia and look forward to the indications from the Inquiry as to how improvements may be made to the benefit of the industries.

This submission proposes to respond to all of the terms of reference of the review.

***1. The availability and adequacy of education and research services in the agriculture sector, including access to vocational training and pathways from vocational education and training to tertiary education and work***

**Training provision by Northern Melbourne Institute of TAFE (NMIT) – overview**

- NMIT has a strong philosophical commitment to, and is a major provider of VET sector training for the rural industries in Victoria. It provides training to support agriculture, equine studies, production horticulture, amenity horticulture, conservation and land management, inland aquaculture.
- Based on the northern fringes of Melbourne, it caters for several groups of clients which require different outcomes from training
  - Existing workforce in the agriculture sectors seeking to diversify production, to learn new skills or to improve their skills. Individuals from this group normally have an interest in achieving one competency only or a cluster of competencies

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- o New entrants to the agriculture industries. Frequently these are urban-based young people who are attracted to working in agriculture in preference to city-based occupations. Individuals from this group normally have an interest in obtaining a full qualification. This group includes individuals holding traineeship/ new apprenticeships.
  - o Individuals seeking to make a career change normally aged in the 30s-40s, or retirees. Individuals from this group vary in terms of desired outcomes from training, with some wishing to gain individual competencies and with others wishing to obtain qualifications.
- While NMIT responds to all three groups, to be viable in the long term, an RTO must generally ensure the new entrant/ full qualification cohort is well represented. NMIT is no exception to this requirement.
- The delivery of a range of VET in Schools programs allows us to provide pathways from secondary school into a range of vocational programs in agriculture, while the development of a number of vocational degrees by NMIT over the past two years will allow us to provide pathways from VET programs in aquaculture, equine studies and viticulture into degree programs.
- The geographical location of NMIT within Victoria means it is more likely to have within its client basis a range of mixed farming operations and a range of niche market operations. Over the years, NMIT has provided training in response to local industry need for a range of agriculture specialisations, including beef cattle, thoroughbred horse breeding, viticulture, goat meat production, deer production, wool, farriery, inland aquaculture, conservation and land management and production horticulture specialisations such as olive production and the production of essential oils. The current development of our physical resources will allow us to provide training in meat processing commencing in 2006. NMIT, while it has Curriculum Maintenance Manager responsibilities towards the forestry industry, does not offer training in forestry. There is no demand locally for forestry industry sector training.

### **NMIT Relationships with industry**

NMIT has very strong relationships with industry, through a wide range of associations and organisations. Many of these serve on NMIT committees or act as sponsors for a range of events, provision of scholarships or of resources.

Organisations include:

- o Victorian Farmers' Federation
- o Racing Victoria
- o Royal Agricultural Society of Victoria
- o Meat and Livestock Association
- o Stud Beef Victoria
- o Angus Society of Australia
- o Poll Hereford Society
- o Deer Industry Association of Australia
- o Sheep Meat Council
- o Goat Meat Producers Association
- o Australian Premium Goat Meat
- o Boer Goat Breeders Association
- o Cashmere Association
- o Wine Capitals of the World
- o Taste of Victoria
- o Yarra Valley Wine Growers Association
- o Kubota Tractors Aust. P/L
- o Komatsu Australia P/L
- o Farm Pro Industries
- o Testa Rossa Syndicate
- o Limousin Society of Australia

NMIT has also established relationships with relevant research organisations including the Rural Industries Research and Development Corporation

## **Resources**

The resources held by NMIT to support training in Agriculture in Victoria are at least equal to if not superior to the resources held by any other RTO in Australia. They include:

- A world class indoor recirculation aquaculture facility, with capacity for 30 tonnes/annum
- Two rural properties, a 320-hectare broad acre farm at Yan Yean and a 300-hectare Equine Stud and Vineyard at Eden Park. Both allow students to participate in the activities of an operational farm covering viticulture, thoroughbred horse breeding, beef cattle, sheep, deer and goat production, as well as racing industry training,
- A Primary Industries Skills Centre which includes facilities for the production of essential oils, a commercial 100 tonne wine making facility, and a meat processing facility
- A commercial 300 tonne capacity winery at Ararat
- Facilities for wool classing
- An operational farriery facility
- Vineyards at Ararat, Yarra Valley, Ararat, Eden Park and Yan Yean
- Qualified and experienced staff and a range of industry personnel with vocational specialisations that serve as sessional staff in training and assessment
- Additional staffing and expertise available to it through the CMM function, including the capacity to undertake curriculum development

