

Senate Committee: Education and Employment

QUESTION ON NOTICE

Supplementary Budget Estimates 2015 - 2016

Outcome: Skills and Training

Department of Education and Training Question No. SQ15-000897

VHF debt

Question

Has any thought been given to the capacity of individuals currently with a VFH debt – who may or may not know they have a debt, and who have incurred that debt as the result of maleficence – to seek to have their VFH debt forgiven? Are any measures being proposed?

Answer

The government is making it easier for students to re-credit any VET FEE-HELP debt that has been unfairly applied in breach of the VET Guidelines. The Government is also strengthening the VET FEE-HELP loan scheme to tighten marketing and recruitment practices to ensure VET FEE-HELP is marketed accurately enabling students to have a clear understanding of their rights and obligations before they make a decision on their payment options.

The expanded circumstances in which a student can seek a re-credit of their debt will not be applied retrospectively; they will be applied to inappropriate behaviour which occurs on or after 1 January 2016 as the expanded circumstances in the recent Higher Education Support Amendment (VET FEE-HELP Reform) Bill 2015 commence on 1 January 2016, subject to the passage of legislation.

For students affected by inappropriate behaviour prior to 1 January 2016, they may raise a grievance about their recruitment or study experiences using the existing grievance processes providers are required to have in place to participate in the scheme. This gives students the opportunity to approach their provider and request consideration of their complaint, and seek both internal and external review of the outcome.

Where there are possible breaches of Australian Consumer Law students can also make a complaint to the Fair Trading agency in their state and territory or the Australian Competition and Consumer Commission. These Consumer Law agencies are currently investigating the enrolment practices of some registered training organisations.