

Skills: Rural Australia's Need
INQUIRY INTO RURAL SKILLS TRAINING AND RESEARCH

Report of the House of Representatives Standing Committee on Agriculture,
Fisheries and Forestry (26 February 2007)

GOVERNMENT RESPONSE - SEPTEMBER 2009

The House of Representatives Standing Committee on Agriculture, Fisheries and Forestry (the committee) found there were "...severe skills shortages in rural industries and significant gaps in our capacity to respond to those shortages". The committee made twenty-nine recommendations relating to rural skills, rural skills education and training, the regulatory framework for vocational education and training, the availability and adequacy of research and the provision of extension and advisory services.

Over the last 15 years, Australia has seen strong economic growth and record levels of employment. This growth created challenges for agriculture, fishing, forestry and food businesses in finding enough appropriately skilled employees. Despite the current global economic downturn and associated increase in the unemployment rate, the medium to longer term outlook for agrifood products is strong. An appropriately skilled workforce is essential to maximising Australia's agriculture, fisheries, forestry and food productivity. The Australian Government agrees in principle with most of the committee's recommendations and notes that many concerns highlighted by the committee are already being addressed through various government and industry initiatives.

1 Rural Skills—A Critical Issue

1.1 Identifying labour and skills needs (Recommendation 1)

The Australian Government agrees in principle that it should consult with states, territories and industry bodies to review the Skills in Demand List survey. It notes that consultation processes have improved and that the methodology of the survey has been reviewed by the Australian Bureau of Statistics and does not need any further amendment at present.

The Australian Government notes that consultation with state and territory governments on the Skills in Demand List (List) has already been undertaken. The Australian Government Department of Education, Employment and Workplace Relations' (DEEWR) consulted with all state and territory governments to develop additional occupations for assessment under the skill shortage research program.

- New occupations being researched include those in the associate professional and managerial groups as well as additional professions and trades. The program includes occupations which have direct relevance to the agriculture, fishing and forestry industries. Results of this research are published at www.workplace.gov.au/skillshortages.
- Most occupational labour markets are reviewed every six months and skill shortage lists are updated on an ongoing basis.

In 2006, the Australian Bureau of Statistics reviewed the methodology used by DEEWR for its skill shortage research and found it to be appropriate for its purpose. A further review of the methodology is not considered necessary at this time.

The focus of the skill shortage research is highly skilled occupations – those which generally require at least three years of post school education and training. Information about employer recruitment difficulties in lower skilled occupations is gathered through Surveys of Employer Recruitment Experiences which are also conducted by DEEWR. The results of these surveys are also published on the Australian Workplace website www.workplace.gov.au.

Current industry specific data is vital to workforce planning and skills development. AgriFood Skills Australia (ASA, formerly the Agri-Food Industry Skills Council) and ForestWorks (formerly the Forest and Forest Products Employment Skills Company) also publish annual industry environmental scans. The scans capture and analyse the most recent industry intelligence about existing and emerging skill shortages and training requirements and inform government policy and the training sector.

1.2 Promoting Australian agriculture and forestry careers (Recommendations 2 & 3)

The Australian Government agrees in principle that it should work with state and territory governments and industry to develop national strategies to promote the roles of Australian agriculture and forestry, and the diverse career opportunities available within those industries, to the broader community (Recommendation 2) and primary and secondary schools (Recommendation 3).

The Australian Government strongly supports the promotion of the important roles of agriculture, fishing, forestry and food industries in Australian society. It is working with industry, educators and other governments to create a greater awareness of the importance of Australian primary industries and the diverse career opportunities in these industries, particularly in schools.

A partnership between industry, government and education bodies established the Primary Industries Education Foundation (Foundation) in September 2008. The Foundation promotes knowledge of primary industries and the available career choices by coordinating national activities in schools and providing quality resources for educators. The Australian Government has

committed \$250,000 in funding for the Foundation. Its membership includes the Australian Government, the National Farmers' Federation, Meat and Livestock Australia, the National Association of Agricultural Educators, the Australian Council of Deans (Agriculture) and Tocal College.

The Australian Government has funded projects to directly promote agriculture as a viable career to young Australians under the Community Networks and Capacity Building component of Australia's Farming Future. For example, \$350,000 was committed in March 2009, to provide pre-vocational and on-site training and mentoring for young Indigenous people keen to work in the pastoral industry and on cattle stations in the Northern Territory. The Next Gen Farmers initiative, also part of the Community Networks and Capacity Building component, was established in March 2009 to support future industry leaders who can help their communities meet future challenges, including climate change. Fifty two projects shared \$1.8 million in the first round of funding, which helps develop youth leadership skills. The initiative also aims to encourage more young people to pursue careers in agriculture.

The Australian Government through the Diversity and Structural Adjustment Fund (Diversity Fund) and its predecessor the Collaboration and Structural Reform Fund (CASR) has supported a number of university led projects that support Australian agricultural and forestry industries. The Primary Industry Centre for Science Education (PICSE) received \$3.6 million in funding from the Diversity Fund in 2008. Funding was awarded to the University of Tasmania. PICSE will deliver science class activities, teachers' professional development, teaching resources, student camps and student industry placement programs. PICSE provides a pathway to attract young people into science. It is attracting students into tertiary science with the aim of increasing the number of skilled professionals in science-based primary industries. Other university initiatives that support agriculture and forestry include the development of a Master of Integrated Water Management at the International WaterCentre in 2007; the National Professional Forestry Coursework Masters Program at the Australian National University, Southern Cross University, University of Melbourne and University of Tasmania in 2006; and a joint Degree in Wine Science at the University of Southern Queensland and Charles Sturt University in 2005. CASR funding for these three projects totalled \$2.4 million.

As part of the response to the Review of Higher Education announced in the 2009-10 Budget, \$400 million over four years has been provided to establish a new Structural Adjustment Fund which will subsume the Diversity Fund. The new fund will assist higher education institutions, including those in rural and regional areas, to make strategic decisions about their future mission and possible ways to enhance their place in the new higher education environment. Funding will commence in 2010.

The Australian Government funded Rural Skills Australia to develop ONTrack, a multimedia CD-ROM and website (www.ruralskills.com.au/ontrack) that provides an overview of the career opportunities available for young people entering rural industries.

Under a National Partnership on Youth Attainment and Transitions, the Australian, State and Territory governments are working together to pursue reforms to improve young people's educational attainment and transition from school. In addition to \$100 million in reward funding for improvements in participation and attainment to support the Compact with Young Australians, the Australian Government has committed \$623 million over four years to this National Partnership, which will include the consolidation of existing youth career and transitions programs into two programs: School Business Community Partnership Brokers and Youth Connections. These programs are being developed in consultation with the States and Territories and will be implemented over four years from 1 January 2010.

Under the National Partnership, the States and Territories will have the flexibility to use this funding to support a menu of reform areas including career development. Support under career

development could facilitate access for all young people to high quality individualised career development and services and pathways planning and empower students to identify strengths, talents and interests and build resilience.

Under the National Partnership \$47 million of the funding will be available for National Career Development initiatives. Funding will be utilised to support a range of projects and resources that require a national approach to implementation. These include, for example, Job Guide, the myfuture website and the Australian Youth Mentoring Network. The Australian Government will maintain responsibility for this element under the National Partnership.

1.3 Women in the workforce (Recommendation 4)

The Australian Government agrees in principle that programs should be developed to enhance the contribution of women to Australian agriculture and their participation in rural skills training. The Australian Government considers that such programs should where possible be complementary but does not agree that the Australian Government should be responsible for coordinating relevant state, territory or industry programs.

