

## [Submission to the Productivity Commission Draft Report: Government Drought Support](#)

The Rural City of Wangaratta, as the auspice body for the North East Victoria Rural Skills Connect Project, welcomes the opportunity to provide this submission to the Productivity Commission's draft report outlining an economic assessment of drought support measures in Australia.

As background, the Rural Skills Connect (RSC) Program is funded by Regional Development Victoria with the North East Victoria project being the first of seven established across the state. It has been operating across three North East shires since December 2007. Its purpose is twofold: firstly to enable farmers and their families and workers to gain accreditation for their skills and earn income off-farm, and secondly to assist industry in addressing local skills shortages.

In October 2008 the RSC program received Economic Development Australia's National Strategic Award - presented to the Rural City of Wangaratta, as auspice body.

Therefore it is felt we have a worthwhile contribution to make to the draft Report – as follows:

*Under the sub heading – EC Exit Grants, “the lack of awareness of other ‘off farm’ occupations and lack of formal recognition of the skills learnt during farming”.*

The RSC program aims to engage rural people who have a range of skills considered a priority for regional economic growth, but for which formal recognition of these skills may not have been obtained. The program also works towards linking appropriate employment opportunities for farm workers owners, operators and rural enterprises to areas of skill shortages within a particular region. It therefore significantly contributes to addressing these issues.

*The Commissions’ draft report mentions that the ECRP scheme should be replaced with a broad based temporary income scheme with a balance between four objectives. One of those objectives is enhanced self reliance.*

Not only does the RSC program work towards this, but also the rebuilding of the farmer's self esteem. A positive outcome of RSC is enabling farmers to see the light at the end of the tunnel and encourage them to successfully complete training to build their self worth. This enables eligible members of the rural sector to keep their options open and enhance their ability to consider employment alternatives. The added benefit is helping regional business and industry by filling skills shortages – by people with an enviable work ethic.

*Page 35 mentions ‘the plan could involve gaining skills suited to earning off farm income, or participate in programs such as Landcare or those conducted by Catchment Management Authorities. Both of these programs are worthwhile and a benefit to rural farming communities.*

RSC takes the training one step further by connecting on-farm workers with local businesses and industry that need skilled workers to fill staff vacancies. By subsidising training in key skill shortage areas this gives the farmers accredited skills for life and provide opportunities for ‘off farm ‘ income .

Whilst individual programs are extremely beneficial, consideration could be given to taking an holistic approach to the issues of farmers earning off-farm income and

employment opportunities. Whether this would be federal or state government would need to be pursued – perhaps on a state by state basis.

*Page 37 'Governments should ensure that there are adequate programs to assist those considering leaving farming, including counselling, training suited to earning off-farm income and the recognition of prior learning.'*

RSC subsidises training suited to earn an off farm income and act as a facilitator to link the rural community and the Skill Store to gauge recognition of prior learning. Learnings to date suggest that not all farmers need or want to enrol in the RPL process and take-up of the Skill Store option so far has been limited.

*Page 39 'The Commission considers that it is not appropriate to seek or to prevent or mitigate rural change that is the result of long term forces through periodic programs that only operate during drought. If governments are committed to supporting small towns per se, then different and more enduring regional development initiatives would be appropriate.'*

The steering committee support this view and consider that RSC is one such initiative. The program is not about taking farmers off the land and out of their communities but more about assisting them and businesses to help each other. It provides farmers, their families and workers with options and alternatives – and in many cases flexible employment arrangements while they remain on-farm.

**The report to Government by an Expert Social Panel chaired by Mr. Peter Kenny in 2008 also made the following recommendations that Rural Skills Connect have addressed with Registered Training Organisations (RTOs) and Government agencies.**

*Recommendation 25:*

*There must be more flexible training delivery methods for adult learning (using adult learning principles), including providing outreach training, for farm families and people in the rural communities who find it difficult because of dryness to attend training opportunities. This could be achieved by:*

**25.1** vocational education and training programs aimed at assisting farm families with up-skilling or re-skilling, including recognition of prior learning, to broaden opportunities to earn off farm income;

**25.2** funding for vocational education institutions to help farm families and people in rural communities more readily access further education opportunities;

**25.3** careful consideration of the timing and appropriateness and potential effectiveness of delivering education and training programs during times of stress and dryness.

RSC in conjunction with many local providers including Kyabram Learning Centre, Nathalia Community House, Centrelink, and the Murray Darling Basin Assistance Program have been able to achieve this type of flexibility, delivery and funding opportunities. It is the experience of the Project Manager that the smaller RTO's were able to deliver more flexibility into their training – particularly regarding time, place, and price.

*Recommendation 28*

*Governments along with education and industry sectors, must develop policies and initiatives to address trade and other professional shortages in farm families and rural communities. These policies and initiatives must be underpinned by regional-specific research on the location, extent and the impact of skill shortages. Policy and initiatives should:*

- 28.1 recognise that training and education of people in the rural settings leads to greater retention of that skill base in rural communities;
- 28.2 recognise the important role rural universities play in educating and training skilled workers for rural areas;
- 28.3 promote rural bonded scholarships as a means of addressing agriculture and rural trade and other professional skill shortages.

RSC continues to work with industry to develop new initiatives to address skill shortage areas. It may be piece work engineering, it may be job sharing , it may be split shifts but it is considered imperative that both the education and industry sectors need to be flexible in what they have to offer and how it can be delivered.

*Recommendation 29*

*A Formative evaluation of the Drought Force program as well as other employment programs must be undertaken to better address the functioning of the labour market in the agriculture sector during periods of dryness, and to encourage people to remain in their local community.*

The North East Victoria RSC project has used the Drought Force program on a number of occasions. Experience to date shows it is not a program that has been well advertised and promoted in the areas of need and due to the program being delivered by different providers it seems that the criteria for eligibility changes from region to region. A more uniform approach to delivery is suggested.

Due to the Rural City of Wangaratta's close working relationship with the Project Manager and Steering Committee and the rural sector since project inception nearly 12 months ago, we trust that this submission will assist with the Productivity Commission Draft Inquiry into Government Drought Support.

If you require further information or wish to discuss any of the above points, please do not hesitate to contact either:

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