

AUSTRALIAN COUNCIL FOR PRIVATE EDUCATION AND TRAINING

Submission to

The Senate Employment and Workplace
Relations, Small Business and Education
Legislation Committee

on its reference concerning the

Higher Education Funding Amendment Bill 2002

July 2002

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Introduction

The Australian Council for Private Education and Training (ACPET) welcomes the opportunity to make a submission to the Senate Employment and Workplace Relations, Small Business and Education Legislation Committee on its consideration of the Higher Education Funding Amendment Bill 2002.

ACPET is most aware that an effective, responsive and high quality national higher education system is founded on national cooperation and equity across the full range of public and private higher education providers. In this regard ACPET is critical of current arrangements, which bestow considerable advantage on students attending Government-funded universities relative to students attending non-university higher education private institutions.

ACPET notes that the ministerial discussion paper "Higher Education at the Crossroads" released by the Minister for Education, Science and Training the Hon Dr Brendan Nelson M.P, refers to the results of research conducted by Dr L. Watson in 1999 which showed that private higher education institutions accounted for approximately 3 per cent of higher education students. ACPET would maintain that there has been considerable growth in private non-university higher education provision since that time and that the current anecdotal estimate is between 5-6 per cent.

ACPET

ACPET was established in 1992 as a national body to represent the interests of private providers in discussions with Commonwealth, State and Territory Governments and their agencies.

ACPET is a not for profit company established under the Corporations Act. It is administered by a Board, elected by the membership that operates in accordance with the requirements of the Australian Securities Commission. The Registered Office of ACPET is 123 Clarence Street, Sydney, NSW 2000, with State offices in Melbourne and Brisbane

ACPET is the largest body representing the private education sector in Australia with approximately 450 members delivering higher education, vocational education and training and ELICOS programs.

Strengths & Achievements of Private Providers

Over the past decade, private providers have become an increasingly important contributor in the delivery of accredited higher education programs meeting specific needs of industry and the community. Many private higher education providers are industry specialists, delivering higher education in niche markets with a depth of knowledge and experience in the particular field. Private higher education providers frequently possess extremely well developed industry and academic networks, and current knowledge of industry and education practice. Private higher education providers have developed a particular profile in opening up and delivering high quality niche market accredited higher education to overseas and domestic students. ACPET operates Tuition Assurance Schemes for both overseas and domestic students on behalf of these providers, and has been witness to the strong growth of provision in this sector of the industry.

In all cases private higher education providers have been subject to the rigorous and thorough assessment processes of the States or Territories higher education accreditation authorities in order to ensure that they are capable of delivering educational outcomes of the prescribed standard. These private higher education providers have also had to satisfy States or Territories higher education accreditation authorities of the probity of their governance arrangements and of their financial capacity.

Focus of Submission

ACPET in making this response has focussed its attention on the proposed amendments to section 98A of the Higher Education Funding Act 1988, namely the extension of the Post Graduate Education Loan Scheme to Bond University, Melbourne College of Divinity, Christian Heritage College and Tabor College (South Australia) and the various consequential amendments arising from this measure.

Recommendations

Recommendation 1

It is recommended that the application of Government funding or subsidies be broadened to private higher education providers and their students to ensure that all students have equal access to whatever public funding entitlements for tertiary study are in place.

Recommendation 2

It is recommended the Higher Education Funding Act 1988 be amended to include all accredited higher education institutions as eligible unfunded institutions and not only a small selection of colleges with a religious mission.

Recommendation 3

It is recommended the Higher Education Funding Act 1988 be amended to enable all higher education students access to all government deferred payment and student loan systems such as the Higher Education Contribution Scheme (HECS), the Open Learning Deferred Payment Scheme (OLDPS) the Postgraduate Education Loans Scheme (PELS) and the Bridging for Overseas Trained Professionals Loan Scheme (BOTPLS).

Recommendation 4

It is recommended that the Senate takes steps to ensure that all Australian higher education students are treated equally and fairly.

Principles of a higher education system

ACPET appreciates that the recent Ministerial discussion paper “ Higher Education at the Crossroads” presents a range of 12 principles to guide the thinking about the sort of higher education Australia seeks and needs. ACPET is generally supportive of these principles but feels that they should be extended to include reference to the need to develop, value and grow the contribution of the private providers of higher education and reoriented to give a more holistic view of higher education provision and

not one that is primarily focused on a public service approach to government or publicly funded institutions.