## **Specific functions of NMIT within the state of Victoria**

### *a) Primary Industries Curriculum Maintenance Manager in Victoria*

NMIT has the ongoing role of Primary Industries Curriculum Maintenance Manager (PICMM) in Victoria, a role conducted on behalf of the State Training Authority. The CMM role includes the provision of advice to OTTE in relation to RTO training issues, provision of support and leadership to other RTOs in Victoria in the primary industries field<sup>1</sup>, the development of new state accredited curriculum and the maintenance of existing state accredited curriculum. State accredited curriculum may only be developed where there is an identified gap in the training package on the advice of the relevant state industry training board.<sup>2</sup> The CMM role provides NMIT with an excellent overview of state and national issues impacting on training for the rural industries as well as the opportunity for input into state and national developments. The capacity to develop curriculum to support the rural industries in Victoria is a major strength for NMIT and provides valuable outcomes for the state of Victoria. The CMM function also provides close linkages with the relevant national training provider networks and with national Industry Skills Councils and state Industry Training Boards and a designated state role within the process of development and review of national training packages.

### *b) Primary Industries Specialist Centre*

During 2003-4, NMIT had the role of Primary Industries Specialist Centre in Victoria. As an initiative of the state government, a number of Specialist Centres were identified with the objective of supporting innovation and development in their respective industries and to provide a leadership role to other RTOs conducting training for the primary industries in Victoria. As the Primary Industries Specialist Centre; and on the advice of PSV, NMIT identified needs and delivered training in the fields of viticulture, goat and sheep meat production, inland aquaculture and deer production. It also conducted some applied research in specific sectors, as in

<sup>1</sup> Includes agriculture, horticulture, conservation and land management, racing, animal care and management, forest and forest products, and pulp and paper

<sup>2</sup> In this case Primary Skills Victoria (PSV), Forest and Forest Products Employment and Skills Council (FAFPESC) and Racing Training Victoria

aquaculture where it monitored the growth rates to market requirements of specific breeds of fish under controlled conditions, and in a goat meat production project where the growth rates of kids to market specifications was monitored for the purposes of training. Although funding through the Victorian state government in relation to Specialist Centres was not ongoing, NMIT proposes to continue and extend the role in relation to primary industries.

### **Courses and qualifications offered by NMIT**

NMIT is a major VET provider for the rural industries in Victoria. It was funded in 2004 to provide 750,000 student contact hours (sch) to rural industry training in Victoria in the category of publicly funded training. Some 400,000 sch of this total were utilised in relation to agriculture. Additional sch are funded through fee for service activity, VET in Schools, international activity and conduct of programs for at risk students.

NMIT plans its training to rural industries on the advice of industry. In general terms, the VET sector receives its advice from industry through industry training boards at both the national and state levels. In common with all other training providers, it delivers its training in response to local demand. Delivery of programs listed as follows indicates local demand for delivery as applicable to NMIT's geographical location and its perceived strengths from the viewpoint of industry

### **Training programs offered by NMIT relevant to the Inquiry**

#### **a) Training Package qualifications**

- Agriculture
  - General: Certificates II-IV and Diploma
  - Beef cattle: Certificates II-IV and Diploma
  - Goats: Certificates II-IV
  - Thoroughbred horse breeding: Certificates II-IV and Diploma
  - Production horticulture: Certificates II-IV and Diploma
  - Irrigation: Certificates II-IV
- Aquaculture: Certificates II-IV and Diploma
- Viticulture: Certificates II-IV

#### **b) Degree programs**

NMIT has developed a number of vocational degrees in agriculture over the past two years. Delivery is anticipated to commence over the next twelve months

- Bachelor of Equine Studies
- Bachelor of Viticulture and Winemaking
- Bachelor of Applied Aquaculture

#### **c) State accredited curriculum**

- Certificate II in Equine Industry
- Certificate II in Vocational Studies (all sectors)
- Certificate IV in Deer Farming
- Certificate III in Farriery
- Diploma of Equine Stud Management

#### **d) Short courses**

NMIT conducts a wide range of short courses on demand from industry. NMIT's policy is always to align short courses to national competencies in order to give participants national recognition

### **Research activity**

VET does not have a defined role in research. The facilities and resources held by NMIT enable it to undertake some applied research activities as outlined previously in relation to the Primary Industries Specialist Centre. In particular, the applied research conducted through the aquaculture facility is highly valued by industry.

