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HOUSE OF REPRESENTATIVES

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, 7 September 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 Schultz, Mr Secker 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

Committee met at 5.10 pm

WELSMAN, Dr Sandra J, Private capacity

CHAIR (Mr Schultz)—Welcome. This is the fourth public hearing for this important inquiry. Today the committee will hear from Dr Sandra Welsman and Avcare. We were to have also heard from the Cattle Council, but their representatives are now not available today. Do you have anything to add to the capacity in which you appear?

Dr Welsman—I appear as an independent person who has been working in agricultural industries for a number of decades.

CHAIR—Although the committee does not require you to give evidence under oath, I should 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. Do you wish to make a brief statement in relation to your submission or would you care to make some introductory remarks?

Dr Welsman—I was interested when this inquiry was announced, because I have been grappling with issues relating to education and training in agricultural industries over a number of years. In 2003, in particular, I established at the University of New England the Australian Centre for Agriculture and Law. I was concurrently working with the dairy industry and also with a group at Moree in relation to a centre they wished to establish that integrated university training and vocational level training for young people, mainly, in that case, to work with the cotton and associated industries.

It became apparent to me that a number of issues that were listed in the terms of reference for this committee were matters that I had been concerned about for a number of years, so I thought I would make a short submission that would perhaps contrast with a number of the other submissions you have received in that it endeavours to raise what I have assessed over the decades as some of the fundamental issue areas behind the trends in work force changes in agricultural industries and how they are associated with education at all levels, and with research and development.

My particular points were set out in the two pages of the submission. Since sending in the submission, I have read through a number of the other submissions provided to this inquiry and also a couple of other inquiries and I have cross-checked my own points. I have found that a number of the submissions you have received have really confirmed in some detail the points I have raised here. But again they fall short of looking at some of the drivers behind them. Let me summarise what I found. I must say that I have not read all the submissions, but I have read a cross-section of them, and particularly the ones from educational institutions and associations.

If you pass by the first major thing, which I suspect was that the Australian government, and governments generally, should inject more funds into the education sector, there is a general confirmation that finding people to work in agricultural industries at all levels, through to top-level research scientists, is a challenge now and there are no evident signs that that challenge will decrease over the next decades. Then I was intrigued by some of the strategies that seemed

to be suggested by the various groups—for instance, that there should be more central coordination and a reduction in competition among educational providers and that there should be more strategic funding related not to the sorts of issues that I was raising in the submission—that is, just more of the same.

For instance, I thought that even the CSIRO's submission, which I read today, confirmed at the research scientist level quite a number of the points I made about people not looking to a 50-year career in agriculture, because of the issues and images that they are facing. It concluded with three points where they said they would continue and develop their current programs.

So my main points are that I would suggest to this committee that there is room for a step change in thinking in some elements of rural skills education and training and that part of that step change is that the industries themselves need to start looking at a much bigger pool of talent for their own sake, for the sake of the industries that we are talking about here.

CHAIR—Hence your comments about the city-country divide, about the land being the restrictive area that you are talking about rather than the broad community.

Dr Welsman—That is right. It is almost a reverse of the old city-country divide argument. In this case I assess that the barrier is being put in place by the rural communities, the agricultural communities, and that they are essentially shooting themselves in the foot, if you look out a decade or two—or even right now. My concern is that all through the submissions I read there was, firstly, this presumption that the people who are going to be trained for rural industries will come from rural areas. Sometimes it was overt and sometimes it was subtle, but there were comments about people having to travel a long way. There was a comment about too many institutions still being in cities and not in regional areas, and so on. So my major message, if I can get it across, is to try and head off a campaign for consolidating educational facilities in regional areas and taking them further away from what I would argue has to be the major pool of talent for these industries, looking out a number of decades. Just the numbers would suggest that numerically there will be more young people available in cities to work in these industries. And it would be very unfortunate, I think, for regional and farm based young people to feel that they carried on their shoulders the obligation to staff and resource agricultural industries for the next decades.

I have three sons, two finishing high school this year and one in the second year of university. I tell them they have a 50-year work career ahead of them. With the way the agricultural industries in Australia work at the moment, even the research scientist pathways and so on, it is very difficult to say to a young person, 'Look at your 50 years of work in those industries,' because of the inflexibilities, the barriers and so on. There are a number of techniques or tactics that could be used, and I have suggested a number of them in my paper, to try and break down some of those barriers. But that, I think, is the underlying concern; and there is nothing I have read in the submissions that suggests that the industries are prepared to grapple with this issue of the barriers to this bigger pool of talent that they need in the next decades.

Mr SECKER—What sort of the barriers are you talking about?

Dr Welsman—They are locational, they are attitudinal, they are cultural, they are monetary—for instance, we could talk about people moving through university careers to work in these

industries—and they apply in different forms at different training levels and working levels. As I have mentioned in my submission, I did an agricultural science degree 30 years ago and I have moved in and out of the agricultural industries. In fact, I think I met you briefly, Chair, when I was at the Snowy Mountains Authority; and Martin, too, I think. When I came back into rural industries five years ago there were some of the young men that I had trained with in the seventies, still on the edge of those industries. Generation X and generation Y people of high talent do not want to see themselves on the edge of some industry in 30 years time; that is not an attractive proposition. The CSIRO submission says they cannot get people of the intelligence level doing postgraduate studies who can think and work laterally across sciences, economics and business. It is understandable, because those people will go into careers that will reward that in a very open way—monetarily, status wise, accomplishment wise and so on.

If we look at agricultural industries as they are structured today, they still reflect the history of the last 50 or 100 years. The leaders all, in the main—I do not want to generalise too much—have sizeable property holdings that have come usually from inheritances. That is a barrier to entry to a position of power and status in these industries. That is not going to change overnight, but those are the sorts of structural issues that I see needing to be identified, dealt with and addressed for that sort of group.

Then you look at the traditions that relate to, say, the trades work forces in rural areas. I was mentioning to your next witnesses when I was outside that when I first started working in rural industries I was rather stunned to be on a property and informed that the workers went to town to shop on Saturdays because that was their day off and that the landowners would only shop during the week because that showed the difference.

