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STANDING COMMITTEE ON AGRICULTURE, FISHERIES AND
FORESTRY

Reference: Rural skills training and research

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HOUSE OF REPRESENTATIVES
STANDING COMMITTEE ON AGRICULTURE, FISHERIES AND FORESTRY

Wednesday, 29 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 Adams, Mr Forrest, Mr Gavan O'Connor, 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

BLEWITT, Mr Arthur, Chief Executive Officer, Agri-Food Industry Skills Council 1

BROWNBILL, Ms Jane, Senior Manager, Agri-Food Industry Skills Council..... 1

Committee met at 5.13 pm**BLEWITT, Mr Arthur, Chief Executive Officer, Agri-Food Industry Skills Council****BROWNBILL, Ms Jane, Senior Manager, Agri-Food Industry Skills Council**

CHAIR (Mr Schultz)—Welcome. 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 16th public hearing for this inquiry and is part of an extensive program of public hearings and visits designed to gather information from the people directly involved with the main issue of the inquiry. 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 Blewitt—Yes, I would like to make some introductory remarks.

CHAIR—Feel free to do so.

Mr Blewitt—Firstly, thank you for inviting us to appear before the committee. This is a key issue for us, obviously, because it is the nature of our business, and to get discussion and promotion is one of our roles. Across our industries and across Australia we see that the future of our enterprises in competing globally depends on having a flexible and adaptable workforce and, importantly for rural areas, one that is attracted to live and work in the regions, which is one of the areas we are interested in.

Our aim in the council is to improve the agrifood industry's business performance through the development and implementation of innovative skills and workforce solutions. The industry is made up of five sectors, as you know—food, rural and related, meat processing, seafood and racing. The industry employs about 800,000 people in about 130,000 enterprises across those sectors. There is an enormous amount of commonality across those areas and that is one of the reasons they are grouped. To the extent that most of them have to do with non-metropolitan Australia, most of them are suffering enormously at the moment from skills shortages and, importantly, that is becoming a barrier to economic growth in industries such as meat and horticulture.

There are some issues that we are particularly interested in. Just briefly, we did a skills report about this time last year which identified the issues across our sectors. The brief outcome was that there is a critical skills shortage across all the sectors we deal with, particularly in regional and rural Australia. The most significant shortages are in rural production, agriculture and horticulture, and they have lost about 80,000 jobs since the drought commenced some years ago. We suspect, and ABARE figures suggest, that about 30,000 of those jobs have been replaced, but there is certainly a big gap because of those who did not return to those positions.

There is enormous difficulty in attracting and retaining people to work and live in rural areas. One of the things that the skills report found was that, firstly, worrying about skills is not terribly

relevant unless you have people out there who want to work in those areas. Secondly, it is not a one-dimensional response. It relates to the development of regions, infrastructure and support services—child care is as important, we heard, in Katherine as it is in Canberra. Looking at business compliance and regulations, in a place like the seafood industry, where people typically used to just go out fishing, it is now quite an exercise. You have to understand environmental zoning, species and issues like that, so it is really forcing those people to understand those things.

There is a great lack of business skills across our enterprises in terms of their capacity to understand, plan and look forward to the sort of expectation they have for skills formation. Industry image is lousy to a large extent, and we talked to a lot of the industry peak bodies about that. Why would young people and sea-changers moving from the city want to go to the rural areas? There is no real promotion or identification of the opportunities out there. So they are the issues we are talking to industry about.

Other things we talk to industry about are the need to create decent jobs and reward systems. A lot of the issues have come about because there is a bit of a lack of resources in some of the farming and other rural areas, but importantly you need to be able to reward people in a way that competes to some extent with other options because people have many options now. Finally, there is getting access to good training, good skill development and good support for people who do want to invest out there.

Chair, I think that is all I need to say at this stage. We can talk about some of the solutions we are looking at if you wish, and perhaps come back to address any issues that the committee has through our submission.

CHAIR—Do you wish to say anything, Ms Brownbill?

Ms Brownbill—No.

Mr WINDSOR—There is a common theme developing in some of the submissions we are getting. I noted that you made the comment in your submission that ‘it is clear that the present training system needs to focus more on outcomes’. We have had a number of people come from slightly different angles on that type of statement. Could you elaborate on that? Be critical if you need to be, but I am not suggesting that you have to be. If you see some flaws in the system we would like to know exactly where they are and how we can recommend something that is outcome driven.

Mr Blewitt—I have a couple of initial comments. The reason we were set up as an industry driven company was to ensure that we enhanced the influence of industry on the sort of training that was done. What industry wants is people who are job-ready and trained properly and, importantly, that there are consistent standards across Australia. That is one of the issues. It is driven a bit by the funding model and the way they fund training organisations. They are funded for people completing qualifications, irrespective of what the qualification might be. So an important area is to have an influence on those institutions to make sure that they are delivering the sorts of training products and quality that our industries want and to make sure there is an auditing process to ensure that. The linkage to that is the funding model, which has some issues

around apprenticeships and access to them. Again, that needs to be looked at. That is one of the issues that COAG has on its agenda in due course.

