

Senator the Hon. Simon Birmingham
Minister for Education and Training
Parliament House
Canberra ACT

minister@education.gov.au

27 October 2016

Dear Minister

Re: VET Student Loans scheme

Submission by the National Association for the Visual Arts (NAVA)

NAVA is the national peak industry body representing and advancing the professional interests of the Australian visual and media arts, craft and design sector. It provides advocacy, leadership, and services for this sector. Ensuring good educational opportunities for visual artists is one of NAVA's central concerns to enable artists to be well prepared to embark on and progress in their professional careers. Arts training in universities, TAFEs or RTAs is key to reaching this objective.

Following on from our earlier letter (sent 26th August 2016), I am writing again now, knowing which courses are proposed for assistance through the new VET Student Loans scheme and which are proposed to be excised from the system. We understand that 347 of the 825 previously supported courses will continue to be eligible for government loans. While we are pleased to see that some in the arts have been included, we understand it is proposed that only 13 of the 70 previously supported arts programs would still be eligible for government support.

There has been a call for industry response but with such a limited feedback timeframe, it has not been possible for arts industry organisations like ours to check on the validity of each of the courses listed to assess whether they are essential training or are superseded by other more up to date or pertinent courses. This would be essential to ascertain before you decide to make such an important decision.

We are concerned that so many arts courses seem to have been targeted.

Recommendation:

In order to avoid unintended deleterious consequences for the creative sector, we strongly recommend that you undertake further and more rigorous consultation with the arts industry about which courses should continue to attract VET student loans. Peak bodies like ours are keen to assist you with this task.

PO BOX 60, POTTS POINT, NSW 1335 | +61 2 9368 1900 | VISUALARTS.NET.AU | NAVA@VISUALARTS.NET.AU

NAVA gratefully acknowledges the assistance provided by the Australian Government through the Australia Council, its arts funding and advisory body, and by the Visual Arts and Craft Strategy, an initiative of the Australian, State and Territory Governments.

Patrons: Pat Corrigan AM, Mrs Janet Holmes à Court AC, Professor David Throsby AO. ACN 003 229 285 / ABN 16 003 229 285

1. Arts as a Career Choice

In response to your public statements, we would respectfully take issue with your contention that the arts are a 'lifestyle choice' rather than a profession. This statement has caused deep concern across our industry. NAVA asserts that for professional creators, working in the arts is a career not a lifestyle choice.

The arts industry makes a valuable contribution to the Australia economy. Cultural activity is estimated to make up around 4% of Australia's GDP¹ and 1.3% of government expenditure.² Statistics released by the Australia Council in 2015³ demonstrate that in 2008–09, Australian cultural industries generated over \$50 billion in economic activity, or \$35 billion in Gross Value Added (GVA). This was higher than the GVA for agriculture, forestry and fishing (\$29 billion); electricity, gas, water and waste services (\$27 billion); and accommodation and food services (\$28 billion).

Figures from the Australian Bureau of Statistics estimate that cultural and creative activity contributed around \$86 billion to the Australian economy in 2008-9⁴.

In addition, Australia's copyright industries have arts and cultural activity at their core. They generate over \$93 billion in economic activity (6.6% of GDP) and employ 8% of the nation's workforce.⁵

The Australia Council estimated that in performing arts, music recording, publishing and arts education alone there were around 40,800 cultural organisations in 2008–09 that employed one or more persons, and that at least 11 percent of these were in core arts industries. If taken across the whole arts sector, the figure would be much higher.

A further 57,800 individuals were registered as a cultural business, with over a quarter of these being in core arts industries.⁶

¹ ABS 2014, Australian National Accounts: Cultural and Creative Activity Satellite Accounts, Experimental, 2008–09 (cat. no. 5271.0), 10 February

² Based on ABS 2014, Cultural Funding by Government, Australia, 2012–13, (cat. no. 4183.0), 30 May. Based on ABS 2014, Government Finance Statistics, Australia, 2012–13, (cat. no. 5512.0), 28 May.