NMIT is of the view that relationships between research and VET should follow the Israeli model whereby outcomes of research (whether conducted by research organisations or by higher education) is required to be directly provided to the VET sector where such research affects the processes and practices of producers. The VET sector is then required to immediately reflect research outcomes in training for producers. There is no direct relationship in Australia, where research may be conducted by DPI, CRCs and by higher education and where these groups go directly to producers and attempt to provide the training arising from the research through extension programs, for which they are inadequately staffed. There are no linkages with VET unless these are individually established and the results of research come into VET slowly, or sometimes, never flow into VET at all. This provides a wasteful and inefficient result for Australia and is far from satisfactory in our view.

*In summary, NMIT is a major provider of training for the rural industries within Victoria. It has significant resources and strong relationships with industry and has demonstrated its capacity for responsiveness both to established and emerging sectors through training package qualifications, state accredited programs and through short courses. It has established pathways between secondary school and VET programs and with some degree programs. It is of the view that relationships and roles between research and VET in Australia need to be clearly defined so as to provide maximum outcomes for industry.*

**2. The skill needs of agricultural industries in Australia, including the expertise and capacity of industries to specify the skill sets required for training, and the extent to which vocational training meets the needs of rural industries**

**and**

**3. The provision of extension and advisory services to agricultural industries, including links and coordination between education, research and extension.**

### **Skill needs of agricultural industries in Australia – how these are identified**

National training packages are developed by national Industry Skills Councils and formerly by national Industry Training Boards. Training packages have the function within the National Training System to identify specifications for training and assessment. These are then used as a basis for designing delivery and assessment by RTOs. Research into industry training needs is both costly and time consuming for industry and best done at the national level to achieve consistency of outcomes and avoid duplication. State Industry Training Boards have the capacity to identify gaps in training packages and to request the development of state accredited curriculum to address the gap.

Research by PSV also provides state data on the industry: that the workforce is aging, declining in numbers and numbers of actual establishments because of growth in size of individual establishments in some areas (eg, grain, beef).

Current and future training needs to support individuals within agriculture include

- Efficient farm management skills, requiring both high level technical skills and more generic management skills and including the capacity to plan and implement diversification in production
- Technical skills specific to the sector at all levels
- Skills in IT, with the capacity to reflect the significant changes in technology currently occurring, with greater projected use of IT to manage both the long term and the day to day operational management of the enterprise, including application of GPS and a range of software programs
- Skills to adopt significant changes in production, including the possible application of GM,
- Increased need of sectors to diversify because of growth of niche sectors and small holdings (in some sectors) including the concept of farm forestry

- High skill levels in entering new markets/ impact of globalisation and free trade – loss of markets and development of new markets; capitalisation on Australia's clean and green image and QA protocols, including documentation of the supply chain in beef, and guarantee of the purity of seed stock
- Capacity to manage the viability and profitability of the farm in the long term and to address issues re protracted drought and shrinking availability of water as a resource.
- Capacity to correct outcomes of poor agricultural management, whether past or present, including erosion, salinity, application of inappropriate production requirements on fragile Australian soils, loss of wetlands and biodiversity

Of these needs, several are explicitly described in RTE03 Rural Production, in particular existing technical skills at the operator and trade level, and more general management skills. Other skills are implicitly stated and consequently are in danger of being overlooked. Other skill areas do not appear at all in RTE03 Rural Production. The missing areas generally are in higher-level technical competencies and in the area of future need. This is most unfortunate, as VET must surely train the industry for the future and not for the past.

### **Role of National Industry Training Advisory Bodies in industry skill need identification**

At the national level, ANTA has designated the new Industry Skills Councils to provide such advice through the medium of national Training Packages. The Agrifood Industry Skills Council has absorbed the roles previously held by the Rural Training Council of Australia, Seafood Training Australia and Racing Australia Limited. Arrangements to assume the role previously held by the Forest and Forest Products Employment and Skills Council are not yet clear.

The role of national industry advisory bodies has been traditionally to consult with industry to obtain the specifications for assessment and for training included in training packages. In doing this, they have been obliged to consult with all states to obtain national consensus. The most recent advice from agriculture obtained in this way has been 2004 for SFI04 Seafood (including aquaculture), 2003 for RTE03 Rural Production and 1998 for FPI98Forest and Forest Products<sup>3</sup>.