Community Networks and Capacity Building (CNCB), is an element of *Australia's Farming Future*. The program focuses on increasing the leadership and representative capacity of women, youth, Indigenous Australians and people from culturally and linguistically diverse backgrounds in primary industries. One component of CNCB is Recognising Women Farmers which offers support to stage events for women in primary industries. Such events provide opportunities to share knowledge and experience; develop leadership and management skills; and contribute to government and industry decision making. The events also help women to increase access to resources, build networks between rural and regionally based Australians, and increase their participation in agriculture, forestry, fisheries and food industries. The Australian Government announced over \$2.88 million in grants for 74 successful applicants in May and June 2009. In addition, ten projects to develop women's management and leadership skills shared funding of \$496,772.

The National Rural Women's Summit was held in Canberra on 27-28 June 2008 and was attended by eighty-two women from rural, regional, remote areas including female farmers, Aboriginal and Torres Strait Islander women, women living with disabilities and women from non-English speaking backgrounds. The National Rural Women's Network is being developed in response to both a recommendation from the Summit and an election commitment.

FarmReady, another element of *Australia's Farming Future*, provides \$26.5 million over four years to help primary producers and industries effectively respond to climate change. FarmReady aims to improve risk management and business management skills, and increase adoption of new technologies and best practice management to enable primary producers and industries to adapt and respond to the impacts of climate change. Women are key contributors to farm business management, and are able to access support to attend eligible training activities under the FarmReady Reimbursement Grants. FarmReady assists in reducing barriers to women's participation in training by also reimbursing some childcare costs while they are attending training activities and encouraging training providers to be sensitive to the individual needs of participants with regard to the timing and place of training activities. Further detail on FarmReady is at [2.4 The FarmBis program \(Recommendations 11 & 12\)](#).

1.4 Transferring skills (Recommendation 5)

The Australian Government agrees in principle that it should work with state and territory governments and industry to develop ways to better use the knowledge and skills of older workers in rural industries.

The Australian Government recognises the value of the knowledge and skills of older workers in the rural industries. On 22 April 2009 the Australian Government announced that it will commit \$400,000 to the Golden Gurus program as part of the 2020 response. The Golden Gurus program aims to harness the skills and experience of mature age Australians by encouraging them to provide mentoring support to younger generations. The program will strengthen existing mentoring activities in states and territories and will extend the Golden Gurus concept to provide mentoring services outside of the voluntary sector, with a particular emphasis on small business.

Mature age workers who require additional training to meet the labour market needs of employers may be eligible for training to skill or re-skill in areas of labour demand through the Productivity Places Program. The Program will provide 711 000 training places over five years. Of these places, 392 000 will be allocated to existing workers, including those of mature age, to gain or upgrade their skills.

More information on mature age programs, including information and advice for employers to help them adjust to an ageing workforce, are available from the Jobwise website at www.deewr.gov.au/jobwise.

1.5 Broadband (Recommendation 6)

The Australian Government agrees that it should continue to further develop information and communications technology services to rural and regional Australia and that this development is critical to skills formation in rural areas.

The Australian Government is committed to ensuring regional, rural and remote communities have equitable access to high quality broadband services.

The Australian Government has announced the establishment of a new company to build and operate a new super fast National Broadband Network (NBN). The company will invest up to \$43 billion over eight years to build the network, and will initially be public owned, with private investment being encouraged from the initial build stage. It is expected that the new network will be rolled-out simultaneously in urban, regional and rural areas.

The Australian Government's objective is to connect 90 per cent of all homes, schools and workplaces with optical fibre (fibre to the premises or 'FTTP'), providing broadband services to Australians with speeds of 100 megabits per second in urban and regional towns. The network will connect all other premises with next generation wireless and satellite technologies that will be able to deliver 12 megabits per second or better. The rollout, network coverage and detailed network design will be finalised following an implementation study to be completed in 2010.

As part of its National Broadband Network initiative, the Government is fast-tracking the investment of up to \$250 million through the Regional Backbone Blackspots Program to address broadband 'blackspots' throughout regional Australia. The program involves the timely rollout of fibre optic transmission links connecting cities, major regional centres and rural towns. On 1 July 2009, a Request for Tender was issued for new fibre optic transmission links to Emerald and Longreach (Queensland), Geraldton (Western Australia), Darwin (Northern Territory), Broken Hill (New South Wales), Victor Harbour (South Australia) and the South West Gippsland region (Victoria).

The Government is also currently assessing options for reforms to improve the telecommunications regulatory regime to make it work more effectively in the interests of consumers and businesses. In particular, the Government is seeking to improve competition and access arrangements and consumer safeguards.

The NBN is complemented by the \$247.6 million Australian Broadband Guarantee, which is currently funded until 2012. This program supports equitable access to high-speed broadband services comparable in price, speed and functionality to mainstream metropolitan broadband services, for those unable to access such services on a commercial basis.

The NBN will contribute to creating a world class education system for Australia by providing affordable, high speed broadband to schools, including those in regional and rural areas. This also means that Australian school students will have access to similar bandwidth capabilities at home and at school. High speed broadband to schools underpins the Australian Government's \$2 billion investment in the Digital Education Revolution. It will be the foundation on which information and communications technologies can be integrated into schools, making new approaches to teaching and learning possible.

On 22 April 2009, in response to the 2020 Summit, the Australian Government announced it will provide \$81.9 million (including \$55 million in 2009-10) to provide the infrastructure to support a Vocational Education Broadband Network to support a high speed broadband network for the training sector. This will create a single post-secondary high speed network, connecting vocational education and training providers to the same network serving universities and other research institutions.

On 5 March 2009 the Australian Government tabled an initial response to Parliament on the Regional Telecommunications Independent Review. As part of this response and consistent with the findings of the Review, the Australian Government announced:

- \$46 million for a new *Digital Regions Initiative*, that will fund projects making use of broadband that improve education, health and emergency services in regional, rural and remote communities;
- an additional \$3.7 million contribution to a \$30 million refocused *Indigenous Communications Program* that will provide access to vital telecommunications services and training to Indigenous Australians in remote communities; and
- \$11.4 million to continue and enhance the *Satellite Phone Subsidy Scheme* which was due to end in 2009. This subsidy enables people and organisations that live and work in areas without terrestrial mobile coverage to have access to reasonably-priced satellite handsets.

This funding announcement is the first step in the Australian Government's overall response, and represents a 'down-payment' on meeting the future telecommunications needs of regional Australians.

Further, in 2009 Budget the Government committed \$34.4 million to the Rural and Regional National Broadband Network Initiative which included:

- an additional \$14 million over four years to boost the *Digital Regions Initiative* funding to \$60 million
- \$5 million over four years to fund *Rural NBN Coordinators* to encourage local government, community and business usage of broadband to improve broadband affordability.
- \$15.3 million over three years for the Australian Broadcasting Corporation (ABC) to expand its *ABC Local Regional Broadband Hubs* that will encourage and assist the development of user generated content and create online avenues for local communities to connect and collaborate.

2 Rural Skills Education and Training

Education and training are central to improving the skills and productivity of the rural sector and are available through different educational pathways, ranging from school based training—through TAFE courses and other skills training—to university degrees. The Australian Government is working to improve the quality of, and access to, education at all levels.

