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STANDING COMMITTEE ON AGRICULTURE, FISHERIES AND
FORESTRY

Reference: Rural skills training and research

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HOUSE OF REPRESENTATIVES
STANDING COMMITTEE ON AGRICULTURE, FISHERIES AND FORESTRY
Wednesday, 10 August 2005

Members: Mr Schultz (*Chair*), Mr Adams (*Deputy Chair*), Mr Martin Ferguson, Mr Michael Ferguson, Mr Forrest, Mr Lindsay, Mr Gavan O'Connor, Mr Secker, Mr Tuckey and Mr Windsor

Members in attendance: Mr Adams, Mr Martin Ferguson, Mr Michael Ferguson, Mr Forrest, Mr Lindsay, Mr Gavan O'Connor, Mr Schultz, Mr Tuckey and Mr Windsor

Terms of reference for the inquiry:

To inquire into and report on:

- The availability and adequacy of education and research services in the agriculture sector, including access to vocational training and pathways from vocational education and training to tertiary education and work.
- The skills needs of agricultural industries in Australia, including the expertise and capacity of industries to specify the skills-sets required for training, and the extent to which vocational training meets the needs of rural industries.
- The provision of extension and advisory services to agricultural industries, including links and coordination between education, research and extension.
- The role of the Australian government in supporting education, research and advisory programs to support the viability and sustainability of Australian agriculture.

WITNESSES

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BLOOM, Mr Geoffrey Michael, Executive Director, Rural Skills Australia 1
CORNISH, Mr Wayne Alwyn, Chair, Rural Skills Australia 1
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Committee met at 5.12 pm**ARKLE, Mr Peter, Rural Affairs Manager, National Farmers Federation****WAWN, Mrs Denita, Workplace Relations Manager, National Farmers Federation****BLOOM, Mr Geoffrey Michael, Executive Director, Rural Skills Australia****CORNISH, Mr Wayne Alwyn, Chair, Rural Skills Australia**

CHAIR (Mr Schultz)—I declare open this public hearing of the House of Representatives Standing Committee on Agriculture, Fisheries and Forestry for its inquiry into rural skills training and research. This is the second public hearing for this important inquiry. Today the committee will hear from Rural Skills Australia and the National Farmers Federation together. I welcome the witnesses. Thank you for taking the time to give evidence to this committee today. For obvious reasons, which you are well aware of, this is a very important inquiry.

Although the committee does not require you to give evidence under oath, I advise you that these hearings are formal proceedings of the parliament. Consequently, they warrant the same respect as proceedings of the House itself. It is customary to remind witnesses that giving false or misleading evidence is a serious matter and may be regarded as a contempt of parliament. Would any of you like to make some brief introductory remarks?

Mr Cornish—Yes, thank you. Obviously you have our submission, so I will not bore you by repeating what we have said in that—it is pretty self-explanatory. I will, however, highlight some areas that do have real gravity attached to them. The first is the difference around the nation in terms of our rural communities' capability to deal with both state and Commonwealth arrangements. Usually training areas are put together in such a fashion that they need to be complementary. The variables in those things need to be addressed and a system needs to be put in place which can be better utilised by the rural community.

The other area which is not talked about in the written submission but which I would like to mention is the continual change which applies itself to rural skills generally, apprenticeships and seasonal work force arrangements. All of these are continually being changed. I am not sure whether it is considered to be upgrading or whether it is considered to be varying an investment by government into different areas to see whether there can be better outcomes, but I do know that it brings confusion to rural communities, particularly employers if they are considering different programs and initiatives. It is not helpful.

We need a process that has a proven track record and we really need to stick to our knitting and stay with that program for a period of time. These programs should certainly be amended if they are deficient in any area that is obvious, but we need to maintain programs so that they can sustain themselves within those rural communities. Because people are relatively conservative in their thinking in these areas, it takes some time for them to come up to speed initially. There is plenty of evidence to show that the confusion that is brought on by this continual process of change is not helpful. There needs to be longevity given to these programs to give them every opportunity to succeed.

The organisation that I chair and am representing today has a proven track record in being able to go into regional communities. It is supported by farmer organisations and rural communities. We have field officers in each of the states and there is a one-on-one approach which provides a great opportunity to dispel the confusion and frustration of just reading about a process. Agencies have the expectation that people can immediately pick these processes up but it is not that simple. There are some complicated issues involved. Being able to take the kitchen table approach and talk to potential employers about apprenticeships and employment and being able to take all the parties through the process and have a common approach is very useful. We would argue strongly that that capability—which we had to a greater extent originally than we have now—needs to be maintained in rural communities to get the best possible outcomes.

Unfortunately, the drought that we have all witnessed over the last two or three years has had an absolutely detrimental negative impact on rural employment in Australia, particularly down the eastern seaboard, where I believe 80,000 people have fallen out of those industries. That is going to present us with a really major problem in the future as those industries scramble back to full production and they require a work force that has the skills capability to offer the performance that is required. There needs to be a lot of effort put into, firstly, understanding the question and, secondly, dealing with it appropriately. Again, organisations that have the capability of being hands-on in those regions and with those communities are really important.

Finally, the farmer friendly nature and the employee friendly nature of these approaches are vital. Whilst Centrelink and others do an admirable job in some areas, the RSA, with farmer organisations, has at last cracked the nut of enjoying farmer confidence through products that we have—and I note that you have some of them in front of you—that clearly explain pathways and how to proceed, which is really important. It has only been in perhaps the last five years that we can actually say that that has been achieved. Before that, it was all smoke and mirrors and people simply did not understand what was going on. We have unlocked those doors. We would argue that we need to maintain that process and make sure that it is augmented and sustained.

