



Senator the Hon Simon Birmingham

Assistant Minister for Education and Training

Senator for South Australia

Dear <<Name>>

Further to my recent letter regarding vocational education and training consultations and policy, I am writing to advise you of changes the Australian Government is making to the VET FEE-HELP scheme over the course of 2015. These changes have proven necessary as a result of unethical behaviour by a small number of approved registered training providers, along with agents and brokers who have been engaged to recruit potential students under the scheme.

The new arrangements will be critical in protecting students and taxpayers, as well as the reputation of the entire national vocational education and training sector.

Since its introduction, the VET FEE-HELP scheme has provided access to higher level vocational education and training for many Australians, by providing an income contingent loan and removing the need for individuals to pay for their training up front. Today, there are more than 250 providers approved to offer loans, and in 2014 more than 180,000 students took out a VET FEE HELP loan.

I welcome the fact that the scheme offers so many students the opportunity to enhance their skills, many of whom may not have otherwise been able to afford to do so. VET FEE-HELP will continue to grow under this Government. However, it is clear we must address concerns about the quality of training being provided by some organisations, and about the marketing practices of some providers, or third parties/brokers acting on their behalf.

In order to address these concerns, the Australian Government will implement a number of changes to the scheme over the course of 2015, starting with a ban on inducements from 1 April 2015, in line with the introduction of the tough new standards for registered training organisations. Detail on these changes can be found in the following factsheet -- https://docs.education.gov.au/system/files/doc/other/vet_fee_help_reforms_-_implementation_overview_acc.pdf

I expect that an initial round of consultations with stakeholders will be undertaken during late March and early April and there will be opportunities for you to contribute your views.

In the meantime, if you have any queries, please do not hesitate to contact the Department of Education and Training at tsenquiries@education.gov.au or my office.

Yours sincerely

A handwritten signature in blue ink that reads 'Simon Birmingham'.

Simon Birmingham
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