Productivity Commission 2010, _Rural Research & Development Corporations_, Draft Inquiry Report, Canberra

Further to AgriFood Skills Australia's earlier submission to the Inquiry, we wish to provide further comment on the Draft Report.

Key to AgriFood's central thesis is an appreciation of the creative potential of the relationship between _Rural Research & Development Corporations (RDCs)_ and the National Training System.

While RDCs have a critical role in the research and development of rural technology and science, their findings are not fully appreciated unless they drive improvements in productivity and sustainable practice. The National Training system is a vehicle for the implementation of the latest and best science and technology.

Optimal return on rural R & D investment occurs when research findings are implemented in the field and on a day to day basis. There appears to be limited recognition that this practical application occurs at the para-professional, technical and operator level in the workforce. The National Training System is a key conduit for the implementation of RDCs' research findings. It is responsible for the adoption of higher skills levels across the existing workforce in addition to equipping those entering into the workforce with the relevant vocational skills.

Nationally endorsed qualifications, and the Units of Competency they comprise, are the currency of the National Training System. They codify the skills and knowledge required to 'do the job' (as distinct from curricula which prescribe pedagogy and the process for learning). Units of competency are continuously improved by industry to reflect best industry practice and knowledge. It is this process of continuous improvement, and the fact that the nationally endorsed qualifications are owned and endorsed by industry, that defines a hitherto relatively untapped resource for RDCs.
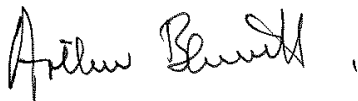
Once RDCs recognise the full value of the National Training System as a means of main streaming the latest and best science and technology, exposure and speed to market of RDCs outputs into industry could be unprecedented given that in any given year around 80,000 learners are enrolled in nationally endorsed agrifood qualifications. New entrants to the workforce would come with best practice skills and knowledge. Existing workers would have access to new knowledge – and for many, gain formal certification of their skills for the first time.

Despite the inherent nexus in the work of both systems, there has been a disconnect in the thinking and business models of the RDCs and the National Training System. In a study commissioned by AgriFood in 2008 on *The Role of VET in Australia's Agrifood Innovation System: Lessons for other Industry Sectors,* it was found that RDCs and CRCs do not view the training system as an important step in the knowledge adoption pathway.[1] This suggests a lack of understanding of how units of competency are developed, and who within the workforce ultimately gives effect to RDCs' outputs. A number of the bodies argued that relevant qualifications and units of competency were either not in place or that the occupations relevant to their work were not covered by the training system. This is surprising considering the system is responsible for skilling over 85 per cent of job roles in the economy.

It is disappointing that despite making this point strongly in our original submission to the Inquiry, the fundamental importance of application was barely acknowledged in the Draft Report and no mention was made of the need to create the formative linkages for the skills-innovation-productivity continuum.

At present there is significant public investment in a discreet research structure and a discreet training system. A new business model is required to integrate the two. Only then will there be an optimal return on government and industry investment.

Arthur Blewitt

CEO
AgriFood Skills Australia

---

[1] Smith Comyn & Associates 2006 – *The role of VET in Australia's Agrifood Innovation System: Lessons for other Industry Sectors*