

## The Regulatory Framework for VET

- 3.1 Vocational Education and Training in the rural sector is provided within the framework of Rural Industry Training Packages (RTPs). Development and review of RTPs is primarily the responsibility of the Agri-Food Industry Skills Council, formed and managed under the auspices of the Commonwealth Department of Education, Science and Training.
- 3.2 RTPs conform to the Australian Qualifications Framework (AQF), a unified system of national qualifications for schools, VET and universities. The range of qualifications applying to VET under AQF include Certificates I-IV, covering basic vocational skills to more advanced trade skills; and Diplomas and Advanced Diplomas, designed to include high level trade skills and a level of subject knowledge allowing independent operation.
- 3.3 Providers of VET must be Registered Training Organisations (RTOs), and abide by the provisions of the Australian Quality Training Framework (AQTF), which governs assessment, teacher accreditation and auditing standards within the VET sector. AQTF requires RTOs to operate within AQF.
- 3.4 There are currently six RTPs, covering:
- Rural Production;
  - Australian Meat Industry;
  - Animal Care and Management;
  - Conservation and Land Management;
  - Racing Industry; and

- Sugar Milling.<sup>1</sup>
- 3.5 The Rural Production Training Package – RTE03 – covers a range of subject areas directly related to rural production, including:
- Beef Cattle Production
  - Dairy
  - Grain Production
  - Pig Production
  - Poultry Production
  - Rural Business Management
  - Sheep/Wool Production
  - Sugar Cane Production
  - Cotton Production
  - Goat production
  - Horse Breeding
  - Rural Merchandising<sup>2</sup>
- 3.6 Qualifications in these areas range from Certificate I to Advanced Diploma. There are also a number of separate competencies covered by individual units. In addition, over sixty new units of competency are in the process of being finalised, providing a variety of new qualifications in sectors including alpacas, beekeeping, deer, emergency disease response, fertilisers, mushrooms, olives and organic production.<sup>3</sup>

## **Problems with the Regulatory Framework**

- 3.7 A range of significant problems with the regulatory framework underpinning VET was identified during the course of the inquiry. Evidence was received that the framework had made the VET sector too bureaucratic, inflexible and unresponsive to the needs of industry; and that providers were responding to the requirements of the system rather than the needs of industry, or were simply guided by their own profit or
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1 DEST, Submission no. 94, p. 73, Appendix H.

2 DEST, Submission no. 94, p. 73, Appendix H.

3 Rural Skills Australia, Submission no. 71, p. 3 and Attachment A.

survival. The compliance and audit requirements within the framework were widely regarded as burdensome, but at the same time a poor guarantee of quality assurance; while the qualification requirements for teachers placed unnecessary and unproductive limitations upon who could and could not provide training. The evidence also indicated that the emphasis on qualifications within the framework was being pursued at the expense of usable skills; while the use of generic competencies was undermining the effectiveness of training packages and producing poor outcomes.

- 3.8 The result was a focus on process rather than outcomes, on achieving qualifications rather than imparting skills, on the needs of the training providers rather than those receiving the training and those ultimately demanding the skills – the employers. Mr Leutton (Cotton Australia) told the committee:

...while we have this very detailed training structure in this country, we have lost total sight of the client for that – the client being the employer. I believe that right now we have an alphabet soup of jargon that is confusing the client, the employer on the farm, to the point where he does not know anything about training, does not understand training and just goes and finds what he can where he can – or where she can.

As Cotton Australia a couple of years ago we got quite concerned with this because we were trying to match what was required of us by the bureaucratic agenda and not delivering the numbers, and we could not work out why this was the case.<sup>4</sup>

- 3.9 Mr Leutton noted that training had become package driven, rather than being driven by the needs of industry:

If you look at the packages we have got, like the conservation and land management package and some of the other packages around, we are so caught up in that package structure and in the jargon. The registered training organisations – the RTOs, the TAFEs and those structures – are so caught up with the package that if you walk up to them and...you say, 'I'd like to get this person trained in these things,' they will say: 'Oh, here's a package for that. The person has to go through this.' You lose sight straightaway.<sup>5</sup>

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4 Mr Ralph Leutton, *Transcript of Evidence*, 20 October 2005, p. 85.

5 Mr Ralph Leutton, *Transcript of Evidence*, 20 October 2005, p. 88.

- 3.10 Mr Harris (National Association of Agricultural Educators) explained that the bureaucratic nature of the regulatory framework was no better from an educators point of view:

...the paperwork warfare is enormous and escalating all the time. There is no provision of time in the staffing to schools to allow people to deal with that, so it has to come out of the supplementary staffing that schools might have, or it means that other subjects have to disappear or the teacher does it in their own time. In my case, I administer the operation of the training conducted by seven staff in primary industries at certificate II and III across a Board of Studies HSC subject in primary industries and two school developed courses in grain and beef. For that I get one hour per fortnight in that allocation, and it is not enough...

To be able to undertake the course, with the Australian Quality Training Framework it is my understanding that to be a trainer you have to have a qualification at the same level as you are teaching as well as have industry experience and the certificate IV workplace assessment, which was referred to in another submission. Each of those units has to be accredited externally, so you have to find another organisation which is registered to offer that certificate and those individual units. You then have to submit to a process where either you undertake the course on offer that they have for each unit or you apply for recognition of prior learning.

That requires a submission of evidence and an interview under an assessment scheme with, I think it is called, HORTUS, which is an acronym for various assessment methods. That requires a large amount of presentation of information. So not only do you have to have information for each unit of competency, you have to have information for the individual elements of competency within that unit and industry recognition. I had to assemble recognition from a number of primary producers for whom I had worked as well as the fact that I had coordinated the cropping program here at the school for some 23 or 24 years. It was rather demeaning to have to apply for recognition for something that you have been running above an AQF III level for a long time.<sup>6</sup>

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6 Mr Graeme Harris, *Transcript of Evidence*, 9 March 2006, pp. 44-5.

- 3.11 Mr Harris explained that this exercise in accreditation involved roughly 600 pages of documentation – ‘It was a large A4 box crammed to the top, and then we had to send supplementary material’.<sup>7</sup>
- 3.12 The result of this increasing bureaucratisation of VET was a loss of confidence in the system. In its submission, the Queensland Government noted that the ‘training and education needs of the agricultural sector appear to be diverging from the training and education provisions under the scope of the Australian Qualifications Framework (AQF)’. The consequence of that is that ‘the agricultural sector is seeking training, extension and advisory services that are not necessarily aligned to the AQF’. The submission noted that this situation was placing ‘an impost on training providers, research and development agencies and industry groups as they attempt to bridge the gap’.<sup>8</sup>
- 3.13 Mr Julian Breheny, Research Officer for the Western Australian Farmers Federation, also observed the increasing divergence between framework and training needs, the paradox that the most up-to-date training often fell outside the system of credentials.<sup>9</sup>
- 3.14 The Department of Primary Industries in NSW argued in its submission that ‘VET training is becoming more and more regulated and atomised resulting in much effort and resources going into recording minutiae, rather than in training students’. DPI believed that the ‘sanctions and systems that are now in place through AQTF are in many ways a disincentive for the application of accredited training across rural areas’.<sup>10</sup>
- 3.15 Finally, the Rural Training Council of Australia NSW (RTCA NSW) observed:
- The overarching bureaucracy established by the various State Training Authorities is extremely input oriented. The time spent by Registered Training Organisations (RTOs) meeting Australian Quality Training Framework (AQTF) requirements impacts on their ability to focus on developing and delivering effective, up-to-date training programs. System imposed difficulties include:
- The amount of paperwork required to change their scope of registration (add a new “course”)
  - Quality assurance (paper trail) requirements

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7 Mr Graeme Harris, *Transcript of Evidence*, 9 March 2006, p. 45.

8 Queensland Government, Submission no. 51, pp. 7–8.

9 Mr Julian Breheny, *Transcript of Evidence*, 20 July 2005, p. 7.

10 Department of Primary Industries NSW, Submission no. 91, p. 3.

- Variable accreditation requirements e.g. NSW TAFE is self accrediting whereas private RTOs and even the state school system must apply for accreditation through the regulatory body
- The additional burden placed on the school system by the respective bureaucracies is significant.<sup>11</sup>

3.16 In the committee's view, the weight of criticism and the variety of sources from which the criticism derives indicates that there are serious problems with the current regulatory regime surrounding VET in Australia. The nature of these problems and their impact in rural skills training will be examined below.

## A provider driven system

3.17 A major complaint against the current VET framework was that it allowed/forced RTOs to focus on their own needs rather than the needs of the client. Rural Skills Australia identified funding arrangements as the main impediment to the provision of training in rural skills. Its submission stated:

Undoubtedly the most significant impediment to greater rural industry participation in education and training, and a continuing major concern of industry is an ongoing reluctance of governments at all levels to acknowledge and commit the required additional resources to adequately service thin rural training markets across wide geographical areas. Many agencies/service providers looking to provide services in rural and remote locations often receive payments based on the costs of providing similar services in major regional centres or metropolitan areas.<sup>12</sup>

3.18 The consequence of these funding difficulties was that the provision of training services was biased against training in rural skills:

Increasingly there is a tendency for many service providers to meet the needs of local (town/city based) industries to satisfy contractual requirements, often at the expense of rural and remote client groups. This is clearly evident in the approaches adopted by some Job Network providers, New Apprenticeships Centres (NACs) and Registered Training Organisations (RTOs).<sup>13</sup>

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11 Rural Training Council of Australia NSW, Submission no. 62, p. 2.