ACPET is also firmly committed to the concept of "User Choice", where the individual student has the right to choose his/her higher education provider from amongst all authorised higher education providers offering accredited higher education courses.

In this regard ACPET desires amendment to the Higher Education Funding Act to facilitate the broadening of the application of Government funding or subsidies to private providers and their students to ensure that all students have equal access to whatever public funding entitlements for tertiary study are in place.

Recommendation 1

It is recommended that the application of Government funding or subsidies be broadened to private higher education providers and their students to ensure that all students have equal access to whatever public funding entitlements for tertiary study are in place.

Amendment to Higher Education Funding Act 1988

Consequently ACPET maintains that the Higher Education Funding Amendment Bill 2002 should ensure that all Australian students enjoy the same rights with regard to accessing the Higher Education Contribution Scheme (HECS), the Open Learning Deferred Payment Scheme (OLDPS) and Postgraduate Education Loans Scheme (PELS) deferred payment and student loan systems for their education regardless of their choice of accredited higher education course or authorised higher education institution.

The Bill in its present form proposes to amend the Higher Education Funding Act 1988 to extend access to the PELS to Bond University, Melbourne College of Divinity, Christian Heritage College and Tabor College (South Australia). However eligibility is restricted to PELS and limited to those students enrolled in these nominated institutions. This proposed amendment does not acknowledge the desirable principle of

private fee paying students being entitled to access the full range of Government student loan and other funding arrangements.

ACPET is supportive of requirements for organizations to undergo rigorous assessment to ensure that they are capable of delivering educational outcomes of a prescribed standard and of assuring the appropriate accreditation authorities of the probity of their governance arrangements and their continuing financial health in order to become accredited as non-university higher education private providers. This as mentioned earlier in this submission is a normal process undertaken under State and or Territory based legislation.

ACPET would not want another layer of legislation or regulation placed on accredited non –university higher education providers in order for their students to be entitled to access the full range of Government student loan and other funding arrangements. ACPET does not support the accreditation of organizations as non- university higher education providers being contingent upon their capacity to engage in research. Consequently this issue should not be considered to be relevant. The higher education accreditation process is rigorous and it follows that access to public grants and subsidies should be determined only on the basis that a provider has (inter alia) been accredited.

Consequently ACPET suggests that the Senate Employment and Workplace Relations, Small Business and Education Legislation Committee advise the Senate of the desirability of establishing the principle of universal access to higher education. This would require the Higher Education Funding Act 1988 to be amended to include all accredited higher education institutions as eligible unfunded institutions and not only a small selection of colleges with a religious mission.

Recommendation 2

It is recommended the Higher Education Funding Act 1988 be amended to include all accredited higher education institutions as eligible unfunded institutions and not only a small selection of colleges with a religious mission.

It would also require the Higher Education Funding Act 1988 to be amended to enable all higher education students access to all government deferred payment and student loan systems such as the the Higher Education Contribution Scheme (HECS), the Open Learning Deferred Payment Scheme (OLDPS), the Postgraduate Education Loans Scheme (PELS) and the Bridging for Overseas Trained Professionals Loan Scheme (BOTPLS).

Recommendation 3

It is recommended the Higher Education Funding Act 1988 be amended to enable all higher education students access to all government deferred payment and student loan systems such as the Higher Education Contribution Scheme (HECS), the Open Learning Deferred Payment Scheme (OLDPS) the Postgraduate Education Loans Scheme (PELS) and the Bridging for Overseas Trained Professionals Loan Scheme (BOTPLS).

The Bridging for Overseas Trained Professionals Loan Scheme (BOTPLS) is the most recent of the government deferred payment and student loan systems. It was announced in the budget of May 2001 and came into effect on 1 July 2002. Under this program overseas trained professionals who are Australian citizens or permanent residents have access to an interest-free, deferred payment loan to cover the fees of the bridging courses they need to meet the recognition requirements for their profession in Australia.

They are eligible if they enrol in a non-award course with an upper limit of a full-time student load for one academic year at a university listed in the Higher Education Funding Act (1988).

This is another illustration of how the higher education private provider members of ACPET and their young Australian fee paying students are still being asked to wait in the queue for access to government deferred payment and student loan systems. Governments and legislators exhibit no appreciation of the major financial contribution made by fee-paying Australian students enrolled in non-university higher education providers to their tertiary educations.

Recommendation 4

It is recommended that the Senate takes steps to ensure that all Australian

students are treated equally and fairly.