The training process is extraordinarily complex. We handle nine training packages and there are about 2,200 so-called units of competency in that lot. We suspect that, across our industries, if you looked at that closely, you could reduce the duplication and make it more understandable and more relevant to industry needs. I think industry now, because of issues such as compliance and regulation of compliance with the use of chemicals, is demanding higher level licensing requirements for people coming out of training because that liability flows on to them if they make a mistake. There are issues like that which I think have not been done well previously.

There are some very good colleges. If we look at a couple of the agricultural colleges, we see that, for every person they turn out, there are four jobs waiting for them. That is simply because they have industry advising their faculties and making sure that they actually do deliver the sort of training and the job readiness that helps. We are currently setting up what we call an RTO reference group—a registered training organisation reference group—to work out what makes a good TAFE, what the characteristics are of the TAFEs that are more successful than others and how we actually replicate that model across a broader range. There are something like 4,500 TAFEs in Australia. I think we have programs through about 800 or 900. So there is a massive job there to get good quality standardisation across states and, importantly, to get products that relate to industry driven needs. I think they are some of the issues we are thinking about.

Mr WINDSOR—I think you made a comment about the poor image of country areas or agriculture. I do not want to put words in your mouth. Could you elaborate on what you meant there?

Mr Blewitt—What we find—and we were at a couple of careers expos in Brisbane, Sydney and Melbourne last year—is that people do not know what is out there. Twenty years ago everyone had a grandparent who was a farmer. That is no longer the case. Ms Brownbill and I did some consultation around the country last year and we kept asking people who were on properties or aged couples running enormous properties, ‘Where are your kids?’ Of course, they had gone to Sydney for education and they had stayed. They are concerned that they cannot get people back. If your own progeny are leaving, there is a model there.

We are anxious to get more publicity for the opportunities out there. There are some real careers out there. If you an entrepreneur, there are some opportunities out there. They are not there in most of our industries. I guess we are anxious that some of industry peaks should put a bit more effort into that to make sure that there is a better story told about the jobs, opportunities and employment pathways in the bush. I think that is where we are coming from. Essentially, there are not too many obvious incentives to go out there for young people who are growing up anywhere except in regional areas. They have enormous opportunities, better reward systems and career pathways in cities.

Ms Brownbill—I think that is what is lacking with image. There is a lack of understanding of the opportunities of moving into farming or food processing and the importance of that area. I think that some more work needs to be done on actually looking at different pathways and opportunities. Arthur mentioned that there is a lot of entrepreneurship. There are a lot of opportunities for people to get ahead in the industries that we cover, but they are not seen as

being as exciting as others. Also, in places like WA and especially Queensland we have a real problem in that we are competing against the mining industry to get people. Somebody going out as a deckhand might earn maybe a quarter of what he or she might be able to get by going out and driving trucks in a mine. This is a real concern as well. It is something that we are grappling with.

CHAIR—Have you experienced a poaching situation there? Have you had second- and third-year apprentices poached by the mining industry because of that capital incentive?

Mr Blewitt—I think it is bigger than that. We had an example in Western Australian of a commercial boat that went out fishing with, I think, 10 or 12 people on it. It went out for two or three weeks, came back and unloaded its catch. By the time it left it had only two or three people left. The rest had been poached off the wharf, simply because firms were offering young people with not too many particular skills \$80,000 or \$90,000 to actually drive trucks down mines. That is always a better option, particularly when you get three weeks on and then you fly to Perth for three weeks. That is the attraction that will always beat, as Jane said, the fairly low levels of salaries that fishermen can afford to pay their staff.

Mr ADAMS—So you have done a skills survey to see where the holes are, what is there and whatever else; so you have done an audit. A lot of people have said to us, ‘Now that a lot of analytical work has been done, what are we going to do?’

Mr Blewitt—Quite a lot.

Mr ADAMS—Could you tell us about some of those things?

Mr Blewitt—I certainly will. Firstly, we have done a fairly quick broad-brush skills report. That has got a bit of analysis in it. It is the first time that that has been done for our sector, so that report is pretty valuable. We are looking for solutions. We can all talk about the issues here but I think most people in Australia, including the Premiers and the Prime Minister—more recently through COAG, which has given it a real boost—recognise there are problems. We are looking at rationalising training packages. As I mentioned before, this is to clean them up and make them understandable so that they are more applicable directly to industry driven needs. We are looking at getting people into the workforce more quickly. In a lot of the industries that we deal with, you do not need a three-year qualification to do the job but you do need a set of skills. Take, for example, the cotton industry, whose needs are significant. There are the needs to understand large machinery, occupational health and safety, and the use of chemicals. They have introduced a set of skills that they call Cotton Basics, which allows them to get someone on a farm very quickly after achieving several weeks of training. That is a way to get people into the workforce quickly and then you entice them, if you can, to go on and do more training.