2.1 Rural skills training in schools (Recommendation 7)

The Australian Government agrees in principle that it should work with state and territory governments to develop a national program for rural skills training in schools with a view to ensuring:

- *stable and sustained funding of rural skills programs*
- *funding and incentives for the training and upgrade of agriculture teachers and*
- *provision for effective industry and community involvement in the school based training.*

The Australian Government agrees that training is important for industry sustainability in the rural sector.

National vocational education and training arrangements are collaborative and industry led. The Ministerial Council for Vocational and Technical Education, which comprises the Australian Government, State and Territory Ministers with responsibility for vocational education and training, has overall responsibility for the national training system, including strategic policy, priority setting, planning and performance as well as cross-sectoral issues impacting on the training system, such as skills forecasting and workforce planning (including skills needs) .

Nationally recognised training is based on training packages which have been developed to meet the needs of industry and with industry input. AgriFood Skills Australia Industry Skills Council (ASA) has created a number of vocational pathway qualifications across its training packages. Current work by ASA relating to a review of the ACH09 Agriculture, Horticulture and Conservation and Land Management Training Package is referred to in Section 3.4 of this response.

Training may take place in classrooms, in the workplace, off-the-job, online and through other flexible delivery methods. It can be offered in schools by Registered Training Organisations, which may be the school itself. The content of that training is framed by the relevant training package and the quality assured under the Australian Quality Training Framework.

Funding for vocational education and training in schools has been maintained. At its November 2008 meeting COAG agreed to the National Skills and Workforce Development Agreement, which includes funding to maintain vocational education and training (VET) in Schools. In addition, in 2009 the Australian Government committed funds to increase on-the-job training for vocational education and training students in schools. From 2010 this initiative will become part of the National Partnership on Youth Attainment and Transitions, referred to in Section 1.

The Australian Government supports more flexible pay arrangements, including incentives to attract, reward and retain high quality teachers, particularly in areas of need. At the 29 November 2008 meeting, the Council of Australian Governments (COAG) agreed to the Smarter Schools – Quality Teaching National Partnership to deliver national reforms that target critical points in the teacher ‘lifecycle’ to attract, train, place, develop and retain quality teachers and school leaders. The Australian Government has committed \$550 million to this National Partnership.

The Australian Government supports VET in Schools programs by funding related programs and initiatives. It has allocated \$2.5 billion over ten years for the *Trade Training Centres in Schools Program* (TTC Program) to help increase the proportion of students achieving Year 12 or an equivalent qualification. An important step in achieving this increase is to ensure students have access to high quality, relevant education and training opportunities that continue to engage and encourage them to complete their studies.

The TTC Program will help address national skill shortages in traditional trades and emerging industries by improving the relevance and responsiveness of trade training programs in secondary schools. All secondary schools will be able to apply for funding of between \$500,000 and \$1.5 million to build new, or upgrade, existing trade or vocational education and training facilities.

Key priorities for the TTC Program are to:

- establish regional skills hubs whereby secondary schools in rural and regional locations develop partnerships for improved trade training delivery; and
- support secondary school communities with Indigenous students, and students from rural, regional or other disadvantaged communities.

Under the program, schools in rural areas, can submit applications for Trade Training Centres offering training in traditional trades that can include Certificate III qualifications in Agriculture, Rural Operations and Horticulture. As part of the Building the Education Revolution up to \$110 million has been brought forward for Round Two of the TTC Program, increasing available funding from \$277 million to up to \$387 million.

A further \$19.6 million has been committed to create and maintain the statutory body, Skills Australia.

Based on program evaluations, recent reports and stakeholder feedback, the Australian Government is considering future arrangements to build on the success of current activities and incorporate mechanisms for better collaboration with state and territory governments, industry and community stakeholders to address COAG targets, and the participation and social inclusion agenda.

2.2 Australia's agricultural colleges (Recommendations 8 & 10)

The Australian Government agrees in principle that it should work with state and territory governments to develop a national framework to reinvigorate Australia's agricultural colleges (Recommendation 8), but the Australian Government does not agree that it should consider establishing agricultural courses at Australian Technical Colleges, nor expand the number of colleges to cover regions principally associated with primary production (Recommendation 10).

The Australian Government believes that effective agricultural colleges are vital elements of skill development systems in rural Australia, but it notes the colleges are the responsibility of state and territory governments.

The Australian Government agrees in principle with Recommendation 8 that a national framework for reinvigoration should include:

- stable and sustained funding for agricultural colleges nationwide
- funding and incentives for national coordination of programs between colleges and
- the provision for effective industry and community involvement in the development of curricula.

Stable and sustained funding for agricultural colleges in each state

The Australian Government provides recurrent funding to government and non-government schools (including agricultural colleges) to help with the costs of school education. Recurrent funding is based on the number of enrolled students and does not differentiate between types of government or non-government schools.

In the 2007-08 Budget, an additional \$121.1 million in funding over four years was provided under the recurrent grants program to regional and remote non-government schools. Under the policy, non-government schools that are classified as “moderately accessible”, “remote” or “very remote” under the Accessibility/Remoteness Index of Australia received a loading to their recurrent per capita funding of five per cent, ten per cent or twenty per cent, respectively. During the 2005-2008 quadrennium, approximately \$27.0 billion has been provided to schools under the recurrent grants program.

Where an agricultural college is also a Registered Training Organisation (RTO), Australian Government funding will be via the National Agreement for Skills and Workforce Development (Agreement). The allocation of these funds within each jurisdiction is the responsibility of the jurisdiction and the Australian Government does not specify the funding criteria.

Funding and incentives for national coordination of programs between colleges

The Australian Government is encouraging jurisdictions to allow publicly funded RTOs to be more responsive to the needs of local business and the community by giving more authority to Institute Boards and Institute Directors to act independently and to retain extra funding gained from any innovative programs undertaken by that RTO. The Agreement supports choice and competition in the delivery of training, reflecting the mature nature of the training market. The Australian Government notes that rigid national coordination may limit the ability for RTOs to be innovative and responsive to the needs of local employers and students.

Effective industry and community involvement in the development of curricula

The Industry Skills Councils (ISCs) currently provide an effective mechanism for industry involvement in the development of National Training Packages, including the relevant competencies. In addition, each National Training Package enables RTOs to tailor the course to meet relevant competencies required by the employer and student.

The Australian Government has established a National Curriculum Board to develop a national curriculum from Kindergarten to Year 12. The work of the National Curriculum Board is ongoing and there are many opportunities for participation, consultation and feedback for those with an interest in the development of the curriculum.

Australian Technical Colleges

Australian Technical Colleges (ATCs) were established by the previous government. Students enrolled at ATCs commence a Certificate III Australian School-based Apprenticeship and complete their Year 12 certificate. The ATCs were specifically established to address identified skills needs in traditional trades in the Australian economy and were therefore limited to offering courses in five priority areas; metals and engineering, automotive, building and construction, electrotechnology and commercial cookery.

The Australian Government is honouring existing funding agreements within the 24 ATCs until their expiry date of 31 December 2009. COAG agreed to an Implementation Plan to integrate the ATCs into the broader education and training system. The integration process is expected to provide future operational models to expand course offerings to include primary production and be better positioned to meet specific regional needs.

2.3 Apprenticeships (Recommendation 9)

The Australian Government does not agree that it should review the Australian Apprenticeship scheme.

The Australian Government does not support a further review of the Australian Apprenticeships scheme at this time as DEEWR has conducted three reviews of Australian Apprenticeships in the past six years. Each of the reviews has confirmed that the Australian Apprenticeships scheme is successfully increasing participation in structured training, including in rural skills training.

