

COMMONWEALTH OF AUSTRALIA

## Official Committee Hansard

# HOUSE OF REPRESENTATIVES

STANDING COMMITTEE ON AGRICULTURE, FISHERIES AND FORESTRY

**Reference: Rural skills training and research** 

FRIDAY, 10 MARCH 2006

ARMIDALE

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### HOUSE OF REPRESENTATIVES

#### STANDING COMMITTEE ON AGRICULTURE, FISHERIES AND FORESTRY

### Friday, 10 March 2006

**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 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

<ul> <li>BELFIELD, Mr Richard Edgar Home, Special Feature Correspondent, <i>The Earthmover and Civil Contractor Magazine</i>, Civil Contractors Federation of Australia</li></ul>	ee, 17 1		
		TRUSCOTT, Mr Graham Carl, General Manager, Australian Beef Industry Foundation	
		WOODS, Mr Maxwell George Magnus, Private capacity	12

### Subcommittee met at 10.42 am

HINCH, Dr Geoffrey Norman, Associate Professor, Head, School of Rural Science and Agriculture, University of New England

### PETTIGREW, Professor Alan, Vice Chancellor, Chief Executive Officer, University of New England

### SEDGLEY, Professor Margaret, Executive Dean, Faculty of the Sciences, University of New England

**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 15th public hearing for this inquiry and it is part of an extensive program of public hearings and visits designed to gather information from the people directly involved with the main issues of the inquiry. I would like to take this opportunity to thank Professor Alan Pettigrew, Vice Chancellor of the University of New England, and his staff for making us feel welcome today and allowing us to use the university as a venue for these hearings. Today the committee will be hearing from a number of invited witnesses representing a broad range of people and organisations interested in the area of rural skills training and research. We will begin with the University of New England.

Although the committee does not require you to give evidence under oath, I should advise you that the hearings are formal proceeding of the parliament. Consequently they warrant the same respect as proceedings of the House itself. It is customary to remind witnesses that the giving of 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? Having asked that, could you indicate whether only one of you will be doing that or whether you would each like to make a contribution?

**Prof. Pettigrew**—I would like to make a few opening comments to the committee. We have agreed that after those introductory comments we would be very happy to take comments from the committee and to engage with you in open discussion. I would like to reiterate our welcome to you and your colleagues. It is a great pleasure to have you on the campus and to see you here. Obviously, this university is extremely interested in the topic of your inquiry and we would like to assist you in whatever ways we possibly can in that inquiry.

My opening comments will be brief because, as you appreciate, I have only been on this campus for two weeks as vice chancellor so I am learning, probably as much as you are, at the moment. Nevertheless, I want to make some opening comments. First of all, I think the University of New England is uniquely placed in the Australian tertiary education sector with respect to its ability to deliver in rural education. We have a long history. The university began in the 1930s as an offshoot of the University of Sydney, became independent some time later and has a proud tradition as an independent tertiary provider in this region. We have a wide range of academic courses on the campus and a wide range of research activities on the campus, but there is a principal strength in this university in rural education and rural research issues. That research and that teaching basis is across a wide range of disciplines within rural education. I am referring as much to matters such as horticulture as to animal research and teaching to do with different

species. Indeed, the species variations that we deal with on this campus in our research and teaching are very broad. So we have a comprehensive base to our teaching in this particular area of inquiry.

Because of our history and our strong research presence, we have a wide range of infrastructure already available to support teaching and research in these disciplines. I think that places this university at some advantage. We have also a very high skill base and reputation in distance education. We also have a newly established process of providing access centres in rural and more remote areas away from this campus so that students can access the facilities of the campus through internet connections and so on. It is adding quite a new dimension to our ability to interact closely with students in the distance education mode, and that is a particular strength of what we do.

We cannot leave unsaid the fact that this university has six CRCs, cooperative research centres, on the campus which provide for us a very important research base to what we do. They provide a very important linkage between this university, its education programs and research conducted on this campus and the industries in the local region and beyond, in the national sense, as well as the whole issue of community engagement in the product of this research and how it is transmitted to the community—not only to industry but also to governments, local governments, regional authorities and so on—so that policy can be developed on a very good research base which brings practice and policy based on knowledge.

We are currently attracting around \$7 million per year to our rural and environmental research activities on this campus. I do not think you can disconnect necessarily rural, agricultural type activities from environmental activities. We have that strong combination at this university. We are very well linked with industry. As I have mentioned, the purpose of that obviously is to translate the research outcomes into industry productivity. We have livestock societies in the region with whom we interact, especially in the beef industry. It was very pleasing to see earlier this week a conference on this campus which related to the beef CRC with approximately 200 to 300 people attending, which included people from all around the world coming to this campus—to an academic institution where teaching is important—to learn about the latest developments in beef productivity coming from the research of that CRC. I hope that some of the students that were around the campus while that conference was on saw that underpinning their education on this campus is a strong presence in research activity, linked not only to basic sciences but right through to industry and how to improve productivity. We also have strong links with the state Department of Primary Industries with activities on this campus. There is a brochure available to you to explain some of the simple aspects of that relationship.

There are wide-ranging numbers of centres—and I know you have seen some elements of those this morning in your tour—as well as our rural properties where we can conduct research and also which we can use for teaching purposes. It is a strong university. It has a strong presence in the topic of your inquiry. We believe that there is an opportunity for this university to move forward and strengthen our activities in that way. I hope that we will be able to convince you that this university is a site where you might want to concentrate some of that activity because, as costs go up, there needs to be a concentration of effort to keep the critical masses happening to get the best out of the system.

**CHAIR**—Thank you very much for that general overview, Professor Pettigrew. I will just lead by saying that this committee, in its evidence hearing, has received criticisms from some sectors of the educational industry that there is a shortage of agriculture faculties in universities. That is certainly not the case as far as this particular university is concerned. Would you like to make a general observation of that criticism? We believe from the evidence that we have taken that there appears to be a significant concern about that.

**Prof. Pettigrew**—I can only reflect on that from my experience at the University of Queensland and the University of Sydney, which are the previous institutions at which I have worked. Both of those institutions have strong agriculture faculties. The questions that need to be asked are: how many agriculture faculties does the country need and where should they be placed? There are a number of answers to that. One of the answers to that depends on the geography of the country and the size of the country, in addition to how much student load you need to have to service the industries that provide agriculture in this country. So there are two aspects to this.

To start with, let me tackle the first one—that is, in Australia we range from the very high tropics to the very low temperate areas, and agriculture is so important across that north-south spectrum. We also have the general nature of geography of Australia with its arid zones and so on. There needs to be a widely based expertise to cover all of those geographic issues around agricultural production in this country, if we going to maximise our effort.

The other factor that I would introduce into that is that there are significant challenges to agriculture which result from disease, and disease paradigms are spread across different geographic regions. The diseases in the tropics are quite different to the diseases that you experience in the low temperate areas, so you get this gradation. We need to have a wide agricultural research and teaching base which can accommodate all those sorts of geographic distributions of both productivity and threats to productivity coming through either plant or animal diseases. That is one issue. The question of how many agriculture schools or faculties you need in this country I am not really able to answer directly, but maybe Margaret could comment on that from her perspective as a dean.

**Prof. Sedgley**—It is a very interesting question which, I am sure you are aware, has been discussed over many years. A review came out about 12 years ago which suggested that Australia needed to rationalise the number of agriculture faculties across the country. That was based on the numbers required by the industry and, of course, the relationship between critical mass of teaching facilities, academic staff and so on in relation to the numbers of students required by the industry. I think there is no doubt that that finding was correct in view of the situation that pertained then. In fact, what happened, as you are probably aware, was that there was a proliferation of agriculture courses across the country. What is happening now is very interesting in that there is, as you pointed out, a decline in the number. To put it quite bluntly, this is economic reality. Because of the nature of our funding, we need to have a critical mass of students to support our academic staff. Frankly, in the area of agriculture, that is not possible across the spectrum of tertiary institutions that we have in Australia.

I think we have to face up to the fact that we are going to have to specialise. We will have to have a few sites which are particularly strong. This of course means a mind shift with regard to our student body. Australian students traditionally tend not to move for their tertiary education. I

think this is something which will have to change. Increasingly, it is having to change because of the shortage of faculties across the country. We believe that we are one of the locations which are sufficiently strong to endure into the future, and we intend that rural studies and research will be part of our activities for a long time to come.

I think it is inevitable that many other agriculture faculties will decline, and I do not think that that trend will be reversed. So this means that we may have to look at some support for students who make the decision that they wish to specialise in rural studies, who may be in other parts of the country. From my experience, the major barrier seems to be cost for that relocation. Short of revolutionising the industry in Australia, which is not going to happen in the short term, I cannot see how we can support an increase in the number of agriculture courses across the country.

### CHAIR—Not even at technical college level?

**Prof. Sedgley**—Technical college level is a different issue. I think there is more opportunity at that level, but I was talking specifically about tertiary level.

**CHAIR**—Perhaps I could offer my parliamentary colleague Mr Secker the opportunity to talk about that particular issue and perhaps get some views from the university on it.

Prof. Sedgley—Certainly, yes.

**Mr SECKER**—You talk about the deterrence of cost to a student who is making up his or her mind about whether to come into the agricultural university area. Are you suggesting a review of the living away from home allowance or treating them almost like isolated children because they are actually being isolated from their homes and coming to a whole new area?

**Prof. Sedgley**—There are two options here. One is to study via the internal mode and to have the on-campus experience. In those cases, particularly for those distant from the focus, some provision probably would need to be made. But do not forget that we in this university are also very strong in distance education. That is one of the reasons that we were established in the first place, and that is one of our strengths. So there is the opportunity to study in the distance mode and to visit the campus for short-term residential courses to get the hands-on experience, which is of course vital in the agriculture area.

But there is another option that I would like to float here—that is, collaboration with other universities. This is an approach that we are very keen on here at UNE, in two modes. First of all there are, if you like, one-to-one partnerships with other universities. For example, we have very close associations with the University of Newcastle. We are considering a number of programs that we are looking to offer jointly, because neither of us has the critical mass to service the student body, but between the two of us we do. That means that we are working very closely in complementary areas across the two universities. That is one model.

The other model is one that we are promoting through the Australian Sheep Industry Cooperative Research Centre. The areas of sheep meat and wool science are vitally important for this country, but the number of graduates required is not huge—it is not enormous. So one option we are looking at there is a hub-and-spoke model where UNE is the hub, and through the Sheep CRC we have developed a number of teaching units for undergraduate studies.

We have also developed VET materials, by the way. I will talk first about the tertiary area. UNE is the hub and we have spokes, if you like, into a number of other universities around the country that have agriculture faculties and are using our units to teach their students on their campuses. That is another model that I think has a great deal of merit and that we should follow up for other areas as well.

Increasingly, as we go into the technological age to support teaching with learning materials, management systems and so on and so forth, it becomes easier to facilitate the dissemination of that material so that someone in Darwin, Western Australia or Hobart can access that material directly—via password protection, of course—from our UNE system.

So there are number of different models and it really depends on the amount of specialist training that is needed and also the nature of the training that is needed—whether the student wants to be immersed in everything that we can offer on a campus like this or is comfortable to come in for short periods and work remotely via distance mode.

With regard to that, as I said, through the Sheep CRC we are also developing a wide range of vet materials specifically, of course, for sheep, meat and wool studies. We are taking a similar approach to that and hope that as that develops further we can have a similar model of locations, remote from UNE, tapping into our learning materials management system for that information to be presented to students on the ground.

**Mr SECKER**—I will preface this by saying that we have had quite a bit of evidence to say that students who are studying agriculture at an agricultural high school set up like Farrer, for example, their marks are downgraded—because it is an agricultural subject—when it comes to getting entrance marks to universities.

### CHAIR—The UAI.

**Prof. Sedgley**—It is often not so much the downgrading of agriculture; it is often more that students do not have the opportunity or the right advice to study science subjects. Realistically, agriculture is underpinned by science. We do have problems, in that students do not come in with sufficient chemistry, in particular, so we have a number of bridging courses and special courses to assist those students who do not have that background. We do our very best.

**Mr SECKER**—We have also had evidence that if you are studying chemistry you are likely to have your marks downgraded as well.