CHAIR—Does anybody else wish to make a contribution?

Mrs Wawn—Yes, Mr Chairman. The National Farmers Federation are yet to put a written submission to this committee in relation to the terms of reference. The components of the terms of reference will be included quite extensively in a labour shortage action plan that we have been working on. We are literally putting the finishing touches to that action plan and are seeking endorsement from our member organisations. We hope to submit that to the committee in the next two to three weeks. I briefly want to outline the components of that to facilitate discussion this afternoon.

The key issue in relation to the labour shortage action plan is that there is not one answer to resolving labour issues and skill issues within rural communities; it is a multifaceted problem with a number of answers to it. We certainly identify that, while you can focus heavily on education and training, which is a very important component of resolving the skills and labour shortages, there are still number of other areas that need to be rectified. They include accommodation and transport, how the Job Network system operates, how we as farmers operate human resource management on our farms and where we actually get our labour from—we have a population drain from rural communities, so where are we going to access the labour that we are going to need in the next decade or so? We have also touched upon population issues and

migration issues, particularly skilled migration. Migration should be seen as a supplement to Australian labour and not as a replacement for Australian labour.

There is a range of areas that we are looking at. One area that is quite interesting is the perceptions of working in agriculture. There is a large range of negative perceptions about working in agriculture that we think are unfair and that need to be tackled. There will be a range of recommendations on how to deal with those perceptions as part of our action plan. We hope, as I said at the outset, to get that to the committee in the next few weeks, but I am certainly happy to take questions on those issues and hopefully answer some today. My colleague Mr Arkle will very briefly touch upon research before we go to questions.

CHAIR—Thank you very much, Mrs Wawn. I do appreciate your contribution. Correct me if I am going down the wrong path but it would probably be convenient for you and the committee—of course committee members can comment on this—if we put our questions to Rural Skills Australia first and then follow up with a series of questions to the NFF. Whilst you may be compatible in many instances—feel free to come in on the questions in that respect—you each are running in different directions but have the ultimate aim of coming to the same result. If you are happy with that and the committee is happy with that, we might start off with questions to Rural Skills Australia first.

Mr TUCKEY—I have a couple of general questions that I think are applicable to both groups. I am interested in the means by which young people can be given some idea of their role in agriculture. The point has just been made about negative perceptions. The idea that a married couple could be on a farm for 10 or 20 years is virtually extinct. There are a number of reasons for that—big equipment and a lot of other things. Suddenly, if you want to have a long-term job in agriculture, you must consider multiple skills and possibly having to move around a bit.

I do not want to overemphasise the bureaucracy but I wondered if, on this question, both parties might talk a bit about whether there is a need for some certificated courses that might be picked up under our technical colleges, for things as simple as driving a tractor. We now speak of an apprentice as being, perhaps, someone who puts the guttering on a house, not someone who puts the guttering and the roof on a house. There is a piece of paper that identifies some of those skills. With pressure, I hope, coming from you as much as from this committee, I wonder whether we could have some international agreements so younger people, be they in the United Kingdom or Australia, could have a virtual green card, if you like, and could follow their particular skill as a harvester operator or whatever in the agricultural sector so that it became a career of sorts, although it might not be something they want to carry on into their older age. Could you comment on those sorts of things in terms of how we might structure farming skills for the future, considering the changes?

As to my second question, you mentioned truck drivers. We as a government conspired with the states to cancel about 30,000 truck drivers licences. I was affected, but it probably did not make any difference to me at all. But I found that quite astounding. There is some suggestion that you forget how to drive a truck. I know that they are now battling to get people and there is \$2,000 in training fees to get back into the system. Would you comment on that and on other times that government changes the rules and people are lost to the industry? They might be retired farmers who used to go back and help the boys; they have been able to keep their six

tonne licence but all their multitrailer licences et cetera were taken off them because they were not behind the wheel virtually all the time.

Mr Cornish—That is a very broad question but hopefully I will start at the beginning. In the submission there are four or five pages outlining the areas of various qualifications and competencies that can be recognised, and they go to the intricacy of a lot of industry. The training packages that stand behind those are continually monitored and reviewed. They have a five-year life. The agricultural related ones have only been reviewed for about two years, from memory. Various elements of that training package are currently being reviewed. So there is a continuous process of reassessment. I support the process which we have at the minute because it does give benchmarks. Through these competency based training packages, it gives benchmarks for industry, it gives benchmarks for the people that enter industry, and I think it is a good system. It has not been seen to be failing. If there is any component of negative issue in there, it is about people's lack of understanding. We need to be able to address that properly.

In any curriculum based approach, unless you have national standards, it breaks down very quickly. This process that is adopted under the qualification pathways addresses that issue very sensibly. It is reviewed not only by industry on a five-yearly basis but also by the union movement that is involved with agriculture, particularly the AWU. We have a good relationship with them and they work with us in relation to these things. It is not just a high-flying committee of half a dozen people that looks at these things. They are subjected very thoroughly to industry scrutiny around the states and there is a collective approach taken to it. So I believe that it stands industry well.

I will move on to the second part of your question, which is a real concern, the part about careers advice and how young people, school-age people in particular, take that careers advice. RSA has done quite a bit of work. There are a number of other organisations which have done work over the years as well. In the pack of information that you received from us, there is a CD-ROM called ONtrack, which is one of our later attempts at identifying the process that young people need to take if they are to become engaged in industry. It also tries to lift the profile of industry.

I have to say that industry works very hard on not portraying a very attractive profile, to be frank, so it is somewhat understandable that careers advisers perhaps are not breaking their necks to recommend careers in agriculture and horticulture to young people when the industry itself says the things about itself that it does. That needs to be corrected, and some of us are working on that at the moment.