Specifically allocating training funds and places to Australian Apprenticeships in rural skills

The state and territory governments are responsible for many aspects of vocational education and training in their jurisdictions, including funding priorities. Under the Skilling Australia for the Future initiative, the Commonwealth has funded the Productivity Places Program (PPP), which will deliver 711 000 training places over five years to ensure that Australian workers develop the skills they need. Of the 711,000 places, 319,000 (including 20,000 structural adjustment places) will be allocated to job seekers. These training places will be delivered in an industry-driven system, ensuring that training is responsive to the needs of businesses and participants.

The Australian Government delivered job seeker training places from April 2008 until 30 June 2009. The state and territory governments have progressively assumed delivery of job seeker and existing worker PPP training places through 2009. This is in accordance with the Council of Australian Governments (COAG) negotiated National Partnership (NP) Agreement for PPP, which was signed by seven state and territory governments.

There are approximately 18 Australian Standard Classification of Occupations (ASCO) coded agricultural occupations, with 122 qualifications, that can be undertaken through PPP.

Altering funding arrangements to properly reflect the cost of providing training and supervision in rural skills

Under the *National Agreement for Skills and workforce Development*, the Australian Government provides approximately one third of the public funding for off-the-job training of Australian apprentices, including Australian Apprenticeships in rural and regional Australia. The allocation of these funds between different industries, occupations and areas of a state or territory is not an Australian Government function.

Extending funding and incentive payments to cover a broader range of qualifications, including agriculture and horticulture

In 2008-09, the Australian Government provided \$701.5 million under the Australian Apprenticeships Incentives Program to employers who took on apprentices and trainees and in 2009-10 it expects to provide \$746.4 million. Under this program, Australian apprentices participating in over 500 different occupations are eligible to attract employer incentives and receive personal benefits, such as the Living Away From Home Allowance or the Commonwealth Trade Learning Scholarship. Australian apprentices commencing in Certificate II, III and IV Agriculture (Australia wide) or Horticulture (in rural and regional Australia only) qualifications may also be eligible for the recently expanded Tools for Your Trade initiative. These include qualifications undertaken in the following occupations:

Crutcher	Green Keeper	Parks and Gardens Tradesperson
Farm hand	Irrigation Assistant	Shed Hand
Farm Overseer	Landscaper	Station Hand
Floriculture Worker	Milk Harvester	Stockman
Gardener	Nursery Person	Wool Handler
		Wool, Hide and Skin Classers

Ensuring that there is rigorous quality control over training outcomes

The Australian Government recognises the need for a high performing vocational education and training sector and strongly supports the growth of the Australian Apprenticeships scheme. The Australian Government and state and territory governments continue to work together to design nationally consistent quality arrangements for RTOs and state and territory registering bodies. The revised Australian Quality Training Framework (AQTF 2007), implemented on 1 July 2007, enables state and territory registering bodies to focus on assessing the quality of the training and assessment offered by training organisations in their delivery of nationally endorsed vocational qualifications.

2.4 The FarmBis program (Recommendations 11 & 12)

The Australian Government does not agree that the FarmBis program should continue beyond the 2008 expiry date (Recommendation 11) nor that FarmBis funding should be extended to rural employees, Certificate III level courses or resumed for ChemCert training (Recommendation 12).

The Australian Government has implemented a range of measures under *Australia's Farming Future*, including FarmReady. FarmReady provides \$26.5 million over four years to improve adoption of risk management and business management skills, increase adoption of new technologies and best practice management to enable primary producers and industries to adapt and respond to the impacts of climate change. It consists of two separate elements:

- FarmReady Reimbursement Grants to individual primary producers and Indigenous land managers to attend approved climate change training activities, and
- FarmReady Industry Grants to industry organisations, farming groups and natural resource management groups to undertake projects that will enable their members to adapt to the impacts of climate change.

The FarmReady Reimbursement Grants, administered by a national administrator, provide a consistent approach to the registration and eligibility of supported courses for primary producer training. The funding supports projects to help farmers adapt to climate change, mitigate its effects and encourage the best management techniques. Approved training, within nine key learning areas, helps participants to improve their capacity to adapt to the impacts of climate change and enable them to reappraise their business prospects and options and make appropriate on-farm operational decisions.

Courses are focused at management level, which means that the courses are targeted at improving decision making, planning and risk management skills, including the identification and evaluation of relevant information and management options. These types of generic competencies are typically described under the Australian Qualifications Framework (AQF) as being Certificate IV level and above. However, the key learning areas of understanding the science of climate change and integration of new techniques / industries for sustainable production can be at the level of AQF Certificate III and above. Basic ChemCert courses are not eligible under FarmReady Reimbursement Grants.

Up to \$1500 per eligible person is available to cover course fees each financial year, with funding also available to cover excess travel, accommodation and childcare costs. Farmers, commercial fishers, foresters, their immediate family members, primary production enterprise management team members and Indigenous land managers may be eligible for the reimbursement grants.

FarmReady Industry Grants allow industry organisations, farming and natural resource management groups to apply for grants of up to \$80 000 each financial year to identify opportunities for their members to adapt to the impacts of a changing climate.

The Australian Government announced \$6.3 million in FarmReady Industry grants for 46 successful applicants in May 2009 including funding for forest-based industries, grains, cherries, turf, dairy, horticulture, pastures, macadamias, rice, abalone and aquaculture.

2.5 Industry training initiatives (Recommendation 13)

The Australian Government agrees in principle that it should develop a national strategy for facilitating industry initiatives in rural skills training including a coordinating body, funding provision for industry initiatives and the removal of bureaucratic barriers.

The Australian Government already supports rural skills development initiatives and regional approaches that identify and deliver skills training in industry sectors in rural Australia.

AgriFood Skills Australia (ASA) was established in May 2004 and receives funding from DEEWR to develop and maintain training packages, provide integrated industry advice to Skills Australia and enterprises, and to engage in workforce development activities. DEEWR has a funding agreement with ASA until 30 June 2011. The industries covered by ASA are food processing and pharmaceuticals, rural and related industries, meat processing, seafood and racing.

DEEWR also has a funding agreement with ForestWorks until 30 June 2011 covering the development and continuous improvement of training packages and the provision of industry workforce advice to Skills Australia, government and industry. ForestWorks is the Industry Skills Council for forestry and acts as a channel between industry, government and the VET system. It works with industry, schools, service providers and government to assist the forest, wood, paper and timber products industry to improve its attractiveness and access for new entrants. In April 2009 the Australian Government allocated 300 positions from the Productivity Places Program for re-training of displaced or retrenched workers within the timber industry.

As part of the Tasmanian Community Forests Agreement, the Australian Government will provide \$4 million to ForestWorks Limited over four years from 2006 to 2010 to support skills development and training initiatives in the Tasmanian forest and forest products industry through the Skills Enhancement and Training (SET) Project. The aims of the SET Project are to:

- facilitate an increase in the skill levels of workers in the industry;
- address changed forest management, harvesting procedures and production processes to enable the industry to achieve greater yields from the forest resource; and
- establish a culture of continual skill development and improvement by encouraging and providing support and information to potential new industry entrants in order to address the industry's skills development needs.

During 2008-2009 to 2010-2011 the Australian Government will provide \$3.73 million to the National Farmers' Federation (NFF) to support a network of seven full-time state and territory based Education and Training Advisors and one full-time National Coordinator. This network, coordinated by Rural Skills Australia, works with the NFF members to increase their understanding of and engagement in the national training system. The network also promotes the benefits of using training packages and employing Australian Apprentices to address the skills needs of the rural industries.