Mr SECKER—I have never heard of that.

CHAIR—I must admit, it is a new one on me.

Dr Welsman—Maybe I am older or maybe it was a particular area, but what I am suggesting is that work forces of all types in agricultural industries going forward will be knowledge workers in their own right with specific trainings and skills that mean they need to be treated as important cogs in the whole wheel of those industries by all members of that industry.

Mr ADAMS—As part of the industry.

Dr Welsman—That is right. They need to be embraced and brought into the industry. I think if that sort of pathway becomes more visible to young people in cities and regional areas then the other assets of working in agricultural industries will start to kick in and there will be opportunities for building the work force through training, education and career employment.

CHAIR—It is very refreshing from my point of view, and I am sure from my parliamentary colleagues' points of view, to hear somebody like yourself talking about an issue that should be viewed in reverse, given that each and every one of us are probably concerned, and have been for many years, about the haemorrhaging of our young people from the rural sector. To hear somebody talk about the pool of resources—that is, people outside of the rural sector—encompassing the urban based areas in agriculture is unique from my point of view and very refreshing to hear about. So I thank you for that.

Mr WINDSOR—Mr Secker asked you about barriers and you have said location, attitudinal, cultural and monetary. Which would you see as the major one? Is the money one of the major messages that gets out earlier?

Dr Welsman—I think I said earlier in my submission that a very simple answer to the problem would be to pay a lot more to people working in the industries. For example, the mining industry addresses these issues by having much higher pay rates. In one working group or futures group I was involved with last year, an economist came along and said that the venture capital will follow the successful enterprises. If you have successful agricultural enterprises, money will follow it. It is the same with people. If you are paying well, people will follow it. But it is reasonable to assume that, given the competitive pressures on the agricultural industries, that is not the simple answer to the rural skills, employment and career issues.

Then I moved on and looked at a number of other angles. One is to really have a close look at the demographics. In my view, the mythical ideal agricultural worker—usually the big, beefy, healthy young man—is going to be a highly expensive proposition. In part it can be addressed by some of the barrier issues I have been talking about but, apart from some creative thinking at the research levels, agricultural work is still highly physical.

Mr SECKER—That is why a lot of them do it.

Dr Welsman—That is right, but if we are looking at a shortage of people working in these areas, I suggest that there needs to be some more lateral thinking about the physicality and different types of build—for instance, young couples who can work a small contract business themselves providing a high-tech service to a number of properties. So you might have a reasonably healthy and fit young man but also a smaller woman in that case. It is not much use being faced with a sheep that stands this high to you, or for that matter some cattle. So some of the research work, I believe, needs to be considering a non-stereotype model of an agricultural worker. The other group that I think we will find from the demographics are moving out to the bush are the older people. So, again, there are people there who are keen and capable of working, but not with the physical strength presumption that has tended to be built into a lot of rural activities up to now.

Mr SECKER—Are you saying that, in your opinion, the jackaroo type pathways are not working very well because of the costs?

Dr Welsman—If you are talking about the old tradition of the jackaroo pathway, that was rather a stepping stone into—

CHAIR—It was a character-building exercise.

Dr Welsman—their merchant-banking career or something like that.

Mr ADAMS—Or to being King of England, maybe!

Dr Welsman—There are a number of demographic dynamics here. For instance, the issue was identified—I picked it up in the study I did last year—by a group at Charles Sturt University that

one of the problems in regional areas is that young women cannot find ongoing, interesting work and so they leave. And the jackaroos will not stay in a region where there are—

Mr MARTIN FERGUSON—They used to be trained locally as nurses.

Dr Welsman—That is right. Young people—it does not matter where they are based—just want the world because that is their environment. They are not prepared to say, 'Well, it is my lot in life to be a nurse,' or whatever. They want to be a communications media person or a designer or a lawyer or a merchant banker, but some of them will want to work on farms. I suspect that a bigger pool of those young people can be found in cities than on farms now, numerically.

CHAIR—Would it be true to say that that particular issue that you raised has been enhanced by the increases in the technology tools that are available for people to do that now, compared to three or four years ago?

Dr Welsman—To embrace the world, do you mean?

CHAIR—Yes. Despite what many of us say from time to time, there is absolutely no doubt that there is technology available in the rural areas, because of the improvements, that allows young women—as an example—to do those things, and in fact they are doing them.

Dr Welsman—That is right; and as a parent you would not stop them. I am proposing that, when looking at outcomes or changes to the educational system, the much bigger pool in the cities needs to be considered. It certainly should get no harder for the young people in the cities to go into agricultural industries. Ideally it should get easier to attract people who see a pathway of training, education and work in agricultural careers in the cities. I know that a lot of high schools in the cities offer agriculture as a subject, and then it stops. It is generally well established that young people will go to tertiary institutions and still live at home for a number of years, and so having a limited number of tertiary institutions in cities that provide agricultural training at different levels puts a funnel on that group of potentially interested young people. There are also groups of older people, who may be struggling in the cities and looking to move out, who could do with some training on the pathway to getting out of the more expensive areas where they are living.

Mr ADAMS—Thank you very much, Dr Welsman. It was great to read your submission. I agree with some of your ideas. The land barrier is something I have seen breaking down over the years, but there is still a way to go. How do you see things like ownership of agriculture in the whole of the economy? How do we encourage that out there? Also, Australia has always had itinerant workers, and the problem is finding the models that fit. You mentioned a couple who have a small contract business that can operate in certain ways. How do we work on those models? I see that as the way it will be: people going from one agricultural industry to another, perhaps in teams to provide the labour. I also wanted to mention that we picked up in Western Australia that some young people have a unique year 11 and 12 college system. Agriculture used to be primarily for farmers' sons but over the years that has broken down. Now a lot of young people from the cities are coming to those schools to learn the skills they need to go into agricultural pursuits. That is a bit of a turnaround. Those are my two points. How do we get the ownership of agriculture into the mainstream economy?