12 Rural Skills Australia, Submission no. 71, p. 9.

13 Rural Skills Australia, Submission no. 71, p. 9.

- 3.19 As noted in the submission of the Nursery & Garden Industry Australia, it could also lead to inconsistency in the quality and standard of the training available:

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.<sup>14</sup>

- 3.20 This difficulty in getting adequate funding to cover the higher costs of training in rural areas was also highlighted in the evidence of the Western Australian Farmers Federation, itself an RTO. Mr De Landgraftt (WAFarmers) explained:

One of the other main areas of difficulty as an RTO is that where we want to work, which is to deliver training into the work force – and that is where we are getting our demand from – we cannot get proper compensation for doing that. The structure of the payment for RTOs is based on student contact hours. If you have a classroom full of people and an establishment in town, you can get everyone in, keep them in one spot and deliver quite economically. If you are trying to deliver a certificate II to a young trainee out on somebody's farm at Salmon Gums, you will spend more time travelling to deliver that training than you will delivering the training. So the training does not get provided because we cannot afford to go out and do it.<sup>15</sup>

- 3.21 The same pressures confronted the public sector. In its submission, Primary Skills Victoria stated that:

The focus on balancing the budget can lead to public providers of TAFE becoming introspective and hence unresponsive. The annual focus is on committing or locking in all Student Contact Hours to predetermined usually full time programs rather than taking on the harder-to-deliver short courses.<sup>16</sup>

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14 Nursery & Garden Industry Australia, Submission no. 74, p. 3.

15 Mr Trevor De Landgraftt, *Transcript of Evidence*, 20 July 2005, pp. 2–3.

16 Primary Skills Victoria, Submission no. 101, p. 9.

- 3.22 According to Primary Skills Victoria, the funding system for VET was distorting outcomes:

Emphasis is placed on students completing the whole qualification because funding and the training package rules ordain this. Added to this there is also the tendency for administrations to enrol participants for the full quota of hours within the Purchasing Guide to take full benefit of the state government's funding model. This results in extended program length and as such is counterproductive since it is unattractive to young people who are seeking a pathway to employment in the agricultural sector. In addition this strategy is a disincentive to industry as a means of upgrading the skills of their existing workers. Flexibility in provision is also restricted because of the tendency for the public providers to concentrate on the full-time cohort at the expense of industry staff and owner/managers requiring service outside of normal trading hours.<sup>17</sup>

- 3.23 In its submission, the Northern Melbourne Institute of TAFE (NMIT) confirmed the bias in funding towards the 'new entrant/full qualification' cohort, as against existing workers in industry and older age cohorts seeking a career change. NMIT's submission stated that 'to be viable in the long term, an RTO must generally ensure the new entrant/full qualification cohort is well represented', and that 'NMIT is no exception to this requirement'.<sup>18</sup>

- 3.24 The funding pressures applied by government policy were exacerbated by two factors particularly affecting rural skills training – thin markets and the tyranny of distance – both of which contributed to costs and lowered returns. Primary Skills Victoria noted:

TAFE institutes, particularly those delivering to the rural sector are often faced with very thin training markets and receive no extra funding to compensate for this or the delivery of accredited short courses to part time students. Part-time delivery is recognised within the system as being far more expensive to conduct than training for full time students.<sup>19</sup>

- 3.25 Mr Wayne Cornish, Chair of Rural Skills Australia, also highlighted the problems facing RTOs:

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17 Primary Skills Victoria, Submission no. 101, p. 10.

18 Northern Melbourne Institute of TAFE, Submission no. 26, p. 2.

19 Primary Skills Victoria, Submission no. 101, p. 10.



One thing I can say quite clearly to you about RTO provision is that it suffers from that distance tyranny thing that I was talking about a while ago. If you are in a capital city or even close to one, or in a major or reasonable sized regional centre, you can usually get any amount of RTOs to perform tasks. When FarmBis courses, for instance, are being set up, they are specific courses. You need specialists in an area to undertake that activity. The closer you are to big regional or capital cities, the easier that task is. The further you go out, usually, the greater the need for the learning and the harder it is to get the RTO that will actually travel as a service provider and provide that level of facility within the community. It might only be half a dozen people requiring that upskilling. It might be business management or it could be anything. The further you get away, the greater the need in all areas – the greater the need for the training, the greater the need for the RTO and the greater the need for the people who work under the RTO framework.<sup>20</sup>

- 3.26 The problem of thin markets was further exacerbated by the impact of competition policy, which restricted the level of cooperation between public institutions operating in the same market. Primary Skills Victoria noted that where economies of scale may have been achieved through cooperation between institutions, this was not permitted. This contributed to criticism that training providers tended to offer broad qualifications rather than targeted training.<sup>21</sup> The problem with competition policy was also raised in the evidence of Mr Peter Berrisford. He told the committee:

The blocker is that you might need 16 in order to deliver to an actual class, but if you can only get eight and your competitor 20 miles down the road has another eight neither of you can do it and you are not allowed to talk about doing it together, whereas if you took away the problem of the competition policy you could talk about doing it together, get your cooperation going and achieve efficiency. It would be a much better situation. You would not lose from the point of view of safeguards because they would have to report on the fact that they ran this course for eight students. The way they did it was to work with another organisation who ran it for eight. They joined together and split the delivery.<sup>22</sup>

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20 Mr Wayne Cornish, *Transcript of Evidence*, 10 August 2005, p. 15.

21 Primary Skills Victoria, Submission no. 101, p. 10.

22 Mr Peter Berrisford, *Transcript of Evidence*, 15 November 2005, p. 26.

- 3.27 Aside from the difficulties imposed by the regulatory environment, RTOs also face increasing commercial pressures. This was also increasing the bias away from training in rural skills in rural and regional Australia. Mr Jolyon Burnett, CEO of the Irrigation Association of Australia (IAA), stated in evidence:

Clearly there is a lack of access to quality training in rural and regional Australia. One of the reasons is that, with the freeing up of the training industry and, if you like, the breaking of the monopoly of TAFEs – the opening up of training to registered private training organisations – there is a clear profit motive for these organisations. That is certainly not a criticism, but it means that they need a critical mass of activity, of students going through any courses that they provide, to make it viable for them to run a course. Rural Australia has increasingly fewer people across a very wide scope and the same is true of irrigation, so it has been very difficult for us to be able to work with RTOs...to get a critical mass for them to feel confident that they can run a course and make it commercially or economically viable for them.

Part of it is just the nature of it. The commercial RTOs that are operating throughout regional Australia are looking for high-volume courses to deliver. The higher the volume the better their financial outcome. The sorts of programs that we are looking at running are not high-volume. The sorts of courses that are doing well include the rural operations course. A lot of regional councils are putting their staff through that course because there are elements of occupational health and safety. It is a fairly broad course and a lot of their staff can go through and pick up a range of skills. That is an example of where it works well. But for much more specific courses, like the irrigation ones, we are finding that they are coming to us, they are registering, they are including these courses in their scopes, but they are not delivering, because they have no confidence that they can make it work.<sup>23</sup>

- 3.28 RTOs were selecting training tasks on the basis of profitability rather than social or economic utility:

The RTOs are getting very good at cherry-picking the incentives that are out there and tailoring a program that maximises the incentive but does not necessarily maximise the outcome. So you get urban based RTOs providing services to rural people, flying out to areas and...sucking up that incentive payment. It is all

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23 Mr Jolyon Burnett, *Transcript of Evidence*, 20 October 2005, p. 13.

about fitting what they are capable of in with where the incentives are, it is not about actually imparting skills and training these people.<sup>24</sup>

- 3.29 As part of this trend, Conservation Farmers Inc. noted in their submission an increasing move towards city-based training providers with little feel for the needs of rural clients:

Many of the Registered Training Organisation offices are city based and have little capability or capacity to understand the training needs of western rural businesses and so are unable to differentiate the value of the training or the quality of the program provider, or conversely, the inadequacy of a program and its provider. Many of these RTOs have excellent contacts in the city and are well versed in “accredited training” systems and their requirements. They are better able to access funding but do not always have the understanding of the rural clients. Effectively they can become overly focussed with “bums on seats” and less concerned about whether the client found the training has a productivity benefit. There is an assumption that accredited training must supply a productivity outcome. We would point out that this is indirect measurement and may not be true in all cases.<sup>25</sup>

- 3.30 The combined impact of all these pressures is that RTOs are often failing to deliver what is needed in rural industries. In its submission, CFI highlighted the experience of grain farmers who have had exposure to the VET sector: ‘they are disconcerted to discover the skill sets provided by TAFE and other RTOs are not what is required to operate effectively in the grain industry’.<sup>26</sup> The consequence of this disillusionment with VET is a trend for industries and rural communities to provide training for themselves (see chapter 2).

## Committee Conclusions

- 3.31 In the committee’s view, the principal cause of provider-driven RTOs is a funding regime that has not been designed to address the specific problems of delivering VET in rural skills. Funding is inadequate, in that it fails to address the high unit costs of rural skills training. The funding regime also fails to take into account fluctuations in student numbers over time. Moreover, there is no specific funding for rural skills training – rural

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24 Mr Jolyon Burnett, *Transcript of Evidence*, 20 October 2005, p. 21.

25 Conservation Farmers Inc., Submission no. 20, p. 2.

26 Conservation Farmers Inc., Submission no. 110, p. 1.

skills compete for funds with high volume/low cost alternatives, with the inevitable results.

- 3.32 The committee believes that training in rural skills is essential to the welfare of the Australian economy, that specific funding must be targeted at rural skills training free from the usual caveats of competition between courses and between institutions. This targeted funding must be provided on the assumption that rural training is inherently high cost and low volume, and will place burdens of time and travel upon providers not encountered in other types of training. Moreover, organisations must be free to act cooperatively to ensure that cost effective training can be delivered without compromising quality.

