

To whomever this may concern,

I would like to submit concerns regarding the HECS program as it exists today representing the views of the Islamic community.

As someone who has studied Islamic Studies extensively for many years I would like to bring to the attention of the government potential issues with the program from an Islamic perspective.

It is understood and appreciated that there is no "interest" charged on one's HECS loan but rather the amount is "indexed" to account for the changing value of money over time.

However, this presents a problem from an Islamic perspective as at the very least, the majority of classical islamic jurists have defined "any increase" on the original loan amount as Riba (prohibited increase).

As a result there is great hesitancy amongst the islamic community on whether they should take HECS loans, and that they should rather spend their time working odd jobs or otherwise to pay for their education upfront rather than taking the loan.

The proposed solution is simple, to remove indexation which only happens to be a few percentage points most years to enable muslim students to take HECS loans for their education without hesitation.

I appreciate this opportunity to present this brief submission.

Kind regards,

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