

CORRECTED VERSION

RURAL AND REGIONAL COMMITTEE

Inquiry into the opportunities for people to use telecommuting and e-business to work remotely in rural and regional Victoria

Horsham — 31 July 2013

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Mr J. Ackland, chief executive officer, Skillinvest Group.

The CHAIR — John, thank you for coming along to the public hearing of the Rural and Regional Committee of the Parliament of Victoria inquiry into the opportunities for people to use telecommuting and e-business to work remotely in rural and regional Victoria. I hereby advise that all evidence taken at this hearing is protected by parliamentary privilege as provided under the relevant Australian law. I also advise that any comments made outside the hearing may not be afforded such privilege. For the benefit of the Hansard transcript, can you state your name and address?

Mr ACKLAND — John Ackland, 5 Withell Street, Horsham.

The CHAIR — Would you like to have questions during your presentation or at the end?

Mr ACKLAND — I am more than happy to take questions during the presentation and/or at the end.

The CHAIR — Would you like to lead off with a few comments?

Mr ACKLAND — Yes. Thank you very much for the opportunity to appear before you today. My role in the region and beyond the region is as the CEO of the Skillinvest Group, which is an employment and training organisation. It is a group training company, which is involved in training 600 apprentices. It is a registered training organisation. We provide youth work. We provide training for mature-aged employees and we also run the Longerenong agricultural college; we were successful in a tender a number of years ago to run Longerenong College. We have built that up from something that was nearly closing down to something that is going very strongly currently in the agricultural sector. That is the background to where I am coming from. We deal with young people predominantly, although we do deal with mature-aged people as well.

The organisations I run, although I am based in Horsham, have offices in a number of areas, including the metropolitan area and Gippsland. We cover a wide area in our work and thus videoconferencing, e-learning and those sorts of things are very important to us in terms of how we are going to provide our services economically moving forward. Travelling and occupational health and safety come into it as well, with people spending a lot of time on the road, including me.

Some of the things we are looking at for the young people are e-learning and delivery of training and how we can be more economical and attract more courses and more information to the regional areas. There is a concentration of these in the Melbourne metropolitan area. As I mentioned, we operate there as well. But how do we keep young people in the regions? By offering them the education and training they need to gain employment. That is why they need to stay here. How do we attract them to do that? We are also looking at e-learning for our Longerenong College students. How do we attract more people or people from interstate or people from the far reaches of Victoria to take up the opportunity of e-learning and look at some of our short courses or agricultural courses as part of that?

Obviously it is for our staff as well. I am doing some training at the moment in risk management with SAI Global. A part of that diploma is e-learning. There are a number of days training in Melbourne, but a lot of that is online as well. That allows me to do it, rather than be absent from work, otherwise I might not have been able to access that training or I might have had to spend a lot of time away from work. Looking at the rural sector, farmers need to be trained and cannot always drive into Longerenong if they are in rural and remote areas. How can we offer them training and keep their skills updated, not only their in-the-paddock skills but also their marketing, financial and other skills? They are the areas we are looking at in e-learning and in a number of other areas.

I mentioned videoconferencing. There is still a way to go. A lot of it is very expensive, but we are looking at other ways we can access our offices via videoconferencing to keep operating and make sure that WORKCO still operates out of Horsham. Between us the group employs nearly 150 people. It is a large organisation, but we need to keep it in regional Victoria. How do we access our offices in Gippsland, Melbourne and Horsham and link those up by videoconferencing to communicate, for training and to keep everybody up to date on what our organisation is about and the services we need to offer?

At the management level, I am the vice-chairman of Group Training Australia, which is a national organisation. It meets in Sydney. I am also chair of the finance committee for that group, which does not meet in Sydney; however, we need to meet via videoconferencing, and I bring those skills to Victoria by being on that

committee. But how do we afford to access videoconferencing to keep regional Victoria up with that knowledge and skills? They are some of the challenges we have.

The directors of our organisation are all AICD trained — the Australian Institute of Company Directors. Online training is important to me for those directors to keep their AICD registration updated. I also believe that not-for-profits, of which we are one, have a weakness in their boards not being upskilled, which leads to a lot of failures. We need to take the lead ownership of that and how we access the training and encourage people to do more training when they are having to go to Melbourne. We have had the AICD up here a number of times running courses, but we cannot always fill a course. How do we access that electronically and by videoconferencing? They are some of the challenges we have from a — —

Mr HOWARD — Can I just ask you then, John, in regard to videoconferencing, is the issue limiting your ability to expand videoconferencing related to broadband availability or is it related to the cost of the hardware and material associated with videoconferencing?

