



Attachment

Canberra Institute of Technology

Senate Submission to the Proposed Changes to the VET FEE-HELP Scheme

Friday 20 November 2015

CIT, as the sole public provider in the Australian Capital Territory, welcomes the opportunity to respond to the proposed changes to the VET FEE-HELP scheme. CIT notes the intent and importance of the changes. However, some aspects of the changes do not seem to adequately take account of the tight regulatory framework under which RTOs operate including the Standards for RTOs 2015, the detailed Training Package requirements and state/territory funding agreements.

Measure 3: Improve student awareness of how VFH operates and their rights and obligations under the programme

The amount of information required to be presented to students within each invoice has become onerous for providers and confusing for students. Additionally the requirement to provide students with exact cost and duration upfront does not take account of varying elective choices which can impact both total cost and duration.

Measure 5: Strengthening the assessment criteria for, and ongoing scrutiny of all VFH providers

CIT supports strengthening the assessment criteria and ongoing scrutiny of VFH providers however, has qualified our support to seek the overall intent toward a risk-based regulatory system to ensure the integrity of the VFH system.

CIT believes that the 'one size fits all' paradigm that currently fails to distinguish between high and low risk providers be discontinued under new arrangements.

CIT proposes that Measure 5 should be re-structured to articulate recognition and assessment of risk of providers where low risk providers have less red tape compared to that of higher risk providers.

Measure 6: Ensuring student debt is incurred in line with course delivery and continued student participation

Regardless of AQF Volume of Learning for Diploma (1.0 to 2.0 years) and Advanced Diploma (1.5 to 2.0 years) qualifications, many Training Package qualifications rely on a suite of qualifications through which students program, such as: from Certificate III, to Certificate IV, Diploma and then Advanced Diploma. Collectively these four qualifications will have a Volume of Learning of two years but individually both the Diploma and Advanced Diploma in many Training Packages will have a full time requirement of six months. If students are studying full time, the RTO may issue an invoice at the start of the semester for all competencies and not need to issue another invoice. Such a program will only have one fee period of one



semester with one invoice. It is not feasible to have three fee periods across a single semester.

Training Packages have systematically removed nesting over the past few years. The VET FEE-HELP guidelines prevent RTOs from nesting qualifications that are not supported by the Training Package. RTOs offering government supported places will be bound by state issued Implementation Guides which identify the competency and qualification hours.

The Business Services Training Package, with the greatest usage across Australia, is generally one semester of full time learning for each qualification as identified by the relatively small number of competencies in each qualification and the lack of nesting. For example, the Victorian Implementation Guide identify the following range of hours:

Diploma of Business 475 to 500 hours

Advanced Diploma of Business 504 to 530 hours

Victorian Purchasing Guide for BSB Business Services Release 1 July 2015

While CIT supports the intent of this measure to prevent RTOs charging for a full qualification up front, it is recommended that consideration be given to contemporary Training Package qualifications that may be achieved full time in six months as the underpinning learning was gained through lower level qualifications.

Measure 7: Establishing minimum pre-requisite and prior education qualifications, including demonstrated literacy and numeracy requirements

The Standards for RTOs 2015 ensure RTOs' training and assessment are consistent with the Training Package requirements.

Training Package Products Policy states:

Qualifications - entry requirements

Where entry requirements are identified, these are mandatory and must be clearly justified in the Companion Volume Implementation Guide.

Entry requirements: Must be achieved prior to commencing the qualification.

Must be specific to the knowledge, skills or experience required to commence the qualification.

<https://docs.education.gov.au/system/files/doc/other/training20package20products20policy.pdf>

To encourage RTOs to add Year 12 as an entry requirements is counter to the Standards for RTOs 2015 and the Training Package policy.

It is preferable to identify a lower level qualification or specific literacy or numeracy requirements rather than a Year 12 which does not guarantee either literacy or numeracy skills of the required standard nor provide knowledge, skills or experience to adequately prepare students to meet Training Package qualifications for entry into Diploma qualifications which at this level are specialised, technical and industry focused.



As in the ACT, students may achieve a Year 12 by completing their study regardless of their level of achievement.

While CIT supports measures that encourage RTOs to check on the likelihood of success of potential students and direct applicants to qualifications most likely to offer success, it is recommended that the focus on Year 12 is removed and instead placed on literacy and numeracy requirements as well as the knowledge, skills or experience required as detailed within the Training Package policy.

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