

Senate Committee: Education and Employment

QUESTION ON NOTICE Additional Estimates 2014 - 2015

Outcome: Higher Education Research and International

Department of Education and Training Question No. SQ15-000160

Senator Carr, Kim provided in writing

VET FEE-HELP complaints

Question

- 1 How many complaints has the Department received about VET FEE-HELP each year over the past five years?
 - a. Can we get a breakdown of the number, summary of issues, provider and State/Electorate breakdown?
 - b. Have any complaints not been investigated?
 - c. How many were resolved?
 - d. How many involved writing off a debt and what was the total of the debt write-offs?
2. What has been the outcome of the complaints – have they been substantiated?
 - a. If they are substantiated, what recourse do students have to recover money paid and/or have their debt to the Commonwealth waived?
 - b. Can you provide numbers who have accessed these options?

Answer

1. From 2011 the department has recorded 640 complaints about VET FEE-HELP. Between 2011 and 2013, the department recorded 31 complaints. In 2014 there were 372 complaints and in 2015 there were 237 complaints to 24 April 2015.
 - a) The department records complaints in the following broad issue categories:

Issue	Number of Instances
Debt dispute	185
Fees	19
Ineligible Content	7
Marketing/brokers	167
Other complaints	150
Provider quality	65
Senate Enquiry	7
Student withdrawal	40
Total	640

In 2014, the Government also established, with the states and territories, the first National Training Complaints Hotline, to make it easier for complaints about skills training to be heard and actioned.

The department is not able to provide a breakdown by State/Electorate as many providers have students enrolled in campuses located in a number of States/Territories.

- b) The department will only investigate complaints that fall under the *Higher Education Support Act 2003* and related guidelines. The department may refer complaints to other agencies as required.
- c) The majority of complaints have been responded to, but some of the recent matters are yet to be finalised.
- d) Nineteen students who have lodged complaints with the department have had a total of \$116,152.60 remitted.

2. The outcome is dependent on the type of complaint received:

- Where the matter indicates potential non-compliance with the standards for registered training organisations (RTOs), the department may refer the matter to the regulators, such as the Australian Skills Quality Authority (ASQA).
- Where the matter involves special circumstances under the *Higher Education Support Act 2003* (HESA), the student will be referred to the provider's grievance procedures.
- Where the matter involves a potential non-compliance under HESA or the VET Guidelines 2015, the department may take a range of actions available to it under HESA including, seeking further information from the provider and serving the provider with a compliance notice.
- Where the matter involves an issue other than non-compliance under HESA, the department will work with the provider to work towards a positive outcome for the student.

Due to the number of pathways, the department does not record complaints as substantiated or not.

- a) The arrangements governing debt remittance and waiver under the Higher Education Loan Programme (HELP) have applied since 2005.

In the first instance, if students have a grievance they should raise this with their provider through that provider's formal grievance process. If the matter cannot be satisfactorily resolved by this process all providers have a review process. Thereafter, reviewed decisions may be referred to the Administrative Appeals Tribunal for further consideration.

Otherwise, debts owed to the Commonwealth, such as those incurred through the VET FEE-HELP scheme, may be waived under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) section 63 (1)(a): a process which is managed by the Department of Finance.

The Government announced in March 2015 a major package of reforms to the VET FEE-HELP scheme to address quality issues. These measures will be implemented over 2015, and include tightening marketing and administration, and making it easier for unfair debts to be remitted – a cost the Commonwealth will recoup from the provider.

- b) The department does not collect this information, except where the department has received a complaint and the debts relating to the complaint have been remitted. See 1(d) above