



**IHEA SUBMISSION -  
HOUSE OF  
REPRESENTATIVES  
INQUIRY INTO THE  
STATUS AND  
PERCEPTIONS OF  
VOCATIONAL  
EDUCATION AND  
TRAINING**

# IHEA Submission to the House of Representatives Standing Committee on Employment, Education and Training inquiry into the perceptions and status of vocational education and training (VET)

13 February 2023

## Who We Are

Independent Higher Education Australia (IHEA) is the peak body representing most of Australia's Independent Higher Education (HE) Providers with campuses across Australia. IHEA members have different missions, scales and course offerings across the full Australian Qualification Framework (AQF) range (Diplomas to Doctorates). IHEA members comprise:

- Four private universities (Bond University, Torrens University, University of Divinity, Avondale University);
- Three University Colleges (Alphacrucis University College, Moore Theological College, and Australian College of Theology); and
- 68 not-for-profit and for-profit Institutes of Higher Education.

IHEA members teach 74 percent of the students in the independent sector (i.e., more than 120,000 students) and educate students in a range of disciplines, including law, agricultural science, architecture, business, accounting, tourism and hospitality, education, health sciences, theology, creative arts, information technology, and social sciences. IHEA's complete membership list is included in **Appendix A**.

IHEA holds a unique position in HE as a representative peak body of independent HE providers. Membership in IHEA is only open to providers registered with the Australian regulator – Tertiary Education Quality Standards Agency (TEQSA). However, a significant proportion (40%) of IHEA members are dual and multi-sector providers who also deliver Vocational Education and Training (VET), English Language Intensive Courses for Overseas Students (ELICOS) and sometimes, High School programs.

## Executive Summary

This submission outlines Independent Higher Education Australia's (IHEA) response to the House of Representatives Standing Committee on Employment, Education and Training inquiry into the perceptions and status of VET (the Inquiry). This Inquiry is an excellent opportunity to review and align Australia's Vocational Education and Training (VET) sector as a means of enhancing Australia's productivity, sovereign capabilities, and Australia's tertiary systems' world-class reputation in the global knowledge economy. It also adds to the recent reviews of VET, in particular the [Strengthening Skills: Expert Review of Australia's Vocational Education and Training System](#) (2019); the [Productivity Review of the National Agreement for Skills Workforce and Development](#) (2021) and the [Vocational Education and Training Reform Roadmap](#) (2021)

Consistent with this Inquiry's Terms of Reference (ToR) **Appendix B**, IHEA's submission primarily relates to the experiences of dual-sector, independent providers and their students' experience of the VET sector. IHEA makes the following recommendations to the Committee:

## Summary of Recommendations

1. Stop VET Student Loan fee inequity. It undermines student choice and is iniquitous and anti-competitive.
2. An extension of all VET student visas and associated work rights to the subsequent financial year post-study.
3. A nationally coordinated website that links VET international graduates with required skill sets with employers with sponsorship opportunities.
4. A nationally coordinated *International VET Student Work Campaign* to combat against employer implicit bias and increase employer consideration and use the skills of onshore international VET students and graduates.
5. Systematically monitor Australian Skills Quality Authority's (ASQA) regulatory performance through Service Level Agreements (SLAs) to ensure efficacious performance of its regulatory functions.

6. Reduce regulatory burden for dual sector providers.
7. Encourage high quality TAFEs to partner with high quality Independent VET providers to scale benefits associated with the burgeoning opportunities across the sector.
8. Permanent relaxation of working hours for student visa holders from 20 hours per fortnight to 24 hours (three days) per fortnight to alleviate critical labour shortages and mitigate student financial stress.
9. Investigate seeding initiatives for innovative online and virtual education delivery in VET, alternatively for expanding the recently launched Micro-credentials Pilot Program<sup>1</sup> to all registered, quality tertiary providers.

IHEA believes implementing these recommendations will help Australia achieve the greatest return on investment in VET reform.

## Consideration of Issues

Consistent with the Inquiry's ToR,<sup>2</sup> our recommendations cover the following key themes:

- A. Ensuring a cohesive and connected, quality-driven, and outcomes focused world-class VET system (*ToR theme 1 and 2*)
  - *Competitive neutrality*
  - *Creating a pipeline of skilled workers to fill critical workplace shortages and an environment where international students are valued community members, supported to achieve their study goals.*
- B. Strategic collaborations and partnerships (*ToR theme 3 and 4*)
  - *Enhancing Australia's world-class reputation as a destination of choice for tertiary education*
  - *Promoting economic activity.*
- C. Regulatory reform including reducing regulatory burden and removing "structural barriers to improvement"<sup>3</sup> (*ToR all themes*).

