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Dr Jane Thomson
Committee Secretary
Senate Education and Employment Legislation Committee
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Dr Thomson

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

Governance Institute of Australia Ltd (hereafter Governance Institute) welcomes the opportunity to make a submission to Senate Education and Employment Legislation Committee (**Committee**) in relation to the *Education Legislation Amendment (Tuition Protection and Other Measures) Bill 2019, VET Student Loans (VSL Tuition Protection Levy) Bill 2019 and the Higher Education Support (HELP Tuition Protection Levy) Bill 2019 [Provisions]* inquiry (**Tuition Protection Inquiry**).

Governance Institute is registered as an independent Higher Education Provider with the Tertiary Education Quality and Standards Agency (TEQSA). Our purpose is to champion whole of organisation governance through education, advocacy and engagement with members and the broader community. As an independent not-for profit and charity, we reinvest everything toward that goal. We are a professional membership association representing nearly 7,000 members in Australia.

Recommendation

Governance Institute recommends the Committee consider improvements to the proposed legislation to deliver **equal protections** to all independent sector higher education students. The Tuition Protection Scheme should be expanded to protect all students regardless of whether they are enrolled with a higher education provider that gives access to government funded tuition support via VET Student Loans, FEE-HELP or the HECS-HELP schemes or not. To not do this is fundamentally unfair – it implements different consumer protections to cohorts of students based on how they fund their studies. Students who do not take out a loan to study are the most disadvantaged.

Tuition protection is a requirement of the TEQSA *Higher Education Standards Framework (Threshold Standards) 2015*. Standard 6.2 (Corporate Monitoring and Accountability) states:

1. The provider is able to demonstrate, and the corporate governing body assures itself, that the provider is operating effectively and sustainably, including:
 - a. There are credible continuity plans and adequately resourced financial and tuition safeguards to mitigate disadvantage to students who are unable to progress in a course of study due to unexpected changes to the higher education provider's operations, including if the provider is unable to provide a course of study, ceases to operate as a provider, loses professional accreditation for a course of study or is otherwise not able to offer a course of study.

Previously tuition insurance was provided by TAFE Directors. The VET FEE-HELP exploitation resulted in insurers paying out significant amounts with a subsequent reluctance to provide cover for higher education providers. The only available insurance in 2019 represented a 64% increase on the 2018 premium (level of cover remained constant). Governance Institute is a small higher education provider and **tuition insurance costs are prohibitive** and place undue pressure on student tuition fees.

Equal coverage of all students under a government managed Tuition Protection Scheme will not only provide the best protections for students, it will remove the high costs of private insurance and ensure TEQSA protection requirements are met without the need for institutions to report their individual protection arrangements.

Kind regards

Megan Motto
Chief Executive Officer