

Cooper, Craig (2000)

New Entrants to the Agricultural Work-Force:
Identifying the Barriers

Research Project Report

on

**NEW ENTRANTS TO THE AGRICULTURAL
WORK-FORCE
IDENTIFYING THE BARRIERS**

Prepared as part of the Kellogg Rural Leadership Course

November 2000

Contact: **Craig Cooper**
9 Tawa Street
Masterton
Phone: **(06) 378 7874**
E-Mail: cccooper@zfree.co.nz

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Introduction

There is or can be little dispute that the number of young people choosing the Agricultural industry as a career choice has declined dramatically in recent years.

This is borne out in several instants. ie. Massey University Diploma in Agriculture course participants reduced to a level that could threaten its continuation¹. Several Regional Polytechnic agricultural courses being discontinued in recent times. ie Waikato Polytechnic dairying course, Wanganui Polytechnic basic Ag. Course, Taranaki Polytechnic agricultural courses.

Added to this has been a growing unease within the industry, especially the dairying section, about the shortage of employees available.

As a result there is a lot of conjecture as to why this has and still continues to happen. One of the serious threats in a situation like this is that perception becomes reality. If young people and the adults who guide their career making decisions, perceive there are problems in the industry, then they will look elsewhere, and so inadvertently create a real problem.

There is no shortage of young people interested in or considering an agricultural career. This is illustrated very clearly through secondary school programmes and student attendance on holiday courses like the Taster programme run by Taratahi Agricultural Training Centre (TATC). These are fully subscribed from one holiday period to the next. Yet these don't transpose to full time course numbers or employees entering the industry.

So what are the barriers?

Research objectives

The overall objective of this research is identify the real barriers to young people choosing an agricultural career.

To this end, the research identified:

- People who influence young people's decision making process
- Employers contribution to the employment environment
- Real barriers that are closely aligned to some commonly held perceptions
- Positive promotion of the industry is a must

¹ source: Warren Andersen – Diploma course tutor, Massey University

Research Methodology and Sample

Three groups of people were targeted in this project. These groups are seen as very influential in the decision making process of young people.

- Group 1: Employers in the industry – Farmers
- Group 2: Secondary School careers advisers
- Group 3: Parents/Care-givers of potential new entrants

Survey forms¹ were distributed by various means to endeavour to obtain a fair geographical spread throughout the country. With farmers (employer group), this was achieved with the assistance of Kellogg colleagues, discussion group contacts and former Young Farmer members. 250 forms were distributed to farmers from Northland to Southland.

My contact with Secondary Schools through the short course programme at Taratahi (TATC) was the means to distribute survey forms to Groups 2 and 3. Fifty- six careers advisers throughout the North Island and the Marlborough/Nelson region were contacted. Through these contacts approximately 200 parents/care-givers were targeted.

Groups	Number of forms distributed	Actual responses achieved	
		(N ^o)	(%)
Employers (Farmers)	250	142	56.8
Secondary school career advisers	56	37	66.1
Parents/Care-givers	200	107	53.5
Total	506	286	56.52

Surveying was conducted over the winter, early spring period with respondents remaining anonymous. This did make it difficult to ascertain proportional representation of the groups. However, I conclude, that all perceptions are very similar throughout the country, with very few localised variations.

While there is probably room to develop the argument that the students themselves should have been included in the survey process, I beg to differ. In my experience, having worked with school leavers for the last eight years, the three groups above are

¹ Appendix A

Research Methodology and Sample

very influential in the decision making process. It is with these groups that any barriers are going to be identified, and so then flow on to the young people.

Employers create the employment environment, and depending how this is portrayed or viewed from the outside, can have a huge impact.

Careers advisers are often the first or only point of advice sort by school leavers. If the advisers are not well informed or lack enthusiasm for an industry and the opportunities it appears to offer, it is only natural that their advice might be to explore other options.

Any parent or care-giver is, hopefully, going to take a keen interest in the career aspirations of their adolescents. They will want to be sure a career choice offers security, prospects and quality of life. There can also be significant financial commitments with any training for a career. Whether this is for the individual or the family, parents/care-givers will want to see value for money.

Executive Summary

- There has been recent speculation as to the availability of employees in Agriculture, and survey results from farmer employers confirm that the supply is, at best, short.
- The survey high-lighted a very important issue in relation to training young people for the industry. 68% of recipients either prefer previously trained staff or don't consider they are capable of training new entrants. The Agriculture Industry Training Organisation (AgITO) are to participate with the new Government initiative, Modern Apprenticeships¹, but to do so successfully will require the combined insight of educators, employers and the AgITO. A continuation of the existing Farmer/Trainer schemes will not change the current employment situation. Especially when this survey indicates a large number of employers can't or don't want to train new entrants. The success of the Modern Apprenticeships will be determined by the involvement of Tertiary Training providers to provide initial training and skills and then farmer/employer schemes.
- A positive point in the farmer survey was the indication, that 75% of the recipients are prepared to subsidise training fees to some extent. While this could be viewed as a fairly loose commitment, it provides a basis for a relationship to be established. This ties in closely with the above point. The AgITO could foster this type of relationship with farmers and trainees, so ultimately fostering the success of Modern Apprenticeships. Alternately, tertiary training providers, could build on this farmer willingness, to establish their own training relationships with farmers.
- Over all the groups surveyed, there is little regard for formal entry qualifications. There is also an over-whelming number who regard the best type of student for an Agricultural career as being the less academically* inclined. These two points are closely linked. Because there are no required entry qualifications, it is only natural, the strugglers in the school system will end up being directed this way. This can be considered a cop-out by schools. Surely education is about setting every student up to succeed. Rather than taking this direction, secondary schools should be using courses offered by agricultural tertiary providers to redevelop and expand the opportunities for these students.
- This point just covered has a big impact on the image of the industry. From employers down, there has to be greater expectations of the young people entering the industry. Only then will there be an attitudinal change towards the industry. Of probably greater importance, is the requirement to invest in skills for continued economic advantage. Investment in skills is essential in a competitive environment.

¹ Refer to Appendix B

* Unfortunately, not all these students are less academic at all. Some just struggle to learn in the prescribed environment schools provide.

Executive Summary

- All surveyed recipients showed a high percentage that thought remuneration should be better or is not adequate. When combined this represented 68% of all recipients. While increased wages may be necessary in some circumstances, I believe greater promotion of the true value of an employee employment package is required. Many include accommodation, power, phone, meat or at least part of and the value of these is often ignored. It is part of the uniqueness and culture of the industry. Rather than being overlooked, these should be high-lighted and have their values identified in employment contracts.
- A large number of the recipient comments related to the greater need for positive promotion of the industry. Many of the points already raised in this summary, if addressed, have the potential to change the image and assist with better promotion.
- There are two options that could be pursued immediately, and would greatly assist with these desired outcomes.
 - i) the Large Herds Association, with assistance from AgITO and Livestock Improvement Corp. have developed a very useful promotion in recent years, titled – Windows for Dairying. This concept, where young people relate their progress and success in the industry to interested students, has the potential to be expanded across the whole industry. There is a need for the concept to be coordinated by one organisation, but must involve all interested parties. This will mean bringing together providers and businesses that are competitors in the industry, but all must recognise a common goal here. An industry to be held in higher regard by all.
 - ii) A universal promotional video that shows options and prospects in the industry and distributed to secondary schools would be a real boon. Schools often struggle to have the resources or time to get students out to see the career options that interest them. Again this would have to be coordinated by one organisation, but must involve as many parties in the industry as possible. It should cover training providers, training options, employment prospects, employment challenges and the lifestyle, to just mention a few. Importantly, it should set out to bring about an attitudinal change in the many areas high-lighted in this report.
- Funding will always be an issue with such proposals, however there is an opportunity available to cover this. The Government has recently announced “The Sustainable Farming Fund”¹. Its purpose is to help rural communities overcome barriers to their environment, social and economic viability. The focus of the Fund is on projects that are practical and help the transfer of information and technologies from technical experts into the hands of the wider community.

This is an excellent tool created for just this purpose.

¹ Appendix C – The Sustainable Farming Fund

Employers (Farmers)

As I have already alluded too, there can be a lot of perceptions amongst people as to what they think is happening in the industry. These questions and the analytical graphs of the survey responses, will hopefully clear up the perceptions and illustrate the realities to be considered.

1. What is the situation of current employee availability?

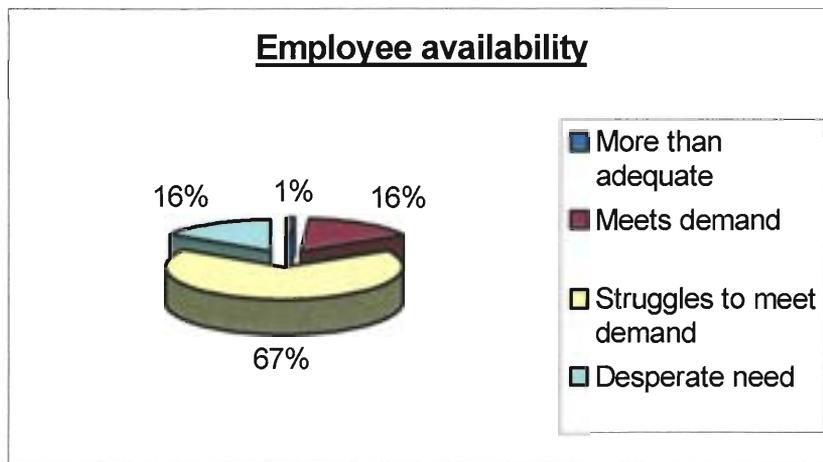


Fig 1.

With 83% of respondents indicating a short fall of employees, it is more than a perception and certainly is not just a symptom of a good season and more labour required.

