



MEDIA RELEASE

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ANAO audit of VET student loans program totally misses the point

The Australian National Audit Office (ANAO) audit of the [Design and Implementation of the VET Student Loans program](#) released yesterday misses the most vital of issues – it may be well implemented but hardly anyone is using it.

In a stunning oversight of the obvious, the ANAO finds little fault in the way the Department of Education and Training designed and implemented the VET Student Loans scheme but fails to highlight that the scheme has very few students.

“*Yes Minister* and the world class hospital with no patients springs to mind,” the CEO of TAFE Directors Australia Craig Robertson said.

The ANAO came to this audit after its most damning of findings on the Department of Education and Training’s lack of oversight of the runaway VET FEE-HELP scheme.

“The department should be congratulated on a consultative design and implementation process,” Mr Robertson said. “These were difficult times as providers intent on profit needed to be rooted from the system, and it was not easy to confront.

“But as is often the case within government, replacement schemes can swing too far the other way,” he said.

The report itself says that only eight per cent of the available \$4.1 billion in loans over two years has been taken up.

“The government may feel pleased with that, but businesses will soon feel the pinch when skilled workers are in short supply,” Mr Robertson said.

“Navitas, a respected private provider of vocational education at the diploma level, has withdrawn from training in enrolled nursing because the loan limits do not allow for quality training,” he said.

The ANAO indulges in further satire when it recommends that the department develop key performance indicator(s) to measure the contribution of the VET Student Loan program in promoting confidence in the regulated VET market.

“Where’s any analysis of market conditions within this report?” Mr Robertson asked.

“The only pricing signal to students is one that says, ‘VET is cheap’. Five thousand dollars for a VET diploma or advanced diploma hardly suggests quality or something to aspire to.

“The current system champions the ‘quick and dirty’ and we wonder why there’s a perception and quality problem in VET,” he said.

The government has the tools at its disposal to boost funding for these courses through trusted TAFEs.

“TAFEs have rescued thousands of students from other colleges which closed due to maladministration but have received little to no help in return from the government.”

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TAFE Directors Australia is the peak national body representing 28 TAFE institutes, including six dual sector universities with TAFE divisions.