1. INTRODUCTION

NMIT’s Faculty of Earth Sciences conducts an extensive suite of nationally accredited Vocational Education (VET) programs, and also offer degrees in Agriculture and Land Management, Viticulture and Wine Making, Equine Studies and Aquaculture. Each of which incorporates an associate degree.

The faculty offers approximately 140 VET programs and delivers under its Primary Skills umbrella the following courses:

- Certificate II, III and IV in Agriculture
- Diploma of Agriculture
- Certificate III in Rural Operations
- Certificate III in Wool Clip Preparation
- Certificate IV in Wool Classing
- Diploma of Agronomy
- Diploma in Production Horticulture

Supporting the delivery of these programs are excellent industry standard facilities such as the 800 hectare broadacre farm Northern Lodge, Eden Park, Yan Yean and associated infrastructure, including the latest in agricultural machinery and equipment and classrooms. For training purposes, Northern Lodge carries cattle and sheep and is also used for training across the broad range of Primary Industries, including animal husbandry, wholefarm planning, pasture development, fencing and harvesting. The Faculty delivers and/or auspices primary industry training under the VET in Schools (VETiS), and school based apprenticeships (SBNA’s) program areas. It also delivers industry specific and targeted short courses such as the Farm Chemical Users Certificate.

Enrolments in the programs have tended to be cyclical, with numbers across the various courses responding to demand effected by enrolment costs, training convenience, competition from other programs, economic circumstances, industry image and opportunities. While enrolments over recent years have been somewhat sluggish, 2011 enrolments in primary industry programs are marginally up, compared to this time last year. The Bachelor of Agriculture and Land Management was offered for the first time in 2010 and will take some time to build a viable cohort.
2. **ISSUES**

**Industry Image**

The image and perception of agriculture as an industry not only impacts on employment growth and participation rates of potential students, but is compounded by the difficulties inherent in attracting qualified staff. Comparatively low remuneration, administrative demands, governance and compliance burdens and perceived inconsistency of industry promotional support all detract from the core activity of delivering quality training.

Such circumstances add disincentive to choosing a long term career as a teacher of agriculture. Additionally, the enforced need for teaching staff to continually upgrade their teaching qualifications, besides being onerous, costly and repetitious, presents a barrier to attracting quality staff.

While the number of agriculture graduates have generally declined across the State, RTO’s experience cyclical periods of low enrolments followed by exponential growth. This jeopardises the level of investment in staff and resources RTO’s are prepared to risk. Consequently, the training opportunities offered by RTO’s to prospective students contracts in line with training demand. Training uncertainties not only impacts on potential enrolments, but deters qualified and experienced staff from pursuing a career as a teacher of primary industries. Additionally, as programs contract, employment opportunities decline exponentially. For example, the Faculty Viticulture teaching staff members have declined from 3.8 EFT in 2007 to .8 in 2011.

The industry has difficulty attracting staff whether on-going or casual, or in retaining family members to work ‘the farm’. This is particularly evident with the shortage of specialists and skilled contractors, such as:

- qualified agronomists
- plant operators
- artificial insemination technicians
- shearers and wool classers.

A number of factors deter potential employees and new entrants into the industry. Perceived lack of career path, low income levels, poor working conditions and isolation are all compounded when employment opportunities and growth are impacted by economic variables associated with climatic conditions, competition, market demand and production costs. Simply, the industry is recognised as high investment, high risk, with other industry sectors presenting as more viable, sustainable business models. Additionally, the concept of agriculture conjures an image of farming defined by its traditional and standard activities.
Agribusiness and the broader spectrum that is primary industries is not broadly understood or recognised by non-agriculture sections of the community and consequently potential career paths and employment opportunities are not considered by those looking to enter the industry, change careers or enter the workforce for the first time.