Secondly, we are looking at recognition of prior learning. Although they might not actually have formal qualifications, most people, particularly those on farms, have enormous levels of experience and they have done various programs and courses. What training organisations and TAFEs will be required to do from next year is to actually assess those and accredit those based on their previous experience. Importantly, that particularly gives people a level of skill and a level of recognition quickly rather than pushing them through a program that is probably not necessary for most of their job. We are also looking at what actually attracts and what actually

retains people. We are doing a lot of work in the meat industry, which is extremely short of boners, slicers and slaughterers. No matter what we do, it is very difficult to attract people from the city to go out there and do it. It is tough work.

Mr ADAMS—The Chair and I are two old ones.

Mr Blewitt—I had heard that.

Mr ADAMS—So you happen to have two old meat workers sitting here.

CHAIR—I am fascinated by this issue. What is being done to assist people to move from state to state? In my day, I used to move from Victoria at the end of the mutton-processing work, hitchhike up to Queensland and spend five months working on beef. After a period of time, when I had established my bona fides with my employer, the employer then put me on contract. What is being done with the industry in that regard? Surely there are sufficient numbers of those sorts of tradesmen in the meat-processing industry around the country. Don't they want to move?

Mr Blewitt—I do not think people want to move, but that is anecdotal. Secondly, most of those companies that we work with have got sites in a couple of states, so you would think that there would be an opportunity to do that. There is a high turnover rate of apprentices going into those areas not only for some of the reasons we have discussed—other options—but because the work is tough. Importantly, we are trying to make sure we understand as best we can. That is one of the reasons they have been involved in looking at migration options, just to get people in there to do a job that others do not seem to want to do. They are issues we have to wrestle with.

Mr ADAMS—You talked about the cotton concept. That is okay. You talked about reward systems, where afterwards they get people to train more. We know that industry now really wants skilled people. People do not want to train people; they just want to buy them skilled. That is where we are heading now with changes to the visa system to allow people to enter the country on short-term working visas without it being necessary to even advertise in the local paper for labour. Is that going to be the answer or do you have other ideas, such as the pathways you talked about and these reward systems? Are those some options that we can look at?

Mr Blewitt—They are options. What we are seeking to do is get people into the workforce as quickly as we can. Those skill set arrangements apply there. Bear in mind that a lot of the training in the meat industry, for example, is now on-the-job training. So if you get the people there you can get through that process. Certainly we looked at migration. We are working with the industry and with Department of Immigration and Multicultural and Indigenous Affairs about that. There are issues there to make sure that people come with the right skills, that they meet the needs and that they stay in the areas. Seasonal workers is a difficulty in our horticulture areas particularly. We are looking at the Senate inquiry for that. Critically it is getting some sort of structured process and getting the industries to do some planning to make sure they know what they need and when they want it.

Mr ADAMS—This is so you can build up the issue, a bit like the chair spoke about. Australia has always had an itinerant workforce of regional and rural labour that has been able to move around. We do not seem to be able to find the new structures that want to fit into that. Horticulture is one and the meat industry is another, though it is more settled than it was in your

time. There are those sorts of things. What is industry doing about that? What is your council doing about that? Has it looked at that in some way?

Mr Blewitt—The horticulture industry are looking closely at that, and they have a couple of models running in Sunraysia in Victoria and some other places. The difficulty with a lot of the places we saw in some of the more remote areas, such as the Northern Territory, is that they rely enormously on backpackers and others. That is terrific when they are there and when they turn up, but it is very hard to structure that process to make them reliable.

Mr ADAMS—They fall in love and overstay.

Mr Blewitt—The other issue that is showing some promise—and in fact there were some awards here today—is starting people in apprenticeships in secondary schools. That is becoming far more popular. People can commit to an industry earlier. It has got some enormous savings benefits. You might get someone in year 10 or 11 who will go and spend a bit of their work time in the meat industry, and they will decide either they like it or they do not like it. So you do not have to start an apprenticeship and stop it and waste a lot of energy doing it. One award today went to a young woman in agriculture in Western Australia, and the other one went to a meat processor in Brisbane. They completed some of the work towards certificate III, which is the apprenticeship level, at school. I think that, again, gets commitment from those young people to that particular career, and hopefully they will continue with it. They are some of the things that are going on. Certainly in areas where there are immediate needs, like meat, we just need a bundle of people to come in quite quickly to address desperate shortages in boners, slicers and slaughterers. Hence the emphasis on immigration in that area.

Mr GAVAN O'CONNOR—The issue you just raised about apprenticeships starting in schools is very important. If you go back decades, people were leaving school at year 9 and 10, and they were going into the workforce. Yes, there is benefit in retaining people through to year 12. But there is a cohort that would have left school and entered the workforce. Some of them are still in school, but they are disposed to be outside school. So where this sort of structure can be instituted it has a lot of benefit.