Mr ACKLAND — I would say both at the moment. The cost of it is fairly expensive, although we are looking at more internet-based videoconferencing, which is not as good as if you put your own in, but the cost of that is fairly prohibitive for us at this stage. You still have to have the power to run it as well, so it is a bit of both. The NBN is a real issue for us. Hopefully we will be getting that in, but if you take Longerenong, it is 13 kilometres out of Horsham and they are not going to go to Longerenong with the NBN. That is an issue we have. It is a major training facility. We have Bayer out there, which you may or may not be aware of. It is a \$40 million investment, which is fantastic for the Wimmera and the college, but they are an international company; they are going to need top-quality internet services. So how do we expand that and get the NBN out there? Those are some of the issues.

Mr HOWARD — Even if you cannot get NBN, what sort of quality of videoconferencing would be available to you at the moment?

Mr ACKLAND — If we are in Horsham, it is okay, but once you get outside of Horsham to our outer offices, if they are off the highway, it is limited. That is the problem. I wish we had offices at Donald and places like that and in Bairnsdale. So you are getting off the main drags there — you are getting the limited services in that area.

Obviously for students at Longerenong it would be very handy to have better communication as well for our students. They do 10 weeks during their second year of on-the-job training, so they are not there to be able to communicate. Often it is on the college to get the good communications out to study over the internet, and research is pretty important as well.

We are also looking at e-business, which is another focus. We are obviously training somewhere near 600 apprentices. That is of interest to us as to how we train our apprentices. They deal with you electronically. They are young people. That is how they talk. If you try to ring an apprentice, you will not get an answer, but if you text them, you will get one straightaway. It is all those issues about how we keep up with that and communicate with our young people. That is the issue for us of supplying online learning through tablets, through distance learning, through keeping in touch with them and reducing our costs as well to be competitive in the labour market, which would be things like electronic timecards, which are available. Most young people have a tablet or an iPhone of some description; they can send their timecards in from remote locations so they get paid. They are the modern business terms that we are looking at introducing as well to make us competitive internationally, but within Australia and in the regions.

Obviously electronically with tablets, a lot of the larger organisations, for example, have all of their manuals on iPads — those types of things on tablets. So instead of taking a heap of books out to repair a header or a tractor, you take the iPad and it has got all of the manuals on it. We need to be keeping up with that information and to be able to reload that for our training for young people as well and use the same equipment, because that is what they are going to use out in the field when they are fully fledged mechanics or whatever trade they are in.

Finally, looking at access, which I briefly mentioned before, it is about management and staff accessing training online so that we can keep up with the latest in training, make sure we are valuable contributors to the region and keep up with that. We are fairly keen to do that. Basically those are our issues.

The CHAIR — You are training online. Is that available any time of the day or at certain hours where — —

Mr ACKLAND — We do not do a lot online at the moment, but we are moving towards that. There are limits of that because of where we live, but we want to put more online so that we can have access to more people, otherwise we do not compete, and then you are going to put competitiveness at risk being in country areas.

The CHAIR — What is online, though? Is that when you have a lecturer there, or is it just online and the students can access it all the time?

Mr ACKLAND — Probably we are looking for the access all the time. From time to time you want to have some e-learning or some videoconferencing with a guest lecturer from someone else, but mainly we are looking at online learning that is accessible all the time. We do occupational health and safety online at the moment with the Group Training Association of Victoria. All of our young people can do that online before they even start their apprenticeship. That is quite a good program, and it is up to diploma level in occupational health and safety.

The CHAIR — Other than the network, what could the government do to help you if the network was there?

Mr ACKLAND — Obviously the NBN or an equivalent rollout is going to be really important to regional Australia and regional Victoria, and we are no different to that. I would suggest looking at pilot programs in e-learning in remote areas in a number of areas, such as agriculture — areas where there is probably not a lot available at the moment. Governments could assist in those areas or run some pilots. I know governments are not always looking to hand out money, but for pilot programs, those types of things, it is important that we are able to get into that in some areas.

The CHAIR — A witness earlier today said that it is very difficult to get people to take it up until there is a crisis or whatever. How do you get people to come and learn new skills?

Mr ACKLAND — We are predominantly dealing with young people, as I mentioned. It is not all of them, but 80 per cent of our customers would be young people, so we do a lot of work in the schools. Our organisation runs a program in a primary school, a local Horsham north primary school — Horsham Primary School, Rasmussen campus. We run a vocational program in there that we actually fund ourselves — there is no government funding at all — to encourage young people to go to school. It is not all about making them tradies; it is about encouraging those young people to go to school and realise that there is an employment opportunity for them. If they finish year 10, they will get a job. That is basically what we are saying. We are starting back there to encourage young people to get into the work, and that is about learning through a lot of areas.

