

Senate Standing Committee on Education and Employment - Education

**QUESTIONS ON NOTICE
Supplementary Budget Estimates 2014-2015**

Outcome 3 - Higher Education, Reform & Support

Department of Education Question No. ED0414_15

Senator Carr provided in writing.

Question

VET FEE-HELP loans

What consumer protections are in place for students who sign up to VET FEE-HELP loans for their course? How is this checked and enforced? In particular relating to: (a) advising students of upcoming census dates in order to ensure that VET FEE-HELP is not being misused? (b) advising students of the debt levels and course costs they are incurring? (c) assessing prospective students with respect to their ability to undertake a course of study in order to access VET FEE-HELP?

Answer

Protections for students accessing VET FEE-HELP loans are set out in the Higher Education Support Act 2003 (HESA) and the associated VET Guidelines 2013.

a) Census Date

To comply with clause 67 of Schedule 1A of HESA and Chapter Seven of the VET Guidelines, a VET provider must:

- publish census dates for VET units of study on their website
- ensure the census dates are no less than 20% of the way through a study period
- refund tuition fees or re-credit a student's VET FEE-HELP balance if a student withdraws from a VET unit of study before a census date.

The department checks VET providers' websites to ensure census dates are published and correct.

The department can issue, under the *Higher Education Support Act 2003* (HESA), a clause 24 notice seeking further information or a clause 26A compliance notice specifying action to be taken to rectify the non-compliance. The department also conducts on-site audits of VET providers as required.

b) Course Costs and Debt Level information

To comply with clause 28 of Schedule 1A of HESA and Chapter Seven of the VET Guidelines, a VET provider must:

- publish a schedule of tuition fees on their website on or before the earliest enrolment dates for the course of study
- charge the same tuition fee no matter how or when a student pays their fees
- not charge more than the total cost of all VET units of study for a course of study
- not include fees incidental to study in a tuition fee
- have tuition assurance in place to protect tuition fees if a provider should cease to offer a course of study
- publish advice to students on how their fees are protected.

To comply with Chapter Nine of the VET Guidelines, a VET provider must also:

- issue a Commonwealth Assistance Notice to a VET student within 28 days of the census date for each study period setting out the charges for any VET units of study in which they were enrolled and the amount of debt the VET student has incurred for that study period
 - The student has the right to request a correction of this notice, within 14 days, if they believe it to be incorrect. VET students are also able to obtain this information by using their Commonwealth Higher Education Student Support Number (CHESSN) via myUniAssist at www.studyassist.gov.au or through their Australian Taxation Office HECS account.

The department uses its monitoring activities, including student complaints, as a mechanism to identify non-compliance in regard to this requirement.

The department can issue a HESA clause 24 notice seeking further information or a clause 26A compliance notice specifying action to be taken to rectify the non-compliance. The department also conducts on-site audits of VET providers as required.

c) Assessing students' ability to undertake a course

The *Higher Education Support Act 2003* (HESA) requires that students and persons seeking to enrol are treated fairly by the VET provider, and assessment of student suitability and capacity for a course of study is the responsibility of the VET provider. This can be either through previous attainment of a pre-requisite qualification as set out in the relevant training package for a particular VET course of study, or an assessment by the VET provider that a person has the skills or workplace experience necessary to undertake the course.

If a student is unable to complete the requirements of a VET unit of study and the census date has passed, there are a number of options available to the student regarding their tuition fees. The student can seek remission of debt with the provider or, if unsuccessful, a waiver of debt through the Department of Finance (DoF). The department provides advice to students, providers and DoF in these circumstances.

A VET provider must also have grievance procedures in place for handling complaints relating to enrolment.

The department checks VET providers' websites for both publication and content of fairness policies and procedures in relation to debt re-credit requests and handling of complaints. The department also conducts on-site audits of VET providers as required.

The department can issue a HESA clause 24 notice seeking further information or a clause 26A compliance notice specifying action to be taken to rectify the non-compliance. The department also conducts on-site audits of VET providers as required.