



Pricing VET under Smart and Skilled
Independent Pricing and Regulatory Tribunal
PO Box Q290
QVB Post Office NSW 1230

1st May 2013

Sustain Transport welcomes this opportunity to respond to the 'Pricing VET under Smart and Skilled' *Issues Paper*.

Sustain Transport is a Working Group of Sustain Northern Rivers (SNR), a collaboration of 26 peak regional organisations working to address the impacts of climate change and to generate sustainable transport, food and energy outcomes in the Northern Rivers. Its transport goals are to reduce transport emissions, increase transport options, and to increase physical activity, social inclusion and resilience.

We have noted that the *Issues Paper* makes no reference to transport in discussions around VET pricing and fee arrangements and consequently we want to bring the following issues to the attention of IPART:

- Fee pricing for VET needs to consider the significant additional costs to students for transport to travel to and from their educational institution or training facility.
- As noted in the *Issues Paper* 'VET students in NSW include a wide range of equity groups, including Indigenous students, students with a disability and students from non-English speaking backgrounds', and 'significant proportions of VET students in NSW have relatively low levels of social and economic advantage' (p12). Evidence indicates that these groups are also likely to suffer transport disadvantage due to reduced access to private vehicles and inability to afford the cost of public transport. Therefore any consideration to attain equity through VET concession or fees exemptions will fail unless transport costs are also taken into consideration.
- Half fare student concessions that are available to some VET students are often still unaffordable. There needs to be a specific VET travel concession linked to eligibility criteria for VET fee concessions and exemptions. A recent Sustain Transport forum found that some students face prohibitively high cost of travel to TAFE, especially in rural areas where distances are greater. For example, a student fare from Casino to Wollongbar TAFE is \$10 one way. An example of a Casino student who pays \$100 per week some weeks to access TAFE studies was cited.



- The *Issues Paper* recognises the public net benefits from students undertaking VET and these are likely to be proportionately higher for the equity groups mentioned previously, particularly in relation to ‘benefits relating to social cohesion and unity’ mentioned on page 46. People who suffer transport disadvantage as a result of low socio economic circumstances are often those most in need of VET in order to reach their full potential, in particular ‘increased self –esteem, life satisfaction and happiness’ (p 45). Inability to access VET due to inability to afford transport costs compounds the lack of opportunity to improve ones life and circumstances.
- In particular, State Targets for VET (Appendix C) that specify 20% increases in the number of completions by Aboriginal and Torres Strait Islander students and students in rural and regional NSW by 2020 will not be achievable unless transport costs are taken into account as these two groups are particularly transport disadvantaged in relation to the cost of transport and distances needing to be travelled to access VET.
- In relation to the target for more students to finish high school or equivalent, school to VET transport is a key issue and in particular restrictions around the use of the school student transport subsidy free student bus passes. Sustain Transport has noted an increasing need for students to move between secondary school campuses to access VET facilities and study choices. Free student bus passes can only be used from one home address to one school- no travel from school to VET is allowed. We note that a variation can be applied for in cases of shared custody so there may be an opportunity to apply for a variation to incorporate regular school to VET travel. Again, it is the equity groups who are most likely to finish high school through VET but who are also most likely to be unable to access VET opportunities as they are unable to afford the associated transport costs.

Should you wish to discuss any of these issues in greater detail please do not hesitate to contact either of the signatories representing Sustain Transport

Yours sincerely

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Recommendations:

1. A specific VET travel concession linked to eligibility criteria for VET fee concessions and exemptions.
2. Changes to the restrictions around the use of the school student transport subsidy free student bus passes to allow travel from home or school to VET location.