

1 July 2016

**By email: VFHPolicyRedesign@education.gov.au**

Senator the Hon Scott Ryan  
Minister for Vocational Education and Skills  
Department of Education and Training  
GPO Box 9880  
CANBERRA ACT 2601

Dear Minister

**Submission responding to the “Redesigning VET FEE-HELP” discussion paper**

The Consumer Action Law Centre (**Consumer Action**) welcomes the opportunity to provide a submission on the discussion paper outlining options for reforming the VET FEE-HELP system.

Consumer Action has played an active and productive role in the debate over VET FEE-HELP and the vocational education and training (**VET**) sector. The rampant and inappropriate selling of VET courses, leading to large and worthless VET FEE-HELP debts, has disproportionately impacted vulnerable and low-income Australians, often young job seekers. These are the very people for which vocational education is designed to promote economic participation and independence.

Many of the sales transactions that consumers raised with our legal practice constituted a breach of the Australian Consumer Law (**ACL**); including misleading and deceptive conduct and unsolicited sales. Many of Consumer Action’s concerns have been addressed through recent reforms to the VET FEE-HELP scheme. However, those Australians enrolled in courses during the height of the mis-selling scandal still have limited recourse to remediation for the debt incurred.

Where commercial traders have access to public funds, a tough cop on the beat is essential to ensure that those funds are used for the purpose they are intended. Consumer Action recommends the establishment of an Ombudsman service that will serve the sector by providing incentives for good behaviour, and give students an avenue for dispute resolution on an on-going basis.

The discussion paper outlines a number a very welcome initiatives that would assist consumers as they interact with the vocational education market.

This submission responds to a number of the discussion questions of this discussion paper, relevant to our case work and expertise, in particular:

- Consumer information and the role of brokers;
- The establishment of a VET FEE-HELP Ombudsman;

- Remediation of VET FEE-HELP debts; and,
- Student eligibility and price signals

Our comments are detailed more fully below.

## **About Consumer Action**

Consumer Action Law Centre is an independent, not-for profit consumer organisation based in Melbourne. We work to advance fairness in consumer markets, particularly for disadvantaged and vulnerable consumers, through financial counselling, legal advice and representation, and policy work and campaigns. Delivering assistance services to Victorian consumers, we have a national reach through our deep expertise in consumer law and policy and direct knowledge of the consumer experience of modern markets.

### **1. Protecting Students**

#### **1.1 Student eligibility to access a loan**

The introduction of a two-day waiting period between enrolment and a request for a VET FEE-HELP Loan in conjunction with a range of other measures on 1 January 2016 was designed to slow the enrolment process and give the student an opportunity to think it through. As the transaction has typically included a sales pitch rather than an assessment of need, this slowing of the process reduces opportunity for unfair or unlawful selling.

An evaluation of this measure to determine the effectiveness of the two-day waiting period in slowing transactions would be useful. It would also be useful to investigate whether providers or sales agents (brokers) are using techniques to avoid this new measure.

Further protection could include a discussion or consultation with an independent career counsellor to determine course suitability. This point is explored in more detail later in this submission (refer s1.6).

#### **1.2 Lifetime loan limit for students**

Consumer Action is broadly supportive of a reduced loan limit given that the existing limit facilitates unscrupulous marketing and encourages providers to set prices to maximise profit rather than market competition setting efficient and fair prices.

For instance, a website marketed as “Funded Training Australia”, a broker for licenced RTO Estrada College states:

*“To assess your eligibility to access government tuition loan assistance up to \$99,389.00, please complete the simple assessment on the left of the screen.”<sup>1</sup>*

Marketing like this views the lifetime limit as a gift rather than a loan that is required to be paid back. The relative price of VET courses (such as those offered at TAFE institutions) is

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<sup>1</sup> Funded Training Australia, accessed 29 June 2016, <http://www.fundedtraining.com.au/index>

significantly lower than a University level course. This should be taken into account when determining the lifetime loan limit.

We do not have a view on what the lifetime loan limit should be, or how a new limit might interact with the current limit.

### **1.3 Addressing course costs**

As competition in the sector is not working to set efficient and fair prices, there is a clear economic case to cap prices. Alternatively, government or the regulator could provide benchmark prices for the various classes of courses to enable students to compare the course on offer and the advertised price against a non-commercial measure. For this to work, the benchmarked price must be clearly disclosed to the student at the time of enrolment.

