

## Senate Committee: Education and Employment

### QUESTION ON NOTICE Supplementary Budget Estimates 2016 - 2017

#### Outcome: Skills and Training

#### Department of Education and Training Question No. SQ16-001112

Senator Cameron, Doug provided in writing.

#### ***VET FEE-HELP – transition arrangements***

#### **Question**

In relation to transition arrangements under the proposed VET Student Loans Bills:

- a) What method will the Department use to contact VET FEE-HELP students this year to ask if they want to be 'grandfathered' ?
- b) Can the department guarantee that all students can be contacted?
- c) Does the Department currently have the contact details for all students?
- d) How many students don't you have contact details for?
- e) How will the Department reach student you don't have contact details for?
- f) How much will it cost to contact all students?
- g) What will you do if a student has not replied by March 2017?
- h) Will they be deemed to have moved to the new system or will they be 'grandfathered'?
- i) If they are moved to the new system, could this mean they will have out-of-pocket costs without knowing in advance?
- j) If a student opts-in to the new scheme, will that mean they automatically have an out-of-pocket cost if their course fees exceed the relevant cap?
- k) Given this, what proportion of students do you expect will opt to be 'grandfathered' and what proportion will not? Please also report as student numbers.

#### **Answer**

- a) All students who have not had a completion recorded against them by their provider who have accessed VET FEE-HELP prior to 1 January 2017 will receive formal advice from the Department of Education and Training of the changes and information on how to continue to receive VET FEE-HELP in 2017. Students will be contacted by email or mail address, depending on the information held by the department. The correspondence will contain instructions in how to log in to the secure system and register for the opt-in VET FEE-HELP arrangements.
- b) All students that have a VET FEE-HELP debt that have not had a course completion recorded will be contacted by the department. In addition there will be communications alerting students. Students will be given until 31 March 2017 to advise of their intention to continue accessing VET FEE-HELP. Given that these arrangements are to capture active students and exclude non-genuine students, this process should ensure all students that intend to continue studies are contacted.
- c) The department will use student contact details as submitted by providers as part of VET FEE-HELP reporting, and will also source student email contact information from their unique student identifier, required for their VET nationally recognised training.
- d) The department has address details for all students.
- e) The department has address details for all students. In addition, there will be communications alerting students and a 'Contact us' form will be available for students to register on the 'Opt-in' page of the department's website.

- f) Costs are yet to be finalised.
- g) & h) VET FEE-HELP students will not be automatically grandfathered into continued access of VET FEE-HELP for 2017 or rolled into the new scheme. Students will need to opt-in through an IT system to grandfather their VET FEE-HELP arrangements. If a student has not opted-in by 31 March 2017, the student may wish to apply for a VET Student Loan for that course, or if the course is not available, adjust their study choice or source alternative payment options.
- i) & j) If students have remaining tuition fees after accessing the maximum VET Student Loan applicable to the course they will need to source alternative payment options for the remaining fees.
- k) The VET Student Loan costings assumed approximately 17 percent of Equivalent Full-Time Student Load (EFTSL) enrolled in 2016 would continue into 2017, totalling 34,000 EFTSL. The assumption was based on the actual retention rate for EFTSL enrolled between 2014 and 2015.