2. What is the capability to train school leavers?

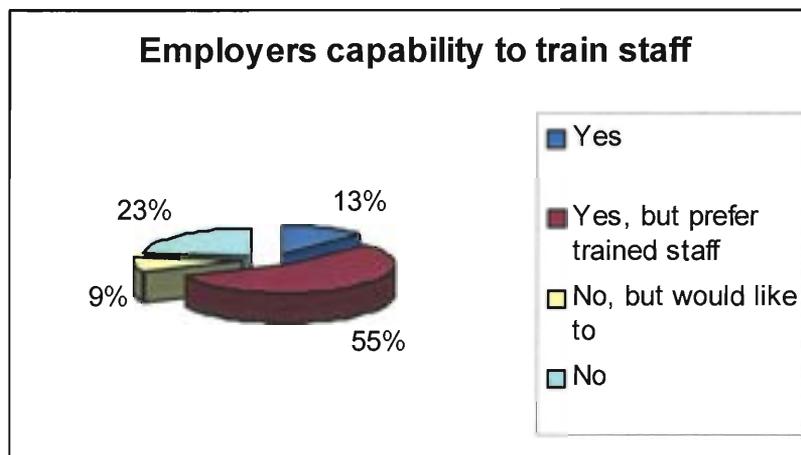


Fig 2.

While this response showed a large majority capable of training staff (68%) it highlighted a far more interesting point. 78% indicated they don't want to or can't train young people. This fact alone has huge implications for the Modern Apprenticeship Scheme and the successful training of young people on the land. If the Agricultural Industry Training Organisation intend to develop this scheme along similar models to their current trainee programme, they may struggle to attract sufficient farmer trainers. If farmers want trained staff, then this indicates they expect that training to be done elsewhere. That means Massey, Lincoln, various Polytechnics and Private Training Establishments must be consulted over their on-going roles in industry training.

3. Currently training school leavers?



Fig 3.

4. What level of training is required of young staff?



Fig 4.

Clearly the disappointing fact here is the lack of desire by employers to have employees with any recognisable qualifications. These recipients have already indicated a desire for previously trained staff (Fig 2). Yet if there isn't encouragement

from employers for qualified young staff, then it is little wonder that various Tertiary Providers struggle to attract sufficient numbers. The unfortunate flow-on from this can be the perception that the industry only requires the people who achieve at below average academic levels. Responses from Parent/Care-givers (Fig.19) go some way to confirm this.

5. Which groups adequately promote an Agricultural career?

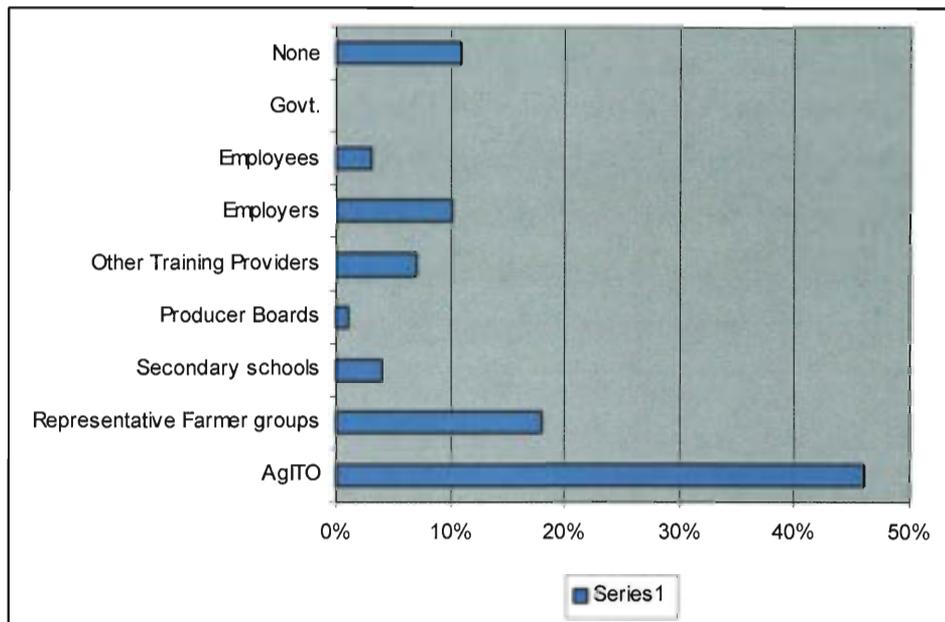


Fig. 5

These details are commented on in the comparative section (page 22)

6. Is remuneration for young farm staff adequate?

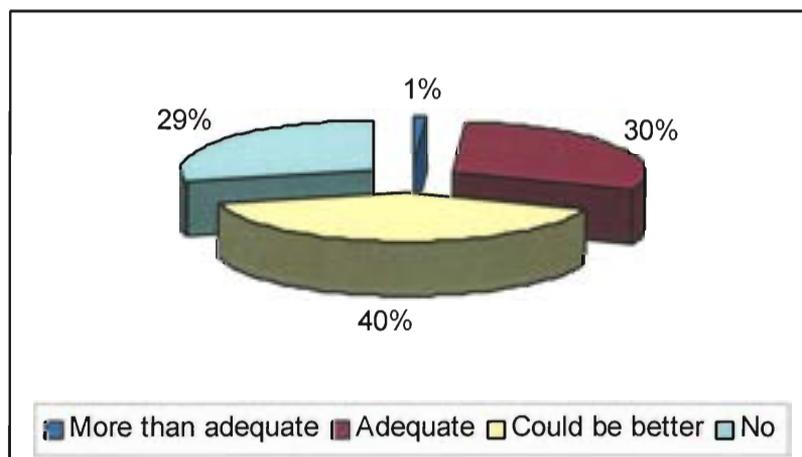


Fig. 6

I guess the only question that needs to be asked here is, how much confidence does the industry inspire, when 69% of these employers believe wages could or should be better.

7. What is an appropriate starting wage?

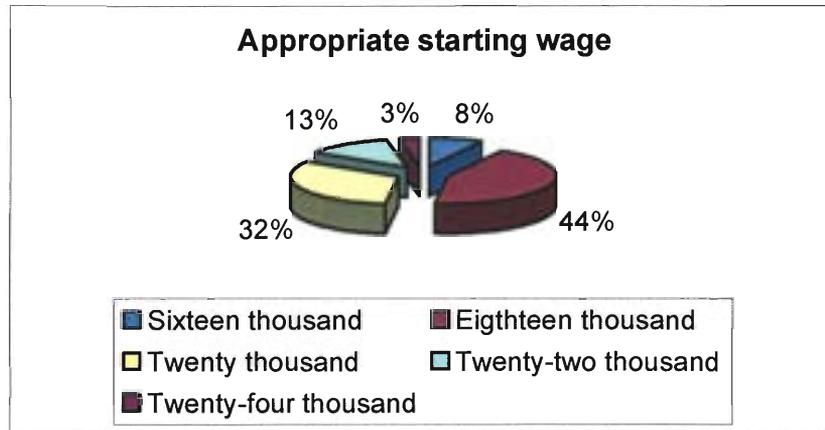


Fig. 7

With 76% of recipients agreeing that the \$18 - \$20,000 range is appropriate, there at least appears to be consistency. However what needs to be clarified is the true value of the whole wage package. Farming is fairly unique in that a lot of employees live on the job. Various extras can be included in the package, ie. accommodation, power, phone, meat ,etc. or part of these. In promoting the industry, the total package should be high-lighted, so people looking in are comparing apples with apples.

You will see in the comparative section, there is quite a difference in this result and the parents/care-givers result. The industry can't afford these differences in perceptions.

8. Are employers prepared to subsidise training fees to some extent?

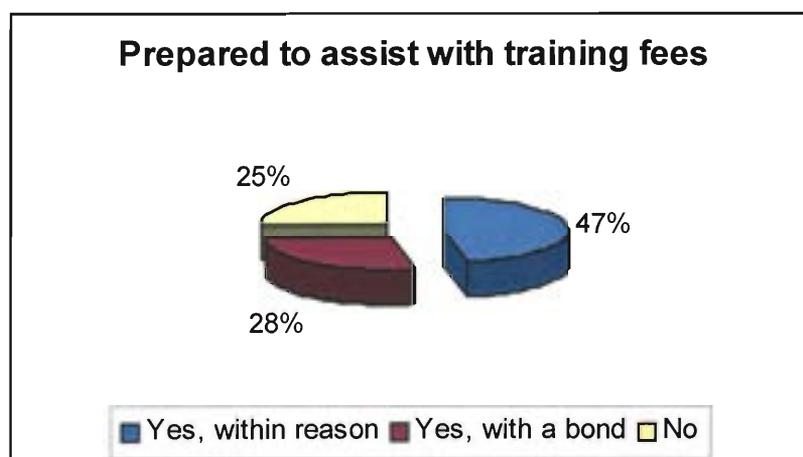


Fig. 8

75% of recipients say a qualified "yes". This is a real positive and offers the potential for partnership training between Tertiary Providers and Employers. Such partnerships may offer more than the Modern Apprenticeship scheme for the Agricultural industry.

School Careers Advisers

These people are often the first and possibly only point of call for young persons seeking guidance with career decisions. Unfortunately, I have talked to several students who tell me they have been advised to forget about farming, it has no future.

I would hope this type of advice for any career choice is very rare. The following analysis is therefore critical in identifying areas where advisers might need guidance from the industry.

1. What does a future in farming offer as a career choice?



Fig. 9

A positive outcome here, with advisers seeing a diverse future on offer. One of the concerns sometimes expressed by the industry, has been that careers advisers only consider ownership of land as a worthwhile future. If ownership gets more difficult to achieve, then there is less on offer as a future. This result does not bare this out.

2. How do you see the future in Agriculture?

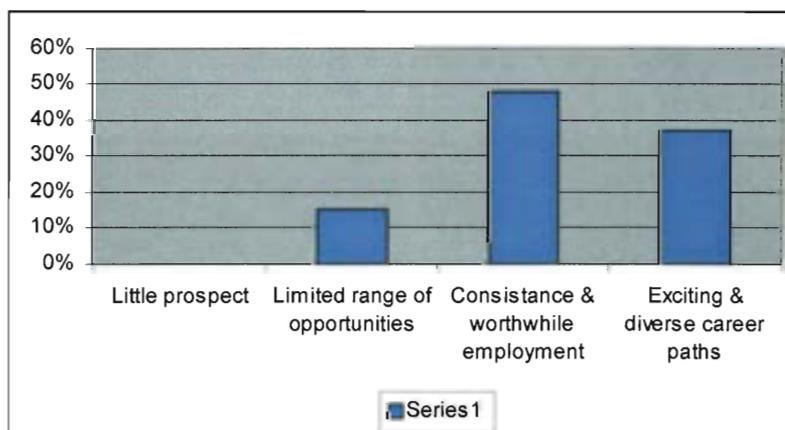


Fig 10

More positive indicators of support for the industry from these recipients.