### **Recommendation 16**

- 3.33 **The committee recommends that the Australian Government, in conjunction with State and Territory Governments, provides funding for VET training in rural skills to provide:**
- **Funding targeted specifically at rural skills training;**
  - **A funding formula that takes into account the high cost/low volume nature of rural skills training; and**
  - **A relaxation of competition policy as applied to organisations providing rural skills training.**

## **Compliance and Audit**

- 3.34 In addition to the funding difficulties confronting VET providers, evidence was presented to the committee indicating that much of the attention of providers was focussed on negotiating the audit and compliance regimes under AQTF, a task which was doubly frustrating because the audit and compliance regimes were regarded as both burdensome and ineffectual. In its submission, the Winemakers' Federation of Australia stated:

Feedback indicates that the VET quality assurance processes are becoming increasingly onerous in their demands on RTO's and employers, but are not delivering better quality outcomes. This is primarily because the QA system is based on desk top/paper trail audits. Examples of compromises include:

- Considerable variation in the evidence requirements for assessment as competent;
- Considerable variation in the evidence requirements for recognition of current competence;
- RTO's using trainers/assessors who have no industry experience;
- A certificate for competence being mailed to a person who had only attended one class and had not completed any of the required assignments;
- Assessment not occurring "over time and a range of events to ensure that the candidate can consistently perform to the standards expected in the workplace";
- STA complaints resolution processes that have no provision for input from employers or industry associations, only from students and RTO's; and
- The grape and wine industry peak body for learning and skill development (Winetac) has not been approached for input into QA processes from any STA in the past 6 years.<sup>27</sup>

3.35 Reinforcing this point, Mr Michael Schaefer, of the Australian Agriculture Training Providers Network, told the committee:

...ANTA and now DEST have introduced a national system of compliance to the Australian Qualifications Training Framework, AQTF. This involves a series of regular and rigorous audits. The audits place significant time constraints on RTO delivery teams but still do not directly assess the quality, relevance or methodology of actual teaching and assessment. More and more now we are finding that RTOs are bogged down with compliance driven activities rather than outcome driven activities – that is, educational outcomes where we are achieving quality skills and training with our participants – which therefore inhibits teacher effectiveness.<sup>28</sup>

3.36 Much of this burden was focused on procedural minutiae rather than educational outcomes:

We have situations where, under the AQTF, we have extraordinary requirements. For instance, where people are handing out materials to students – whether it is information about the subject or an excursion, whatever – pages have to be numbered, version controls, dates, all sorts of things like that. Ironically, the audits do not even audit the currency of the

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27 Winemakers' Federation of Australia, Submission no. 37, p. 15.

28 Mr Michael Schaefer, *Transcript of Evidence*, 14 November 2005, p. 81.

information; they audit whether we have a date on the bottom and the name of the person. The focus on quality of delivery and the materials being used for that delivery to support the delivery, or even 360-degree feedback audit where you would actually interview students or employers of those students to see how good they are, those things seem to be completely left out of the audit.<sup>29</sup>

- 3.37 Mr Keith Mutton, a TAFE teacher from NSW, argued that in fact all we are doing is auditing the paperwork to see it is filled out correctly, noting that 'it is becoming more and more prescriptive and tight that way, but skills-wise it is abysmal':

Organisations get audited all the time. What they are being audited for is whether they have ticked that box; whether their assessment is valid. What is not audited to any great extent is this: the auditors do not go onto the job and say to Freddie Nerks there, 'Freddie, you have been assessed that you can actually operate a chainsaw. Could you just pick that up and do a cross cut on that log for me?'<sup>30</sup>

- 3.38 Similar concerns were raised in the Queensland Government's submission, where the view was expressed that current performance indicators were producing undesirable outcomes – training directed at fulfilling performance criteria rather than producing meaningful results. The submission stated:

Performance indicators currently used, principally Annual Hours Curriculum (AHC), provide too crude a measure of performance to be meaningful. AHC's simply measure output, and the simplistic assumption that "more is better" may well be driving behaviours that are undesirable – namely, training for the sake of training.<sup>31</sup>

- 3.39 Mr Schaefer recommended a new audit process focused on outcomes rather than inputs:

A recommended strategy for this would be, first, that DEST be encouraged to direct the state agencies to adopt audit procedures which relate to the quality and continuous improvement of actual delivery and assessment – this is what the recipients of training would want rather than a paper trail; and, second, that networks

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29 Mr Michael Schaefer, *Transcript of Evidence*, 14 November 2005, p. 82.

30 Mr Keith Mutton, *Transcript of Evidence*, 9 March 2006, p. 37.

31 Queensland Government, Submission no. 51, p. 12.

such as the AATPN or end users be consulted in the construction of a more appropriate audit process.<sup>32</sup>

- 3.40 In response to these concerns, representatives of DEST informed the committee that governments were aware of the concerns about the compliance and audit procedures, and that these procedures were currently under review by COAG.<sup>33</sup>

## Committee Conclusions

- 3.41 The committee is gratified that this problem has been acknowledged by governments and is being addressed. The current regime is clearly distorting the priorities of RTOs and soaking up time and resources for little apparent result. Audits must focus upon training outcomes. Compliance procedures must allow training providers to focus upon providing training rather than completing paperwork. Some form of industry consultation is required in establishing a new regime, and mechanisms should be put in place for periodic review of compliance and audit procedures.

## AQTF and teachers

- 3.42 Another serious issue confronting the management of the regulatory framework is its direct impact on teaching. The AQTF specifically requires minimum qualifications in skill areas and formal training/teaching qualifications. As Mr Hamill (RIST) explained to the committee:

Under the Australian Quality Training Framework, which we operate under, they must have a certificate IV in workplace assessment training and they must be skilled. For instance, if we are getting them to deliver pasture, they must have educational qualifications, and we mainly insist on a degree level in that field. So they have had tertiary education in that specific field. If someone was a vet and we wanted them to deliver pasture, we could not do it. They could deliver animal health, but they could not deliver pasture. It is a pretty strict requirement of the Australian Quality Training Framework that you have to comply with and the resources back this up.<sup>34</sup>

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32 Mr Michael Schaefer, *Transcript of Evidence*, 14 November 2005, p. 81.

33 Ms Rebecca Cross, DEST, *Transcript of Evidence*, 16 August 2006, p. 16.

34 Mr Bill Hamill, *Transcript of Evidence*, 8 February 2006, p. 9.

- 3.43 In evidence before the committee, DAFF defended these stringent requirements as a guarantee of quality.<sup>35</sup> Yet, the result for rural industries is that those with skills to impart do not necessarily have qualifications, whereas those with qualifications do not necessarily have skills to impart. According to Mr Hamill, the consequences are less than optimal from the perspective of training outcomes:

We would like to have some of the progressive farmers as our deliverers and we look for them. The issue that we will face as a provider of training because of our delivery model is the new certificate IV and workplace assessment. Certificate IV in workplace assessment training was revamped in December. It finished in December and there is a new one coming out which is nearly at a diploma level. It is a lot more difficult to get. Under AQTF you must have that to deliver training. That is one of the obstacles. I do not think it should be done away with, because you need that. People who are delivering accredited training need it. But it is going to be an obstacle for us in getting those sorts of people. They will say, 'Look, I'm running my farm and I'm doing it really successfully,' and we would love to get them. But they may say, 'I have to spend six months getting this certificate IV and then I mightn't have time to deliver.' So there is an obstacle there, but we would like to have them because they are the people who relate better to farmers.

**I would rather get someone who has a lot of experience and train them in education than get an educationalist and try to train them in agriculture. That is the way we work. We will bend over backwards if we have someone who has practical, hands-on experience and can talk to and relate to farmers. We will work on the education side. We will work on the administration and the theory and all of that stuff. We can help them there. But you cannot get an educationalist and try to teach them agriculture.**<sup>36</sup>

- 3.44 In evidence before the committee, Mr Richard Belfield, an experienced rural earthmoving and civil construction operator, workplace trainer, and industry journalist, made a similar point, stating:

There has to be a practical as well as a theoretical side to these people, because we are demanding so much of them. I think that we do need formal training. Then it is a bit like the chicken and the

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35 Mr Ian Thompson, DAFF, *Transcript of Evidence*, 9 August 2006, p. 10.

36 Mr Bill Hamill, *Transcript of Evidence*, 8 February 2006, p. 11. Emphasis added.



egg: where are our trainers going to come from? We do not have any.<sup>37</sup>

- 3.45 Several examples of the obstacles facing RTOs seeking accreditation were put to the committee. Mr De Landgraftt (WAFarmers) described his organisation's experience with meeting the requirements to become an RTO:

Yes, we are a registered training organisation. We originally failed the audit and now we are having to correct those areas. I will give you an instance of what happens. Right from the start of the process of inducting and employing a trainer out in the field, you have a mountain of paperwork, competencies and areas that you have to satisfy. As an RTO, one of the areas that we fell down on was, for instance, demonstrating that the people we had training for us were trained and were able to do the job. Whilst we thought it was fairly basic, having seen their references and qualifications and knowing that they were training within the system when we put them on, we failed to demonstrate that we had thoroughly checked these people out. We did not demonstrate that we had sighted, say, the references and we had not documented the fact that we had checked the references. Because we did not document that we had checked or have a process to double-check the system, the fact that we knew, because we were in the industry, that they were out there training and giving satisfactory results was not enough. That was not what our industry was used to; it was something quite foreign. So I can understand why an RTO struggles to get going and why ordinary people who are not heavily resourced and not in the industry have major barriers in becoming trainers.<sup>38</sup>

- 3.46 Mr Jacobsen (NSW Rural and Related Industries Skill Advisory Committee) highlighted the experience of the Farrer Memorial Agricultural High School:

...they were trying to increase their scope to deliver – I think it was – grains and beef at certificate III level at school. In the process to have the teachers reaccredited, they had to have their qualifications recognised again at certificate III level, even though most of them have an agriculture degree, run their own businesses on the side or are still involved in the family farm. Quite clearly they are able to demonstrate to anyone who goes there that they

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37 Mr Richard Belfield, *Transcript of Evidence*, 10 March 2006, p. 34.