In 2008 the Primary Industries Ministerial Council (PIMC) established the Industries Development Committee Workforce, Training and Skills Working Group (working group) to identify options to improve collaboration and coordination across government and industry on workforce skills and training. PIMC agreed that continued productivity growth is of fundamental importance to the agriculture and food sectors and that a skilled and well-trained workforce is key to productivity growth. In April 2009, the working group reported a stocktake of current and past, government and industry initiatives to address workforce, skills and training issues in agriculture.

In 2008, DEEWR signed a Memorandum of Understanding (MOU) with the Minerals Council of Australia (MCA) and the NFF to collaboratively establish a pool of skilled workers able to meet the needs of both industries across regional Australia. This project helps to develop a national rural skills initiative by facilitating better coordination of training across industries. Three initial pilot sites, including the Townsville, Port Augusta and Dubbo regions, have been identified for the co-location of agriculture and minerals industry enterprises. Under the MOU, the MCA and NFF trialled different ways of coordinating existing activities to facilitate improved engagement with the National VET system and established direct linkages to on-the-job training and employment in agriculture and mining. This streamlines the skills and training process and helps to remove bureaucratic impediments. The pilot will be implemented as part of the Australian Regional Agriculture and Mining Skills (ARAMS) project.

2.6 Review higher education (Recommendation 14)

The Australian Government does not agree that it should conduct a specific review of higher education in agriculture and forestry at this time.

In December 2008, the Minister for Education, the Hon. Julia Gillard MP released the report of the Review of Australian Higher Education. The review (led by Emeritus Professor Denise Bradley AC, known as the Bradley Review) is the first major review of higher education to be undertaken since 2002. The Government's higher education funding and policy reforms, announced in response to the Bradley Review as part of the 2009-10 Budget, will encourage institutions to consider their missions, including how their course offerings support their overall strategic direction. They will also strongly encourage increased participation by students from disadvantaged backgrounds. Further details on higher education reforms, including funding arrangements can be found at <http://www.deewr.gov.au/HigherEducation/Review>

Increasing student numbers through scholarships and/or HECS exemptions

The Australian Government currently promotes increased participation and choice in higher education under the Commonwealth Scholarships Program (CSP) by offering financial assistance to students from low socio-economic status backgrounds, particularly Indigenous students and students from regional and remote areas.

As announced in the 2009-10 Budget, from 1 January 2010 the Commonwealth Scholarships Program will be replaced by a new Student Start-up Scholarship of \$2254 and the Relocation Scholarship of \$4000 in the first year if study and \$1000 in later years. These scholarships will be a demand driven system administered by Centrelink. The Student Start-up Scholarship will be available to all higher education students receiving student income support through Youth Allowance, Austudy and ABSTUDY. Existing Commonwealth Scholarships recipients will be grandfathered.

The Relocation Scholarship assists eligible university students receiving Youth Allowance or ABSTUDY with the costs of moving for study. This will replace the current Commonwealth Accommodation Scholarship and would support students who need to relocate for study, wherever they live. Current recipients of Commonwealth Scholarships under the Commonwealth Scholarship Program will be "grandfathered" until the student has completed their entitlement. Indigenous Scholarships will continue to be administered by eligible higher education providers under existing arrangements.

The Australian Government also supports a number of training programs and scholarships delivered through the various research and development corporations (See 4.1 Research funding (Recommendations 24 & 25)). For example, the Fisheries Research and Development Corporation six-month industry training program, *Advance in Seafood Leadership*, contributes to a pool of

inspiring and capable industry leaders across the recreational and commercial fishing, seafood and aquaculture sectors.

Rationalising institutions and facilitating inter-campus cooperation and coordination

The PICSE project, funded under the Diversity Fund detailed against 1.2 Promoting Australian agriculture and forestry careers (Recommendation 2), is a good example of national collaboration between the Australian Government, universities, regional primary industries, Research and Development Corporations, national agribusiness, regional research institutes, local community organisations, schools and state government departments.

The Government's \$400 million Structural Adjustment Fund will support, among other things, collaborative ventures that could provide increased access to higher education, and enhance long term sustainability in the sector.

Increasing a sustained overall level of funding for courses in agriculture and forestry

The Australian Government provides funding for Commonwealth supported places at eligible universities through the Commonwealth Grant Scheme (CGS). Agriculture continues to have the highest funding rate under the CGS. Funding rates under the CGS are used to calculate the overall CGS block grant for each university. Universities are able to allocate this funding and their other sources of revenue, including student contributions, between faculties and courses, having regard to their own cost structures.

The Government announced in the 2009-10 Budget, as part of its response to the Bradley review, that it will commission a review of base funding levels for learning and teaching in higher education, including options for achieving a more rational and consistent sharing of costs between students and across discipline clusters, to report in 2011.

2.7 Linking VET to university education (Recommendation 15)

The Australian Government agrees in principle that it should work with state and territory governments, universities and the VET sector to develop consistent and comprehensive pathways for the articulation of VET to university in rural skills training and education.

The PIMC Industry, Skills and Training Working Group (see 2.5 Industry Training Initiatives – Recommendation 13) is currently consulting with ASA and the Australian Council of Deans of Agriculture on improving linkages between the VET and higher education sectors, in particular, enhancing the current credit transfer arrangements between the VET sector and universities.

The Australian Qualifications Framework Council (AQF Council), established by the Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA) in May 2008, is tasked with providing policy advice on improving national consistency and national and international portability of qualifications and relevant national and international issues and their implications for national qualifications policy.

The AQF Council is completing a project, 'Developing and Implementing Common Terminology for Credit Transfer and Articulation', to facilitate credit transfer and articulation between VET and higher education, as well as within the sectors, by creating common terminology, principles and guidelines.

The Government has announced in its response to the Bradley Review that it will establish the Ministerial Council for Tertiary Education and Employment (MCTEE), with responsibility for both higher education and vocational education and training, to encourage a continuum of delivery of tertiary education. Realignment of the roles and responsibilities of MCEETYA and MCVTE to form MCTEE from 1 July 2009 will assist in harmonising quality and regulation, and improving pathways between the two sectors. The governance arrangements for MCTEE are yet to be

determined. The Government also announced that it will commission the AQF Council to further improve the articulation and connectivity between higher education and vocational education and training

3 The Regulatory Framework for VET

Rural sector VET is provided within the framework of Rural Industry Training Packages (RTPs). Development and review of RTPs is primarily the responsibility of Agrifood Skills Australia (ASA), with ForestWorks reviewing RTPs for the forestry-related training. ASA and ForestWorks are Industry Skills Councils (ISCs) funded by the DEEWR to provide industry intelligence on current and future skill needs and training requirements. In 2008 the Australian Government outlined an expanded role for the ISCs to work closely with the new statutory body, Skills Australia.

3.1 Funding (Recommendations 16 & 19)

The Australian Government notes that it has revised the ASA funding (Recommendation 19) and agrees in principle that governments should work together to fund VET rural skills training in such a way that accounts for the high cost/low volume nature of rural skills training (Recommendation 16). The Australian Government does not agree that competition policies applied to rural skills training providers should be relaxed (Recommendation 16).

The Australian Government has already increased funding to ISCs through the *Skilling Australia for the Future* policy. The funding allocated to ISCs was doubled from 2008 until 2011 and the 2008-09 Australian Government Budget provided further funding for ISCs until 2012. The increased funding is in recognition of the significant resources that an ISC requires to fulfil their roles in the national vocational education and training system.