3. What type of student is best directed towards Agriculture?

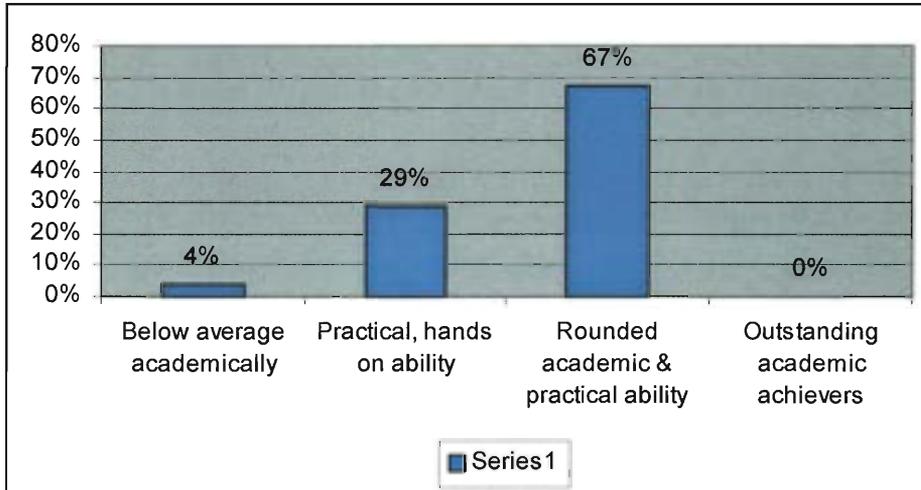


Fig. 11

While this is also a positive result, the obvious question is, why are no outstanding achievers directed towards this industry.

4. What level of training is required by new entrants?



Fig. 12

Why would any careers adviser think no qualifications are required to enter any industry? It is also disappointing that close to half of these recipients think only basic practical skills are necessary. Surely some formal qualification would enhance employment prospects and advancement. Sometimes, the school system is accused of “dumbing down” this industry. This result does not do a lot to dispel that accusation.

5. Which groups adequately promote an Agricultural career?

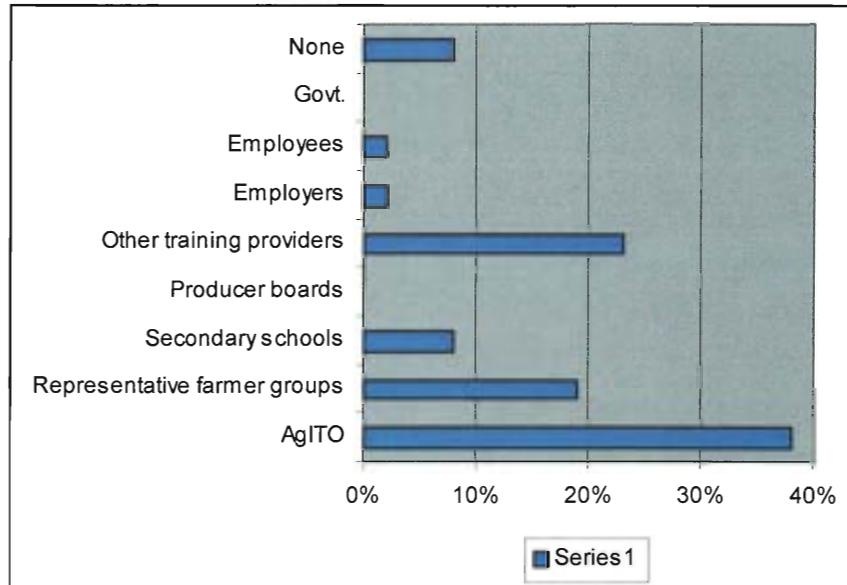


Fig. 13

These details are commented on in the comparative section (page 22). However, it must be an area for concern, when only 10% of these recipients think school careers advisers adequately promote Agriculture.

6. Is remuneration for young farm staff adequate?

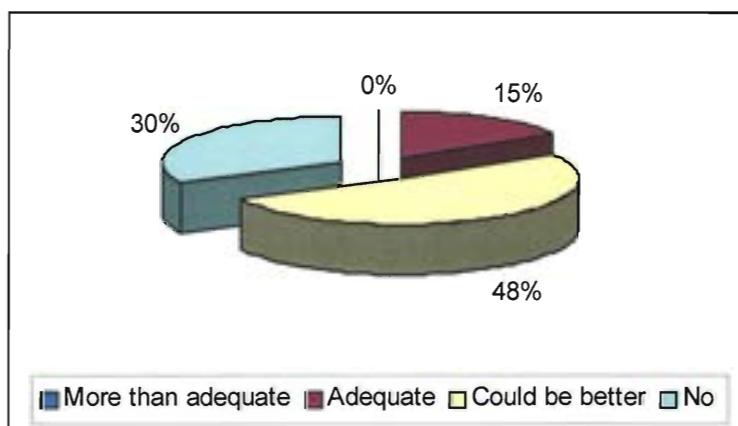


Fig. 14

This is commented in the comparative section, (Fig.25, Pge. 23) but there is obviously an issue when 78% of these recipients believe remuneration could be or should be better. Identifying the value of the entire employment package is the key.

7. What is an appropriate starting wage?

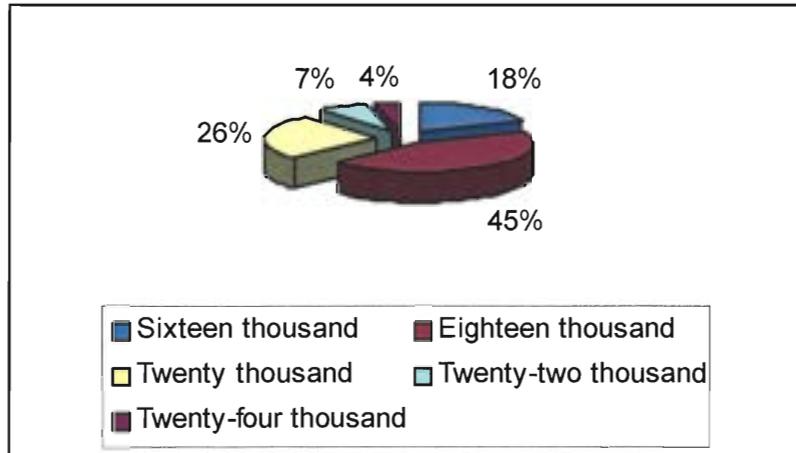


Fig. 15

There is consistency with these results and the employers results on page 12. More comment in the comparative section.

Parents/Care-givers

Most parents/care-givers take an active interest in the career options being considered by their issue. Most will have a very set view about the wisdom of these considerations, and these views may not have resulted from informed knowledge. Often, perception is the extent of this knowledge, resulting in hard and fast opinions. If that perception is not good, then naturally, any care-giver will work very hard to dissuade the interest held by their children.

These next results are probably the most important of the survey. If the industry is not held in high regard by this group, then there are real issues to be faced to attract young people.

1. What do you think a future in farming offers as a career choice?



Fig. 16

This result shows diversity of opinion, which must be regarded as positive. However, if a majority of the recipients in the 48% block consider farm ownership is no longer achievable by means of working up through the system, all of a sudden a large proportion of these people don't see a future on offer. The next question will go some way to answering this.

2. How do you see the future in Agriculture?

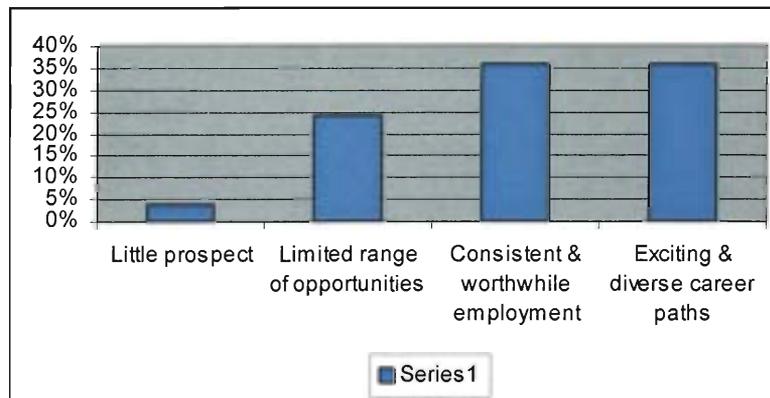


Fig.17

Fortunately, over 70% of the recipients consider the future prospects positively and this allays any fears the previous graph may have raised.

3. What type of student is best directed towards Agriculture?

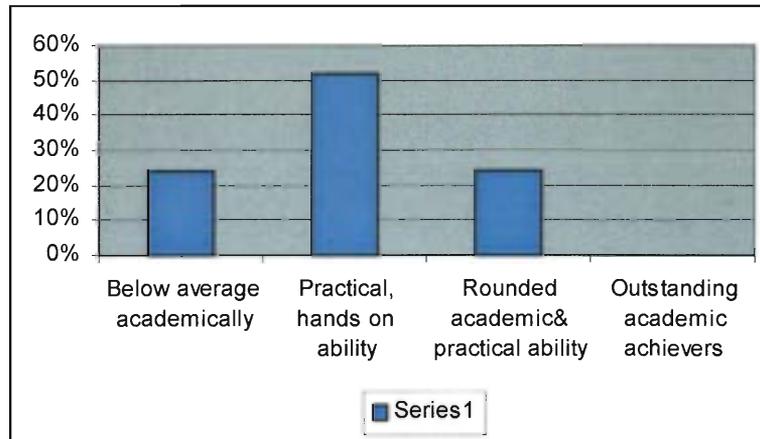


Fig. 18

Despite the two previous graphs showing positive attitudes by care-givers to a Agricultural career, this graph tends to be more negative. Too often this industry is portrayed as the direction the less academically inclined should be directed. This graph shows that this attitude is part of parents thinking.

