



# **National Farmers'**

F E D E R A T I O N

**National Farmers' Federation**

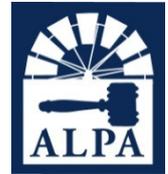
**Submission to the Review of  
Training Packages and Accredited Courses –  
Discussion Paper**

February 2015

# NFF Member Organisations



Australian Chicken Growers' Council Ltd



CANEGROWERS



Goat Industry Council of Australia inc.





## National Farmers' FEDERATION

The National Farmers' Federation (NFF) was established in 1979 and is the peak national body representing farmers, and more broadly, agriculture across Australia. The NFF's membership comprises all of Australia's major agricultural commodities.

Operating under a federated structure, individual farmers join their respective state farm organisation and/or national commodity council. These organisations form the NFF.

Following a restructure of the organisation in 2009, the NFF now represents the broader agricultural sector, with members across the breadth and the length of the supply chain.

While our members address state-based 'grass roots' or commodity specific issues, the NFF's focus is representing the interests of agriculture and progressing our national and international priorities.

The NFF has for 35 years consistently engaged in policy interaction with government regarding a range of issues of importance to the sector including trade, education, environment, innovation to name a few.

The NFF is committed to advancing Australian agriculture by developing and advocating for policies that support the profitability and productivity of Australian farmers.

\*This submission, to the extent that it endorses the model for training package development and maintenance outlined in the NFF's December 2014 submission, does not reflect the views of NFF members, Australian Dairy Farmers and Australian Pork.

# Statistics on Australian Agriculture

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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 percent of Australia's land mass.

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

The NFF was a founding partner of the Landcare movement, which in 2014, celebrated its 25<sup>th</sup> anniversary.

## **Demographic >**

Approximately 64 per cent of workers are qualified as Year 12 equivalent or below in the agriculture sector, 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.<sup>1</sup>

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<sup>1</sup> NFF, National Agriculture Workforce Development Plan, June 2014

# Contents

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Statistics on Australian Agriculture .....	4
Contents .....	5
Executive Summary .....	6
<b>1. Introduction</b> .....	7
<b>2. Key issues of concern</b> .....	7
<b>3. Changing the skills mix</b> .....	8
<b>4. Changing structures</b> .....	11
<b>5. Changing focus</b> .....	12

# Executive Summary

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The NFF welcomes the conversation about whether training packages and accredited courses are meeting the needs of stakeholders and the broader economy.

A strong sectoral skills base drives competitiveness. It is singularly important to retain a national focus to the vocational education and training (VET) system, so that it can deliver quality and access of skills-based training for the benefit of industry and the economy. Within this framework, there is a need for greater deregulation and improved risk management strategies as a matter of priority.

Training packages are the vehicle through which nationally endorsed standards and qualifications deliver on the skills needs of employers and their employees. 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 majority of training packages do what they were developed to do. While some may require revision, they are generally adequate for purpose. In our view, there is a strong case for a shift in focus toward stability and efficiency; prioritising identification of gaps and necessary updates, as well as targeted changes to reflect new technologies and significant new or emerging industries or sectors. Where there is a need for discrete qualifications on a standalone basis, these should continue to be accommodated, with appropriate protections, through the accredited course option.

The importance of reducing the regulatory burden on industry and the VET sector cannot be overstated. Over time, the system and structures that support it have been overtaken by red tape and cumbersome bureaucratic process. This has consequences for the capacity of the system to deliver quality, outcome-based training for the benefit of the economy.

## 1. Introduction

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Underpinning the move to national VET Accreditation and Recognition, and nationally endorsed training packages, was the desire to cut costs and remove the duplication of effort involved in developing and maintaining multiple separate State and Territory-based training systems. The aim was to provide national consistency in qualifications, establish mutual recognition arrangements and introduce equivalent licencing arrangements for specific occupations.

Unfortunately, the anticipated savings have long since disappeared and the costs of trying to enhance the VET system or maintain it have become prohibitive. This review presents an opportunity to improve the system by delivering greater flexibility and efficiency. 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, training packages should be:

- outcomes-focused;
- stable; and
- amended as necessary to address:
  - new technologies;
  - significant new or emerging industries or sectors; and
  - identified gaps or other necessary updates.

