

Senate Committee: Education and Employment

QUESTION ON NOTICE Supplementary Budget Estimates 2016 - 2017

Outcome: Skills and Training

Department of Education and Training Question No. SQ16-000792

Senator Carr, Kim provided in writing

VET Student Loans

Question

According to the fact sheet on the DET website plans for VET Student Loans will see loans restricted to students in eligible courses, "Course eligibility will be limited to courses that have a high national priority, meet industry needs, contribute to addressing skills shortages and align with strong employment outcomes."

- (a) How will these criteria be defined?
- (b) How is industry need to be assessed?
- (c) How will skill shortages be measured?
- (d) Will the immigration department's Skilled Occupations List (SOL) have any role to play?
- (e) What benchmarks will be set for strong employment outcomes? Will these benchmarks be applied at the provider level, or across all providers operating the course?

Answer

- a) The methodology for determining the VET Student Loans eligible course list included courses listed on at least two state and territory skills lists and including science, technology, engineering and mathematics (STEM) related courses. STEM courses are defined as any course in the following Fields of Education as defined under the Australian Standard Classification of Education: information technology, natural and physical sciences, engineering and related technologies, and agriculture, environment and related studies. State and territory skills lists were used as they draw on state based analysis of skill needs, and two lists were used to ensure a national picture of skills needs rather than needs localised to a single state or territory. STEM courses were included as they align with the Government's National Innovation and Science Agenda.
- b) As per response a) the department did not undertake additional assessments of the employability of graduates from each course or their transferability, beyond the tests undertaken by states and territories as a part of the skills list development.
- c) As per response a) the states have described their lists as forward looking and are developed through industry and community consultation, industry and labour market analysis and economic modelling.
- d) The Skilled Occupations List was not included in the methodology for determining the VET Student Loans eligible course list. State and territory skills lists provide a broader basis for consideration of skills needs and employment possibilities.
- e) Employment outcomes will be considered at the provider level, as a condition of entry to and continued use of VET Student Loans. A single benchmark is unlikely to be a satisfactory measure, as outcomes will necessarily vary by course type and geographical region. Providers will be assessed on student outcomes, employment outcomes and a range of other indicators, including completion rates at the course and unit level, student progression, student satisfaction, and the quality of plans that identify how completion rates and student outcomes are to be improved. This data will inform the 2017 review of the eligible course list.