I have been to more careers nights than you could poke a stick at, and many people who hock their wares there—for the skills and future skills—are pretty poor at it. I would have thought that, with people getting a lot of money in this regard, they would be better able to. I am reading here, 'Wouldn't you like a job in industries that generate \$80 billion in retail sales, involve 140,000 enterprises and 800,000 people.' If that, on a poster, could not attract kids to sit and talk and work it through—but I have never seen that sort of approach. Kids wander around and they do not—there are things that will grab them. There is a lot to be done at the coalface to get that initial attraction, as you said, and to get people interested in the industry's concern. I want to broaden the face of the debate, Chair.

CHAIR—Yes, sure.

Mr GAVAN O'CONNOR—I have Animal Health Australia in my electorate down in Geelong. We have received evidence that Animal Health Australia has submitted an emergency disease-training package. It submitted that in first quarter of 2005, and it is yet to be accredited. I

am wondering what the status of the training package is and what the delays would be in the accreditation of that. You can take that on notice, but it is a question we would like answered.

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

CHAIR—That is in an 18-month time frame. We have critical problems related to skills. We have been hearing this for all of the time this committee has been involved in this inquiry, and much of what is contributing to it is centred round accreditation by departments that do not appear to understand the urgency of processing these accreditation applications. I find it astounding that in today's day and age we are talking about a significant problem in the workforce of this country being delayed in terms of filling that crisis situation by 18-month and two-year accreditation processes.

Ms Brownbill—That is an excellent observation, and something that both Mr Blewitt and I talk about a lot. The process of updating and reviewing training packages is quite involved and very time consuming. At the end of the process—when you have gone around and consulted, you have written your units of competency and they have been validated by industry—when it is presented to what was ANTA and is now the Department of Education, Science and Training, it is then at least a three-month process to get through its processes to make sure everybody is happy.

In saying that, the Agri-Food Industry Skills Council has come up with a continuous improvement model for training package development. We have come up with a model that will not only ensure that the validation and consultation processes are done more efficiently and effectively but also ensure that we can get training packages to Department of Education, Science and Training more quickly for updates so that we can stay in line with what the current industry needs are.

Mr GAVAN O'CONNOR—Can you take us through the process?

Ms Brownbill—Our process or the other process?

Mr GAVAN O'CONNOR—The process of evaluating whether these training packages are meeting industry needs. How do you evaluate?

Ms Brownbill—Our new process?

Mr GAVAN O'CONNOR—Yes. How do you evaluate whether a training package is up to date and meeting industry needs?

Ms Brownbill—The process we go through is quite detailed in that we put together a committee of experts who guide the review. We then send out information and talk to as many as

people we can to ensure that the training package meeting their needs. If it is not, we ask what we need to do to change it. A training package developer then squirrels away at writing new competencies and trying to get the training package more up to the standard of where industry needs it to be.

Mr GAVAN O'CONNOR—How long would those various stages take?

Ms Brownbill—It used to take anything up to two years to undertake that process. At the moment we are trying to move to a less than 12-month process to do the validation. We have found that a lot of people in the training system are quite wedded to the process, and we are trying to change it.

Mr GAVAN O'CONNOR—So there is an institutional obstacle there to hurrying the process along?

Ms Brownbill—Yes.

Mr GAVAN O'CONNOR—How do you deal with minor modifications as opposed to what you would call a full-scale review?

CHAIR—Just on that point, if you have a training module for any particular industry that has operated for a number of years and there a number of problems have been identified as you have gone through, you modify it. As a person who has come through industry, I cannot for the life of me understand why, with the requirements and the regulations that constantly change in governments—and I know that is a problem—it takes so long. I have a cynical view that there are people involved in the industry sitting in their comfort zones not thinking about the ramifications of the delays and what they are doing to industry—not intentionally—who do not understand the reasons for the process to be speeded up. We have heard this evidence through many submissions and from verbal evidence. I do not know whether my parliamentary colleagues agree with me, but it seems to be an ever-increasing repetitive pattern.

Mr WINDSOR—We had a case of 1,000 pages—600 in one lot and then additional 400—to get through a package.

Mr SECKER—On something they have been doing for 20 or 30 years.

Mr ADAMS—Yes.

Ms Brownbill—I think there are two issues here. I would like to walk through an area where we were able to undertake the process in six months to ensure that we got new units and new qualifications up. That was with the seafood industry for their new environmental management systems. We were able to go through the validation process and the writing process in six months and then it got held up a bit with the endorsement process, which is out of our hands.

CHAIR—I am not having a shot at you. What I am saying is that the practical applications of industries, which have operated for decades, are being slowed down to the point where they are barely at crawling pace because we have reams and reams of people in the system doing paper work and creating all of these barriers that continues to slow the process down. In the process of

doing that, industries are losing people and industries are dying. We are getting to the point in some of our industries where we are at a critical level.