Dr Welsman—I do not have all the answers. When I saw the inquiry and got the sense of what might occur, I wanted to get my assessments on the table to try to head off some of the propositions to consolidate training into rural areas and so on. In my analysis relating to higher education and so on I see that there is one possible scenario, looking out 10 years, where Australia is leapfrogged by other nations in what we would like to be our front line, which is the high-tech, high-knowledge economy, and where agriculture will actually have to come forward as an even stronger element of our economy. Part of those change directions is that seeing where agriculture returns to its high competitive edge in the Australian economy will assist the general ownership among the broader population.

The other element is that agriculture tends to set itself up as a struggling set of industries in the general public eye. In addition to that, reinforcing to most parents and young people that that is not where they are going to work for the next 50 years, it creates an atmosphere in cities that these industries are more a liability than an asset to the economy, whereas in fact they are still a pillar of the economy. There are scenarios in the next 10 or 15 years that could make them even more of a pillar of the economy.

I find it intriguing, for instance—and I think some of this culture is behind it—that tourism does not have the same reaction against it in cities, even though a lot of tourism is regionally based and involves small businesses and so on. It is embraced as an economic element of the whole country by everybody in the country—it is something we do—whereas agriculture is seen as owned by this subset of the country and is organised in different ways to support that subset. So there needs to be a thinking shift, and that is not going to happen just by advertising. That was another thing coming through a lot of the submissions: 'We advertise; we get more people.' It is going to happen by fundamental changes in the way that the industries relate to other parts of the economy, through this building mainly.

CHAIR—On that point, in New South Wales there has just been an exercise undertaken in the metropolitan area of Sydney where country shires have sold themselves at an expo.

Dr Welsman—Country Week.

CHAIR—And they have sold things like lifestyle, cost of housing in the rural areas and the educational facilities that are available there that people do not know about. The state governments in particular—and I am not trying to be political here, I am trying to be factual—have started cutting costs and have removed organisations that they funded into these places such as business enterprise centres, and the chambers of manufacturers and commerce are not as active or proactive as they used to be. The point I am getting to is: do you think that there is an opportunity to do some marketing through the industries that are working in agriculture in a complementary fashion to a Country Week type exercise that has been undertaken to sell a whole-of-agricultural-country approach which may attract younger people? I ask because I just happened to watch it on one of the TV stations the other night and I was absolutely amazed at the number of young and middle-aged people who have moved into the country areas and were talking about the advantages of it in that expo.

Dr Welsman—All those activities are important, but the underlying element is actual action and delivery. They say that if there is one characteristic of young people nowadays, and I am sure it is true, it is that they can cut through all the advertising rubbish very quickly. They look

for signs of reality. So if they are looking at turning-point decisions in their work, their careers and so on, they will go along to something like Country Week with interest, but they will still look at the numbers on various measures of careers—pays, salaries, pathways and so on—to make their decisions. Yes, all that can be done to change attitudes and so on, but my concern is that that needs to be based on some structural changes underneath, because it cannot be camouflaged.

CHAIR—What suggestions do you have for government and industry to further develop and implement strategies to inform careers advisers, parents and students of rural career opportunities? What strategies do you think government should undertake?

Dr Welsman—At the government level the success stories that are promulgated—and there are success stories—need to be accessible to young people who are looking for careers, or to middle-aged people who are looking to relocate but still have 20 years work ahead of them. You can be 45 and still have 20, maybe 25, good working years ahead of you before you can even afford to retire, let alone choose to retire. So you could still be looking at a quarter of a century of work if you relocated to Dubbo or to a town in Western Australia; you would need to have a solid proposition in front of you.

Those success stories are important but they need to be counterbalanced by less emphasis in the publicity side on all the structural issues and problems of industries in rural and regional areas. I am not saying that if they are true they should be decried or covered up, but at the moment the image getting out is that these are dying industries—a number of them, not all of them. Even with the wine industry, which was the glowing star up to a few years ago, there has hardly been a good news story for the last two or three years. And I hesitate to talk about some of the others. Then, when you get to the ones that are highly successful, you come back to this property barrier to reap the rewards of the success—the big grain farms and so on.

Mr MARTIN FERGUSON—What is this 'excess of education capacity' that you refer to?

Dr Welsman—I suspected that there would be comments, and I think they are coming through in the submissions, that there are too many courses offered in agriculture across too many institutions.

Mr MARTIN FERGUSON—How do we rationalise it then?

Dr Welsman—I am not sure if it needs to be rationalised. It needs to be looked at a bit more strategically, I think, as to where the people to take these courses are going to come from and where they are going to go on to in their careers. There may not be an excess if we look at the city as a source of future employees for rural industries.

Mr MARTIN FERGUSON—In terms of tertiary studies, where does agricultural science fit in the HECS bands?

Dr Welsman—Agricultural science is, I think, a middle band for paying if you are a student, but it is a top band for government payment because of the cost of running the courses.

Mr MARTIN FERGUSON—There are problems with rates of pay. So in terms of a HECS debt that can weigh on people's minds because the rates of pay for careers in agriculture are limited.

Dr Welsman—I think that there are signs that if you were prepared to commit to that career, and you were a good negotiator, you could probably negotiate quite a good deal for yourself because of the shortage of people to work there. But a lot of people are not prepared to say, 'That's the way I'm going to run my life, with hardline negotiations.' Rather, they would say, 'I want an industry where, if I do a good job, I am going to be fairly rewarded by entities that see the value in my contribution to their business. I do not want to have to fight to the death each time, or have to move and relocate each time, to get a higher pay rate.' So I think it is very hard to recommend to young people to go into a line of study that means that they will be more or less out on their own, negotiating—particularly if they are not of that bent, if they are the sort of person who has more of a practical or technical bent; if they were great negotiators or sellers they would be off into the banking sector, the retail sector or something.

Mr ADAMS—You also mentioned mismatch in education. Could you elaborate on that for the committee?

Dr Welsman—Mismatching—

Mr ADAMS—in educational delivery.