38 Mr Trevor De Landgraftt, *Transcript of Evidence*, 20 July 2005, p. 2.

are running a successful enterprise, in that they have a breeding program and they sell stock from there. Yet they had to go through this bureaucratic process to satisfy this certificate III requirement. To me, that was very costly for the school and very time consuming. And from all reports the regulatory body, VETAB, asked for some information and then kept coming back to them for more information, so it seems as though they did not really know what they needed either. It was a bit of a concern for us.<sup>39</sup>

- 3.47 The potential consequences for VET were highlighted by Mrs Yvon Wigley, Executive Officer of the Queensland Rural Industry Training Council (QRITC) – a reduction in the number of providers and a gradual diminution of expertise:

Quite often you might say that the ATQF standard says that you have to have this and you have to have that and, even though there might be a 'but', it is not always easy to meet that. In the rural industry is it better to have a highly qualified person delivering something in a theoretical way than to have someone developing the work skills for us? Gradually, what we have noticed in Queensland, is that our RTOs have dwindled in number. We have a smaller number each year of RTOs who are able to meet all those guidelines. Surprisingly enough, in the research we have done, we have found that, like farmers, training providers are getting older and they are not being replaced by anyone younger. A lot of their time is spent on administrative work, particularly if they have what we call a user choice contract. A lot of their time is spent on that when they could be out delivering in better circumstances than they do.<sup>40</sup>

- 3.48 In his evidence, Mr Belfield identified remuneration as a critical issue in attracting experienced industry operators into training:

There are people out there in the industry who, with a bit of help, could be turned into trainers but your first question is: what are we going to pay them? If you are going to offer them \$35,000 a year, you know what is going to happen, don't you? We are not going to get them. The first thing is that they are going to have to be paid a lot more money than what I think the system will offer them.<sup>41</sup>

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39 Mr Niel Jacobsen, *Transcript of Evidence*, 21 October 2005, p. 3.

40 Mrs Yvon Wigley, *Transcript of Evidence*, 10 April 2006, p. 16.

41 Mr Richard Belfield, *Transcript of Evidence*, 10 March 2006, pp. 35–6.

- 3.49 At the end of the day, as Mr Keith Mutton put it: 'No-one is going to do part-time teaching for \$59 an hour one night a week for 10 weeks if they have to go to a six-month AQF IV training course to get it.'<sup>42</sup>

## Committee Conclusions

- 3.50 The committee is of the view that a more flexible approach to training qualifications needs to be taken in rural skills training. Quite often the best people to provide training lack formal qualifications. Others have qualifications, but not necessarily those required under AQTF. The verification and compliance process acts as a positive disincentive to potential training providers.
- 3.51 There needs to be a mechanism by which accredited training providers can access the expertise of non-accredited people. One solution is to allow formally qualified teachers to operate in conjunction with instructors whose skills are known but not formally recognised. Another would be to allow accredited training providers to certify people as competent to instruct on particular courses. Once again, the focus should be on outcomes.

### Recommendation 17

- 3.52 **The committee recommends that the Australian Government revise the Australian Quality Training Framework in order to allow greater flexibility in the appointment and accreditation of teachers and instructors in rural skills training courses, including appropriate prior recognition of skills and competencies.**

## Inflexible and Unresponsive

- 3.53 Another problem identified in evidence presented to the committee was the lack of flexibility and responsiveness in the training packages and the system for reviewing those training packages. In its submission, the Queensland Government noted that 'despite significant industry input into the development of training packages, there is considerable

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42 Mr Keith Mutton, *Transcript of Evidence*, 9 March 2006, p. 34.

feedback from industry concerned with the inflexibility of packaging rules'.<sup>43</sup>

- 3.54 This problem has significant implications for the ability of the VET sector to respond to changing needs. In its submission, the Northern Melbourne Institute of TAFE stated:

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 [Rural Training Council of Australia] 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.<sup>44</sup>

- 3.55 The result, according to the Queensland Rural Industry Training Council, is that in order to keep up with current practices and technology, farmers were being forced to train themselves rather than rely on VET. Focussing on the uptake of precision farming, QRITC noted – 'They are driven by economic circumstances to convert to the technique and learn by trial and error because there are not sufficient formal training opportunities.'<sup>45</sup>

- 3.56 Mr Michael McCosker, a member of QRITC, highlighted the difficulties for industry in getting relevant and up-to-date training through VET:

We seem to be spending a lot of time putting out fires within our industry groups. To give you an idea of the technology that we have adopted over the last, let us say, five years in my enterprise we have changed our cattle breed, for example, to a Wagyu breed

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43 Queensland Government, Submission no. 51, p. 8.

44 Northern Melbourne Institute of TAFE, Submission no. 26, p. 7.

45 Queensland Rural Industry Training Council, Submission no. 28, p. 2.

to try to meet export demands. To do this we have had to adopt artificial breeding. We have had to do DNA testing with our herd and to learn new supplementary feeding techniques and that sort of thing to meet market demands.

With our cotton enterprise we have adopted genetic technology – Bollguard cotton and Roundup Ready cotton, for example. We have had lots and lots of changes in varieties of cotton and that sort of thing. We have had to change irrigation practices, because of the demands on us, and also for efficiencies economically. We have adopted techniques of improved fertilisation and that sort of thing with our farming techniques. We have adopted minimum tillage and stubble retention – all to improve our bottom line. We have adopted GPS technology, so we have two centimetre accuracy with our farming system so we can accurately place seed and also we can meet a lot of the NRM outcomes that we were just talking about.

All this has been put upon us in the last four or five years. Producers spend half their time trying to catch up on and learn all this new technology. The trouble is that we are not getting it through vocational training; we are getting it through getting out there and struggling and learning ourselves. The education network is just not working for us.<sup>46</sup>

- 3.57 Similar concerns were raised from the point of view of a training provider by Dr Peter Wylie of Horizon Rural Management. He noted that the amount of work involved in preparing courses inevitably rendered them obsolete before they were delivered:

I have an advanced diploma in rural business management course in 1½ filing cabinets. It is probably 3,000 or 4,000 pages. That is mostly done in my spare time, but it probably would have cost thousands and thousands of dollars. One of the problems is that by the time you have finished it, it is out of date. The colleges have a worse situation in that by the time they have finished their program it is probably five years out of date. There is a bit of a problem with the development of courses and accredited programs.<sup>47</sup>

- 3.58 In evidence before the committee, Mr Darren Bayley, Chair of the National Conservation and Land Management Training Providers

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46 Mr Michael McCosker, *Transcript of Evidence*, 10 April 2006, pp. 22–3.

47 Dr Peter Wylie, *Transcript of Evidence*, 11 April 2006, p. 6.

Network, proposed an abbreviated process for dealing with minor modifications to training packages, such as changes to or inclusion of individual competencies. He suggested that courses developed by training providers with industry backing get rapid accreditation, in 'six months or even 10 months':

We would support anything that would speed up the process of review and the making of minor modifications. The review of training packages involves two things. One is reviewing the whole training package for its currency and its value. There should also be another system separate from that which deals with minor modifications. If a training organisation says that there is an extra competency that they would like to include for certain reasons, and if they have industry backing, then that should be taken on board and put into the training package almost immediately or with minimal fuss rather than trying to link every minor modification with a larger process of review, which is very onerous and slow and means going out to all the states and territories and undertaking a lot of consultation. The process itself absorbs a lot of resources but we could do a lot to fast track improvements in the training package so we are more responsive to industry needs, and we would support anything that would move us in that direction.<sup>48</sup>

- 3.59 Of particular concern to several witnesses was the delay in implementing new training packages to fill perceived gaps in the current Rural Production Training Package – RTE03, developed under the auspices of the Australian National Training Authority (ANTA), and subsequently the responsibility of AFISC. Mr Andrew Coulthard, Operations Manager, Faculty of Earth Science, Northern Melbourne Institute of TAFE, told the committee:

One of the other issues is that there are a lot of sectors in primary industry that actually do not have a training package. The ostriches to a certain extent – but they are in a dilemma in that industry – and goats are covered. We are the only one delivering nationally what we call the Velvet Accreditation Scheme. We have been trying for a long time to get that program, so in the end in frustration we threw our hands up and the state of Victoria developed that program. All those deer farmers out there are harvesting velvet, which is a high-priced commodity at the moment, and we have developed the program and are doing that

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48 Mr Darren Bayley, *Transcript of Evidence*, 21 October 2005, p. 16.

nationally now. Apiary was another one: they actually listed 10 sectors for which they were going to write new training packages for two years ago, and we are still waiting on those.<sup>49</sup>

- 3.60 The representatives of Animal Health Australia were particularly concerned at the delay, for they were operating the new training package without formal accreditation. Dr Robert Keogh, Director of Programs with Animal Health Australia, said in evidence:

We started an involvement in the development of these emergency disease competencies with the Rural Training Council of Australia, which was then the responsible party. That was part of the RTE03 package that Lorna [Dr Lorna Citer, Training Services Manager, Animal Health Australia] mentioned. I was on the steering committee for that package. During the course of that, responsibility changed from the RTCA to the Agrifood Industry Skills Council. Both from an Animal Health Australia interest and as a member of the steering committee, the transition seemed to have gone quite smoothly. I recall that we completed the drafting of the package in the fourth quarter of 2004. So the package, as far as the steering committee and Animal Health Australia was concerned, was tied up and ready to be considered by whatever the next level was and endorsed from the first quarter of 2005.

Our disappointment and concern – but we do not know where it lies – is that 15 months later that course and those competencies have, as we understand it, yet to be formally accredited. That is a difficulty for us because, as Lorna has indicated, we are doing this training with people and we hope that one of the incentives is that they get an accredited competency out of it. Until the training is accredited, we are on the verge of a misrepresentation. Our frustration is with the fact that 15 months down the track that process has not been completed. We do not know when it will be but, as has been indicated here, the need for training goes on and we are flying a little bit blind.<sup>50</sup>

- 3.61 Dr Lorna Citer, Training Services Manager, Animal Health Australia, in her evidence, highlighted the wider training credibility issues surrounding such problems, and the need to resolve them:

We are partnering a registered training organisation. If I could just take up from what Dr Keogh said, we finished drafting in

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49 Mr Andrew Coulthard, *Transcript of Evidence*, 14 November 2005, pp. 30-1.