Ms Brownbill—I agree. I would like to go back to what we have been able to achieve, which is a continuous improvement model which we believe will streamline that process. We will not be looking at these cumbersome, huge review processes, but we will be saying, 'The meat industry critically needs this program and we can go through our continuous improvement process quickly to make that happen.' And I believe that once we have started that process—

CHAIR—How far away from it are you?

Mr Blewitt—Pretty close. Jane was saying that there has been a traditional style of doing this. For example, when we started, the first training package that I was given to do was the Meat Industry Training Package. The expectation was that we would spend \$250,000 on it—\$100,000 came from us and the industry put in the rest—so it was a massive exercise. There was an expectation that every person in Australia wanted to talk to us about it, and we had to have meeting after meeting.

The other issue is state and federal bodies. Every state had the right, and still has the right—subject to COAG, and we can talk about that—to hold something up because it does not suit them or their needs, and that has been an issue that, fortunately, COAG I think deals with. Jane said that we now have a process in place where we talk to key people, have one or two meetings and do a lot of work on the phone. It is principally driven by industry. We get TAFEs and others involved directly in the process of changing it, and we put some deadlines on it.

The next process is that now they are looking at DEST and other places, through the National Quality Council, to get that cleared more quickly. Also, once you get into a mode of moving away from that enormous process driven review to one of continuous improvement where you might adjust every one, three or six months—suggest a few new units and ditch a few—that is where we have to go. But there has been a process driven expectation that it takes a lot of time and everyone has to be happy, and of course in these things that is not possible.

CHAIR—You need a time and motion process built into the program.

Mr SECKER—My question is along the same lines. What is the status with the honey bee industry's accreditation? They have been a bit concerned about how long it is taking.

Ms Brownbill—The honey bee industry is the same as the emergency disease one, and I think it is the same project that Mr Windsor brought up as well. Policy and other things have actually held that up, and it is a personal priority of mine to move that thing as quickly as possible, because there are a lot of people from honey bees through to emergency diseases through to alpaca people, who I think you have been talking to. We have to move that along and it is a commitment that I have as a priority.

Mr SECKER—We also had evidence from the ag school at Tamworth. The teachers there, who have been teaching for 30 years in some cases, have 1,000 pages of accreditation material. I am not sure whether it was 1,000, but it was an enormous amount of paper—

CHAIR—It was 800 and another 600 for a follow-on—

Mr SECKER—Yes, and there are a lot of costs for accreditation for their ag courses—things that they have been doing for a long time. There seems to be a hold-up in the prior recognition of their experience and abilities in their accreditation. There are extra costs and extra time, and they are not getting funded to do all this either.

Mr Blewitt—Funding is important because they have not been funded to do short courses, for example. They have not been funded to do sets of skill activities and recognise those. One of the things with a 1,000-page package is that it is very hard for a TAFE to convert that into a short course. One of the things we are trying to do now is work closely with TAFEs and put a lot of effort into implementation: how do we design training packages that are easy to implement?

Mr SECKER—This is for accreditation, though, not for training packages.

Mr Blewitt—But one flows into the other, I suppose. Importantly, how do we get them to deliver other products that industry wants quickly which are not three- or four-year programs? All we are doing is trying to get direct access to the deliverers and industry and get them together and try and work something through. I think it is smartening up. Certainly, COAG is putting a lot of heat on the system.

Mr ADAMS—You have a flow chart there for COAG, do you? Could we get a copy of that?

CHAIR—Can you send a copy of that as evidence?

Mr Blewitt—I will send a copy, yes.

CHAIR—Picking up the point that Mr Secker just made, you mentioned the honey industry.

Ms Brownbill—Yes, the honey bees.

CHAIR—We heard pretty profound evidence from the honey bee industry about the acute shortage of people skilled in beekeeping. They are importing people from overseas because there are no courses available anywhere in Australia. That is a real concern for this committee.

Ms Brownbill—At the moment there are no accredited courses in training packages because the honey bee qualifications are tied up in this huge project, as I mentioned in the submission to the committee in June. Some other courses have been available, but we are trying to move that as quickly as possible.

CHAIR—What can we as a committee do to help speed up the processes in those areas?

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

CHAIR—Did you make those points in your submission?

Ms Brownbill—We have not put in any detail.

CHAIR—Can I suggest that you do some supplementary work and give that to us, because we can undertake initiatives while we are taking evidence, putting the report together, releasing the report and making recommendations to the minister. We can undertake to alert the appropriate people to the problems in the system and what is creating those problems to help speed the process. I think that needs to be done because we really are in a very serious situation. As Mr Secker and Mr Windsor know, when we visited Tamworth and Armidale I was so depressed with what I was being told by people that I referred to the process that was occurring as ‘dumbing down agriculture’. Nobody is thinking positively about agriculture. A small industry group such as the beekeeping industry, which is not big on the scale of importance to some people in responsible positions in agriculture, directly and indirectly contributes about \$2 billion to the economy through pollination of crops and flowers. We do not seem to understand that the urgency of getting beekeepers in there is critical to the ongoing profitability of many other agricultural, horticultural and viticultural industries tied to things such as beekeeping.