### **A. Ensuring a cohesive and connected, quality-driven, and outcomes-focused world-class VET system**

The Australian vocational education and training (VET) sector is at an exciting crossroads with many opportunities ahead. However, its opportunities are moderated by contemporary challenges associated with global economic uncertainty, critical workforce shortages, the rise of Artificial Intelligence and ongoing geo-political tensions. This section discusses how Australia might maintain and build on the VET learning environment to support positive student experiences and outcomes.

One major challenge of Australia's current VET system is the disconnected, outdated and sometimes irrelevant nature of training products and student outcomes relative to contemporary labour and civic needs. For this reason, IHEA welcomes this Inquiry; Job Skills Australia's (JSA) establishment, and other VET reform consultations,<sup>4</sup> proposed to ensure a responsive, quality-driven, outcomes-focused Australian VET system. These reviews and advancements are necessary to ensure Australia's VET system's continued enhancement to meet national interests and support students' educational goals.

The VET systems' current regulatory and philosophical disconnection with the Higher Education (HE) system is detrimental to the tertiary system. The lack of connection sabotages the tertiary systems and the Government's ability to meet the needs of students, industry, employers, skilled migration targets and of the future workforce. IHEA strongly believes Government must enhance the cohesion between VET and HE systems to enable student transition between education and training as necessary to their educational and career goals via the reduction of bureaucratic red tape. One way Government might achieve this is by removing the distinction between Graduate Certificates and Diplomas issued in the VET and higher education sectors in the Australian Qualification

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<sup>1</sup> Department of Education, 2022, accessed from <https://www.education.gov.au/microcredentials-pilot-higher-education>

<sup>2</sup> Parliamentary Joint Standing Committee on the perceptions and status of vocational education and training (VET) ToR, 2022 accessed from [https://www.aph.gov.au/Parliamentary\\_Business/Committees/House/Employment\\_Education\\_and\\_Training/VETInquiry/Terms\\_of\\_Reference](https://www.aph.gov.au/Parliamentary_Business/Committees/House/Employment_Education_and_Training/VETInquiry/Terms_of_Reference)

<sup>3</sup> *Ibid.*

<sup>4</sup> DEWR, 2023, Draft RTO Standards and VET Qualification Model consultations accessed from XXXXXZ and [VET Qualification Model Consultation](#) respectively.

Framework (AQF). This model is also appropriate and consistent with the existing AQF, with significant stakeholder support.<sup>5</sup> This would further overcome the inflexibility of VET qualifications whereby numerous providers are electing to instead accredit their Diploma courses with TEQSA due to the latitude afforded by the Higher Education Standards Framework (HESF) unlike their VET equivalents that restrict the units of competency.

To create sectoral efficiency and drive quality up, IHEA calls for the Australian Government to urgently remove unfair taxes on students studying in the independent sector by permanently abolishing loan fee inequity that penalises independent sector VET students for simply studying with an independent sector provider. This fee nudges students towards places subsidised by a state or territory Government – where no fee is charged, and away from other quality VET providers who might be better placed to support specific students' educational and employment needs. The loan fees create systemic inequity and an artificial market access barrier for students who choose to attend Independent VET organisations.

Students should not be penalised for choosing an independent provider as the quality provider they deem appropriate to meet their educational needs. IHEA agrees with the Productivity Commission's view that "students make good choices"<sup>6</sup> and that "Across both VET and higher education, funding is often allocated to providers based on historical grant allocations, rather than contestable arrangements,"<sup>7</sup> such as provider quality and educational and employment outcomes. Nevertheless, most students who choose to study at an independent provider are inequitably penalised with a loan fee. A 20 percent loan fee applies to VET Student Loans for full fee paying/ fee for service students. This loan fee is Government inadvertently nudging students towards specific provider types instead of towards the quality provider best suited to meet a student's learning or career needs.

VET funding policy must be calibrated with market factors to ensure the entire Australian VET sector remains competitive. To illustrate, IHEA recently welcomed Government announcements regarding the increase in funding for TAFE, in which 'free' places were extended to a limited number of the Independent VET sector. IHEA, however, advocates that access to Government funding should extend to the independent sector more broadly, including in other areas where competitive neutrality is currently lacking - such as in discriminatory loan administration fees. The Government should be working towards creating a cohesive, comprehensive and aligned VET system that maximises sectoral potential.

