

June 8, 2005

Mr. Ian Dundas  
Committee Secretary  
House of Representatives Standing Committee on  
Agriculture, Forestry and Fisheries  
Parliament House  
Canberra ACT 2600

**RE: INQUIRY INTO RURAL SKILLS TRAINING & RESEARCH**

Dear Mr. Dundas

I write in response to your letter requesting that Australian Wool Innovation Limited (AWI) make a submission to the House of Representatives enquiry into Rural Skills Training & Research.

As you may be aware, AWI is a fully independent public company owned by Australian woolgrowers. Its mission is to drive research, development and innovation that will increase the long-term profitability of Australian woolgrowers. Central to that mission is a recognition that the wool industry's future will be determined in a large part by its ability to be innovative.

AWI recognises that innovation requires not only a preparedness to change but the ability to do so. Consequently, AWI has a broad based education and adoption program that aims to provide opportunities to wool producers and those that service the industry and its career pathways.

However, we believe that there are a number of significant issues that currently impede the wool industry's progress that relate to the terms of enquiry for the committee.

I will list these in priority order and then discuss them in more detail.

1. The lack of a coordinated and strategic approach to promoting and supporting career pathways in agricultural industries;
2. The ongoing need for vocational education and training (VET) sector reform to facilitate industry's involvement in the New Apprenticeship system;
3. The lack of industry professional development for school and VET teachers and trainers who deliver general and vocational education programs in agriculture and related disciplines; and
4. The lack of integration between state and commonwealth agencies and industry organisations involved in delivering or supporting education and training for agricultural industries.

*The lack of a coordinated and strategic approach to promoting and supporting career pathways in agricultural industries:*

The wool industry is one of many agricultural sectors facing shortages of both skilled farm workers and graduates. Agriculture competes with other industries for a supply of school leavers who will support ongoing growth and innovation in the industry. Currently, many agricultural sectors face similar issues with a number different organisations working to encourage school students to pursue a career pathway in agriculture and related industries. Whilst much of this effort is fragmented, uncoordinated and duplicated, there are good examples of programs and activities that are raising the profile of agriculture and increasing the number of school leavers choosing study and employment pathways for our industries.

We believe that improved outcomes could be achieved if available resources were directed to a common strategy which would ensure that examples of good practice could be delivered more widely. AWI recommends that the Department of Agriculture, Forestry and Fisheries (DAFF) be directed to work with the Department of Education, Science and Technology (DEST) in order to facilitate a coordinated strategy that will integrate the activities of various stakeholders and improve resource allocation in this area. The work of the New Zealand Human Capability Group in Agriculture and Horticulture is indicative of the gains that can be made through an initiative such as this, and demonstrates the potential of seemingly disparate industries working together to support growth into the future.

*The ongoing need for VET sector reform to facilitate industry's involvement in the New Apprenticeship system:*

The development of a training culture within the wool industry is currently being frustrated by the different arrangements for New Apprenticeships that exist in each state and territory. In particular, pathways for existing workers vary from state to state, thus denying industry with an opportunity to improve the level of on-the-job training delivered to the wool harvesting sector which is facing an increasing shortage of skilled workers.

The current level of activity in NSW demonstrates the potential available within the wool industry, with more than 300 existing worker shearing traineeships currently receiving on-the-job training. In WA, SA and Victoria, limitations either exist as a result of restrictive user choice arrangements imposed by state governments, or because of the relatively limited support provided to RTOs and NACs<sup>1</sup> to market and deliver these training opportunities to rural industries. AWI recommends that DEST be directed to ensure that there are no state industrial or funding imperatives that limit the uptake of New Apprenticeships in the wool industry, and that funding models should be reviewed to encourage RTOs to more effectively service rural industries.

The recent restructuring of industry advisory arrangements in the VET sector has also affected our industry's capacity to conduct research into skill needs.

The AgriFood Skills Council (AFSC) has unrealistic terms of reference which span over 140 different rural and related industry sectors, a scope of operations made all the more unrealistic by inadequate current levels of funding.

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<sup>1</sup> Registered Training Organisations (RTO) and New Apprenticeship Centres (NAC).