Mr Blewitt—We spoke before to you about preparing a document to get some of this moving, so we will do that.

CHAIR—We need it warts and all. If there is something wrong within the system that is creating a problem and it has to become political to get it moving, we need to know about that. We can sit down here as a committee for the next six months and hear evidence, but while we are doing that the industry is dying and some of them will get to the point where it will take a long time to get them back on their feet again.

Mr ADAMS—How do you evaluate the training practices in the industry? I take it you speak to industry and, in the states, the TAFEs and the private training providers and the groups around them—the stakeholders. How do you find that? Are the industry groups organised to make a contribution easily? Are some better than others?

Mr Blewitt—Some are obviously better than others, but with us being established and being seen to be friendly to industry—in fact, encouraging industry to tell us what they want so we can pass it on and get some action—it is working very well. We are now getting the best people on the committee. We have a bunch of standing committees, which advise the board members in each of those sectors. We are now going out to get some senior enterprise CEOs involved, who typically do not take too much interest in skills, but they now see skills as an impediment to their growth. That has happened in the last six months, and you can see it now with people clamouring to get involved. That is a good sign. We have to convert their needs and our understanding of them into this process and, as Jane mentioned, clean up the process as well.

Mr ADAMS—The key is to make sure that country high schools and everybody else is involved in this flow, as we were talking about earlier. We can make some recommendations in that area. As well, I get concerned that that industry’s linkages to schools is lacking in some areas.

Mr Blewitt—As I mentioned, secondary education and prevocational education or training—

Mr ADAMS—VET in schools?

Mr Blewitt—is a great asset to us. It is certainly becoming popular in all states except Western Australia and New South Wales at the moment. So we will be putting some heat on that process, and you might well do that, too.

Mr ADAMS—Sure.

Mr Blewitt—The other issue that is worth thinking about—and it comes back a bit to image and a bit to what Mr O'Connor was saying about the agriculture sector being a dying industry—is that we are having great difficulty attracting good teachers. It is not seen as a place where you would want to be. If you are a smart young graduate or teacher, would you want to be an agriculture teacher? That is around image and around the way we get them out there. The other issue is to try to get more industry people involved in teaching—those who actually know what they want—and get them involved both in in-house teaching and in their own enterprises. It is important to get them involved in the education process at least on a part-time basis and to get those skills of what precisely industry wants on the table so that that can be translated easily.

Mr ADAMS—Both Alby and I were taught on the job the many skills of boners, slaughtermen, slicers and butchers.

CHAIR—And we were taught in three weeks. We were highly skilled.

Mr ADAMS—That is right.

Mr Blewitt—You were capable people.

CHAIR—I do not know about that, but we were taught by practical people in schools. We did not have the pressure on us that is on people now, with government bureaucracies and all the rest of it. I would like to take up some questions with you relating to the council itself. The committee has heard that the council is not sufficiently funded to enable it to properly maintain the currency of training practices or to recognise the variety of stakeholders. That is my first comment. My second comment is that the committee has also heard from several people who have expressed extreme concern in relation to the broad role of the council and the number of entities it is responsible for. What is your response to those two particular points? On the one hand, we have heard people saying that you have got too broad a coverage in the number of industries that you are assisting and then, on the other hand, we have heard that you are not sufficiently funded to be able to properly maintain your training packages to the level that they need to be maintained at. So one does in some respect complement the other.

Mr Blewitt—Perhaps I will answer the second question first. I mentioned earlier that the value of having broad coverage—and it is a big coverage and, of course, that is always going to be a challenge to us—is that an enormous amount of commonalities are across it. One of the things that we are trying to do, for example, is reduce perhaps our nine training packages into one, which is understandable. The thing that that addresses is that it allows young people to do that training because they tend not to become a butcher and then something try else. They would like to try that, get some credit and move on. There is some value in that commonality, and to some extent that helps us do it.

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

Mr ADAMS—You do not want any—

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

CHAIR—Why don't you decentralise?

Mr Blewitt—You could do that.

CHAIR—Why don't you go into the areas where people are looking for work and don't have the expectations of Canberrans in terms of the rates of pay?

Mr Blewitt—Sure. We could do that. One of the issues is that you need a critical mass when you have eight to 10 people. Secondly, we have a 14-person board to service as well as standing committees and other processes. We struggle to keep that up. I suppose there is a particular emphasis on Jane and me to get to industry, to understand industry and to feed that back through and hope that the rest of the processes of governance—which are in good shape—run themselves. But there is enormous pressure in running a business, doing our core job—which we talked about today—and, critically, doing it within a fairly confined budget.