75% of these recipients see the less academically inclined, best directed towards Ag.

While this industry will always have a need for good practically inclined people, it also needs the outstanding achievers to go on and lead the industry.

4. What level of training is required by new entrants?



Fig. 19

This result continues the theme of the previous graph (Fig. 18). If it is common regard that the industry doesn't need entry qualifications, then it follows that it is an appropriate direction for the less academically inclined. This is often referred to in our industry as "dumbing it down". I contend these last two results show that is the perception held by care-givers and unfortunately the result from careers advisers in Fig.12 only reinforces the sentiment.

5. Which groups adequately promote an Agricultural career?

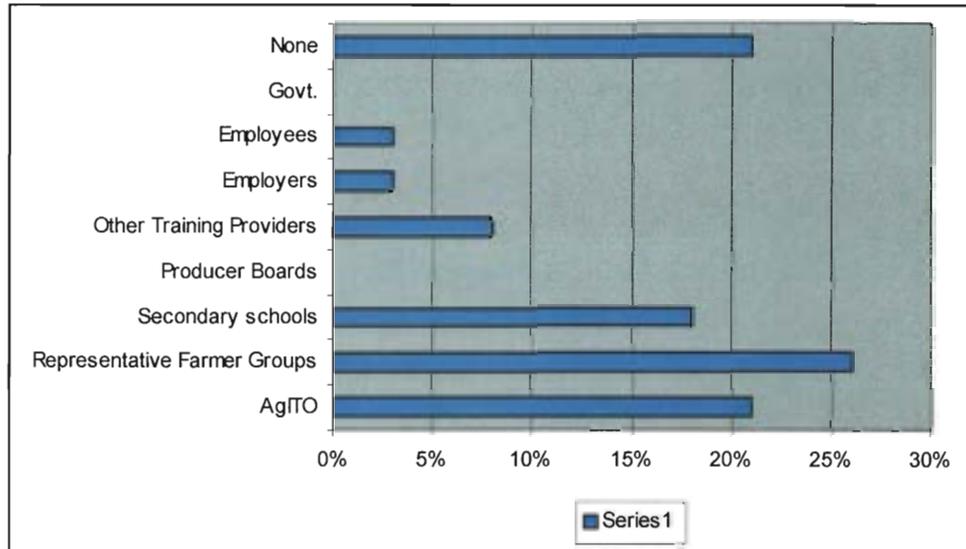


Fig. 20

This shows a more even distribution than with the previous groups. Refer to pages 11 and 15. Also the comparative section, page 21.

6. Is remuneration for young farm staff adequate?

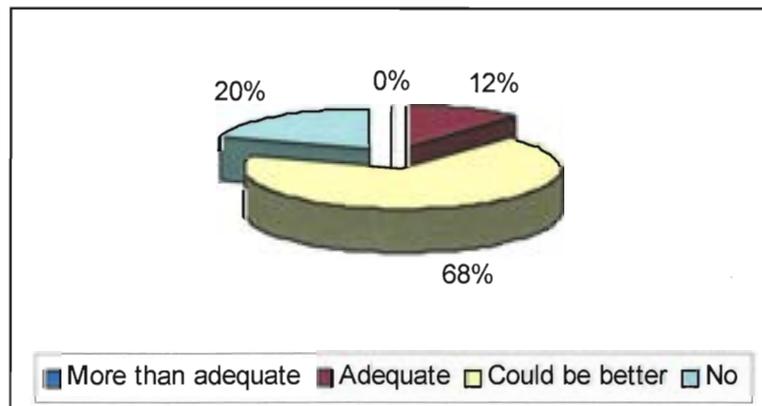


Fig. 21

The unfortunate fact is, when 88% of these recipients think pay could be or should be better, there is not going to be much active support to encourage anyone to choose such a career direction. Again there is more comment in the comparative section.

7. What is the current starting wage?

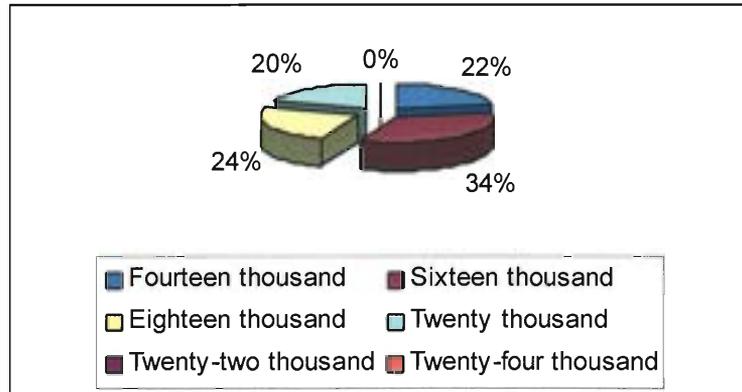


Fig. 22

This is a very good graph to high-light the difference between perception and reality. Here the care-givers perception of the industry starting wage is quite different to the reality in the employers result. (See Fig.7, page 12.)

Here, 80% of the recipients consider the starting wage is in the \$14-\$18,000 range. The employers indicated (92%) \$18-\$24,000 range was an appropriate starting wage. There has to be considerable effort, by all the industry, put into convening the true picture. At the moment this gap creates a very real barrier.

Recipient comments (from survey forms)

When asked what information is needed to encourage an agricultural career, the over riding theme, was one of positive promotion to assure the stability of the industry. The other was the need to lift the academic image of farmers. Unfortunately, the “dumbing down” theme is far too prevalent.

Many advocated a collective approach to marketing the industry that would high-light long term prospects and the lifestyle offered by the industry.

Many just asked for more information to be readily available –They find it very difficult to access this.

Comparatives: These compare or group key results from the three groups surveyed to endeavour to high-light the barriers.

Level of training required.



Fig. 23

When grouped together, these results show an overwhelming picture that the industry places little regard on any qualification required to enter the industry. It is little wonder then, that it is seen as the direction for the less academically able student.

This result (Fig.23) is remarkable similar to each of the three individual graphs, so no one group had an undue influence.

With more emphasis today, on formal qualifications being essential to enter the work force, to result shows an industry that is falling behind current educational thinking. A change in attitude by the industry is essential if the image that this result portrays is to change.

The change has to be lead by the Industry Training Organisation. They must educate farmers of the need to have better qualified people entering the industry to ensure long term prosperity and stability. Employers will then drive the attitudinal change. If they have greater expectations of their employees, all other involved parties will move to meet those expectations.

This does not suggest for one moment, that there is no place in the industry for the less academically inclined. In fact, the very natural of the industry demands people with a practical inclination. But as the business world gets more competitive through improving technologies and communication, our industry must keep getting smarter to remain at the cutting edge.

Therefore, it is not the right option to let young people drop out of the education system and go farming. The industry must grab these young people and enhance their practical ability before or as they enter employment. They must formalise and recognise these skills as qualities needed to grow the industry and the young people.

Everyone should advocate the National Certificate or Diploma as the entry level.

Comparatives: (cont.)

Groups adequately promoting Agricultural careers.

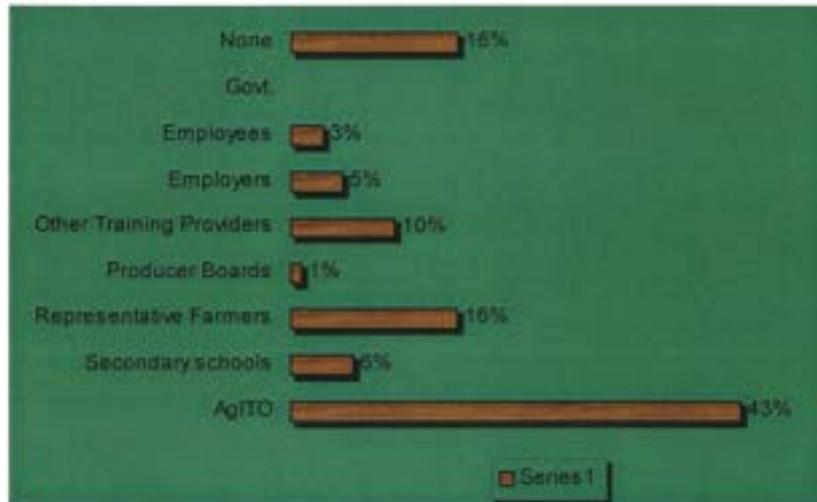


Fig. 24

This graph indicates the Agricultural Industry Training Organisation are the obvious group to lead or co-ordinate promotion and change in our industry. All recipients rated them considerably ahead of all other groups.

There are also some areas of real concern here. 16% is a large proportion of people who believe no group promotes the industry adequately. Of even more concern are the low returns for Secondary schools and the Producer boards. Surely both of these should play a huge role in the promotion of Agriculture.

Finally, it's a sad but fair indictment on the Government, that no-one sees them as promoting Agriculture in a predominantly rural country. However, I do not believe the answer is to blame the Government. The successful future of this industry can be and must be self-determined.

Comparatives: (cont.)

Adequacy of Remuneration.

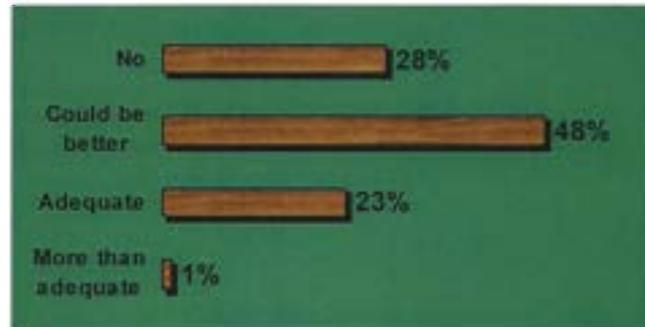


Fig. 25

This result speaks pretty much for itself. When the over-whelming majority of all recipients think remuneration could or should be better, then there is a real issue to be addressed. However, I do not believe it is as simple as increasing wages. An important part is promotion. Starting wages in the industry have improved markedly over recent years, even if it has been driven mostly by a significant shortage of labour. Yet the result from the employers (fig.6, pge.11) and the result from the care-givers (fig.21, pge.19) indicate this message has not filtered through to help the career decision making process.

