



National Farmers'
F E D E R A T I O N

**Submission to the
Discussion Paper on Industry Engagement
in Training Package Development**

December 2014

NFF Member Organisations



Australian Chicken Growers' Council Ltd



CANEGROWERS



COTTON AUSTRALIA



Goat Industry Council of Australia Inc.



NEW SOUTH WALES IRRIGATORS' COUNCIL



Primary Employers Tasmania



RICEGROWERS' ASSOCIATION OF AUSTRALIA INC.



RIDLEY





The National Farmers' Federation (NFF) is the voice of Australian agriculture.

For 35 years, the NFF has identified, developed and delivered policy outcomes for the benefit of Australian agriculture. Our policy priorities include, but are not limited to, workplace relations, education and skills, market access and trade, farm competitiveness and natural resource management.

The NFF was established in 1979 as the peak national body representing Australian farmers. The NFF now represents a broad cross section of the agriculture sector across Australia, encompassing the breadth and the length of today's supply chain, including all of Australia's major agricultural commodities. Operating under a federated structure, farmers join their state farm organisation and/or national commodity councils, who together form the NFF.

Australian agriculture needs a collaborative whole-of-government policy approach to drive growth and enhance on-farm profitability and competitiveness. In our submission to the Agriculture Competitiveness Green Paper, the NFF called for a strategic approach to public policy that delivers positive outcomes for the agriculture sector. Consistent with this objective, industry training programmes must be led by industry: quality outcomes must be supported by a delivery model that is credible, accountable and efficient.

Statistics on Australian Agriculture

Australian agriculture makes an important contribution to Australia's social, economic and environmental sustainability.

Social >

There are approximately 115,000 farm businesses in Australia, 99 percent of which are family owned and operated.

Each Australian farmer produces enough food to feed 600 people: 150 at home and 450 overseas. Australian farms produce around 93 percent of the total volume of food consumed in Australia.

Economic >

The agricultural sector, at farm-gate, contributes 2.4 percent to Australia's total Gross Domestic Product (GDP). The gross value of Australian farm production in 2012-13 was 47.9 billion – a 3 percent increase from the previous financial year.

Yet this is only part of the picture. When the vital value-adding processes that food and fibre go through once they leave the farm are added in, along with the value of all economic activities supporting farm production through farm inputs, agriculture's contribution to GDP averages out at around 12 percent (over \$155 billion).

Environmental >

Australian farmers are environmental stewards, owning, managing and caring for 52 per cent of Australia's land mass.

Farmers are at the frontline of delivering environmental outcomes on behalf of the Australian community, with 94 per cent of Australian farmers actively undertaking natural resource management.

The NFF was a founding partner of the Landcare movement, which this year, celebrates its 20th anniversary.

Demographic >

Low levels of formal education are a feature of the agricultural workforce: approximately 64 per cent of workers are qualified as Year 12 equivalent or below, compared to the all industries average of 42 per cent.

Most workers acquire their skills through practice and on-site learning, with the addition of targeted short courses of study.¹

¹ NFF, National Agriculture Workforce Development Plan, June 2014

Contents

Statistics on Australian Agriculture	4
Contents	5
Executive Summary	6
1. Important features of training package development and maintenance.....	7
2. Attributes or skills required to support training package development	8
3. Industry co-contribution.....	8
4. Industry engagement.....	9
5. Models proposed in the discussion paper	9
6. The preferred model.....	10
7. Transition issues.....	11
8. Concluding remarks	11

Executive Summary

This paper sets out the NFF's proposed approach to a new model for training package development in Australia*. The NFF considers that the alternative approach proposed in this paper, which is a modified version of Approach 1 in the Discussion Paper, will deliver best on the needs of the broader agriculture sector.

Training packages are the vehicle through which nationally endorsed standards and qualifications deliver on the skills needs of employers and their employees. A strong sectoral skills base drives competitiveness. Industry engagement must be at the heart of any training package development so that the national training system and supporting structures remain relevant to industry.