The issue of how professional career advisers are treated and the resources that they have at their disposal in talking to young people is an issue that is ongoing. As I said a moment ago, we have tried to address it in part. That product that is before you has had strong endorsement from industry itself. It goes a long way towards covering off the deficiencies—the gaps, if you like—but there is a long way further to go. The resources that are required to carry out that work will be significant, I suspect. In the last 24 months in particular, since that CD-ROM was produced, industry has shown a real capability to put its shoulder to the wheel and have a fair dinkum crack at this.

Unfortunately, the drought came along and wet our matches to a degree. We were just starting to get on a roll. It was really having quite a significant impact on rural communities and the apprenticeship uptake. Then Minister Kemp engaged us wholeheartedly and we made a significant improvement. In comparative terms we took rural industries from the bottom of the heap to virtually the top of the heap in a very short space of time. The drought came along and poleaxed us. Unfortunately, that good work has not been able to proceed at the rate we would have liked. Given the climatic conditions, hopefully we will continue to improve. We hope that we can pick up from where we left off and make that difference.

CHAIR—Can you expand on the point you just made about the drought poleaxing you? In what way did it knock you about?

Mr Cornish—It probably was not even reasonable, but it certainly was not the time to be going to people and saying, ‘What about taking on an apprenticeship? What about taking on some more employees?’ when the poor beggars were thinking about survival alone. If they had employees, nine times out of 10 it was a matter of ‘How can we hold those employees or minimise the impact on us and them so that we might be able to retain them again in the future somehow?’ It was very desperate times. It still is for a lot of people.

CHAIR—So you are saying that during the drought period rural employers were downsizing and putting people off and that that set you back to the extent where, once the drought breaks and they get back into production, whether it is on the farm or in a farm business, they re-employ and start from scratch again.

Mr Cornish—Yes.

CHAIR—Would there be any mechanism that you would be aware of whereby governments could facilitate the cost of looking after those critical employees—critical in terms of the need in the industry as a whole—to make sure that they stay within the industry during those sorts of interventionary periods where drought creates those sorts of problems?

Mr Cornish—Absolutely. It is probably more appropriate for the NFF people to answer that question, but my belief is that there has not been sufficient horsepower applied to this issue regarding people who are employees of a farming enterprise which has significant problems for reasons of drought—or bushfire or whatever, I suspect, but certainly drought. If there was a more lateral approach taken to this through Centrelink, where people who have been long-term employees, rather than being forced onto social security arrangements—

CHAIR—That is the very point I am getting to—the cost to the taxpayer.

Mr Cornish—The social security component should match the wellbeing of that farming enterprise; and, in turn, the employee’s long-term sustainability, somehow, with a bit of lateral thinking, could be closely aligned, I think. It was suggested some time ago, but I am not aware of it actually moving forward to any major degree. But from my point of view there is certainly a real opportunity to do something which is a little more sensible from everybody’s point of view than what we have at hand at the moment. It forces people apart. I am talking about the employer-employee relationship. It has the impact on survival meaning that you are forcing

people apart rather than trying to hold that unit together. When you think about it, it does not make much sense.

Mr TUCKEY—In looking at this list—and you commented on it—the question I was really asking was this: if I were contemplating beekeeping, for instance, do I have to do all the subjects allocated here or can I be a specialist in that list? That is the comment I wanted to make. I will keep coming back to my example in the wheat industry. Can people get a competency certificate in driving a header? There may have been something that they have learned on the job, I understand. What if we are going to have some opportunity for an Australian to go to North America or what about someone from the UK? We have a huge amount of trouble every time a farmer wants to bring out a couple of blokes from the UK. There is a process, but the trouble that they have to go to is annoying. Why couldn't we have a group of international workers who followed those seasonal jobs, which young people might find very attractive? What I am really asking is this: in what has become a seasonal industry, how is training giving people the opportunity to follow it through? That can include moving from being a header driver to being a truck driver within the industry—hence those 30,000 licences that were knocked out.

Mr Cornish—A training package is made up of a number of modules. Within those modules, there are elements. If you start on a learning pathway, there is no compulsion that you have to start at square one and end up at square X. You can pick and choose whatever elements, components or modules you wish from those training packages. The answer to your question, in brief terms, is that yes, if people want to do a beekeeper course, they can do very elementary things or they can go virtually through to diploma level if they wish. It is all self-paced. It is entirely up to the participant, given that they have the appropriate training organisation under the VET system, or private providers, to be able to undertake that activity. What you have asked about is entirely possible. People are doing it all the time.

Mr TUCKEY—What does NFF have to say about those questions?

Mr Arkle—To elaborate on that very point, there is certainly flexibility within the national quality training framework about the competency structure that Wayne has explained to achieve that recognition of skills. But I guess the motivation issue is probably the real one at the farm level. What is the motivation for an employer to financially support an employee to go through that assessment process and get those skills recognised? That is probably where the system is not being fully utilised at the moment. It is costly. We are talking about individual employees here, unlike some urban workplaces where you can achieve economies of scale to justify the costs of achieving that—the assessment and the like—combined with the distance issues.

There are certainly some opportunities for the committee to look at those issues in relation to financial support. We have programs like FarmBis, which is very valuable at the employer level, but employees are not picked up by that. You have to ask whether those skills are required in the farm workplace. That is an important element.

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.

Mr LINDSAY—I would like to explore the possible role of Australian technical colleges in rural and regional Australia. As you would be aware, ATCs are enormously flexible and each one will be different from the other. Have you considered the opportunity that ATCs present? If so, what have you done about it, or would you say to this committee that you would like to see ATCs extended into the rural areas?

