

EXPLANATORY STATEMENT

Issued by the authority of the Minister for Education, Science and Training

Subject: *Higher Education Support Act 2003*
 OS-HELP Guidelines

Section 238-10 of the *Higher Education Support Act 2003* (the Act) provides that the Minister may make guidelines for the purposes of the Act. In particular, section 238-10 specifies that the Minister may make OS-HELP Guidelines to give effect to matters set out in Part 3-4 of the Act.

The first OS-HELP Guidelines commenced on 4 August 2004. The Guidelines have now been amended to incorporate changes to the method that will be used to determine the number of notional loans that will be allocated to each higher education provider. Amendments to paragraphs 4.5.20 and 4.5.25, and the inclusion of new paragraphs 4.5.13, 4.5.22, 4.5.23 and 4.5.24, enable residual loans to be distributed after completion of the annual request round. This change was made following requests from the higher education sector. Given that the change creates a benefit to the sector and students, no further consultation was considered necessary.

The OS-HELP Guidelines serve a number of purposes, as set out in each of the four chapters.

Chapter 1 outlines the purpose of the guidelines and lists defined terms that appear in the guidelines. The guidelines referred to in the definition of 'EFTSU' in clause 1.5.5 can be obtained, on request, from the Department of Education, Science and Training.

Subsection 118-1(1) of the Act provides that students must be selected by their higher education provider to receive OS-HELP assistance in order to be entitled to that assistance. Chapter 2 of the guidelines sets out the procedures that higher education providers must follow in deciding whether to select students for receipt of OS-HELP assistance.

Chapter 3 sets out the procedures that higher education providers must follow in administering OS-HELP assistance, including making offers of OS-HELP assistance to students, and what action must be taken if the provider believes that an OS-HELP recipient has provided false or misleading information in their application for OS-HELP assistance.

Chapter 4 provides that the:

- number of students to be selected by each higher education provider for OS-HELP assistance is to be determined by the higher education provider; and
- total loan amounts paid to students by each higher education provider in a year must not exceed the total value of the notional number of loans allocated to the higher education provider for that year.

Chapter 4 also sets out the method that will be used to determine the number of notional loans that will be allocated to each higher education provider.

The Guidelines commenced on the date that they were registered on the Federal Register of Legislative Instruments. The Guidelines revoke all OS-HELP Guidelines previously made.