

Senate Committee: Education and Employment

**QUESTION ON NOTICE
Additional Estimates 2014 - 2015**

Outcome: Higher Education Research and International

Department of Education and Training Question No. SQ15-000168

Senator Carr, Kim provided in writing

VET FEE-HELP -non-completion rates

Question

Does the Government have concerns about non-completion rates and students being left with a VET FEE-HELP debt but without a qualification?

- a. Can the Department supply non-completion rates?
- b. Has any analysis been undertaken by the Department on students dropping out after the census date and thereby carrying a debt but having achieved no qualification?
- c. Can this work be provided? If not, why not.

Answer

The Government is responding to concerns about students being levied with a loan for which there has been no training outcome through the measures to reform the VET FEE-HELP scheme announced in March 2015. These measures include banning inducements and tightening VET marketing and recruitment practices, to ensure that students are choosing courses, and funding arrangements, that best suit their own individual needs. The Government is also requiring that fees be charged for progress across separate units of study.

- a. No. There are a number of reasons why a student may not complete a course including early withdrawal or deferral or transfer to another course or provider. Students may take up to four years or longer to complete their studies and there is no time period after which a student is deemed to have not completed.
- b. The department reports on progress rates, which is calculated as equivalent full-time study load (EFTSL) for successfully completed units as a percentage of EFTSL for all completed (successful, fail or withdrew) units. This does not include Recognition of Prior Learning (RPL) VET units of study or ongoing units. In 2013, the progress rate for VET FEE-HELP assisted students was 65.1 per cent. The withdrawal rate for VET FEE-HELP assisted students was 12.4 per cent.

The reforms announced in March 2015 will also require training providers from 1 July 2015 to give students separate census dates for each unit of study, effectively banning the practice of the VET FEE-HELP loan debt for the whole qualification being levied on a student in one hit up front. Students will be able to withdraw from a unit before the census date without incurring a debt. The Government will require a minimum number of units for courses, which will be linked to payments to providers – to ensure providers focus on continuing student participation and progression. Approved training providers will be required to give the Government additional information on student progress, attainment and employment outcomes arising from their training.

- c. No, the department tracks the completion of units and the debt associated with those units however, as mentioned earlier, the department does not receive information on courses that have not been completed.