Prof. Pettigrew—It depends on what you mean by 'downgraded'.

**Mr SECKER**—You might get 100 per cent but, because of the marks of English, you might be scaled down to 92 or something. You would not get 100 per cent in chemistry, I would not think, but they are downgraded on that basis. So chemistry is actually one of the subjects that was very similar to agriculture, and that was downgraded. Yet, often they need to have science background, as you say, for the university degrees that they might be doing in agriculture, because it is so important to the agricultural sector.

**Prof. Sedgley**—I am not specifically aware of the problem that you are quoting, but I would like to say that I think there is a great deal of work we need to do as a community, and certainly as a university, in promoting science generally within schools. In fact, we have recently signed on to a national program, which was supported by Brendan Nelson before he changed portfolios, to work with schools to try and raise the profile and get more interest in sciences.

Via that mode, we certainly need to address the question that you have raised which, as I say, I was not aware of but we need to look into. As you know, I have recently come from South Australia. I was involved in this project in South Australia, and I think it has huge potential to raise the profile of science in schools, and it is something that as a community we need to get behind from the points of view of rural studies but also generally across the science spectrum.

**CHAIR**—I will comment on what Mr Secker just said. We have certainly had significant evidence that there is deep concern about the UAI formula. I do not know what they call it in other states. It is resulting in what I could only refer to as a dumbing-down of agriculture, particularly for those students who, for whatever reason—intellectual capacity or whatever—are unable to get to that level. Because of the way in which their efforts are being treated through the system, they are getting a negative attitude about the possibilities of a future in agriculture. I am particularly referring to those students who would probably not reach university level but would go in at a local ag college level.

Prof. Sedgley—Geoff, do you have any background on that?

Dr Hinch—Yes.

CHAIR—There is certainly a very deep feeling out there on the issue.

**Dr Hinch**—My perception would be that very few of the students who come and to agriculture here are actually doing agriculture at high school. They recognise that, if they want to do tertiary study, science options are the ones they should take, not agriculture per se. So I tend to agree with the comment that there is a perception that agriculture is not for people coming to tertiary institutions. I really believe that is a problem we have in attracting students, and good students, to come into agriculture. There is a community perception that agriculture is not a good career path. It is not correct, but that is the perception that is there. I believe there are ways of overcoming that in allowing people who come through the TAFE sector, through the VET sector, to link in to university courses through a different—

**Prof. Sedgley**—And also mature entry.

**Dr Hinch**—We have those types of systems now in place, so people are coming back in, but it is in very small numbers.

Mr SECKER—It is pretty limited, though, isn't it?

**Dr Hinch**—It is very small numbers at the present time, and it is one of the frustrations. We have set up the structures, but we have not had the flow of students into that process.

**Mr SECKER**—That is a concern for me because—and I am not saying this goes for everyone—the agricultural scientists who I have been most impressed with in my life are the ones who have actually come off the land and ended up in that area for whatever reason. If you are not attracting them from that area now, what are we going to have in the future?

**Dr Hinch**—That is a good question. This issue of attracting them back in is of great concern, and I think we have to somehow change the image of agriculture in our society, that it is a good place to be; it is an important place to be. We do not have problems with people who are coming from an agricultural base into this institution who enjoy the rural environment, and somehow or other we have to create the feeling that the rural environment is a good place to be and a good place to work in the future.

CHAIR—How can government assist in that situation?

**Prof. Sedgley**—Through programs such as the national program I have been talking about. We will be working with that project at two levels. First of all, we will be working across the sciences faculty to raise the profile of science generally, but also we will have a project through the CRCs. The various CRCs on campus will be getting together specifically to go into schools to promote the rural areas of tertiary study.

This is the way that we need to engage people. Our people will be working at an early stage with the science teachers. I am hoping also that we can extend the program to careers advisers, because they are vital in this whole formula. I am not talking about just year 12; I am talking about young people right through the secondary school system. By year 12, they have often made their decisions. We need to get the profile of science raised at an early stage so that they are coming through with positive images of what science is and how it can relate to tertiary activities. UNE staff will be involved. A liaison person will work with the schools. UNE staff will be involved in developing materials for presentation in the schools. The students will have the opportunity to go out onto rural properties to experience first-hand how what they are learning at school relates to the real world and to the farm and rural business.

As I said, I have been involved in this approach in a previous life. So often, the response from the science teachers, but particularly from the students, is that they had no idea of what the reality of the rural sector was like. It has certainly opened a lot of eyes. With that realisation, the enthusiasm for those areas has grown.

As scientists and as teachers we have a responsibility to address the, if you like, low esteem in which agriculture is—sadly—held in the country at the moment. This is certainly one of the ways we can do that—by putting across the positives and, most importantly, educating the teachers and the students about how the underpinning science fits together with the practice of agriculture and how it indeed has flow-ons into the community and the wider economic realm, which is so important to the country.

**CHAIR**—You hit part of the problem on the head—particularly from year 7 through to year 12—when you made the comment about careers advisers. It would appear in the evidence that we have received so far that there is some argument for governments at both levels to look at the resource materials supplied to teachers, because that is where the negativity about agriculture comes from at that early age. If the careers advisers are not in the process of talking it up, they

will continue to place that negative message into the minds of the younger people coming through the system.

Mr WINDSOR—I welcome Professor Pettigrew to this area.

Prof. Pettigrew—Thank you.

**Mr WINDSOR**—It is good to meet you. Thank you to the others for being here. Anybody may like to answer this question: just in terms of location and size, with a university such as this being located in a rural area but not being a large institution compared to some of its other competitors, are there any specific problems that you would like to mention today, not only in relation to the delivery of courses but also in terms of the non-CRC research people at the university and how the location and size impacts on those people?

**Prof. Sedgley**—Our size and isolation are disadvantages but also advantages. Do not forget that, with regard to training, we are very strong in distance education, so we actually connect with a far wider cohort of students—certainly with regard to the geographical location and so on—than many other institutions.

Interestingly, coming recently from another university, my observations are that, although you might think that UNE staff would feel isolated—and I think there is an element of that—they take every opportunity to travel to other universities in Australia and overseas and, from that point of view, the tyranny of distance is greatly reduced. The problem is more the perception of the outside world in that, for a major city location, we are seen as rather small and possibly insignificant. I think it is more the perception of others.

**Mr WINDSOR**—Are there any internal problems that are not so much other people's perceptions but the reality of this place? Are there any problems associated with size and so on?

**Prof. Sedgley**—Yes, there are problems that I can identify. The main one is with regard to infrastructure. It is very hard for us as a small university, with relatively low numbers of academics, to maintain the infrastructure we need for top quality teaching and particularly research. We do very well through the competitive grants system but, given that increasingly the federal government is looking for collaborative applications, it is very hard for us because of our distance from other university campuses to have collaborative arrangements. If equipment is on another campus then we really have to set aside time to do it. That would probably be the main factor that I can identify as a problem: maintaining our infrastructure bases at the cutting edge. We are very fortunate; we have so many CRCs here and that assists us. But it is a problem. As the opportunities increasingly go towards collaborative equipment but may be a four-hour drive away.

**CHAIR**—In your submission, you referred to the shortage of trained researchers that has created problems for other universities as well.

**Prof. Sedgley**—That is a problem across the board with regard to the industry, with practitioners going into the industry as well as researchers carrying on research work and, indeed, teaching at universities. Because of the declining numbers of graduates coming through,

it is becoming increasingly difficult to attract and retain the very best people. That is true. We are hoping that this schools project will start to reverse that trend, in getting more people into our programs and therefore more practitioners coming through to service the industry, our needs and also, frankly, the needs of the state departments and other universities. You are correct; there is a nationwide and international shortage of practitioners in the area.

**Prof. Pettigrew**—If I could add a brief comment in answer to the question from Mr Windsor, with increasing costs of running universities, universities have to become as efficient as they can and they have to determine priorities. One of the difficulties that I am facing, quite honestly, is the issue of where the priorities should be in this regional university serving its region. We have our strengths in agriculture, but we also have strengths in education, for example. We have a law school. We have an economics school. We have combined degrees in agriculture and economics and combined degrees in agriculture and law. These are important aspects, and our ability to deliver a good law program is essential for the particular inquiry you have and for this region in other dimensions as well. What I have to determine in my tenure here is the appropriate balance, given the resources available to this university. So there is a general pressure of resourcing a regional university with our student load numbers, our proportions of distance education and the high infrastructure courses that we offer—because that is what this regional university is good at and what we can do. There are enormous pressures on us to deliver. Setting the priorities is something which we have to work on in this university.

**Mr WINDSOR**—Yesterday, we had some evidence from the cotton industry about some of the short courses that are being offered and the way in which a regional university relates to industry in the area. They commented that the cotton basics course, which I think was something like a 12-month course, had previously been covered under HECS and now that is not the case.

**Prof. Sedgley**—That is correct.

**Mr WINDSOR**—How has that come about? Who is responsible for that occurring? It seemed to me, and I think to the others, that that course is a short course that industry was requiring and was getting benefit from, and it was being done in the region where distance was not the greatest problem.

**Dr Hinch**—It is the case not only for the cotton industry but for a number of the courses that are being developed out of CRCs from here. What we developed was effectively a certificate for people who did not necessarily have any previous tertiary education. People were coming out of industry were getting motivated by the fact that here was a course that they could do which was related to the university, with the latest research and findings. They were coming into the system for effectively one semester of full-time work—but they could do that over two years if they wished to. That used to be able to be done within the system, and the university was to allocate a load for that. The rules changed, and we no longer allocate a load, so if they want to do something like that they effectively have to do a two-year course—a diploma.

**Mr WINDSOR**—The information we received yesterday was that that just became too long, so they did not get the benefit of—

Dr Hinch—The numbers are basically none. It has gone from 30 or so enrolments to none.

**Mr WINDSOR**—Is that an issue that this committee should look at in terms of reversing that process?

**Dr Hinch**—I would love the committee to address that, because I think it comes back to the earlier question about how you get people involved. That type of process of bringing people back in was motivating people to stay on and do degrees later on. It was motivating people to get involved, so it was an ideal way of feeding back into the system.

**Mr WINDSOR**—Is there some way that you would be able to give us some additional information? We have been given evidence on that particular course but, if there are other courses where there is that direct link with industry—and I guess an offshoot to the CRCs and other critical masses—we may well be able to pick up on that.

**Dr Hinch**—We can certainly do that.

**CHAIR**—Regarding the pathways issue, the Rural Training Council of Australia (New South Wales) submission states:

It is widely acknowledged that where pathways from vocational education to university do exist, these are being significantly eroded.

Would you like to comment on that?

**Dr Hinch**—My observation would be that we are doing our very best to facilitate that. I do not know what is happening in other institutions.

**Prof. Sedgley**—We have a number of pathways, and our understanding is that they are very healthy. Were there any particular areas that were highlighted as problems?

CHAIR—No. That was just a general comment in their submission.

**Prof. Sedgley**—One area that could possibly be done better is the marketing of these through the TAFEs. We market them—or we certainly have them prominent in our materials—but I have heard that the TAFEs are not quite so active. Given that they are the source of these students, perhaps more attention needs to be paid to that.

**CHAIR**—To the marketing side of it.

**Prof. Sedgley**—Yes, to let the students know that those pathways are available. But that is hearsay.

**CHAIR**—Thank you for the considerable input into this inquiry and for your evidence today. Hopefully, at some stage, you might be able to add to the issues that have been raised today in some detail. That will assist the committee's report process to present strong recommendations to the minister that are centred around a positive outcome as far as skills training and research in agriculture are concerned. Thank you for your time. It is very much appreciated. **Prof. Pettigrew**—Thank you, Chair. Can I reiterate that we have enjoyed working with you, and we will enjoy working with you in the future on this issue because it is so important. Are you anticipating a draft report which would be out for comment or is that not the process?

**CHAIR**—No. The committee process does not operate that way. We put out a draft report within the committee structure. That is rehashed through the full committee process and we then come up with an agreed report with appropriate recommendations based on the evidence that we have received and on the feedback from our very capable secretariat, if we stray off in other directions.

**Prof. Pettigrew**—I understand. If there is anything that comes up in your deliberations that you feel we could help you with, we would be very happy to do that.