50 Dr Robert Keogh, *Transcript of Evidence*, 15 February 2006, pp. 8-9.

December 2004. We went through a public consultation and validation of the competency standards in March 2005 and, in fact, convened a meeting of our interested members to attend plus invited the public to a validation meeting in Canberra. Our understanding was that the competency standards would be progressed quite quickly to DEST. One of the challenges has been the move from RTCA to AFISC at the same time as we have had ANTA moving to DEST. But we are now advised that DEST has changed some requirements and that the draft competency standards, which we are working with as if they are endorsed, have now got to undergo some additional review. We do not believe the review will impact the actual content, because it is looking at the employability skills and we are not immediate post-secondary training. At the end of the day, we are working with an RTO and we are following all the processes required for people to get a qualification. The RTO, at some inconvenience to it, has agreed to delay the issuance of the qualifications until endorsement has occurred. I think you are right: to the doubters of competency based accredited training it adds fuel to their fire. We are trying to operate within a federally agreed national training framework.<sup>51</sup>

- 3.62 Ms Jane Brownbill, Senior Manager, AFISC, responded to the specific concerns of Animal Health Australia, stating:

That training package was part of a project that is nearly complete. It was part of a project where we were undertaking work for units of competency for 10 different sectors. It was one of the 10 sectors, with things like mushrooms, bees and goats – a lot of our emerging industries. There was a hold-up with getting those competencies endorsed, because we needed to ensure that the employability skills are embedded in the training package and the new competencies. We have just completed that work. We are hoping that training package will be with the National Quality Council by June, and ready for people to start using it by July.<sup>52</sup>

- 3.63 Ms Rebecca Cross, Group Manager, Industry Skills Development Group, DEST, responded to the same concerns in the following way:

I am not aware of there being any more delays than previously in terms of that endorsement process. There have been some delays in putting packages out to the system. That has been the result of

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51 Dr Lorna Citer, *Transcript of Evidence*, 15 February 2006, p. 9.

52 Ms Jane Brownbill, *Transcript of Evidence*, 29 March 2006, p. 7.



the transition from one organisation to a new organisation. Most of the delays are brought about by the fact that to get a national training package up we require it to be signed off by all states and territories, along with employers and unions. That process to get people with quite different interests to reach agreement can in some cases take longer than anyone would like. I know that it can be a lengthy process, but that is so that we can get views from all the relevant parties and make sure that those views are properly incorporated in the training package design. I am not specifically aware of it taking any longer than it used to, other than a few teething issues in putting packages out to the public, and those issues were simply transition issues in the function moving from one organisation to another.<sup>53</sup>

- 3.64 The broader problem of slow development and review times for RTPs was addressed in its evidence by AFISC. It is seeking to implement a more streamlined accreditation and review process – a continuous improvement model – to speed up the process. According to Ms Brownbill, this would ‘ensure that the validation and consultation processes are done more efficiently and effectively but also ensure that we can get training packages to Department of Education, Science and Training more quickly for updates so that we can stay in line with what the current industry needs are’.<sup>54</sup> She noted, however, that the ultimate success of the accreditation process depended on the actions of others as well:

I think, quite frankly, some pressure needs to be put on the process of endorsement through the Department of Education, Science and Training and the state training authorities, and then through to the National Quality Council. That is a three-month process. We are hoping that our continuous improvement model will streamline things at our end, but we also need to look at streamlining at the other end.<sup>55</sup>

- 3.65 There was also some concern expressed at the capacity of AFISC to carry out its role. In its submission, Australian Wool Innovation Ltd expressed the view that the ‘AgriFood Skills Council (AFSC) has unrealistic terms of reference which span over 140 different rural and related industry sectors, a scope of operations made all the more unrealistic by

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53 Ms Rebecca Cross, DEST, *Transcript of Evidence*, 16 August 2006, p. 12.

54 Ms Jane Brownbill, *Transcript of Evidence*, 29 March 2006, p. 7.

55 Ms Jane Brownbill, *Transcript of Evidence*, 29 March 2006, p. 10.

inadequate current levels of funding'.<sup>56</sup> Similarly, in her evidence before the committee, Ms Nickie Berrisford (GITN) stated:

I must admit I have some extreme concerns at the moment with the role that the Agrifoods Industry Skills Council has, the amount of industries that it has responsibility for and the number of people there. I was at an industry champions activity last week and there is such a small number of people trying to take on board huge industry issues. If you are trying to take on board information from so many industries it is a bit of a concern about where that might go.<sup>57</sup>

3.66 The evidence from AFISC as to their current funding and staffing levels indicates to the committee that the concerns of AFISC's critics are not entirely misplaced. AFISC CEO, Mr Arthur Blewitt, stated:

On the funding side, we are provided a basic budget by DEST. We regard it as pretty much a seed budget. We tried to get supplementary funds, and we get that from other government departments. For example, we just did some work for the Department of Agriculture, Fisheries and Forestry on food auditing. Our industries are not terribly good at funds for enterprises like ours. Critically, we certainly could do with more funds, but I suspect that the government is unlikely at the moment, in terms of the current model, to do that until we have demonstrated our worth and, importantly, delivered some goods, which we are in good shape to do...

The other thing is that Jane [Brownbill] and I spend far too much time on the road. We have something in the order of eight staff and funding arrangements that run out next June when our initial three-year term runs out. I have to tell you that attracting people in Canberra, a very well paid city with government jobs and big super, to our small companies is extremely difficult.

... Secondly, we have a 14-person board to service as well as standing committees and other processes. We struggle to keep that up. I suppose there is a particular emphasis on Jane and me to get to industry, to understand industry and to feed that back through and hope that the rest of the processes of governance – which are in good shape – run themselves. But there is enormous pressure in

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56 Australian Wool Innovation Ltd, Submission no. 73, p. 2.

57 Ms Nickie Berrisford, *Transcript of Evidence*, 15 November 2005, p. 21.

running a business, doing our core job – which we talked about today – and, critically, doing it within a fairly confined budget.<sup>58</sup>

## Committee Conclusions

- 3.67 It is evident to the committee that there are serious problems with the responsiveness and flexibility of rural skills training packages. There appears to be a bureaucratic culture of protecting the integrity of the framework which is actually undermining confidence in the system. Once again the committee must stress that the integrity of the system depends first and foremost on successful outcomes.
- 3.68 There is a clear need for greater responsiveness in the development of new competencies and the modification of existing ones. The committee agrees with the evidence presented that where packages are developed by accredited training providers with the collaboration and approval of industry that should be sufficient to fulfil the requirements of course accreditation. If problems are subsequently identified, the opportunity can be taken to review accreditation then.
- 3.69 The committee also observes that given its central role in the development and accreditation of training packages, AFISC appears to be seriously under-resourced. The committee is of the view that a significant increase in funding and staff is required in order to allow AFISC to effectively carry out its role.

### **Recommendation 18**

- 3.70 **The committee recommends that the Australian Government revise the Australian Quality Training Framework with a view to making the adoption of new training packages and competencies in rural skills faster and easier.**

### **Recommendation 19**

- 3.71 **The committee recommends that the Australian Government revise the funding of the Agri-Food Industry Skills Council with a view to increasing funding and staffing to a level commensurate with its role.**

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58 Mr Arthur Blewitt, *Transcript of Evidence*, 29 March 2006, p. 13.

## Qualifications v. Skills

- 3.72 Another problem identified with the regulatory framework was the emphasis on qualifications rather than skills. In its submission, the Rural Training Council of Australia NSW noted:

Most current training funding models require a full qualification outcome rather than a more flexible unit of competency funding strategy. This greatly limits the uptake of training and appears at odds with the User Choice principles under the ATQF. Also, these models do not address the well documented learning preference of rural industries. This creates a disadvantage for rural industries when compared to the level of public funding that is accessed by other industry groups.<sup>59</sup>

- 3.73 In their submissions, both RTCA NSW and NMIT observe that this model fails to take into account the preferred learning strategies of farmers and existing rural workers, being primarily directed at new entrants to training, and fails to take account of the seasonal and operation needs of the rural workforce. <sup>60</sup> Mr Schaefer (Australian Agriculture Training Providers Network) told the committee:

Consistent advice from industry is that the provision of short, just-in-time skill sets training to match shortages is required. That is, less focus on full qualifications and more focus on short courses matching to improving (a) profitability, (b) employability, (c) safety, and (d) legislative compliance, which obviously has big financial implications. Our recommended strategy would be that more appropriate funding models be applied to the provision of required short-course training.<sup>61</sup>

- 3.74 Mr McKay (Australian Agricultural College Corporation) also made the point that full qualifications were not meeting industry needs:

Trying to sell a qualification to many rural producers is not exactly their immediate need. Their immediate need is a set of skills for themselves or for their employees. There is great emphasis on whole qualifications, because whole qualifications are easily measured and they go onto the OECD tables and all those sorts of things. They are all very good outcomes that people should try to obtain. But in the short term if you cannot actually get them

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59 Rural Training Council of Australia NSW, Submission no. 62, p. 2.

60 Rural Training Council of Australia NSW, Submission no. 62, p. 4; Northern Melbourne Institute of TAFE, Submission no. 26, pp. 7-8.

61 Mr Michael Schaefer, *Transcript of Evidence*, 14 November 2005, p. 81.

started on a pathway you have actually had a negative effect, not a positive one.<sup>62</sup>

- 3.75 The problem facing training providers, however, was that they were locked into a funding model directed at qualifications. Professor Peter Gregg, Chief Scientist, Cotton Catchment Communities Cooperative Research Centre, explained:

The minimum we can now give is a diploma course, which is eight units, and many people in the cotton industry, being busy people, are saying, 'I don't want to sign up for such a long, protracted course.' On the other hand, we are getting quite a lot of people doing both the cotton certificate and the grain certificate, which is modelled on the cotton certificate, and coming out with qualifications relevant to both those industries. But, on the other hand, I think we are losing a lot of people. That is the feedback we are getting from students: a lot of people are being put off by the fact that they have to enrol in a course that is eight units.<sup>63</sup>

- 3.76 Over and over again, the need for greater flexibility in terms of skills and qualifications was emphasised in the evidence presented to the committee. Mr Murray (Australian Agricultural College Corporation) noted the absence of a close connection between qualifications and industry needs, and urged a focus on vocational outcomes rather than qualifications:

There are two issues here: the qualifications and individual competencies may not meet their organisational needs; and, if you try to deliver a full qualification to an employee, it may not meet his organisational roles. Very few workers in agriculture have the same job level expectations at all levels within one qualification in all areas. For instance, someone might be a financial manager and have nothing to do with the stock or whatever else, or they may be involved in the stock but not do the books or the farm management side. I believe we need to be able to supply the vocational outcomes initially to meet their direct and immediate needs and then use the other processes we are talking about by which we can take those individuals to, or encourage the employer to subsidise them in, the uptake of a full qualification.<sup>64</sup>

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62 Mr Malcolm McKay, *Transcript of Evidence*, 11 April 2006, p. 52.