The other aspect that needs clarification here, is recognition of the total wage package value. A significant number of recipients queried this when responding. Agriculture is fairly unique, in that a large proportion of employees, live on the job and there is some added value associated with this. This needs to be recognised and quantified as part of the promotional package.

Stated and perceived starting wage.

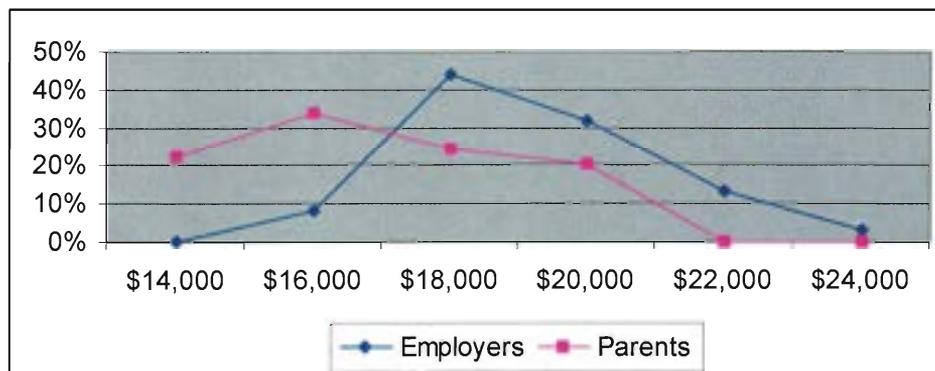


Fig. 26

There is a huge difference between blue line that indicates the starting wage Employers say they are paying and the pink line that indicates what parents think young people are getting paid. As has already been stated, few parents will enthuse about their charges looking at what they perceive is a low paying job.

Comparatives: (cont.)

Best suited students for an Agricultural career.

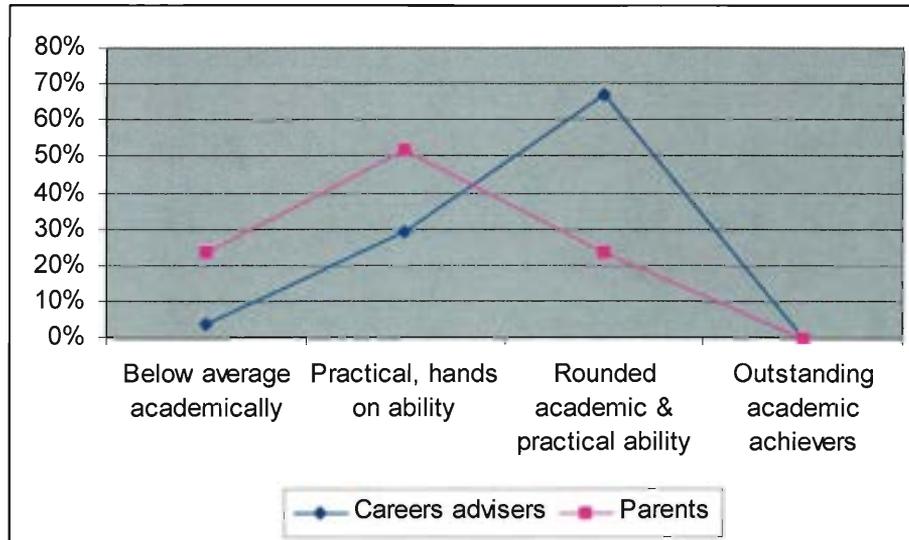


Fig. 27

While I made some comment earlier that careers advisers showed a positive result to this question, unfortunately the response from the care-givers is in marked contrast. They see a career in this industry very much for the less academic and as already stated, will be less inclined to support their young in this career direction. Their opinion will be, this is not the direction for their talented young son or daughter. They will encourage them to pursue a career that will challenge them and offer good prospects.

The goal of all concerned in this industry must be to get the pink line of the parents/care-givers to be more closely aligned to the blue line. This will be achieved through positive promotion of the industry and higher expectations of the people entering the industry. There must be greater emphasis on formal entry qualifications. It is accepted that some secondary schools may not be able to offer these opportunities to their students. However it is not an option to just cast them out into the employment environment unprepared. If schools don't have the resources, then they should be working to establish training relationships with other providers that do.

This may involve offering courses, or part of, that are outside the core curriculum subjects and may mean students spend time away from the usual learning environment. It will create time-tabling problems and conflict with other school classes and activities. The bottom line must be though, anything that enhances learning, skills and employment prospects for the students should be striven for.

Acknowledgements

Many people have been forth-coming with assistance and enthusiasm for this project.

To all of these people, and any that I have inadvertently missed, my sincere thanks.

- Taratahi Agricultural Training Centre
 - Wairarapa branch – Federated Farmers
 - John Daniel Memorial Trust
 - Fellow Kellogg 2000 participants
 - Numerous secondary school teachers and careers advisers
 - Trust House Limited
-

Appendices

A: Survey Forms

B: Modern Apprenticeships

C: Sustainable Farming Fund

Survey of Agricultural Employers

Please tick the answer you agree with.

1. **What is your perception on current employee availability?**
 - More than adequate.
 - Demand meets supply.
 - Struggle to find quality employees.
 - Desperate need for qualified young staff.

2. **Does your Agribusiness have the capability to train school leavers?**
 - Yes, very effectively.
 - Yes, but prefer previously trained staff.
 - No, but would like to train staff.
 - No.

3. **Are you currently training school leavers?** Yes No

4. **What level of training do you require of your young staff?**
 - National Diploma. National Certificate-Level 4
 - Basic practical skills None

5. **Which of the following groups adequately promote Agriculture as a worthy career choice?**
 - NZ Govt. Primary Producer Boards.
 - Agriculture ITO. Representative Farmer Groups.
 - Secondary Schools. Other Training Providers.
 - Current Employees. Current Employers.

6. **Do you perceive that the remuneration for young farm staff is adequate?**
 - Yes, more than adequate.
 - Yes, adequate.
 - Yes, but could be better.
 - No.

7. **What is an appropriate starting wage for a new entrant into Agriculture?**
 - \$16,000 \$18,000 \$20,000 \$22,000 \$24,000⁺

8. **Would you be prepared to subsidise a students training fee?**
 - Yes, within reason.
 - Yes, but as a bonded employee
 - No.

9. **Do you have suggestions to encourage young people into an agricultural career?**

Survey of Secondary School Careers Advisors

Please tick the answer you agree with.

1. When students ask you about the future of farming as a career choice, do you think this relates to:

- Being able to achieve ownership of their own farm.
- Being able to achieve steady progression to management.
- Being able to get regular full time employment.
- Being able to pursue an outdoors lifestyle irrespective of pay and conditions.

2. How do you see the future in Agriculture for young people?

- Offers little prospect for gainful employment.
- Offers a limited range of job opportunities.
- Offers consistent and worthwhile employment.
- Offers exciting and diverse career paths.

3. What type of student do you think is best directed towards Agriculture?

- Students achieving below average academically.
- Students that demonstrate a more practical, hands on ability.
- Students with good all round academic and practical ability.
- Students that demonstrate outstanding academic achievement.

4. What level of training do young people require before employment in Agriculture ?

- National Diploma.
- National Certificate-Level 4
- Basic practical skills
- None

5. Which of the following groups adequately promote Agriculture as a worthy career choice?

- NZ Govt.
- Primary Producer Boards.
- Agriculture ITO.
- Representative Farmer Groups.
- Secondary Schools.
- Other Training Providers.
- Current Employees.
- Current Employers.

6. Do you perceive that the remuneration for young farm staff is adequate?

- Yes, more than adequate.
- Yes, adequate.
- Yes, but could be better.
- No.

7. What is an appropriate starting wage for a new entrant into Agriculture?

- \$16,000
- \$18,000
- \$20,000
- \$22,000
- \$24,000⁺

8. Do you have suggestions to encourage young people into an agricultural career?

Survey of Parents/Caregivers

Please tick the answer you agree with.

1. When your son or daughter ask you about the future of farming as a career choice, do you think this relates to:

- Being able to achieve ownership of their own farm.
- Being able to achieve steady progression to management.
- Being able to get regular full time employment.
- Being able to pursue an outdoors lifestyle irrespective of pay and conditions.

2. How do you see the future in Agriculture for young people?

- Offers little prospect for gainful employment.
- Offers a limited range of job opportunities.
- Offers consistent and worthwhile employment.
- Offers exciting and diverse career paths.

3. What type of young people do you think are being directed towards Agriculture?

- Students achieving below average academically.
- Students that demonstrate a more practical, hands on ability.
- Students with good all round academic and practical ability.
- Students that demonstrate outstanding academic achievement.

4. What level of training do you think is required before employment in Agriculture ?

- National Diploma.
- National Certificate-Level 4
- Basic practical skills
- None

5. Which of the following groups adequately promote Agriculture as a worthy career choice?

- NZ Govt.
- Primary Producer Boards.
- Agriculture ITO.
- Representative Farmer Groups.
- Secondary Schools.
- Other Training Providers.
- Current Employees.
- Current Employers.

6. Do you perceive that the remuneration for young farm staff is adequate?

- Yes, more than adequate.
- Yes, adequate.
- Yes, but could be better.
- No.

7. What do you think is the current starting wage for a new entrant into Agriculture?

- \$14,000
- \$16,000
- \$18,000
- \$20,000
- \$22,000
- \$24,000⁺

8. What information do you need to encourage your son/daughter into an agricultural career?



Skill New Zealand
Pūkenga Aotearoa



modern
APPRENTICESHIPS

23 May 2000

Dear Training Provider

IMPLEMENTATION OF MODERN APPRENTICESHIPS: PILOT PHASE

As a potential key business partner in Modern Apprenticeships, I am writing to inform you of progress we have made to date on the pilot phase of Modern Apprenticeships and to indicate some implications this may have for your organisation.

