

Senate Committee: Education and Employment

**QUESTION ON NOTICE
Budget Estimates 2015 - 2016**

Outcome: Skills and Training

Department of Education and Training Question No. SQ15-000359

Senator Carr, Kim asked on 03 June 2015, Proof Hansard page 103

VET FEE-HELP (Evocca College and Careers Australia)

Question

Senator KIM CARR: Can you confirm that Evocca College has received \$400 million over the past three years for VET FEE-HELP under the loans scheme?

Mr Griew: We will take that on notice.

Senator KIM CARR: Can you confirm what the graduation rates were at Evocca College?

Mr Griew: We will take that on notice.

Senator KIM CARR: How many students were enrolled at Evocca College and Careers Australia in 2014 and 2015?

Mr Griew: We will take it on notice.

Senator KIM CARR: What was the average loan size for students enrolled at Evocca or Careers Australia?

Mr Griew: We will have to take that on notice too.

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Senator KIM CARR: What was the average fee charged to VET FEE-HELP students enrolled at Evocca and Careers Australia?

Mr Griew: We will take that on notice as well.

Senator KIM CARR: According to Evocca's website, a Diploma of Business via distance learning has a course fee of around \$15,000. Does the department have a view on whether this was justified, given that a similar course at TAFE would cost \$3,000 to \$5,000?

Mr Griew: We will take that on notice. We would have to look at a range of things.

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Senator KIM CARR: Could you tell me what the completion rates for the qualifications delivered by Evocca

College and Careers Australia have been?

Senator Birmingham: I think Mr Griew took that on notice before.

Senator KIM CARR: I know I asked a previous question on value for money. Can you provide the information on that?

Mr Griew: I think we have agreed to undertake—

Senator KIM CARR: What are the job outcomes for students enrolled in qualifications at Evocca/Careers? Do you have any advice on the—

Mr Griew: We would have to take that on notice, too.

Senator KIM CARR: What information do you have on the level of commissions paid by brokers for Evocca

College and Careers Australia?

Ms Hewlett: We would need to take that on notice.

Answer

Payments

- ACTE Pty Ltd (Evocca College) received \$403,525,813.00 in VET FEE-HELP payments from 01 January 2012 up to 31 December 2014, noting 2014 payments are made in advance and reported student liability data is yet to be reconciled for 2014.

Graduation (Completion) rates

- The completions data may not accurately represent a student's full enrolment experience for the following reasons
 - students may transfer to another provider to complete their qualification
 - students may be part time or take many years to complete their qualification
 - students may enrol in a course with the intention of only completing some units or competencies
 - students may still be enrolled in their course
 - students may withdraw for a number of personal reasons.
- Careers Australia Education Institute Pty Ltd (Careers Australia) was approved as a VET FEE-HELP provider in June 2011. The reported completion rates for Careers Australia are as follows
 - Of the 2011 commencing VET FEE-HELP eligible and assisted students, 0 per cent were reported as having completed their studies at Careers Australia based on a cohort of 32 commencing students
 - Of the 2012 commencing VET FEE-HELP eligible and assisted students, 10.8 per cent were reported as having completed their studies at Careers Australia based on a cohort of 2762 commencing students
 - Of the 2013 commencing VET FEE-HELP eligible and assisted students, 13.4 per cent were reported as having completed their studies at Careers Australia based on a cohort of 8747 commencing students.
- ACTE Pty Ltd was approved as a VET FEE-HELP provider in April 2011. The reported completion rates for ACTE Pty Ltd are as follows
 - Of the 2011 commencing VET FEE-HELP eligible and assisted students, 32.9 per cent were reported as having completed their studies at ACTE Pty Ltd based on a cohort of 240 commencing students
 - Of the 2012 commencing VET FEE-HELP eligible and assisted students, 22.4 per cent were reported as having completed their studies at ACTE Pty Ltd based on a cohort of 2460 commencing students
 - Of the 2013 commencing VET FEE-HELP eligible and assisted students, 9.4 per cent were reported as having completed their studies at ACTE Pty Ltd based on a cohort of 12864 commencing students.

Note

The calculations methodology for completions is based on the number of students commencing a diploma at the particular provider in the commencement year and completing at that same provider at any time between the commencement year up to 31 December 2014.

Student enrolment numbers

- Student enrolment numbers are unavailable for 2014 and 2015 as 2014 data has not been finalised and 2015 data is incomplete.

Average loan size

- The average loan per Equivalent Full Time Student Load (EFTSL) reported at Careers Australia was \$18,199 in 2013.
- The average loan per EFTSL reported at Evocca College was \$16,878 in 2013.

Note

The average loan is based on the loan per assisted EFTSL. One EFTSL is not equivalent to one student. For example a part time student could be counted a .5 of an EFTSL.

Average fee charged to VET FEE-HELP students

- In 2013, the average tuition fee per EFTSL at Careers Australia was \$18,276.
- In 2013, the average tuition fee per EFTSL at Evocca College was \$16,878.

Note

Average tuition fee charged is based on the tuition fee per EFTSL, not actual student numbers. One EFTSL is not equivalent to one student. For example a part time student could be counted a .5 of an EFTSL.

Fees

Education Institutions are responsible for setting their tuition fees. The *Higher Education Support Act 2003* has never regulated VET FEE-HELP approved providers' tuition fees.

The Government supports a vocational education and training market which has the flexibility to meet the needs and expectations of all potential students in an innovative and customised way. Education Institutions can choose to offer high quality intensive courses and set fees to match. If students consider the fees are too high or the quality does not justify the fees, institutions will lose students to other institutions.

The Government is increasing information for students/prospective students to make informed choices, including on fees charged, job outcomes and employer satisfaction through progressing updates to *MySkills*.

Job outcomes

The department has never collected job outcomes data as part of VET FEE-HELP data reporting.

Commissions paid to brokers

The department has never collected data on commissions paid to brokers. Under new standards and VET FEE-HELP Guidelines introduced in 2015 registered training organisations, including VET FEE-HELP approved providers, are now responsible for the actions of third parties, including brokers, on their behalf. From 1 July 2015 providers also need to list brokers on their website and brokers must declare to prospective students that they receive a commission if the person were to enrol in a course with the VET provider.