MEDIA RELEASE

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Thousands of jobs at risk and quality training to suffer under Labor's training loan cap

The Australian Council for Private Education and Training (ACPET) has today warned that good quality training providers will be the victims of Labor's unfair training loan caps, announced in Opposition Leader Bill Shorten's budget reply speech overnight.

ACPET CEO Rod Camm has today questioned how such arbitrary change could be fair on students, and warned that a government imposed price of \$8000, with no reference to market forces, would punish good quality private training providers and put thousands of jobs in the private training sector at risk.

"Across Australia every day when given a choice, students are overwhelmingly choosing to study at private training colleges in their pursuit for innovation, flexibility and best practice," Mr Camm said.

"We have a strong, vibrant internationally recognised vocational training sector that is already worth \$20 Billion to the Australian economy, where around 88% of students choose private providers. Why lock out Australians from the best in the sector?

"Students will be the big loser as they will have either no choice, or will now be saddled with up-front fees to select the course and provider that is best for them.

"Labor's policy will limit student and industry choice and unfairly protect a public system in much need of change. It seems to be a policy that will wind-back two decades of reform that has brought greater choice and flexibility for students and industry.

"Such an overt attempt to remove choice from students for such a critical decision in their lives is unprecedented in a modern economy. The announcement unfairly compares the cost of heavily subsidised TAFE training, where all infrastructure costs are paid by State and Territory Governments, with those of a

private training provider, and then guarantees further funding to a system that is actually double the cost per student in publicly funded programs.

"As an industry, we fully support any strategy to guarantee that only the very best of providers have access to such an important program. We also support measures to remove any provider that exploits the student in any way, the creation of an Industry Ombudsman and the fair support of TAFE. We are genuine about protecting students but also want them to have access to the best programs, rather than mandating mediocrity," he said.

ACPET also supports consideration of reducing the overall student loan limit, customised by industry.

"An attack on the private training system, which employs over 100,000 people and delivers the majority of training across the country, will see quality providers removing themselves from the program and others simply cutting quality to the \$8,000 price.

"No innovation, no reform, no choice.

"We have already seen similar policies result in widespread shedding of jobs from working families employed in the sector.

"ACPET and its members are willing to work with both sides of politics to develop a system that meets Australia's skills needs for the future," he said.

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