Skill New Zealand received 56 expressions of interest from organisations that wished to participate in the pilot phase. We have carefully analysed each of these expressions of interest and have now invited 15 organisations to submit proposals, based on our tender documents. Proposals are due by 6 June 2000. We ultimately intend to contract with about eight organisations for the piloting phase.

We have advised those organisations which have not been asked to tender that they will be approached later this year regarding their possible participation in the full implementation of Modern Apprenticeships which will take place from 1 January 2001.

The 15 organisations that we have asked to submit proposals will now be seeking detailed support and involvement from relevant ITOs and training providers with which they propose to work in order to pilot Modern Apprenticeships. You may, therefore, be approached by organisations seeking your support and involvement with the piloting of Modern Apprenticeships in a particular region or industry area. An outline of the various roles of different parties involved in Modern Apprenticeships implementation is attached for your information.

I am sure that you are well placed to provide organisations with objective advice and support as they shape their tender proposals. Your support for their proposals will no doubt be reflected in the tenders put forward by organisations. However, if you are approached and subsequently, significant unresolved issues are identified which cause you real concern, we would appreciate your feedback on these. This will help to inform our decision making.

Such feedback should be sent to Caryn Ellis, Modern Apprenticeships Implementation Manager, at Skill New Zealand National Office, Phone 0-4-382 2854 or email: caryn.ellis@skillnz.govt.nz.

Yours sincerely

Max Kerr
General Manager



Key players -

roles and responsibilities in the Implementation of Modern Apprenticeships

Outline of Co-ordinator Role

Modern Apprenticeships Co-ordinators will facilitate the apprenticeship process. They will offer a variety of services to potential or employed Modern Apprentices and employers in order to assist the setting up, retention and completion of Modern Apprenticeships. The Apprenticeships Co-ordinator will reduce the costs and risks to employers in taking on a young apprentice. They will assist with recruitment and advertising, facilitate the training process, particularly by liaising between employers, ITOs and training providers, and support the employment relationship.

Apprenticeships Co-ordinators will be in contact with each employer and apprentice, usually by visiting them, at least once every quarter and more often if required. An Apprenticeships Co-ordinator may work in a particular industry sector or a particular geographic area.

Summary of Roles of Key Players

A number of organisations/persons will be required to work co-operatively to ensure that Modern Apprenticeships work successfully:

The *apprentices* themselves will

- fulfil their employment requirements according to their employment contract;
- sign a training plan as agreed with their employer, and facilitated by an Apprenticeships Co-ordinator ;
- commit themselves to completing their training plan; and
- contribute towards the training costs where appropriate.

The *employers* will

- fulfil their employer requirements according to the employment contract;
- commit themselves to assist their apprentice to complete their training plan;
- undertake the on-job training elements to which they have agreed;
- facilitate the apprentice in undertaking any required off-job training; *and*
- contribute towards the training costs where appropriate.

The *Industry Training Organisation* under whose auspices an apprentice's training takes place will

- ensure that the appropriate industry training is available;
- manage the training arrangements to enable the apprentices to complete their training agreement; *and*
- through money set aside for Modern Apprenticeships and administered by Skill New Zealand, subsidise the training activity costs associated with on and off-job training and assessment.



Training Providers will

- liaise with Apprenticeships co-ordinators and ITOs to facilitate the timely and effective completion of off-job training required by the apprentices' training plans;
- provide effective and timely off-job training as required;
- provide effective and timely assessment as part of off-job training, as required; *and*
- monitor the effectiveness for Māori and Pacific Islands apprentices of off-job training arrangements.

Apprenticeships Co-ordinators will

- assist potential apprentices and employers to set up apprenticeships;
- screen potential apprentices and facilitate employment;
- assist employers and apprentices to determine appropriate training plans, which where necessary will include key skills as well as skills leading to the chosen National Certificate;
- facilitate the completion of the training plan; *and*
- support the apprentice by providing advice and resolving problems.

Skill New Zealand will

- be responsible for overall administration of Modern Apprenticeships, and for advising the Minister on the implementation of the programme;
- implement nation-wide information and marketing campaigns to support Modern Apprenticeships;
- administer Modern Apprenticeships industry training funding to ITOs;
- contract, fund and support Apprenticeships Co-ordinators; *and*
- evaluate the pilot Apprenticeships Co-ordinator arrangements, in order to advise on the best options for further expansion.



Strong Response To Modern Apprenticeships

Associate Minister of Education (Tertiary Education) Steve Maharey is delighted with the interest shown throughout the country by organisations wishing to participate in Modern Apprenticeships.

"Since the policy announcement on 22 March there has been an extremely strong and positive response to Modern Apprenticeships which augurs well for the upcoming pilots," he says.

"Modern Apprenticeships has obviously struck a chord with employers and organisations up and down the country. I believe this is because Modern Apprenticeships provide a very practical response to an identified need in the community and a gap in our current education and training pathways."

A large number of organisations have approached Skill New Zealand about becoming involved.

The criteria for the Modern Apprenticeships pilots and the basic criteria for those seeking to become Modern Apprenticeships Co-ordinators have been finalised and are detailed elsewhere in this issue.

Skill New Zealand has begun preliminary discussions with a number of organisations that might be involved in piloting Modern Apprenticeships. No decisions have been made yet about which organisations will be selected for the pilots, which will run from July this year. Legislation for Modern Apprenticeships will be introduced by the middle of the year and Modern Apprenticeships will be introduced nationally from early 2001. The Government aims to have up to 3,000 Modern Apprenticeships by early 2002.



"It is really important for the success of this initiative that people share their insights into how the Modern Apprenticeships model might best work in their region or in their industry. I urge industry training organisations, educators and employers to take the time to look at what is being proposed and respond."

Steve Maharey, Associate Minister of Education (Tertiary Education)

In the meantime, consultation about Modern Apprenticeships is also underway. Steve Maharey says: "We are aware that there is a wealth of expertise and knowledge in the education and industry training sectors that will assist in the successful implementation of Modern Apprenticeships. We also know that local knowledge will be vital in ensuring Modern Apprenticeships suits the needs and characteristics of each region."

"It is really important for the success of this initiative that people share their insights into how the Modern Apprenticeship model might best work in their region or in their industry. I urge industry training organisations, educators and employers to take the time to look at what is being proposed and respond."

"Now is the time to contribute to making Modern Apprenticeships as effective as possible for developing the skills of young people and the knowledge base and learning infrastructure of our communities," says Steve Maharey. ■

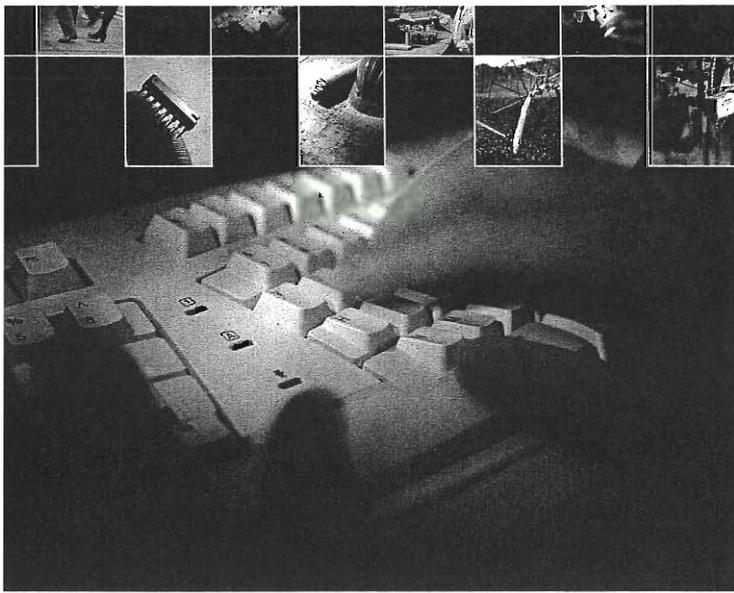
Consultation Feedback

Suggestions and ideas about how to make Modern Apprenticeships work well in your industry or region may be directed to either:

Skill New Zealand
National Office
P O Box 27 048
Wellington
Or

Office of Steve Maharey
Associate Minister of Education
(Tertiary Education)
Parliament Buildings
Wellington





Piloting Modern Apprenticeships

Between July and December 2000, Skill New Zealand will establish approximately eight pilots providing up to 500 Modern Apprenticeships.

Fifty-six organisations have expressed interest in participating in the Modern Apprenticeships pilot phase. Skill New Zealand has begun initial discussions with some of these.

The key roles for Modern Apprenticeships Co-ordinators are to:

- provide recruitment and placement services to assist young people to access Modern Apprenticeships;
- help employers engage suitable people as Modern Apprentices;
- support and facilitate the training of Modern Apprentices to ensure their training leads to the achievement of credits and the completion of qualifications on the National Qualifications Framework;
- provide mentoring for apprentices to support their employment and training.

