



Factsheet December 2015

Important changes for students accessing VET FEE-HELP

When you sign up to a Vocational Education and Training course you may be eligible to apply for a VET FEE-HELP loan to help pay for the course. Information about eligibility for VET FEE-HELP is available at www.studyassist.gov.au. This factsheet sets out some information that you will need to be aware of if you want to get a VET FEE-HELP loan.

The Australian Government has had to make changes to the VET FEE-HELP loan rules to ensure students are protected from signing up to courses and getting debts that they don't want or need.

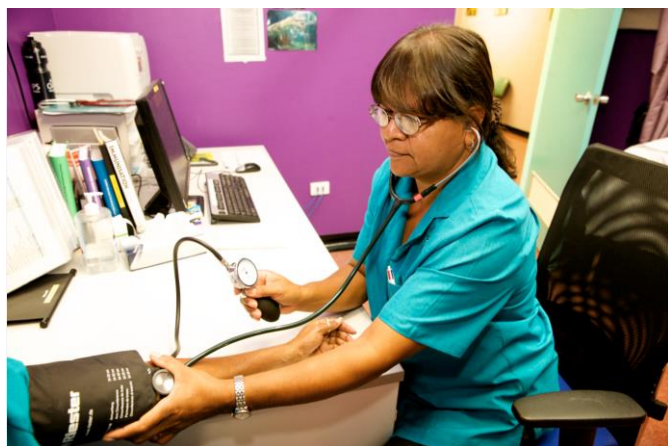
Some of the changes have already been introduced throughout 2015, but some additional rules will come into effect from 1 January 2016 that your training provider will need to apply when signing you up for courses.

These changes will also help you keep the focus on making good choices about getting the right qualifications, skills and training for entering the workforce, upskilling or retraining.

Things you need to know as a potential student:

- ▶ There are now stronger **rules for marketing and recruitment**. This means that when courses are being advertised it is now against the rules for providers to use VET FEE-HELP as a drawcard for signing you up to a course, offering free iPads, computers or sign up bonuses for students, or even to publish misleading and incorrect information regarding VET FEE-HELP.
- ▶ Training providers will need to **provide you with information set out in a clear way**, if you do decide to withdraw from a unit of study, including information on the [census date](#) and how that interacts with withdrawing from the study.
- ▶ A new **'two day gap' (business days)** delay period has been introduced before you can apply for VET FEE-HELP for your studies. After enrolling you will not be able to submit your 'Request for VET FEE-HELP loan form' until at least two business days after you have enrolled in your studies. Therefore if you go to enrol in a course and it is less than two business days away from the unit of study census date you will not be eligible for a VET FEE-HELP loan for that unit of study. Your training provider must tell you these new rules up front when you sign up for a course.
- ▶ If you are under 18 years of age you will need your parent or guardian to sign a **'request for VET FEE-HELP loan form'** to apply for a VET FEE-HELP loan.
- ▶ You will now have your tuition fees evenly spread across at least **three fee-periods** throughout your course. If you withdraw you will only have to pay for the parts of your course that you undertook for which the census date has passed.
- ▶ Your training provider now **has to issue you with your 'VET FEE-HELP Invoice notice' no less than 14 days** before the census date. This is so you know exactly how much debt you have before the census date so you can have enough time to withdraw from the course before the census date, should you want to, without getting a VET FEE-HELP debt.

These safeguards have been put into place to protect you as a student. If you believe that your training provider or its education agent breaks any of these new rules on or after 1 January 2016 you will be able to apply to have your VET FEE-HELP debt remitted.



I have some more questions

I keep seeing advertisements on social media to apply for courses that say I will never have to pay anything back if I enrol in the course and get VET FEE-HELP— is this correct?

No. VET FEE-HELP is a loan that is repaid from your taxable income. So that we can stop these types of advertisements from happening we ask you to report these through the national complaints hotline on 13 38 73. This behaviour from providers will not be tolerated by the Australian Government and there are heavy penalties for providers that will be enforced.

My training provider wants me to go through a 'student entry procedure' before my enrolment is accepted.