CHAIR—I might have sounded cynical, but I have been around the game for a long time at a state and federal level, and the practical realities of decentralisation have been proven. I always worry—and this is no reflection on you guys personally—about governments setting up organisations funded by government to assist government in getting people trained in very serious areas like skills shortages, as you are. We go from the recruitment base that is outside of the boundaries of, say, a place like Canberra, and is something that most Australians would dream of. My point is that when decentralisation has occurred, invariably a lot of people are employed from rural and regional areas but, more importantly, there is a pool of people out there who would die for the wages that you would have to offer in their particular field. I have to make that comment and put it on record, because governments tend to just set up organisations and departmental agencies and then walk away from them.

Mr Blewitt—To reassure you, all our board are outside of Canberra. We are the only people here. There is some value in that for us because we are close to the peak bodies and the departments and that is helpful. Certainly, we spend far too much time on the road. I hear where you are coming from. It is such a small staff that it is very hard to decentralise.

Mr WINDSOR—Why do we keep hearing that Cotton Basics is a good program? We have probably heard that half a dozen times now. If it is such a good program, why are we not modelling on it? I think it is a fairly simple program.

Mr Blewitt—It is very simple. I suppose the good thing about it is that the industry likes it. At the end of the day, that is what we would like each of our industries to say. It delivers them people quickly. If you have two people arriving at the gate of your cotton process and one has a passport that lists a few accredited skills and the other has nothing, the former has surety to walk onto the place and they know about occupational health and safety, operating machinery or how to pick weeds from cotton. That gives some surety of that person; there has been an accreditation process that allows them onto the place to work effectively to start with.

Mr WINDSOR—Why can't those principles be applied to the meat worker? Mr Schultz said he learnt it in three weeks. I am not suggesting we do that now, but—

Mr Blewitt—They can be. What we are saying is that the funding model currently does not support that, and the cotton industry has invested very heavily in that themselves. In fact, most of the money is coming out of the cotton industry. That is the difference. They put the money in to get it accredited and they do the training themselves. They draw on some training from some other institutions, but principally it is a cotton driven thing by cotton driven money that gives them what they want.

CHAIR—Is it the same in the meat processing industry, for example?

Mr Blewitt—No, although meat have invested heavily in training. They are one of the industries that do. But they have not done it in those particular areas at this stage.

Mr WINDSOR—Is it correct to say that in the case of the cotton industry, it is the industry that drives the process whereas in a lot of other industries there is another industry that has been created to provide the training that hopefully provides something to other industries?

Mr Blewitt—I think cotton is a fairly tight industry. There are a bundle of corporate operations and they have obviously been prepared to invest. It has been very successful, and it is one of the models we use. Importantly, it is now in the COAG agenda to ensure that TAFEs and others recognise that and are funded to do those sorts of things. Currently, they are not, so there is no real incentive for them to do that at the moment.

Mr ADAMS—You cannot take the cotton stuff and put it into the wool industry, with the shearing—

Mr WINDSOR—Why not?

Mr ADAMS—You have the different levels, I guess. That is the problem. There are different industries.

Mr Blewitt—But you can take it and put it on a farm or an orchard or a bunch of areas like that.

Mr ADAMS—I take the point. What is the danger in taking down and rationalising some of the competencies? There are also dangers in those processes, aren't there? You might take away too much competency. We could end up with people who are not skilled enough.

Mr Blewitt—We are very conscious of that. The process is there to make sure that the training they get, whether they are doing 12 units or five years, is of the same quality. That is one of the things we really want.

Mr ADAMS—I come from another side. It is all right for industry to say, 'We want this,' and then industry gets people. What I would argue is that somebody can turn sideways to get X, Y and Z and have competencies so they can sell their labour down the road if they do not like a particular bloke. Those are the sorts of competencies that I believe people need to have. They should have the skills so that they can trade themselves and what they have so that they are not locked into one particular industry or whatever.

I like the model where people learn many competencies which then allow for a pool of labour to move through different industries. I think that was an old model in Australia. It was informal and it worked in our early years. We need to find something similar to meet the modern higher skills and higher competencies and maybe other issues with health and safety and all of that. In the future there may be animal health and welfare issues that are going to come down the pipe. People need competencies to do that, and to go from trucking into on-farm and those sorts of things. So I sense some dangers in taking it down too far. I hope we can make sure that we report in that area as well.

CHAIR—Do you think that some industries such as the meat processing industry which is coming to you guys for assistance in attracting people are focusing too much, because of the pressure they are getting from outside, on training people up in occupational health and safety and first aid at the expense of the actual physical training? The bottom line is that they need to operate. People may come through the system with half a dozen certificates, but they are of absolutely no use to them unless they are very good tradesmen.

That was the point I was making before about learning my trade. I was taught as a solo slaughterman. There are none of them left in Australia today because they have all changed and they all do certain tasks. I have been down that path too. I was ambidextrous—I could use two hands. That was a gift I had that a lot of other people did not have. As I said earlier, we were taught in three weeks and we learned about the safety processes as we went along. I just want to get my mind around whether there is too much emphasis on that end of it rather than the actual practical training which the industry relies on to keep itself viable.