In addition, there is an opportunity for VET international education to help address some of the contemporary challenges Australia faces associated with an aging workforce, weakening population and productivity growth. IHEA emphasises the value of international VET students and graduates as a ready pipeline of labour that can help mitigate the critical skill and labour shortages Australia is currently facing. Australia is at a crossroads. To illustrate, the ABS June 2022 *Business Conditions and Sentiments Survey* showed that almost a third of employing businesses had difficulty finding qualified staff, including industries seeking VET graduates.<sup>8</sup> Conversely, the Australian Treasury's Intergenerational Report (IGR)<sup>9</sup> shows a clear and positive relationship between migration and economic growth. IHEA advocates extending work rights for all VET students on visas until the next financial year to promote post-study work opportunities for graduates and help backfill demand due to significant workforce shortages in all industries across the country.

International students directly contribute to almost 250,000 FTE Australian jobs<sup>10</sup> and are estimated to generate 0.30 FTE workers in Australia.<sup>11</sup> International students also contribute an average of AUD\$30,000 in value (including friends and family) to the Australian economy.<sup>12</sup> In gratuity of international students' contribution to

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<sup>5</sup> Noonan, 2021, Review of the Australian Qualifications Framework, 2019 accessed from <https://www.voced.edu.au/content/ngv%3A84730>

<sup>6</sup> Productivity Commission, 2022: Interim Report 5 – From Learning to Growth, pg. 61

<sup>7</sup> *Ibid*, pg. 61.

<sup>8</sup> Australian Bureau of Statistics, 2022, Business Conditions and Sentiments, June 2022, Canberra.

<sup>9</sup> *Ibid*.

<sup>10</sup> Austrade, 2019, Jobs supported by international students studying in Australia, accessed from [https://internationaleducation.gov.au/research/Research-Snapshots/Documents/RS\\_Job%20supported%202018.pdf](https://internationaleducation.gov.au/research/Research-Snapshots/Documents/RS_Job%20supported%202018.pdf)

<sup>11</sup> Deloitte Access Economics, 2016, The value of international education to Australia accessed from <https://internationaleducation.gov.au/research/research-papers/Documents/ValueInternationalEd.pdf>

<sup>12</sup> Treasury and Department of Home Affairs (DHA), 2018, Shaping a Nation report accessed from <https://research.treasury.gov.au/external-paper/shaping-a-nation/>

Australia's prosperity and given the economic benefits associated with their presence in Australia, IHEA advocates for extending VET students' visas to the following financial year post-study. Such an extension would also allow potential employers to test graduates' employability without employers bearing the costs of importing a candidate under employer-sponsored visas. A short extension of VET student visas' work rights to the next financial year would also enable Australia to gain first access to retain the best and brightest Australian-trained international VET students in the global fight for international talent - making better use of existing resources, skills and talents already in our economy.

Beyond students seeking education quality, employment opportunities and outcomes are primary drivers in students' choice in selecting a study destination.<sup>13</sup> Interestingly, one reason international students and graduates in Australia raised as limiting their employment opportunities in Australia relates to limited opportunities to work, including while studying.<sup>14</sup> Extending work rights for all VET students on visas until the next financial year could also enhance Australia's VET quality outcomes by enabling international VET graduates to gain post-study work experience, enhancing their chances of future employment in Australia or abroad while also improving Australia's fiscal outcomes.<sup>15</sup>

IHEA further advocates for establishing a nationally coordinated international VET graduate marketplace website that links Australia's international VET graduates with employers seeking skilled people. The website could link pools of recent international VET graduates with necessary skills with employers seeking to sponsor talent. Such a website could deliver positive labour outcomes for VET students on visas, employers, and Australia more broadly. The website's approach could also be aligned with Jobs Skills Australia's (JSA) labour analysis and forecasts to ensure national interests are prioritised. Ideally, such a website would be supplemented with a domestically focused campaign encouraging employers to hire and subsequently sponsor Australia's VET graduates for skilled migration visas, where appropriate, to do so.

