

Ref: N4.11.12 – 14 April 2023

Sen. Tony Sheldon
Chair
Standing Committee on Education and Employment
PO Box 6100 – Senate
Parliament House
CANBERRA ACT 2600

Dear Senator Sheldon

RE: Education Legislation Amendment (Startup Year and Other Measures) Bill 2023

The Independent Tertiary Education Council Australia (ITECA) is the peak body representing independent providers in the higher education, skills training and international education sectors. Collectively, independent higher education providers and skills training providers supported around 3.9 million students across Australia's tertiary education sector in 2021, including support around 10% of the 1.6 million students in a higher education awards program.

It is fundamental to the health and sustainability of the tertiary education sector that these students have more streamlined access to a cohesive tertiary system that supports their ability to engage successfully in their chosen study path and career choices. It is the view of ITECA members that this must include an expanded and sustainable income-contingent loan framework.

It is noteworthy, however, that expertise and input from the independent sector continues to be absent from consideration in the context of the consideration of the Government's new Startup loan scheme.

Many ITECA members offer both FEE-HELP and VET Student Loans programs, as well as training programs that are subsidised by state and territory governments. ITECA feels these experiences can offer particularly valuable environments for accelerator programs to flourish and that they should not be specifically excluded.

The *Education Legislation Amendment (Startup Year and Other Measures) Bill 2023* appears to actively exclude students who study at independent institutes of higher education from participation in the Startup loan scheme. This is disappointing and must either be an unfortunate oversight or, at worst, a point that is a deliberately exclusionary one for the more than 48,000 students at independent providers. Regardless of the motives, it represents another barrier for students which would be unfortunate in the context of a policy environment where attempts are actively being made to make tertiary education more streamlined and accessible for students and engaging for employers.

While ITECA appreciates attempts by the Australian Government to increase participation in these programs, notwithstanding the limitations placed on participation by the Bill, ITECA maintains reservations with the manner of the Government's approach to support. That is, rather than facilitate yet another additional income-contingent loan scheme for a subset of the higher education sector while the vast majority of the students in need are forced into pay fee-for service places for their tertiary education, there may be more

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equitable and appropriate mechanisms available. In particular, this may involve stipends for accelerator programs and an expansion of income-contingent loans more broadly in the tertiary sector combined with the abolition of the discriminatory student loan tax levied on FEE-HELP borrowers in undergraduate places as well as VET Student Loans students who are not in state-government subsidised places.

Consideration of this Bill affords the Committee the opportunity for a broader consideration of the reach and design of support for accelerator programs, as well as the system-wide reach and design of income-contingent loan programs to ensure they are not rolled out as a haphazard solution to future problems as they arise.

We look forward to further engagement with you on this matter and to further discuss ITECA's interest in the Accord and how we can support its development please have the committee secretariat contact my office via email at _____ or by telephone on 1300 421 017 to arrange a meeting.

Yours faithfully

Troy Williams FIML MAICD
Chief Executive