**CHAIR**—Any further addendums to submissions or any additional information that you think would be pertinent to the committee in its deliberations would be gratefully received. All you need to do is send that straight to the secretariat who will bring it to our attention and we will include it in the inquiry process.

Prof. Pettigrew—Thank you very much.

[11.28 am]

### WOODS, Mr Maxwell George Magnus, Private capacity

CHAIR—Welcome. Do you have any comments to make on the capacity in which you appear?

**Mr Woods**—I also represent MacIntyre Development Unit 2000 at Inverell, but I address the committee as a private individual concerned with agriculture.

**CHAIR**—Thank you. Although the committee does not require you to give evidence under oath, I advise that these hearings are formal proceedings of the parliament. Consequently, they warrant the same respect as proceedings of the House. It is customary to remind witnesses that giving false or misleading evidence is a serious matter and may be regarded as 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?

**Mr Woods**—I would like to make a brief statement. I have been associated with agriculture for a very long time. I saw the first soil conservation demonstration in the Inverell district in 1937. I was away at the war for a few years, then I became a soil conservationist and a private property owner. I belong to numerous organisations. I have had a passionate regard for the management of resources. I witnessed much decline from the time of the horse to the large tractor. Soil erosion has been my main passion, but I am very much concerned about land degradation generally. I am concerned about the way agriculture is being treated by the policy makers and the people that fund research. One has to be concerned about the reduction in the capacity of people to serve agriculture. You heard a lot from the university people this morning, and I have no doubt that they could explain in great detail what is happening in that area. This morning I got some information: the research station at Glen Innes previously employed 13 people in research projects, and there are now two.

One of the main things I want to talk to you about today is the question of monitoring resources. The Americans are involved in it and they have been for quite a long time. Every five years there is a major study on up to 800,000 sites. A great deal of information is collected, and then it is collated by the University of Iowa. The Americans are then able to make value judgments and legislation that can direct the future of agriculture in America. They regard it as absolutely essential that agriculture should be treated that way, and that there should be a clear understanding of what is happening to the resources on which everybody depends. They regard agricultural resources as pivotal to the welfare of the community. I suppose you can say that for agricultural anywhere: it is pivotal. Yet one has the feeling that it is not regarded terribly highly in Australia.

There are some indications of what I am saying. Dr Ian Prosser made a statement which was recorded in the *Australian* five years ago. Asa Wahlquist, the woman writing the article, on the evidence that she had, claimed that Australia was losing enough soil each year to fill Sydney Harbour 23 times—28 billion tonnes. That is just one example. That made not a ripple; nobody took any notice of that. I did not see anybody or hear anybody make comment about it.

There are six soil conservation research stations in New South Wales. Virtually all are redundant. There is still some research going on. But the soil conservation service has been whittled away to nothing. The bank of knowledge of about 200 people with 40 years experience just dissolved. There is one fellow still at Gunnedah who some time ago made a statement which appeared in the Gunnedah newspaper. He claimed that you could fill up a 10-tonne truck in Sydney and put another 10-tonne truck nose to tail, and repeat that so that it would extend to Gunnedah—that was how much soil was translocated in that particular major flood disaster. That, again, did not make a ripple. He took notice of what happened.

If you want to re-establish a soil conservation service, there are probably six—you might find a dozen if you are lucky—people with the skills and knowledge to be able to re-establish those research stations and the service. Then you would have to start all over and train people in the skills that have already been lost.

My passion at the moment—and we have taken up with the university and the MacIntyre Development Unit, a resource oriented organisation I belong to, which has been functional now for 30 years—is resource monitoring. I talked way back in 1966 about resource monitoring and have been talking about it many times since. Fortunately, the university people here have now taken it up. They have made submissions to utilise these areas in the north—in the border rivers catchment areas—so that we can monitor resources. There is an old experiment at Glenn Innes experiment farm, which is redundant too, which has so much vital information in it. That information needs to be extracted. We need to extract as much information as we possibly can from the whole valley area to trigger a mechanism so that we can make vital decisions in Australia about the state of Australia's natural resources. I think we have the skills to do it and we have a great deal of expertise that has been developed in the United States that we could tap into.

This is vital to galvanise the Australian community into action. We need to do far more than we are doing now to manage our resources. We need training and we need skilled people. You have heard the problems the universities have with finding suitable careers, particularly careers in public service—tenures of 12 months, two years, three years. Even in research work, the career structure is not good enough. In looking after Australian resources we need to be able to say, 'This is what is happening to them.' We have looked at the modelling and looked at extracted information.' The Americans look at 800,000 sites. That is a very big process. One of the last farm bills was \$32 billion. We need to put a lot more money into looking at the quality of our agriculture so it is going to be durable and be there for the next century and the century after that.

In my own experience I have seen land go right out of production. I was appalled at the fact that land was allowed to lapse out of production because the farmer did not have the resources to look after it. Right now farmers are reaching the stage where the old soil conservation service has been almost discarded and forgotten. The vital work that they did saved hundreds of thousands of hectares of land. But it needs maintenance and the maintenance is not being done. There is no soil conservation and a lot of farmers just do not have the finance to do that sort of work because of poor returns.

**CHAIR**—Mr Woods, I am conscious of the time. Would you be receptive to taking some questions from the committee? We have the general picture of what you are talking about. You

may be interested to know that we have sympathy for what you have talked about on the soil conservation service disappearing in New South Wales. There are two members of this panel sitting here today who voted against the government decision to amalgamate the soil conservation service with the lands department in the 1990s. We voted against the whole parliament, to be frank, so we understand your concerns about the outcome of that stupid political move over a decade ago. What you are basically saying to us-correct me if I am wrong-is that there tends to be advice given to governments of the day from the bean counters in government centred around cost efficiencies and cost cutting, which in the short term assists the government of the day to have a more balanced budget but in the long term creates massive problems. In the case of the soil conservation service, you classically illustrated with your evidence so far today that it has created massive problems with regard to productive soil disappearing out of our agricultural areas despite the fact that people were warning the government about it at the time. More importantly, the outcome of that amalgamation and destruction of the soil conservation service has seen some very knowledgeable people in that field disappear out of a service that was constructively supplied to farmers. We understand what you are talking about. Would you like to take some questions?

**Mr Woods**—Yes. I quite understand what you are saying. I would like you to think about resource monitoring as a means of getting a real understanding. I will leave it there. Yes, I would be pleased to take questions.

**Mr WINDSOR**—I think the chair made a pertinent comment a moment ago. Over a decade ago now, I think what was going through the parliamentary system demonstrates what your submission is all about. There were three people in the parliament of 1999 that could see the destructive impact of that policy change—the essential destruction of the soil conservation service. In manual after manual and policy after policy, we still have the words in terms of putting in place bureaucracies that have contact, understanding and empathy with the people they are dealing with. One of the very few organisations where I have seen that in practice was the soil conservation service, and we have destroyed it.

I wholeheartedly agree on a personal level with the content of your submission, which is that we need those trained people on the ground, who are not only trained in the mechanical sciences and soil sciences but also had empathy towards the people that they were trying to assist. I would endorse your comments, but I have a question. Other than the broader resource monitoring areas—some people would argue that the government is doing that; it might not be to your satisfaction but some would argue that there is monitoring going on—what specific things would you like to see the Australian government put in place for research and training?

**Mr Woods**—That is a very good question. I will tell you the difficulty in implementing a scheme of this nature. The problem that the Catchment Management Authority has now is that skilled personnel are not around. I would hope the Catchment Management Authority would be involved in this proposal that we have under way at the moment.

When the American system was set up, the Secretary of Agriculture instructed all the departmental people who had the skills to make an assessment of resources in America to do so. That was a tremendous job. When that information was gathered, they ventured into resource monitoring. It is not going to be an easy task; it is going to take a lot of money, but it needs to be done. We need to gather together whatever information is around on the resources we have. A

chap I talked to yesterday said, 'I suppose there are half a dozen really significant monitoring sites in Australia.' He is a bit cynical about that, but there is a grain of truth in it, too.

The first thing is that the whole community be galvanised into thinking about managing the nation's resources. We need to convince the whole community that agriculture is pivotal to its long-term wealth, food supply, security and all sorts of other things. We need to change attitudes, particularly those of the media, about the significance of agriculture. We need to do a lot of groundwork. If, in the area that I am talking about, we can get a significant amount of expertise through the catchment management authority, the department of agriculture and any other organisation that we might be able to involve in this, we can learn the formula to start monitoring what we should monitor and then relay that information. In America it goes to the University of Ohio. Here we could reasonably think of the University of New England as a resource bank—an information bank. That would be somewhere to start. We need to start gathering together whatever information there is and then gather more information. I am not sure that I know the formula for how you go about doing that, but I know that we have to do it.

**Mr SECKER**—What about using groups like Landcare? Do you see that as being part of this process in helping to rehabilitate our soils, to monitor our soils and to make sure that we improve them rather than let them degrade?

**Mr Woods**—Maybe the skills in Landcare could be enhanced by programs on monitoring. I understand that farmers in Western Australia are involved in such a process. Yes, Landcare is certainly one of the great successes—there is no question about that—but it also needs the information that comes from proper monitoring.

I belong to the McIntyre Development Unit, which is an organisation we set up 30 years ago. We have met every month, almost without a break, for 30 years. Every year in the Inverell district we run what we call a 'resource management contest'. We have another one going in the Glen Innes area now, too. In that situation you can pick out the entrepreneurs in the game. There are fellows who could win that competition who could never become master farmers, but they are busily restoring old, worn-out ground. They are using all the techniques that they can gather to make old ground useful again and to stop its deterioration.

I expressly mention this contest, because it has been running for a great number of years. Every year it attracts quite a lot of people. We are getting to where some of the fellows who won it years ago are winning it again. It brings people together. We orientate the field day to show how you can restore land and you can maintain its fertility. We are always inhibited by the fact that the soil conservation people are not around any longer, because they are the people who had this sort of knowledge. Nevertheless, these are very successful ways of utilising land care.

**Mr SECKER**—Twenty or 30 years ago, there used to be a lot of extension officers employed by the departments of agriculture all around Australia. They were employed by the department of agriculture of New South Wales and the department of agriculture in South Australia, who now call themselves PIRSA, or Primary Industry Resources South Australia. Now there are virtually no resource or extension officers employed by these governments. They used to be on a one-toone basis with the farmers. They would go out and visit the farms and discuss their problems. They have all gone. We have now had a partial replacement with private industry—your stock firms, your agronomists and so on. How do you see that we could use that change of circumstances? Do you think we have the right balance between private and public extension officers?

**Mr Woods**—I think what you are saying is a balance between private and public. I think we need to always realise that the private firms are there to make profits—and reasonably so. Of course, they do a deal of research, but I think the public institutions have a distinct role far more defined and utilised than it is now and that there should be careers as researchers. There is nothing static about agriculture. It changes all the time, and you need to be conversant with change and the consequences of it. You find that out by researching the project and monitoring what is actually happening. I think they are two distinct departments of knowledge. Anywhere you can disperse knowledge is very useful. Knowledge needs to be practical and it needs to have practical applications. I do not know whether I have answered your question. I have rambled a bit, but I do feel that there is a division between those knowledge areas.

**CHAIR**—Mr Woods, thank you very much for your very thought-provoking contribution following on your submission. We do appreciate the time you have taken to come in and address the committee. From the outset of your evidence, it was a bit of personal deja vu for me as a former member of the New South Wales parliament to hear your comments. I know it will be for my parliamentary colleague, who I think is your local member, Mr Windsor. As I said, thank you for making yourself available and for making the contribution that you have to this committee today.

### Proceedings suspended from 11.54 am to 1.13 pm

### **BROWN, Mrs Margaret Mary, Representative, State Executive, State Social Issues** Committee, Country Women's Association of New South Wales

**CHAIR**—I call the representative of the Country Women's Association of New South Wales. I apologise for the small number committee members present. For various reasons, other members were not able to be here today. That does not diminish the importance of the evidence taken today. Although the committee does not require you to give evidence under oath, I should advise you that these hearings are formal proceeding of the parliament. Consequently, they warrant the same respect as proceedings of the House itself. It is customary to remind witnesses that the giving of 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?