Ms Brownbill—I think you are right. I know that what we are doing in the area of rationalisation and duplication across our industries is looking at what we could call soft skills. Occupational health and safety, communications and teamwork are very important skills. We are looking at rationalising them down so that, when an employer or organisation needs somebody to do a job, the real, technical skills that they need are more easily available for that person to actually get their hands on using those competencies. What I heard in Queensland yesterday was that some of the TAFEs up there are filling up the certificate II in rural operations with all of these soft skills, which are easy to deliver, and then for the rest of it they do not actually have to get their hands dirty with the more technical skills. Freddy still comes out with a certificate II in

rural operations, but it is not as technically focused. That is something we believe is not right. Another story we heard was of an arboriculturalist who came out with a certificate III in—

Mr Blewitt—They cut down trees.

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

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

Ms Brownbill—That is right.

Mr ADAMS—I was just going to make that point. You gave evidence that you agreed with the chairman about health and safety. I was going to say that there are—

Ms Brownbill—That is very important.

Mr ADAMS—workers compensation issues and there is also law in the ACT now under which the employer can be charged with murder or manslaughter. Health and safety issues are now a part of the process. I think you had better clarify your evidence.

Ms Brownbill—Please do not get me wrong. I think occupational health and safety is incredibly important—

CHAIR—That goes without saying.

Ms Brownbill—and that goes without saying.

Mr ADAMS—These are standards that have been built up by legislative standards, which are of a high-quality. Industry and everybody has been a part of those, haven't they?

Ms Brownbill—Please do not get me wrong. We understand the importance of occupational health and safety and that really that is at the core of any program that anybody would be doing, especially an arboriculturalist, who would be cutting down trees.

CHAIR—Most of the occupational health and safety issues occur during on-site training, during the process of working in the job. You have only got to give them an overview of the need to be aware of safety and what is required in the industry. That is the point I was trying to make—that we are getting bogged down too much in that detail and not focusing as intently on the actual job training process, where you get productivity out of the people and meet the industry's demands that are centred on the shortage of skilled labour.

Mr Blewitt—Certainly we are very conscious of that. We have been involved in a couple of reviews recently where people are saying to us, 'You have to make sure that you do not just have a whole lot of generic "I can do everything" things. Now, with technology improving and also other demands—for instance, on the way you package and cut meat—you need really good

technical skills; you need to smarten up, so that when you get somebody on board you know they can do the job that you want done and deliver the product you want so that you will not be concerned about that.' I think there has been a bit of a push to get, as Jane said, some soft things—and I am not talking about occupational health and safety—a push to get people through the courses. But, at the end of the day, they do not have much to offer. That is what we are hearing.

CHAIR—Have you got the other compounding problem too—which we had in the industry that we came out of and which they have in other industries—where you have seasonal work in, say, the fruit and vegetable industry. It is not a very positive outlook for people who genuinely want to work all the time. After the process of picking or packing or processing fruit has finished, for example, they then have to go and find another job. Similarly, in the meat processing industry, you have your highs and your troughs, depending on the market; the supply and demand situation creates uncertainty. So, many people do not want to go into those industries because of the uncertainty regarding continual employment.

Mr Blewitt—A couple of those successful horticultural exercises, of getting seasonal workers in, have come from the communities getting involved, where the local community might embrace 20 or 30 or 50 orchards or whatever. They can actually organise themselves so that when one finishes the other starts. This happens even in places like the Canberra area, where they are having enormous difficulties now getting shearers. There is a delay of a couple of months because there are not enough shearers and they are all over the country. Again, you can get contract groups but, if you get a contract group in, you need to have a bundle of jobs they can go to, with surety, to induce them to hang around the district. I think that is where communities and regions—and we have talked to those groups and had some interaction with them—have got to do some work themselves; we can help them do the technical stuff but, importantly, they have to organise themselves, to make it more attractive.

Mr ADAMS—That is where government needs to focus.

Mr Blewitt—That is right.

Mr ADAMS—They need to start these things off and get people up to a certain level, maybe in a coordinating role.

Mr Blewitt—But something has to be done about seasonal work because it is too sporadic at the moment. You need some structure in it; you need some certainty in it.

Mr ADAMS—And maybe government has to do that to start with. Maybe it is more complex than farmers ringing up the pub to see who is around, like my old man used to do. It is more complex now. And you need to have competencies and whatever. But we need to build that structure, I think. It only has to be pretty loose.

CHAIR—As there are no further questions, I thank both of you for coming in and giving your evidence here today. It is very important that we as a committee not only get evidence centred around the issues that you have covered as a group but also solicit information from you that might have some warts on it that can assist the industry in general. I appreciate the frank contribution that you have made. As I said, this committee does not and cannot function and we

cannot put out a report that sends out some positive recommendations—whether they are act on or not, is another issue—without the evidence from groups of people and individuals coming in and giving us evidence.

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

That this committee authorises publication, including publication on the parliamentary database, of the transcript of the evidence given before it at public hearing this day.

Committee adjourned at 6.16 pm