IHEA calls for establishing a well-targeted, nationally coordinated *International VET Student Work Campaign* to provide VET students who chose to study in Australia opportunities to gain work experience before heading home post-study. Such a program could showcase and broadcast positive VET graduate contributions to Australia to combat implicit employer bias, leading to international students and other migrants' skills being under-utilized to Australia's detriment. A recent study of international graduates in Australia's Higher Education showed international students were employed at a rate of 25 percent less FTE than their domestic colleagues<sup>16</sup> and earned up to \$10,000 less as a cohort than their domestic colleagues.<sup>17</sup> A robust *International VET Student Work Campaign* could help Australian employers recognise and harness the skills and qualifications of Australian-trained international VET graduates more consistently.

Such a campaign could help Australia partially address chronic labour shortages, especially in areas Australians cannot. Further, using onshore and domestically trained international labour would give employers '*try before they buy*' opportunities with VET graduates while providing post-study work experience opportunities necessary to meet requirements for skilled and employer-sponsored visas. Even if the graduates do not eventually stay in Australia, supporting VET students on visas employment outcomes still benefits Australia, from the skills used by the students during their stay in Australia to the broader foreign linkages gained from students' connections with their homelands. Given that education quality and employment outcomes are primary drivers in student choice

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<sup>13</sup> IDP International Student Report, 2022, pg. 6 accessed from <https://www.idp-connect.com/usa/articles/international-market-trends/international-students-increasingly-looking-to-the-us-to-provide-high>

<sup>14</sup> QILT, 2021 – undertook an inaugural survey of Australian Higher Education international students – accessed from International Graduate Outcomes Survey accessed from [https://www.qilt.edu.au/docs/default-source/default-document-library/2021-gos-international-reportb5ff0a7af7a54ca2a1ebc620f2570151.pdf?sfvrsn=845a4689\\_0#:~:text=International%20graduates%20recorded%20lower%20overall,points%20at%20postgraduate%20research%20level](https://www.qilt.edu.au/docs/default-source/default-document-library/2021-gos-international-reportb5ff0a7af7a54ca2a1ebc620f2570151.pdf?sfvrsn=845a4689_0#:~:text=International%20graduates%20recorded%20lower%20overall,points%20at%20postgraduate%20research%20level). See also, IDP International Student Report, 2022, pg. 6 accessed from <https://www.idp-connect.com/usa/articles/international-market-trends/international-students-increasingly-looking-to-the-us-to-provide-high>

<sup>15</sup> Treasury, 2021, Intergenerational Report accessed from <https://treasury.gov.au/publication/2021-intergenerational-report>

<sup>16</sup> QILT, 20201 International Graduate Outcomes Survey pg. 3 accessed from [https://www.qilt.edu.au/docs/default-source/default-document-library/2021-gos-international-reportb5ff0a7af7a54ca2a1ebc620f2570151.pdf?sfvrsn=845a4689\\_0#:~:text=International%20graduates%20recorded%20lower%20overall,points%20at%20postgraduate%20research%20level](https://www.qilt.edu.au/docs/default-source/default-document-library/2021-gos-international-reportb5ff0a7af7a54ca2a1ebc620f2570151.pdf?sfvrsn=845a4689_0#:~:text=International%20graduates%20recorded%20lower%20overall,points%20at%20postgraduate%20research%20level).

<sup>17</sup> *Ibid*, pg. 4.

when selecting a study destination<sup>18</sup> and the view that post-study work policies are a key indicator of good employment outcomes,<sup>19</sup> Australia would do well to align its policies to better meet modern tertiary student expectations.

## Recommendations

1. Stop HELP Loan fee inequity. It undermines student choice and is iniquitous and anti-competitive.
2. An extension of all VET student visas and associated work rights to the next financial year, post-study.
3. A nationally coordinated website that links VET international graduates with required skill sets with employers with sponsorship opportunities.
4. A nationally coordinated *International VET Student Work Campaign* to combat against employer implicit bias and increase employer consideration and use the skills of onshore international VET students and graduates.

## B. Strategic collaborations and partnerships

The VET sector contributes to Australia's labour markets, employment and national productivity and Australia's international standing as a quality education destination. Further, the VET sector supports students from all equity groups to access realistic and appropriate study options for improving their lives and civic contributions.