63 Prof. Peter Gregg, *Transcript of Evidence*, 9 March 2006, pp. 20-1.

64 Mr Ross Murray, *Transcript of Evidence*, 11 April 2006, p. 54.

- 3.77 The solution, according to Mr McKay, was closer collaboration with industry within the context of a more flexible and user friendly framework:

We believe the way forward in the process should be to seek out with these regional industry type groups what are the skill sets that they need for their employees and to deliver those skill sets in terms of competencies which are actually part qualifications. Employers will support their employees to gain those competencies because they are immediately related to their enterprise needs at the time. A whole qualification contains a whole lot of competencies that they do not see the immediate need for in their enterprise, and therefore they do not have the same level of support for those activities.

We think we need a two-pronged approach. One is a set of skills that meets those industry needs and those enterprise needs which are focused on the employers. The RTOs like ourselves should then take on the responsibility of targeting those individuals who are part qualified and making quite clear to them the pathways they could take to fill in those gaps and get the qualification. It is a catchy-catchy process to get on board employers who will support the employees getting to a certain way along the qualification and to then switch the emphasis to the individual getting the qualification. At the moment all the emphasis is on the full qualification and trying to promote that end of the spectrum. It is somewhat counterproductive in lots of cases.<sup>65</sup>

- 3.78 The solution put to the committee was to focus on competencies – skills – rather than qualifications, allowing individuals and industries to ‘cherry pick’ from the range of available training packages those particular competencies that they regarded as relevant to them. Funding for training would follow the same model. In his evidence before the committee, Mr Jacobsen (NSW Rural and Related Industries Skill Advisory Committee) stated:

With regard to funding for training, I think the most significant alteration I would make to the system would be to fund training for rural industries on the basis of units of competency, as opposed to whole qualifications, because rural industries seem to like to cherry-pick from the training package the training they need. They are not particularly interested in the full qualification. That is what the training is based on at the moment. It is focused

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65 Mr Malcolm McKay, *Transcript of Evidence*, 11 April 2006, pp. 52–3.

on the old type of TAFE delivery where you turn up two days or two nights a week. That does not take into account production demands, work demands or seasonal variations. With regard to funding, that would be the big one.<sup>66</sup>

3.79 A number of submissions and witnesses supported this proposition. In its submission, RTCA NSW argued that ‘funding of RTOs should be based on the delivery of units of competency rather than a full qualification’.<sup>67</sup> In evidence before the committee, Mr Leutton (Cotton Australia) described what he called a ‘supermarket of competencies’ from which industries could create their own training packages relevant to their needs, citing the example of the cotton industry’s Cotton Basics package.<sup>68</sup>

3.80 Mr Harris (National Association of Agricultural Educators) also endorsed the competency approach for its flexibility, but warned against using it to boost bureaucratic targets:

Competency based training, where you mark students off, is a great idea. If they already have those competencies then you just tick them off and you move on to others. You are not locked into doing a two- or three-year apprenticeship. If you already know 1½ years worth of work and you can be marked off for it, mark it off. Then you can complete the rest of it in six months and go and do something else. I see some great advantages in competency based assessment, provided all parties are aware of what the level of competency is at which they have been assessed and as long as it is not a system which could be perverted because of requirements to get a certain amount of fodder over the wall.<sup>69</sup>

3.81 One problem identified with this approach is that even individual competencies can be too broad. In its submission, Primary Skills Victoria noted:

In examining the individual competencies of the RPTP one, *RTC2307A – Operate machinery and equipment* is a good example which illustrates some of the problems associated with the generic nature of many competencies. It covers the operation of all farm machinery. However, the skills required for driving a tractor with trailed attached equipment are completely different to those

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66 Mr Niel Jacobsen, *Transcript of Evidence*, 21 October 2005, p. 2.

67 Rural Training Council of Australia NSW, Submission no. 62, p. 6.

68 Mr Ralph Leutton, *Transcript of Evidence*, 20 October 2005, pp. 89, 86.

69 Mr Graeme Harris, *Transcript of Evidence*, 9 March 2006, pp. 48-9.

required for operating machinery such as harvesters and clearly need to be acquired separately. This is an example of generic competency delivery which does not allow adequate skills development for different equipment in different contexts.<sup>70</sup>

- 3.82 Similar concerns were raised in his submission by Mr Peter Berrisford, who argued that some competencies were far too long:

Research shows that as a general rule the length of the units of competency in the Rural Training Package are far too long to enable any easy packaging of them into the short sharp courses the industry is looking for...

The fact that a competency could be so complex that it is 260 hours long defies belief. I would recommend that as a general rule that 40 hours be the limit for any competency.<sup>71</sup>

- 3.83 He stated in evidence:

Within that rural training package, the idea is that qualifications are built up by doing competencies. Some of the competencies they describe are 260 hours long. That is not a competency; that is a whole course. Sewing a crop has all these activities you have to do that should be divided up into each one so that it is much easier and more flexible for providers to deliver and easier for students to package their qualification together. No-one will try it if it is 260 hours because it is too long – you cannot fit it in.<sup>72</sup>

## Committee Conclusions

- 3.84 The committee is in full agreement with the view that the focus in rural skills training should be on skills rather than qualifications. It notes that the response of industry to the focus on qualifications rather than skills under the current framework has been to design its own training packages to better fulfil its needs. Clearly, training packages need to be better aligned to industry needs, the focus should be on competencies rather than broader qualifications, and competencies should be broken down to make them more easily digested by the rural workforce. This will result in better targeted training without any diminution of quality.

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70 Primary Skills Victoria, Submission no. 101, p. 10.

71 Mr Peter Berrisford, Submission no. 54, pp. 10–11.

72 Mr Peter Berrisford, *Transcript of Evidence*, 15 November 2005, pp. 25–6.



**Recommendation 20**

3.85 **The committee recommends that the Australian Government, in conjunction with State and Territory Governments, revises VET training in rural skills to provide:**

- **A training framework based on the attainment of individual competencies as well as formal qualifications;**
- **A funding formula that takes into account training in individual competencies as well as whole qualifications; and**
- **A reformulation of individual competencies to provide for courses more specifically targeted at particular skills and industries and of shorter duration.**

## Generic Competencies

3.86 One of the aspects of training emphasised in the evidence received by the committee was the desire of employers for training that made employees work ready. Mrs Wendy Allen, Manager, Training and Corporate Partners, for AgForce in Queensland, told the committee:

There is a difference between doing the course, getting the tick and coming out of it and being competent and industry ready. That has been a big issue in Queensland. There has been a lot of discussion about overservicing and using a lot of training hours to get those students ready to be employed. To me that means there has to be a readjustment of their training course. Maybe they should have a year in the college, a year out as a practical component and then come back and finish it off. The industry needs people ready to be employed – useful young people who can actually go onto the farm, start working and be a useful component of the farm. Farmers do not have the time to be doing all the training on their farm. They are busy keeping their enterprises going and dealing with a whole range of other things such as the drought. I think having the young people industry ready will make a big difference.<sup>73</sup>

3.87 There was considerable concern, however, that current training packages were not producing ‘work-ready’ staff. In evidence before the

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73 Mrs Wendy Allen, *Transcript of Evidence*, 11 April 2006, p. 14.

committee, Mr Darren Bayley (National Conservation and Land Management Training Providers Network) stated:

Industry needs to be able to identify the skill sets and qualification structures in its training package. With the current trend in vocational training towards generic competencies and competency standards that have abstract wording and imprecise language, I think we risk alienating industry groups and devaluing the academic transcripts that individuals take to future employers.<sup>74</sup>

3.88 In its submission, Australian Dairy Farmers Ltd questioned the quality of VET, particularly the increasing reliance on generic competencies:

In a qualitative sense, too, education services are often inadequate. Several problems can be found here: moves from specialist to generic courses; inflexible curricula; failure to harness available expertise; slow response times; limited use of adult education approaches; and lack of attention by industry.

Reducing investment by governments and poor enrolments in specialist courses have the inevitable result of searches for more "efficient" ways of provision, generally through creating generic courses to suit a wider range of industries, thereby expecting to attract a larger number of participants. Unless creatively designed and marketed, generic courses are often perceived as less relevant. Such perceptions are underlined when curricula leave little room for rapid adaptation to current needs and opportunities, and when providers take many months and even years to design and offer new courses based on emergent needs. While providers must accept some of the responsibility for this, industry's silence is also a critical factor. If industry does not effectively and persistently promote its needs to providers, they might sensibly resort to centralised design and production and reduce resources.<sup>75</sup>

3.89 Nursery & Garden Industry Australia also questioned the value of the current packages and competencies, arguing that training providers must ensure a transfer of skill level enabling participants to perform activities adequately and with confidence, something which was not necessarily occurring now:

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

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74 Mr Darren Bayley, *Transcript of Evidence*, 21 October 2005, p. 13.