## 2. Key issues of concern

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Most training package changes over the last few years have been process driven, requiring significant resources but delivering little benefit for industry. A good example is the current proposal to change the verb tense in approximately 700 units of competency in the current Agriculture, Horticulture and Conservation and Land Management Training package AHC10, as required through the revised 2012 Standards for Training Package Development (2012 Standards).<sup>2</sup>

A continued preoccupation on job roles is highly inefficient. Most jobs are fundamentally the same as they were when training packages were developed. If there have been changes, those are an expanded range of skills and the need to apply new technology. These can be accommodated in training packages without the need to rewrite the job role as a whole.

The NFF is also concerned about the approach to gathering industry intelligence over recent years. Frequently, industry training package development priorities have been determined with limited industry involvement, and sometimes at odds with what industry both wants and needs. This has affected industry's confidence in the system and the

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<sup>2</sup> National Skills Standards Council (NSSC) *2012 Standards for Training Package Development*

structures that support it. The NFF has proposed a new model for the development and maintenance of training packages to address these concerns.<sup>3</sup>

More importantly, though, are the inconsistent funding approaches and models across States and Territories coupled with vagaries in State and Territories' access, eligibility and availability rules. These have significantly more influence on the quality and availability of training than any identified or perceived training package deficiencies.

### **3. Changing the skills mix**

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Training packages have been the subject of four or five revisions over a period of more than 15 years. They largely reflect the jobs that are done in the agricultural sector, many of which have not changed much over that time.

There is no need for wholesale change in relation to training packages. Instead, the focus in many industries should be on maintenance and enhancement: remedying identified shortcomings (new technology; significant new industries or forms of work) and filling gaps. Importantly, changes for changes sake should be avoided.

An earlier policy imperative that sought, over time, the identification of units of competency across all industries and covering almost all occupations and their incorporation into training packages and qualifications rules, has proved to be a significant barrier to flexibility. The starting point now for the introduction of any systemic change to training packages is that the change must be applied across each of the 65 existing training packages and 20,000 units of competency. This is a significant regulatory burden, and it is not clear that the benefits outweigh the costs.

#### **The 2012 Standards**

There is scope to review and revise some of the qualification rules established and adopted over time in response to mandated National Skills Standards Council (NSSC) requirements. In particular, the packaging of units within qualifications linked to prescriptive (and not necessarily correct) unit selections from currently listed Elective Group A units, and Elective Group B units should be reconsidered. These rules removed much needed flexibility in earlier Agriculture and Horticulture training packages and qualifications.

Little progress has been made in streamlining the current AHC10 training package to meet the 2012 Standards. There is an opportunity now to reconsider whether those requirements should be implemented at all in light of the current review. In our view, this is a critical imperative because of the enormous burden to industry if the requirements are carried out as required; that is, in every training package and individual unit of competency.

There are approximately 65 training packages and almost 20,000 individual units of competency. It makes no sense to mandate the inclusion of a mandatory field in each unit

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<sup>3</sup> NFF, *Submission to the Discussion Paper on Industry Engagement in Training Package Development*, December 2014.

for the inclusion and specification of language, literacy, numeracy and employment skills essential to performance. These are foundations skills, easily accommodated through the inclusion of introductory paragraphs within each training package. Such an approach would avoid the need to replicate similar dot points or paragraphs across 20,000 units.

Similarly, the requirement to include ‘volume of learning requirements’ at a unit level reflects a misunderstanding of the role of competency standards and training packages more generally. Training packages are not curriculum or detail-structured training programs and they are not intended to provide delivery guidance or assessment mechanisms. Competency standards were intended to underpin a training system and recognition process focused on (and recording, through the issue of qualifications and statements of attainment) what an individual can actually do as compared to what training courses they have completed. This approach compromises a guiding fundamental principle of outcome-focussed training systems: that standards should provide the framework to allow for the recognition of a person’s capacity to demonstrate competency, regardless of their level of training and where or how this capacity was acquired.

The NFF supports a cessation of training package development work in connection with the 2012 Standards until the results of this review and the review of those Standards is finalised, and pending any decision of government as to the future training package model. The approach need not be uniform across industries. As discussed above, government should actively consider a range of best fit models and approaches.

