

Senate Standing Committee on Education and Employment - Education

QUESTIONS ON NOTICE Supplementary Budget Estimates 2014-2015

Outcome 3 - Higher Education, Reform & Support

Department of Education Question No. ED0409_15

Senator Carr provided in writing.

Question

Higher Education Loan Program

Media reports, such as A Current Affair on 15 October 2014, claim that some RTOs are providing Cert III and Cert IV qualifications in areas such as mechanics with as little as a half an hour of “study” when other quality courses require 1200 hours of study. These shonky courses can cost tens of thousands of dollars and students are accessing VET FEE-HELP and coming out with an effectively useless qualification. What is the Government doing to ensure that VET FEE-HELP funds are only being utilised for quality training?

Answer

Certificate IV qualifications can only be offered through VET FEE-HELP (VFH) providers involved in a limited trial set out in the National Partnership Agreement on Skills Reform which the State and Territory Governments agreed with the Australian Government in 2012. The trial is limited to state/territory subsidised students undertaking selected Certificate IV qualifications. Only 695 students are accessing VET FEE-HELP loans through the trial in 15 courses (as at 26 November 2014).

Apart from the students involved in the trial, VFH is not available to students studying in sub-diploma level qualifications, such as a Certificate III and Certificate IV qualifications.

The Australian Government ensures that registered training organisations are delivering quality training through the independent statutory agency—the Australian Skills Quality Authority (ASQA). ASQA’s primary role is to regulate courses and training providers to ensure nationally approved quality standards are met. All providers approved under the VFH scheme must be a registered training organisation before approval is granted.

Additionally, the *Standards for Registered Training Organisations (RTOs) 2015*, require that an RTO’s training and assessment strategies and practices, including the amount of training they provide, are consistent with the requirements of training packages and VET accredited courses. ASQA monitors compliance with the Standards for RTOs and quality issues can be addressed with ASQA.

The department ensures the integrity of the VET FEE-HELP scheme by building programme assurance into the scheme’s delivery, including:

- a rigorous application process to ensure that only qualified providers are approved to participate in the scheme;
- regular reporting and monitoring of student data;
- intelligence gathering from a variety of sources, including providers and students;
- strong relationships and information sharing with other regulators; and
- a compliance programme comprising:
 - Field audits of individual providers;
 - Thematic audits of particular aspects of HESA, undertaken with some or all approved providers; and
 - Investigation of all allegations and complaints.