Dr Welsman—That is partly related to me seeing this resource in the cities versus the quite significant amount of resources located out in the regional areas for education that are not attracting enough people to maintain a return on investment. So agricultural colleges are being closed down in New South Wales. If it was plotted out that another 100 per cent throughput could be achieved in five years but they would be people coming from the city into training, the numbers that you will be seeing could look quite different, but it is a bit of a chicken and egg situation. Those people are not going to commit to that career path and have that training if they feel that they are not going to get the sort of money that people are talking about now. They are only getting the sort of money that they are talking about now because there is a shortage of people. So it is a different mind-set altogether. It is a bit like the banks' mind-set. The industries need the sort of mind-set that banks have, who say: 'We have these cohorts of people coming here and after 10 years they will be this type of person and we will need thousands of them. We will train them up this way.'

Mr ADAMS—How much culture change do you think we need to have? We have talked about somebody driving a half a million dollar or quarter of a million dollar tractor or equipment being paid a pretty low salary or wage. If you are going to have somebody to drive that sort of equipment, there has to be an attitude that this person has to be given some skill and probably paid a salary—

Dr Welsman—I agree, totally.

Mr ADAMS—There is a bit of a culture that hangs on to an old lower wage.

Dr Welsman—I think that is right, and you can see it if you read the rural papers. There was one story about shearers' rates going up from $2 to $5.50 because of different contract arrangements. Look at the value chain to reach up to the point of shearing, and you are talking about $5 a sheep. You have got so much investment to get to that point and so much after it. Would you argue about 75c at this point? What sort of tone and attitude and cultural arrangement does that put for those people looking at the career? You are looking at a scarce sort of person to do a very physical job. It certainly needs a certain amount of intuition and capacity. So it is not just a job that any old person can do. These people are highly valuable. If they could have been replaced by machines I am sure they would have been over the decades. It has been tried many times.

Just picking up your point about other ways of training—and it can come from city based training—I think the whole issue needs to be swung about and the question asked: what does the market need? If we are talking mainly about young people, we are talking about people who now do high school and then a number of years of education and are still living at home. That is the predominant arrangement. So if you are looking at trying to tap into city based young people, they are going to want to be able to travel from home, because that is the only way you can afford to get them through, to where they are trained.

I believe they need to come out with a set of skills that does not make them a worker on a person's farm but makes them more a small business provider who can work and provide those skills that are of a high level to a number of properties in an area—so more the contractor, technical business person and so on. There are going to be variations on that but that is where I would see there could be a gap that is not catered for in the current education pathways, particularly if they are not based in the cities.

Mr WINDSOR—Just with your experience at the University of New England and the relationship between the university, the CRCs, the CSIRO and those sorts of institutions, where do you see the country location of research and endeavour as being part of this process? We have tended to concentrate a bit too much on the tractor driver.

Dr Welsman—It is important at all ends.

Mr WINDSOR—Is there a positive message? If you start to locate the research institutions et cetera in the area whence they come, do you think it makes any difference, or can it?

Dr Welsman—I think it is important because one of the motivators for people to go into those industries is to actually get their hands dirty and to live in different environments. I would see that cutting in at the upper level of university education and at postgraduate levels. So where the CRCs and the CSIROs are located in regional areas, I think that is quite apt. We need the land, the resources, the machinery and so on to do the work properly.

That was why the agricultural law course was so important up there. By linking agriculture with law, all of a sudden UNE achieved an agricultural undergraduate degree with the highest entry level in the whole country. The entry levels going into agricultural degrees almost around the country are, using the UAI, between 60 and 70. At UNE, linking it with law and the possibility of a wider career, they were at 83. So you had a step increase. When you look at ANU here, supposedly Australia's top university, they set themselves a minimum intake level of 85 for

all their science and arts courses last year. Students going in to do agricultural law at UNE were going in at the same sort of level as the students going into ANU. To me, that was a step change. That course offered them a wider career path. It was available by distance education, so it could also tap into the city markets and so on.

I think that is the sort of lateral thinking that we need to look at if we become market oriented in trying to get people through the pathway into these industries. At the moment it tends to be education institution oriented and producer or employer oriented. In fact, most of the way through the submissions it says, 'We'll consult with employers on this; we'll consult with employers on that,' but the issue now is not what the employers want: the issue is what the students want so we can get them in. I would see for young people in cities that, if they could do a three-year undergraduate degree in the city that would then lead them into career based pathways in regional areas and give them a postgraduate qualification combined with practical work and employment, with enough money so that they could set up a reasonable living standard in a country town, that could be a lot more attractive to what amounts to hundreds of thousands of young people as a potential resource in city areas. But there needs to be some lateral thinking about it. Part of what I was trying to head off here is the sort of view that says: 'We're going okay, but we've got one-third too many agricultural institutions. We need fewer of those—less competition and more money from the government.' I do not think that will answer the problems.

CHAIR—I refer to your submission where it states:

Ideally, future plans including competitive funding, would **enable truly innovative providers in the changing education services marketplace to reflect on, invest in and deliver strong suites of linked ag-education products.**

Can you expand on your idea of competitive funding to integrate ag education products?

Dr Welsman—I believe there I was trying to subtly head off this idea about the existing providers. They do have a stronghold on it because of the facilities they sit on. Any science based course has lots of laboratory facilities, a lot of institutional colleges and so on connected with it that they would perhaps use to persuade the committee that what they need is a tweaking around the edges of the current system. When I am talking about competitive funding, I would be inclined to open up for ideas, particularly for this group of city based young people who could do three years of education in the city, and they would not have to go to the University of Sydney on a pathway to doing a PhD, although that would be good too.

In Sydney there are colleges and different types of arrangements for education and for the provision of training—trips that involve going out and seeing regional areas and so on—but they are looking at much more of a mass provision to that group. I know at high schools there are a lot of agricultural courses offered. It is that group of potential candidates for rural industries for whom we need to demonstrate the many facets of an agricultural career but also the career, employment and future aspects of it.

