

Nursery & Garden Industry Australia

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25 May 2005

Mr Ian Dundas
Committee Secretary
House of Representatives
Standing Committee on AFF
Parliament House
CANBERRA ACT 2600

Dear Mr Secretary

Response for Inquiry into Rural Skills Training & Research

Nursery & Garden Industry Australia is the peak body representing Australia's vibrant and diversified nursery and gardens industry. NGIA represents all those that grow plants for gardens and amenity horticulture and the many and varied retail outlets that sell them. With over 20,000 businesses, more than 45,000 employees and annual retail sales in excess of \$5.195 billion¹, gardens and gardening is 'big business'.

The Nursery & Garden Industry has exceptions to other agricultural sectors as many businesses are situated in both rural and metropolitan areas.

The industry is a significant employer in regional areas of Australia. The industry would like to provide an environment to encourage employers and employees to strive to improve competitiveness, embracing change, energetically and innovatively.

Industry Statistics²

- 22,949 businesses in operation as distribution channels and/or production sectors of the Garden industry.
- 2,100 of those businesses are involved in the primary production of greenlife material.
- 72% of employees are employed in the distribution channels e.g. garden centres.
- 26% of employees are employed in the production of garden greenlife and allied garden products.
- Dominant distribution groups include Landscapers (25%), Retail Nurseries (18.1%), and Garden Supplies (16.5%).

More recently the industry has been exposed to the following:

- changes in consumer needs
- convergent distribution channels
- unpredictable weather
- biosecurity
- environmental issues
- introduction of technology
- overseas competition

¹ NGIA "Industry Size & Structure Report - Yr Ending June 2003"

² NGIA "Industry Size & Structure Report – Yr Ending June 2003"

Markets are evolving rapidly and there appears to be lag in skills development strategies, which are no longer aligned to industry expectations, remaining institutionalised with little flexibility.

It has been some time since the entire industry has undergone a Skills Gap Analysis to determine the priority of training needs required. Nursery and Garden Industry Australia will be embarking on such a project within 2005. Once clearly defined skill deficiencies have been identified, industry will provide the information to the representative Agri-Foods Industry Skills Council (AFISC).

Mr Secretary, industry has many issues that could be put forward for consideration. For the purpose of this inquiry, ten issues have been submitted. Fragmentation of industry makes it difficult to engage the wider industry; however industry would welcome the opportunity to facilitate any further discussions that may arise from the inquiry. Communications can be directed to the industry's National Skills Development Manager – Candice McNamara. Contact details (02) 9876 5200 or candice.mcnamara@ngia.com.au

ISSUES FOR CONSIDERATION

Effective Skills Development

Issue 1 - Structured Workplace Skills Development

A report published in May 2003 by DEWR (Department of Employment and Workplace Relations) states that the skills profile of the Agricultural, Forestry and Fishing sectors is "skewed" towards less-skilled workers. Fact is 61.6% of workers do not have any post school qualifications. Only 13.8% of workers have a tertiary education of a diploma or higher. This information is relevant to Nursery and Garden Industry as it was incorporated under the Agricultural sector.

Although the DEWR report did not state what job titles/responsibilities were held by the 61% of workers, industry could safely assume that statistic would encompass all levels including nursery labourers, sales, admin and owners of businesses. If two-thirds of workers have not attended post school qualifications, it can be assumed that they developed their skills and knowledge elsewhere. Research and industry feedback indicate that majority skill transfer occurs through "on-the-job" training.

Since much of industry's training takes place at the workplace, resources for employers should be made more readily available to create a structured, fun and safe learning environment. Industry's SME's do not have the resources to create training plans, in-house workshops, and skill up an internal trainer – effectively performing the role of a training department.

Proposition: Resources should be targeted to support and encourage employers to create structured and effective training environments within the workplace.

Issue 2 - Funding

Access to government funding for skills development is often not transparent. The variations of funding available and applicable criteria make it difficult for small operators to access it. Often the industry has missed out on training funds because it was not directly part of the information stream, eg. through various committees, participating in meetings or has not made the appropriate contacts.

Proposition: Funding opportunities should be made more transparent so industry SME's are able to access the opportunity as soon as it is available.

Training Providers

It appears that employers do not seek out the assistance of Registered Training Organisations (RTO) when attempting to create training plans for employees. Generally, RTOs are treated with an element of distrust.

Issue 3 - Perception of Registered Training Organisations

Training & development plans created by RTOs are often perceived as income-driven and are not necessarily in the best interest of the employee/employer. Within the industry there are accounts of RTOs who limit their training solutions to the national training packages irrespective of the skills requirement of participants.

Proposition: Manage the perception of RTOs as self-serving.

Issue 4 - Inconsistent Assessments

The industry has the understanding that RTOs receive funding from state governments for competencies achieved within the training packages. The assessment process to determine whether a participant has achieved competency is audited by the RTO and therefore can be interpreted as a self-interest activity.

Proposition: The assessment process is open to bias interpretation which results in inconsistencies and lack of credibility.

