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Senate must delay VET Student Loans

Australian vocational education and training students will be further disadvantaged by the bungled and rushed implementation of the VET Student Loans scheme.

Australian Council for Private Education and Training (ACPET) CEO Rod Camm said the Government had, on Thursday, finally released the application process for private providers to be approved to deliver loan-supported training to students.

“The provisional approval process introduces further complexity and confusion to a sector that already faces an unprecedented level of uncertainty and upheaval,” he said.

“Providers are working through the implications, but this provisional process is yet another significant change thrust upon the sector without due consideration of the consequences.

“The longer-term implications for Australia’s vocational education and training students are very serious.”

Mr Camm said the provisional approval requires providers to maintain a 50 per cent unit of study completion rate in at least one eligible course in 2015 VET FEE HELP.

“This seems like a reasonable requirement and good quality providers have no issue with being held to high standards of delivery, however, there are nuances and unintended consequences,” he said.

“A real concern is that in the future all providers may hesitate to enrol ‘completion risky’ students who comprise some of those people most in need of flexible education and training options.”

Debate about the VET Student Loan Bills is expected to re-commence in the Senate on Monday.

Mr Camm called on the Senate to delay the implementation of the new scheme by six months to allow these sort of emerging issues to be properly addressed and minimise the impact on students.

“We have significant concerns that the Minister’s target of the removal of one third of private providers and the displacement of 90,000 students, as identified in the Government’s Regulatory Impact Statement, will cause major disruption that cannot be then reversed,” he said.

Mr Camm said private providers were also very concerned about the validity of the data the Department will rely on to make assessments about their eligibility to participate in the VET Student Loans scheme.

“We know that some of the data published in the Department’s VET FEE HELP 2015 Statistical Report is inaccurate and there is insufficient time to have it corrected,” he said.

“One of our members was very surprised to read they had a completion rate of 4.2 per cent when their actual rate was 100 per cent and another provider had a reported completion rate of zero per cent when in fact, it was actually higher than 85 per cent.

“Despite attempts to resolve the issue, this damaging and incorrect data remains publicly available on the department’s website, further damaging the reputation of providers and undermining confidence in the sector.”

Mr Camm said the haste with which the VET Student Loan program had been cobbled together has resulted in a complex, unworkable and wholly unfair program.

“We are also extremely disappointed that, despite a consultation period and the Government’s assurances that they would listen to industry feedback about the approved course list, the list remains unchanged and still includes courses that are not currently delivered or are specific to individual businesses and excludes courses critical to the future economy,” he said.

“The resultant scheme that may solve a short-term budget problem but it does not support a vibrant, diverse and efficient VET sector for our students, industry or the economy.”

[ENDS]

Rod Camm is available for interview on 0409 484 051.