### **Level of use**

Rural Skills Australia estimates that of the 20,000 units, potentially 1 in 2 is either not used at all or selected by less than 100 students each year. The current Agriculture, Horticulture and Conservation Land Management training package (AHC10) contains in excess of 700 units. Of those, appropriately 150 - 200 are routinely selected by students for training and assessment.

Subject to appropriate quality assurance protections, in our view there are many little used qualifications and/or units of competency that could be removed from the cohort of training packages. For example, training packages that are not on the scope of registration of any Registered Training Organisation (RTO) where there are no commencements, or fewer than one hundred each year. This is a question of balance: in some cases, it will be appropriate to retain a course that meets this description for other reasons, such as where a unit of competency is a requirement of an industry quality assurance scheme.<sup>4</sup> Where the costs of continually updating unused training packages are not outweighed by the benefits to industry as a whole from their retention, those units should be removed.

A good example are the Beekeeping units. A Certificate III Beekeeping qualification has been in existence and notionally available for almost eight to ten years in the AHC10 training package. Over that period the qualification has been developed, reviewed and revised once already. To date there have been almost no commencements and not a single

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<sup>4</sup> For example, in the egg industry, the Certificate II for beak trimming is used but the Certificate III is rarely used. It is nevertheless required in connection with an industry-specific Quality Assurance scheme.

RTO has this qualification on scope. There is little apparent merit in updating such units, given the cost and time involved. Units such as this could benefit from increased awareness within the prospective agricultural workforce about the range of agricultural careers on offer. In the interim, the units should remain as they are until evidence comes forward that changes are necessary for the benefit of industry and its employees.

### **Cross-industry training packages**

The NFF supports the use of common core units within like industries and industry sectors but not across all industries. The desirability and need for cross industry training packages and generic cross industry units is often overstated. Generic training, where a specific industry focus has been removed, diluted or compromised, is often of little value.

While the aim is to satisfy common needs across industries, ‘cross-industry skills’ can often mean that 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. This is concerning: farm safety is a national priority and the consequences of safety breaches can be severe. Safety training must equip workers with sufficient knowledge and understanding of their safety obligations so that employers can rely on the qualification conferred on the worker as certifying them as competent in general farm safety.

### **Delivering what employers want**

Employers want well-trained, work ready employees. Unfortunately, the national system of qualifications may never provide a reliable signal to employers about the skills of a particular individual. As a general rule, one in four VET participants is engaged under a training contract (as a trainee or apprentice). These students typically benefit from on and off-the-job training combined with paid employment and experience in their respective industry or occupation. Regrettably, many students fail to complete or may not meet industry expectations on completion.

Many VET participants undertake their studies and training with little, if any industry exposure or involvement. For many, a qualification only confirms the completion of an accredited course of study. Often, VET participants do not end up working or applying their acquired knowledge and skills in the relevant industry or field of study. Each year, thousands of people complete qualifications in fields with limited employment opportunities (conservation and land management is a good example). As a result, many graduates are likely to begin work without experience in the relevant field. Changes to unit content, qualification or assessment guidelines will not address this concern.

Positive measures to align learning with work experience would go some way to improving VET completion rates. For example, incentives for employers who employ VET participants or incentives for participants to seek out regional agricultural work as a way of offsetting their education costs.

Together with measures of this kind, an appropriate risk management approach would link course uptake to employment outcomes, having regard to the number of actual and potential entrants and graduates as well as the probable or available employment opportunities. While uniform and consistent training outcomes in small fields or highly technical areas with limited participants may still hold value, there is potentially far greater value in an emphasis on high use and applied qualifications and units of competency. Different approaches are required for each of these circumstances and these should be established as a priority.

### **Skill sets**

Most employers still employ on the basis of work actually needed rather than in anticipation of their future needs or plans. As a result, most employers regard readily available ‘skill set’ funding as highly desirable as it equips individuals, on a needs basis, with the skills they need to perform a discrete range of tasks and responsibilities. Skill sets allow targeted training. Some industries use skill sets as an introduction to the job – for example, in the egg industry, targeted skills can be taught in relation to work health and safety, communication, animal welfare, biosecurity and Food Safety.

