

Senate Committee: Education and Employment

QUESTION ON NOTICE

Supplementary Budget Estimates 2016 - 2017

Outcome: Skills and Training

Department of Education and Training Question No. SQ16-001102

Senator Cameron, Doug provided in writing.

VET FEE-HELP debts wiped

Question

How many students have had their VET FEE-HELP debt wiped?

- a. Please indicate the circumstances that led to the wiping of each debt.
- b. How many students have applied or enquired about having a debt wiped but no action was taken?
- c. Has there been any analysis of redress schemes for students carrying doubtful debt? If so can you please provide that analysis?

Answer

The Department of Education and Training has secured more than \$17.5 million in debt remittance obligations, benefiting around 1900 people.

The department responds to complaints in relation to the marketing of VET FEE-HELP and debt disputes. The department assesses/ triages all complaints to determine the primary response and initial course of action. Possible actions include: assisting students to determine existence and source of debt; advocating on behalf of students to providers (often this results in the debt being cancelled and repayment by the provider to the Australian Government); investigation and information gathering.

In relation to complaints relating to cold calling, marketing and/or inducement complaints; the department seeks information from providers under Schedule 1A to *Higher Education Support Act 2003*. Pending the outcome of the investigation, the complaint may be referred to VET provider for action under their grievance policy, the Australian Skills Quality Authority (ASQA), the Australian Competition and Consumer Commission (ACCC) or other agencies.

Furthermore, the ACCC and the department have instituted joint action against four VET FEE-HELP providers for alleged misleading and unconscionable conduct, in breach of the Australian Consumer Law when marketing VET FEE-HELP courses. This court action is seeking the cancellation of the enrolments of students who were subject to misleading or unconscionable conduct, the remission of student debts and recovery of payments worth multiple millions of dollars made to providers for these students.