



Dr Peter J Boxall AO, Chairman
Independent Pricing and Regulatory Tribunal of New South Wales
PO Box Q290
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Re: Pricing VET under Smart & Skilled
VNCA Submission to IPART

The Veterinary Nurses Council of Australia makes this submission on behalf of employed Veterinary Nurses in NSW, both qualified and in training. The majority of Veterinary Nurses are employed by independent small businesses in NSW. These small businesses are susceptible to the current economic climate and as such do struggle to meet industry needs for training and qualifications. Veterinary Nursing, while a highly skilled occupation is not a highly paid occupation.

The proposed changes to the funding of Certificate IV level qualifications will have an immediate negative impact on the uptake of the Certificate IV Veterinary Nurse qualification. Being non funded will mean that either potential students or employers will have to pay for what is a nationally recognised qualification. In a poorly paid industry this will discourage uptake of the qualification. Considering that the NSW Government has established targets to improve the uptake of qualifications above Certificate III level especially for women and the rural regions the removal of funding seems to go against the target requirements.

The Certificate IV Veterinary Nurse qualification is the qualification that must be obtained to become a Veterinary Nurse, there is no Certificate III qualification. NSW legislation such as the Radiation Protection Act and the Drugs & Poisons Act reflect the need for a Certificate IV Veterinary Nurse qualification. Removal of funding and thus the disincentive to undertake fee for service training will impact heavily on the ability of veterinary practices to undertake their business as required.

Veterinary Nursing is already listed on the National Skills shortage list. The proposed funding changes with the subsequent increase in fees for a certificate IV qualification will only increase the shortage of qualified Veterinary Nurses. Many students already struggle with present fees.

Many potential students have undertaken Veterinary Nursing as a second career or as a career change. The plan to remove funding from those with previous qualifications will disadvantage many staff who wish to gain their qualification.

The Certificate IV Veterinary Nurse qualification is the entry level qualification for this career. The VNCA requests that the NSW Government consider this to be a "thin market" and ensure that funding is available to those who wish to undertake the qualification.

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1. Do you agree with our proposed approach for developing a methodology to determine prices, student fees and government subsidies for government funded VET? Do you think this approach will lead to arrangements that ensure students and government make an appropriate contribution to the efficient costs of providing VET courses, qualifications and part qualifications?

It is agreed that a suitable methodology for entitlement model be developed to ensure prices are determined fairly and equitably. The proposed methodology has caused concern with the potential impact on uptake of the qualification. As Certificate IV is an entry level qualification to this career the removal of funding will adversely affect both employees and employers. There is no incentive to undertake the qualification required. In an area of traditionally low wages, part time and casual employment many students will struggle with educational funding.

The proposed methodology does not encourage excellence in delivery from RTO. It may encourage delivery based on the cheapest method of delivery not necessarily the best method of delivery. There are instances now where RTO are having to implement cost cutting methods to the detriment of the students, the qualification and the outcomes. The proposed funding methods will only enhance this. There is a growing trend for having 100% online assessment methods and assessment by 3rd party reports. This does not meet ASQA guidelines, industry requirements or the students best interests. Industry requires assessment by qualified workplace assessors and to be undertaken in the workplace.

It is understood that funding will still be available for trainees and purchasing under DEC but not students will be entitled to traineeships. If the NSW government moves forward with the idea of only allowing funding for RTO that are based in NSW a great number of students will be disadvantaged. As a national qualification the "address" of the RTO should have no bearing on funding availability. many students in NSW currently study through RTO that are based in other states. allocating funding to only NSW based RTO is in direct contrast to the NSW Government idea of opening up funding to all RTO both government and private.

2. Are our proposed assessment criteria for the review reasonable and consistent with our terms of reference?

The assessment criteria are consistent with the terms of reference but the range of industries and courses to be determined is too broad at this level for the criteria to have and real impact.

3. Which of the 2 possible methods for determining a base price for courses and qualifications that reflects efficient costs do you prefer (map costs to industry groupings or map costs to Unit of Competency (UoC)?

The VNCA would support costs be mapped to Industry Groupings rather than Units of Competency to avoid situations whereby an RTO will only offer cheaper units of Competency and this affecting the outcome of the qualification.

Have we identified all the advantages and disadvantages of each method?

It is important to consider the impact on career choice and the future desire to possibly change careers. There is concern that students may not complete a qualification in order to ensure funding of future qualifications.

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Is there another approach that we should consider to set base prices?

Consideration must be given to setting prices that allows for a variety of delivery methods by both government and private RTO. Setting base prices should not encourage cheaper delivery options but encourage higher quality outcomes.