Mr Arkle—Obviously we were very interested in the announcement over the course of the election on the framework for the technical colleges. I guess we were disappointed in a sense that rural skill shortages were not acknowledged within that framework. So certainly that is an issue. In terms of what we have done about that, we have had some useful, constructive discussions with Minister Hardgrave on the issue. His view was that, if an individual region identified in the election commitment could identify rural skills shortages at that regional level—if there was a clear need in the communities we were looking at—then he was willing to entertain the possibility of broadening that framework. To be honest, we have not pursued anything at the national level as a consequence of resource constraints. We have supported a number of states and regional organisations that are affiliated with NFF to progress things, and, to be honest, I am not quite sure exactly how those applications were going, but they are in play. Certainly the model has a lot of appeal. Tying together the VET as well as the formal academic training is so important. We are looking at an industry now that requires not only those vocational qualifications but, more and more, those tertiary qualifications. If a student can go through that avenue and, at the end of their year 11 and 12 education, have those two pathways readily available to them but still undertake that education in their regional centre within their production region, it gives them numerous options.

Mr LINDSAY—Before we finish on what you are saying, what about Rural Skills Australia? Have you thought about ATCs?

Mr Bloom—Currently we are funded through the Commonwealth government. One of our major roles is for the education and training advisers that are located in the states to advise on the current training packages as they exist and promote new apprenticeships. On the other side we have some people working with the schools that are promoting the careers. They are promoting part-time new apprenticeships through the schools system. I might add that a lot of the ATCs are set up for trades and we have adopted the modern apprenticeship system, if I could term it, in that a number of years ago we went down the path of the competency based system. We did have some farm apprenticeships in a couple of states that were not really working, so we adopted the national approach of multiple exit and entry in the traineeship system to achieve the same result. When you look at what came out with trades, we have made our views known to the minister on it and, in areas such as shearing, we are trying to get those sorts of people in.

Mr LINDSAY—When the NFF makes its submission, could you include something on what you think about ATCs and how they might be appropriate so that the committee can consider that?

Mr Arkle—Certainly.

Mr LINDSAY—Going to the matters you have raised in relation to trades, in rural Australia there are, of course, industries other than agriculture. How important is it that this committee consider those other industries, and how could their needs be helpful in relation to the needs of agricultural industries for rural skills?

Mr Bloom—The project I talked about was with careers people working with schools in year 11 and year 12. We have one of those in each state, but no-one in the Northern Territory. Those projects are going to come to an end at the end of October. DEST has divided Australia into 57 regions and they are going to put a regional careers adviser into each region. That is up for tender. We have submitted a number of tenders in regional areas. The people who go into those 57 areas will be promoting careers in every industry that operates in those regions.

Mr LINDSAY—That is not quite the answer I was looking for, so let us go to the NFF. I am, of course, referring to the mining industry, the transport industry and those sorts of things. How can you get synergies with agriculture in those sorts of industries?

Mrs Wawn—There are two issues relating to that. The first is that farming is heavily reliant on a range of service providers; hence, trade qualifications are very important to the capacity of agriculture to be serviced. So that is quite critical. One thing we have certainly identified in the action plan is that, as an industry, we should not try to compete with the mining industry and so forth but work with them. Coming back to Mr Tuckey's comments, it is about multiple skilling. Someone might have the skill capacity to work in agriculture for the peak season and the capacity to work in the mining industry or the tourism sector in between times. There is a rural competency program whereby you can undertake training in rural skills and also other skills from other training areas to become multiskilled to look at working in a number of industries. It is quite critical that regional industries work together in harmony as opposed to competing with each other, which obviously has an impact on wages and the like. So there is certainly capacity already in the skills area to look at multi-industry skilling, but I do not think we have pushed that as hard as we could, and that is mentioned in the action plan.

Mr ADAMS—You mentioned the way we deliver some of these skills. I think you mentioned FarmBis. Is IT the answer in the way we deliver courses in some skill areas?

Mr Cornish—Absolutely. Flexibility—and I am not using this as a throwaway line—is absolutely crucial in a number of these courses.

Mr ADAMS—You can become so flexible that the person ends up with no skills.

Mr Cornish—Yes, you become useless; absolutely. So it has to be controlled flexibility. Distance is a tyranny—that is a pretty happening term, but it remains a problem. It is quite inappropriate to have student contact hours that are not commensurate with the industry you are dealing with. We have to be able to arrange that in a flexible fashion that meets the needs of

industry. They have seasonal highs, where the last thing they want is to have people away from the farm for a week or a fortnight. All of these things have to be taken into consideration. Properly based systems can be developed in conjunction with industry. It has been demonstrated that it can happen. TAFEs around the country are now much more inclined to ask, 'What does industry need?' than to say, 'This is what is good for you.' That has been a significant step forward. I would have to say that some are still a bit recalcitrant in some states. For those who really want to move ahead and do not have their campuses commercially vying with each other—such that their real function is their commercial success, rather than the community's success—all of these things become a feature.

One of the things which Peter touched on which I would like to take the opportunity to expand on is the recognition of prior learning or the recognition of current competency issue. People who go through that process are attracted to education pathways and they have the capability to go through that initial assessment process so that they understand what levels of skill they have. NFF and RSA and others were involved in a program two or three years ago where people came through the assessment process with diplomas in agriculture, and they had never sat in a classroom in a dedicated fashion looking for an academic outcome. So it is a practical approach. Obviously most people will not reach that first step. But for them to understand how they fit into this training process is really important. When it first became available to Australian farmers and Australian farmer employees, FarmBis were helping fund that. It is a great shame that that has now dissipated to virtually nil. I find that to be a sad reflection on reality, because it unlocked a significant number of doors and it put people on career pathways and they took up opportunities at their own pace and level. There are a number of things that need maintaining and there is another group of things that needs doing

If there is one thing that needs to be reinvented—I am normally not in reinvention mode—it is giving farmers and their employees the capability to have themselves assessed to know what level they are at so that they can go on without having to go through door No. 1 and through all this repetitive stuff, which is an insult to them. They need to start their learning at a level that is commensurate with their occupational needs and their level of expertise.

