
THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

HIGHER EDUCATION SUPPORT AMENDMENT (EXTENDING FEE-HELP FOR VET DIPLOMA AND VET ADVANCED DIPLOMA COURSES) BILL 2007

SUPPLEMENTARY EXPLANATORY MEMORANDUM

Amendment to be moved on behalf of the Government

(Circulated by authority of the Minister for Vocational and Further Education the Honourable Andrew Robb AO MP)
These Government amendments to the Higher Education Support Amendment (Extending FEE-HELP for VET Diploma and VET Advanced Diploma Courses) Bill 2007 (introduced in the House of Representatives on 21 June 2007) amend the VET-accredited qualifications eligible for FEE-HELP to include the vocational graduate certificate and the vocational graduate diploma.

The amendment to include the vocational graduate certificate and the vocational graduate diploma reflects the recommendation of the Senate Standing Committee on Employment, Workplace Relations and Education’s report on the proposed Bill.

These courses sit in the Australian Qualifications Framework above the bachelor degree and correspond with the similar levels of graduate certificate and graduate diploma as accredited by the higher education sector.

As the higher education qualifications of graduate certificate and graduate diploma are eligible for FEE-HELP in the existing provisions of the *Higher Education Support Act 2003*, an amendment to include the vocational graduate certificate and vocational graduate diploma addresses an anomaly in the *Bill* which omitted these courses.

As the vocational graduate certificate and the vocational graduate diploma are already equivalent to higher education postgraduate awards, and are generally designed as the vocational professional skills levels courses with little articulation into other higher education courses, the intention would be for these courses to be exempted from any credit transfer requirements which would be included in the Guidelines for the diploma and advanced diploma courses.

**FINANCIAL IMPACT**

The amendment to include the vocational graduate certificate and the vocational graduate diploma would require additional appropriation. It is expected that $40.1 million in loans would be issued over the four years to 2010-2011 under the amendment in addition to the expected $221 million for the diploma and advanced diploma.

The expectation is based on a moderate take-up of the FEE-HELP loans, given the lead times involved for Registered Training Organisations to be approved to offer the loans. However, the expectation also takes into account the possibility of shortened lead times for vocational graduate certificate and vocational graduate diplomas, as providers are not required to demonstrate credit transfer arrangements into higher education for these courses.
NOTES ON AMENDMENTS

In this Supplementary Explanatory Memorandum references to the “Bill” mean the Higher Education Support Amendment (Extending FEE HELP for VET Diploma and VET Advanced Diploma Courses) Bill 2007 as introduced and references to the “Act” mean the Higher Education Support Act 2003.

Amendment 1 – Clause 1, page 1 (lines 6 and 7)

Amends clause 1 of the Bill to reflect the extension of FEE-HELP assistance to VET-accredited diploma, advanced diploma, vocational graduate certificate and vocational graduate diploma courses.

Amendment 2 – Schedule 1, item 5, page 3 (line 22)

Chapter 1 of the Act provides an introduction to the Act and includes certain application provisions. Item 5 of Schedule 1 to the Bill inserts a new Division 6 of Chapter 1 to the Act (including proposed new section 7-1) to give effect to proposed Schedule 1A to the Act (inserted by item 17 of Schedule 1 to the Bill). Amendment (2) amends item 5 of Schedule 1 to the Bill to more appropriately number the operative section of Division 6 as section “6-1”.

Amendment 3 – Schedule 1, item 17, page 11 (line 9)

Amends the note to proposed Schedule 1A of the Act (inserted by item 17 of Schedule 1 to the Bill) to reflect the section numbering amendment made by item 2.

Amendment 4 – Schedule 1, item 17, page 47 (after line 4)

Inserts a new subclause 80(2A) in proposed Schedule 1A of the Act (inserted by item 17 of Schedule 1 to the Bill) to have the effect of providing that, if a student is seeking VET FEE-HELP assistance for a VET unit of study, he/she does not meet the tax file number requirements for the assistance unless he/she complies with subclause 80(1) of proposed Schedule 1A on or before the census date for the unit.

Amendments 5 and 6 – Schedule 1, item 18, page 57 (lines 8 and 9) and item 38, page 61 (lines 4 and 5)

Amend items 18 and 38 of Schedule 1 to the Bill to amend the definitions of accredited VET course and VET course of study in the dictionary in Schedule 1 to the Act to reflect the
extension of FEE-HELP assistance to the VET-accredited diploma, advanced diploma, vocational graduate certificate and vocational graduate diploma courses.

**Amendment 7 – Schedule 1, page 62 (after line 7), after item 45**

Inserts new items 45A and 45B in Schedule 1 to the Bill to have the effect of inserting new definitions of \textit{VET graduate certificate} and \textit{VET graduate diploma} in the dictionary in Schedule 1 to the Act to reflect the extension of FEE-HELP assistance to advanced diploma, graduate diploma and graduate certificate courses.

\textit{VET graduate certificate} is defined to mean a qualification at the level of vocational graduate certificate in the Australian Qualifications Framework that meets the guidelines for a VET award set out in the Australian Qualifications Framework Implementation Handbook.

\textit{VET graduate diploma} is defined to mean a qualification at the level of vocational graduate diploma in the Australian Qualifications Framework that meets the guidelines for a VET award set out in the Australian Qualifications Framework Implementation Handbook.