Practically, providers could still be free to charge their own price, but the maximum that could be obtained for a VET FEE-HELP loan related to each eligible course would be set. The value of the VET FEE-HELP loan should be continue to be sufficient to meet reasonable costs of participating in high-quality vocational education. Any residual cost not covered by the VET FEE-HELP loan would be borne by the student which would present the student with a price signal and introduce a competition incentive for providers.

### **1.4 Calculating 'reasonable costs' as a basis for maximum loan amounts**

The lack of targeting VET FEE-HELP loan to align with industry needs has potentially contributed to exploitation in the sector, as providers rushed to enrol students into courses that were less expensive or difficult to deliver, but still attracted a premium price and maximised profits. Our own case work was littered with consumers enrolled in online "Business" or "Management" courses.

Vocational education is, at its core, a way to assist Australians gain employment: either by moving into a new career, up-skilling to allow for career progression, or getting a job for the first time. If there is low or no potential for employment aligned with the course, it is questionable as to the public good that results from the public investment.

The Government might indeed wish to consider a more adaptive and responsive approach to subsidised vocational education and training that responds to market demands. How this is delivered depends on the capacity of existing agencies, but the aim should be to deliver skilled workers into available jobs. Further commentary on this is beyond the scope of this Centre, rather we are concerned that students enrolling in courses are doing so in full knowledge of the costs to them now and in the future, and that the product (in this case a course) is appropriate for their needs and of acceptable quality.

### **1.5 Delivery mode**

Low completion rates, and the many stories of misconduct relating to the sales of online courses, suggests greater government and/or regulatory oversight be given to online courses.

This oversight could include ensuring that students that enrol online have the capacity to complete online education. Online study is not suitable for many adult learners.

An assessment should also be undertaken to ascertain whether a course is suitable for online study. For example, a course on infant massage or counselling would be somewhat challenging to complete online, given the substance of the course.

### **Case Study**

Jillian enrolled with a private VET provider to study a Diploma in Counselling. When Jillian spoke to the one of the provider's representatives she was told that the provider would be in regular contact to keep her on track and to support her. Jillian explained to the representative that she was computer illiterate but was assured it would have no bearing as the online study is 'very simple and self-explanatory'. Jillian was informed that studying online was pretty much the same as studying at any other TAFE.

After Jillian enrolled she received no or very little support from the provider. They gave her books and access to the website but she was left quite isolated. Jillian struggled to complete tasks and locate research materials. Jillian feels she was misinformed about the course.

\* Name changed for privacy purposes.

## **1.6 Improved information for consumers and the role of brokers and agents**

There is sufficient evidence to suggest that brokers or third-party sales agents should be banned from involvement in VET FEE-HELP. It is largely accepted that, in the worst excesses of the course sales boom, courses were aggressively sold, not bought. Consumer Action remains of the view that decisions about education should be carefully considered, not a spur of the moment purchase. Sadly, many people are now regretting that "impulse buy" as they receive notice of the debts they are now liable for, even if they did not start or complete the course they were sold.

Agents or intermediaries in the VET sector typically are motivated by selling courses and are provided with a financial incentive to sell through commissions or performance pay. In an investigation undertaken by The Age newspaper, one broker was recorded attempting to recruit a low-income consumer to sell courses by saying:

*"We have people who [sign up] 10 customers per week, and we give \$800 [per sign up] ... so you make \$8000 per week ... \$32 grand in a month."<sup>2</sup>*

There are significant risks of conflicted remuneration or hidden arrangements in the supply of these services, meaning that the information received by consumers may be biased, inaccurate or false.

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<sup>2</sup> 'Vocational education, the biggest get-rich quick scheme in Australia', The Age, 16 September 2015, <http://www.smh.com.au/national/vocational-education-the-biggest-getrich-quick-scheme-in-australia-20150916-gjnqwe.html>

Simply disclosing commissions does not go far enough. Research suggests that disclosing commissions may lead to perverse outcomes. For example a rewrite of mortgage disclosure information to disclose broker commissions actually increased trust in the broker when it should have led customers to be more critical about the advice.<sup>3</sup> Further, commissions received by comparison websites per sale commonly vary between suppliers. The ACCC guidance<sup>4</sup> suggests that disclosing this fact may be sufficient to comply with the ACL, so further regulation is necessary.

In the vocational training sector, we have seen numerous cases of consumers being contacted by brokers or agents after having provided their contact details to a job search web-site.

