



ALPHACRUCIS COLLEGE

**SUBMISSION TO THE SENATE STANDING COMMITTEE
ON EDUCATION AND EMPLOYMENT**

Inquiry into the Education Legislation Amendment (Tuition Protection and Other Measures) Bill 2019, VET Student Loans (VSL Tuition Protection Levy) Bill 2019 and the Higher Education Support (HELP Tuition Protection Levy) Bill 2019

31ST OCTOBER 2019

INTRODUCTION

1. Alphacrucis College was established in 1948 and is the largest Christian Higher Education provider in Australia with approximately 4000 students. We thank the Senate for its commitment to careful consideration of tuition protection legislation which has significant implications for providers and, most importantly, for students. We appreciate the opportunity to make a submission to the inquiry.

2. We note that the Higher Education Standards Framework 2015 (HESF) requires that *'there are credible business continuity plans and adequately resourced financial and tuition safeguards to mitigate disadvantage to students who are unable to progress in a course of study due to unexpected changes to the higher education provider's operations, including if the provider is unable to provide a course of study, ceases to operate as a provider, loses professional accreditation for a course of study or is otherwise not able to offer a course of study.'* Similar tuition assurance requirements also exist under the Higher Education Support Act 2003 (HESA).

3. The proposed legislation package involves the:
 - a) Education legislation amendment (tuition protection and other measures) bill – Legislation to Expand the TPS;
 - b) HE Levies Bill- Higher Education Support (HELP Tuition Protection Levy) Bill 2019 – Legislation to enable the HE FEE-HELP Levies; and
 - c) VSL Levies Bill - VET Student Loans (VSL Tuition Protection Levy) Act 2019 – Legislation to enable the VSL Levies.

This legislation seeks to uphold the HESF and HESA requirement by seeking to protect students who access a HELP loan from adverse impacts if the study provider closes through providing insurance coverage for tuition fees and course assurance.

4. Alphacrucis College supports the proposed expansion of the TPS but is concerned that it in effect excludes a small cohort of students who should also be entitled to protection, specifically those who are upfront fee-paying students. The legislation falls short in effect

by providing tuition protections only to those students who accumulate debt (through a government loan) for their studies.

5. This legislation would therefore adversely affect the portion of our student body who do not take out a HELP loan but instead have saved to meet the cost of their own tuition fees. It creates an inconsistency where consumers of education services are treated differently by the Government on the basis of how they pay for their studies, in some ways incentivising debt. It also creates significant confusion for those students who pay upfront for only a portion of their units and are uncertain of their protections. We strongly advocate the need for all independent students to have equity in protections.
6. As an institution it creates a greater administrative burden as we are required to have different arrangements in place for different students. We are also required to report these tuition protection arrangements to two regulators for different students. Any extra costs associated with maintaining and covering the costs of multiple tuition protection arrangements ultimately puts upward pressure on student fees.
7. Alphacrucis therefore recommends a specific legislative instrument be implemented that establishes TPS protection for all Australian students including those paying upfront fees. A Government legislated scheme protecting all students should be cost neutral, provide greater equity and consistency across the sector, and meet the requirements of HESF and HESA.
8. We thank you for the opportunity to contribute and would be happy to provide further detail and evidence if required.

Signed

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