

Australian Council for Private Education and Training

Comments on

Higher Education and Research Reform Bill 2014

Introductory Comments

The Australian Council for Private Education and Training (ACPET) welcomes the opportunity to provide a submission on the *Higher Education and Research Reform Bill 2014*.

Established in 1992, ACPET is the national industry association for private providers of post-compulsory education and training. ACPET has over 1,000 members, representing over 44,000 employees nationally who deliver a range of Higher Education, VET and English language courses across all States and Territories and internationally.

ACPET's mission is to enhance quality, greater choice and innovation in Australian education and skills training. ACPET members include commercial and not-for-profit entities, community groups, industry providers and enterprise-based organisations. ACPET works with governments, industries and community organisations to ensure Higher Education and VET services are well targeted, accessible, and delivered to a high standard.

ACPET endorses the main purpose of the Bill which is to expand opportunity and choice in Higher Education in Australia. The key measures including the introduction of demand driven funding to Higher Education below the level of bachelor degrees, together with changes to the Higher Education Loan Programme (HELP), will make Higher Education available to more Australian students and address some fundamental inequities in the existing arrangements.

Student and broader industry choice is actually what drives the success of high quality providers, regardless of whether they are private or public or simply compliant with registration requirements.

Student choice is the key element in a quality system. In all contestable markets across Australia, students are overwhelmingly selecting private providers and are indicating high levels of satisfaction with that choice.

The reforms will not only address the fundamental inequity faced by some 100,000 Higher Education students enrolled with non-university Higher Education providers but open up new opportunities for more students to undertake Higher Education that best meets their needs and circumstances and those of industry and the broader Australian economy.

ACPET offers the following comments on several aspects of the Bill.

Expansion of Commonwealth Supported Places

ACPET supports the extension of Commonwealth Supported Places (CSPs) to diplomas, advanced diplomas and associate degrees.

The availability of CSPs for these qualifications addresses the significant growth in the para-professional and professional workforce arising from the impact of technology and other factors.

The expansion of CSPs to private universities and non-university providers will increase the availability of Higher Education to more students, enabling them to undertake the study necessary for these new and emerging job opportunities. Importantly, making CSPs available to a broader range of providers will increase the capacity, flexibility and options to respond to the needs of students across the country, including in regional areas where existing Higher Education options are limited or non-existent.

These reforms address the fundamental inequity of students enrolled with non-university Higher Education providers currently being unable to access CSPs. To date these students have had to pay full fees to access courses that addressed their career aspirations and circumstances.

This reform is particularly welcome given that students from low SES and other disadvantaged backgrounds make up a significant proportion of enrolments with many non-university providers. A number of ACPET members have a proud and long history of providing quality tailored sub-degree programs that provide educational pathways and skilled job outcomes for migrants, the mature-aged and other disadvantaged learners.

Importantly, the expansion of CSPs to Non University Higher Education Providers will enable the growth, over time, in the capacity of the providers. This will ensure enhanced competition with Universities, ensuring downward pressure on University student fees.

The identification of poor practice in VET has been utilised inappropriately in the Higher Education debate, and has been focused solely on private providers. Public providers have been largely protected from the operations of ASQA, as their registrations were processed by their respective states and territories before handing over the power. However, as more public institutions access contestable funds such as VET FEE HELP and are audited by ASQA, all providers will work to the same rules and the interventions required will become clearer.

HELP Debt

The merging of the FEE-HELP and HECS-HELP for all Higher Education students is supported by ACPET.

Under this reform the present 25% fee payable on loans obtained through FEE-HELP (which does not apply to university students accessing HECS-HELP) will be abolished. This reform not only supports greater student choice but once again addresses a fundamental inequity that has financially penalised some students simply because of their choice of Higher Education provider.

ACPET supports the retention of indexation of HELP debts using the Consumer Price Index. The introduction of indexation relief for primary carers of children less than 5 years is also supported.

Quality Issues and Implementation

The introduction of the Bill has been accompanied by some commentary around quality and related concerns attached to the expansion of CSPs to non-university providers, the deregulation of fees and changes to HELP.

It is worth noting that the non-university Higher Education providers are already operating in a fully deregulated market with access to FEE-HELP. This market has been operating effectively without evidence of poor practice or inappropriate behavior that has been identified in the VET sector.

The strong regulatory model, administered by the Tertiary Education Quality Standards Authority (TEQSA), has helped underpin a quality Higher Education sector. ACPET believes that this regulatory model will continue to provide a solid base for the continued provision of a quality Higher Education system.

However, the provision of a quality Higher Education system is not only a role for government and regulators. The industry needs to also take leadership role. As part of its commitment, ACPET is introducing a revised Code of Ethics for its membership. This Code places significant responsibility on our members to operate ethically and in the best interests of students.

The reform proposed in the *Higher Education and Research Reform Bill 2014* is far reaching with the potential to provide a more equitable, sustainable Higher Education sector. To help ensure the reforms do achieve this outcome ACPET believes there is merit in the establishment of an independent oversight body as proposed recently by the Mitchell Institute. As part of its commitment to a quality Higher Education sector and reforms outlined in the Bill, ACPET would welcome the opportunity to assist such a body.

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20 February 2015