³ <http://www.australiacouncil.gov.au/workspace/uploads/files/arts-nation-october-2015-5638269193891.pdf>

⁴ **5271.0 - Australian National Accounts: Cultural and Creative Activity Satellite Accounts, Experimental, 2008-09**

CULTURAL AND CREATIVE ACTIVITY

- Cultural and creative activity is estimated to have contributed \$86.0 billion (6.9%) to Australia's Gross Domestic Product (GDP) on a national accounts basis in 2008-09.
- On a satellite accounts basis, cultural and creative activity is estimated to have contributed \$86.8 billion to GDP in 2008-09.
- Volunteer services to arts and heritage organisations are estimated to have contributed \$756 million to GDP on a satellite accounts basis in 2008-09.
- It is estimated there was an average of 972,200 people during 2008-09 whose main employment was in a cultural or creative industry or occupation.

⁵ PWC 2012, The Economic Contribution of Australia's Copyright Industries 1996–97 to 2010–11, Prepared for the Australian Copyright Council, 15 August.

2. Disreputable Operators

The arts industry strongly supports the Federal Government's intention to get rid of the dodgy providers rorting the VET training scheme at the expense of students and the community at large. However, this is a separate issue and presumably is being addressed by the Government through identifying which entities have been guilty of malpractice and closing the loopholes that allow them to act dishonestly.

With the proposal to exclude some courses from Government loans, we are concerned this will impact negatively on some good quality and long-standing providers who are delivering reputable valuable training to students who intend to apply their training to their work in the cultural industries and beyond.

Your department says, *"the new VET Student Loans program will have a strong regulatory framework that includes a range of measures to protect students and taxpayers and to restore trust in the vocational education sector including tougher barriers to entry for providers, properly considered loan caps on courses, stronger course eligibility criteria aligned to industry needs, mandatory student engagement measures, and a stronger focus on students successfully completing courses."*

We commend the ambition to prevent unethical providers from profiteering at the expense of the taxpayer, however, we believe that cutting course loans may not be the solution being sought by the Government.

3. Case for continuation of support for arts courses.

The creative industries accredited courses and training packages have not been subject to huge growth in enrolments, nor are they the cause of the financial overreach. This is evidenced in the recently released 2015 VET FEE-HELP Statistical Report from the Department that demonstrates only 5.3% of total VFH enrolments in 2015 were in the creative industries. This equates to a total of 17,477 students nation-wide. Evidently, this is not where the problem lies.

On the other hand, to quote from the Report: *"The top three fields: Management and Commerce, Society and Culture and Health account for 75 per cent of all students."* p10. It has been widely reported that the problems lie in the courses in the business and management training package. So the obvious question is why have you targeted the creative industries sector which is not responsible for the 'blow-out' of enrolments nor the low completion rates.

It has not been the accredited courses but training package qualifications that have caused the problems. The accredited courses currently listed now only get through the system if they can demonstrate extensive industry support and involvement. As the national gatekeeper of accredited courses, ASQA has strict guidelines regulating this.

4. Eligibility Criteria

“Course eligibility will be limited to courses that have a high national priority, meet industry needs, contribute to addressing skills shortages and align with strong employment outcomes. Courses are eligible if they are current (in other words, not superseded), and on at least two state and territory skills lists, or are STEM related. The eligible course list will be updated periodically.”

While the cultural economy is robust, NAVA contends that these criteria are too crude a measure and do not place value on social benefit or recognise the ‘silent economy’ of some cultural production and consumption particularly in the visual arts, where audiences enjoy free access to public exhibitions of work provided by living artists. With around 11 million visitors a year, galleries are now more highly attended than Australia’s most popular spectator sport, Australian Rules Football, which had 10 million attendances in 2009-10.⁷ Nearly all Australians attended live events, visited art galleries or read literature in 2013 (94%)⁸.

