

INQUIRY INTO SKILLS SHORTAGES IN RURAL AND REGIONAL NSW

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Theme:

Summary

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21 SEP 2005

The Hon Tony Catanzariti MLC
Chair
Standing Committee on State Development
Parliament House
Macquarie Street
SYDNEY NSW 2000

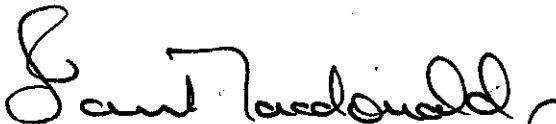
Dear Mr Catanzariti *Tony*

I refer to my previous letter of 2 August 2005 regarding the Inquiry into Skills Shortages in Rural and Regional NSW.

Attached is a submission to the Inquiry. If further information is required regarding this matter, please contact Mr Cameron Archer, Principal, Colleges on phone 4939 8888, fax 4939 8919 or email cameron.archer@dpi.nsw.gov.au.

Thank you for the opportunity to put forward a submission to the Inquiry.

Yours sincerely



IAN MACDONALD MLC

Encl

**Department of Primary Industries Response to the
Inquiry into Skills Shortages in Rural and Regional NSW**

The following information is provided as an input into this inquiry. It is presented in the same order as the Terms of Reference. Not all areas of the Terms of Reference are dealt with as they are beyond the realm of the Primary Industries portfolio.

(a) The current and future demand for labour

The current demand for labour in the State's primary industries is strong. The primary industries are the mainstay of the economy of regional Australia however their growth and development is being hampered by a shortage of skills.

The recent series of drought years has created an exodus of people working on the land. Primary producers have had to put off permanent labour and scale back their operations due to a decreasing income as a result of the drought. It is unlikely that the people who have left the regional areas at this time will return due to stronger employment opportunities in urban and related areas.

Rural NSW faces a significant skills shortage due to these phenomena and steps need to be taken to reverse the situation.

The demand for labour in the state's primary industries will continue to become more and more sophisticated. The use of Geographical Positioning Systems on farms is now quite common as are the field use of laptop computers; this will only increase in the future. Therefore the current and future demand for labour will not only be strong but it will be for a sophisticated and well trained workforce. This should not be underestimated when considering future training options.

(b) The economic and social impact of the skills shortage

The social and economic impact of the skills shortage may be best dealt with by other specialists however the impact in small farming communities can be profound. Reduction in the number of people working on the land results in the closure of basic services such as country schools, bus runs and associated support services. This eats into the fabric of the community and causes extensive disillusionment among the remaining population.

(c) The strategies and programs of local governments to retain and attract skilled workers.....

It is important that the opportunities afforded by local and Commonwealth governments are captured by the NSW State government programs. The Commonwealth's Regional Partnerships program provides opportunities for funding of regional infrastructure and support services. This usually requires the development of local and state government agencies for the initiatives to be funded. Every opportunity needs to be made to capture these for particular communities and organisations. It is noted that there is usually a strong cooperative relationship between the NSW Department of State Development and the Commonwealth funded Area Consultative Committees. This has been used to advantage in many areas of the state.

(g) *The adequacy of current measures used to record and report on the skills shortage*

This is a difficult area to address and at present there is no way to really quantify the shortage in the farm sector in particular. While this submission has no answer to the problem, it should be noted that the shortage is real and will only increase. This is based on reliable anecdotal evidence right across rural and regional NSW.

(h) *The role of training organisations*

NSW Department of Primary Industries operates major training programs through its vocational training colleges, Murrumbidgee College of Agriculture, Yanco and the CB Alexander Agricultural College Tocal, Paterson (Tocal). These colleges do undertake specialised training for the rural sector.

Tocal, in the Hunter Valley provides important residential based full-time training for the rural sector. At present these courses are over-subscribed and there is a very strong demand for graduates. It is therefore suggested that this area of training should be strongly supported into the future.

This College also provides a traineeship program for people working on the land and wishing to pursue a career in agriculture. These programs are also particularly important and need to be supported into the future. One of the challenges of vocational education particularly for the rural sector is to ensure that it is well tailored for the market. NSW DPI has developed extensive skills in this area to make sure that the training programs are marketed to the right people. Its ability and role in this area should not be underestimated.

The recent development of NSW DPI's PROfarm program will further strengthen training for existing workers and farm managers in the rural sector. This will ensure that they remain competitive in the future and that their businesses will grow and develop.

The real challenge is to attract young people to courses in the disciplines associated with primary industries and then encourage them to take up a career in regional and rural NSW. An initiative is currently underway between NSW DPI and other organisations to promote agriculture and related industries to schools. This initiative will develop in the future and have a major role in assisting young people in making sure that they are aware of the opportunities afforded by a career in the state's primary industries.

Conclusion

Regional and rural NSW faces many challenges particularly associated with skills shortages. Strong and effective government programs will go a long way to ameliorate the impact of drought and changing technology on rural communities.

It is only through strong businesses that the regional areas will develop. They are dependent on the availability of well skilled people for the development of their business into the future.

NSW Department of Primary Industries is strongly committed to the long-term development of skills for the primary industries of regional and rural NSW. Many of its programs address these challenges particularly through its vocational education and training programs.