The model used to allocate funding to each ISC includes a geographical dispersion criterion. The criterion is intended to recognise and meet the increased costs associated with geographical dispersion and servicing remote and rural areas. As a result, ASA received an increase of more than double its existing funding under the 2008-2011 Funding Agreement with the Australian Government. ForestWorks will receive funding of \$8,048,440, excluding GST, for the period April 2008 to July 2011.

Under the National Agreement for Skills and Workforce Development, the Australian Government will provide an estimated \$6.7 billion over the forward estimates from 1 January 2009 to 2012-13. The state and territory governments will deliver up to 1.15 million VET course completions nationally over this funding period and ensure the effective operation of the training market, including in relation to market information.

COAG's National Partnership for the Productivity Places Program further increases the Australian Government's investment in skills training and secures agreement by state and territory governments to increase the level of competition that is applied to accessing public training funds.

The Australian Government notes that the state and territory governments are responsible for the allocation of funding within their jurisdictions.

3.2 Teachers – The Australian Quality Training Framework (Recommendations 17 & 18)

The Australian Government notes that the Australian Quality Training Framework has already been revised to address the quality of training and assessment (Recommendation 17) and flexibility of training packages (Recommendation 18).

The Australian Quality Training Framework (AQTF) 2007 arrangements include new sets of standards for both RTOs and state and territory registering bodies, a risk-based approach to managing the quality of training and assessment, a stronger focus on quality skills outcomes, and the use of an outcomes based auditing model to support the new standards.

Under the AQTF 2007 arrangements, trainers and assessors will still be required to demonstrate a specified set of competencies or hold a specified qualification for training and assessment. Training organisations are required to offer recognition of prior learning to all applicants on enrolment and ensure that the process is structured to minimise the time and cost to applicants.

The National Quality Council (NQC), a committee of the Ministerial Council for Vocational and Technical Education (MCVTE), oversees the quality assurance arrangements of training packages. The NQC has specific decision-making powers in relation to the endorsement of training packages.

In early 2008, a streamlined, quality assured and transparent process for the development and endorsement of training packages was endorsed by the NQC and implemented by ISCs. The process enables increased responsiveness to industry priorities for new and updated skills, and gives ISCs greater responsibility and accountability for the final product. The process also enables greater 'speed to market' of training packages and national qualifications by vocational education and training providers. An evaluation of this process was commissioned by the NQC in April 2009, and a report to the Council on its findings is scheduled for July 2009.

3.3 Program delivery review (Recommendations 20 & 23)

The Australian Government agrees in part that it should work with state and territory governments in reviewing and revising rural VET to provide: a framework that encourages and suitably funds attainment of individual competencies as well as formal qualifications; and a reformulation of individual competencies to provide courses, aimed at particular skills and industries, that are of a shorter duration (Recommendation 20). The Australian Government does not agree with reducing the number of organisations providing courses in rural skills (Recommendation 23).

Current arrangements with state and territory governments enable the achievement and certification of individual units of competency. COAG has recognised the need for skill sets, and requested that they be identified to better address specific industry and licensing requirements. Skill sets are included in national training packages where specific licensing or regulatory requirements exist, or a specific need has been identified by industry. Also, as requested by COAG, the NQC has improved the national Statement of Attainment certification, which is issued for the successful completion of skill sets.

The Australian Government formula for providing funding to the sector is primarily based on state/territory population share. As one of the main outcomes under the National Skills and Workforce Development Agreement (Agreement), commencing on 1 January 2009, state and territory governments are required to demonstrate that the supply of skills provided by the national training system responds to meet changing labour market demand. The Agreement provides state and territory governments with greater flexibility to target resources to best meet the needs of their communities. Under the Agreement, state and territory governments are also required to maintain outputs relating to commencements and enrolments at levels equivalent to the average of these outputs for the 2005, 2006 and 2007 financial years. It remains the responsibility of the states and territories to determine the most appropriate method to distribute funds for their delivery systems. From 1 January 2009, state and territory governments began delivering additional enrolments in areas identified as being in skills shortage through the National Partnership for the Productivity Places Program (PPP). Through the PPP, state and territory governments are responsible for determining the mix of enrolments by occupation that best reflects their immediate and emerging skills needs. (See [2.3 Apprenticeships \(Recommendation 9\)](#) for more details on PPP)

The Australian Government does not agree with reducing the number of training organisations (Recommendation 23). One of the foundations of the Agreement was the identification of agreed Policy and Reform Directions that included, "driving further competition in current training

arrangements and strengthening capacity of providers and businesses to build the foundation and deeper and broader skills required by the 21st century labour market”.

3.4 Revision of the Rural Production Training Package (Recommendation 21)

The Australian Government does not agree in principle that ASA should revise the Rural Production Training Package to allow for the nesting of competencies and qualifications. It notes that the revision of the AHC09 Agriculture, Horticulture and Conservation and Land Management is underway.

ASA is currently undertaking a full review of the RTE03 Rural Production Training Package as part of a larger rationalisation exercise across three of its training packages, including Rural Production (RTE03); Amenity Horticulture (RTF03); and Conservation and Land Management (RTD03). This will result in the release of the AHC09 Agriculture, Horticulture, and Conservation and Land Management Training Package which is anticipated to be ready for endorsement by the end of 2009.

The National Quality Council (the Committee of the Ministerial Council for Vocational and Technical Education) does not support ‘nesting’, as it makes qualification entry and exit points difficult to interpret for users. Entry requirements for training package qualifications specify where prior knowledge skill and experience is considered necessary. Entry requirements can, for example, be the core units of competency of a lower AQF level qualification, sometimes referred to as ‘nesting’. Pre-requisite units of competency and entry requirements may be justified with the National Quality Council for inclusion in a Training Package, but prerequisites are not encouraged as they reduce the scope for entry and exit points to training for learners and they have the potential to unnecessarily and unintentionally extend the duration and content of training actually required.

3.5 Skills passport system (Recommendation 22)

The Australian Government does not agree it should develop a skills passport system in consultation with industry.

The Australian Government considers that it would be appropriate for rural industries to lead development of a skills passport system subject to consideration of its own requirements. Issues for industry consideration include evidence of the benefit and need for the skills passport; solid strategies to implement the skills passport nationally; and the costs associated with development and maintenance of a skills passport system. The government notes that there are a number of state-based skills passport models and initiatives that industry bodies could draw on to develop such a system.

4 Availability and adequacy of research

The Australian Government is committed to rural research, development and extension (RD&E). RD&E is vital to overcome the challenges of drought and climate change and to increase productivity.

4.1 Research funding (Recommendations 24 & 25)

The Australian Government is committed to research and development to assist Australia's agriculture and forestry industries (Recommendation 24). The Government is committed to supporting the Cooperative Research Centres Program (Recommendation 25) and notes there are initiatives in place to address future funding issues.

Across the Australian Government, the 2009-10 Budget delivers an additional \$1.7 billion for science and innovation through the response to the Bradley and Cutler reviews. This lifts the Government's total investment by almost 25 per cent between 2008-09 and 2009-10, from \$ 6.9 billion to \$8.6 billion. \$703 million in new spending is allocated to increase the capacity of Australia's universities to develop the ideas and technologies needed to build new industries. Over the next four years, a Super Science Initiative will address priorities in space science and astronomy, marine and climate science, and future industries (biotechnology, nanotechnology and ICT). The initiative is worth \$1.1 billion, including \$901 million for infrastructure, and will make a lasting contribution to Australian science.