4. With reference to method 1 (map costs to industry groupings):

- How should we deal with 'outlier' courses and qualifications, where the costs are significantly above or below the base price?

As per recommendations in the discussion paper there will be a need to ensure subsidies for the well being of society and the impacts that may occur on society

- How should we set a base price for a part-qualification, short course or skill set?

The setting of a base price for short course, skills set or part qualifications would need to account for the facilities and equipment required for delivery, the level of skill required to be met and the individual teaching hours.

- How should the methodology take account of different modes of delivery (ie, classroom based and flexible delivery)?

It is the outcomes that should be of primary focus. The cost of delivery should not change with delivery method as this would encourage cheaper delivery options not necessarily the most suitable delivery options. Costs allocated must include the ability for workplace assessment to take place by qualified assessors regardless of delivery method. Face to face assessment is essential across VET

- How can any adverse effects arising from base prices that reflect an average cost within an industry group be addressed (eg, service quality implications)?

Adherence to ASQA guidelines and requirements is essential. Assessment regulation by an external independent body is a must. The NSW government must ensure that funding is available for all RTO both government and private and that the funding be equal.

5. With reference to method 2 (map costs to UoC):

- What would be the best way to group UoCs?

The grouping of UoC will be determined by qualification and the skills sets required. Consideration must be given to special skills required for any particular qualification and OHS requirements.

The Certificate IV Veterinary Nursing has been specifically developed with set skill requirements and fewer electives than other Certificate IV courses. Grouping of UoC must take this into account.

- How should the methodology take account of different modes of delivery (ie, classroom based and flexible delivery)?

The different modes of delivery should not affect the methodology, focus should be on

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ensuring the methodology of payment allows for suitable cost of face to face assessment.

6. What student groups are more costly to train, and why? What additional costs are associated with providing training for these students?

Students with disabilities, regional or remote students in general would require higher funding for training. Dependant on training materials & facilities required funding may need to be weighted

7. Regarding thin markets:

- 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)?

The Veterinary Industry is a small industry, with a wide geographical spread There is a high demand for placement in training institutes but places outweigh the availability of employment. Regional and remote areas require flexible delivery methods due to distance and the spread of employment opportunities. The operational costs are variable but must take into account extensive workplace assessment in whichever form it is delivered.

- 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?

No this is too simplistic and does not take into account regional issues of delivery.

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?

The NSW Government needs to address price and fee structures within each industry. Some industries are large and have more ability to pay for training than others. Consideration should be given to the return on investment for various industries, technology/IT/Finance industries have a higher wage end result than the veterinary industry and yet both still do VET courses. The Veterinary industry has a low personal return on investment for the outlay that is required.

- Should the arrangements also consider the private and public net benefits that may be realised when a student undertakes VET?

When a student undertakes VET there is an obvious net benefit both private & public. These benefits should be taken into account when considering arrangements but they should not be the sole deciding factor or determine the majority of arrangements. They should not be a deterrent to students considering a qualification.

- What alternative approach or criteria should be used to decide how the efficient costs of VET should be shared between students and taxpayers?

Consideration should be given benefit to society as well as benefit to the individual. The animal care industry is a lowly paid industry and cost criteria should consider the ability of a chosen profession to be able to pay for and manage funding of training.

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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?

The Veterinary Industry is concerned that a doubling of fees would lead to fewer candidates undertaking the course, fewer veterinary nurses and lead to a deterioration in standards and assessments. In Victoria we have already seen this happen and many veterinary practices have found that they cannot afford to train exceptional and motivated staff with a prior qualification that precludes them from any funding.

The subsidisation of student fees for TAFE NSW students only also leads to students determining their RTO of choice based on fees payable not necessarily quality of delivery and qualification.

10. What is the impact of any capacity to pay and/or credit constraints faced by students or prospective students?

The impact on our industry particularly in rural and remote areas would be deskilling within individual practices and a decline in the quality of veterinary nursing staff.

11. How could the approach to sharing base prices between student fees and government subsidy take account of any positive externalities associated with the provision of VET?

Consideration should be given to requirements in regional & rural areas, sustainability and biodiversity.

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

The VET sector has always been an entry level for those who do not wish to pursue tertiary education or do not have the ability to pay for education. It is important that any government bears this in mind when making changes to VET and TAFE. There should be as few barriers as possible for those who need to make a career change through disadvantage or disability. There should be adequate and simple provisions for those with qualifications which are outdated or unusable to be enrolled in new VET qualifications.

13. What is the appropriate relativity between student fees for VET and student contributions for university study?

The two cannot be compared. VET is geared towards those that do not wish to pursue university study. Employment requirements and outcomes are different. The establishment of student fees for VET should be considered on its own merits and not compared to university fees.

