

MEDIA RELEASE

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Lack of consultation results in poor policy making

Much needed and belated reform of the VET FEE HELP system announced this morning has potential to hurt students and quality private providers and limit student choice, according to the Australian Council for Private Education and Training (ACPET).

ACPET CEO Rod Camm said while the organisation supported a number of the reforms announced by Education Minister Simon Birmingham, he was concerned that much of the reform would unfairly punish high quality providers over those poor quality providers it aimed to stamp out.

“We welcome increased barriers to entry for providers and other measures that focus on ensuring quality outcomes for students, industry and the broader community,” he said.

“Efforts to rebuild the integrity of the sector and ensure only quality providers can deliver to students is both welcomed and long overdue.”

However, ACPET is concerned the Government’s so-called ‘belt and braces approach to safeguards’ includes a number of blanket reforms that simply ‘make no sense’.

“We must remember that the failure of the VET FEE HELP system was a failure of the government to regulate, monitor and intervene with the small number of providers who were doing the wrong thing. Why doesn’t Government stop the poor providers without burdening the entire sector” he said.

“Many of the reforms announced will actually have an adverse impact on quality providers and innovation, reduce student choice and overly regulate an industry that has decades of high quality contestable delivery for decades with students and industry who are overwhelmingly satisfied.”

Mr Camm said the caps on student loans to \$5000, \$10,000 and \$15,000 will force good providers to either leave the market, cut costs or charge students upfront.

“We appreciate this reform is an effort to stop price gouging but it also impedes price signals. These caps are actually lower than those proposed by the ALP during the election,” he said.

Mr Camm was also concerned that TAFE and other public providers would not face the same eligibility barriers as private providers, though both would be impacted by the ban on brokers.

Changes flagged to government preferred course lists mean some courses would no longer be eligible for the new VET Student Loans.

“The Minister has stated that the qualifications available would be cut from 800 to 400. We’ve seen in the past that governments are not good at ‘picking winners’ in terms of eligible courses. In a genuinely student-focused program, students should be able to choose the course and provider that best suits their individual needs and career aspirations, but be protected through high level monitoring and regulation.”

Mr Camm said the industry was particularly disappointed about the lack of consultation in developing the reforms which were relatively short-sighted in nature.

“Our industry is comprised of thousands of private providers who continue to deliver great outcomes to millions of Australian students. They have long supported reform in this sector and have been overlooked in the important discussion about its future,” he said.

“Far from providing certainty for the thousands of private providers, it is almost inconceivable that sweeping reforms of this nature would be announced so late before implementation, and without consultation,” he said.

“These reforms are surprisingly anti-business in nature and will deliver a mediocre education sector that is not fit for purpose for the 21st century.”

Ends.

Rod Camm is available for interview - 0409 484 051.