This practice is highlighted by the following case study:

#### **Case study**

Sarah\* had been applying online for jobs via a job advertisement board operated by Acquire Learning. Sarah received a telephone call from an Acquire Learning representative offering to enrol her in a Diploma of Management. The representative sent Sarah an email whilst on the telephone, and told her to click on various links to sign her up to a course that was government funded and would help her obtain a job. Sarah was told by the sales representative not to read the email. Sarah says the sales representative did not ask any questions about her ambitions or capabilities. Sarah did not commence the course, but later received notification of a VET FEE-HELP debt of over \$23,000.

\* Name changed for privacy purposes.

#### **Case study**

Reena\* was looking for jobs on a job advertisement board operated by an education broker. After providing her personal information she received a cold call from a representative of the education broker. Although Reena was interested in doing librarianship, the representative convinced her to enrol in a business course. Reena enrolled in the course on the phone while the representative talked her through the enrolment process. Reena raised concerns about lacking the discipline to be able to study online and was told 'not to worry about it'. Reena eventually withdrew from the course.

\* Name changed for privacy purposes.

If a ban on brokers is not acceptable, it is recommended that the Government remove any conflicted remuneration (to both brokers and internal employees). No-one should be incentivised through the sale of education courses of any type.

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<sup>3</sup> Lacko, James and Pappalardo, Janis, 2004, *The effect of mortgage broker compensation disclosures on consumers and competition: A controlled experiment*, Federal Trade Commission Bureau of Economics Staff Report referenced in Financial Services Authority, 2008, *Financial Capability: A Behavioural Economics Perspective*.

<sup>4</sup> "Comparator websites: A guide for comparator website operators and suppliers", Australian Competition and Consumer Commission, 2015, <https://www.accc.gov.au/system/files/CSBS%20-%20Comparator%20web%20sites%20project%20-%20Industry%20Guidance%20-%20final.pdf>

As a replacement to exploitative sales practices, Consumer Action supports the establishment of an independent course advisor program—to assist students make the best choice regarding course and provider. Whilst this would require Commonwealth investment, it would save significant money over time as students requesting a VET FEE-HELP loan would be placed into a course with a much higher chance of completion leading to employment and eventual loan repayment.

## 1.7 VET FEE-HELP Ombudsman

When considering the establishment of a VET FEE-HELP Ombudsman, it is worth considering the experience of other industry ombudsman schemes that already exist in jurisdictions across Australia.

Consumer Action has significant experience in supporting and acting on behalf of consumers with disputes considered by industry ombudsman schemes (such as Financial Ombudsman Service (**FOS**), the Credit and Investments Ombudsman (**CIO**) service, Energy and Water Ombudsman Victoria (**EWOV**) and the Telecommunications Industry Ombudsman). We believe that, in providing access to justice, the establishment of these schemes has been one of the most significant advances in consumer protection of the past 30 years.

Without industry ombudsman schemes, hundreds of thousands of people would have been left with no avenue for redress other than courts, or more likely, because of cost and other access barriers, would have been left with nowhere to turn.

These schemes contain a number of useful features which contributes to strong justice outcomes, including:

- industry ombudsman schemes are typically a condition of holding a relevant licence, so all businesses in an industry must participate in the scheme;
- industry ombudsman schemes are funded by industry, so industry has a financial incentive to minimise consumer disputes and costs to the state are minimised;
- industry ombudsman schemes typically have independent boards with 50 per cent representation from consumers so the dispute resolutions processes are fair and balanced;
- the ombudsman scheme process provides flexible solutions to disputes but also has ‘teeth’ because the Ombudsman can make findings binding upon the trader;
- industry ombudsman have internal experts (both legal and non-legal) on the issues the scheme investigates, which results in better and more efficient outcomes for the parties;
- some Ombudsman schemes usefully require members to stay any court action relating to the dispute while the Ombudsman investigates. Resolution of the dispute therefore results in no further court action;
- Ombudsman schemes are typically required to investigate and report on systemic problems, meaning that they not only provide solutions for individual disputes but also help bigger problems get solved at their source; and
- Ombudsman schemes keep detailed records and make detailed reports that assists the advancement of consumers’ interests

The below table provides some further detail about certain features of industry ombudsman scheme, and compares them with other forms of alternative dispute resolution (**ADR**).