### **Strengths of training packages**

Training Packages possess significant strengths:

- they provide industry specifications that have national support from the major industry associations and from the states. As such, the specifications they include, provided they are presented in sufficient detail, provide an excellent basis for RTOs, to use in the design of delivery and assessment strategies that will have national recognition.
- The training and skills recognition that is based on these national industry specifications reflects levels of national consistency not possible in relation to state accredited curriculum
- Industry training and assessment specifications are costly to develop as noted previously. Within the national VET structures, industry is funded to undertake this at a national level. Ideally, such research should be undertaken at a national level to minimise costs and the possibility of duplication. RTOs rely on the training and assessment specifications provided within training packages as providing a basis for their training activities. RTOs are not resourced to undertake this activity and it is not their role in the national training framework.

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<sup>3</sup> The Forest and Forest Products training package is currently under review

## Weaknesses of training packages

Training Packages also possess significant weaknesses.

- Training packages in the rural industries appear to be best able to provide advice on the status quo rather than being able to take an emerging or a futures view of needs. Despite the relatively recent dates of development especially of training packages in RTE03 Rural Production the package shows limited reference to the issues that are only two years later seen as critical for resolution, as indicated previously. These factors include the sustainable use of limited water resources, and correcting salinity, erosion, and the impact on fragile soils by some agricultural practices. Consideration of the impact of globalisation is not readily found within RTE03 Rural Production. Nor is the notion of Australia as a clean and green producer with the advantages this might provide in global markets. RTE03 includes few of the required higher level technical competencies, such as the integration of current technologies such as the use of information technology such as GPS as a farm management tool, the introduction and management of biotechnology or GM activities, the protection of biodiversity or a focus on medium and long term sustainability principles for agriculture. There is, however, a strong focus on general management skills

The apparent inability of the training package to take an emerging or a futures view of skill needs may reflect the consultation processes mandated by ANTA in the past or a limited ability on the part of industry to take a futures perspective, or both. It is more difficult to identify future skill needs than it is existing skill needs and it is likely that a better result would be achieved for the industry if ANTA rules for consultation allowed for perhaps a different consultation process to better draw out emerging skills needs. Insufficient consultation appears to have taken place with research organisations.

- Training packages do not appear to be able to respond quickly to changed needs. While it is acknowledged that some changes take place with great speed it is nevertheless the case that the ANTA processes for continuous improvement of training packages has not yet resulted in any category 1 or category 2 changes for any of the training packages servicing the rural industries over a period of two years. The process appears both too slow and too cumbersome. Work on the 14 new sectors commenced by RTCA in the period following the release of RTE03 Rural Production is still not complete. It appears in our view that the continuation of the core business of national industry training advisory bodies, which is the maintenance of training packages, has had limited support from the federal government in the change to Industry Skills Councils. RTOs rely on the outputs of national training advisory bodies to guide the training they do. A failure of the national training package to keep RTOs up to date with changes within the industries has serious ramifications for RTOs.
- If training packages are unable to respond quickly in the identification of changed needs, the "pipeline effect" before RTOs are actually able to *respond* to changed needs by offering changed programs to reflect changed specifications may take three years or more. This ought to be completely unacceptable to industry and to government. The VET sector has historically prided itself on its ability to be responsive. Its capacity to be responsive under current national arrangements is limited. While state accredited curriculum can be developed in much shorter time frames, units developed as part of such projects (which often take a futures view, addressing as they do gaps in the package) may not be used as part of national qualifications until the national body has gone through the cumbersome and lengthy process of initiating a Category 2 change. It has already been indicated that no such changes have been implemented in regard to any of the packages servicing the primary industries
- In common with most training packages, the packaging rules for RTE03 Rural Production place emphasis on the completion of full qualifications and this is carried forward by state training authorities and others<sup>4</sup>. Only some of our client groups desire to obtain a full qualification. This focus does not reflect skills development of existing workforce where

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<sup>4</sup> DEST refers to qualification completion rates as being an RTO quality indicator in its discussion paper, Skilling Australia.

individuals generally acquire skills progressively and have limited time at their disposal on an annual basis for on-going skills development.<sup>5</sup> It is generally the case that it is new entrants who desire to complete total qualifications. NMIT welcomes the realisation by ANTA that the national system identify ways through which individuals may seek recognition and training in skills sets rather than in total qualifications. NMIT also suggests that training package qualifications and packaging rules in the rural industries may be better designed to allow for on going skills development through life through providing better linkages between qualifications at different levels and without requiring individuals to commence totally different qualifications at the next AQF level if they wish to proceed. While it may appear that the advice of industry at the local level (wanting short courses) is contradictory to that presented in the training package (with a focus on the completion of full qualifications) it is possible for an RTO to cater for the needs of both existing workforce and new entrants