Issue 5 – Monitoring/Auditing

The achievements of reputable RTOs are being undermined by those who are not providing the quality and standards as set out by government. The auditing process designed to maintain standards is failing to ensure adequate regulation of the RTO framework.

Proposition: A possible approach for industries might be to generate a list of preferred suppliers who provide a level of quality training that can be monitored by industry.

National Training Packages

Industry believes that the creation of standardised training packages was well-intentioned, but its implementation has been ineffectual.

Issue 6 – Inconsistent Quality & Standards

The quality of training demonstrated by the National Training Package is not standard across the industry. A rural training provider can instruct a Certificate in Horticulture, only selecting the competencies it wants to teach, based on resources available. The skills requirement may not necessarily be the consideration. Alternatively a training provider in a metropolitan location (with access to greater resources) can elect to teach more comprehensive and resource-intensive competencies at the same attainment level.

Proposition: RTOs certified to instruct the Horticultural Training packages should be required to have adequate resources to enable the instruction of all competencies within the standard training package.

Issue 7 – Interpretation of Competency

This industry's definition of competency can broadly be considered as the transfer of skill that enables a participant to perform a task to its maximum. Where no transfer of the required skill has occurred, the competency is deemed to not have been achieved.

Using this definition the current national training packages are not truly competency-based, but more related to hours attended in training. An apprentice can obtain a Certificate IV in Horticulture, but not be competent enough to work unsupervised in a nursery. This again raises the issue of skills transfer and the expectation of competency.

Furthermore, national packages seem to endorse the transfer of skills that only allow participants to execute a task to a minimum, not at best practise, which is industry's expectation.

Proposition: Interpretation of competency must ensure a transfer of skill level enabling participants to perform activities adequately and with confidence.

Issue 8 - Adult Learning Principles

The machinations of establishing industry Training Advisory Bodies (ITAB), Training Councils, creating National Training Packages and the recent establishment of Skills Councils seemingly have lead training away from principles of Adult Learning.

Adults develop their skills through hearing, seeing and doing. Adults also come with a special attribute called "Life Experience" which when harnessed correctly is a very powerful development tool. Most of our rural industries require a method of changing old behaviours to enable businesses to cope with new and dynamic environments, and to become more competitive.

Proposition: Training strategies that encompass some of these principles (hearing, seeing, doing - life experience) will truly encourage the transfer of skills leading to changes in behaviour.

Issue 9 – Complexities are a barrier to Participation

It could be argued that much of the responsibility relating to the way in which the Nursery industry engages with training initiatives must be borne by the industry itself. However, complexities and the perceived difficulty in dealing with the system, its terminology and politics - mostly generated by others that are at arms-length to the industry (training bodies, councils etc) - has proved to be a major discouragement for owners of businesses. This has resulted in significant withdrawal from participation by industry members and substantial criticism of Horticultural Training Packages in general.

Proposition: Any initiatives that result in a simplified system can only be positive for improved engagement with industry.

Apprenticeships & Traineeships

Issue 10 – Process is Complicated and Difficult

Notwithstanding the significant investment government has made in the marketing of New Apprenticeship schemes, there is still a widespread lack of understanding on how the system works.

It is important that resources are made available to assist employers however anecdotal feedback regarding those currently in place (New Apprenticeship Centres and Group Training Organisations) generally has not been positive. The scheme is perceived as difficult and costly to employers in the long term.

The variations across states relating to rules, regulations, funding options and benefits make national coordination and advice to industry a cumbersome and often inaccurate undertaking.

A complicated scheme limits the employers' opportunity of sourcing appropriate skilled staff and limits the acquisition of new people to our industry. The Nursery and Garden industry faces many challenges in attempting to attract new employees. A complicated apprenticeship scheme makes it all the more challenging.

Industry members have highlighted some of the issues that limit the hiring of apprentices:

1. Availability of funding for hiring apprentices is insufficient to cover time and training costs.
2. Additional management and supervision is required for new apprentices, as often they are not able to competently perform unsupervised tasks.
3. Only 60% of apprentices complete their courses and obtain a qualification. This high drop out rate is discouraging training investment by employers.³
4. Within the industry there is significant poaching of staff that are close to completion or have just completed their apprenticeship qualification. The prevalence of this is seen by employers as being a loss in investment and high risk.

Proposition: Evaluate the effectiveness of resources provided under the current apprenticeship and traineeship schemes. Where appropriate ensure solutions submitted will encourage businesses to employ apprentices and participate in their development.

In light of the above highlighted issues, the industry is optimistic that the intentions as outlined in the report relating to the New National Training System⁴ - if appropriately implemented - will go a considerable way to improving, if not eliminating these concerns and challenges.

The Nursery and Garden Industry welcomes the opportunity to provide input and participate in the development of training initiatives that affect its employees and looks forward to feedback on the progress of this inquiry.

Yours sincerely

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Nursery & Garden Industry Australia

³ 'New Apprenticeship Program Report' written by the Department of Education, Science and Training as reported by Nick O'Malley, *Sydney Morning Herald*, 8/3/2005.

⁴ 'Skilling Australia – New Directions for Educational Training', Australian Federal Government, Department of Education, Science and Training, February 2005.