



Independent Schools
Council of Australia

**Senate Education, Employment and Workplace Relations
Legislation Committee**

**Inquiry into Bills referred on 22nd September:
Education Services for Overseas Students Legislation Amendment (Tuition
Protection Service and Other Measures) Bill 2011;
Education Services for Overseas Students (TPS Levies) Bill 2011; and
Education Services for Overseas Students (Registration Charges)
Amendment Bill 2011**

**Supplementary Submission by
The Independent Schools Council of Australia (ISCA)**



About ISCA

The Independent Schools Council of Australia (ISCA) is the peak national body covering the independent schools sector. It comprises the eight State and Territory Associations of Independent Schools. Through these Associations, ISCA represents a sector with nearly 1,090 schools and around 550,000 students, accounting for nearly 16 per cent of Australian school enrolments.

Independent schools are a diverse group of non-government schools serving a range of different communities. Many independent schools provide a religious or values-based education. Others promote a particular educational philosophy or interpretation of mainstream education. Independent schools include:

- *Schools affiliated with larger and smaller Christian denominations for example, Anglican, Catholic, Greek Orthodox, Lutheran, Uniting Church, Seventh Day Adventist and Presbyterian schools*
- *Non-denominational Christian schools*
- *Islamic schools*
- *Jewish schools*
- *Montessori schools*
- *Rudolf Steiner schools*
- *Schools constituted under specific Acts of Parliament, such as grammar schools in some states*
- *Community schools*
- *Indigenous community schools*
- *Schools that specialise in meeting the needs of students with disabilities*
- *Schools that cater for students at severe educational risk due to a range of social/emotional/behavioural and other risk factors.*

Independent schools are not-for-profit institutions founded by religious or other groups in the community and are registered with the relevant state or territory education authority. Most independent schools are set up and governed independently on an individual school basis. However, some independent schools with common aims and educational philosophies are governed and administered as systems, for example the Lutheran systems. Systemic schools account for 16 per cent of schools in the independent sector.

Independent Catholic schools are a significant part of the sector, accounting for 10 per cent of the independent sector's enrolments. These schools have been included in the figures above.

ISCA Supplementary Submission: Proposed amendments to *Education Services for Overseas Students Legislation Amendment (Tuition Protection Service and Other Measures) Bill 2011*

Following recent consultations with a range of independent schools on the likely impact of the proposed amendments to the *Education Services for Overseas Students Legislation Amendment (Tuition Protection Service and Other Measures) Bill 2011* with respect to study periods and pre-paid fees¹, The Independent Schools Council of Australia (ISCA) requests the Committee to take sectoral differences into account in order to avoid unintended consequences in implementation of legislative changes.

ISCA has previously raised the issues schools are likely to encounter if the proposed changes are legislated:

The school sector differs from other education sectors in important ways:

- a “course” may be more than five years in length;
- a “study period” may be a term or semester;
- it is usually parents who pay school fees, even if students are over 18 years of age.

Schools do not usually publish term dates more than two years in advance, and annual fees for the next year are often not determined until the last quarter of the current year.

Many schools undertake to approve arrangements for welfare and accommodation for students not living with an approved relative. If a school does not receive fees on time, and wishes to cancel a student’s enrolment for non-payment of fees, welfare responsibilities in this case continues until the student transfers to another provider, leaves Australia, reports to the Department of Immigration and Citizenship that arrangements can no longer be approved, or other “suitable arrangements are made”.²

The proposed amendments s22 Requirement to provide for study periods and s27 Pre-paid fees will therefore be problematic for schools to implement because of established school practices.

During recent discussions with ISCA, many non-government schools expressed concerns over the changes to existing systems that would be needed to implement the proposed changes, and advised that parents of international students could be disadvantaged.

Non-government schools manage their billing periods and fees policies based on what works with their parent cohorts. Non-government schools typically allow some flexibility to assist parents pay fees. For example, many overseas parents prefer to pay fees in advance when the exchange rate for the Australian dollar is favourable. Many schools allow a small discount for annual fees paid in advance, which also benefits parents.

¹ *Education Services for Overseas Students Legislation Amendment (Tuition Protection Service and Other Measures) Bill 2011, Schedule 3*

² Standard 5.3, Part D, National Code of Practice for Registration Authorities and Providers of Education and Training to overseas Students 2007

ISCA supports the proposed exemption for providers in receipt of Commonwealth funds for recurrent expenditure from obligations to have a designated account for student fees³, and requests that the committee also minimise impact of legislative changes on schools by allowing schools to continue their current billing and fees collection practices, so that parents are not disadvantaged, significant changes to existing systems are not needed in order to be compliant, and a fees collection requirement does not inadvertently also become a welfare issue.

Canberra
December 2011

³ **s31 Exemption from requirement**

- (b) any other provider that is entitled to receive funds under a law of the Commonwealth for recurrent expenditure for the provision of education or training, other than one excluded by the regulations from the scope of this paragraph;