AWI recommends that DAFF be directed to supplement funds provided by DEST to ensure that appropriate resources are provided to provide adequate vocational skills planning in agriculture. With the closure of the Australian National Training Authority (ANTA), DEST has called for greater industry involvement in VET planning, policy and research. AWI recommends that DEST be directed to involve rural industry organisations in addition to the National Farmers Federation (NFF), such as research & development corporations (RDC) and state farming associations, who are active in VET and are not necessarily part of the NFF membership structure.

*The lack of industry professional development for school and VET teachers and trainers who deliver general and vocational education programs in agriculture and related disciplines:*

AWI believes that the quality of technical education delivered by schools and VET providers should be improved. In many cases, the standard of teaching and learning is the result of inadequate skill levels amongst teachers and trainers who are often unaware of current industry practices and technologies. Poor learning outcomes are also exacerbated by the use of resource materials that are often out of date and of poor quality. Whilst AWI is working to improve current arrangements in the wool industry, we believe that DAFF & DEST should be directed to work with state departments of primary industries to implement a national program based on the current AWI funded WoolPro in Schools Project.

WoolPro in Schools is a partnership between AWI and the WA Department of Agriculture that has provided in-service training to teachers and delivered industry information and management tools to improve the quality of agricultural education. In conjunction with the Australian Sheep Industry Cooperative Research Centre, AWI has recently completed a study into the feasibility of establishing the program nationally. Whilst the study found that a national program was feasible, it identified the need for support from a wider coalition of industry and government partners. AWI believes that DAFF should take a leadership role in establishing this program nationally.

*The lack of integration between state and commonwealth agencies and industry organisations involved in delivering or supporting education and training for agricultural industries.*

The current arrangements for education and training in rural industries are more complex than those that exist in other industries for a number of reasons. The Commonwealth's Farmbis program provides significant funds for agricultural training, stimulating an active training market that has encouraged the development of a training culture within agriculture. RDCs also provide significant funds and a wide range of opportunities for producers to achieve education and training outcomes. Finally, rural oriented CRCs have relatively active education programs that leverage additional funds for rural education and training, and are increasingly looking to align their programs with formal VET arrangements. This complex set of arrangements has produced an industry education and training system that is not well coordinated, with regulations and systems that are often counter productive.

An example of the lack of cohesion is the different Farmbis funding criteria that exist in each state and the varying requirements for linkages with registered training organisations and the funding of nationally recognised learning outcomes. These arrangements have the potential to compromise the quality of education and training outcomes for the industry and create unnecessary competition in what are already thin rural training markets.

AWI recommends that DAFF engage with industry more directly to establish priorities for each sector so that the most effective use of funds be achieved within more clearly articulated training priorities. AWI also recommends that these priorities should be supported by more targeted VET sector activity, informed by more clearly articulated sector training strategies involving CRCs, RDCs, DAFF and DEST.

AWI has taken some steps towards this model by involving Meat & Livestock Australia (MLA) and the Sheep CRC to assess the current activity and future capacity of TAFE to deliver training for the sheep industry that meets industry standards, work that should inform future RDC engagement with TAFE providers nationally.

I would also like to draw to the attention of the Committee two projects that illustrate the wool industry's approach to skills training and research that may be relevant to other industries.

AWI involved the Australian Sheep CRC in a study that examined the future supply and demand for university graduates with livestock oriented degrees. Whilst the survey found that the projected number of graduates over the next five years was close to the forecast employment demand from agribusiness, it did not fully consider supply and demand for research skills relevant to the wool industry. Consequently, AWI has recently funded a project that will provide detail on the extent to which current shortages and future trends might affect the availability of scientific expertise within the pipeline for Australian wool worldwide. The purpose of the current study is to:

- conduct a review of current and likely future scientific expertise in the wool pipeline;
- identify the best sources of expertise for each specialisation in the wool pipeline; and
- recommend strategies to ensure adequate expertise is available for all types of wool research.

Both these projects will enable AWI to better target its investments in education and training, and we would be pleased to share the results of this work with the Committee if required.

Further detail on the issues facing our industry can be gleaned from the list of current projects included in AWI's Education & Adoption Program Plan, which has been provided for your reference in Attachment A.

