## VET Student Loans bill inquiry Submission 1

I own and operate, as Chairman/CEO, two Registered Training Organisations (RTO's) headquartered in Nerang, one of which (The Australian Academy of Business) is a VET FEEE HELP provider which offers courses almost solely in the Business Services Training Package. If the requirement of being on State skills list remains, we and hundreds of other RTO's face extinction, and potential students have restricted opportunities. I am also Chairman/CEO of a Group Training Organisation (Smart Employment Solutions Ltd), a registered charity, also headquartered at Nerang, which in the past 30 years has placed over 20,000 apprentices in full-time employment.

I wholeheartedly agree that there needed to be significant changes to VET FEE Help, because of the scandalous and inexcusable behaviour of a few. However, in this one aspect the Government has been poorly advised.

Of major concern has to be the blatant lack of understanding demonstrated by the fact that the requirement that "Courses are eligible if they are current ... and on at least two state and territory skills lists, or are STEM related" automatically removes Management and Commerce courses from eligibility. This category is the most common field of education undertaken by students accessing VET FEE-HELP loans representing 44 per cent of course enrolments. Interestingly 31% of enrolments are for just the two Diplomas in Business and Management, the major offerings of TAAB. In 2014 (latest published departmental statistics) this is 62,868 students, with a total of 44% of enrolments in Management and Commerce. That is 89,232 of the total 202,800 students. The numbers would be at least double now.

These needs do not appear on any State skills list. Why list a whole range of management and commerce diplomas as "eligible" when they are automatically rendered not eligible by the second requirement? It makes no sense. Skills lists identify current needs. We should be looking at future needs. Most of the skills needs identified do not have diploma level courses. Many are trade courses at certificate level.

How can it be argued that business and related diplomas are not satisfying business needs? It is well accepted that formal qualifications materially assist in securing employment. Business is in constant need of better qualified people. The new rules eliminate this cohort in future? They are disenfranchising hundreds of thousands of potential students.

The vast majority of businesses, large and small, employ staff for whom a diploma in a business related course would be very beneficial. There are problems which needed to be fixed, but this requirement makes no sense. It is knee-jerk policy without adequate research or discussion. I would hope that a calm, considered and informed review would see this particular requirement removed. The changes already introduced by the government since July last year are having the desired effect.

Action- Remove requirement "Courses are eligible if they are ...on at least two state and territory skills lists."

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