75 Australian Dairy Farmers Ltd, Submission no. 72, p. 5.

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.<sup>76</sup>

- 3.90 The National Conservation and Land Management Training Providers Network also expressed concerned about the impact of generic competencies – this time from the perspective of RTOs:

At higher Australian Qualification Training Framework (AQTF) levels (certificate 4 and above) there is a focus on generic management skills while there is a lack of higher level technical skills. To improve training outcomes, ANTA needs to abandon its commitment to more generic units and provide more detail in its competencies. Registered Training Organisations (RTOs) rely on training packages for their training specifications (their intended purpose). More and more generic units provide RTOs with less and less in the way of training and assessment specifications, which will lead to poorer training outcomes where generic units of competency are used in technical skill areas. Generic units are acceptable and are best used in business and communication fields.<sup>77</sup>

- 3.91 AFISC is aware of both the significance and extent of this problem. Mr Blewitt (AFISC) told the committee that his organisation was undertaking a review of the training packages with a view to rationalising the training packages – 'clean them up and make them understandable so that they are more applicable directly to industry driven needs'.<sup>78</sup> This rationalisation was intended to target 'soft skills':

**Ms Brownbill** – I think you are right. I know that what we are doing in the area of rationalisation and duplication across our

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76 Nursery & Garden Industry Australia, Submission no. 74, pp. 3–4.

77 National Conservation and Land Management Training Providers Network, Submission no. 17, p. 2.

78 Mr Arthur Blewitt, *Transcript of Evidence*, 29 March 2006, p. 4.

industries is looking at what we could call soft skills. Occupational health and safety, communications and teamwork are very important skills. We are looking at rationalising them down so that, when an employer or organisation needs somebody to do a job, the real, technical skills that they need are more easily available for that person to actually get their hands on using those competencies. What I heard in Queensland yesterday was that some of the TAFEs up there are filling up the certificate II in rural operations with all of these soft skills, which are easy to deliver, and then for the rest of it they do not actually have to get their hands dirty with the more technical skills. Freddy still comes out with a certificate II in rural operations, but it is not as technically focused. That is something we believe is not right. Another story we heard was of an arboriculturalist who came out with a certificate III in –

**Mr Blewitt** – They cut down trees.

**Ms Brownbill** – Arboriculturalists cut down trees; that is what they do. This kid came out with a certificate III, which is like a trade qualification – but he had never been up a tree. This is a problem.

**Mr Blewitt** – That comes back to your point, that we have to watch that we do not dumb-down this process.

**Ms Brownbill** – That is right.<sup>79</sup>

- 3.92 Nonetheless, considerable concern has been expressed that the ANTA/AFISC rationalisation of competencies will lead to a further loss of specificity and the creation of more generic competencies, to the detriment of industry and RTOs alike.<sup>80</sup>

## Committee Conclusions

- 3.93 The committee shares industry concerns about generic competencies. The failure to target specific industry needs and the focus upon 'soft skills' is undermining industry confidence in the VET system. The committee acknowledges that AFISC has undertaken a program to address these concerns, identifying areas of duplication, 'rationalising' rural skills competencies to make them 'more applicable directly to industry driven

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79 Ms Jane Brownbill & Mr Arthur Blewitt, *Transcript of Evidence*, 29 March 2006, pp. 15–16.

80 National Agriculture Training Provider Network, Submission no. 25, p. 2; Mr William Kinsey, *Transcript of Evidence*, 14 November 2005, p. 81; Primary Skills Victoria, Submission no. 101, pp. 10–11; Northern Melbourne Institute of TAFE, Submission no. 26, p. 8.

needs'. The committee appreciates that there is a fine line between making training so industry specific that each industry in effect ends up reinventing the wheel and making training so broad that it fails to meet the specific needs of any industry. It is to be hoped that in reviewing the training packages AFISC strikes the right balance between the two.

## Solutions

- 3.94 The committee notes that aside from those recommendations already highlighted, a number of suggestions were made which would enhance the flexibility and responsiveness of the VET framework and the overall performance of the VET sector. These were the mutually complementary concepts of a skill passport, nesting of qualifications and recognition of prior learning; and the rationalisation of providers within the VET sector.

## Skills Passport

- 3.95 A 'skills passport' is a document which would enable rural workers to obtain skills in one location and have them recognised in another, a whole range of skills being accumulated and documented over time in a manner that can be easily verified – by the presentation of their skills passport. As Mr De Landgraftt (WAFarmers) told the committee:

This has been thought about by better people than me – what they call the 'skills passport'. It has never really got going. We have had a go at firing it up here, and Rural Skills Australia have had a bit of a go at getting it going. I really think it is time we bit the bullet on it. If someone comes casually onto a farm they do become quite competent in those areas in quite a short period of time, but we do not certificate them for that. If you did get that theoretical stamp on your passport for having attained those competencies, the next one you roll onto might be fruit picking, shearing or whatever. If you end up with enough stamps on there, you should be qualified as a tradesman. Obviously, you would have a system whereby certain skills were required and perhaps there would be some form of external auditing or testing to verify it.<sup>81</sup>

- 3.96 The concept was being tried in Queensland, where, Mr Rod Camm, Executive Director, Industry Development Division, of the Queensland Department of Employment and Training, noted that it allowed seasonal

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81 Mr Trevor De Landgraftt, *Transcript of Evidence*, 20 July 2005, p. 10.

workers to 'buy into work and then buy out' while still having their skills recognised.<sup>82</sup> The Queensland Rural Industry Training Council has actively promoted the concept 'as a means of preparing workers to take advantage of the diversity of agricultural employment opportunities that arise, generally on a seasonal basis'.<sup>83</sup> Mrs Denita Wawn, Workplace Relations Manager for the National Farmers Federation, told the committee that the NFF had also discussed a skills passport, for 'both Australians and international workers'.<sup>84</sup>

3.97 In answer to questions put by the committee, DEST advised of work it had undertaken along these lines, stating:

In 2004 DEST funded a national strategic project with the former Australian National Training Authority (ANTA) titled 'Development of a Strategy to support the Universal Recognition of Employability Skills', which found that a skills portfolio model should be applied to the schools, higher education, VTE and community sectors.

DEST subsequently funded Education.au to develop and trial an employability skills e-portfolio prototype designed to match the look of the my future website during 2005. The Australian Government provided funding of \$200,000 for the development of this e-portfolio trial.

The trial e-portfolio enabled each student to record his or her employability skills and create a tool to collate skills and achievements. The e-portfolio website was trialed in SA and the ACT with adjustments made in response to trial outcomes.

Implementation options are being considered alongside other significant employability skills activities including the embedding of the Employability Skills Framework into training packages and issues raised about how to recognise employability skills in school students in the consultation on the possible introduction of an Australian Certificate of Education.<sup>85</sup>

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82 Mr Rod Camm, *Transcript of Evidence*, 10 April 2006, p. 57.

83 Queensland Rural Industry Training Council, Submission no. 28, p. 5.

84 Mrs Denita Wawn, *Transcript of Evidence*, 10 August 2005, p. 13.

85 DEST, Submission no. 116, p. 11.

## Nesting

- 3.98 A similar concept is that of 'nesting', whereby different competencies and levels of qualification are integrated with one another. In its submission, Primary Skills Victoria noted that if nesting were available it would 'allow and encourage short accredited courses to be designed, which on completion would be credited towards higher qualifications'. Moreover, nesting 'encourages the development of pathways and ensures that practical skills at operator level are integrated with the requisite background knowledge components' of higher qualifications.<sup>86</sup> But, as Primary Skills Victoria noted, nesting arrangements were not included in the structure of the Rural Production Training Package:

The stand-alone concept of an integrated competency was a concept championed by the Rural Training Council of Australia which developed the original Agriculture Training Package. However, the lack of nesting discourages those in the industry from seeking to undertake further formal training and gain higher qualifications. To currently complete a full Diploma program having previously completed 800 hours or more of Certificate III training followed by up to 1200 hours for a Certificate IV, still requires a further 715 to 1760 hours totalling a possible 3760 nominal hours of training according to the current Purchasing Guide.<sup>87</sup>

- 3.99 The lack of provision for nesting within the Rural Production Training Package was identified as a serious shortcoming by several witnesses. In his evidence before the committee, Mr Peter Berrisford stated:

The way the national rural training package was set up is the problem. It needs extensive revision so that you can achieve things such as nesting, which other industries have. A nesting arrangement is where, for example, the diploma qualification is up here and all the others fit in underneath it. There might be 2,000 hours of study to get the diploma, and the others sit in underneath it. At the moment each one is an individual qualification. When you do one you do not necessarily gain any points for the next one. They are individually defined. I think that package needs a lot of work and the industry is being delivered a disservice with that particular package.<sup>88</sup>

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86 Primary Skills Victoria, Submission no. 101, p. 9.

87 Primary Skills Victoria, Submission no. 101, p. 9.

88 Mr Peter Berrisford, *Transcript of Evidence*, 15 November 2005, p. 25.

- 3.100 Mr Hallihan (Primary Skills Victoria) argued that the absence of nesting was a significant disincentive to pursue training:

In the national system there was a policy decision in the development of training packages in the agricultural sector that anyone should be able to enter the training system from any level. That meant that, if someone chose to come in at a certificate IV/V level, they did not need to build a qualification from the lower levels up. There is some good commonsense in that. However, in practical terms, it negates against itself where someone cannot engage in a cert II – traditionally the level at high schools – and then do a cert III or IV and have everything they have learned added together to get their diploma or their cert IV or cert III. Nesting does not exist within our training package, and it requires a cooperative RTO or school to accredit and map any previous learning – whether it be through certificates or lifelong learning – to tick off and get them advanced status in their further qualifications. So, in principle it works well; in practice it does not. We have people having to do a lot more hours than they otherwise would need to do, which disengages farmers particularly from the qualification.<sup>89</sup>

- 3.101 In its submission, the Northern Melbourne Institute of TAFE advocated nesting as a way of creating greater flexibility and meeting the needs of a wider range of potential trainees:

NMIT also suggests that training package qualifications and packaging rules in the rural industries may be better designed to allow for ongoing 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.<sup>90</sup>

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89 Mr Gregory Hallihan, *Transcript of Evidence*, 14 November 2005, p. 15.