Once you have worked out what course you would like to do, your training organisation must make sure that you meet the requirements of the course and that you are at a level that you will be able to complete the course. Going through this process with your training provider provides you with some safeguards that you are not being signed up to a course that you may not be able to complete.

As part of the student entry procedure if you enrol in a VET diploma, VET advanced diploma, VET graduate diploma or VET graduate certificate and want to take out a VET FEE-HELP loan, you will need to give to your

training provider a copy of your Senior Secondary Certificate of Education (year 12 certificate).

If you **don't** have a year 12 certificate you must be assessed as displaying a required level of competence in both reading and numeracy. To do this your training provider must give you a test to see if you have the skills to give you a good chance of completing the course.

If you don't attain an 'Exit Level 3 in the Australian Core Skills Framework (ACSF) in both reading and numeracy' you will not be able to take out a VET FEE-HELP loan. You may want to think about doing a lower level certificate course before you enrol in a diploma. You can't get VET FEE-HELP for a certificate course but you could talk to your training provider about payment plans or other Government subsidies.

I am not sure if I have chosen the right course – can I change my mind without getting a debt?

The rules have been changed to make sure your provider will provide you with clear information on how to withdraw from a unit of study, including information on the census date. They must also provide you with an invoice at least 14 days prior to the census date which will set out how much your VET FEE-HELP loan will be.

If you withdraw from your course after the census date you will incur a debt even if you didn't end up doing the course. You must withdraw on or before the census date if you do not want to get a debt.

It is your responsibility to follow up and notify your provider in writing what your intentions are before the census date.

My training provider will not let me submit my 'request for a VET FEE-HELP loan' form at the same time as my enrolment—why not?

The new rules allow you time to think about the full impacts from taking on a VET FEE-HELP loan. During the two days you may consider other course options or work out how the debt will affect your circumstances.

I am new to Vocational Education and Training—what is a census date?

Just like universities, Vocational Education and Training providers have an official deadline for finalising your enrolment and fees for your studies which is called the census date. If you have completed a 'request for VET FEE-HELP loan form' and have given it to your provider, and then wish to withdraw, you have until the census date without obligations to pay tuition fees or continue studies.

Why is my training provider telling me they can't take on any more students who want to access VET FEE-HELP for some of their courses?

As one of the major changes to the new rules being brought in on 1 January 2016, limits have been placed on providers. For this reason, providers need to monitor their total value of VET FEE-HELP loans their students have to make sure they stay within their allocated limit.

If you want to find out more about what courses are VET FEE-HELP approved, you can search for courses on www.myskills.gov.au by selecting your relevant State or Territory. You will then be able to mix and match your search options to find a training provider that can deliver your course of choice.



I am under 18 and classified by Centrelink as an independent person for Youth Allowance—am I still required to get a parent or guardian to co-sign the 'request for VET FEE-HELP loan form'?

No, however you will need to provide evidence of your independent person classification to your training provider from Centrelink to prove you are exempt from this requirement.

I want to start paying my loan off early – Do I have to wait until the automatic recoveries start when my income reaches the compulsory threshold amount of \$54,126 (2015-16 income year)?

No you don't have to wait! If you would like to start paying your VET FEE-HELP loan off sooner you can make arrangements with the Australian Taxation Office (ATO) by ringing 13 28 61. Please have your 'Payment Reference Number (PRN)' handy which can be found on your Account Information Statement issued by the ATO.

For all voluntary repayments made and processed by 31 December 2016, a voluntary repayment bonus of 5 per cent of the repayment amount applies to all repayments of \$500 or more. For further information about this visit the **Study Assist** website at www.studyassist.gov.au.

How do I see what a VET FEE-HELP loan will cost me in the end?

To see how much your course will cost if you get a VET FEE-HELP loan an online calculator is available at www.myskills.gov.au. From the home page just select a course of your choice, then select your state/territory, and the calculator will display on the page if the course you have selected is a VET FEE-HELP approved course.

Where can I find out further information?

Further information on the full suite of changes can be found on the **Study Assist** website at www.studyassist.gov.au. However, if you have any further questions about the new rules, go to the 'Contacts' page on the **Study Assist** website and submit an enquiry.