

Submission to Independent Pricing and Regulatory Tribunal (IPART)

Pricing VET under Smart and Skilled

Submission made on Behalf of the Nursery and Garden Industry Association NSW & ACT (NGINA)

Summary

NGINA is the peak industry body for the nursery and garden industry in NSW. Whilst IPART has focussed on achieving fairness and equity in the pricing structure for future training in NSW, it does not in our opinion address the real issue for small, specialised industries such as the nursery and garden industry. This is further addressed in our comments below under the relevant questions from the Issues Paper with question and page numbers listed.

7 Thin markets: 42

– What training markets are likely to have low levels of demand and high operating costs (these markets may be defined geographically, by occupation or demographically)? 42

NGINA: The nursery and garden Industry fits into this category.

– Should we test for a thin market by using the difference between the cost per student and the base price (plus loadings) expressed as a percentage? 42

NGINA: No

– What other test should we consider? 42

NGINA: For the nursery and garden industry there are no easy ways to measure this. Apart from the comments on the nature and size of the industry in Q8 below, the industry is demographically and geographically challenged in its spread across the state.

8 How should the price and fee arrangements take account of the Government's training priorities when sharing base prices between student fees and government subsidies? Should the arrangements also consider the private and public net benefits that may be realised when a student undertakes VET? What alternative approach or criteria should be used to decide how the efficient costs of VET should be shared between students and taxpayers? 46

NGINA: The nursery and garden industry is and will be for the foreseeable future a thin market characterised by the following key factors:

- It is a relatively small industry
- The industry requires unique skills to maintain its quality and efficient delivery of outputs mainly plants and a range of garden and environmental products)
- The outputs it delivers are used by many downstream industries (landscape, home gardens, councils, developers, commercial growers of fruit, vegetables, flowers and forestry), all of whom need the delivery of quality products.
- These downstream sectors use the core product produced by the nursery and garden industry workforce to add value to open spaces, communities large and small, food, aesthetics, not to mention the environment and the air we breath.
- Given the nature and size of the industry and the wider value that it contributes to the community for which it receives little recognition, there is a special case to be answered.

9 What is the effect of the level of student fees on students' participation in

VET, eg to what extent do the current fees influence participation? What effect might a hypothetical doubling of fees have? 53

NGINA: The Nursery and Garden industry currently endures huge difficulties in attracting trainees. Any increase in fees would have a devastating effect on both the uptake of trainees and the quality of training delivery

12 Do any other characteristics of the VET sector warrant additional government subsidy of the costs of VET provision? 54

NGINA: Yes. As outlined above the industry is small but contributes enormous value to the economy and human health and wellbeing.

As State and Federal Governments have pushed the responsibilities for managing Biosecurity towards shared responsibility, the impact of not ensuring that qualified horticulturists who can identify pests and diseases are not adequately trained in sufficient numbers, then there may end up being devastating consequences to the environment through undetected incursions.