CHAIR—What needs to be done to make that occur? I am interested in your comments about FarmBis dissipating. What caused it to dissipate? What bureaucratic or government nonsense occurred? I want you to be open and honest with us. That is what we are here for. We need to know the warts and all problems that have created these skill shortages in Australia. We cannot address the issues and make the appropriate recommendation through our report unless you give it to us warts and all. Tell us what has happened. We are not here to play politics; we are here to find the problem and try to help you guys get on with the job of delivering something positive in the way of rural skills outcomes for Australians right across the country.

Mr ADAMS—Could I add that it is about competencies, about people fitting into a level. They might think they have got more, they might think they have got less, but that is another issue, isn't it?

Mr Cornish—It is about meeting the training quality framework in the end and fitting into a training process which is commensurate with your need. 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. If FarmBis across the nation could be encouraged to reintroduce it to their funding criteria, that would be the second useful thing to do. The first, primary thing would be to get those dedicated assessors in place that are industry friendly.

Mr WINDSOR—What was it called when FarmBis funded it?

Mr Cornish—Recognition of prior learning assessment.

Mr ADAMS—We talk about flexibility, but we are now dealing with issues of safety, chemical use, big machines—issues that we have to face up to in today's world. You can cut corners, you can slice stuff down, you can take away people that assess people in the right way and say, 'That costs too much,' but all industries have to pay and they have to pay their way to some degree. They can get help, but is that what you are talking about, or are you talking about RTOs that are too expensive?

Mr Cornish—I am talking about developing a system of assessors which are affordable to the individual, whether it is the employee, employer or a combination of both, and putting people through a system and really measuring where they are at. On the employee side, it is usually not all that difficult. It is sometimes more difficult for the employer because they are more interested in the business management side of it than production.

Senator ADAMS—This is what NFF mentioned—and recognition from their members that they have to go up a notch themselves.

Mr Cornish—Absolutely. If we are going to be in business, whether it is chemicals or the things that you mentioned, unless we are able to cut the mustard in the future, it will be hard for those that resist taking up the responsibility, in my view.

Mr MARTIN FERGUSON—On the issue of recognition, we used to have that through the old trade recognition scheme under the migration programs. It is a model that previously applied in Australia which is worth looking at. Historically, you are akin to an old ITAB are you?

Mr Bloom—No. We were set up under the Netforce arrangements, which was a Labor government initiative in 1995. We still have virtually the same representatives on the board, including the AWU.

Mr MARTIN FERGUSON—Have you achieved agreed competencies which are transferable across all state and territory boundaries?

Mr Bloom—Yes.

Mr MARTIN FERGUSON—So, in a technical sense, these are the old traineeships.

Mr Bloom—That is right.

Mr MARTIN FERGUSON—You have an agreed national system, so you have a fairly good regulatory framework, haven't you?

Mr Bloom—Yes.

Mr MARTIN FERGUSON—What is your working relationship with NAC like? The issue is that it has hardly been touched on. They are supposed to be out there helping you deliver. Where are the problems, because it is something which is a glaring gap in your presentation?

Mr Cornish—It is an issue which is close to our heart because, up until about three years ago, our field officers were able to go to the kitchen table with the employer and the employee, do a deal and get the two married together in some learning principle that suited them. There was this invention called NAC that came about, and we were relieved of that responsibility. So we go to farmers' properties and we can talk to the farmer and talk to the employee. But, when it comes to doing the deal, we have to ring up and get somebody else to come and be the broker, and that makes absolutely no sense at all.

Mr MARTIN FERGUSON—That is why I asked. From listening to you today, it seems to me that you have a big gap in your system. You should be effectively doing the work on NAC.

Mr Cornish—We used to be able to do and it worked well.

Mr MARTIN FERGUSON—That then raises the issue of group training. Due to the nature of your industry, the inability for a particular farmer to take on a young person for the full apprenticeship has to be central to how you go forward. Where is that?

Mr Bloom—One of our big problems with group training is that, when we have a harvest or we have to sow crops or we are shearing in a certain area or whatever—maybe not shearing so much now—we are doing it all at the one time. So we have big demands, big peaks and then it falls away. We have tried our best to work with a lot of group training companies but, because the people are difficult to keep in full-time employment for the group training, they have not shown a lot of interest in it. I went to a seminar a couple of years ago in Victoria to try and get them into the dairy industry where the dairy farms are becoming bigger and they have permanent work on. It was very hard to convince them that there was a future there—some dairies are actually working two shifts a day now.

Mr MARTIN FERGUSON—Looking through all your material and listening to your answer on NAC that is something we can pursue.

Mr Cornish—I would like to elaborate for the benefit of other members of the committee. I live in South Australia. If we had a potential employee-employer relationship wanting attention at Marla, close to the Northern Territory border, we could send our field officers out to give them all the information that they require to take the next steps. They would then have to return—

Mr MARTIN FERGUSON—It is a waste of resources.

Mr Cornish—and somebody would have to go out from Port Augusta, which is a 1½ days drive, to consummate that relationship. Prior to that we could do it all in one step.

CHAIR—To keep people employed in that process we would push people out of employment. It is crazy.