**Mrs Brown**—I would like to make some introductory remarks. Basically, a submission into rural skills and training has to take into account a whole range of skills, not just those dealing with 'the land'. Those of us who live in country New South Wales—and that is where our focus is—need to feel that our children have full access to all literacy and numeracy skilling and upgrading, to trades and professions and then rural specific trades, professions, courses and skills. We do not believe we can deal with agricultural matters in isolation. If we do not have professional skills, if we do not have trade skills and if we do not have community, we do not have people. Therefore, why would anybody want to farm in that abject isolation? I want to see a more broad based focus than just on people on farms, people on aquaculture and people in mines.

CHAIR—Thank you very much, Margaret. I can call you Margaret?

Mrs Brown—You may call me Margaret, Mr Schultz.

**CHAIR**—Are you willing to take questions now?

Mrs Brown—Yes, but I can give no guarantee I can answer them.

**CHAIR**—That is fine.

**Mrs Brown**—I can point out that we did this submission 12 months ago. Our committee has members on it who are actively involved on the land or in rural towns from Old Yaouk, down at Adaminaby, and up to Uralla up here. I am at Molong and I was at Cumnock, and previous to that I was at Harden-Murrumburrah. They are also at Illabo, down near Junee; Cootamundra; Coffs Harbour; and Cessnock. We are from all over the state.

**CHAIR**—I appreciate that, and it is one reason why members of parliament such as myself should always behave themselves when they go from place to place in the country! Isn't that right?

Mrs Brown—We know you!

**CHAIR**—Can I say to you that currently there are sectors of the rural community who publicise the hardship and lack of jobs in agriculture, when other sectors are calling for the positive promotion of agriculture to attract skilled labour. How, in your opinion, do you believe the government should reconcile those differences?

**Mrs Brown**—I think you will always have people who see the downside. Let us face it: eastern Australia has been in drought for four years, so there will be a downside. But the gist of our submission was that there is plenty of training and there are plenty of jobs but that what we do not have are the personnel to fill them. That is probably where government comes in, at all three levels—at the federal, state and local tiers. When services are taken out of a community, population follows, and again you get that decimation of community. You have people who do not stay because they have children to be educated and they need that education, because there are not doctors and there are not dentists and because there are not plumbers and electricians to fix their houses.

As a result of the downturn in the agricultural sector because of the drought—and that is nobody's fault; we can talk drought proofing but nobody pronounced a drought and behold there was one—labour was put off. The first thing that farms put off their land is labour. They do that before they save on crops, fertiliser or machinery. They keep their stud animals but they put off their labourers. That means, again, decimation. If you take away farm families, you take away a teacher sooner or later. Somehow—and I have no idea how—governments have to recognise the value of community in the country sector.

Look at Sydney, which is so grossly overpopulated in terms of its infrastructure these days and is feeling pleased with itself because it has dropped its net input each week to 600 from 1,000 or something last year. Look at the work. I travelled through Sydney to come up here. Look at the sheer amount of machinery, road works and all capitalisation. Then I travelled out through the Uralla, Bendemeer and places like that. There has to be some sort of real input into country areas—and I do not know how you do it.

**CHAIR**—It is a complex issue. We have heard evidence today, for example, that much of the negativity about agriculture and jobs in agriculture stems from the school face where the careers advisers are talking down—I call it 'dumbing down'—agriculture. The suggestion is that there should be ways to re-educate careers advisers about the rural sector, what its needs are and how we should go about accommodating those needs rather than be saying to people that they are wasting their time looking at a career in agriculture. You and I know that there are a significant number of professional jobs that come through tertiary education. We see classic examples of it and hear about the performance of this university we are at today and the wonderful job they are doing, but there is also a need for people at the lower end of agriculture who make up the jobs that do not come through university, such as people on the land who have historically been multiskilled and semi-professional in mechanics, fencing, dogging and all of those things that we take for granted.

Based on the evidence we have picked up, there are locational, attitudinal, cultural and monetary barriers to the agricultural industry attracting labour. One suggestion we have picked up is that industry look to the urban areas to attract labour. Do you think that is a viable suggestion to stop the haemorrhaging—to get more urban based people focused on the things that you and I take for granted in the rural sector—for example, the style of living as distinct from urban living and the benefits that are available? Do you think we should be going in that direction?

**Mrs Brown**—There has been some tendency for that, hasn't there? We have had 'Country Week', for instance, for the last couple of years and I think the *Sydney Morning Herald* ran a series of articles on sea changes and tree changes. I go back to your earlier remarks introducing this. I do think there probably needs to be a major overhaul of thinking by careers advisers in schools. I do not think they are responsible for that mindset. Again, when you think of Australia over the last 10, 12, 15 years, we have prided ourselves on being the clever country, the knowledge nation. You know how we used to have white collar and blue collar and blue collar was always a subset? That thinking is one of the reasons, I argue, we are now 25,000 or something jobs a year short in our trades, according to that industry research recently published.

Our careers advisers do need re-educating. I am a schoolie by background—in a previous life; no longer. We are largely the product of professional learning. Even though my father was a hands-on railwayman with seven kids and one income, his aim was to educate his kids out of that. So by the time I hit a classroom I was no longer, in reality, of that thinking. When I married and had a child it was an accepted fact—except in his mind—that he was going to university. He was the one who had to be convinced; his mother and father just knew he was. He was not so certain about it.

Careers advisers are those sorts of people; they are the result of lots of education. I am not here to knock the New South Wales government but, by heavens, they have a lot to answer for. I am sorry to say that because they kept me for years as a schoolie. I went through as a bonded student and I had to do five years country teaching. There is a national education forum at the moment and it has just done a study on the approximate cost of placing prac students in country placements so that they might go back to the bush, the way we put our doctor registrars into country hospitals. It was over \$2,500 for 20 days. They are looking at asking the Commonwealth government—your government, gentlemen—to come up with something like \$11 billion to fund putting student teachers in the country for practice.

**CHAIR**—It is called cost shifting.

**Mrs Brown**—It is called cost shifting. I do not know why bonding went out and I have never had a satisfactory response to that. The irony of it is that by the time I started teaching I was living in the western suburbs of Sydney and my first country appointment was at Blacktown Girls High School—it was 20 minutes down the rail.

CHAIR—It is not exactly country, is it?

**Mrs Brown**—It was not country. It was very different but it was not country. We have to change this attitude that professional people are a cut above other people. We are an Australia that trots out the word 'egalitarianism' but we do not practise it, do we? How many of your fellow members in the House of Representatives have some sort of professional background? I would argue that by far the majority do. We have somehow got to turn on its head this notion that you are of more value as a person if you have that bit of paper. My argument would be that that bit of paper should be in the electrical trades, plumbing, building or the abattoir trades.

CHAIR—There is nothing wrong with abattoir trades.

**Mrs Brown**—Absolutely not. I would have been disappointed if you had not said something then. Can you see what I am getting at? In the bush we educate our kids out of our country towns. We send them away, often to boarding schools—admittedly it can be to the ag schools and schools like that—and we expect them to go to university because we all want better for our kids than we had for ourselves, and there is nowhere for them to come back to.

This is the other side of that—I am an ordinary farmer running my 450 acres at Cunnock. That is all I have because I bought it as a lifestyle thing. If I want to employ anybody on that 450 acres, the occupational health and safety provisions are enough to drive me berserk. When I employ somebody, I have to cover super and holiday loading. I have to have insurance up to date. Every small farmer is a small businessman so he has to do his return to Mr Carmody, Mr Costello or the ATO every quarter or every month or whatever. To do that from Cunnock, he generally has to drive 62 kilometres into Orange or 100 and a bit kilometres up to Dubbo to see his financial adviser or his accountant. If he wants to do it all on his you beaut broadband machine, he cannot because there is no such thing out at Cunnock. If he wants to sit there and download forms to fill in, sometimes at 14 kilobits per second, that is really time-consuming, tedious, boring and just plain frustrating. So when you ask, 'Can government do something?' my answer is that huge amounts of infrastructure have to go into the country. That is not just in terms of telecommunications, it is in terms of roads and rail.

**CHAIR**—Much of what you are talking about is outside the realm of the terms of reference of this committee, but it is certainly a contributing factor to the negativity out there in the rural and regional area. Just associating a comment with the concerns that you have about the infrastructure, we have infrastructure there already in the way of agricultural colleges such as the Murrumbidgee College of Agriculture at Yanco.

Mrs Brown—But it had to close down its residential section and join with Tocal.

**CHAIR**—That was because the state government has removed funding. Considering that infrastructure is in place, do you see a role for the Commonwealth—although the Commonwealth is restricted in terms of its technical college system—in taking up the responsibilities of state owned organisations? Do think the models that are working around Australia could be taken up in those sorts of colleges—inasmuch as the college people form themselves into a board of directors at the college, go to the state government and ask the state government to hand over the infrastructure to them for 100 years on a peppercorn rent? Then they go out, solicit scholarships from industry and go into a semi-private school arrangement where they take in boarders and apply for grants from the Commonwealth to supply services to year 11 and year 12 students for those trades that are much needed. I am not talking about the tertiary end; I am talking about the normal trade skills shortages that we have on farm and in businesses. Do think there is a market for that sort of thing, which would help rural and regional towns to maintain the infrastructure which is being run down and closed down by state governments? Do you think we need to go in that direction to maintain the services and supply the skills?

Mrs Brown—You may well. I think you have to understand that it is a very long-term commitment by the Commonwealth and the Commonwealth does not have a good record at the

moment in helping tertiary education through universities in terms of the full fee paying system that has been introduced. That means a lot of kids who would have gone to universities and rural universities have not been able to do so. As well as the commitment from the Commonwealth to something like the Murrumbidgee college, you would also have to have, I think, from the Commonwealth, scholarship opportunities for kids, for families, to take that up, because, if you live in the city and you go on to any form of further education, you can usually travel daily to it. We are talking about residential, away from home education, aren't we, and that is costly for families. Not only is the family paying out while it is happening but, at the same time, the family is not getting any labour or anything from the child, because the child is not there.

It is well worth investigating, but I think it would give the Commonwealth two sides of obligation: one, to provide some sort of incentive to families for their children to go to such a place; and, two, for that group—a board of directors or whatever—to know that they could continue. One of the biggest difficulties with funding in rural areas is that it is so temporary. Look at our counselling services. It is not until they are due to run out in about a month that they get their next six months. How can you do counselling, when people are dying, and you know that you only have six months? So that would have to be a really long-term commitment, I would argue, set in rock.

**CHAIR**—So you are saying that governments of both persuasions should look outside the short-sighted political cycle when they are funding this thing—

Mrs Brown—Yes.

**CHAIR**—and look beyond that, like private enterprise does—do a bit of forward planning long term.

**Mrs Brown**—Yes. And could both levels of government occasionally—I am not talking about COAG, where we get big photos in the paper and everybody is hunky-dory, smiling; I am talking about real sharing. When the House of Representatives put out this inquiry, the New South Wales Legislative Council was doing one exactly the same.

CHAIR—Yes, they followed our lead on that.

Mrs Brown—Has there been any interaction, any meshing?

CHAIR—No, there has not, because both sets of inquiries act under statutory law.

Mrs Brown—I know.

**CHAIR**—But there is nothing wrong with the committees looking—and in fact I think that the secretariat that supports us has looked at the inquiry that was undertaken by the New South Wales house. I think it was the upper house, wasn't it—the Legislative Council?

Mrs Brown—Yes, it was the council.

**CHAIR**—So we do look at that, and we get advice from our secretariat on those things. Many of the things that come out of those sorts of inquiries at a state and federal level do in fact complement each other—

### Mrs Brown—Good.

**CHAIR**—but of course you have the political problem after it. We can only make the recommendations as a committee.

**Mr WINDSOR**—I would like to refer one thing to the secretariat, if I could. Margaret, I thought you made a very valuable comment—it is slightly outside our terms of reference, but it actually hits on the real problem that we are trying to deal with—when you said that you cannot deal with agriculture in isolation. So, in a sense, although we are attempting to look specifically at research and training and the problems that are specific to those particular issues, we will not solve that problem with the sort of mindset that is out there at the moment unless government generally goes outside that ambit, particularly in relation to agriculture. A good example—and you would be well aware of this, I think—is the multipurpose service model, where policy actually changed and delivered hospital and aged care services, state and federal, together in smaller communities. That one policy change has a significant impact on agriculture, even though it has nothing to do with agriculture.