	ADR facilitated by individual ADR practitioner (e.g. pre-court mediation).	Government Ombudsman (and some agencies e.g. Fair Trading conciliation services)	Industry Ombudsman Scheme
<b>Power to make a binding decision in an individual dispute</b>	Not usually	No	Yes—can make decision binding on industry member (although encourages settlement)
<b>Quality assurance</b>	Minimal surveys/evaluations	Subject to government oversight (i.e. Auditor-General)	Reviews and evaluations reported publicly or to Boards
<b>Systemic issues</b>	Cases dealt with as individual disputes, no response to systemic issues	Yes, can report to Parliament or through annual reports	Report systemic issues arising from cases to the relevant regulator and publish de-identified outcomes
<b>Outcome expectations</b>	Settlements are confidential, and little, if any, publication of outcomes even de-identified		Binding determinations may be published. Case studies published in annual reports or in bulletins can give parties a guide to likely outcome

When exploring the establishment of an ombudsman scheme for vocational education and training, the scheme could be government-run or an industry funded scheme comparable to existing schemes like the Public Transport Ombudsman Victoria or the Energy and Water Ombudsman Victoria.

The ombudsman would be expected to comply with the *Benchmarks for Industry-based Customer Dispute Resolution*<sup>5</sup>, which currently apply to all industry EDR schemes we work with. These benchmarks set out minimum standards in relation to accessibility, independence, fairness, accountability, efficiency and effectiveness. They also provide a basis upon which each scheme can be independently evaluated.

Industry EDR schemes only have jurisdiction to hear disputes against businesses who are members of that scheme, so to cover a whole industry, there must be some kind of requirement for businesses to join an ombudsman scheme before they can trade or have access to the VET FEE-HELP scheme. In industries where each business needs a license to operate (such as in credit and financial services) or needs to be registered with a government agency (such as RTOs), membership of an EDR scheme can be made a prerequisite of licensing or registration.

<sup>5</sup> “*Benchmarks for industry-based customer dispute resolution*”, Commonwealth of Australia, 2015, [http://www.treasury.gov.au/~media/Treasury/Publications%20and%20Media/Publications/2015/benchmarks\\_ind\\_cust\\_dispute\\_reso/Documents/PDF/benchmarks\\_ind\\_cust\\_dispute\\_reso.ashx](http://www.treasury.gov.au/~media/Treasury/Publications%20and%20Media/Publications/2015/benchmarks_ind_cust_dispute_reso/Documents/PDF/benchmarks_ind_cust_dispute_reso.ashx)

Industry EDR schemes are funded by their members through membership fees, and also through additional fees by individual traders each time a consumer makes a complaint against that business. They are free for consumers to use. This funding model is a critical element of their success as a dispute resolution option—businesses have a clear incentive to settle disputes with their customers before the dispute reaches EDR, and low income consumers are not deterred from bringing disputes by an unaffordable fee or potential cost risks.

Two questions have been posed by the Discussion Paper: the need for a legacy ombudsman or remediation scheme; and the need for an ongoing Ombudsman scheme to resolve disputes as they arise in the future.

There is a real need for a legacy ombudsman or other remediation action that has the capacity to review particular businesses and require remediation where there has been misconduct. This should be done in a pro-active way by investigating all courses that were not completed by students within a reasonable time frame, such as the three years used by the Department of Education and Training for statistical purposes.

#### **Case study**

Clare was cold called by an education broker during her university exams. Clare is quite young and was very stressed at the time. Clare was eventually convinced to enrol in an online course after being assured she would have two 'career advisers'. Shortly after enrolling, Clare decided she couldn't do the course. She contacted the VET provider before the census date and asked to withdraw from the course. The provider told Clare that someone would return her call, but instead Clare received a number of calls from the education broker. The education broker convinced Clare that she should defer instead of withdrawing. Subsequently, Clare received a VET FEE-HELP notice for an approximate \$23,000 debt. Clare was knowledgeable enough to seek legal assistance to have the enrolment waived.

\* Name changed for privacy purposes.

The recent undertaking made by Careers Australia Group Limited (**Careers Australia**) following action by the ACCC shows the depth of the problem. Between 1 August 2013 and 31 March 2015, Careers Australia enrolled 20,242 students who then incurred a debt to the Commonwealth. As part of the undertaking, Careers Australia cancelled at least 12,130 of these student enrolments and either repaid or partially repaid to the Commonwealth amounts.<sup>6</sup> This is an extraordinary admission that over half the enrolments during this time breached the Australian Consumer Law.