Mr Bloom—Part of the problem is that the Northern Territory NAC, for example, might have a target of 40 apprentices, and I think it will be under ANZSIC codes, so it is mining, agriculture and fishing. They can probably get those 40 apprentices in two or three big mining companies. Once they have achieved their target, they do not have to travel to VRD or one of the big stations to sign them up. They can post the stuff out. The second thing is that NACs only market their name; they only say they are a particular NAC. They do not market agricultural, dairy or specific apprenticeships. Some of them are doing a very good job, I might add, but others just market their name. I think the departmental statistics are that something like 85 per cent of employers come with a trainee under their arm to be signed up. So there is really only matching for about 15 per cent.

Mr MARTIN FERGUSON—I agree with you. Group training and NACs were originally set up to help small and medium sized businesses. They are basically knocking on the door of big businesses, signing up the cream and doing very little to assist small and medium sized businesses. That is what has to come out of this report. They will knock on the door of Alcan and say, 'We'll offer you this service,' but they will not go into Gove and knock on the doors of small businesses. Looking through your material—and you have answered the questions on competency—I see that the almost immediate demand is for a strategy to promote the fact that working in your industry is a potentially good career opportunity. We have to sell the industry for employment and training rather than concentrating on the technical problems confronting you. That is the crux of the problem.

Mrs Wawn—That is certainly the No. 1 recommendation of our labour shortage action plan. We need a campaign to sell our industry and show that it is not negative—there are a huge number of positives. NFF have recently announced that we will be undertaking a campaign to advance Australian agriculture.

Mr MARTIN FERGUSON—How are you going to fund it? Surely you would not be using the interest out of the fighting fund.

Mrs Wawn—Not that I am aware of, as the secretary of the fighting fund.

Mr MARTIN FERGUSON—You had a celebration here for its 20th birthday.

Mrs Wawn—We are currently looking at the funding of that. Certainly a large component is living and working in agriculture, doing some studies to look at the aspirations and perceptions of employees and potential employees in agriculture to see what their thinking is and how we can counter that. That is quite critical and, as I said, it is the No. 1 recommendation.

Mr MARTIN FERGUSON—That is the crux of the problem.

Mr TUCKEY—I will follow that up, because maybe I did not explain clearly when I talked of overseas people. A couple of times I have corresponded with the minister for immigration of the day about an international agreement that would create a green card that said you had this level of competence in agriculture and that would, for a short term, such as six months or a year,

virtually guarantee you a visa. It would almost be a visa in itself. Someone in the United Kingdom could come out here, drive a tractor or a header and then go home and someone here could go to North America without any fuss. It always seems to get lost up there. They are probably worrying about refugees or something. I am really asking whether NFF as a lobby group has ever tried to encapsulate something like that, go to the government of the day and say, 'Listen, why can't we have something like this?' It comes back to the career issue. There are so many aspects of agriculture today where you cannot get a full-time job. Particularly for young people, such a scheme would have the appeal of a working holiday, but it may also entrench them in the industry so that they would stay in it in later years. Would you comment on whether you have ever thought of something like that or whether you would do something about it?

CHAIR—If I can interrupt here, I am conscious of the time and another member would like to ask a few questions, so can we go to those before you answer Wilson's question.

Mr ADAMS—I was just going to say that the alpine hospitality and skiing industry could have similar processes that they are developing, so there are models.

Mrs Wawn—Yes. We have discussed on numerous occasions a skills passport, effectively, for people working in agriculture—both Australians and international workers. We are currently looking at a whole range of international migration issues with the department of immigration and Minister Vanstone's office. NFF is also about to commence a placement officer from Immigration. We believe that part of the positives coming out of that placement will be looking in more detail at some of those issues you have raised. I am sorry that I keep referring to this plan that you do not have in front of you, but part of that plan is quite a complex discussion paper on migration options and the issue relating to international workers. That may answer a number of the questions that you have raised today.

CHAIR—Before I hand over to Gavan, who is waiting patiently to ask questions, that part of the problem we have is an immediate rural skills shortage right across Australia. It is great to hear that you are dealing with DIMIA and those people on issues, but the time process is the critical issue here. The one thing that governments and bureaucrats do very effectively is make sure that the time process extrapolates out to the degree that very little happens. That is what I am worried about as an individual. I have seen it happen over the years, as many of my parliamentary colleagues have. So I just make the point that if you have got any problems in relation to those sorts of impediments slowing down the process, for goodness sake let us know. If you cannot do it today, go back and do an addendum to your submission and send it in to us, because we need to know that.

Mr Cornish—The greatest impediment we would have at the moment in dealing with exactly the range of issues that you have put on the table—and we understand the urgency better than most, because I am a farmer myself—is the ad hoc or untimely way that the funding regimes react to submissions. Certainty in the system is required to keep good people, good employees, good staff around the nation. It is not a simple trick to perform and it takes a long time to build up those resources. They are continually threatened by the lack of foresight and the lack of certainty for a system that has an absolutely proven track record. Employees are put at some risk and the foundation of the whole organisation is threatened because of these less than timely principles where finance is involved and also the on-again off-again question that I raised in the very first principle that I put forward to you. This change for change sake stuff is silly.

CHAIR—I have another question and then Mr O'Connor will have the opportunity to come in. What period of time is normally given to you for funding? Are you funded for 12 months or for two years? What is the normal time that you have to deal with that creates the uncertainty that you talking about? And what do you believe is the optimum for the funding? I know it is a difficult thing sometimes for governments to understand, but when you are doing forward planning in private enterprise you look to five-or 10-year cycles. From what you have told me, that is what you are looking at. Can you give us information on that?

Mr Cornish—Geoff can give you the absolute contract analysis but my view would be a minimum of three and I would hope for five. If all of those things that contained good sense that you have just mentioned are to be dealt with adequately, it needs to be three to five. Unfortunately, we are on some 12-month hooks. Where do you go with that sort of approach?