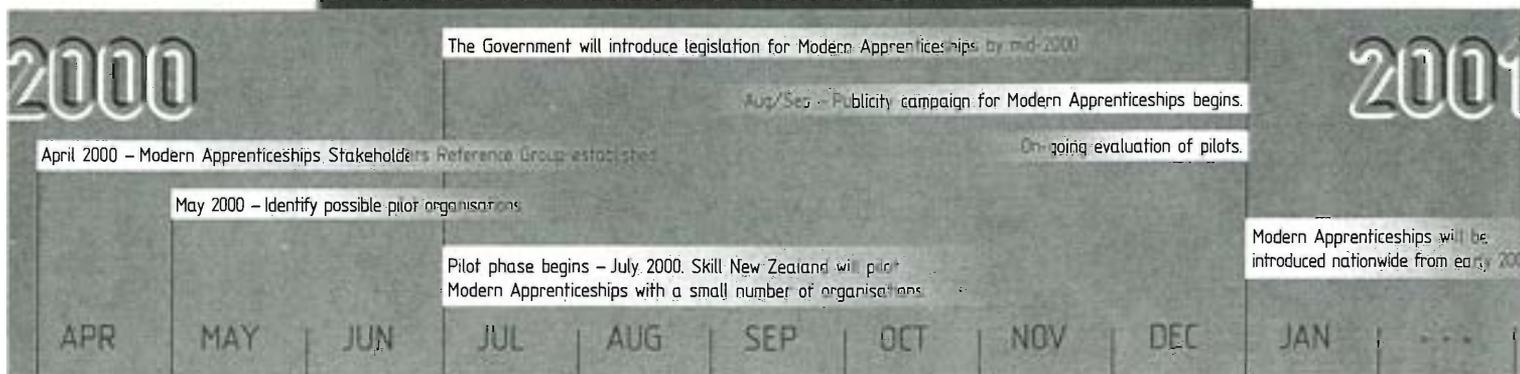
The pilots are designed to explore a number of concepts in order to identify the best operating mechanisms prior to full implementation in 2001 and beyond. The pilots will:

- test a range of delivery and organisational models by ensuring a mix of ITOs, polytechnics, private training establishments and community-based organisations;

- ensure a diverse mix of nationally-based and regionally-based pilots. For example, some pilots may focus on a particular industry in different parts of New Zealand, others on a particular industry within a region, while others may straddle a range of industry boundaries within a region;
- enhance the achievement of outcomes for Maori and Pacific Islands people;
- test the concept and use of individual training plans – what this might mean and how it will be monitored;
- explore the application of key skills and how these might be effectively included in a training plan;
- identify and resolve interface issues, such as the interface between Modern Apprenticeships Co-ordinators and schools, employers and ITOs;
- test and refine administrative issues including payment systems, financial management and data collection;
- identify the costs of different forms of service delivery.

An important point to note is that Skill New Zealand will continue to work with organisations that have expressed an interest in carrying out the co-ordinator role, but are not involved in the pilot phase. Organisations which have recorded their interest in being a co-ordinator to Skill New Zealand, will be contacted later in the year regarding their possible participation in the national implementation from January 2001. ■

THE IMPLEMENTATION TIMELINE



Criteria For Pilot Modern Apprenticeships Co-ordinators

In order to assist Skill New Zealand to explore the complex range of issues during the pilot phase, pilot Modern Apprenticeships Co-ordinators will need to meet a number of criteria.

Pilot Modern Apprenticeships Co-ordinators must:

- be financially sound legal entities with which Skill New Zealand can legally and safely contract for a period of years;
- have a deep understanding of particular labour markets (eg., industry or regional);
- have well-developed employer networks and the confidence of employers with whom they propose to work;
- have close and effective working relationships with relevant ITOs;
- have worked successfully with young people;
- have a good understanding of New Zealand's training system and the National Qualifications Framework;

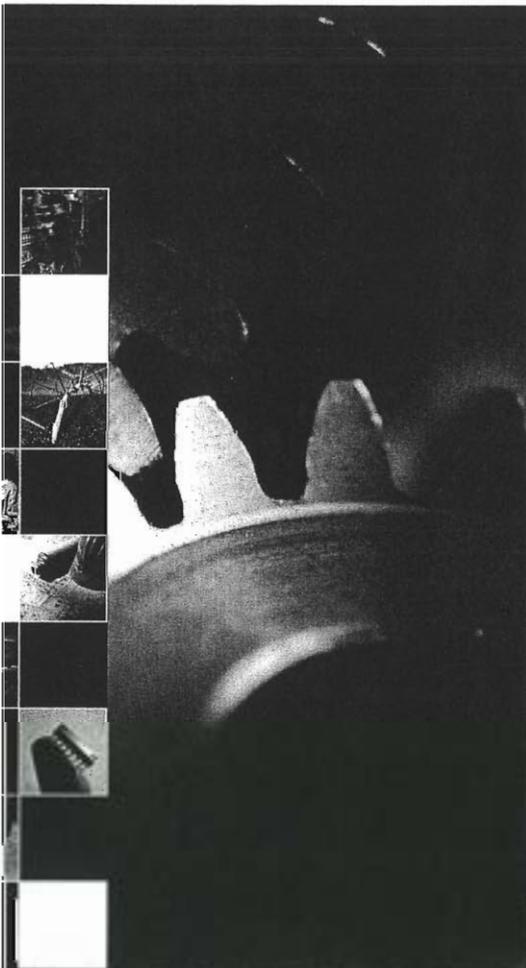
- have a good understanding of learning processes, particularly relating to on-job training;
- be able and willing to operate within the Modern Apprenticeships policy framework;
- be able and willing to work with Skill New Zealand, and be open and willing to share successes and failures, adjust contracts as circumstances change, work with a high level of mutual trust, and learn with Skill New Zealand;
- have a track record of success and the achievement of results;
- have a strong customer focus and be able to work with others and incorporate a range of networks and co-operative relationships in order to achieve success.

These are the criteria for the pilot Modern Apprenticeships Co-ordinators. As we learn from the pilot phase, the criteria may be re-shaped and enhanced for the national launch from January 2001. ■

MODERN APPRENTICESHIPS – KEY FEATURES AT A GLANCE

Modern Apprenticeships are to be administered by Skill New Zealand and will:

- provide systematic, high quality, workplace learning;
- be targeted primarily at 16 to 21 year olds;
- be based on a training agreement and an individualised training plan, signed off by both the employer and the apprentice;
- lead to national qualifications in a wide range of industries at levels 3 and 4 of the National Qualifications Framework;
- cover both industry-specific and generic skills;
- grow the apprenticeship concept beyond the traditional industries;
- complement existing tertiary education and industry training options.



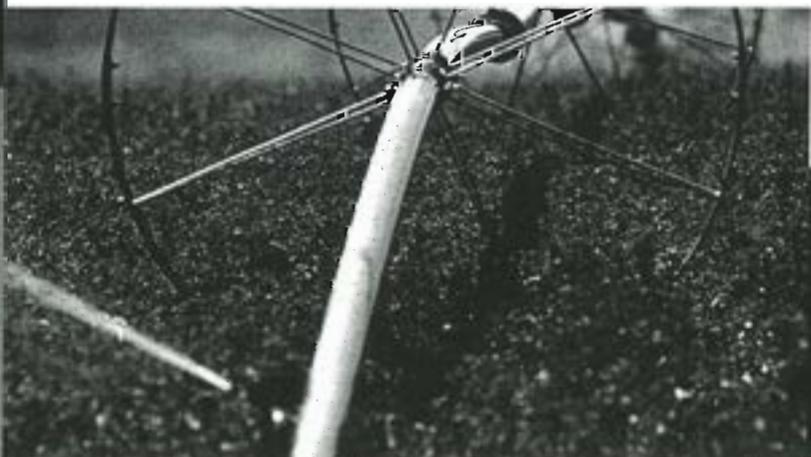
2002

The aim is to have up to 3000 new Modern Apprenticeships in place by early 2002.

JAN

FEB

MAR



Reference Group Meets

The Modern Apprenticeships Reference Group, established to provide an effective communications forum with key stakeholders, has met twice so far.

The Reference Group is made up of sector representatives from the Industry Training Federation, the New Zealand Employers' Federation, the NZ Council of Trade Unions, the Association of Polytechnics and private providers associations. It will act as an interface with sector groups during Modern Apprenticeships' piloting and subsequent implementation.

Steve Maharey, Associate Minister of Education

(Tertiary Education) says: "One of the underpinning philosophies of Modern Apprenticeships is to establish more dynamic links and learning partnerships between the players who will make it work - employers, educators and community organisations. The Reference Group has a pivotal role to play in this regard. It is providing a mechanism for actively seeking co-operation and input that will strengthen the implementation of Modern Apprenticeships."

The group has been fully briefed by Skill New Zealand about key issues and progress to date with the Modern Apprenticeships pilot phase. ■

Receiving Modern Apprenticeships News

This newsletter is designed to keep you informed about the latest developments with Modern Apprenticeships. It will be published regularly. If you would like to be added to the mailing list or receive additional copies, please contact:

Skill New Zealand
National Office
P O Box 27 048
Wellington
info@skillnz.govt.nz



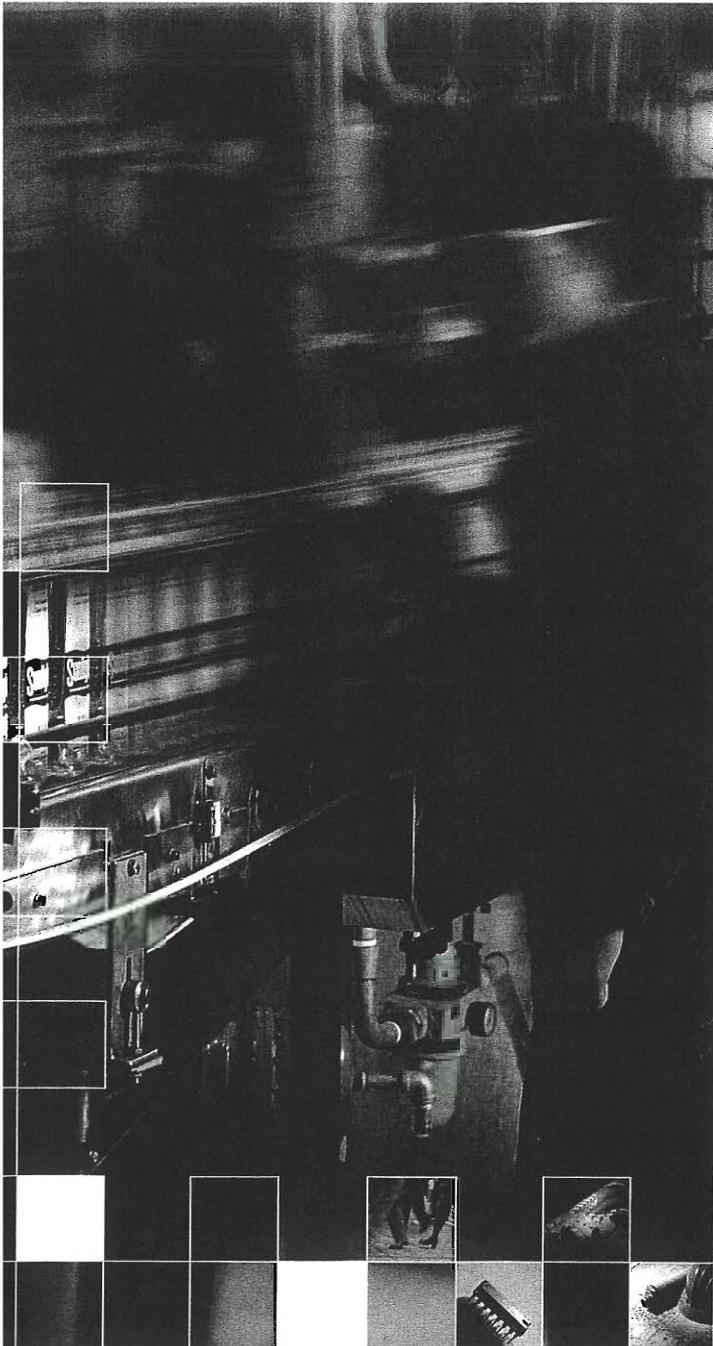
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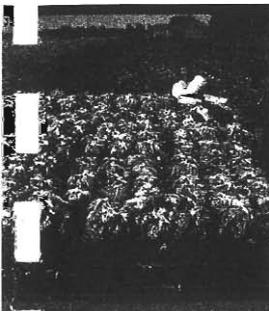
The Sustainable Farming Fund

