States request visa extension for VET sector

Exclusive

Michaela Whitbourn

Coalition governments in NSW, Victoria and Queensland have urged federal Labor to extend new post-study work visa rights for international students to the Vocational Education and Training sector.

From next year, international students who graduate with an Australian bachelor, masters or doctoral degree will be able to work in Australia for between two and four years, depending on the level of the qualification.

The same rights do not apply to people studying in the VET sector, who must apply for a 485 visa to stay for up to 18 months. The students are only eligible if they would help meet a skills shortage.

In a letter to Prime Minister Julia Gillard on Friday, NSW Premier Barry O'Farrell and his Victorian and Queensland counterparts, Ted Baillieu and Campbell Newman, argued that the VET sector would be at a disadvantage to universities if the post-study work rights were not extended.

"While it is acknowledged that graduates of certain VET courses are able to apply for a [485 visa], it is not clear why they will not be eligible for the more generous post study work rights," they wrote.

Mr O'Farrell, who leaves on a trade mission to India on Saturday, said: "International education is a $6 billion industry for NSW. Our tertiary education sector is respected around the world and we need to ensure the standing of high-quality, low-risk VET providers like TAFE NSW don't suffer through changes to visa arrangements."

A spokesman for Immigration Minister Chris Bowen said the government's visa changes were in line with the recommendations of an independent review. "The government considers it has the balance right," the spokesman said.
A funding system fraying at the seams

Tertiary students are battling confusion and unfairness, writes Catherine Armitage.

Bei Na Wei won a medal for electrical engineering when she graduated with honours five years at the University of NSW. Now she’s doing three years of fashion design at the Ultimo College, TAFE Sydney Institute. Guess which is harder?

“TAFE has definitely been more of a challenge than uni was,” the 26-year-old says.

Just across busy Harris Street in Ultimo, Sophie Connolly, 22, is doing something similar: a four-year bachelor of fashion and textile design at the University of Technology, Sydney. Like Wei, she is super bright – her course required an ATAR of 99 – with a passion for fashion.

On the other side of Central station, about 15 minutes’ walk away, Madalaine Blythe is teaching at the Whitehouse Institute of Design, Surry Hills, where she graduated from the three-year bachelor of design (fashion) course earlier this year.

Each woman will take the same skills into the same job market as the other two. They share passion, talent and dreams of working in a top fashion house or starting their own label. Their courses – two in the vocational education and training (VET) sector, one in the higher education sector – are comparable and compete with one another. To an employer, there may not be much to choose between them. And yet the government treats them as utterly different.

Wei’s study will cost about $9000. She pays each year in advance and has no access to VET FEE-HELP, the income contingent loan available for only some VET courses.

Connolly’s four-year course will cost $23,472, which she’ll now accruing as a HECS-HELP loan and will repay when her future salary hits the income threshold.

Both these courses are heavily subsidised by governments through the TAFE or higher education systems. Blythe’s course, offered by a private provider, is not. It costs $71,700 all up, which she will repay via VET FEE-HELP.

TAFE is the biggest provider in the VET system, with about 75 per cent of the students. The system also includes private colleges.

Labor’s education revolution has failed to bring clarity, consistence and coherence to the education system. There may be more choice, but the choices are confusing, and funding inequities abound.

The lines between VET and university courses are certainly blurring, but the vision of “seamless transitions” for students moving between the systems according to career and labour market needs remains a long way off.

“The way the two sectors are funded, it’s as if one is on Mars and one is on Venus,” says Tom Karmel, the managing director of the National Council for Vocational Educational Research, Australia’s premier vocational education research body.

Reforms announced by the NSW Education Minister, Adrian Piccoli, this week expose TAFE to greater competition with private providers. From 2014, public funding in VET will follow the students to the college in which they enrol, whether it is public or private. There will be no state funding for courses that do not fill skill shortages and directly lead to jobs such as some creative arts. Fees are expected to rise.

The HECS-HELP style loans on which repayment is deferred until students reach a salary threshold will be available for some TAFE diploma courses from 2014.

But Dr Leesa Wheelahan, an associate professor at the LH Martin Institute for Higher Education Leadership and Management at the University of Melbourne, predicts TAFE’s market share will “decline precipitously” and the reforms will exacerbate the funding difference between VET and higher education.

Similar reforms in Victoria since 2009 have seen TAFE’s share of publicly funded students fall from 66 per cent to 45 per cent. Government supported enrolments in private colleges have increased by 263 per cent since 2009. Courses of dubious quality for which there is no labour market need have proliferated as unscrupulous providers chase government dollars.

The education landscape is rapidly being remade by changes to government funding, policy settings, prioritising access, competition and student choice, employer demand for higher credentials and competition from online courses.

TAFE is under pressure. Its market has been under siege from uni-
versities since the federal government removed limits on the number of undergraduate student places it would fund at university. The number of students enrolled at university has increased by almost one-third or 150,000 since 2007.

But the policy has been criticised as too expensive and unsustainable. This week, the nation’s oldest and richest universities, the Group of Eight, said the government should redirect students with ATARs below 60 from universities to TAFE, where they could be taught more cheaply and get remedial help before going on to university.

The chief executive of TAFE Directors Australia, Martin Riordan, agrees that uncapped student places are unsustainable but says simply changing university entry requirements is not a solution. Instead, TAFE students should have access to government-funded places as university students do. Riordan says TAFE directors are “amazed” at the inequity that persists even when TAFE students are doing courses that have direct equivalents in the university system. It makes no sense considering TAFE is extremely well placed to offer exactly the sort of supported, personalised education that appeals to the cohort of students the government wants to attract, he says.

TAFE NSW offers three-year fee-paying bachelor degrees in interior design, 3D art and animation, financial planning and information technology, and a four-year degree in early childhood education for which the fees run into tens of thousands of dollars. “If they are doing degrees in TAFE, students have to pay full fees,” Wheelahan says. “That is unjust, inequitable and unfair.”

Current policy settings “just set TAFE up to fail,” she says. TAFE cannot win in competition with universities because it has no access to publicly funded places, nor can it compete with the low-cost structure of private providers.

Pam Christie, who was named yesterday as the managing director of the newly business focused TAFE NSW, is optimistic that the extra safeguards promised by the state will help avoid the quality and cost problems that have been experienced in Victoria, although important details of the policy have yet to be revealed. She says TAFE is well geared for increased competition.

“We believe we can continue to grow by being customer focused” and by working closely with industry to meet market needs, she says.