Recent measures to fund training of skill sets are important because they allow employees to build their skills one at a time; to maintain currency of skills; and progress to other job roles. The NFF has previously called for the funding of skill sets to be delivered through a nationally consistent framework underpinned by a commitment to incremental learning and responsiveness to industry.<sup>5</sup>

For many employers, there may be little value in moving to broad-banded vocational streams and a greater focus on the broader capabilities of the individual to work across a range of occupations and industries. Skill sets funding must be addressed adequately before any further development of new skill sets is undertaken.

## **4. Changing structures**

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### **Overarching structure**

In our submission to the Discussion Paper on Industry Engagement in Training Package Development, we invited the Department to consider a “contingency approach” to the development and maintenance of training packages. Such an approach recognises that there is no single best way to deal with all training packages: a ‘one size fits all’ will not work because of differing capacities, resources, maturity and cultures across the range of industries.

Industry must be allowed to assume a much greater role in determining and accepting its role and responsibility for the national training system and supporting structures. In many rural and related industries and sectors the largest cohorts of workers remain at or around the Certificate II and III levels. Government policies focussing on higher level qualifications and skills have diminished the training system’s capacity to meet many

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<sup>5</sup> NFF, National Agricultural Workforce Development Plan, June 2014.

needs of the agricultural industries. This is a capacity-building initiative, to upskill the agricultural workforce.

The NFF supports a move to self-regulation by industry in line with government initiated guidelines and oversight. As part of the new model, consultation with farmers is essential. Facilitating industry ownership of the training package model will significantly reduce costs while enhancing industry engagement. In our view, industry should have the say over what it needs, and when. Arbitrary deadlines like the December 2015 deadline for revision of all training packages under the 2012 standards are not in the public interest and are a significant drain on the public purse.

### **Accredited courses**

The accredited course options should be maintained. These provide a useful mechanism for discrete qualifications on a standalone basis. With appropriate protections and consistency, they are ideally suited to accommodating qualifications and/or skills sets with known or probable low level participation rates.

## **5. Changing focus**

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The issue of assessment, and deficiencies of the current approach, should be addressed through alternate approaches to adding or expanding training package content, particularly at the unit level. Some additional content and guidance (within current training package assessment guidelines) together with improved and enhanced assessor training, and perhaps a new licencing arrangement with five year reviews, would be more effective. Broadly speaking, problems in relation to assessment arise because of deficiencies with the assessor or the assessment processes rather than the relevant competency standards.

The overarching focus should be on the delivery of quality student outcomes so that students are work ready at the end of their training. As discussed above, how skills are applied in practice is more important than the training certificates achieved. In recent years, the reduced emphasis on effective assessment can in part be attributable to the increased compliance burden imposed by regulators. Often the compliance burden has no real tangible outcome for the RTO, student, employer or industry.

The fact is that it is only once in the workplace that employers assess their employees' ability and knowledge. Employers do not require endless checklists, guidelines and highly prescriptive evidence requirements. In this sense, it is important that assessment not become something it was never meant to be. The real test of a person's capability and capacity comes at the time when their knowledge and skills are applied and used in the workplace. At this point, what is recorded on the person's qualification or statement of attainment will be meaningless if their learning cannot be applied in a practical context.

## **6. Conclusion and recommendations**

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The NFF is pleased to be part of the conversation about the future focus of training package development and maintenance. A strong sectoral skills base drives

competitiveness, and training packages are the vehicle through which nationally endorsed standards and qualifications deliver on the skills needs of employers and their employees. 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.

Our conclusions and recommendations are summarised as follows:

1. Inconsistent funding approaches and varying training models across States and Territories impact more significantly on the quality and availability of training than any identified or perceived training package deficiencies.
2. Training package development work in connection with the 2012 Standards should be suspended until the results of this review and the review of those Standards is finalised, and pending any decision of government as to the future training package model.
3. There is scope to review and revise some of the qualification rules established and adopted over time in response to mandated NSSC requirements, which removed much needed flexibility in qualification rules available in earlier standalone Agriculture and Horticulture training packages.
4. The use of common core units within like industries and industry sectors is supported only where appropriate. The merits of cross industry training packages and generic cross industry units are often overstated.
5. Industry should be at the heart of the training package development model. A self-regulation model, led by industry, involving consultation with farmers and overseen by government, will significantly reduce taxpayer costs and at the same time promote greater industry engagement.
6. Accredited course options should continue to be available for discrete qualifications on a standalone basis, with appropriate protections.