Mrs Brown—Yes, because it has kept people in areas.

Mr WINDSOR—Yes, and the whole mindset of the people within it.

Mrs Brown—That is right, yes.

**Mr WINDSOR**—I cannot tell the secretariat what to tell us to write, but I think that point that you cannot view agriculture in isolation needs to be highlighted in our report. Just to follow up on what the chairman was saying, in terms of Murrumbidgee—because I guess we are looking at it as an example of an area where there has been infrastructure and government has decided for monetary reasons or whatever to not utilise it—we had a submission only about a week ago, I think, from the ICPA. I know your organisations have a bit to do with each other. There are 100 motel style rooms not being used down there.

Their specific problem was that, in their view, a lot of isolated western children did not want to go to university; they wanted some sort of vocational education in the years 10 to 12 period but it was hard to find how that would mix and match. If was not a Farrer or a Yanco style education they wanted, because that is geared towards university, although not totally, and Tocal was a long way away. There is only really one facility in New South Wales. As a committee—as a by-product, a sideshow to this, I guess—a few of us are going to get in touch with the state people and try to work up a model, which, as Alby was saying, may well take some of the federal money from the technical college budget and transfer it across. We are looking at that. My question is: would the CWA be interested in being part of that process? Have they approached the CWA in terms of support?

Mrs Brown—Not formally. But you are right; both organisations have a fair bit to do with each other. I was reading in their submission to this committee that they were asking for some

sort of model for a residential college there. I would think that, yes, it would find support from within the Country Women's Association. When you look at us, while we have huge numbers in metropolitan and regional areas, we also have them way out there where our kids need more than they can get on the ground. A lot of people still have kids who want to work on the farm and whom they want to work on the farm. The other concern—and it is slightly to the side of yours—about the loss, if you like, of the Murrumbidgee college facilities is the loss to the irrigators and the rice growers down in that part of the state. It is all very well to offer Tocal as an alternative, but I think I was reading that only one student transferred there. Tocal in the Hunter does not really have a lot to do with rice growing. There is a huge loss to a sector of the rural industry if that cannot be got up and functioning again.

Mr WINDSOR—There may well be an avenue. One of the difficulties with something like that—

Mrs Brown—It is huge.

**Mr WINDSOR**—from a national point of view is that you can just say, 'That's a state problem; we can't do anything about that.' There is a possibility that something could be done.

**Mrs Brown**—Remember that, even as a national thing, CWA of New South Wales is part of CWA of Australia, so we are across the board there too.

**Mr WINDSOR**—What is the CWA picking up in terms of younger people towards the end of primary school and early high school as to agriculture? I know the drought probably confuses issues a bit. Do you have any perceptions about what young people are thinking about in terms of their own futures?

**Mrs Brown**—This is only anecdotal, but it is astonishing to find the number of families with children who are, to a large extent, educated away from home: the kids often give another career a try and when they are in their mid-20s great numbers of them tend to gravitate back home. I do not know whether that is the global phenomenon of parents not being able to get rid of their children. I am older than you, but we could not wait to get out, but, now, I gather—

Mr WINDSOR—I just look young.

**Mrs Brown**—children like to stay at home and save et cetera. It was really interesting that at our most recent executive meeting, which was only a couple of weeks ago, a group of us was talking about this. One family of three—two sons and a daughter—all came back home, and the family have managed to buy properties so that all will be able to run their own properties. In that group, that is what a lot of people wanted their kids to be able to do. When you do that and you have the small family farm going, how long is that going to be viable?

**CHAIR**—So these young people that you have just mentioned have gone back to work on the farm or have—

**Mrs Brown**—They were educated out of it, they have started careers elsewhere and now they have gone back to the farm. They like the country lifestyle. If you want to make a lot of money—and remember we are the 'me' society—you are not going to do it on a farm unless you

invent something rather brilliant—I don't know what. Perhaps it is with nostalgia—I don't know. I think people genuinely love the agricultural lifestyle. It is a fabulous way to bring up kids. It is just a lousy way to have them—isn't it?—when you get down to the practicalities. We cannot keep restricting farmers. When you look at weeds and you look at water and you look at land clearing and you look at what you have to do to gain accreditation for the sale of animals into the European market and you look at all the chemical courses you have to do and you look at how you have to be identified these days in your own little village to buy your fertiliser and you have a look at the records you have got to keep and all those things, is government making farming an attractive proposition?

Mr WINDSOR—You will be pleased to know that the Prime Minister is having an inquiry into red tape.

**Mrs Brown**—I go back to what I said. Every farm is a small business and farmers have got to meet all those small business things as well as all this other stuff. I am not anti the government in New South Wales; I am just anti some of their processes. Our members think that the wiping away of FarmBis to put in Profarm is a disaster because Profarm offers courses that whoever the providers are think farmers should want to do. FarmBis asked farmers what sorts of courses they wanted.

**Mr WINDSOR**—That point has been made a number of times. Only yesterday some people were arguing that FarmBis should be totally absorbed into one arena, preferably the federal arena.

**Mrs Brown**—I would think that in any rural skills training research you have got to go to the farmer and say, 'What do you need?' Instead of it being top down, it has got to be—this is the little phrase that we like to use with a nice little smile on our face—grassroots. It has to be about what the farmer needs. He might not always know what he needs in terms of futures. I was listening today to local Tamworth radio. There is a course for young exporters aged 18 to 25—no costing but it is put out by the Commonwealth government—and I wondered, fair dinkum, how any young farmer at 18 would have the capacity to know what he wanted to export. So should it be directed at those aged 25 to 35? I do not know. I wondered whether that was a you beaut, I feel good way that somebody in government can say, 'We're offering this course to our rural industry,' or whether a group of young farmers had gone to some part of government like your committee and said, 'Hey, where's the training for us to take our industries forward overseas?'

**Mr WINDSOR**—That could be a good issue for the committee to follow up. It could actually ask the bureaucracy not only about the specific issue that we are talking about but also about the key point of who is driving the cart.

Mrs Brown—Yes, who decides what courses are needed.

**Mr WINDSOR**—We would have the capacity to actually ask the people, in a formal sense, who made the decision to do this—whether it was man driven or command driven.

**Mrs Brown**—I think it is wonderful if a group of 18- to 25-year-olds have contacted government and said, 'We have these beaut ideas but we are stymied. How can we—'

**CHAIR**—Do you think there is an avenue for that sort of information to flow on from the farmer organisations, like the New South Wales Farmers Association and the NFF, who would appear to be focusing on the larger picture of agriculture rather than narrowing their focus and concentrating on the problems associated with agriculture that are contributing to the decline in young people staying in the agricultural sector? Do you think that is lacking?

**Mrs Brown**—I think it is, but I also think it is because of the nature of the national focus. If you are a national farmers federation, you look at all the different sorts of farming experiences, from aquaculture through to broad farming, to stud, to live exports, to olives, to God knows what. And you are still caught up in a free trade agreement here, a deal with China there and the Middle East over here, and what you are going to do with Japan and what you can do here with something else. By their very nature, they are fairly broadly focused, because government—your government, our government—calls on them as representative of those members.

The state based organisations are not always friendly with the national farmers, are they? If the state farmers organisations were all friendly with the national farmers organisations, you could have lovely conduits up and down. But we might be pipe dreaming a little bit. I would think that the average farmer in his area would want to know what is available for him to feed into a bigger area but would also want to be as successful as he possibly can be right here.

**CHAIR**—Thank you very much, Margaret, for your contribution. As the chair of this committee, I have to say that I am disappointed that some of the state organisations, such as the farmers organisations, did not think it important enough to come and voice their opinions on the problems with rural schools and how those problems could be tackled. I do not think we have had any submissions from state-run farmer organisations. We may have had one from the NFF.

Mrs Brown—The New South Wales farmers put one in. It is on your website.

**CHAIR**—Okay. Thank you very much for your evidence today. It is very much appreciated. We are very pleased that an organisation that has been at the forefront of representing rural and regional Australia has made itself available to give evidence today. The evidence will be taken into consideration when we deliberate and start putting our report together.

### [1.54 pm]

### TRUSCOTT, Mr Graham Carl, General Manager, Australian Beef Industry Foundation

**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, and 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 parliament. Do you wish to make a brief statement in relation to your submission, or would you care to make some introductory remarks?

Mr Truscott—I will make some introductory remarks, and thank you for the opportunity to be able to make these remarks. It is very timely that there is an inquiry going on into rural skills in Australia. I think I speak from a reasonably narrow perspective in that I represent the Australian beef industry as opposed to Australian agriculture more broadly. However, I guess what I say is probably representative to a degree of the rest of agriculture. The Australian Beef Industry Foundation was established in 2001 specifically to inspire careers in the Australian beef industry. The reason we set that up was that we saw that there were just not enough young people entering the industry. We also saw that young people were not sufficiently encouraged to step through a career into the myriad of careers that are available. We also saw that there was not enough knowledge about what those career paths actually are. Another hat that I wear is as the general manager of the Angus Society of Australia. We have a lot to do with young people and a comment that we hear quite often is, 'We're interested in the industry, but we don't how to get into the industry.' Therefore, it is quite difficult for young people who are looking at the Australian beef industry, which has a very long supply chain, to actually understand what the career paths are, how to enter those career paths, where to get the training for those career paths and where to get the assistance and the opportunities for assistance such as scholarships et cetera to help them through those pathways.

It is on that basis that we established the Australian Beef Industry Foundation. Since 2001, we have raised in the order of \$650,000-\$700,000, and we have moved at least 50 per cent of that directly back into financing the development of careers in the Australian beef industry. Throughout that time, we have also very consistently attempted to obtain deductible gift recipient status from the Taxation Office without success, and we are still attempting to move that process through. That status is extremely important for any organisation like ours that is trying to raise large sums from large corporate bodies. Once you get contributions that are over \$5,000 or \$10,000 per year, it gets difficult for them to argue that it is advertising and marketing promotion and therefore tax deductible for them or a cost in incurring their income.

From that point of view, we clearly see that there is a people shortage first and a skills shortage second in the industry. We are dealing with an industry in the Australian beef industry that is valued in excess of a billion dollars a year. We have an industry that has never looked stronger in all of my life. It has wonderful current positioning in the world market with tremendous future potential. It is now crying out for young people to enter the industry not only to operate on farm or through the feedlot, processing or marketing sectors but also to assist Australia with its export operations. The Australian beef industry is equivalent to anything in the world, and in a lot of cases it is better in terms of our technologies and genetics et cetera than anything else in the world. Therefore, we have huge opportunities for young people to develop consultancy skills and to take those technologies to the world and for Australia to take advantage of the enormous investments that it has made and is continuing to make, for example, through the beef CRC. The opportunities for young people are not only within Australia; they are even offshore, representing Australia, carrying those technologies and value adding to Australia in many different ways. That is the nature of the industry we are putting forward to our young people, that is what we are offering to them and that is what we are looking to stream them into as we go forward. That is the nature of what the Australian Beef Industry Foundation is doing, and we are a very small part of the way there.

**CHAIR**—Thank you very much for that overview. Could you brief the committee on the progress by the ABIF on establishing the beef industry careers database website and could you also advise the committee on how you intend to market the website?

**Mr Truscott**—The website is a concept that we developed two to three years ago, precisely in response to this business of young people not knowing how to get into the industry. We have begun all the data collection required on that but we have yet to raise the funds to be able to go further than that. We have done some design on the website. We have built some relationships with the MLA and a few other bodies that have expressed a lot of interest, and last year we did a design workshop on that. So we now know what we wish to achieve with that. We also have service providers that we believe can provide the search engines needed for young people, coming in with a mass of data and opportunities in front of them, to be able to research and design career paths. So we think the technology is available. But we are yet to actually start building that—that is our next step.

**CHAIR**—So you have a funding shortfall to the final stage of implementing that idea so that you can get some positive outcomes from the idea. I presume it is a funding shortfall that is creating a problem. What level of funding shortfall are you looking at?

