



Tasmanian Council for Adult Literacy

The Hon Ian Macfarlane MP
Minister for Industry
Parliament House
Canberra

23 October 2014

Dear Minister,

I am writing, as president of the Tasmanian Council for Adult Literacy (TCAL), to request that your department urgently look into the issue of unscrupulous and unethical practices some brokers and Registered Training Organisations (RTOs) are using in order to sign new learners into VET-FEE-HELP supported courses in Tasmania, and the processes by which those courses are being offered.

Almost half of all Tasmanian adults are functionally illiterate. Tasmania has Australia's lowest post Grade 10 retention rates, and one third of Tasmanian households rely on income support as the main source of household income.

Entrenched intergenerational unemployment, including Australia's highest levels of youth unemployment at around 20%, low incomes compared to the rest of Australia, social isolation, and poor transport options outside the main cities are some of the hallmarks of the bleak economic landscape Tasmania faces. It is against this backdrop that various brokers and RTOs are now working to sign up new learners, who will face the government's new Earn-or-Learn regime, to VET-FEE-HELP supported courses in Tasmania.

TCAL applauds the concept of opening the HELP scheme, previously only available to university courses, to the VET sector. Further, TCAL acknowledge that the vast majority of brokers and RTOs **are** acting ethically and in good faith in signing prospective learners to the programs being offered.

The issues around this have arisen, however, because of the unscrupulous practices adopted by some brokers and RTOs to entice people to sign up for courses, as recently reported in the media. TCAL request that the Department of Industry take immediate steps to stop unethical practices around signing people up for VET-FEE-HELP supported courses – it is important to act now, before more people are signed up.

TCAL are concerned at the lack of assessment provided by brokers and RTOs to determine a prospective learner's best path into training and employment, and that can inform their training needs and chance of course completion. In the state with the lowest levels of

literacy it is imperative that suitable foundation courses be offered where required to get adults ready to take on the higher levels of training that are supported by the VET-FEE-HELP scheme.

TCAL calls on the Department of Industry to make such assessments compulsory for each prospective learner. Further, the assessment should be benchmarked to the Australian Core Skills Framework (ACSF), with the onus on brokers and providers to retain the assessments as evidence that those they sign up have the capacity to complete the training. Also, people need pathway and learning plans so they have goals they are working toward. These should be compulsory, and prepared by learners with trained practitioners, and *not* by pop-up RTOs.

One of the practices used by some brokers and RTOs is to offer a free laptop or iPad as an enticement to adults to sign up to courses. TCAL call for the laptops and iPads being offered to be set up for individual learners, and this should be made clear at the time the person signs up.

While TCAL do not believe offering free laptops or iPads is unethical in itself, it is unclear how the laptops and iPads being offered are to be set up. TCAL believes the machines should be set up to include all the applications and bookmarked links the learner will require for the course they are being signed up for. It is unacceptable to offer a laptop or iPad that has not been setup correctly for use in the course for which it was provided, or does not include the software a learner will need, as the machine would then not be fit for purpose. The adults being targeted by unscrupulous operators are mainly from low socioeconomic areas, and would possibly not have the skills required to set such a machine up correctly. Nor would they have the means to purchase software they will require for the courses they are being signed up for.

In summary

TCAL request that the Department of Industry:

- Urgently look into the issue of unscrupulous and unethical practices some brokers and RTOs are using to sign new learners into VET-FEE-HELP supported courses in Tasmania;
- Make training and employment pathway assessments compulsory for each prospective learner, with the assessment benchmarked to the ACSF and retained as evidence the new learner has the capacity to complete the course; and
- Require RTOs to set up laptops and iPads, being offered as incentives, to the needs of individual learners, and this should be made clear at the time the person signs up.

Yours sincerely,

Steve Cooke

President, Tasmanian Council for Adult Literacy.