The current model requires reform, to facilitate strong industry engagement and ensure that workforce skills needs are underpinned by the best quality training standards. To be sustainable, any new model must represent value for money.

Immediate priority must be given to maintenance and enhancement of existing training packages, where there is a case for change of benefit to industry. Critically, a new model must reduce the current burden on industry and the VET sector of endless red tape and process that has in recent years detracted from the goal of outcome-based training.

* The proposal set out in this paper does not represent the views of NFF member, Australian Dairy Farmers, who the NFF understands has made a separate submission in response to the Discussion Paper.

1. Important features of training package development and maintenance

The NFF supports the training package development features outlined in the Discussion Paper, with the following comments.

Feature	NFF	Comment
Industry-wide national competency based standards		This feature underpins the entire training package model.
Future focused		Capturing developing trends is essential. A new approach to e-scans is required.
External impacts on qualifications content		Training packages must operate in a real world context.
Ensuring public benefit		A skilled agricultural workforce will drive competitiveness.
Cross-industry skills		Generic cross industry units are problematic and can reduce the value of industry training.
Efficiency		Wholesale mandatory reviews of training packages are not always an efficient approach.
Consistent contact point for industry		Can drive better industry engagement as long as feedback is reflected in any training package improvements.

The NFF also considers that the following features are necessary elements of any training package development and maintenance process.

Feature	NFF	Comment
Value for money		Public resources must be used wisely, prioritising essential work and avoiding unnecessary work.
Accountability		Processes must be open and transparent to optimise industry support.
Relevance		Training packages must deliver on the actual skills needs of workers and their employers.



Cross-industry skills

There is a concern that ‘cross-industry skills’ do not always result in training that aligns with industry-specific needs: skills required are not actually acquired and employers do not receive the benefit of skills they expect their employees to have. One example is generic work health and safety training. Considered at the macro level, without consideration of different risks and hazards in the particular industry or sector, students gain only a limited understanding of, or exposure to, risks and controls. Moreover, training can be provided by trainers who are not appropriately equipped in specific industry skills and knowledge.



Efficiency

Around 80 per cent of training package changes in the last 3-5 years have been predominately process driven, with little discernible benefit to industry. A good example is the current requirement to change the verb tense in some 700 units of competency in the current Agriculture, Horticulture and Conservation and Land Management Training Package AHC10, under NSSC November 2012 – revised Training Package Standards Guidelines. Similarly, a renewed focus on job roles is an unnecessary use of resources. Most jobs are fundamentally the same as they were when relevant training packages were originally developed. Rather than being rewritten, training packages should be updated as required to reflect expanded ranges of skills and application of new approaches (for example, use of technology).

2. Attributes or skills required to support training package development

The NFF supports the attributes for training package development outlined in the Discussion Paper.

It is critically important that training package development is undertaken by people with in-depth and current industry knowledge. In this respect the task is not really suited to an in-house development approach, pursued in the past by some Industry Skills Councils.

In our view, development of training packages should be undertaken by experts chosen through a competitive tender process in response to an industry-initiated training package project.

3. Industry co-contribution

This paper outlines the NFF’s proposal for a training package development model that draws on existing industry resources. This would be in addition to the already substantial in-kind contribution made on an ongoing basis by the agriculture sector to participation in steering committees, industry committees, consultations, workshops and intelligence gathering.

Under the current model, public funds are required to establish and maintain individual Industry Skills Councils in separate premises, each with managerial and administrative support.

Under the new model, the Government would draw on the resources of an established organisation and thereby avoid ongoing costs associated with office space, equipment, marketing, director's fees and back office support.

Government funding would be required for secretariat support to co-ordinate and engage with industry through skills advisory committees. Government would continue to take responsibility for funding training package projects as well as to meet the costs of departmental engagement in the process and oversight of training package development by the proposed Australian Industry Skills Committee.