CHAIR—You do that with doctors. There are outreach programs occurring now from medical training centres, taking people from the urban areas to country areas in a bid to try and acclimatise young interns to country practices and attract them out there. Similar things are being done very successfully with nurse training. In fact, nurse training is being done at a very

high level in some of the rural areas. Do you think those sorts of programs are things that we should be encouraging more of across the whole trade spectrum?

Dr Welsman—I think they are important but, again, those programs relate back to the 'knowledge'—a stronger word than 'perception'—of agricultural industries in Australia, because when you consider regional Australia, agricultural industries are still the foundation of the wealth or otherwise of those areas. The doctors, nurses and so on who are looking at their 50-year careers are not necessarily going to commit to those pathways unless they see a reasonable economy unfolding in front of them. So it is all linked. The same techniques could be used. I know about this because one of my boys is looking at the rural medical scholarship and he says, 'Six years is how long I have to be out there'—and he comes from Armidale! There is this view that in those areas you will not have the career opportunities and the pathways.

That is why another suggestion that I have made—and I do not think it was entirely picked up in the CSIRO submission; not that I would expect it to be—is that in the scientific and research pathways there needs to be much more latitude to move across industries, so that you would not be in wool or in wine for your whole life; you could be in agricultural biotechnology and—

CHAIR—You would be multiskilled.

Dr Welsman—Yes. You would be a scientist but you would work across industries and you would spend some time in government in Canberra and so on. And that would be an accepted part of a career path. The other underlying issue—and it is not really going to be addressed entirely by this committee—is the problem of fewer and fewer students going down science pathways. If you look back at the reward systems for people taking science compared to people taking banking, commerce, marketing or something like that, you really have to weep with distress that somebody can spend so many years becoming a PhD scientist. In fact, I saw advertised in the paper here a receptionist position for $45,000 and a job out at the CSIRO for somebody two years out of a PhD for $52,000. I thought, 'God, why would you do it?'

Mr ADAMS—The mining industry is even having difficulty getting scientists to take up geology and other things. If we are going to have a market structure here, industry has to attract people and the rural industries are not attractive. There is a culture of the pay being very low. Unless there is a cultural change to the thinking on that it will be hard to get changes. To get labour there might have to be some cost; you can buy off the shelf and consider what contribution to training is made by the industry. Other industries have to pay and we have to find those mechanisms. I am finding it difficult to see where that all fits in.

Dr Welsman—I think a lot of it goes back to the cultural issue that I have tried to raise without being too offensive here. Mining is a good example. If I said I wanted to be an engineer and I headed off down a pathway now to being an engineer, I would not see that there was any property-owning barrier to my getting to be a senior engineer in BHP or working in South Africa or somewhere like that. But I cannot say the same about agricultural industries. I cannot see myself in 30 years time as an agricultural industry leader without that link to owning a substantial property and so on. Until the industry starts putting people on its boards and giving them equal weighting and until they start putting in their associations people who do not necessarily have the inherited link to the land or who are members of one of the few major companies who own land there will not be cultural change, whereas in mining and engineering

you do not see that as a barrier. If I am going to be the world's greatest engineer all I have to do is a great job and I am on that pathway.

Mr ADAMS—And there are pathways there.

Mr WINDSOR—I guess this is a personal comment, but I do not see this as a cultural thing probably as much as you and Dick do. A lot of the impact of employment in agriculture is based on the reality of global markets and the capacity to pay in some of the industries. If you look at Moree, for instance, or Griffith you will see that the industries are actually profitable. They have a rugby union team that wins all the time. The young people are attracted there, partially because of the industry challenges, but also because of the money that that industry can provide them with, whereas a lot of the other industries are looking to replace people with technology, rather than employing more and more hands to help. I appreciate what you are saying regarding some of the industry associations and that you should not have to be a farmer, for instance, to be on the Cattle Council. I was involved with the Grains Council and the New South Wales Farmers Association, and there are pathways for people who are interested in being involved in certain things—for instance, as farm consultants and those sorts of things.

Dr Welsman—There are pathways; I do not disagree with you. Again, we are talking about a subgroup of future candidates, the ones who see themselves in positions of power and authority in 30 years time or 20 years time, or even 10 years time if they are generation Y and seem to think they will leapfrog in there very quickly. Who would say, 'I will be better off going along as a banker or a financier or a lawyer'? In fact, they are saying that. They are going off and getting—

Mr WINDSOR—The reality is that they are better off, because they will get more money there. There are those international pathways.

Dr Welsman—They get more money, but they get more status and more involvement as well. In fact, I see international pathways in agriculture, if you can get the settings right. If there is one industry in the whole world that is entirely international, it is agriculture and production of food and so on. What we are really seeing is that creaking and groaning where the settings of the old industries are still set as they were, say, in the sixties and the young people are just saying no and they are not going into it because of the arrangements. This committee has an opportunity to look at some of those settings. I believe that there are a lot of attractions in an agricultural based career. As you say, people are going out to Moree because the money is there. In the city, there are a large number of young people who will be attracted if we can set up pathways for them to get there. While we still look at the pool of labour consisting of regionally based people, or people off farms—which is still the message coming out of all of the submissions—

Mr WINDSOR—The pool of labour now in agriculture is probably represented by the people behind us in that they are the service providers; they are not the tractor drivers anymore. A lot of it is contractual—contract harvesting, contract spraying—

Dr Welsman—I am talking about agronomists, farm consultants and so on as well, but they still need to go through that basic training pathway that we are talking about—the agricultural science degree and so on—to be able to offer a specialised service in those areas. As the CSIRO and a number of the university submissions said, they are getting people in but the calibre of

those people is declining, and it has declined significantly in the last decade. That means that, if you keep looking at that pool—and it is getting smaller—then the industries themselves will be suffering. I do not disagree with you. I think Moree is probably a good example, because the cotton-farming industry is relatively new, so it does not have a lot of those traditions that some of the older industries have. There is quite a difference between cattle farmers from North Queensland and the cotton people. The cotton people are much more pragmatic. They are driven by different economics and so on.