In addition, undertaking arts training can often be a first step for disadvantaged people to develop the confidence to go on to other kinds of learnings which equip them to become financially independent and play a capable role in the community.

Nor do the criteria recognise the STEAM agenda which is advocated by Arts Minister, Mitch Fifield ie to achieve a boosting of innovation in Australia, the arts should be added to STEM.

It is important in making a judgement about the value of training in the arts and creative industries that the criteria take account of the way cultural practitioners work. Most of them will establish their own micro business which will include a variety of ways of working. This can include:

- designing, producing and selling their own cultural products;
- generating their own projects or tendering for projects initiated by others;
- teaching skills to others;
- working collaboratively across a number of artforms or other fields of endeavour;
- providing services and skills to others on a consultancy basis;
- being employed for their skills within or outside their specialised areas of expertise;
- working as consultants or employees in aligned industries like IT, advertising, any of the design fields, or as facilitators for range of community sectors (eg youth, elderly, migrants, people with disabilities, people in prison etc).

4.1 Ceramics

The ways in which graduates apply their skills in ceramics is a good example. The Australian Ceramics Association, the peak national body representing the studio ceramics sector in Australia collects data on the number of people employed directly and indirectly in the studio ceramics field. According to the Association there are currently 4,000 people employed directly and indirectly in the industry in roles which include:

⁷ ABS 2010, ‘Attendance at selected cultural venues and events 2009-10’ (CATI 4114.0)

⁸ Australia Council for the Arts (2011) Arts Nation: An Overview of Australian Arts, pg 11

- studio ceramicists
- community-based artists and teachers
- ceramic suppliers of clay, glazes and ceramics equipment including kilns, pottery wheels etc
- photographers and web designers
- landscape production in ceramics
- tile production in ceramics
- aged care and occupational therapy activities
- artist in residence programmes both national and international
- public artwork and installation work
- gallery professionals including curatorial
- ceramics restoration
- 3D printing products -technological, material and product innovation
- specialist teaching and workshop offerings
- architectural component design.

Graduates of the Diploma in Ceramics contribute to the cultural and manufacturing sector with employment in the following areas:

- home-based businesses
- small studio production of functional wares
- aged care and occupational therapy activities
- teachers in community and local council arts facilities
- artist in residence programmes both national and international
- public artwork and installation work
- galleries as professional service providers including curatorial
- commissions - small production runs
- ceramics restoration
- ceramics within the landscape industry
- ceramic tile production
- 3D printing products -technological, material and product innovation
- specialist teaching and workshops
- architectural component design

4.2 Jewellery

Another example is in relation to jewellery training. Enmore TAFE Design Centre which has had an excellent reputation in this area, strongly supports the need for VET loan assistance going to Diploma and Advanced Diploma of Jewellery and Object Design. They make the case that there is a huge market for Australian designed bespoke jewellery particularly through gallery shops and markets.

The problem they experience is that though there are good enrollments for the Certificate 3 Trade course in jewellery manufacture, without VET fee help after that the students can't afford to go on to do the higher level training in Diploma and Advanced Diploma courses which would give them the necessary design skills to support them establishing their own jewellery businesses or work collaboratively with others. Because of the costs involved, such training would require the higher level cap of \$15,000 in order not to compromise quality.

5. Ineligible Art/Craft/Design Related Courses

NAVA agrees it is possible that some of the courses deemed ineligible may no longer be of value. However, this needs to be rigorously checked. We believe this checking has not been done prior to the selection of the courses listed for excision from the loan scheme and it has not been possible within the timeframe allowed for response, for the industry to undertake the necessary consultation with our sector. We already know from some of our constituents that there are courses in the list that are essential as foundational training for people wanting to enter the arts industry. As discussed above there are subtleties to understanding how creative practitioners generate and find work and income.