**Mr Truscott**—I think it is going to take in the order of \$50,000 to \$60,000 to be able to build this and maintain it properly. It is probably going to require \$20,000 to \$30,000 per year to do ongoing maintenance of it. There are software costs, and then there are designer and programmer costs within that. After that, as you mentioned, there is a marketing cost. This will be of no value unless it is widely marketed and we will need to go out to secondary schools, particularly agricultural secondary schools, colleges and universities to be able to offer that service.

**CHAIR**—Your preliminary research must have given you an indication of the positive outcomes of that initiative.

### Mr Truscott—Certainly.

**CHAIR**—What outcome do you think this might offer, in terms of decreasing the shortfall in skills? Have you done any market research on that at all? What outcome are you looking at? Do you think it is going to assist, and in what way do you think it is going to assist?

**Mr Truscott**—I have not got quantitative research which would allow me to say, 'It will mean this many more students or this many more people involved in the industry.' We have not taken it

to that level. We have been involved with various recruitment organisations that specialise in agriculture who have continued to endorse that this is critically needed. They are saying, and young people are saying, to us that this is exactly what is needed because then they will be able to see the opportunities, the career paths, the training opportunities and the scholarship opportunities. They can see very real benefit in it because at the moment they cannot find that information easily and readily.

**CHAIR**—I also noted that in your submission you referred to an initiative by Arthur Rickards to increase seedstock extension which your organisation believes will provide a valuable future contribution. Could you explain to the committee what the Arthur Rickards initiative to increase seedstock extension is? Could you also indicate to the committee why this initiative will be beneficial to the industry?

**Mr Truscott**—Certainly. One of the real problems of the beef industry is that a lot of the extension work previously has been done by the state agricultural departments and over last 20 years at least we have seen a continual drawing back by those departments and removing of people from the extension role. We know that because a number of the breed societies et cetera have actually employed those people as they have come onto the market. Also, in the beef industry the key genetics development tool is Breedplan, and the extension of Breedplan has been left largely to the breed societies and ABRI. Towards the end of last year, we got to the point where the last extension officer being employed, Brian Sundstrom, was in fact retired and they were not going to replace him. Therefore, it actually reached crisis point because, as you will read in the papers, the Breedplan technology is very advanced. It is world-leading genetics evaluation and estimation technology that is used by geneticists in the pork industry, chicken industry et cetera, and we are expecting farmers to use this tool. We are asking a great deal of our farming base to use this advanced technology. Without training they cannot do that.

So it became an initiative of the Australian Registered Cattle Breeders Association and ABRI to replicate in the south a program that was developed in the north to put extension services in for Breedplan. That southern beef extension program was developed to be able to take about four young extension people and build their skills by using some of the older extension people who are getting close to the end of their career—with no-one in the middle—to try and educate these young extension people. That project is now being implemented, and it will deliver about 65 workshops throughout southern Australia across the next four years, specifically designed to help farmers—people on the land—understand the Breedplan technology and the target markets, design breeding programs and use the Breedplan tooling to design select genetics to best hit target markets.

Mr WINDSOR—How are those 65 workshops paid for?

**Mr Truscott**—It is a combination. MLA is the major funder, but ABRI and the breed societies themselves are also doing some funding.

CHAIR—So all the money so far is coming out of private industry?

Mr Truscott—Yes.

**Mr WINDSOR**—There are a couple of issues here. Breedplan is at the cutting edge internationally, not just nationally, and the CRC that is based here has recently had an extension of its tenure. They are—and I am sure you would support this, Mr Truscott—very much at the forefront of genetic technology, really writing the sheet in terms of beef genetics. So it is very important that there are trained people who can relay that information rather than just having a central body that knows it all but cannot relay it. Our advantage internationally will be progressed by the knowledge of Breedplan and the CRC coming through the system. My question, loosely based on that, is: where are the shortages in terms of the training and research—if you want to add that into it—that your website and others are suggesting are out there? You made the point that the extension officers have gone because of a change in state government policy. Where are the other shortages? Why do we need more young people coming in? Why do we need the website and other things to encourage them?

**CHAIR**—And what is the delivery mechanism to ensure that what has just been asked becomes the reality?

**Mr Truscott**—Breedplan is only one component. It is a good example, but the skills shortages that are being reported to me are actually throughout the beef industry. Victoria, Western Australia and Tasmania are good examples of where you are seeing the timber industry coming in and starting to take up a lot of the land et cetera that was previously for beef. Therefore, you are getting quite a change at the regional level in the availability of land for beef enterprises. In Queensland, you are seeing a lot of mining activities taking young people out of beef-type enterprises. It is not that people do not want to work in those enterprises but that there is more money often elsewhere.

CHAIR—Supplementing their incomes.

**Mr Truscott**—Absolutely. Many of them are making their money elsewhere and then wanting to come back on the land. But, as a consequence of that, you are seeing a lack of contractors. A lot of properties no longer employ many permanent staff. They require contract staff, thereby reducing their costs of production, which is critical in any beef or agricultural enterprise. But they are finding that it is getting more and more difficult to get even contract labour to fix fences or to manage stock.

**CHAIR**—What is the reason for that? Have you any idea?

**Mr Truscott**—It is the combination of other enterprises paying more, so young people are going to other enterprises; the drought—but drought is a permanent feature of Australia and one of the factors in living on the land; and previously lower prices. A parental influence has been coming through saying: 'Don't work on the land. You're better off going and doing something else.' Therefore, you have had a lot of young people moving off the land and into other enterprises. The problem, as I mentioned at the start, is that we now have an incredibly dynamic and powerful industry happening here, which is world leading and which needs all of these young people at all levels—farm, feedlot, processing and marketing of the product at the other end—for which they need training. There is a shortage all the way through that supply chain.

I think you are asking: how do we fix that? As I said in my submission, I am not sure that there is a shortage of available spaces in the training scene. I am not an expert in that area but,

from everything that I have seen as we have been dealing with this issue, there is a very complex and fully featured TAFE environment. It is very good, but it is very complex. It is really hard to get your head around—I think it is way too complex and it differs in every state. As a foundation, we have tried to unravel some of that complexity and figure out how to plug into it, but it is extremely difficult.

There is a very good tertiary environment: universities like UNE and Sydney university and Hawkesbury and Gatton colleges. There is also a good spread of tertiary environments—Tocal et cetera—but to the point where some institutions, such as Glenormiston in Victoria, were under a big threat of being decommissioned because they were not getting enough young people coming through them. I am not sure that the shortage of young people in the industry is because of a lack of training opportunities. I think it is just a lack on the part of the industry to inspire young people enough to take up the opportunity, to see a career path and to know how they will step through it.

CHAIR—What is the role of government in assisting industry in that respect?

**Mr Truscott**—To start with, the industry needs to assist itself. This industry is in competition with accountants, engineers and every other industry—that is a given. Other industries assist themselves because they have institutes that see their role as recruiting people into their industry, and we have to do that too.

Where the government can assist is with some of that funding because the industry needs to be encouraged to get up and go and do that piece of work. It needs to assist organisations like us to match funding. If we can raise funds, it would be very good to match it. It then gives us a lot more credibility, if we are stepping out into corporate industry, like the banks et cetera, which have a very big vested industry in the industry, to be able to say: 'We're raising these funds and we're getting them matched with government; therefore we are able to lever off the funds you provide. These will be the results of that funding.' I think that is a key role, but it should not be taking away the role from the industry itself.

**CHAIR**—The money required to assist in that process is really chickenfeed. They are very small amounts of money in terms of the budget process of the government. I am absolutely amazed that the positive contribution that we could undertake as government to assist in the rural skills shortages, based on that information you have given today in evidence, has not been picked up. Do you thing the message has not been forceful enough from industry or do you think industry is reticent about continually approaching government? What do you think the reasons are for that? It is a pretty compelling argument that you put forward, that if government made a small assistance package available it would be matched dollar for dollar by industry or by the organisations promoting the idea.

**Mr Truscott**—It certainly is. I do not see that there are massive dollars required, but it would give a lot more credibility to those who are working in this area to attract young people and it would give a lot more of a leg up when going to corporate Australia to pull money into this sector for this purpose. As to why it has not been picked up, I just do not think it is necessarily seen to be a high priority. I am not sure why. I have been watching this for 10 years whilst I have been working directly in this sector of the industry. I have watched the decline in skills across that 10 years and I have heard people continually lamenting the lack of trained people. I think it
is because the industry has not got itself into gear in this particular area. It has been very focused on some of the other very big issues—

**CHAIR**—What you are saying is replicated in other industries. The very point you are raising is replicated in other industries and is compounding the problem of rural skills shortages across the whole ambit of agricultural industries. Surely if somebody is attuned to that—I am not necessarily saying that the ministers of the Crown should be attuned to it because they have a lot on their plates; and it is not for me to be defending the ministers of the Crown—but at the departmental or advisory level in a minister's office, we would very quickly get a message out that, for a small outlay of taxpayers' resources, we could solve this problem of rural skills shortages pretty quickly. That is the message I am getting. Am I right? I am sure my parliamentary colleagues are getting that message as well.

**Mr Truscott**—I think that is the correct message. But also I think that what has not really been sold to this industry is the massive visionary potential. I am serious about that. The Australian beef industry is a good example of Australian agriculture. It is world leading. We have a problem in Australia—again, it is this cultural cringe—believing that we are good enough. But we have proven beyond doubt that we are more than good enough, that we are actually now world leaders.

You only had to sit in the Beef CRC conference over the last two days to hear that fact. The American speakers, who are world leaders in their fields, said: 'We've been watching this for the last 10 years and we have nothing like this, and we could not actually do anything like you've done in Australia, because we don't have the cohesion. You have actually linked projects north and south and right across your supply chain into one massive experiment, if you like, and that is phenomenal.' The results that have come out of that are absolutely world leading and have all been ploughed straight into the delivery tools of Breedplan and MSA.

Those tools are absolutely world-leading tools, and they have been proven to be. Breedplan is being used in 11 other countries now. MSA has been trialled in Korea and is being trialled currently in Ireland. Comparative work has just been done in the United States. This is a worldleading tool because it is revolutionary. It is totally different to anything else in the world. There are genetics here in Australia that we know now rival anything else in the world, and that is why. For example, Brazil and Argentina are coming to Australia because they have had enough of North America's genetics, because they do not fit their bill. That is the reason. On the Angus front, as a lower level example, we have set up a southern hemisphere Angus alliance because we can see opportunities to market worldwide. Our environment beautifully matches the southern hemisphere where a lot of the new world development of agriculture is actually happening, and therefore Australia is incredibly well positioned with best product.

**CHAIR**—But, if the agriculture industry is not recognising and marketing the importance of that not only to the people involved in the industry but to government, how the hell can government pick it up as well? We take it for granted, don't we, that we are good at what we do, but we do not understand that we are good at what we do because of not only the hard work but the need for the hard work to be undertaken by skilled personnel. Invariably, the skilled personnel recognition is coming from overseas and they pluck the skilled personnel and create a vacuum which industry and government have not had the vision to foresee and therefore have not undertaken processes to fill the gap, hence an inquiry like this.

**Mr WINDSOR**—This is a similar analogy to what the beef industry is doing with changes in sustainable farming technology. We have the expertise to develop the systems and these people have done it brilliantly, but we do not seem to get the assistance to get that back out to our own people. To follow up on what was said about the removal of the extension, one thing government could do for this organisation is look at the tax deductibility, for instance. That would attract more private sector money, which, theoretically at last, would allow you to market the breed plans to people actually in Australia. Internationally they are coming and picking up our technology, but we are not getting it out to our people on the ground to take advantage of. Am I putting words in your mouth, or is that partly what you are saying, Graham?

**Mr Truscott**—Yes, it is certainly partly what we are saying. Tax deductibility is a nuts-andbolts type issue that adds a lot of value, and we need to get that. To me, it is a given that we have to do that, and we will just keep wrestling with it until we do.

**Mr WINDSOR**—If you do get it, does the beef producer benefit by getting the technology extended to him?

**Mr Truscott**—The beef producer benefits hugely. You can have all of the wonderful high-tech methods of extension out in rural Australia, but rural Australia operates with people. It is people to people. The best way to get a message to a farmer is for his neighbour to tell him. That is how directly communication works in the bush. If their neighbour tells them, they are much more likely to believe it than if anybody else told them. Therefore, you have to establish champions who are the neighbours. Therefore, you have to be able to educate the champions, and to do that you have to have people on the ground to do that education. It is a direct building of those skills to be able to achieve this vision.