CHAIR—Thank you, Dr Welsman. We appreciated your input; it was very interesting and very productive.

Dr Welsman—I will be interested to see how your report comes out.

CHAIR—We have a long way to go yet.

[5.59 pm]

CLARKE, Dr Margaret, Executive Manager, ChemCert Australia

GAUCHAT, Mr Claude Alexandre, Executive Director, Avcare Ltd

PONDER, Mr Sam, General Manager, Agsafe Ltd

CHAIR—Welcome. Although the committee does not require you to give evidence under oath, I should 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 contempt of the parliament. Do you wish to make a brief statement in relation to your submission and would you care to make some introductory remarks?

Mr Gauchat—Thank you. I will make the opening statement. In terms of answering the questions, I think we will share that between the three of us. We would like to thank you for the opportunity to present to the standing committee on a very important issue. By way of background, Avcare started Agsafe as its supply chain training and accreditation company in the very early 1990s. Since then Agsafe has become the leading stewardship company in the Australian input industry with programs covering both ag and vet chemicals as well as fertilisers. These programs build and maintain skills in managing products through their life cycle from the point of manufacture to the point of final disposal. ChemCert, on the other hand, was started around the same time as Agsafe and since then it has become the leading ag vet chemical user training program in Australia. The main focus of this program is to build and maintain skills in managing ag vet chemicals behind the farm gate. For your information, Avcare is a member of the national ChemCert board.

Collectively, the two programs, Agsafe and ChemCert, signify two things: (1) they are major contributors to ensuring food safety, occupational health and safety standards, environmental protection and trade integrity; and (2) they represent over 10 years practical experience in education, competency training and accreditation within the rural industries. Today we wish to raise the following four issues for further discussion with the committee: firstly, harmonisation between jurisdictions in terms of equivalent standards and/or regulatory requirements; secondly, governments to re-establish a leadership role in promoting training by reinstating FarmBis funding for ag vet chemical users' training and supporting reaccreditation at least every five years; thirdly, financial resources to establish flexible delivery of rural skills training in order to meet market demands—for example, access to information technology such as bandwidth in rural areas for the emerging e-training sector needs to be properly resourced; and, fourthly, the need for a cultural change program that underpins continuous improvements in the rural skills training industry. Part of this must include a revision of the workplace English-language and literacy program guidelines to ensure they are applicable to the rural sector. I would also like to add that perhaps a program that creates and maintains motivation for young agribusiness leaders would also be relevant here.

In conclusion, excellence in training is not an act but a habit. Avcare recommends that more research is done to actually understand why people want to be trained, how they learn effectively and what makes them actually apply what they have learnt. As well, a better understanding of the attitudinal motivators and barriers to adopting a culture of continuous improvement in administering ag vet chemicals management is imperative. Given the fundamental demographic changes in rural Australia, answers to these questions are vital in supporting the viability and sustainability of Australian agriculture. Thank you.

CHAIR—Can you advise the committee why you have called for the reinstatement of FarmBis funding for ag vet chemical user training? When was it dropped from FarmBis and can you tell us why?

Dr Clarke—ChemCert training is the training for agriculture and veterinary chemical use on-farm. Until around 2001, ChemCert training was eligible for FarmBis funding. The situation varied somewhat between states, as you might expect, as to the exact year when it was dropped off. But across all states where it had been eligible for FarmBis funding, we had a massive reduction in training numbers, in the order of 30 to 40 per cent across states, the minute that funding was no longer available. What that meant in reality for the farmer was that the cost of their training went from around $50 for a two-day course—which is what it was when FarmBis was there—to full cost recovery for them. It varies across states, but we say on average it is around $300 for a two-day course, which for full cost recovery is very cheap, when you consider two-day training in remote areas. So we work very hard to keep costs down, but the impact of training costs changing from $50 to $300 on average was very significant and had a very serious effect on the numbers of those who came through for training.

ChemCert is generally a voluntary program, although one of our other issues is the fact that there are different requirements in different states for training. In many states it is a voluntary program. What are the incentives? Farmers are very price-sensitive, and when they see the cost of that training at $300, they are reluctant to do training. We have significant pressure put on us all the time to try to reduce those costs even further, and it is a very difficult row to hoe to try to keep those costs down and to constantly improve the quality of the training. Society is demanding that more and more attention is given to training in chemical issues, particularly spray drift environment issues and so on.

Mr ADAMS—The regulatory issue is: if you were going to sell into a market, would you need to have done that training and have the accreditation to be able to put something in a certain market? Are they linked yet?

Dr Clarke—There are a number of different ways in which it is linked to training. There are some regulations at the national level and in some states which link it to actual purchase of chemicals. For restricted chemicals as declared by APVMA you need training to purchase chemicals. The usual example is endosulphan in the cotton industry. New South Wales has just introduced training for all users—so to use chemicals you must have training. That is somewhat more difficult to enforce, I suspect. I think what you are talking about comes not through legislation so much as through quality assurance programs like CATTLECARE, Flockcare, Fresh Care and the Woolworths quality management schemes. To participate in those schemes you must have ChemCert training or equivalent. So it can be done through all those different

ways. They all operate differently. They mandate different levels of training, and that is part of our problem. We have to try to weave a path through all those differences.

Mr ADAMS—The difficulty being that if somebody makes a mistake and there is a dip and they do not have that training, that person could be inflicted with a substantial fine or, even worse, a penalty from a court of law.

Dr Clarke—It is their duty of care. It really comes under their duty of care legislation to do that. Our duty of care, of course, is to ensure that the training that we give meets all the national standards under their vocational education system. They keep increasing dramatically—which I am not objecting to; it is just that it becomes harder and harder to deliver at low cost.

Mr ADAMS—It is $300 for two days.

Dr Clarke—In rural and remote areas.

Mr SECKER—I remember about 10 years ago I had been wool-classing in my own shed. I did not have my owner classer stencil because I had been using my father's for about 15 years. I had learnt in the shed. I thought, 'I have now got to go and get my own classer stencil.' I was able to go there and do the written test and show them I could do the wool. I was out of the place in 20 minutes with my own classer stencil because I could prove to them I could do it.

