



Australian Federation of Graduate Women Inc.

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16 December 2015

The Hon Luke Hartsuyker MP
Minister for Vocational Education and Skills
PO Box 6022
Australian Parliament House
Canberra ACT 2600

Dear Minister,

AFGW commend your quick review of VET FEE-HELP abuses by private for-profit providers and your action to implement emergency interim legislation to attempt to clean up the mess and “turn off the tap”. We congratulate you on the passing of the Higher Education Support Amendment (VET FEE-HELP Reform) Bill 2015.

We have been concerned that far too much government money, which could be better used in the Education portfolio, has gone to shonky providers at the expense of students who have incurred high debts, many of which will never be repaid. Often even those few student completing the courses have not been provided with the necessary skills and their job prospects have been damaged rather than enhanced.

We have also been very concerned that the rapid growth in private providers who have not been adequately evaluated for quality and business practices has negatively impacted on the reputation of the VET sector as a whole and debased TAFEs in particular. We are particularly concerned that the government does not significantly acknowledge the role TAFE has played in providing quality VET education and supporting students in quality courses with well trained staff.

AFGW are particularly pleased that the Bill aims to restrict approvals of new VET providers to experienced providers with proven success and will suspend or disendorse providers who fail to provide quality education or have very low completion rates. We also applaud the endeavour to regularly reclaim excess loan amounts paid to these providers. Measures to protect students by ensuring colleges adequately assess student’s ability and needs to undertake the courses for which they are enrolling and understand the debt they are incurring are very welcome. As are the improvements in procedures whereby students who have signed up to a loan inappropriately can have their debt cancelled and students under 18 must have parental consent to undertake loans.

The freezing of total loan limits for existing VET FEE-HELP providers we see as problematic in that it may keep out new students and may also lead to job losses within the industry. We would prefer that in the planned 2017 new model you might consider the capping of course costs as in the university sector.

Our greatest concern, however, is that ASQA and the Department of Education who will oversee these changes have not to date shown they have the capacity to ensure colleges play by the rules, do not enrol students who do not have the ability to undertake courses or ensure the courses offered are up to standard. Future legislation needs to give the Commonwealth and the national regulator sufficient powers to act and implement these changes.

We wish you well in developing the new model.

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for Dr Jane Baker, President AFGW

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