The purpose of the Sustainable Farming Fund is to support community-driven programmes aimed at improving financial and environmental performance of the land-based sectors. It will help rural communities overcome barriers to their environmental, social and economic viability.

The Fund will do this by supporting three types of activities:

- **Access to information/knowledge.**
- **Access to tools** to convert information/knowledge into options and to make informed decisions.
- **Bringing together “communities of interest”.** These are groups of people or sectors drawn together by a shared problem or opportunity.

The focus of the Fund is on projects that are practical and to help the transfer of information and technologies from technical experts into the hands of the wider community.



Government Support for Land-based Industries

The land-based primary industries are, and will remain, the cornerstone of the New Zealand economy. Wise use of the resources that underpin these industries is vital.

In recent years, rural communities have experienced many changes. Some of these, along with a number of natural events, have had adverse impacts for many of those communities. Our ability to manage the risks and to respond to new opportunities is the key to our future economic, social, and environmental well-being.

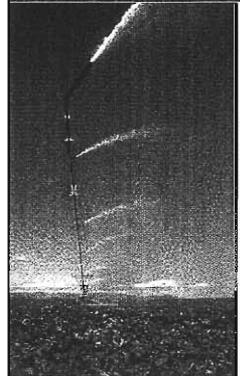
The Government recognises the profound interdependence of financially viable land-based businesses, sustainable rural environments, and thriving rural communities. As a former Parliamentary Commissioner for the Environment once said: "It's hard to be green when you are in the red."

While a good season points to recovery in some sectors, the structural changes of the recent past have highlighted areas where support is needed. To help maintain the viability of rural communities and contribute to the improvement of their economic base and protection of environmental values, the Government will provide assistance in the form of a Sustainable Farming Fund.

This contestable Fund will provide financial support through grants for help in solving community problems thereby enhancing environmental, economic and social outcomes.



Minister of Agriculture and Minister for Rural Affairs



The Projects

The Fund provides grants for projects lasting from one to three years.

Projects must seek to address a need that is identified by the community. The community needs to express a desire for the aim of the project and be willing to contribute to the project. Projects may include but will not be restricted to:

- Resource inventory work.
- Investigations into the efficient use of land-based resources.
- Demonstration projects.
- Information/technology transfer.
- Identifying barriers to and options for improved land use and management.

Criteria

Preference will be given to projects that:

- Provide the greatest benefit across a rural community (as opposed to benefits restricted to individuals or private companies).
- Demonstrate genuine commitment of, and partnership with, a rural community. Partnership must involve financial participation. A larger amount of community contribution indicates a greater degree of community support.
- Align with existing community or sector strategies (e.g. research strategies, regional development strategies).
- Promote economic and environmental sustainability.
- Are aligned with and do not clash with other government initiatives.
- Can demonstrate value-for-money.



In general, the Fund should be the sole provider of a government cash grant to a project. A project may be co-funded from other government funds, but the total government contribution cannot exceed 80 percent of the total project cost. Contributions from partners and communities can be by cash or “in-kind”. Ways of valuing in-kind contributions are described in the guidelines to the application form (see section “How to Apply”).

The maximum grant payable will normally not exceed \$200,000 (GST inclusive) per project per year.

To meet logistical constraints in the first year of the Fund (1 July 2000 to 30 June 2001) the lower limit for projects will be \$10,000 i.e. projects should have a total cost of \$10,000 or more. It is intended that, in subsequent years, part of the Fund will be reserved for projects under \$10,000. Applicants for these projects will use the same application form but applications will be processed by a simpler system.

There will be two application rounds during the current financial year. The first round (described in this brochure) is for projects that will be ready to go in the financial year ending 30 June 2001. The second round will be for projects that can start from July 2001.

Applications for this second funding period will be invited early in 2001.

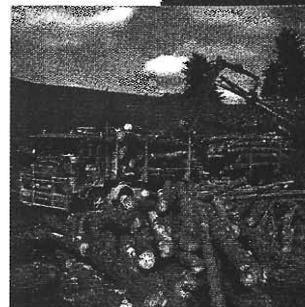


Who is Eligible to Apply?

Any group, organisation or individual able to demonstrate they are capable of delivering the proposed project can apply.

To be eligible to apply for the Fund applicants should:

- Be resident in New Zealand for tax purposes.
- Demonstrate how the funding will add value to existing activities.
- Demonstrate a commitment to retain the value of the proposal in New Zealand.
- Demonstrate capability and motivation.
- Show why they need this funding rather than any alternative funding.
- Have proposals and concepts consistent with New Zealand's laws and regulations.
- Represent an identifiable entity and have the authority to sign a project agreement (contract).



The following are examples of activities that will not be funded by the Sustainable Farming Fund.

- Capital expenditure or purchase of capital items.
- The long-term on-going costs of an organisation.
- Costs incurred prior to the application being made, or for projects already completed.
- Activities that councils are required to do by law or that are clearly the responsibility of government agencies.
- Local/central government fees and charges.
- Projects that are more appropriately funded by other funding agencies.
- Conservation projects, or proposals relating to mining or marine farming.
- An individual's or organisation's normal responsibilities for managing their property.
- Development of an activity, the public use of which will be restricted by copyright or patent.
- Debt repayment or refinancing of existing loans.
- Projects that accrue solely to the benefit of an individual or a single (especially commercial) company or organisation.
- Participation in statutory process or litigation.



The Process

There is a two-stage process that aims to be as simple as possible, with a minimum of “red tape”.

First Stage: Anyone who has a proposal they consider fits with the purpose and criteria of the Fund can send in an initial application. This will be a simple, two-page statement (see section “How to Apply”).

All applicants will be notified at the end of this stage as to whether their proposal will go forward to the second stage or not.

MAF may direct some applications to other funding sources that may be more appropriate. The table below is provided as a first point of guidance to indicate to applicants what other funds are available.

Examples of other Government Funding Sources

Environmental Projects	Ministry for the Environment - Sustainable Management Fund - phone (04) 917 7400
Regional Development	Ministry of Economic Development / Industry New Zealand - phone 0800 424 946
Business Assistance	Ministry of Economic Development / BIZ advisers - phone 0800 424 946
Conservation Projects	DoC (Nature Heritage, Nga Whenua Rahui, etc) - phone (04) 471 0726
Community Funding	Dept Internal Affairs - phone (04) 495 7200
Research Funding	Foundation for Research Science and Technology / Technology New Zealand - 0800 832 469
Employment Funding	Dept of Labour - phone - (04) 915 4300

Second Stage: Applicants whose projects best meet the Fund's criteria will be asked to submit a full proposal. At this stage applicants will be asked for more detailed information about their proposals, including budgets, timeframes and milestones, and evidence of community participation (in terms of commitment to the project and a financial contribution). The additional effort required for a full proposal will apply only to projects that have gone through the initial assessment, and are considered to have a good chance of being successful. The total funding will be paid out only if the quality of applications is adequate.

How to Apply

An electronic application form (plus guidelines) can be downloaded from MAF's Internet web site (www.maf.govt.nz) or emailed on request to sffund@maf.govt.nz or mailed on a floppy disk on request by phoning 0800 100 087. Completed forms should be emailed or mailed back on floppy disk. A hard copy must also be mailed for confirmation. Paper copies of the application form and guidelines are available on request (phone 0800 100 087).

Applications must be received by Friday 20 October 2000 and can be sent in at any time before that date.

Assessment - who decides

People with knowledge of the subject of the application will assess the first stage of applications. The results will then be passed to an independent advisory committee to make a recommendation on which applications should advance to the full proposal stage.

This committee will also assess the full proposals and make formal recommendations to the Director General of MAF who will make final decisions on behalf of the Minister of Agriculture.

Proposed Timetable

The timetable for funding for the current financial year is:

Event	Timing
Application	Closing date 20 October 2000
Call for full proposals	Applicants advised early November 2000
Full proposals	Closing date 1 December 2000
Successful projects announced	Mid-December 2000
Projects start working	From January 2001

Funding for 2001/2002:

Because this is the first year of the Fund, there will be two application rounds during the current financial year. The first round (described in this brochure) is for projects ready to go in the financial year ending 30 June 2001. The second round will be for projects that can start from July 2001. Applications for this second funding period will be invited early in 2001. Funding for the second (and subsequent) years will depend on the availability of government money.

NB "Sustainable Farming Fund" is an operating name that refers to funding voted in the Estimates of Appropriation as: "Sustainable Resource Development - contestable fund for local sustainable resource development projects aimed at improving environmental outcomes and economic performance."



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