I am in the same situation. I have been using chemicals on the farm for 30 years. For me to become certified, not only to use them but to pick them up from the supplier, I have to go and get a ChemCert certificate, which I find quite expressly ridiculous. My son might ring me up and say, 'Are you coming through Keith today?' Keith is my home town. 'To save me a trip, can you pick up a bunch of chemicals?' It is illegal for me to pick up those chemicals and put them in the boot because I do not have certification. Now I have to go and pay $250 to legally pick up those chemicals. I just wonder how these rules are made in the first place, because it seems to ignore commonsense. Secondly, why would you need reaccreditation? To me, I have learnt all the things about chemicals. When a new chemical comes on the market, I will find out what the dangerous things are with it. I know how to handle chemicals; I know when to use them, when it is raining or whatever. Why would I need a reaccreditation every five years?

Dr Clarke—Firstly, you mentioned the regulations. ChemCert does not set the regulations; they are set by regulators. We work with them to ensure that we fulfil our part in relation to them. You mentioned also, I think, that you had considerable skills in chemical application. There are ways in which you can apply for skills recognition, to have that recognised. If you go through that process, you do not have to come to a ChemCert course. We find, though, that something that has been put into the vocation educational system with this concept of skills recognition is in fact very hard to administer because it is a one-on-one thing between the trainer and you, as opposed to you coming along to a more classroom style situation of 10. So it often turns out that it involves quite a lot of effort on your part to put together the documentation and then for the trainer to assess that. But that is a way that it can be done.

Why reaccreditation every five years? It is because things change dramatically in five years. There are many farmers like you who would keep up to date with those changes. But there are also many who do not. I think when you look at the numbers that we are training—we train

roughly 20,000 every year and we have issued over 200,000 accreditations since our inception—it is a very wide volume of training and it impacts on most farms, even organic farms, around Australia. So you can imagine that the diversity of the people involved is quite significant. So I guess we have to cater not necessarily to the highest common denominator who keep pace with developments but more to protect those who do keep up from those who do not. That is really where we sit.

But I think that does bring us on to an area that is important that we have flagged in our submission: the need to have flexible ways of assessing people every five years. It is not just saying, 'Come back to the classroom and sit down again.' Most farmers do not particularly like coming in, and there is very strong resistance to classroom situations. So what we are looking at is innovative ways of doing that. I know that Agsafe is looking at e-learning style approaches. We find that does not work very well for the average farmer, but we are looking at ways of linking it in with a quality assurance program so that, if you belong to a quality assurance program, when you have your QA audit, you could have an on-farm ChemCert assessment just to check that everything is working well. You would almost not know that you were being reaccredited after five years. So they are the sorts of flexible approaches that we need to put together to look after the situation that you describe. But it requires a lot of effort, money and investment to put together those programs. When we are running on a shoestring with the sorts of charges we have, that makes that investment quite difficult.

Mr SECKER—I do not have a problem with it. In fact, I insist on employees doing it. I do that for my own protection as well as theirs. But that is where owner-operators who have been doing it for years get very annoyed. We are having the same problem now with this accreditation to use ammonium nitrate, because someone used it for a bomb in Bali. They have been using that fertiliser quite safely. It is not a safety issue; it is about saying, 'Can you ensure that nobody is going to come on your farm and flog it?' I do not know about this. If they really want to, they will do it, and you can actually make ammonium nitrate quite simply, for example, by warming up cloudy ammonium and hydrochloric acid. Farmers do get frustrated by extra regulations that they do not see as necessary.

Mr ADAMS—What you are saying is, 'I've got prior learning.' It is the recognition of a prior learning.

Mr SECKER—That is what I think we need to do some work on. That is where you are getting some of the resistance from. It is the fact that they think, 'I don't need it.'

Dr Clarke—I agree with you entirely. This recognition of prior learning is something that is relatively new in the system. I have described a way that it might work, but we really need much smarter ways of making that work. We are actually working on a process to try to put it into a 100-point system that allows you to very quickly show the evidence and to systematise it in that way. But, again, it is another issue of investment in trying to work through the ways that are going to make it easier. Recognition of prior learning is not really working well at the moment. It is very cumbersome and time consuming, and we need more research and effort into making it work better for that situation.

Mr Gauchat—Another driver for reaccreditation is the market access issue. You would have heard of EurepGAP, the international good agricultural practice program, which requires

assurance about the farmer's capability of applying chemicals to food that is going to be purchased by retailers. It also imposes limitations or duty of care responsibilities in terms of environmental protection. That is to do with resource management. These are all new drivers that go from the consumer back towards the farm, hence training per se makes a lot of sense and reaccreditation also makes a lot of sense. But I do agree that those courses have to be relevant, so they have to be updated to provide what the farmers need. Maybe one size does not fit all, hence those programs have to deliver exactly what the market needs. Sam would have some examples of how they have adjusted the training and accreditation program to the needs of retailers.

Mr Ponder—Yes, I do. With your indulgence, Chair: one of the main drivers has obviously been this move for quality assurance—or EMS—that has hit us over the last two to three years. It has been very much driven by the large multinational food retailers. There are approximately 11 of them. As for what we are trying to actually do, we train between 6,000 and 7,000 people over a two-year cycle in the supply input area of retail. It is for the purposes of dangerous goods recommendations, handling and transportation. Anyone doing this needs to go through a number of different modules. What we are finding is that we need to make the courses more relevant because they need to be also more job specific. So it is for better quality control and ease of updating as regulations change, bearing in mind that we are actually dealing with six regulators in each state plus five federal government departments in managing our code of practice. One of our big wishes is to get people to start harmonising—to get the regulators in each state to start harmonising—as that would make a huge difference for us.

Mr SECKER—After compliance, you would actually prefer a national regime than one in each state?

Mr Ponder—That would make it so much easier.

Mr SECKER—So you read the labels and you see that you can use it in these states but you cannot use it in Queensland because of some stupid bloody rule.