Mr Bloom—Probably the longest contract we have had is about two years. In recent times we have just had 12-month rollovers. On the school-to-work project we had a six-month one at the start of this year and it has been rolled over for a further four months. That is up for tender now. For the staff that we have got trained out there, it will all depend on how we go in the tender process.

CHAIR—It keeps a lot of paper shufflers employed, doesn't it?

Mr GAVAN O'CONNOR—Can I congratulate you on your submission to the committee. Wayne has been around this issue for a long period of time, as you have, Geoff, and the NFF. There are a lot of very important matters that you have raised which I think the committee can address and give impetus to as we proceed through it. I am pleased that you are embarking on a campaign to sell Australian agriculture in a different way. Something that has come through to me as a member of parliament over many years is the need to improve the image of the sector, especially in that education area, where it is often seen as a poor cousin. Of course, with all due respect to my comrades sitting around the table, when you look at the skills required to be a lawyer and those required to be a farmer, I think we can appreciate the great dimensions of the skill that is required for the farm task. When I look at those Defence ads where people climb into tanks and into the cockpits of aeroplanes, you can get an idea for an ad about people who drive the big rigs on wheat farms and things like that. It is a fabulous thing. I wanted to take up the issue of group training. Is there a group training company that has done this well somewhere in Australia that we could refer to? It seems to me that we would need to pursue that model in some shape or form. I think what you are saying is that the companies are not sensitive to the needs of the sector.

Mr Cornish—The answer to that question is at best variable, because these things are mixed across Australia. In different states you get different performance levels, from the TAFE, which is effectively an RTO, through to the private provider network. It would be wrong of me to put the whole lot into a negative form because there are good ones out there—there is no doubt about it. We can get back to you. I would have to ponder the question for a minute. If I am going to provide the benchmark, I am going to have to think about it for a moment.

Mr GAVAN O'CONNOR—I understand that. In a sense, it is an unfair question. But, at the end of the day, we around this table are fairly practical people. If there is a network and a structure that works and works well in your interest—

CHAIR—Or a number of them.

Mr GAVAN O'CONNOR—Yes, or a number of them in different dimensions, that would be helpful to us because we can then make comment on the sorts of things that a good group training company operating in a rural area actually does.

Mr Cornish—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.

Mr GAVAN O'CONNOR—Can I stop you there. I think the message coming through to the committee loud and clear on the training requirement is that as you go further from these major regional centres it requires a different response from government and bureaucracies.

CHAIR—And more flexibility.

Mr GAVAN O'CONNOR—The bureaucratic principles that often motivate a structure in an urban or a major regional centre simply do not apply. Government has to take that into account in its funding arrangements, the structures that it sets up and flexibility that it is prepared to give in legislation and other sorts of frameworks that govern the delivery of the training tasks.

Mr Cornish—I think it may have been before you joined us but I was talking to the chair about this flexibility and the question was—

Mr GAVAN O'CONNOR—Yes.

Mr Cornish—that can mean anything to anybody. It has to be absolutely responsible. It has to be a responsible approach in relation to that flexibility question because it can so easily be a cop out if it is not dealt with adequately. But if it is dealt with adequately there are a lot of innovative ways that learning principles can be advanced in this country. To answer one of the previous questions, there are cross-industry apprenticeships which we have advocated. Two or three years ago we started up that process which is helpful for your question. Just so that we do not believe that this is all totally desperate and beyond us all, I frankly believe that there are not too many countries in the world that have education and training within their rural communities in mind—I use those words advisedly—as well as Australia has. The problem is we do not transfer the intellectual property that we know needs to occur into implementation and achieving the outcomes. That is where the jam is. We have all the theoretical stuff lined up in world-class propositions but we just do not implement it well. It is the implementation phase that we have to get on top of.

CHAIR—I think one of the other things that many Australians, including people in our profession, conveniently forget at times is that we also have some of the most innovative and resourceful people in the world out there in the rural and regional areas. We do not give that the recognition that we should.

Mr WINDSOR—I apologise for being out of the room for part of the hearing. I may ask a question that has already been asked. I thought, Wayne, that you made an important point earlier. I was at a conference in my electorate last Saturday and part of it was on training. One of the messages that we were getting back from that too, particularly from industry, was this confusion from continual change. We stick to our knitting but we keep changing the knitting needles all the time and people get confused—the pattern gets confused. The question that comes out of that—and it may be a little bit contentious—is that given the Australian technical college concept that Mr Lindsay mentioned earlier is going to be fairly expensive to deliver on and no-one seems to really know what it means, could there be a better way of spending that money through existing structures that achieves as good an outcome or a better outcome? Do you have a view on it at all? I appreciate if you do not.

Mr Cornish—I have a view. It is really important to understand clearly that there is not a requirement for everybody to be at a very high level. With the technical college, the more academic approach you take to it the more you offer higher end opportunities. We need to clearly understand that there is a whole lot of—perhaps not level one, that is unfair—but you need level two and level three people at a much greater level and density than you require level four and level five people; diploma people. That spread of skills has to be proportionate to the industry need. Sometimes we get a bit too carried away that we need to be pitching everything up high when a lot of the toil and productive activity happens lower down. To match our industry requirements with government capabilities it is really important that we understand all of those features.

CHAIR—What you are basically saying is that we do not need brain surgeons all of the time; we need general practitioners.

Mr Cornish—Absolutely.

Mr ADAMS—But you have to have a level where people want to be.

Mr Cornish—Absolutely.

Mr ADAMS—It is a complex issue.

