Senate Committee: Education and Employment

QUESTION ON NOTICE
Additional Estimates 2016 - 2017

Outcome: Skills and Training

Department of Education and Training Question No. SQ17-000345

Senator Cameron, Doug provided in writing

VET FEE-HELP - recovery of money

Question

Against how many VFH providers is action being taken against to recover money? Have any been referred to the DPP?

Answer

In 2016, the Department of Education and Training audited 28 VET providers to determine the veracity of their reported enrolments and to investigate potential breaches of the *Higher Education Support Act 2003* and the *Higher Education Support (VET) Guideline 2015*. In 2017, the department has commissioned two additional audits into providers not audited previously. Of these, the process to determine entitlement to payment for 21 VET FEE-HELP providers is still underway. The reconciliation of 2015 data for these providers is on hold pending the finalisation of this process.

The Australian Consumer Competition Commission (ACCC) and the department are currently taking action in the Federal Court against four providers alleging that they have breached the Australian Consumer Law by engaging in misleading and unconscionable conduct when enrolling students into eligible VET FEE-HELP courses. The ACCC and the department are seeking to cancel the VET FEE-HELP debts of students who were misled by these providers, and recover the amounts from the providers.

To date, no matters have been referred to the DPP. However, the department is currently investigating matters that may subsequently be referred to the DPP.

In addition to compliance-based audits and recovery activity, the department routinely conducts a reconciliation of VET FEE-HELP data submitted by providers against payments made. This process reconciles back to 2009 and can result in the recovery of money, which is processed either through offsetting against future payments or issuing an invoice for payment. As at 31 March 2017, 61 providers have an outstanding debt that is subject to this recovery process.