In the secondary schools our staff go in constantly with the careers advisers talking to young people, talking to them about opportunities. We are a sponsor of the careers day locally, and we do that at our other offices as well. We are really starting with young people to educate them about the opportunities, and training is a part of that.

I guess from a Longerenong point of view, we are heavily marketing, but that market is to year 11 and 12 students, so we attend all the TIS events, we attend careers days all over the state and interstate as well, and we try to attract young people to that, which is obviously very successful. Longerenong is growing at about 10 per cent a year in student numbers and has been for the last seven years.

Mr TREZISE — John, you mentioned before from an employer perspective health and safety issues. Did you want to expand on that?

Mr ACKLAND — Obviously we are employing in a lot of trade areas, so it is really important to us, not only for our own staff but particularly for our apprentices. So you are dealing with young people who really need to be trained in occupational health and safety before they commence work. So that is that online training; they can access it from any regional centre as long as they have access to a computer. It is run through the Group Training Association of Victoria. So that gives them some knowledge, and they have to pass it before they can start. They are self-paced learning modules that go up to the diploma level. It is really important to us that young people do that first. It is important that we keep up with it as well.

The CHAIR — John, you said that Longerenong was growing at 10 per cent a year. What about other parts of the business? Are they growing at the same rate?

Mr ACKLAND — If you looked at the statistics this year for apprentices in Victoria and Australia, they are down across Australia. Our numbers as a group training organisation are pretty stable, so we have been fortunate in that, but we deal predominantly with small to medium size enterprises. Often when things are a little bit tighter, businesses look to group training as that safety net, because we are the employer, if you understand the model. So we have been lucky in that. It has still been tough across Australia. With my role in Group Training Australia as the vice-chairman I talk to a lot of companies, and most states are feeling the pinch in the apprenticeship area. Although, before that, when it was hard to fill positions, we could not get young people to fill positions. We still have vacancies.

Mr HOWARD — John, you operate not just here in Horsham, but you do have campuses, or whatever you like to call them, in other places in the Wimmera, Melbourne and right down in Gippsland. I presume that that would be pretty difficult to do unless you had good internet connectivity between your sites and connectivity in a range of ways. I am wondering how that has changed for your organisation over the years.

Mr ACKLAND — I probably think it has not been the internet that has helped us. It has been human capital — we have been prepared to do it, like country people do. I work out of Melbourne two days a week, and we go to Gippsland as well, so it is that ability and willingness to do that to expand our operation to bring knowledge back to country areas. We would like to be able to reduce that by getting better videoconferencing with our offices to reduce costs and travelling time with a lot of our staff. That is sort of where we are heading, but we have not got there yet.

Mr HOWARD — You have not got there yet, but have you been able to change in the way you have operated to be able to see yourselves travelling less —

Mr ACKLAND — Yes.

Mr HOWARD — and see some of your other staff travelling less, using the various capacities that are out there now in terms of IT?

Mr ACKLAND — We have moved somewhat towards it, Geoff, but we still have a long way to go. As I said, the videoconferencing is probably one key to it. That has been affordability in the past as well as access to good capacity within some of those offices or regions. There is a long way to go in that way. We have come a long way with the use of tablets and those sorts of things to reduce paper and costs, so we do not send paperwork out for meetings. Our board meetings are all on tablets, and those sorts of things, as well as all of our managers meetings. We have come a long way in those areas, but we still see ourselves going further to become a leader in the area we operate in.

The CHAIR — John, do you have any final comments for us about how we can make this work?

Mr ACKLAND — My only comment would be for government to resource it in some areas. That is not to say you need to give great handouts of money, because that is not always government's role. As I mentioned before, it could be pilot programs for organisations to experiment with. It might be talking to other organisations that could assist people in country areas to access things like videoconferencing. There might be some financial resources. Maybe government could lend other resources, as in human capital, who have the knowledge to assist organisations to better develop videoconferencing and communications.

The CHAIR — Thank you very much for your time here today. It has been very valuable. A copy of the Hansard transcript will be sent to you in about a fortnight. You will be able to make corrections to obvious errors, but other than that it should stay as it is. Once again thank you very much for coming along and giving us some insights into how you have made it work in your business.

Mr ACKLAND — Thank you very much for the opportunity.

Witness withdrew.