4. Industry engagement

The NFF supports a streamlined approach to industry engagement in qualification development. The model proposed by the NFF in this paper ensures that industry is in the driving seat in terms of proposals to develop or update training packages.

A new approach to the annual Environmental Scan is required. The information sought to be captured by the Environmental Scan is critical to inform policy development. Unfortunately, the reality is that the Agrifood Skills Australia Environmental Scan has contained much of the same or similar industry intelligence each year and there has been a lack of transparency about the intelligence gathering process.

In our view, a streamlined approach to environmental scans should be adopted. Under a streamlined approach, an Industry Secretariat would be responsible for collating industry intelligence provided by industry organisations, research and development corporations and other researchers in the relevant field into a brief snapshot of changing skill needs every 3-5 years.

Economic analysis of the agricultural labour market is severely lacking. In the NFF's submission to the Agricultural Competitiveness Green Paper, the NFF called on the Government to support a five yearly agricultural workforce profile to inform policy development. This is essential to drive competitiveness through a skilled agricultural workforce that is flexible and adaptable to changing industry needs.

5. Models proposed in the discussion paper

The NFF proposes a modified version of Approach 1 to deliver training package development and maintenance. The modified approach reflects our view that industry should have responsibility for determining what it needs, and when.

The NFF supports the proposed Australian Industry Skills Committee, as the principal policy and guideline setting body. We also support the concepts of industry endorsement, smaller bureaucracy and streamlining of NSSC functions. Too often industry training package development priorities have been determined with little or no industry involvement and in a way that does not reflect industry needs.

Purchasing training package expertise as the need arises is an important step toward ensuring that industry needs are met on a value for money basis. The proposed Training Co-ordinator could be effective as a conduit for industry organisations to submit developed business cases for approval and funding support and to commission training package developers through competitive tenders or similar (rather than the proposed

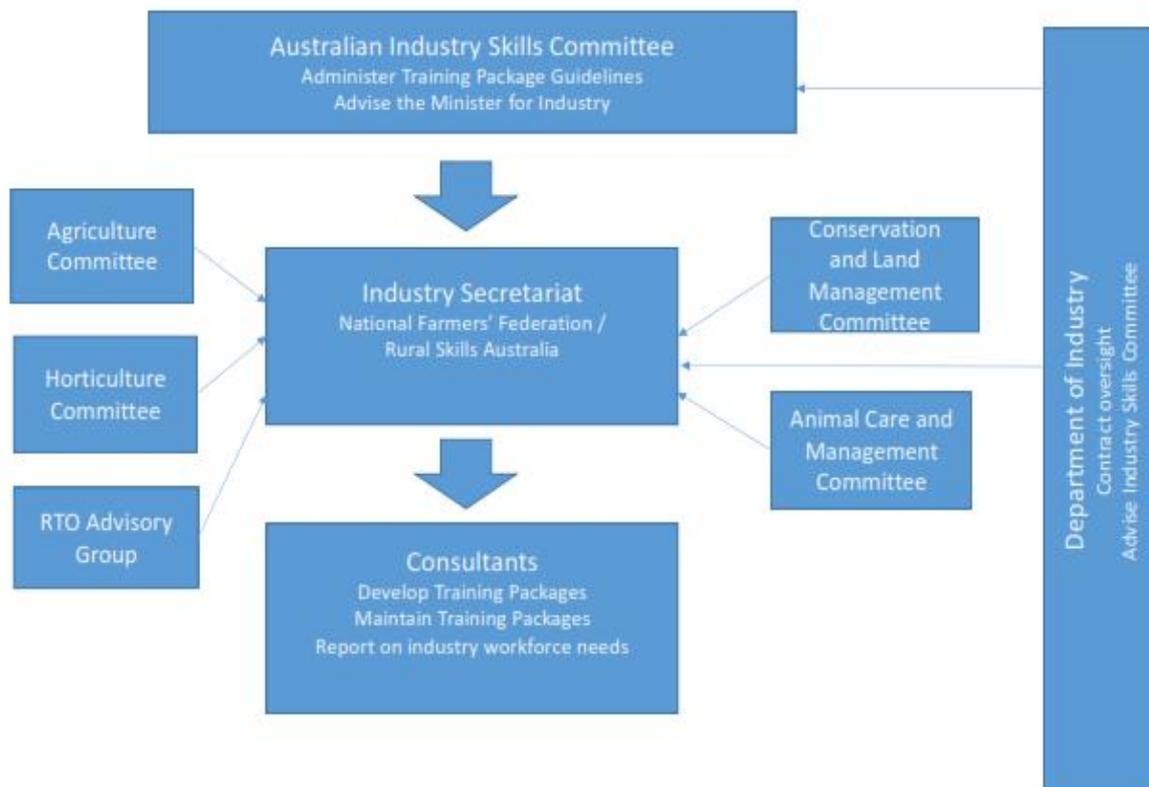
panel of technical writers). However, in our view, there is an opportunity to streamline this further by removing another level of bureaucracy and instead giving industry the coordination role.