Mr Cornish—And that is why this current competency stuff becomes important, because it puts people on those pathways. Probably X per cent will want to end up there, but there are a lot who would be more than happy to end up somewhere in the middle.

Mrs Wawn—It is also the language that we use. The term ‘unskilled’, particularly in our sector, is really unfair. There is a skill in fruit picking. The quality of fruit picking for export is quite significant. I think we really devalue the workers in our industry by using terms such as ‘unskilled’. One thing that we need to be very conscious of is the language that we use in this skill debate.

Mr ADAMS—We also need the recognition that somebody who is competent does have a bit of paper that says they are competent.

Mr WINDSOR—One of the things that seems to come out too, particularly with the cost of machinery now—whether it is earthmoving equipment or normal farm equipment it is not hard to spend half a million dollars now—is that some of the training manuals that have been written are being criticised by those in industry. Are you seeing that at all? Is there criticism of the way in which they are training the operator to get a dozer out of a bog and a whole range of operations of those machines?

Mrs Wawn—There has certainly been feedback that training manuals, particularly in relation to the safety aspects of utilisation of machines, are too cumbersome: they are not in plain English, they are very wordy, there are not any good pictures to show you how things operate and so forth. I have heard feedback in relation to that area in terms of the standard operating procedure manuals of machines relating to the occupational health and safety perspective, but certainly not in terms of general training.

Mr Arkle—Further to that point, obviously the cost of equipment and broader technology is prohibitive to RTOs and education providers. The model—it is using jargon—the centre of excellence idea, for industry training requirements all of a sudden makes the economics of getting that high-tech highly expensive equipment in the classroom all the more realistic. Through consolidating skills—and the cotton industry has done it very well, forging links with key agricultural input suppliers of fertiliser, chemicals and machinery—they are tying them in to the RTOs. So students are training on the equipment that they will step out in the paddock and use. That is some of the innovative thinking I think we really need to foster.

Mr WINDSOR—Mr Chair, it may pay for the committee to actually look at what the cotton industry have done—

Mr Arkle—It is a good example.

Mr WINDSOR—because it is a good example of where a network has been built up. I had a meeting with some TAFE people this morning. We were talking about skills and whatever. All of their capital budget in this particular TAFE from all the various interest areas went into a Belarus tractor. Anybody who is involved in agriculture knows they may as well have gone and bought a wheelbarrow. But that is trying to train people in the skills that are needed in agriculture and that is your training object—

Mr ADAMS—If you have to pay someone, you are going to pay. If they are going to get a half-a-million-dollar tractor, they have to pay.

CHAIR—If there is a model in the cotton industry that is good, we should look at it, and we will, providing the committee deems it appropriate to do so.

Mr ADAMS—We will have you back, I reckon.

CHAIR—I say to each and every one of you that I am aware that we have run over time. I think it has been very constructive and we should allow the process to continue to flow. I thank

each one of you for coming—in some instances very long distances—to sit here and give evidence to this committee. The committee is very keen to extract from you those issues that we believe are pertinent to getting some positive future for rural skills training, getting it as quickly as possible and putting strong recommendations into our report when we finally finish our report, which will hopefully stimulate government of whatever political persuasion of the day—hopefully of our political persuasion—to take some action. Thank you. We do appreciate it. Would you like to make any final comments?

Mr Cornish—Yes, if I could. Thank you for allowing us to appear. If there are areas where we can be of assistance in the future, we would be delighted to do so, because there is a lot of commitment sitting before you in relation to education and training issues generally. We want to see this stuff march on as quickly as possible, so if we can be of any assistance, please call on us.

CHAIR—Thank you very much for that offer.

Mr Arkle—I have one final comment. One important element of the terms of reference we unfortunately have not had the chance to cover today is the issue of extension of research and development outcomes. I think it is absolutely critical to the role of the committee. A lot of change has happened in that whole space over the last 10 years. We are doing some great research and development, but the links to the ground are really critical. Probably where things are failing—it is not a political witch-hunt—is that we have certainly seen cutbacks in state extension services, public provision of those services. Maybe that is a reflection of a change in the times, but it is fair to say that the farming population has not shifted to the notion of commercial advisory services to any great extent. We will always have those progressive producers who are willing to pay. There is a large body of producers who probably, to be honest, with the phasing out of public extension services are missing out on this advice that they so critically need. I will certainly look to substantiate that in our submission to the committee.

Mr GAVAN O’CONNOR—Regarding the point that Peter has made, if we go back over the last 20 years, particularly at state level and—you would have knowledge of this—governments of all political persuasions, we have seen significant changes in the structure of the bureaucracy: the diminution of agriculture departments through their immersion in natural resources-cum-environment departments. As a result of that we have seen a focus go away from on-farm research. I think we are all aware of the point that you make, Mr Arkle. It is a pity we do not have the time to flesh this out, but I am sure it is something that in the course of our inquiry we will certainly flesh out, because the on-ground research that used to be done was particularly advantageous to regions and to producers in regions. That effort is not being supported. Of course the extension work is not being done in the public sense but is being done in a commercial sense, backed by big commercial players who have a vested interest in many of the outcomes. That is not good for the sector at the end of the day. We need balance; we need both. I would hope that the committee could focus on this particular aspect, because it has been something that has got up my nose for many years.

CHAIR—Thank you very much, Mr O’Connor, for that contribution. It may be pertinent at this point to say to the witnesses that if you think that that is an issue on which you need to reappear before the committee, we would be more than happy, judging from the comments, to fit you into one of the parliamentary sitting day hearings that we will have here and take that particular issue on board.

Mr Arke—Certainly.

Resolved (on motion by **Mr Adams**):

That this committee authorises publication of the transcript of the evidence given before it at public hearing this day.

Committee adjourned at 6.28 pm