AUSTRALIAN COUNCIL FOR PRIVATE EDUCATION AND TRAINING (ACPET)

Federal Government Budget 2009
1. Introduction

The Australian Council for Private Education and Training (ACPET) is the national industry association for independent providers of post-compulsory education and training. ACPET represents more than 1,100 organisations delivering a full range of higher and vocational education and training and English language courses to both domestic and international students.

ACPET welcomes the opportunity to present a submission to the Federal Government for the 2009 Budget.

ACPET is committed to building an education and training sector in Australia which helps all individuals to establish rewarding, social and economic lives that contribute to a productive and socially inclusive nation. Investment in human capital through education and training will help Australia’s future prosperity and the well-being of its people.

ACPET has been actively engaged with promoting the Rudd government’s initiatives such as the Productivity Places Programs and providing input to the large number of consultations generated from the COAG reform agenda.

ACPET support the direction of the current government to boost productivity and workforce participation through a focus on education and training. ACPET agree that the Rudd Government’s proposed targets are ambitious but achievable by implementing reform based on a continual improvement cycle to position Australia to compete effectively in a fast moving and currently, unstable global economy.

It is important that Australia develops an internationally competitive education and training sector through significant reform and investment however reform of this sector must be in the context of reform for the nation in a number of interconnected areas such as immigration policy and tax reform.

2. The current situation

As stated in the Review of Australian Higher Education Final Report ‘developed and developing countries alike accept there are strong links between their productivity and proportion of the population with high-level skills’. Australia has been losing ground compared to other Organisation for Economic Cooperation and Development (OECD) countries - the nation will need increased and smarter investment in its people in order to remain competitive.

Australia, as a nation competing in a global economy, not only needs to increase the proportion of the population with qualifications, but also to improve the quality of the education and training sector particularly in order to maintain this sector’s share of the international market. International education

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is currently Australia’s 3rd largest export and represents a significant contribution to the nation’s economy.

National and international research continues to highlight the fact that the quality of the education and training experience is mainly influenced by the skills and abilities of the teacher/trainer. However, in Australia the education and training workforce is not highly valued either in the monetary sense or in the professional hierarchy especially those employees operating in the VET sector. Improving the quality of the education and training workforce will significantly impact on the quality of graduates or existing employees looking to upskill.

As stated in the report, Learning for Jobs produced by the OECD Review of VET in Australia2, ‘it is important to implement an interconnected package of policy changes to help make Australia’s education and training sector more responsive to labour market needs’. This submission to the Australian Government for the 2009 Budget outlines a number of proposals to assist Australia to develop an outstanding and internationally competitive education and training sector.

3. The way forward

ACPET supports reform in competition policy; streamlining regulation and commercial provision of traditionally government funded activities to achieve efficiencies and responsiveness. Individuals need a seamless education and training system with multiple entry and exit points as the ideal, flexible and responsive type of learning environment. Quality service delivery will also ensure strong outcomes and place Australia as a desirable destination of study for the global workforce of the future.

Despite a limited competitive national market in this sector, independent (non-government funded) institutes have managed to develop a significant share of the education and training market – approximately 25% of domestic clients and 70% of the international student market. This growth has developed due to the independent provider’s ability to quickly adapt to the needs of clients (individuals and employers) and deliver the education and training required by the client. This ability indicates that it is the commercial, independent sector which is well-positioned to deliver the flexible and time responsive education and training needed to equip and further develop Australia’s workforce.

ACPET supports a national education and training sector driven by client-demand where individuals can choose which institution is best equipped to meet their needs. Our organisation advocates that all individuals should be financially supported (government funded) to gain an Australian Qualification Framework (AQF) Certificate III level or equivalent qualification. Individuals should then be able to access income-contingent loans to gain higher level qualifications.

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To build a quality education and training system, the Rudd Government needs to provide for the following in its 2009 Budget:

- Continued work on an efficient, effective and modern ‘fit-for-purpose’ qualification and quality system structured around performance;
- Development of one tertiary system with rules to ensure all organisation types can attract resources commensurate with their performance in individual learning and skills development;
- Removal of barriers to innovation and enterprise particularly connected with jurisdictional, cultural, regulatory and technical areas;
- Continued support via immigration policy to build Australia’s international education market share;
- Development of an operating environment for business which encourages entrepreneurship i.e.: tax reform; and
- Improvement of contestability to government education and training funding by using a student-centred funding model rather than an institution-based model.

Contact

Rosemary Potter

National Manager, Policy and Research

Email rosemary.potter@acpet.edu.au or phone 03 9416 1355