I hope that the committee will consider the issues raised in this paper and I look forward to the opportunity for AWI to present its views before the Committee in person. Please contact Mr Paul Comyn, Program Manager Education & Adoption, if you wish to discuss any of these issues in more detail. Mr Comyn can be reached on (02) 9299 5155.

Yours sincerely



Dr Len Stephens  
CEO

Attachments:

A. AWI's Education & Adoption Program

## Australian Wool Innovation: Education and Adoption Program

### Background

It is essential that research results are available to industry so that they can easily and readily adopt them. The wide range of AWI programs means there are many potential users of research, with varying levels of interest and attitudes to change. This Program is responsible for coordination of all AWI education and adoption activities and for the measurement of their effectiveness.

### Goal

To ensure that the AWI R&D project outputs delivered each year are adopted by the target sector of the industry and that the monitored rate of adoption of AWI R&D project outputs improves over time.

### Update

Greater collaboration amongst RDCs is an increasing priority for AWI. A number of new education & initiatives involving AWI, MLA and GRDC are currently being progressed to maximise value to shareholders.

### Strategies

- Develop and implement an evaluation system for AWI that measures the rate of adoption of R&D outcomes and provides data on the effectiveness of funded programs and projects.
- Work with service providers and AWI staff to improve the scope and effectiveness of extension, education and training initiatives targeting wool producers and processors.
- Establish and maintain a national network of woolgrower groups to drive producer innovation and deliver research results.
- Work with service providers to improve the scope and effectiveness of education and training initiatives targeting wool processors in key markets.
- Work with extension, education and training providers to establish comprehensive resource materials to support learning across the wool pipeline.
- Partner with industry, schools, universities and other providers to strengthen career pathways for people wishing to work in the wool industry.
- Communicate the results of successful adoption strategies to other R&D agencies and stakeholders.

### Objectives

- By December 2005, complete a project that links existing 'early adopter' networks and provides further support for high level innovation on farm through workshops and networking.
- Continue to coordinate improved reporting of adoption amongst RDCs and report to government and other agencies as required.
- By December 2005, report on implementation of ongoing efforts to improve project monitoring and evaluation arrangements amongst AWI staff and research partners.
- By June 2006, develop a manual of industry recommended production practices and benchmarks that establishes targets for the industry and informs AWI product and service delivery.

- By June 2006, evaluate AWI's reintroduction of wool PIRDS which aim to provide producers with the opportunity to be involved in participatory research and development.
- By March 2006, implement best practice recruitment and market segmentation strategies to increase participation and adoption rates amongst producers.
- By December 2006, evaluate the effectiveness of AWI's national network of grower extension programs that target the 'aspirant' market segment and aim to support 50 per cent of participants making a change on-farm to their production or management practices.
- By December 2006, support the implementation of an internet based e-library that provides a management system for technical content relevant to on-farm industry and educators.
- By December 2006, establish an international e-learning network that manages the delivery of wool technical content to students and industry.
- By December 2005, develop and distribute 150 copies of a schools resource kit to improve the quality of wool technical education in schools.
- By December 2006, develop undergraduate multi-media e-learning units for the delivery of wool technical education in industry, universities and vocational providers.
- By December 2006, provide careers information to 1,500 students and support three regional career initiatives linking 150 students with industry to promote career pathways in industry.
- By 2006, deliver a fibre specification extension program aimed at practice change within the wool pipeline (linked into technology transfer and market information programs).
- During 2004-07, introduce a project to build leadership skills in AWI funded Woolgrower groups.
- By December 2007, assist over 500 new entrants into the wool industry through scholarships and support of other agency initiatives.

#### Major Projects

- During 2004, completed the development of its national network of grower groups that will provide a platform to deliver R&D results to producers. Work will continue to strengthen and add value to those networks to drive innovation in the industry and increase the opportunities for producers to engage with AWI funded R&D.
- During 2004-05, AWI will contribute to the implementation of a Livestock E-Library which intends to develop into a comprehensive repository of technical information relevant to wool production.
- During 2004-05, work with key industry partners will continue to support the reinvigoration of wool technical education in Australia and key international markets.
- During 2004-05, work will continue to develop a wool production compendium that will set out key production practices and benchmarks, and provide an improved framework for AWI products and services.