

## **MEDIA STATEMENT**

Sunday 13 April 2014

### **A victory for common sense in higher education funding**

Speaking in response to today's release of the *Review of the demand driven funding system* report by the Hon Dr David Kemp and Andrew Norton, the Chief Executive of the Australian Council for Private Education and Training, Claire Field today hailed the report's recommendations as "a victory for common sense".

"For years ACPET and its members have highlighted the extreme disadvantage facing students choosing to undertake higher education at a private provider. The recommendations Kemp and Norton make remove the barriers to higher education for students who choose to study at a private institution."

"There is a growing body of research showing the benefits of the smaller class sizes and strong industry links offered in the private higher education sector. The recommendations in the report support student choice and deliver fairness to higher education funding", said Ms Field.

"Equally pleasing is the recommendation to extend government support (via the HECS HELP loan scheme) to all higher education students doing sub-degree programs, and to allow students studying at private providers access to the Overseas HELP loan scheme to support a semester of study overseas."

"ACPET understands that the current budget situation is tight but the report makes sensible recommendations about ways to manage the potential budget impact of extending demand driven funding. A review of the current fees for different HELP loans, and consideration of the introduction of a HECS HELP loan, are measures that would be fiscally responsible and provide more fairness for students studying with private providers and using the FEE-HELP loan to repay their study costs. In addition the sensible recommendations of the Grattan Institute report *Doubtful debt: the rising cost of student loans* to collect HECS loan repayments from graduates who go overseas to work after they complete their studies, would reduce the overall cost impact on the HECS loan scheme."

"I commend Minister Pyne for initiating this important review and urge him to move quickly (with the support of Cabinet) to implement its recommendations. They represent a major step forward for equity in the higher education sector."

"Further work to consider the extension of some Commonwealth support to research intensive non-university providers should be a topic for future consideration."

"ACPET is also supportive of the authors' recommendations that the higher education standards be reviewed and the *My University* website be disbanded and replaced with a site that provides potential learners with information on all Australian higher education providers," said Ms Field.

Ms Field also cautioned that "these recommendations pose an important challenge to Commonwealth and State Ministers with respect to the adequacy and current inequity in funding for the vocational education and training sector."

Speaking at a forum in Brisbane earlier this month, Ms Field highlighted the dire state of VET funding over the past fifteen years – with overall funding decreasing by 25% in real terms. Data collected by the National Centre for Vocational Education Research further demonstrates that, with the exception

of the Victorian and South Australian governments, it has been at the state level that the decline in funding has been most serious.

Ms Field urged the Commonwealth government as it looked to “introduce equity in funding for all higher education students, to not further disadvantage those students choosing a higher level VET course”.

“We need a genuine debate about tertiary education funding (for both VET and higher education students). The release of the Kemp/Norton report is a highly significant contribution and will make a major difference when implemented”, she said.

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