In summary, the industry experiences skilled labour shortages associated with:

- difficulty in attracting young people into the sector
- problems in recruiting professionals to work in rural area
- the ability of rural businesses to offer attractive wages and conditions to attract and retain talented staff
- the challenges of meeting the seasonal peaks and troughs and climatic vagaries makes the timing of labour needs and securing contractors somewhat unpredictable.

**Government Funding Priorities**

While it has been noted that the recruitment and retention of labour is problematic, recent government funding reforms have exacerbated the difficulties in attracting skilled and qualified workers to the industry. Thus making a change of career path a potentially costly proposition particularly for those who already hold a higher qualification in another discipline.

The introduction of eligibility criteria has created age barriers, regulates subsidised funding to existing qualifications and has exponentially increased the cost of training. For example, a Diploma of Agriculture for an ineligible student could cost $6,500 per year to complete that qualification. The result is a fall in demand for formal up-skilling and devalues any drive to change careers through training. While subsidised funding is guaranteed for 15 to 19 year olds, those with higher qualifications and/or who fail to meet the age requirement fall victim to these fee recovery reforms. Thereby, impacting on potential enrolments and, by osmosis, negatively impacting on the growth and long-term viability of the sector. By way of example, any potential employee with a VCE may be denied access to subsidised training for base level qualifications at Certificate II level or equivalent. Much has been written on Victoria’s Skills Reform agenda, but suffice to say, the impact of training fee increases has done little to encourage potential employees to either broaden their formal qualifications, enter the industry, or address the current skills shortages.

3. **Recommendations**

(a) The recently initiated fee recovery reforms requires review to ensure those seeking qualifications for entry into the industry are not priced out of enrolling in programs designed to provide the skills necessary for productive employment in the sector. Those with higher qualifications should not be denied, on the basis of cost, the opportunity of broadening their existing skills or seeking additional qualifications to gain employment.
Subsidised training across the spectrum of the industry should be reintroduced to encourage participation in the sector of qualified, skilled staff and new entrants. In summary, exempt primary industry training delivery, particularly those areas with skills shortages from the Victorian Guarantee, including access to subsidised training for workers seeking training or re-skilling as a result of structural adjustment.

(b) The funding rate needs review, and a more viable funding model established. The current weighted training funding model does not adequately reflect the costs associated with the delivery of Agriculture training.

1 Subsidised training for ‘hobby farmers’ becomes debatable and would require deeper analysis by government and industry.

(c) For rural based employees and students access to training is much more difficult. Distance and lack of practical / effective public transport compounds the problems associated with attendance at classes without some degree of inconvenience.

Subsidised transport and publically funded regional/rural training centres operated by registered Training Organisations may be viable options to alleviate the problems associated with accessibility and the tyranny of distance.

(d) Address the burdensome administrative and regulatory compliance issues RTO’s are forced to bear at great expense and cost of staff time. All in direct competition to the provision of quality training.

(e) An effective government and industry initiated and driven marketing/promotional campaign to enhance the image and value of the sector.

(f) In consultation with the industry, establish mechanisms for developing realistic industry career paths and appropriate wage structures. Including, consideration being given to mandatory base level qualifications being introduced as a pre-condition for employment in the industry, with fees capped, regardless of any higher qualification.

(g) Increase funding for the VET in Schools Program (VETis) to levels that will encourage RTO’s and schools to promote agriculture training and qualifications as part of the secondary school curriculum.

(h) Further develop attractive financial incentives for agriculture sector employers to recruit and train staff.

In line with the State Agriculture Provider Network (SAN), NMIT’s Faculty of Earth Sciences believes Agricultural Education and Training is crucial to the continued development and viability of Agriculture in Victoria.
While there are many positive aspects that showcase agriculture education and the industry in general, the above submission represents an attempt to establish training needs and skill shortages as a significant priority for the industry. At the same time making recommendations designed to improve training accessibility and enhanced employment opportunities.

The above also recognises the contribution made by Primary Skills Victoria in its analysis of Victorian Agriculture and training needs.

I would be pleased to discuss any aspect of this submission at your convenience.

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