Another issue concerning Australia's VET system is the Australian Skills Quality Authority's (ASQA) regulatory performance. ASQA's regulatory performance is considered at times to be a significant obstacle to the VET sectors' growth, with many recent examples of regulatory failures, such as approving a convicted fraudster<sup>20</sup> to run a Registered Training Organisation (RTO), highlighting performance issues that need to be addressed by or with the regulator. Effective regulation protects the integrity of Australia's tertiary system, and it would appear, ASQA is falling behind. IHEA calls for ASQA's regulatory processes and performance to be monitored as a priority to ensure its continued efficacy. One example of regulatory and administrative burden involving ASQA is a case study of one IHEA member who highlighted they were 'still trying to get company ownership details updated by ASQA, after submitting in April 2022, among many other things.'

Regulatory duplication and burden is a major issue dual and multi-sector providers face. In addition to ASQA, dual sector providers are often also regulated by Tertiary Education Quality Standards Agency (TEQSA) for their HE operations. This dual regulation can create confusion for dual provider students and for providers alike, especially in complying with a myriad of similar, but slightly different regulator-specific requirements in the two sectors. Notably, many HE providers, including universities are now dual sector, offering VET courses in addition to HE courses.

An example of excessive regulation impacting provider operations is associated with the two tertiary loan regulators operating in unnecessary silos, and misalignment of processes for dual sector providers registered to deliver Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS). The Government has long recognised the duplication and regulatory burden faced by providers co-regulated by different agencies. TEQSA even introduced a measure to reduce regulatory burden by working closer with ASQA for this very purpose.<sup>21</sup> That said, little progress has been made to address the over-regulation of dual sector tertiary education providers meaningfully. Consequently, IHEA calls for Government to systematically establish and monitor robust Service Level Agreements (SLAs) to ensure ASQA's efficacious performance of its regulatory functions. At the very least, simple reform streamlining regulation through single registration via TEQSA could remove barriers to independent providers who diversify their offerings across higher education and VET sectors which are currently regulated.

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<sup>18</sup> IDP International Student Report, 2022, pg. 6 accessed from <https://www.idp-connect.com/usa/articles/international-market-trends/international-students-increasingly-looking-to-the-us-to-provide-high>

<sup>19</sup> *Ibid.*

<sup>20</sup> Story accessed from <https://www.theaustralian.com.au/nation/twiceconvicted-fraudster-judged-fit-to-run-vocational-training-courses/news-story/ee7879316810fd50fe4f5c97852b0813>

<sup>21</sup> TEQSA Annual Report 2021-2022, pg. 41 Under Key Activity 3.2 accessed from

<https://www.teqsa.gov.au/sites/default/files/2022-11/teqsa-annual-report-2021-22.pdf?v=1666752003>

IHEA recognises appropriate regulatory settings are critical inputs in shaping flexible and innovative educational pathways and responsive VET organisations that leverage organisational diversity and strengths. Regulatory inefficiency, inconsistency and incoherency introduces risks felt directly by registered providers and indirectly by the broad range of actors within Australia's tertiary system, such as students, their families and agents. The regulatory burden placed on dual and multi-sector providers is an incredible detriment to the system. It is inefficient and creates a barrier for entry into the sector for smaller providers, who have no choice but to pay consultants and sometimes lawyers exorbitant costs to meet regulatory requirements, let alone the regulatory costs associated with cost recovery with both ASQA and TEQSA. This means smaller providers are often unable to compete with larger providers who can afford expert-level compliance support and regulatory fees associated with educating Australia's workforce. In a recent submission to the [Universities Accord: Australian HE sector review](#), IHEA proposed five relatively simple changes to ensure effective and cohesive regulation of dual sector providers. These changes would require minimal changes to the regulators' processes and/or minor tweaks to legislative frameworks and would make an immense difference to dual sector providers' operations, and to students experience on the ground.

Robust regulation is necessary to protect the quality and reputation of our post-secondary education sector. However, where regulatory design and processes are excessive, duplicative, a risk to the efficiency, inconsistent and/ or incoherent to internal and external stakeholders, such as regulatory staff, these should be reviewed. Discriminatory policy settings potentially damage the independent VET sector's reputation as a valid, and sometimes more appropriate provider choice. To illustrate, biased Government policy and processes (such as the Simplified Student Visa Framework (SSVF) criteria used by the Department of Home Affairs) directly favour TAFE operations, compared to the independent VET sector's operations, and inadvertently promote TAFE providers as preferred, higher status providers even though there are acute areas of skill shortage that are underserved by the qualifications available at local TAFE providers, hence the value of niche high-quality independent providers that can satisfy this workforce-related gap.

