THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

HIGHER EDUCATION SUPPORT AMENDMENT (VET FEE-HELP ASSISTANCE) BILL 2008

EXPLANATORY MEMORANDUM

(Circulated by authority of the Minister for Education, Employment and Workplace Relations the Honourable Julia Gillard MP)
HIGHER EDUCATION SUPPORT AMENDMENT (VET FEE-HELP ASSISTANCE) BILL 2008

OUTLINE

The purpose of the Bill is to amend the VET FEE-HELP Assistance Scheme provisions of the Higher Education Support Act 2003 to enable the scheme to be implemented consistent with the original policy intent.

The amendments broaden the guidelines-making powers, to provide VET FEE-HELP assistance for full-fee-paying students in Diploma, Advanced Diploma, Graduate Certificate and Graduate Diploma courses that are accredited as VET qualifications and where credit toward a higher education award is available for Diploma and Advanced Diploma courses. This will ensure that there are good pathways for students wishing to continue through to further study.

Restricted access arrangements will increase VET providers’ ability to meet the specific training needs of employers and industry bodies, while still allowing eligible students to access VET FEE-HELP assistance.

FINANCIAL IMPACT

Nil.
HIGHER EDUCATION SUPPORT AMENDMENT (VET FEE-HELP ASSISTANCE) BILL 2008

NOTES ON CLAUSES

Clause 1 – Short title

Provides for the Act to be cited as the Higher Education Support Amendment (VET FEE-HELP Assistance) Bill 2008.

Clause 2 – Commencement

Provides for the Act to commence on the day on which it receives the Royal Assent.

Clause 3 - Schedule(s)

Provides that each Act that is specified in a Schedule is amended or repealed as set out in the applicable items in the Schedule and that any other item in a Schedule has effect according to its terms.
Schedule 1 – Amendments

Higher Education Support Act 2003

Item 1 – At the end of clause 6 of Schedule 1A

Schedule 1A provides for loans, called VET FEE-HELP assistance, to be made available to students enrolled in certain accredited vocational education and training (VET) courses. Clause 6 enables the Minister to approve a body corporate as a VET provider, whose students may then receive VET FEE-HELP assistance, if the body meets a range of criteria. Item 1 inserts proposed new paragraph (g) which provides that the Minister may approve a body if he or she is satisfied that the body complies with any requirements set out in the VET Provider Guidelines relating to VET credit transfer arrangements. This amendment has the effect that in order to offer VET FEE-HELP to VET Students, VET providers must have arrangements in place which credit VET units of study or VET courses of study to higher education awards.

Item 2 – After clause 27 of Schedule 1A

Clause 27 relates to the requirements with which a VET provider must comply in relation to determining VET tuition fees and providing the Minister with information regarding those fees. Item 2 inserts proposed new clause 27A which requires VET providers to comply with any requirements set out in the VET Provider Guidelines relating to the charging of fees for VET units of study or VET courses of study, or matters or things for which fees may be charged. This amendment enables the Minister to make Guidelines in relation to the charging of these VET tuition fees.

Item 3 – Subclause 28(1) of Schedule 1A

Clause 28 relates to the Schedules of the VET tuition fees determined under clause 27 by VET providers for all VET units of study or VET courses of study. Item 3 inserts the words “, other than *VET restricted access arrangements,” after the word ‘provide’ in subclause 28(1), to clarify that these Schedules apply to all VET units of study other than those under a VET course of study where:

- an arrangement has been entered into between the VET provider and an employer or industry body; and
- some or all of the enrolments in that course may be limited or restricted.

Item 3 also inserts a heading to subclause 28(1) to clarify that there is a General Rule which applies to Schedules for all VET units of study other than those under a VET restricted access arrangement, which are dealt with by Item 4.
Item 4 – After subclause 28(2) of Schedule 1A

Item 4 inserts proposed new subclauses 28(2A) and (2B) which set out the requirements for VET providers to provide Schedules of VET tuition fees determined under clause 27 for VET units of study under a VET restricted access arrangement. These amendments have the effect that a VET provider:

- must give the Minister a schedule of VET tuition fees determined under clause 27 for each VET unit of study it will provide under a VET restricted access arrangement during a period ascertained in accordance with the VET Provider Guidelines. The schedule must be in a form approved by the Minister and in accordance with the requirements that the Minister determines in writing; and
- must ensure that the schedule provides sufficient information to enable a person to work out their VET tuition fee for the VET unit of study the VET provider will provide under the VET restricted access arrangement and ensure that the schedule is available on request and without charge to all students enrolled or eligible to be enrolled under the VET restricted access arrangement.

Items 5 and 6 – Subparagraph 28(3)(a)(i) and Subclause 28(4) of Schedule 1A

Items 5 and 6 make technical amendments to reflect the addition of the proposed process for the provision of schedules for VET tuition fees under VET restricted access arrangements to the general process under clause 28. These amendments have the effect that the same requirements that apply to VET providers for the variation and replacement of schedules under the general rule (ie for all VET units of study other than for VET restricted access arrangements) will also apply to the variation and replacement of schedules for VET restricted access arrangements.

Item 7 – At the end of Clause 43 of Schedule 1A

Clause 43 sets out the basic rules for students’ entitlement to VET FEE-HELP assistance. Item 7 inserts proposed new paragraph (i) which provides that a student is entitled to VET FEE-HELP assistance for a VET unit of study if the student meets any other requirements set out in the VET FEE-HELP Guidelines.

Item 8 – Subclause 45(1) of Schedule 1A

Clause 45 sets out the basic rules for course requirements for VET FEE-HELP assistance for a VET unit of study. Item 8 repeals subclause 45(1) and substitutes proposed new subclause 45(1) which provides that in order to be eligible for VET FEE-HELP assistance, the unit:

- must be undertaken as part of a course of study that meets any requirements set out in the VET FEE-HELP Guidelines relating to VET credit transfer arrangements; and
- must not be undertaken as part of a VET course of study that:
  - is subject to a determination under subclause (2); or
  - is with a provider that is subject to a determination under subclause (2).
Subclause 45(2) provides that the Minister may by legislative instrument, determine that a specified course provided by a specified provider is a course in relation to which VET FEE-HELP is unavailable, or that all courses at a specified provider are courses in relation to which VET FEE-HELP is unavailable.

This amendment has the effect of ensuring that in order to be a course in relation to which VET FEE-HELP is available, a course must positively meet all requirements set out in the VET FEE-HELP Guidelines in relation to VET credit transfer arrangements, and must not be a course which the Minister has determined is not a course for which VET FEE-HELP assistance is available.

**Item 9 – Clause 1 of Schedule 1 (definition of VET credit transfer arrangement)**

**Item 9** inserts a proposed new definition of VET credit transfer arrangement to mean an arrangement for crediting a VET unit of study or VET course of study toward a higher education award.

**Item 10 – Clause 1 of Schedule 1 (definition of VET restricted access arrangement)**

**Item 10** inserts a proposed new definition of VET restricted access arrangement to mean an arrangement, for a VET course of study, that was entered into between the Vet provider providing the course and an employer or industry body and that limits or restricts enrolments in some or all of the places in the course.