The Australian Government recognises the potential impact that fluctuations in seasonal (including drought) and global market conditions have on industry capability to invest in research and has responded through *Australia's Farming Future*. This initiative is providing funding over four years to help primary producers adapt and adjust to the impacts of climate change. One component of the initiative, the Climate Change Research Program (\$46.2 million), will invest in the leading edge research and development that is needed to reduce greenhouse gas pollution; improve soil management; and help farmers adapt to a changing climate.

The Australian Government further supports innovation in the sector by direct grants and matching funding of industry levies to rural Research and Development Corporations (RDCs). In 2007-08, RDCs spent approximately \$500 million on RD&E services of which the Australian Government contributed over \$200 million in matching eligible R&D expenditure.

The Australian Government also supports innovation in the rural sector with funding to CSIRO, Cooperative Research Centres (CRCs) and universities. An estimated \$1.3 billion is invested in primary industry R&D each year by governments across Australia and the private sector. Without this commitment Australia's agriculture sector could not have grown at the average annual rate of 2.5 per cent between 1954 and 2004.

To improve coordination and prioritisation of investment and performance in rural R&D, the Australian Government has established a Rural Research and Development Council. The Council is developing a National Strategic Rural R&D Investment Plan (Plan) and national performance measurement and reporting framework. The Council will work cooperatively with jurisdictions and consult with rural industry, resource management and research stakeholders to monitor and evaluate the impacts of investments against the Plan and improve rural R&D.

The Australian Government is also working through the Primary Industries Ministerial Council (PIMC), with the rural R&D corporations, to maintain national research capability and use research resources more effectively to deliver the best outcomes throughout the value chain. The activities through PIMC will ensure the state, territory and Commonwealth governments are working together to ensure priority rural R&D areas are adequately resourced.

A National Primary Industries Research, Development and Extension Framework is being developed jointly by industry peak bodies, rural R&D corporations and industry owned companies (RDCs) and the Primary Industries Standing Committee. The framework provides the structure and institutional arrangements needed to strengthen national research capability and better address cross sectoral and sectoral research and development. RD&E in primary industries is essential to increasing productivity and sustainability.

Senator Kim Carr, Federal Minister for Innovation, Industry, Science and Research also released the report of the CRC Program Review in August 2008. The Australian Government accepted the majority of the review's recommendations and has released guidelines for a reinvigorated CRC Program. The guidelines reflect the reinstatement of public good (social and environmental benefits) as a key objective of the CRC Program (a government election commitment) as well as the introduction of variable funding periods up to ten years (an additional five years funding is available in exceptional circumstances), inclusion of arts, humanities and social sciences, flexibility of governance arrangements, a single signatory for the Commonwealth Agreement and rigorous funding reviews.

A fundamental aspect of the CRC Program is that funding is awarded through a competitive merit based selection process and the program does not provide recurrent funding for CRCs. Since the commencement of the CRC Program in 1991, the Australian Government has provided up to \$547.4 million to thirty-nine CRCs in the agricultural sector.

The four year, \$35 million Regional Food Producers Innovation and Productivity Program is also encouraging innovation and improving food productivity for regional food producers and processors in Australia.

4.2 Beekeeping industry (Recommendations 26 & 27)

The Australian Government does not support the establishment of a CRC-style entity for beekeeping and pollination (Recommendation 26). The government will continue to work with Pollination Australia as the preferred coordinator to organise research and training.

The Australian Government recognises the importance of a strong working relationship between the honeybee industry and the plant-based industries most dependent on honeybee pollination. At a Honey Bee Industry Linkages Workshop in April 2007, hosted by the Rural Industries Research and Development Corporation (RIRDC), there was industry agreement to:

- (1) establish an entity with a research and development focus;
- (2) develop business skills of the honeybee industry;
- (3) establish public and political support for the honeybee industry and pollination services;
- (4) determine research and development priorities;
- (5) increase communication and extension within the honeybee industry and between the honeybee industry and pollination dependent industries;
- (6) increase the access to floral resources; and
- (7) increase the viability of the honeybee industry.

The Workshop considered the suitability of a range of structures for ongoing research and training needs, including a Cooperative Research Centre (CRC), a new Research and Development Corporation and a joint venture arrangement. These were assessed and rejected in favour of the current industry alliance, Pollination Australia, formed in 2008. This organisation's role is to develop strategies and actions for the benefit of its members, including organising research and training for the needs of the honeybee and pollination industries. A pollination research and development program will be developed and managed by a Research and Development Advisory Committee, with initial funding from RIRDC and Horticulture Australia Limited.

The Australian Government notes Recommendation 27.

The government is committed to the ongoing provision of high security quarantine facilities for honey bees at the border. On 4 November 2008, the government announced support of \$300,000 over the next two years for the National Sentinel Hive Program. This will guarantee funding while a comprehensive monitoring and surveillance proposal is developed and considered by government and industry. CSIRO is also conducting a review of surveillance methodologies for bee pests and diseases in Australia. The outcomes of this review will be used to optimise the design and operation of the National Sentinel Hive Program. The government is also continuing to improve cooperation with Papua New Guinea to enhance preparedness to manage biosecurity issues of mutual interest, including honey bees. The quarantine needs of the honey bee and pollination industries will be determined as part of the government's further consideration of the Independent Review of Australia's Quarantine and Biosecurity Arrangements (Beale Review) recommendations on quarantine facilities. The current specialist bee quarantine facility will continue to be available while the Eastern Creek quarantine station operates.

5 Providing extension and advisory services

Research can only improve productivity, competitiveness and sustainability if research outcomes are used by producers. Extension and advisory services are essential in ensuring the research outcomes are accessible to producers. These services provide important input into the work of rural research and development corporations (RDCs) and similar industry-owned companies.

5.1 National extension framework (Recommendations 28 & 29)

The Australian Government agrees in principle that it should work with state and territory governments and industry to develop a national extension framework that coordinates the provision of agriculture extension services and defines the roles and responsibilities of governments, industry and extension providers (Recommendation 28). The Australian Government does not have current plans to include a specific extension component in all funding arrangements for agricultural research organisations in receipt of federal funding (Recommendation 29).

The Australian Government is committed to rural research, development and extension (RD&E). RD&E is vital to overcome the challenges of drought and climate change and to increase productivity.

PIMC's activities help ensure the Commonwealth and state and territory governments are working together to see the most important areas for rural R&D are adequately resourced. For example, PIMC recently accelerated progress of the National Primary Industries Research, Development and Extension Framework, which is being jointly developed by Commonwealth and state agencies, industry peak bodies, and rural R&D corporations and companies. Under the Framework, fourteen industry plans and seven cross-sector research, development and extension plans are expected to outline the roles and responsibilities of governments, industry and extension providers. The plans provide the structure and institutional arrangements needed to strengthen national research capability and better address cross sectoral and sectoral research, development and extension.

Funding arrangements for RDCs and the CRC Program already require research organisations to ensure uptake of their research is maximised, often through extension activities. Adoption of research outcomes through extension is already an integral element of the work of the rural RDCs and industry-owned companies.

A fundamental element of the new CRC Program is that all CRCs must undertake four key activities: research, education and training, small and medium enterprise engagement strategies and utilisation of the research outputs by end users. The revised CRC Program encourages applicants to extend their proposed education and training activities to include vocational training where appropriate.