Anecdotal evidence shows that some prospective students of the Independent VET sector had their visas rejected, only to have their visa approved to study at a TAFE – for the same course of study. While we understand SSVF is based on student source country and provider risk, this practice impacts on market perceptions about studying at an independent provider and threatens the reputation of Australia's VET sector more broadly. Instead, IHEA proposes that the Government promote strategic partnerships between high quality TAFEs and high-quality Independent VET providers to scale benefits associated with the burgeoning opportunities and student demand across the sector. Successful examples of public and private institutions collaboration are evident in Australia's HE system, where universities are increasingly partnering with domestic and sometimes international education delivery partners, allowing them to focus on what each organisation does best, while delivering quality student outcomes. A similar model, should be explored in VET, as opposed to decimating Australia's VET system into unhelpful public-independent provider silos.

## Recommendations

5. Systematically monitor Australian Skills Quality Authority's (ASQA) regulatory performance through Service Level Agreements (SLAs) to ensure efficacious performance of its regulatory functions.
6. Reduce regulatory burden for dual sector providers.
7. Encourage high quality TAFEs to partner with high quality Independent VET providers to scale benefits associated with the burgeoning opportunities across the sector.

## C. Regulatory reform including reducing regulatory burden and removing "structural barriers to improvement"<sup>22</sup>

IHEA believes that the Independent VET sector will complement VET and HE sector in Australia's economic recovery, and in addressing the skills shortages challenging Australia, and the globe. IHEA calls for a permanent relaxation of working hours for student visa holders from 20 hours per fortnight to 24 hours (three days) per

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<sup>22</sup> Parliamentary Joint Standing Committee on the perceptions and status of vocational education and training (VET) ToR, 2022 accessed from [https://www.aph.gov.au/Parliamentary\\_Business/Committees/House/Employment\\_Education\\_and\\_Training/VETInquiry/Terms\\_of\\_Reference](https://www.aph.gov.au/Parliamentary_Business/Committees/House/Employment_Education_and_Training/VETInquiry/Terms_of_Reference)

fortnight. The Government recently announced a 'Return to Compliance' under the Education Services for Overseas Students (ESOS) framework.<sup>23</sup> This policy move threatens to worsen international students' financial concern<sup>24</sup> associated with the cost-of-living pressures that are rampant across the globe and will likely negatively impact the extreme labour shortage Australia is still facing. Relaxed work rights as recommended by IHEA would provide student visa holders with additional income, while alleviating severe labour shortages facing Australia.

Further, the critical role the Independent VET sector has played to date in driving and enhancing Australia's economic resilience should also not be understated. It is prudent for Government to harness and promote competitive neutrality across all institutions that continue to contribute to Australia's prosperity. To illustrate, VET policy settings could do more to support upskilling and reskilling, primarily through online, life-long learning. The lack of investment and support for online learning in VET has made it difficult to adapt and stay relevant to the needs of their students, who are increasingly seeking quick, low-cost options for training such as in Micro-credentials.

IHEA calls for Government to investigate seeding initiatives for innovative online education delivery in VET, or alternatively for the expansion of the recently launched Micro-credentials Pilot Program<sup>25</sup> to all registered, quality tertiary providers to facilitate increased online learning access where appropriate. Online education is increasingly relevant with many students studying offshore and at home while enrolled as international students. If Australia is to maintain and grow its global competitiveness in VET, investment in innovative online delivery of VET is a necessity.

The HE Micro-credentials Pilot Program provides an excellent precedent for Government funded online innovations being made available to both the public and private sector as a means of ensuring quality, competition and a strong Australian tertiary system. After all, the Independent VET sector is agile and adept at adapting to workforce needs, offering a diversity of courses that help address upskilling and reskilling and complement longer term workforce solutions. Levelling the playing field for the independent sector and its students through fair market access and regulatory practice is likely to; enhance and assure Australia's VET system through enhanced student choice and unlock many national opportunities and benefits such as increased student educational experience, and overall student and national quality outcomes.

However, of greatest benefit would be the potential merger of ASQA and TEQSA which, apart from the regulatory efficiencies that would inevitably ensue, would additionally facilitate more easily the bipartisan vision across both major political parties for the realisation of stackable degrees.

## Recommendations

8. Permanent relaxation of working hours for student visa holders from 20 hours per fortnight to 24 hours (three days) per fortnight to alleviate critical labour shortages and mitigate student financial stress.
9. Investigate seeding initiatives for innovative online education delivery in VET, alternatively for the expanding of the recently launched Micro-credentials Pilot Program<sup>26</sup> to all registered, quality tertiary providers.