The ACCC is currently taking action against a series of VET FEE-HELP providers including: Acquire Learning, Phoenix Institute, Unique International College, Empower Institute <sup>7</sup> and

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<sup>6</sup> “*Undertaking of Careers Australia Group Limited (Careers Australia)*”, Australian Competition and Consumer Commission, <http://registers.accc.gov.au/content/index.phtml/itemId/1195880>

<sup>7</sup> “*ACCC takes action against education services broker Acquire Learning*”, Australian Competition and Consumer Commission, <http://www.accc.gov.au/media-release/accc-takes-action-against-education-services-broker-acquire-learning>



AIPE<sup>8</sup>. The allegations made by the ACCC in relation to current litigation against Unique International College<sup>9</sup> are quite shocking. The extent of the problem, and the vulnerability of those involved, means that a pro-active approach to investigating enrolments and completion is essential to get justice for victims and tax-payers.

As the VET sector has expanded and is anticipated to grow, albeit more slowly, it is also necessary to create the right conditions for the establishment of an on-going complaints handling body. The discussion paper suggests that an Ombudsman could not, under current arrangements between the Commonwealth and the States, be appointed by Government for the wider VET sector. However, by legislating to require VET providers to be licenced as an RTO, and making as a condition of the licence the need for the provider to be a member of an ombudsman scheme, the result can be achieved at little or no cost to taxpayers. This mirrors other industry ombudsman scheme and would capture a vast proportion of the VET sector.

### **Case study**

Brenda\* found an Interior Design course online and contacted the private training provider to find out more information. The training provider interview her briefly over the phone. Brenda was told that it would be a difficult course to complete, the salesman said that Brenda could manage it. Brenda enrolled in a two year course at a cost of \$8,000 payable by weekly instalments of \$55. Brenda started the course but after 6 months she decided that she couldn't afford to continue and the course was too difficult for her.

Brenda discontinued the course but the weekly instalments continued to be withdrawn from her account. Brenda successfully cancelled the direct debit order, but had already paid the training provider approximately \$3,500. The training provider insisted that Brenda was liable for the full amount.

\* Name changed for privacy purposes.

The sector lends itself to an ombudsman scheme and recognises the critical importance that vocational education plays to skill our workforce and keep our economy strong. Already some States, including Victoria<sup>10</sup> and South Australia<sup>11</sup>, have supported the notion of a national VET ombudsman.

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<sup>8</sup> "ACCC takes action against AIPE following a joint investigation with NSW Fair Trading", Australian Competition and Consumer Commission, <http://www.accc.gov.au/media-release/accc-takes-action-against-aipe-following-a-joint-investigation-with-nsw-fair-trading>

<sup>9</sup> "Unique International College: Teacher withdrew \$1.9 million in cash, court told", Sydney Morning Herald, 15 June 2016, <http://www.smh.com.au/national/education/unique-international-college-teacher-withdrew-19-million-in-cash-court-told-20160615-gpjin16.html#ixzz4CqYzDU1b>

<sup>10</sup> "Review of Quality Assurance in Victoria's VET System", Department of Education and Training, <http://www.education.vic.gov.au/Documents/training/learners/vet/reviewQAreport.pdf>

<sup>11</sup> "The operation, regulation and funding of private vocational education and training (VET) providers in Australia", Senate Standing Committee on Education and Employment, 15 October 2015, [http://www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Education\\_and\\_Employment/vocational/Final%20Report/c05](http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Education_and_Employment/vocational/Final%20Report/c05)

## **2. Regulating providers**

### **2.1 Use of maximum scheme or provider loan caps**

As outlined in the Discussion Paper, creating a competitive market for the provision of cost-effective, quality education is not necessarily aided by limiting training options to students through a loan cap. There are probably better ways to address the negative aspects of rapid growth in the sector as outlined elsewhere in this submission (s 1.2 and s1.3). The goal should be to drive enrolment in courses where there are currently workforce skills gaps, and ensure students enrol in courses suitable for their learning capacity and job aspirations.

### **2.2 Quality measures**

The suggestion that access to VET FEE-HELP loans be linked to course progression, engagement and completion has merit. Consumer Action's case work suggests that VET FEE-HELP courses were sold without any consideration of the student's ability to complete or even commence a course.

It would be worthwhile to consider if this initiative is necessary given the recent reform that induced "3 census dates". However, any proposal that de-couples the incentive to sell a course with the provision of VET FEE-HELP funds to the provider is welcomed by Consumer Action.