FarmReady, part of *Australia's Farming Future*, will assist getting research findings from the laboratory to the farm via training that is tailored to the unique needs of primary producers. Further detail on FarmReady is at [2.4 The FarmBis program \(Recommendations 11 & 12\)](#).

Appendix 1 – recommendations of the inquiry

Recommendation 1

The committee recommends that the Australian Government consult with the states, territories and industry bodies to review and revise its Skills in Demand List survey so that it more accurately and comprehensively identifies the labour and skills needs at all levels in all sectors of agriculture and forestry, and that the Skills in Demand List be subject to annual review.

Recommendation 2

The committee recommends that the Australian Government, in conjunction with state and territory governments and industry, formulate a national strategy for promoting the role of agriculture and forestry within Australian society, and the diverse career opportunities available within those industries.

Recommendation 3

The committee recommends that the Australian Government, in conjunction with state and territory governments and industry, develop a national strategy for promoting agriculture and forestry in both primary and secondary schools.

Recommendation 4

The committee recommends that the Australian Government coordinate programs with state and territory governments and industry aimed at enhancing the contribution of women to Australian agriculture and to facilitate their participation in rural skills training.

Recommendation 5

The committee recommends that the Australian Government, in conjunction with state and territory governments and industry, develop a strategy for utilising the knowledge and skills of older workers in rural industries – including training, extension and research services – and facilitate the transfer of knowledge and skills to younger generations.

Recommendation 6

The committee acknowledges the critical role of information and communications technology services to skill formation in rural areas and recommends that the Australian Government pays particular attention to the further development of information and communications technology services to rural and regional Australia that includes access to high-speed broadband services to rural and remote communities.

Recommendation 7

The committee recommends that the Australian Government, in cooperation with state and territory governments, develop a national program for rural skills training in schools, with a view to ensuring:

- *stable and sustained funding of schools-based rural skills programs;*
- *funding and incentives for the training and upgrading of agriculture teachers; and*
- *the creation of effective mechanisms for industry and community involvement in school-based rural skills training.*

Recommendation 8

The committee recommends that the Australian Government, in conjunction with State and Territory Governments, develop a national framework for the reinvigoration of Australia's agricultural colleges, including:

- *Stable and sustained funding for agricultural colleges in each state;*
- *Funding incentives for national coordination of programs between colleges; and*
- *The creation of effective mechanisms for industry and community involvement in the development of curricula.*

Recommendation 9

The committee recommends that the Australian Government undertake a review of the Australian Apprenticeship scheme with a view to:

- *specifically allocating training funds and places to New Apprenticeships in rural skills;*
- *altering funding arrangements to properly reflect the cost of providing training and supervision in rural skills;*
- *extending funding and incentive payments to cover a broader range of qualifications; and*
- *ensuring that there is rigorous quality control over training outcomes.*

Recommendation 10

The committee recommends that the Australian Government give urgent consideration to establishing agriculture courses at Australian Technical Colleges, and expanding the number of colleges to cover regions principally associated with primary production.

Recommendation 11

The committee recommends that the Australian Government give an immediate undertaking to continue FarmBis beyond its current expiry date in 2008.

Recommendation 12

The committee recommends that the Australian Government, in conjunction with state and territory governments, achieve a nationally consistent approach to FarmBis funding, including:

- *extending FarmBis funding to rural employees;*
- *extending FarmBis funding to Certificate III level courses; and*
- *resuming FarmBis funding of ChemCert training.*

Recommendation 13

The committee recommends that the Australian Government develop a national strategy for facilitating industry initiatives in rural skills training, including a coordinating body and funding mechanism for industry initiatives, and the removal of bureaucratic impediments.

Recommendation 14

The committee recommends that the Australian Government review higher education in agriculture and forestry, with a view to:

- *increasing student numbers through scholarships and/or HECS exemptions;*
- *rationalising the number of institutions providing courses in agriculture and forestry, and facilitating inter-campus cooperation and coordination; and*

- increasing the overall level of funding for courses in agriculture and forestry, and placing it on a sustained basis.

Recommendation 15

The committee recommends that the Australian Government, in conjunction with state and territory governments, universities and the VET sector, develop consistent and comprehensive pathways for the articulation of VET to university in rural skills training and education.

Recommendation 16

The committee recommends that the Australian Government, in conjunction with state and territory governments, provides funding for VET training in rural skills to provide:

- funding targeted specifically at rural skills training;
- a funding formula that takes into account the high cost/low volume nature of rural skills training; and
- a relaxation of competition policy as applied to organisations providing rural skills training.

Recommendation 17

The committee recommends that the Australian Government revise the Australian Quality Training Framework in order to allow greater flexibility in the appointment and accreditation of teachers and instructors in rural skills training courses, including appropriate prior recognition of skills and competencies.

Recommendation 18

The committee recommends that the Australian Government revise the Australian Quality Training Framework with a view to making the adoption of new training packages and competencies in rural skills faster and easier.

Recommendation 19

The committee recommends that the Australian Government revise the funding of the Agri-Food Industry Skills Council with a view to increasing funding and staffing to a level commensurate with its role.

Recommendation 20

The committee recommends that the Australian Government, in conjunction with state and territory governments, revises VET training in rural skills to provide:

- a training framework based on the attainment of individual competencies as well as formal qualifications;
- a funding formula that takes into account training in individual competencies as well as whole qualifications; and
- a reformulation of individual competencies to provide for courses more specifically targeted at particular skills and industries and of shorter duration.

Recommendation 21

The committee recommends that the Australian Government direct the Agri-Food Industry Skills Council to revise the Rural Production Training Package to allow for the nesting of competencies and qualifications.

Recommendation 22

The committee recommends that the Australian Government, in consultation with industry, develop a skills passport system for the recognition and transfer of skills in rural industries, and that reciprocal arrangements be undertaken with other countries to allow skills passport recognition across international borders.

Recommendation 23

The committee recommends that the Australian Government review rural skills training by the VET sector, in conjunction with its review of higher education in agriculture and forestry, with a view to:

- reducing the number of organisations providing courses in rural skills training; and
- increasing the overall level of funding for rural skills training, and placing it on a sustained basis.

Recommendation 24

The committee recommends that the Australian Government substantially increase funding for research in Australia's agriculture and forestry industries, with a view to:

- addressing long term research needs in the fields of basic and applied research;
- providing stability and security for individuals and institutions involved in scientific research; and
- providing incentives and career paths for those entering the research field.

Recommendation 25

The committee recommends that the Australian Government review its funding of the Cooperative Research Centre Program to provide greater funding certainty and support for those Centres with a proven track record of delivering research and practical outcomes.

Recommendation 26

The committee recommends that the Australian Government formally recognises the contribution of the beekeeping industry to Australian agriculture and horticulture by providing funding for the establishment of a CRC-style entity for beekeeping and pollination, including development costs in the areas of research, education and bee breeding.

Recommendation 27

The committee recommends that the Australian Government guarantees the long-term future of the honey bee quarantine facility currently housed in the Eastern Creek Quarantine Facility or makes alternative arrangements for a permanent site, as a matter of urgency.

Recommendation 28

The committee recommends that the Australian Government, in conjunction with state and territory governments and industry, develop a national extension framework to coordinate the provision of agriculture extension services nationally, and define the roles and responsibilities of governments, industry and extension providers.

Recommendation 29

The committee recommends that the Australian Government include a specific extension component in all funding arrangements for agricultural research organisations in receipt of federal funding, including rural Research and Development Corporations and Cooperative Research Centres. This funding should be provided in addition to, not at the expense of, research funding.