## Conclusion

On behalf of IHEA, its members, and the students they serve, IHEA thanks you for the opportunity to participate in this process and welcomes future opportunities to provide substantive feedback on the development and efficacy of Australia's VET system.

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<sup>23</sup> Department of Education, 2022 accessed from <https://www.teqsa.gov.au/about-us/news-and-events/latest-news/education-services-overseas-students-esos-national-code-return-compliance>

<sup>24</sup> More than a quarter (27%) international students in HE<sup>24</sup> indicate experiencing severe financial concern, see IDP International Student Report, 2022, pg. 6 accessed from <https://www.idp-connect.com/usa/articles/international-market-trends/international-students-increasingly-looking-to-the-us-to-provide-high>

<sup>25</sup> Department of Education, 2022, accessed from <https://www.education.gov.au/microcredentials-pilot-higher-education>

<sup>26</sup> Department of Education, 2022, accessed from <https://www.education.gov.au/microcredentials-pilot-higher-education>



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# Appendix A



## IHEA Member Institutions

Avondale University	Kaplan Business School
Bond University	LCI Melbourne
Torrens University	Le Cordon Bleu Australia
University of Divinity	Leaders Institute
Alphacrucis University College	Lyons College
Australian College of Theology: Australian University College	Macleay College
Moore Theological College: Australian University College	Marcus Oldham College
Academies Australasia Polytechnic	Montessori World Education Institute
Academy of Information Technology	Morling College
Adelaide Central School of Art	National Institute of Organisation Dynamics Australia
Adelaide College of Divinity	Navitas
AIBI Higher Education	Australian College of Applied Profession
Australasian College of Health and Wellness	College of Business and Technology
Australian College of Christian Studies	Educational Enterprises Australia
Australian College of Nursing	Melbourne Institute of Business and Technology
Australian College of Physical Education	Navitas Bundoora
Australian College of the Arts (COLLARTS)	Queensland Institute of Business and Technology
Australian Institute of Business	SAE Institute
Australian Institute of Business and Management	South Australian Institute of Business and Technology
Australian Institute of Management	Sydney Institute of Business and Technology
Australian Institute of Music	Perth Institute of Business and Technology
BBI – The Australian Institute of Theological Education	Western Sydney University International College
Campion College Australia	Oxford College
Christian Heritage College	Perth Bible College
Eastern College Australia	Photography Studies College
Education Centre of Australia	Polytechnic Institute Australia
Asia Pacific International College	SP Jain School of Global Management
Higher Education Leadership Institute	Sydney College of Divinity
Endeavour College of Natural Health	Sydney Institute of Higher Education
EQUALS International	Tabor College Australia
Excelsia College	The College of Law
Governance Institute of Australia	The MIECAT Institute
Holmes Institute	The Tax Institute
Institute of Health and Management	Think: Colleges
Institute of Internal Auditors-Australia	UBSS - Universal Business School Sydney
International College of Hotel Management	UOW College
International College of Management, Sydney	Wentworth Institute of Higher Education

## Appendix B - Terms of Reference

The House of Representatives Standing Committee on Employment, Education and Training will inquire into and report on the perceptions and status of vocational education and training (VET), and Commonwealth supported information on VET available to students, and how they impact:

- education and training choices of students, particularly those who lack the necessary foundation skills, or experience other disadvantages; and
- employer views and practices in relation to engagement with VET.

The Inquiry will focus on the Commonwealth Skills and Training portfolio and include consideration of:

1. information available to students about VET qualifications and related career pathways along a student's journey through secondary schools, vocational education, higher education, and work transitions, with a focus on how this combines with other sources of advice, including informal advice, to influence student choices, and how Commonwealth funded information for students about VET may be improved;
2. perceptions and status of the VET sector and how this may be impacting student enrolment choices, employer engagement, and recruitment and retention of the VET educator workforce, and how perceptions and status of the VET sector can be improved. International best practices in relation to VET perception and qualifications status should be examined;
3. successful partnerships between VET providers and employers that have demonstrably created career pathways and secure employment opportunities for students, considering the best practice elements of these successful partnerships, and how more partnering may be encouraged among VET providers and employers; and
4. Commonwealth programs which could influence the above, and intersections with state and territory, industry, and philanthropic efforts, including any structural barriers to improvement.