Consumer Action makes no comment about the quality of courses themselves, as this is not our area of expertise. Our interests lie in ensuring consumers, in this case students, are able to confidently engage in the vocational education market, and can purchase products and services that are appropriate to their needs and of acceptable quality.

### **2.3 Reapplication process for all providers**

It makes practical sense that all VET FEE-HELP providers be required to re-apply for access to the scheme following reforms. Already some changes have significantly altered how students can be recruited, and compliance is vital to ensure that public confidence is restored following recent scandals.

A re-application process would also allow the Government to throw out the dodgy providers that have wasted Government funds through misconduct, and reward those who not only have played by the rules but acted ethically towards students and consumers.

Time-limited registration would meet the same goals by the requirement to re-apply on a regular basis. In addition, the Government must be given strong powers to cancel a provider's access to VET FEE-HELP scheme if compliance issues are identified.

We appreciate that this would create administrative complexity, and there will be a need to ensure that students of providers who fail the registration test have a pathway to complete their study. However, as described above, this will be a necessary step in restoring community confidence in the sector.

### **3. Managing the system**

#### **3.1 Courses to be funded**

As outlined above, the public interest should be paramount to determining which courses should be eligible for VET FEE-HELP. The public interest is best determined by exploring links to employment, further tertiary study or educational engagement of vulnerable or otherwise excluded Australians.

#### **3.2 Information on performance**

The use of data, particularly the poor completion rates for VET FEE-HELP courses, have been essential in uncovering some of the misconduct that became endemic amongst some providers.<sup>12</sup>

Consumer Action encourages greater use of “real time data” so Government and stakeholders can better track the performance of the scheme. The VET FEE-HELP statistics for 2015 are yet to be listed on the Education Department web-site<sup>13</sup>, almost six months after the completion of the statistical period.

Tuition assurance is essential to mitigate risk to the student in the event that their private provider ceases trading, or cancels courses. This risk carried by the provider is balanced by the financial benefits available to the provider through access to the VET FEE-HELP scheme.

### **Conclusion**

The exploitation of vulnerable and job seeking Australians by many providers of VET FEE-HELP backed courses has wasted incredible sums of Commonwealth money and saddled many Australians with debts they may carry for the rest of their lives.

Much good work has already been done by legislators and regulators to eradicate some of the worst breaches of trust and consumer law. For instance, the introduction of three census dates ensures that students have multiple chances to exit a course that no longer suits their needs without being liable for the entire course fee. The banning of inducements like laptops and inserting a gap between enrolment and application for a VET FEE-HELP loan reduces the effect of unsolicited or high pressure sales.

However, critical gaps still exist in consumer protection within the VET sector that must be addressed. In particular, Consumer Action recommends:

- A Remediation Ombudsman service that will investigate all courses that have not been completed within three (3) years to determine the legitimacy of the enrolment process,

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<sup>12</sup> “Concern as online VET course completion drops, enrolments rise”, The Age, 16 January 2015, <http://www.theage.com.au/victoria/concern-as-online-vet-course-completion-drops-enrolments-rise-20150115-12r4tx.html>

<sup>13</sup> “VET FEE-HELP statistics”, Australian Government Department of Education and Training, <https://www.education.gov.au/vet-fee-help-statistics>

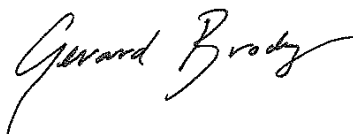
and the quality of the course. Enrolments deemed not to meet course quality requirements or provisions outlined in the Australian Consumer Law should have associated debts annulled and the funds returned to the Commonwealth.

- Establishment of an industry funded Ombudsman to investigate and hear complaints made by VET FEE-HELP students. Agreement should be reached with other jurisdictions as a priority to establish a broader VET complaints body and make membership of the scheme a condition of provider registration.
- Brokers or sales agents, as well as commission-based selling should be banned. The priority of the VET FEE-HELP scheme should be to place Australians in appropriate courses to meet their educational needs. This is almost impossible when there is a sales culture within the industry that is focused on enriching participants and maximising private company profit, not student outcomes.

Please contact Mick Bellairs, Campaigns and Communications Officer on 03 9670 5088 or at [michaelb@consumeraction.org.au](mailto:michaelb@consumeraction.org.au) if you have any questions about this submission.

Yours sincerely

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