14. Which of these options do you think best meets the assessment criteria for this review:

- the student fee (and government subsidy) is an increasing percentage of the base price, depending on qualification level or
- the student fee (and government subsidy) is the same percentage of the base price for all qualification levels areas.

We agree that the student fee (and government subsidy) is an increasing percentage of the base price,

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depending on qualification level

15. What criteria do you think we should use to decide on the additional contribution that should be made by students undertaking a subsequent qualification?

This has created issues for our profession in Victoria. Many of our best Veterinary nurses have Science or Arts degrees that do not qualify them for any particular work and come to Veterinary Practices with a passion for the work. Could criteria be related to inability to find employment with a previous qualification be taken into account?

It is understandable that the government needs to see a return on investment and students once gaining a qualification must "put back" into the industry and economy. Allowances may be made for those wanting to undertake a second or further qualification in a regional or remote area, consideration may be given to those undertaking secondary qualifications that are on the Skills shortage list or where job roles are difficult to fill. This meeting the needs of employers and the community.

Could these criteria be the basis of a fee setting rule?

Yes

16. What evidence is there on the benefits of part-qualifications?

Skill sets should move towards a qualification and so part qualifications should be seen as a pathway to a qualification. In this case there could be a price per unit. Within the Veterinary Nurse industry full qualifications are required in order to ensure job performance and to meet legislative requirements.

Is it appropriate to share the costs of part-qualifications between students and taxpayers in the same way as full qualifications?

while giving more flexibility it may be considered detrimental and dis-encourage those to obtain a full qualification as required.

If not, what other approach would be appropriate?

17. How should the current annual fee for apprentices and new entrant trainees be converted to a fee per qualification?

With competency based training there is no set period in which a qualification needs to be obtained. trainees should still pay a yearly fee for the duration of their training.

- Should a flat fee across all qualification levels be maintained for apprentices and new entrant trainees?

A flat fee payable by the trainee could be allocated across all levels but the funding fee paid by the government to the RTO should increase with each level of qualification.

18. How important are concession fee arrangements (rather than the availability of concession fees themselves) for providing equitable access to VET?

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The arrangements for the concession fees should ensure equitable access to VET.

- Should concession fee arrangements be aligned with fee arrangements for other students?

No

- For example: Should concession fees be charged per qualification rather than per annum (or time served)?

No

- Should the level of the concession fee vary by level of qualification?

Yes as introductory courses Cert I and II level should be as cheap as possible or free to those from disadvantaged backgrounds or with disabilities to encourage uptake of qualifications.

19. How should government payments to Registered Training Organisations (RTOs) for delivering entitlement and purchased training be staged over the period required to complete the qualification or part-qualification?

Every 6 months. Consideration should be given as to whether payments are conditional on progression through the qualification. In some instances the student may not have the ability or inclination to progress and yet the RTO still delivers the training and meets requirements.

20. How should student fee payments be staged over the period of study?

Initial "enrolment fee" then yearly payments

21. Should the current payment arrangements under the Apprenticeship and Trainee Training Program (ATTP) and Strategic Skills Program (SSP) be maintained? If so, should the staged payment of student fees also match these arrangements?

There is a disparity between RTO funding for traineeships and apprenticeships. Traineeship funding is much lower than apprenticeship funding yet certificate levels required for a qualification will be the same. The trade areas under apprenticeships seem to obtain larger funding compared to veterinary qualifications under traineeships.

Consideration should be given to those RTO that deliver the training and yet the student fails to complete, the RTO has done all the work but the student is incapable of completion. The reverse is also true where an RTO may graduate a student who is not competent in order to claim the funding.

Initial funding and completion funding should be considered.

Payment arrangements and funding should be accessible to all RT.

22. How often should the methodology for setting prices and fees for government-funded VET be reviewed or re-estimated to ensure that students and taxpayers both continue to contribute an appropriate share of the efficient costs of providing VET?

Initially this will need reviewing every 12 months to ensure there are no skills shortages due to changes in the price structures.

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23. How should base prices, student fees and government subsidies be adjusted in between reviews? What is an appropriate inflator for base prices? For student fees? For government subsidies?

Consideration should be given to uptake of courses and the recognition of any impact on course numbers due to fee restructuring. Inflation and CPI is not always reflected in wage rises and so will impact on student ability to pay fees.

24. In the years following implementation of Smart and Skilled, would it be appropriate to set a range for the student fee, rather than a single student fee, for each qualification?

Student fees should be based on level of qualification

25. Do you support relaxing fee regulation in areas of government funding where competition setting fees adequately ?

Fee regulation must be connected to consultation with industry and regulation of assessments between RTOs.

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