90 Northern Melbourne Institute of TAFE, Submission no. 26, p. 8.



## Recognition of Prior Learning

- 3.102 Recognition of Prior Learning (RPL) and Recognition of Current Competencies (RCC) are widely acknowledged as a valuable way of recognising skill and encouraging training. In its submission DPI NSW observed that the 'formal recognition of a producer's skill will encourage confidence in either seeking alternative employment or being more positive about the future of farming as a profession'.<sup>91</sup> DPI has undertaken RPL programs for farmers, 'which have been well regarded':

RPL is seen as a way of raising the self confidence and self esteem in the rural community, especially in times of severe adjustment and change. This has been of great assistance to farmers – particularly in the dairy industry – given the changes which have occurred in recent years following deregulation.<sup>92</sup>

- 3.103 As DPI acknowledged, however, to date RPL 'has not been fully used to support adult training'.<sup>93</sup>

- 3.104 The importance and the difficulties associated with RCC and RPL were also recognised by Rural Skills Australia. Its submission stated:

It should be noted that opportunities may exist for persons to seek formal recognition of their skills, knowledge and capacities through Recognition of Current Competencies (RCC) or Recognition of Prior Learning (RPL) processes regardless of where the knowledge, skills and capacities were acquired, through previous training, work or life experiences. It is widely recognised that progress towards establishing readily accessible, user friendly and affordable RPL or RCC processes for farmers and their employees has generally been slow. Further development activity is urgently required to facilitate and encourage greater industry and RTO involvement with RPL or RCC processes so that skills are better identified for legislative, quality assurance and other purposes.<sup>94</sup>

- 3.105 The principle obstacles to RPL appear to be cost and complexity. In evidence before the committee, Mr Peter Arkle, Rural Affairs Manager, National Farmers' Federation, stated:

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91 Department of Primary Industries NSW, Submission no. 91, p. 3.

92 Department of Primary Industries NSW, Submission no. 91, p. 7.

93 Department of Primary Industries NSW, Submission no. 91, p. 3.

94 Rural Skills Australia, Submission no. 71, p. 4.

The broader question of recognition of prior learning is a real one and is certainly something that we have covered in detail in our labour shortage action plan. Once again, huge costs are involved in the RPL process – seeking the assessment, documenting through paper records and other means of substantiating your competence. It is a terribly bureaucratic process that is tied up with a lot of red tape. There is certainly a lot of scope there to free up, to achieve some greater flexibility in how those skills are recognised. The reality for our industry is that in those peak times, be it harvest on a grain farm or a horticultural enterprise, we cannot afford to be knocking back labour on the basis of whether or not they have got formal qualifications. We need to streamline that process and get the tick-off that we need in a legal sense as quickly as we can. That needs to be simplified. There is some good work going on in the department on that. It is certainly an area where we need to focus on going forward.<sup>95</sup>

- 3.106 In similar vein, Mrs Wigley (Queensland Rural Industry Training Council) told the committee:

We made a concerted effort in 2000 to make sure that our rural industries, particularly, became the RPL places. We were told originally that it would never work, but in the last five years we have had RPLd something like 880 rural producers. But, when we have gone backwards, most of them have said that the process, even at that high level, has been so convoluted and so time consuming for people that quite often they would have been better off enrolling in a course. At that scale, it sounds all right, but it is even worse at the lower scales when you want to be RPLd at, say, a level 3, which is a beginning trades labourer level. The reports we get back are that it is more convoluted at that level.<sup>96</sup>

- 3.107 Mr William Kinsey, representing the Australian Agriculture Training Providers Network, emphasised that RPL was time consuming and expensive and needed to be adequately funded:

Recognition of prior learning, or skills recognition, is an important component of the national training package delivery. It enables farmers and others to be trained in areas that they do not already know rather than in skills that they already have. Skills recognition can be time consuming and expensive, almost as much as conventional training, and yet is not usually funded

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95 Mr Peter Arkle, *Transcript of Evidence*, 10 August 2005, pp. 6–7.

96 Mrs Yvon Wigley, *Transcript of Evidence*, 10 April 2006, pp. 16–17.

accordingly. There is very little funding at times for skills recognition for farmers compared with traditional programs. Our recommended strategy in this area would be that RPL is recommended by government as a necessary tool for the effective delivery of national training packages and funded accordingly.<sup>97</sup>

- 3.108 Mr Wayne Cornish, the Chair of Rural Skills Australia, argued strongly for dedicated RPL assessors to replace RTOs:

The first part of the question was: how do you start solving this recognition of prior learning stuff? My view – it is a private view – is that there needs to be a group of dedicated assessors put in place because, at the moment, if you want to be assessed, it costs an arm and a leg. You have to go to an RTO of some description, and they rob of you blind. There needs to be a process which is affordable. I personally believe that having a dedicated group of assessors for this specific purpose in Australia would cut a significant amount of cost out of it.<sup>98</sup>

- 3.109 In evidence presented to the committee, DEST acknowledged the importance of and difficulties surrounding RPL, noting that COAG had agreed to implement a contractual obligation upon public funded RTOs and assessment centres ‘to offer all workers entering training a quick and simple process to recognise their existing skills’, commencing 1 January 2007. DEST also noted that COAG had also agreed to establish a three year RPL program from 1 July 2006 to build the training system’s capacity to deliver quality RPL and drive good practice. The program would assist RTOs and assessment centres to provide streamlined skills assessment and recognition processes and assist individuals and employers to access better information about RPL.<sup>99</sup>

## Committee Conclusions

- 3.110 The committee believes that RPL and RCC are vital components of skills training and recognition in rural industries, and welcomes the COAG initiative to ensure that RPL and RCC operate to better effect in the future.
- 3.111 The committee is also of the view that skills passports and nesting have the potential to provide much more flexibility in the transmission of rural skills. Nesting will make it possible for people to move in and between different levels of the training framework more easily. A skills passport

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97 Mr William Kinsey, *Transcript of Evidence*, 14 November 2005, p. 81.

98 Mr Wayne Cornish, *Transcript of Evidence*, 10 August 2005, pp. 9–10.

99 DEST, Submission no. 116, pp. 8–9.

will provide formal recognition for skills acquired through formal training and informally, providing a flexible means for people to move within and between industries while having their skills recognised, and provide a formal mechanism for RPL into the future. A skills passport also has the potential to allow workers to have their skills recognised while moving between countries, giving workers greater access to employment opportunities and employers access to a larger pool of work ready employees.

### **Recommendation 21**

- 3.112 The committee recommends that the Australian Government direct the Agri-Food Industry Skills Council to revise the Rural Production Training Package to allow for the nesting of competencies and qualifications.**

### **Recommendation 22**

- 3.113 The committee recommends that the Australian Government, in consultation with industry, develop a skills passport system for the recognition and transfer of skills in rural industries, and that reciprocal arrangements be undertaken with other countries to allow skills passport recognition across international borders.**

## **Rationalising providers**

- 3.114 The committee notes that several submissions called for a rationalisation of the VET sector, with one submission urging the creation of a national strategy for rural training and education across all sectors. In its submission, the Faculty of Land and Food Resources at the University of Melbourne recommended that:

It would be in the best interest of delivering quality agricultural and related education programs in Victoria if there were fewer than the present 19 TAFE Institutes and several other private providers offering VET courses. A reduction in the number of

providers would increase the concentration of resources and contribute to a well coordinated State-wide delivery system.<sup>100</sup>

- 3.115 The submission from the School of Rural Science and Agriculture at the University of New England, argued that ‘present education services for agriculture are being rapidly eroded as resources are too thinly spread across a large number of providers’.<sup>101</sup> In its submission, the Faculty of Natural Resources, Agriculture and Veterinary Science at the University of Queensland stated:

Agricultural education is over-serviced, leading to unproductive competition and undesirable fragmentation of offerings limiting the ability of the overall system to mount new and innovative programs. Modern technology and emerging pedagogy and delivery paradigms may assist, but could also limit developments of critical mass of staff by maintaining dispersal of staff among institutions.

For vocational training, the large number of TAFE and other colleges/private providers offering agriculture leads to similar fragmentation so viable centres of training in selected aspects of agriculture are unlikely to emerge. Low student demand in individual colleges/campuses leads to an inability to provide adequate staff and other resources for these institutions, with the attendant risk of decline in standards and level of learning and skills acquisition by students.<sup>102</sup>

- 3.116 The submission further argued that the ‘optimum configuration of institutions’ – including universities – ‘can only come from a national review and planning process that transcends institutional and political demarcation issues and extends beyond short term political considerations’:<sup>103</sup>

The Faculty contends that agricultural education will be best served by a national plan for vocational and tertiary education implemented through well-funded and well-equipped institutions that have the benefits of critical mass in their areas of activity – this

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100 Faculty of Land and Food Resources, University of Melbourne, Submission no. 68, p. 1.

101 School of Rural Science and Agriculture, University of New England, Submission no. 47, p.1.

102 Faculty of Natural Resources, Agriculture and Veterinary Science, University of Queensland, Submission no. 77, p. 4.

103 Faculty of Natural Resources, Agriculture and Veterinary Science, University of Queensland, Submission no. 77, p. 4.

means a reduced number of institutions offering agriculture is inevitable.<sup>104</sup>

## Committee Conclusions

- 3.117 As with the university sector (see chapter 2), the committee can see the rationale for rationalising the VET sector. Concentrating resources within institutions which can provide a critical mass of facilities and teaching staff will ensure the survival of high quality, industry relevant, rural skills training. As with universities, funding must be provided regardless of fluctuations in student numbers and resources must be maintained to ensure quality of outcomes. The diversity of training organisations and the diverse needs of industries and regions will make this rationalisation process a difficult one, requiring a balancing of interests between school-based VET, agricultural colleges, TAFE and private RTOs. It also makes sense to conduct a review of VET provision in conjunction with a review of rural skills provision at university level, as part of a process of more closely linking the two. The committee is therefore of the view that a broad review of rural skills training across all sectors should be undertaken with a view to producing fewer, but better resourced, providers.

### Recommendation 23

- 3.118 **The committee recommends that the Australian Government review rural skills training by the VET sector, in conjunction with its review of higher education in agriculture and forestry, with a view to:**
- **Reducing the number of organisations providing courses in rural skills training; and**
  - **Increasing the overall level of funding for rural skills training, and placing it on a sustained basis.**

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<sup>104</sup> Faculty of Natural Resources, Agriculture and Veterinary Science, University of Queensland, Submission no. 77, p. 3.