The other thing that is really quite important is for Australia to start to change its mind-set in agriculture from saying, 'We have developed all of these world-leading systems to support only the Australian farmer.' It is a mistake. I am currently negotiating, arguing and debating with the MLA, who have done a fantastic job—for example, at supporting all the sectors within Australia in supplying product through the sectors, through the long supply chain, to end up with boxed beef which we sell overseas. It is a given economically that that is a good process.

CHAIR—It is not a new process. That has been around for decades.

**Mr Truscott**—Exactly, but the bit I am arguing about with them is that not only should we be supplying product through the supply chain but every sector should have the opportunity then to market its product outside independently.

**CHAIR**—Absolutely.

**Mr Truscott**—For example, I worked with the MLA in 2001 to develop the beef genetics industry plan. One of the goals we set then was to be a net exporter of genetics within 10 years, but when it came to the crunch, we started to say: 'Right, we're putting money into this. We're going to make this happen. We need you to match dollar for dollar what we are doing, as you do the boxed beef programs.' They said: 'Sorry, that's not our policy. Our policy is boxed beef on the export side and we reluctantly—but we will—support live trade in steers, for slaughter only. But we do not support the export of genetics or breeding stock because it is taking away our

competitive advantage.' That is the wrong economic position. Australia has the opportunity now to be the nursery of the world genetically because we have some of the best. We have the opportunity to be providing technologies that we have built here to the rest of the world to put in beef supply chains in other countries. Australia, doing it smart, has the opportunity to buy into those supply chains.

A good example is one of the Angus breeders I know, who is a part owner in a property in Argentina. He embryo transplanted his advanced stock from Australia into Argentina and now has ownership of the product that is then being sold throughout South America. Isn't that a good model? Why wouldn't you do it? But we do not have policy acceptance of that position at this point. It is a debate which I am continuing to have, because therefore not only can we optimise the product flowing through the supply chain but every sector can then double their optimisation by also flowing people, skills and technology out of that sector to the world. Therefore, we keep building on our competitive position. We need the people, and to do that with that vision you need to be training the young people for those new roles, because they are new roles.

There is another good example I will give you—again, I will put my Angus hat on for a minute. Having done that work with MLA to develop the beef genetics supply chain and having set the goal of being a net exporter in 10 years, we have moved hard into that program, scanned the world, identified China as the key market, moved into a marketing program, employed a Chinese representative out at Beijing and are now seeding the market with Australian Angus as being the world-leading product—and it is. Therefore, we are starting to get a lot of interest and a lot of potential large-scale movement of heifers and genetics out of Australia to that market as the first market. When we do that, we cannot stop at that point. We have to be able to supply technology and expertise because we know those cattle will not survive in China unless we provide it. They do not have the skills. They are the future jobs for our young people.

**CHAIR**—That is a very good note to finish on, with the rural skills training and research needs of this country, which is right in line with what this committee is inquiring into. I thank you very much for your contribution today. It has been very interesting and very constructive.

## Proceedings suspended from 2.30 pm to 2.43 pm

## BELFIELD, Mr Richard Edgar Home, Special Feature Correspondent, *The Earthmover* and *Civil Contractor Magazine*, Civil Contractors Federation of Australia

**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 parliament. Do you wish to make a brief statement in relation to your submission, or would you care to make some introductory remarks?

Mr Belfield—Chair, a couple of things have come up that I would like to touch on.

CHAIR—Please proceed.

**Mr Belfield**—I have been involved in earthmoving and civil construction all my working life and I am now a journalist to the industry, so I am in a rather unique position. I believe I represent part of an industry which I would refer to as the other primary industry, because my industry digs it and the other industry sows it. That is making it rather simple. We build the roads to it, we build the infrastructure for it and the rest of society really lives off our efforts. That is the first point that I would make.

I heard Margaret Brown make the comment that we must widen the issue and we must not divide and rule. I could not agree more. I really think that this is such a serious issue that maybe—and I know it sounds like another talkfest—we need a national summit on the skills drought, as I call it, where politicians listen and do not say anything, but those in the rest of society who are interested have input into it. As far as my industry is concerned, we are probably the only complex industry with no formal training. I will expand on that very briefly. You might say, 'What about the civil engineers?' Okay, they are trained. But the civil engineer is the ideas man. He is the instrument for doing it, as one might put it. The bulldozer driver, at the other end, is the person who puts the engineer's ideas into reality. There is a bloke in the middle I will call the dirt boss. He should have come right up through the ranks and know all about his industry. That man is absolutely essential to any business. A lot of these people have had no formal training whatsoever to this point.

We can no longer do this. There has to be a practical as well as a theoretical side to these people, because we are demanding so much from them. I think that we do need formal training. Then it is a bit like the chicken and the egg: where are our trainers going to come from? We do not have any. I might shut up in a minute and we will carry on with my submission, but this is something that I am very interested in. I have done a little bit of training. We have a huge problem facing us, in many ways. I have mentioned the current problems. If you want to talk about them, I will.

**CHAIR**—Thank you very much. We appreciate people who come to give evidence to this committee being open and frank. The reality is that much of the best evidence that we get comes from spontaneous reaction, warts and all, about the deficiencies in the system and how people believe they should be addressed. That is the sort of feedback that we as members of a

committee require to put into a report and make recommendations to a minister. You can get the placid, factual information, but the reality is that the warts and all information plays a very significant, critical role in putting a very good report out. I will lead off by taking you down the path and asking you a question on an issue that you feel very strongly about and that is in your submission. You say:

There is ... no suitable training material available to effectively train with.

Can you expand on that, in your inevitable way, and also tell us what sort of material you think is required to fix the problem?

**Mr Belfield**—Have we got a week? Let us try to condense it. It is a wonderful point. Firstly, training at this point is nonexistent, dare I say. The Australian National Training Authority put out reams of material that really is so puerile I would love to submit it here on that screen as evidence, to show you the absolute paucity of the stuff. It costs millions of dollars. It is pointless, worthless information. At the very best, it is a skeleton of the rankest, tiniest form. You might use some of the headings to save you remembering them, but the content is pitiful.

So what do we need? It has not been written. The teachers are not out there to teach it, because training has taken on a life of its own. We have out of work pastry cooks and massage parlour attendants running training courses. That is a waste of time. We need people out of the industry with an understanding of, and empathy and feeling for, the industry to do the training. We cannot do it otherwise.

CHAIRMAN—The practical applicators.

**Mr Belfield**—Yes. We must have industry based training. I wrote for our magazine a thing on dam building six months so ago. Tony probably saw it. I said, 'These are just my ideas.' If we took that to a series of major contractors and said, 'What's missing?' I have no doubt we would have a better document. I said at the time that these were my ideas and my ideas alone. I believe that we can come up with a better product, which always is the case.

You asked how we train. Firstly, we have nothing to train with. We have no teachers. There is the OH&S stuff. The WorkCover ticket—God bless it—tells me that Mr Schultz 'is safe to go onto a work site'. Heaven forbid. That is about the full value of your WorkCover ticket. People who get them think that they are rocket scientists, and they are not.

**CHAIR**—That is a pretty poignant point to make.

**Mr WINDSOR**—There are a number of points you make in your submission. I am interested in one in particular—I think you just hinted at it then—and that is the need for experience in terms of trainers. What needs to happen there? What can this committee do in terms of a solution to that problem?

**Mr Belfield**—I think, again, it is a beautiful question. There are people out there in the industry who, with a bit of help, could be turned into trainers but your first question is: what are we going to pay them? If you are going to offer them \$35,000 a year, you know what is going to happen, don't you? We are not going to get them. The first thing is that they are going to have to

be paid a lot more money than what I think the system will offer them. I think there are some people there. Firstly, we have to create a curriculum. I brought this document in—I had it sent to me. This is the UK's attempt at training me to drive a bulldozer. There are dot points. I think they are a country mile down the road in front of us, if I understand this document. There is a lot of stuff in here that I like. We could do sillier things than sending two of us over to spend three months there. We could go to these people. I know their names. I could get onto the internet tonight and say: 'Peter, we're coming. Help us.' They have offered us help. I reckon we would learn an enormous amount. We would probably come home with better ideas. The UK, Europe and Germany—they are all in the European set-up. I would like to do Germany and the UK.

CHAIR—You might just read the precise name of the document into the Hansard?

**Mr Belfield**—This is called the CPCS, the Construction Plant Competency Scheme. It is from the CPCS Department. Bircham Newton, King's Lynn, Norfolk, PE316R8. That is their address. I have been liaising with Peter Brown. He would be the first fellow I would ring and say, 'Peter, we're coming over.' Here is a letter here that says, 'Dear Richard, I am able to reply to your inquiry regarding bulldozer training and requirements.' They sent this to me via the internet. It is very interesting stuff. I would love to see how they are doing it. I would love to talk to the students. I would like to talk to their trainers. You would learn an enormous amount.

**Mr WINDSOR**—What do they do with an inexperienced young person who has shown some aptitude for driving a heavy piece of equipment with various technologies built into it, like computer technology, and a whole range of other million-dollar equipment that the farm and construction sector are using? What do they do that is different to what we do?

**Mr Belfield**—Without going into a lot of detail, because I would have to spend some time on answering that question, I can tell you that they go into it much deeper than we do. There is a very formal induction into it, not the two-minute one that we have here. I have seen TAFE do front-end loader courses in three to four hours. That is not on. I took three days to teach people to drive front-end loaders, and that was as cursory as one might make it, but I did get some jobs out of it. Tony remembers this. Generalising on this, we could pore over this for the rest of the afternoon. They are people who come from industry. They have a totally different approach versus our cavalier approach, dare I say. I am sorry that I cannot be more explicit.

**CHAIR**—This committee has received evidence that there are locational, attitudinal, cultural and monetary barriers to the agriculture industry attracting labour. One suggestion has been that industry look to the urban areas to attract labour. What are your views on that proposal?

**Mr Belfield**—I do not care who or what they are, male or female—and there are a couple of females in this room. I would love to see females in this industry. I have trained a handful of women, and they are very good. But to try to answer your question: plant operators—which are where my heart is—are born, not created. That is not to say that they are not in urban areas; but if we bring them out of an urban area, let's train them. This is where the system has failed. No matter where they come from, they have to be trained. As Tony said, we are talking about equipment worth a million dollars.

My son drives a machine in the Hunter Valley which is worth \$6 million. He is 24 years of age, he is multiskilled, and there is no-one in this town who could afford him. There would be

many professionals in this town who would not earn as much money as my son does. That is where the industry is going. There is going to be real scope, but our industry has bumbled along to where it is without any formal training. If you look at the disciplines in this university, there are all sorts of obscure bits of learning. I am not saying they are wrong, but here is a major part of modern society who are, to this point, untrained. We have done remarkably well to get as far as we have. But the cost is beating us, because the expectation of people is far greater.

These people must have a lot of knowledge. Take bulldozer drivers: people think that is about pulling levers. That is probably five per cent of the whole of what I want out of a bulldozer driver. I want him to be able to read plans and I want him to have a very thorough knowledge of his machine. I want him to be able to do anything on that machine that I ask him to do. I call myself an 'earth surgeon'. I have performed acts of earth surgery here in New England for the last 40-odd years. That is a skill. I am not saying I am the best, but it is a real skill. Those skills are as valuable and as prized as the skills of a good lawyer, a good doctor or anything else. But we are not recognised.

Those of us in our industry have not marketed ourselves. I got out of bed this morning at four o'clock to finish a story I am writing for the May issue of the magazine about how we might market ourselves. I am coming up with suggestions. I am pretty outspoken in this magazine, as you could probably imagine. I have got a big fight on with WorkCover at the moment. If you really want to be frightened, there is a one-page letter here from the Institute of Public Affairs. If you read that, it will frighten the life out of you. WorkCover alone are going to close down industry—farming, civil and everything else, the way they are going on. That is a broad statement and a bland one.

**CHAIR**—Would you like to table that letter?

**Mr Belfield**—I cannot leave it, but I am quite happy to table it, and you can copy it. I would love to have time to read it to you, but there it is. I would like everyone in this room to see it.