- ANTA has indicated its intention to rationalise the number of training packages and to reduce the number of units within packages by increased requirements to import competencies and to develop more generic units. The development of more generic units has the potential for detrimental effects on the training conducted by RTOs. As noted, RTOs rely on high quality, clear specifications for training and assessment to be developed at the national level which in turn enable them to deliver quality training respected by industry. If national specifications provide less detail to RTOs in terms of what is required, the requirement to obtain detailed specifications from industry will move to the state and to the individual RTO. Neither the state nor individual RTOs are currently resourced to undertake this work. The move to more generic competencies has the potential to increase costs and duplication of effort, to remove consistency and to reduce the quality of training offered within the VET sector

#### **Other issues that impact on quality training for the rural industries not related to training packages**

- The Australian Quality Training Framework (AQTF) defines quality standards for RTOs across Australia. It is a requirement for trainers and assessors to have vocational competency at least to the level that is being assessed as well as possessing defined trainer and assessor competencies. A strategy needs to be developed to identify individuals with the appropriate vocational competencies in new and emerging areas, including in the use of technology as such individuals will be very rare
- Specialist expertise can be sourced by VET through industry or through research organisations. However, given the current funding structures applicable to the VET sector, RTOs cannot generally afford to employ the people with the specialist expertise required. VET must have access to the experts with required specialist skills if it is to provide high quality training in new and emerging skill areas in the rural industries

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<sup>5</sup> A survey of primary producers conducted by NMIT when planning the delivery of a Storelink program which sought to identify the best time of the year for upskilling existing beef producers and the time they could devote to training indicated that winter was the best time for training and that the limit to the number of days they could make their staff available for training was limited to eight days annually. The program was subsequently designed to be spread over six days contact time and two days on the job. The requirements of beef producers is likely to be applicable to all sectors in agriculture, for example Viticulture, which clearly has a seasonal approach



*In summary, skills needs for industry are identified through national Industry Skills Councils, which have replaced national industry training boards, and at the state level through state based industry training boards. Training packages have high value in that they provide consistency across the states and they have the potential to develop high quality and clear specifications for training, which have been identified by industry. Their weaknesses are that packages in rural industries and especially in agriculture do not seem to have been able to take a forward looking view of skill needs, higher level technical competencies are generally lacking, and processes to update and maintain the content of packages do not appear to be in place. The capacity of research organisations to have input to provide a better orientation towards the future needs of the industry appear to have been lacking and NMIT recommends the adoption of a model such as that used in Israel which clearly identifies roles and processes. Maintenance and updating packages could be better achieved through greater cooperative activity between ANTA and the states. The creation of links between training packages and state accredited curriculum could alleviate for industry and for RTOs some of the problems associated with the cumbersome processes for change at the national level. The current ANTA policy of developing generic competencies will damage the capacity of training packages to provide clear specifications for training and assessment. Other negative outcomes are that costs of enhancing the specifications may be shifted to the states or to RTOs and also that ultimately, industry will deem the training delivery to be too general and not relevant to their needs, and hold the RTO and not the national industry specifications responsible for this. All of the issues to do with training packages will need to be directed to DEST following the transfer of ANTA responsibilities in July 2005.*

#### **4. The role of the Australian government in supporting education, research and advisory programs to support the viability and sustainability of Australian agriculture**

NMIT suggests that the Australian government consider

- Creating clearly defined links between research and the VET sector to ensure that the outcomes of research applicable to rural industry producers be made available to them in a timely basis, through creation of direct links with VET and through the allocation of clear roles. Research organisations in Australia have not proven themselves able to efficiently address extension training needs and the outcomes of some research never becomes available to producers
- Ensuring that in the transfer of responsibilities from ANTA to DEST, the issues raised in this response concerning the strengths and limitations of training packages are not lost, and that the limitations are in fact addressed so as to benefit the rural industries. This includes especially the need to maintain and update packages, to review them to ensure inclusion of higher-level technical competencies and the creation of a clear link between research and VET, and to ensure that training packages contain clear and detailed advice as to the training needs of the rural industries.

Thank you for the opportunity of providing a response to the Inquiry. If you require clarification, wish to discuss any of the issues raised or obtain further information, please contact David Draper on 9269 8824 or Gay Gallagher on 9269 1391.

Yours sincerely,



Brian MacDonald  
Chief Executive Officer