

QUESTIONS ON NOTICE
Parliamentary Committee Inquiry Hearing
Senate Standing Committee on Education and Employment

Education Legislation Amendment (Tuition Protection and Other Measures) Bill 2019 [Provisions]; VET Student Loans (VSL Tuition Protection Levy) Bill 2019 [Provisions]; and Higher Education Support (HELP Tuition Protection Levy) Bill 2019 [Provisions]

Outcome 2 - Skills and Training

Department of Employment, Skills, Small and Family Business No. SQ19-001508

The Committee asked on 13 November 2019 in writing.

Question

PCI - Tuition Protection Bills inquiry: Costs

1. Has the Department modelled the costs/impacts of including upfront fee paying VSL students?
2. How many additional VSL students would be covered if the tuition arrangements was extended to cover upfront fee paying VSL students?
3. What risks does the Department foresee of covering all students?

Answer

1. The Department has only modelled the costs of including students whose study is supported by a Government loan (i.e. a VET Student Loan (VSL) or a FEE-HELP or HECS-HELP loan).

2. In 2018, 4.1 million students were enrolled in nationally recognised vocational education and training.ⁱ Departmental data as at 6 May 2019 indicates that for the period 1 January to 31 December there were 57,874 VET Students Loans students. Extending tuition protection arrangements to all upfront fee paying Vocational Education and Training (VET) students could see over 4 million students included in sector-funded tuition protection arrangements.

3. The proposed new tuition protection arrangements would be underpinned by a sector-funded provider levy. The cost of this levy to providers would be calculated, in part, on student numbers. Expanding the proposed tuition protection arrangements to include all VET students would significantly increase the cost of the scheme and the levy on providers.

ⁱ Total VET Students and Courses 2018, National Centre for Vocational Education and Research