VET&OAAB Submission No. 002



### **SUBMISSION TO**

## Industry, Education, Training and Industrial Relations Committee

### On the

## VOCATIONAL EDUCATION AND TRAINING (COMMONWEALTH POWERS) AND OTHER ACTS AMENDMENT BILL 2011

NOVEMBER 2011

#### INTRODUCTION

Independent Schools Queensland (ISQ) was established in 1968 as a non-profit organisation to represent and promote the interests of Queensland's independent schools. ISQ currently represents some 185 independent schools in Queensland enrolling approximately 110,000 students. The independent schools sector accounts for 12.2% of primary school enrolments and 19% of secondary school enrolments in Queensland.



ISQ welcomes the opportunity, on behalf of its members, to make this submission to the Industry, Education, Training and Industrial Relations Committee on the Vocational Education and Training (Commonwealth Powers) and Other Acts Amendment Bill.

#### CONTEXT

#### Sector Profile

There are 88 independent schools in Queensland registered on the Commonwealth Register of Institutions and Courses (CRICOS) enabling enrolment of overseas students holding a 571 School Sector subclass student visa.

According to census data, 1,637 students with visas were enrolled in Queensland independent schools in February 2011<sup>1</sup>. Historically, more than 50% of students with visas are enrolled in Years 10-12.

<sup>2011</sup> DET Census Collection. Students with visas are primarily overseas students holding 571 subclass student visas, but include overseas students with other visa subclasses, for example, exchange students and dependants of adults holding temporary visas.



Figure 2. Overseas Students by Year Level 2010

In September 2011, 53.7% of international students (with a 571 subclass student visa) were enrolled in Queensland non-government schools.<sup>2</sup>

There are 77 independent schools registered as school RTOs with the Queensland Studies Authority (QSA),<sup>3</sup> comprising 21% of school RTOs registered with the QSA in Queensland.

Additionally there are a number of independent schools are registered as RTOs directly with Department of Education and Training.

#### SUMMARY OF SECTOR CONCERNS

Independent Schools Queensland wishes to draw the attention of the Industry, Education, Training and Industrial Relations Committee to potential impacts on the school sector in Queensland of the referral of state powers to the Commonwealth to regulate registered training organisations under the *National Vocational Education and Training Regulator Act 2011* (national VET legislation).

Independent Schools Queensland has previously raised concerns of potential impacts of regulatory changes on non-government schools overall in the area of international education through various forums in the last year.

<sup>&</sup>lt;sup>2</sup> AEI YTD Data: September 2011

<sup>&</sup>lt;sup>3</sup> Under current arrangements in Queensland, the Queensland Studies Authority (QSA) has a delegation from the State Training Authority, the Training and Employment Recognition Council (TERC) to register schools as Registered Training Organisations (RTOs) for certificates I – IV (Certificates III and IV being for non-trade qualifications).

Independent Schools Queensland requests the Committee to consider potential impacts of the transfer of state powers to the Commonwealth to regulate registered training organisations on the Independent School sectors in Queensland in two ways:

- The potential for impact on participation of schools and students in VET in Schools (VETiS) programs that have been made possible under the current model of delivery in Queensland, including students with visas studying in Queensland schools, and
- 2. The potential for those schools that are operating as RTOs as well as being CRICOS registered to be disadvantaged by an increase in overall complexity of compliance requirements and costs associated with registrations. Rather than benefiting from more streamlined processes and reduced compliance costs which have been the stated aims of regulatory changes initiated by the Commonwealth government, these changes may result in increased impost on schools.

#### THE POTENTIAL FOR IMPACT ON PARTICIPATION OF SCHOOLS AND STUDENTS IN VET IN SCHOOLS (VETIS)

1. Independent Schools Queensland understands and supports the reasons for the establishment of a national VET regulator, viz.,

to achieve improved employer and consumer confidence in the quality and assessment of VET qualifications; consistent application and enforcement of standards for registered training organisations (RTOs) across the country, and a coordinated response to emerging issues in the VET industry.<sup>4</sup>

- 2. Independent Schools Queensland understands that ASQA must operate on a cost recovery basis, and acknowledges that ASQA fees and charges have been adjusted as a consequence of stakeholder feedback on the Cost Recovery Impact Statement (CRIS) made in May 2011.
- 3. However, it should be kept in mind that the establishment of national regulators for VET and Higher Education was primarily driven by events outside the schools sector, and it is unfortunate that there is the potential for the school sector to be adversely affected by regulatory changes designed to address issues and achieve improvements in other education sectors.

**Independent Schools Queensland** 

<sup>&</sup>lt;sup>4</sup> Explanation for the aims of the Bill, downloaded from http://www.parliament.qld.gov.au/work-ofcommittees/committees/IETIRC/inquiries/current-inquiries/VETandOAAB 5/11/11

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4. Independent Schools Queensland encourages the Committee, in referring power to the Commonwealth in the process of establishing the national VET regulator, to recognise the significant investment Queensland schools have made in providing maximum opportunities for school students to participate in VET programs as part of their secondary school studies, and to seek ways of minimising compliance burdens and costs for individual schools to maintain their current offerings of programs.

# THE POTENTIAL FOR THOSE SCHOOLS THAT ARE OPERATING AS RTOS AS WELL AS BEING CRICOS REGISTERED TO BE DISADVANTAGED

- It is important to view the transfer of state power to the Commonwealth in establishing the national VET regulator in the context of other regulatory changes being made, particularly reforms to the Education Services for Overseas Students (ESOS) Framework, which will also impact on schools, in order to understand the potential impact overall on the school sector of implementation of regulatory changes initiated by the Commonwealth government. Independent Schools Queensland is of the opinion that the overall impact is as follows:
  - Non-government schools in particular could potentially be impacted by initial and ongoing ASQA registration charges for school RTO registration if/when the Queensland model of school RTO registration and audit by the QSA is not continued (with the potential to adversely impact on VETiS participation for both domestic and international students)
  - increased annual CRICOS registration charges for non-government schools enrolling fewer than 50 international students
  - proposed compulsory contribution to the new ESOS Tuition Protection Service (TPS) for all schools
  - CRICOS registration fees that may be imposed by ASQA.
- 2. Independent Schools Queensland considers it to be important for reasons of equity and for Queensland's reputation as a provider of international education services that international students enrolling in Queensland schools should not be unduly limited in access to the full range of curriculum offerings in Queensland schools.

#### CONCLUSION

Independent Schools Queensland recommends that the Committee, in referring legislative power to the Commonwealth Parliament to regulate registered training organisations under its *National Vocational Education and Training Regulator Act 2011* (national VET legislation), considers the following as a guiding principle to minimise potential impacts on the school sectors in Queensland:

# That the proposed legislation, either in referral of power to the Commonwealth, or in implementation of consequent changes, does not

- (i) adversely impact on the interests of Queensland schools which have made a significant investment in VET in Schools (VETiS) programs in Years 10-12;
- (ii) limit the ability of students with visas to have access to the same choice of curriculum offerings in Queensland schools as is available to other students, unless prevented by a legislative instrument;
- (iii) disadvantage Queensland schools in terms of overall increases in regulatory costs and compliance burdens, when the stated aims of regulatory changes initiated by the Commonwealth government in areas of VET regulation and ESOS reforms have been to streamline processes and reduce costs for education sectors.

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