



Council of Australian Postgraduate Associations Incorporated

## **Council of Australian Postgraduate Associations (CAPA)**

Submission to the inquiry into the Higher Education Support  
Amendment (VET FEE-HELP Reform) Bill 2015

November 2015



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Compiled with the assistance of the staff and office bearers  
of the Council of Australian Postgraduate Associations (CAPA)  
and its affiliated member organisations.

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## Foreword

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The Council of Australian Postgraduate Associations (CAPA) is the national peak body representation Australia's 340,000+ postgraduate students, founded in 1979. CAPA is a membership based non-profit organisation, its members include over thirty postgraduate associations, and the National Aboriginal and Torres Strait Islander Postgraduate Association (NATSIPA).

The proposed amendments to the VET FEE-HELP legislation appear to address a number of key issues that are of concern for CAPA. The ongoing operation of shonky training providers needs to be addressed in order to protect both students as well as the government funds provided through the VET FEE-HELP. In particular CAPA is concerned with students being coerced into FEE-HELP loans without full knowledge of what these loans entail, students taking on a loan to enrol in a course that they do not have the capacity to complete, and some of the tactics used to advertise courses such as incentives. This bill goes far in addressing these concerns however there are a few areas where CAPA believes the legislation could go further. In its current form the bill does not address some issues relating to entry requirements nor does it protect all students from nefarious provider practices. CAPA would like to see an expansion of this legislation to include all students (even those not taking on a FEE-HELP debt) as well as ensure that entry requirement practices are in the best interest of the student.

## **The spirit of the amendments**

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CAPA sees the amendments laid out in this bill as an important step in preventing the proliferation of bad VET providers and more importantly protecting student from these providers. Whilst the legislation is specifically aimed at the students that are applying for VET FEE-HELP its presence indicates that there is a need to protect students. CAPA is concerned that although FEE-HELP students will be protected under this legislation there is no current protection for full fee paying students from partaking in a course inappropriately. It would be considered fair for all students whether full-fee paying or FEE-HELP to be protected under similar legislation so that all students can be protected from possibly unscrupulous providers. If the spirit of the legislative amendments is to protect students from shonky higher education providers it would prudent to expand the legislation to include the fees paid by all students to education providers where those providers have the capability to access VET FEE-HELP.

### **Section 12, Clause 45B of the amendment**

Changing the entry procedure for students that apply for VET FEE-HELP will be necessary to ensure that students are not taking on a debt for a course that they have little chance of successfully completing. There is however an issue with the way that the legislation is currently worded for this requirement. CAPA agrees that there is a need for a student's academic capability to be assessed when taking on a particular course. Allowing the course providers to independently assess the academic capabilities of a potential student does present some issues that may result in students that are not academically capable from receiving VET FEE-HELP. Two possible issues are as follows.

The first issue is that there is no standard mentioned on what these entry requirements are and that the standards for each course are set by the provider themselves. A provider could very well set low course entry requirements that do not match the academic needs of the

course. This would cover the regulation that ensures students are assessed for their academic capabilities, allow this student to apply for VET FEE-HELP and still not be equipped to complete the course.

A second issue is that bridging courses may avoid entry requirements as well as the rules on advertising VET FEE-HELP. The current amendments do not seem to prevent the provider from advertising a “bridging course” that is paid for by the student so that they are able to achieve the “academic requirements” needed to enter a course. For example an advert from a provider could inform potential students that if they take this 6 week bridging course they will be eligible for the VET FEE-HELP loan regardless of the results of this bridging course.

In order for clause 45B to be effective in ensuring students are academically capable further assurances that the provider is assessing these capabilities in a responsible manner could be required. Regular reviews on what training providers consider to be appropriate academic capabilities will be the only way to ensure that providers have realistic entry requirements and that these requirements are sufficient to the course that the student is requesting VET FEE-HELP. Reviewing entry requirements can have issues in that there is a focus on students that have already been enrolled and began accumulating a FEE-HELP debt rather than preventing this beforehand. The ideal solution to these issues could be to have standard academic requirements whether students are seeking FEE-HELP or full fee paying students. These standard requirements could be based on the level study that these courses are placed in e.g. certificate IV, diploma etc.

## Conclusion

Whilst the legislation takes a step in the right direction of addressing the issue of shonky training providers it does not go far enough to protect all students. The legislation focuses primarily on the enrolment stage of these courses. The missing piece is, however, the implementation of standard academic requirements based on course level. By having a standard academic requirement for courses and standards requirements for bridging

courses it would be easier and clearer for students enrolling whether they are capable of taking the training and the subsequent loan.