CHAIR—Yes, it is a common theme. We have heard that all around the countryside in both inquiries.

Mr ADAMS—It is.

CHAIR—It is a real concern. Why did you form Agsafe from Avcare?

Mr Gauchat—That was back in the late eighties. There was a recognition that the role of the retailers had become very complicated and that the advice was not really up to the professional standard that the industry felt it should be, therefore the training was agreed to. Then we had the Senate inquiry into the farm chemical industry.

Out of that came the recommendation that training is going to be an important part, as well as container management. Out of that came Agsafe, which has been fully industry funded since its inception, and it was incorporated in 1994. It dealt with training and accreditation of personnel as well as farm businesses—the retail outlets; then we added on the environmental programs of drumMUSTER and ChemClear in the late 1990s. That was the history of it. Very lately the Fertcare program was added on.

CHAIR—I have just one more question. I am conscious of the time, and we are going to lose another member, which makes it difficult for us. What do you believe the strengths and weaknesses are in the national framework? What improvements do you think are needed?

Dr Clarke—I think the strength is the emphasis on workplace training and assessment. I think that is really important. We pitch our training at level 3, which is for the independent operator. The next level up is for supervisors. We do not pitch our training there. Just dealing with training at level 3, we have to deal with the situation of the enormous variation across Australia and across industries of training in different types of equipment. The technical knowledge and skills that are needed by a broadacre crop producer in cotton, for example, to calibrate their equipment, manage spray drift and so on, are vastly different from what is needed by someone who is in a land management area and who is using a backpack sprayer. Probably the backpack sprayer could get through in a day. The cotton grower would be struggling even with two days to get through what needs to be done. But the training system just says that it is all just a level 3, and they get the same qualification. It can be quite confusing for the employer when someone fronts up and says, 'I have got my ChemCert and it is a level 3.' If they had got that with a backpack you would not want to let them out on your broadacre cotton farm. I think that the ability of the training system to cope with technical information—

Mr SECKER—Could I please do something very procedural and move that we appoint a subcommittee?

CHAIR—Yes.

Mr SECKER—That way we have a quorum.

CHAIR—We have a quorum problem because there is so much going on. Please continue, Dr Clarke.

Dr Clarke—The nub of it is that it is very difficult, with that competency based training and assessment system, to deal with industries and training programs where a large amount of technical information needs to be imparted. By the time you get up to the next level of training, we are talking about management skills, and you cannot fit the technical side into that. We are a bit stuck in this level 3 thing, trying to squash different amounts of technical information in, and it just does not fit very well.

Mr ADAMS—Hence, that is the literacy—

Dr Clarke—Yes, literacy and numeracy. In some areas, literacy and numeracy are quite low, given the education levels. An absolute criteria for all of our courses is that participants can, firstly, read a label—there is literacy No. 1; if you can read a label that is a reasonably high standard—and, secondly, the calibration of equipment. Even when it is a backpack, it is still surprising how difficult it is for them to get through.

CHAIR—How difficult has that made the issue for some people? You can have, in some areas, people who have very skilful practical applications to things but have those problems of not being able to read and write—or write and not read.

Mr ADAMS—Is there a colour-coded process?

Dr Clarke—No, but we can do an on-farm assessment of them. But it is much more expensive to go down that path, because it is one-on-one with the trainer going out there. If all registered training organisations are required to have in place procedures that allow them to deal with language, literacy and numeracy issues, the problem is that those often are not identified by the participant until they front up to what is only a two-day course. You are probably into almost the end of day one before you realise it is a really serious issue, whereas you could have been better prepared to deal with it if they had declared it up front.

CHAIR—People do not talk about it.

Dr Clarke—The other issue is the training for people from non-English-speaking backgrounds, particularly where label reading again is—

Mr ADAMS—Which could become more of an issue as we go on in the future when we talk about labour shortages and things in Australia.

CHAIR—Which lends weight to the argument about people learning to speak and read English.

Mr ADAMS—The drumMUSTER program—will you remind us about that?

Mr Ponder—DrumMUSTER is the program for the collection of used, clean drums—it is a non-hazardous program.

Mr ADAMS—Picking up old drums, leftovers and things. That is done on a periodic basis, isn't it?

Mr Ponder—No, it is in many areas throughout Australia. It is very much a national program. We have got something like 670 collection compounds throughout Australia. We are trying to change the culture, and one of the things I would like to talk about—this is good—is to bring forward some sort of cultural change program whereby we can fast-track farmers or make them more aware of their environmental and social responsibilities. If we could establish some sort of partnership between government and industry in relation to that, it would be of huge benefit. Not only would it cover off on the drumMUSTER program and the ChemClear program but it would also open up a plethora of other avenues such as spray drift, which Margaret has just talked about, and a few other pressing environmental matters that can be brought to the fore. By creating that awareness we can then start to infuse and get these people involved, because otherwise it is a generational change—and generational change is 25 years. We are not going to get younger farmers out there because there are fewer and fewer, so the average age is pretty much going to stay the same one would imagine.

Mr ADAMS—The collection points are at local government—

Mr Ponder—For the main, they are at local government sites—that is correct—but they are all secure compounds. Unlike some other countries around the world ours is a non-hazardous

program, which means that we can transport the waste around, whereas if it is hazardous, such as in France, it has to go to a cement kiln for heat exchange.

Mr ADAMS—Right, so it is destroyed through a heat process.

Mr Ponder—Correct. So all of our product, our HDP plastic, is recycled and made into products that are not for human use.

CHAIR—As a person who had practically used a chemical for 24 years and then lost concentration for two seconds I can understand the reason for these courses to be undertaken, despite it being in some instances hard to swallow by the people who are using them. Two seconds of lack of concentration cost me an eye, so I commend you for what you are doing. I thank you for your input today. It has been very informative from our point of view. I do not know whether it is because of the quality of the committee that I have got but we have been able to extract some very pertinent, interesting and productive information from people like you. I thank you very much for the time you have given to come and give evidence to this committee today.

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 6.29 pm