CHAIR—The secretariat might take that on board. We have got photocopying facilities.

**Mr Belfield**—I have got WorkCover very upset at the moment, which I do not mind doing. I am very concerned about what WorkCover are doing. You can have a look at that letter. I went to a function—

**CHAIR**—Perhaps you could table that document. It is readily available, I know, but if you could table it we will accept that as evidence.

**Mr Belfield**—There is a lead piece here that says, 'Observations and thoughts from NCE' that is the National Construction Expo. What I learnt down there was quite incredible, about how WorkCover are regarded in industry.

**Mr WINDSOR**—Richard, in terms of the skills required for some of the modern-day equipment—and the same thing applies to modern-day farm tractors or harvesting equipment and the technology that is there now, in terms of not only cost but also the capacity to operate some of those machines—in your knowledge as a journalist and as a practitioner, are there any measured differences in productivity results between someone who is skilled on a D10 or

whatever and someone who has been put on it to drive it and shown where the levers are? The two people are bulldozer operators; are there any measured productivity differences between the two? What would be your knowledge of the differences?

Mr Belfield—The way this industry has evolved—

**Mr WINDSOR**—Just before you go on, to give you something to compare it to: when two people become shearers, they have different productivity rates and they get paid differently. Not all machine operators operate in the same context, even though their productivity levels could be quite different.

**Mr Belfield**—That is again a lovely question, because it is very difficult to answer. It depends on what that bulldozer operator is doing. Is he producing? Is he producing and finishing? What is he doing? If you are a scraper, for example, I will walk up to you and ask, 'Tony, how many loads have you done?' And you might say, 'I have done 14,'—when you should have possibly done 18. 'What happened to you?' 'You pulled me up and you spoke to me.' So any scraper operators who operate scrapers without counting their loads, I would say, are very incorrect. We always counted our loads because I want to know what we were doing.

The bulldozer is a bit different, but I think it is a visual thing and people can be mesmerised by someone going like hell. I will revert back to shearers. There is one shearer who is doing it one way but he has got a full comb all the way every way. There is another bloke doing it another way and taking off half as much wool. Bulldozer driving is not too dissimilar. To answer your question: there is no measuring, unless you know he has a given dimension of so many metres to take out of an area and you sit down and work out what he should get out. But a lot of bulldozing is not as definitive as that.

Mr WINDSOR—I only used the bulldozer as an example of a machine operator.

**Mr Belfield**—It is not a tool with which you can measure what you have done. I think experience plays a major role here. A good dirt boss knows who is moving the dirt. If you asked him why, he would probably have great difficulty telling you. But you catch him on the hop and he will say, 'He is a far better operator than he is,' and why. As I say, that is a difficult question to answer because what is the specific task we are doing? There are a lot of variables in that. I hope that answers the question.

**Mr WINDSOR**—I know in the harvesting industry, for instance, a very highly skilled header operator would be 30 to 40 per cent more efficient than a moderately skilled one, not a low-skilled operator.

**Mr Belfield**—There is no doubt about production variations. The other thing we have not talked about in the same context is who is knocking the hell out of his tractor or header or whatever? So, whilst I might be getting another three acres an hour from you, there is a cost at the end of the day because you might be killing the machines. There is a very fine balance in there of maximising production and minimising machine damage. Caterpillar just had a big thing in Malaga, Spain. There was a lovely little comment there: no machine is any better than the bloke in the seat. And that is really what it comes down to. We have put all this tremendous

technology in, but if I cannot interpret what is in front of me and utilise it, I am not cutting the mustard.

**CHAIR**—What suggestions do you have for industry to provide opportunities for inexperienced workers to gain relevant knowledge?

**Mr Belfield**—We have to train them. We have to create a curriculum; we have to create teachers. It is a bit like the chicken and the egg, but we have to do that. I believe in a place like this—and I have talked to these people but they do not understand me—there will be a role for someone like this.

I would be quite happy to do it on a pilot scheme—to see if it works, in other words—where these people could train our trainers. I do not like the term, so I will say train our teachers. These people will have had a minimum of 10 years in industry. They will have particular aptitudes that they can teach. It is no use bringing a bloke in who is illiterate and innumerate and all those things; he cannot do it. There are a lot of good operators out there who are both illiterate and innumerate, but they would be precluded from this. We cannot have in industry literacy and numeracy problems. We have too much stuff to take on board. We have got to have the skills, whether we like it or not. To this date we have got away without them, but in today's world I do not think we can do it anymore.

So this place will train our teachers. This will not be cheap. I will equate this to the airline business. I can remember talking to a young Qantas pilot, Peter. He was reared here and he went to school here. I said, 'What would you owe Qantas for training?' He said, 'I only worked it out the other day.' It was \$700,000 at that point. This is a few years ago now. He joined Qantas when he was a fully fledged ag pilot. He learned to fly here in the hills then went to Qantas, but he still owed Qantas \$700,000. We will not teach, as TAFE might tell us, these skills in three days. I have thought a lot about this. I think there would be a period of teaching and then I think we would have to go out and physically perform work. We cannot go to Hornibrook, Thiess or Abbey and work with them, because they have got time schedules and all sorts of things. We would have to stand alone and build 10 kilometres of road, a dam or whatever. We would take longer and it would not be as efficient as a contractor, but this is the real world. This would be far better than digging a hole and filling it in, which has happened to this point. We are burning fuel; we might as well burn it effectively.

But I am talking about a very expensive set-up. We have got to have modern plant. It will frighten you if you start to work out what it will cost. But we do not baulk at training pilots, do we? It is a huge problem. I am telling you—

**CHAIR**—You are basically saying that you bring an experienced, competent user of earthmoving equipment out of the industry, put him into a place like UNE and have UNE teach him the other skills that he requires to become a competent teacher—

Mr Belfield—Get him up to speed in his theory, and he in turn—

**CHAIR**—And then put him back out there as a fully trained teacher in the practical and theoretical aspects, and use him to train the people required by the industry.

Mr Belfield—Absolutely.

CHAIR—Or her, for that matter.

**Mr Belfield**—If I did not make myself clear: we hope he would be on 70 or 80 grand a year. I made the comment in an article I wrote: 'When the seat gets too hard and they are into their 50s, they might jump at this.' But do you know what? In the mining industry in Western Australia at the moment operators in Perth are unprocurable. A bloke in Perth said to me the other day, 'We're paying up near 40 bucks an hour; if we don't we lose them straight into mining.' And operators will cost a lot more than this before it is finished, so these people will be invaluable. They will be the core of making our industry really sing. We cannot go and get a schoolteacher, for example, to teach this. They have got to have an industry background.

**Mr WINDSOR**—Therein lies one of the problems, though, doesn't it—the capacity of the industry to pay. You can see it in agriculture versus the coal industry at the moment. Agriculture—the farm sector—just cannot pay those wages. I had a fellow working for me, for instance, as a tractor driver. He is on \$110,000 now, driving a dump truck. I know he has to have certain skills to do that, but there is no way that the farm sector can compete with that. And the ability of the construction sector to compete for those people goes up and down from time. At the end of the day—and particularly relating it to agriculture, and it seems to be coming through in our deliberations—it gets back to the capacity to pay. Qantas can pay \$700,000 for their pilot because they are getting something out the other end that produces more than \$700,000.

**Mr Belfield**—I have got to amend these figures. I talked about this large earthmoving company, where they had five possible contenders. They are down to four, as one has left. You can see the bottom comment on that. One has already gone. I would venture to say that within three weeks that number will be down to three.

**CHAIR**—You started off with 15, didn't you, in the interview process? You ended up with five after the interview process, and then you were down to four because one left.

**Mr Belfield**—That is right. I am almost prepared to bet you that, given another three weeks, at least one more will be gone. That is the problem. I know capacity to pay may be a problem. We have got a job that is worth \$100,000. It has got to be worth \$110,000: there is a \$10,000 training component. I do not know. But I do not believe we can sustain or carry on doing what we are doing.

CHAIR—That may be applicable in many industries, including the construction industry.

Mr Belfield—Yes. But farming is a problem.

**CHAIR**—But, as Tony quite rightly points out, that is not the level of remuneration that can be afforded by farmers and many people in the agriculture industry. But we have also got to take into context—and I probably sound a little bit cruel saying this—that there are people with a level of physical and mental intelligence that cannot even get to the point of training. Many of those people go into industries that need specific practical skills that they can supply through on-the-ground training. Look at me: I went into the meat-processing industry as a 14-year-old labourer. I became very good at what I did. I was a solo slaughterman, which is a trade that is no

longer available. I was ambidextrous; I could use two hands. I then went into chain slaughtering and became a leading hand, a superintendent, a production manager and then a manager of the larger export abattoirs looking after 800 employees. But even in the job that I am in today nobody gives me any credit for the knowledge that I had in the industry or asks me any questions about it.

So you have got those sorts of people out there who are in similar circumstances, out of different industries, that are capable. Indeed, you have got people that have been pushed out of an industry—like we talked about with the Soil Conservation Service in New South Wales, where nearly a decade ago they shut down that particular service and pushed those people onto the scrap heap. Those extension officers were lost to the training facilities through the state government area, and those services were picked up by private agronomists who charge for the service. So it is a combination of a multitude of things that makes it a very complex issue.

## Mr Belfield—It is.

**CHAIR**—But the bottom line is that we have got to look at all of this and keep ourselves, as a committee, focused on what this inquiry is all about. The inquiry is all about identifying the needs in the rural and regional areas on rural skills training and research and making recommendations to the minister of the Crown, who hopefully will be different to many ministers of the Crown and will read our report and our recommendations on what is a very serious issue. If he does not read the report and recommendations then all of the very valuable contributions that have been made over the past months, and that will be made in the months ahead, by people such as you will be to no avail. I am just making the point that it is not just a question of picking up operators who have practical skills and putting them through. In terms of the evidence given, that is a sound contribution to a specific trade. It is a question of how we apply that across the broad spectrum of all of those trades that are affecting rural and regional Australia, and particularly agriculture, and how we make the minister sit up and take note of what needs to be done to ensure that the skills that are disappearing out of agriculture in rural and regional Australia are complemented and returned to the industry.

**Mr Belfield**—If I can just talk about cause and effect. I talked the magazine into going to AgQuip last year for three days, and the stories we heard there would have brought tears out of a granite rock, of contractors who were—this is crazy—going back to working alone. They did not want anyone there. When you are going backwards, in regression, you cannot give the service you gave with six or eight men.

This is the real world, but maybe there is a light on the hill. I got this email yesterday morning from a theme park called Diggerland in the UK. They started in 2000 and now have three areas with a fourth planned and are going to Virginia and Hungary. This is exponential growth, obviously. Allow me to read a paragraph:

We have found that it is generating a huge amount of awareness to children, concerning construction equipment, and this is already coming to fruition with an increased level of school leavers entering our main market of construction equipment.

This is a theme park. There is a German man doing the same thing in Germany, but not in the order of this group. People go out and want to drive a bulldozer. We have nothing like this in Australia.

CHAIR—Occupational health and safety would have stopped them from doing it anyway.

**Mr Belfield**—I wrote an article about it this morning and said, 'I wonder what our illustrious friends at WorkCover would think about this.' The email says:

Diggerland has been a huge success, although the management of it has been extremely difficult. There is a very large amount of documentation, training, inspection and checking etc., as well as a lot of appropriate modifications that we have to carry out to machines, including, radio controls, remote radio shops etc.

They recognise this. When you read this—and I would like you all to read it—you will see that anything is possible.

**CHAIR**—Thank you for your frank contribution. As I said at the outset, it is very important that people give their evidence warts and all. That spontaneous reaction to questions put by the committee certainly delivers some very constructive points which the committee can pick up when it puts its report together. In closing, I say that you can thank your local member for the persuasive way in which he convinced the committee to visit Tamworth and Armidale.

Mr Belfield—I do indeed.

**CHAIR**—The evidence that we have received in both Tamworth and Armidale has been very helpful to the committee's objective.

**Mr Belfield**—I thank you for listening to me. I guess the saddest part of all this is that I happen to love this industry and I become overwhelmed with all this. I love this industry and I want to spend the rest of my working life contributing to its betterment.

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

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

## Subcommittee adjourned at 3.17 pm