NAVA recommends that the following visual and media arts, craft and design courses need to be further checked before any decision is made:

- Diploma of Aboriginal and Torres Strait Islander Visual Arts Industry Work
- Diploma of Ceramics
- Diploma of Jewellery and Object Design
- Advanced Diploma of Jewellery and Object Design
- Diploma of Fashion Styling
- Graduate Certificate in Entrepreneurship for Creatives
- Diploma of Visual Communication (Design Communication / Photo Communication)
- Diploma of Styling (Fashion, Image and Media)
- Diploma of Product Design
- Diploma of Creative Arts in Christian Ministry
- Advanced Diploma of Creative Arts in Christian Ministry
- Diploma of Mass Communication
- Advanced Diploma of Photography
- Graduate Diploma of Photography
- Diploma of Fashion Products and Markets
- Advanced Diploma of Animation

As an example in relation to photography courses listed for excising:

Course	Code	Australian Institute of Professional Photography (AIPP) Endorsed and Recognised
Diploma of Visual Communication (Design Communication / Photo Communication)	10352NAT contains photography but graphic design focus	Not known
Advanced Diploma of Photography	22176VIC* *course reaccreditation with ASQA due Dec 2016 will change course code	<ul style="list-style-type: none">• Delivered by Photography Studies College (Melbourne)• Course developed in conjunction with the peak photography industry body, the Australian Institute of Professional Photography (AIPP). Industry support for accreditation. Course Advisory Committee headed by former AIPP President.

		<ul style="list-style-type: none"> • Recognised and endorsed by the AIPP • Students attending this course eligible for AIPP student membership & approved to enter AIPP industry awards and gain national recognition by the photography industry for their work at silver, silver distinction & gold level. • Awarded AIPP Australian Tertiary Photography Institution of the Year – 6 consecutive years since 2011 and AIPP Australian Student of the Year in 2016. • Delivered as a unique course over a minimum of 6 semesters.
Advanced Diploma of Photography	52740WA	<ul style="list-style-type: none"> • Delivered by Northern Metropolitan TAFE WA (formerly Central Institute of TAFE) • Course developed in conjunction with AIPP. Industry support for accreditation. • Recognised and endorsed by AIPP. • Students attending this course eligible for AIPP student membership and approved to enter AIPP industry awards and gain national recognition by the photography industry for their work at silver, silver distinction and gold level. • Awarded AIPP Australian Student of the Year in 2015 • Delivered as a unique course over 2 semesters. Nested with Diploma of Photography & Photoimaging – 2 semesters and Graduate Diploma of Photography – 2 semesters. • Receives State profile funding in addition to VET FEE-HELP
Graduate Diploma of Photography	52755WA	<ul style="list-style-type: none"> • Delivered by Northern Metropolitan TAFE WA (formerly Central Institute of TAFE) • Recognised and endorsed by Australian Institute of Professional Photography • Provides higher level skill enhancement and professional development

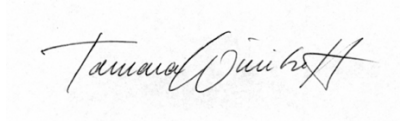
6. Fee caps

Because many of the courses in creative industries have a fabrication component, may be studio based and/or require investment by students in the art materials from which to complete their assignments, the fee cap needs to be related to the real cost of doing the course. Once again we reiterate the need to consult with ethical entities who deliver these courses to ascertain realistic estimates of the delivery cost and other expenses that students have to bear.

Finally, I would like to reiterate our request that you delay your decision about which courses should be eligible for VET student loans with appropriate caps until your department has undertaken some rigorous evaluation directly in consultation with education and industry bodies like NAVA. We would be keen to assist in this task.

I look forward to discussing this at our forthcoming meeting on 10th November.

Yours sincerely

A handwritten signature in black ink, reading "Tamara Winikoff". The signature is written in a cursive style with a large, stylized 'H' at the end.

Tamara Winikoff OAM
Executive Director

cc: Senator the Hon. Mitch Fifield, Minister for Communications and the Arts