



Senator the Hon Simon Birmingham

Assistant Minister for Education and Training
Senator for South Australia

Our Ref MC15-000847

3 JUL 2015

Ms Tricia Blombery
Convener Standing Committee for Education
Australian Federation of Graduate Women Inc
11 Park Road
MARRICKVILLE NSW 2204

Dear Ms Blombery

Thank you for your letter of 2 March 2015 on behalf of Dr Madeleine Laming, President, Australian Federation of Graduate Women Inc (AFGW), commending the steps taken by the Australian Government to address quality issues in the vocational education and training (VET) sector. I note you also raised the issue of quality in the VET sector last year with the Hon Christopher Pyne MP, Minister for Education and Training, and the Hon Ian Macfarlane MP, Minister for Industry and Science.

I am also concerned to hear of any allegations of the marketing of courses to students without making them aware of the debt they may incur. On 12 March 2015 the Australian Government announced a number of changes to the VET FEE-HELP scheme over the course of 2015. These changes will focus on prohibiting the use of inducements and undesirable marketing and recruitment practices that have rapidly increased the take up of loans but have had little beneficial impact on the skill levels of individuals incurring the loan debt. The crack down on unacceptable activities will be supported by an enhanced compliance regime, with \$18.2 million budgeted to support activities including more random audits on both students and training providers.

The changes will also seek to strengthen the administration of the scheme and improve the quality of outcomes for students, including giving students more information about training providers and course outcomes and making it easier for them to have unfair debts waived (a cost the Government will recoup from the training provider).

In relation to the amendments to the *National Vocational Education and Training Regulator Act 2011*, the Australian Parliament passed these amendments on 16 March 2015. The legislative changes will assist the Australian Skills Quality Authority to target those training providers that engage in questionable conduct.

I note you raised concerns about the status of TAFE in your earlier correspondence. I share your support of the TAFE sector and recognise that many TAFEs are showing great leadership in providing high quality education and training for students across Australia. The Government provides funding to states and territories to support their training systems, including TAFE, and has allocated \$1.8 billion in 2014-15 for this purpose. I will continue to strongly support efforts to ensure students receive high quality skills training which leads to real jobs, in whichever setting students choose to receive it.

Adelaide

107 Sir Donald Bradman Drive, Hilton SA 5033
Ph 08 8354 1644 Fax 08 8354 1655

Canberra

Parliament House Canberra ACT 2600
Ph 02 6277 7630 Fax 02 6273 5188

Your previous letter also raised concerns about funding to Industry Skills Councils. You may be interested to know that on 21 April 2015, I announced the New Arrangements for Training Product Development for Australian Industry. The new model places industry at the centre of training product development through industry reference committees and will be overseen by the recently announced industry-led Australian Industry and Skills Committee.

The Department of Education and Training will soon be inviting expressions of interest to set up Skills Service Organisations to support industry reference committees to engage with their industry sectors and facilitate training product development under the guidance of the committees. Arrangements will be put in place to ensure a smooth transition to the new model which will be fully operational from January 2016.

I thank the AFGW for its support of the Government's initiatives to reform the behaviours of some registered training organisations in the provision of training services. I am committed to continuing to consult with employers, students, training providers and the wider community to further progress VET reform nationally.

I look forward to working with the AFGW to ensure vocational education and training continues to make a successful contribution to the lives of millions of Australians and our overall economic prosperity.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Simon Birmingham', with a long, sweeping horizontal line extending to the right.

Simon Birmingham