The NFF does not support Approach 2. The model is similar to the model under which National Training Advisory bodies, who were precursors to the current Industry Skills Councils, operated. That model was reformed when it became too unwieldy. The NFF is concerned that a similar outcome would result from the proposed model.

The NFF does not support Approach 3. Many vocational education and training (VET) sector bodies have weak links with industry. This model would support the continuation of the current model and to that extent is at odds with a policy that puts industry at the centre of training package development. It would reinforce the separation between government and industry that has given rise to concerns around lack of industry engagement.

6. The preferred model

The NFF’s preferred model is set out below. It aligns with government policy to put industry in the driver’s seat, by modifying Approach 1 to give industry direct responsibility and ownership for training package development and maintenance.



An Industry Secretariat would take the place of the Industry Training Coordinator. Skills committees with specific expertise in relevant industry training packages would convene as required to: consider industry training package needs; prepare business cases for the Australian Industry Skills Committee and manage the engagement of training package consultants. Importantly, membership of Committees would be open to anyone with relevant expertise and experience in the relevant industry or sector and would not be limited to NFF members.

The NFF model leverages significant industry and business contribution, consistent with the approach taken in the Discussion Paper. It is based on:

- Four (4) industry advisory groups – agriculture, horticulture, conservation and land management, and animal care and management (covers the AHC and ACM Training Packages);
- An Industry Secretariat (co-located in NFF/Rural Skills Australia) to manage training package projects by industry consultants;
- Base government funding for the Secretariat for training package review and maintenance. Special industry projects would require a business case for additional funding;
- Registered Training Organisation (RTO) Advisory Group to provide advice to Secretariat as required to inform reporting on changing industry needs;
- Financial and in-kind contributions by industry – including personnel and physical infrastructure including office space and equipment;
- A focus on maintenance and priority areas within training packages including updates to cover new technologies and emerging trends;
- Use of consultants with significant industry and VET experience, qualifications and industry connections;
- A “best fit” rather than “one size fits all” approach: there is no single best way to deal with all training packages. Different industries have differing capacities, resources, maturity and cultures.

7. Transition issues

In our view, development work required under the 2012 Standards for Training Package and any work involving the design of training products should be put on hold pending a decision on the new approach to regulation of qualifications contemplated in the *Review of Training Packages and Accredited Courses Discussion Paper*.

As discussed above, many of the requirements are unlikely to deliver benefits for industry: changing the verb tense in 700 units of competency in the current Agriculture, Horticulture and Conservation and Land Management Training Package AHC10 is a good example.

8. Concluding remarks

The NFF appreciates the opportunity to make this submission. We look forward to working with government on the implementation of a new, industry-driven approach for the broader agriculture sector.