



Australian Government

VET **Student** Loans



VET STUDENT LOANS

**INFORMATION FOR STUDENTS APPLYING FOR
VET STUDENT LOANS - 2017**

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CONTENTS

| | |
|--|----|
| Important information | 5 |
| Eight important points you must read! | 5 |
| WHO IS THIS BOOKLET FOR? | 6 |
| USING THIS BOOKLET | 6 |
| The VET Student Loans program at a glance | 7 |
| What is the VET Student Loans program? | 7 |
| Am I eligible? | 7 |
| Transitional arrangements for existing VET FEE-HELP students | 9 |
| Opting in to continued access to VET FEE-HELP | 9 |
| GLOSSARY | 10 |
| 1. TRANSITIONING TO TERTIARY STUDY | 14 |
| 1.1 Get a TFN early! | 14 |
| 1.2 Be aware of your obligations! | 15 |
| 1.3 You are responsible for your own education! | 15 |
| 1.4 Know who to ask for help | 16 |
| 1.5 Get involved | 16 |
| 1.6 Be a savvy student | 16 |
| 2. THE VET STUDENT LOANS PROGRAM | 17 |
| 2.1 Approved courses | 17 |
| 2.2 Approved course providers | 17 |
| 2.3 Academic suitability | 17 |
| 2.4 What are the citizenship and residency requirements for VET Student Loans? | 18 |
| 2.5 How much can I borrow? What is the FEE-HELP limit? | 19 |
| 2.6 What is the FEE-HELP balance? | 19 |
| 2.7 Will I be charged interest? | 19 |
| 2.8 Is there a loan fee? | 19 |
| 3. APPLYING FOR A VET STUDENT LOAN | 20 |
| 3.1 How do I apply for a VET Student Loan? | 20 |
| Students under the age of 18 | 20 |
| Tax file number requirements | 21 |
| 3.2 What happens if I want to enrol in another course or I want to change my course? | 21 |
| 3.3 What happens when I change my provider (but not my course)? | 21 |

| | |
|--|----|
| 3.4 What is the census day? | 22 |
| 3.5 How do I confirm my continued engagement and participation in my course? | 22 |
| 3.6 What happens if I want to apply for a VET student loan, and the census day has already passed? | 22 |
| 4. KEEPING TRACK OF YOUR VET STUDENT LOAN | 23 |
| 4.1 Your Commonwealth Higher Education Student Support Number (CHESSN) | 23 |
| 4.2 Invoice notices | 23 |
| 4.3 Your Commonwealth Assistance Notice (CAN) | 23 |
| 4.4 myUniAssist and myGov | 24 |
| myUniAssist | 24 |
| 4.5 Your HELP account | 24 |
| 5. WITHDRAWAL OR NON-COMPLETION OF STUDIES | 25 |
| 5.1 What happens if I fail or withdraw from a unit? | 25 |
| 5.2 How do I withdraw from a unit? | 25 |
| 5.3 Special circumstances | 26 |
| 5.4 Unacceptable conduct | 26 |
| 5.5 Complaints | 26 |
| 5.6 What happens if my provider is not able to continue to deliver my course? | 27 |
| 6. REPAYING YOUR HELP DEBT | 28 |
| 6.1 When do I start paying back my loan? | 28 |
| 6.2 How much will my repayments be? | 28 |
| 6.3 Can I make a voluntary repayment? | 29 |
| 6.4 Are repayments tax deductible? | 29 |
| CONTACTS AND ADDITIONAL INFORMATION | 30 |

IMPORTANT INFORMATION

The VET Student Loans program assists eligible students enrolled in approved higher level vocational education and training (VET) courses to pay their tuition fees.

Eight important points you must read!

- 1 Your VET Student Loan becomes part of your Higher Education Loan Program (HELP) debt and must be paid back at the relevant repayment rate when your repayment income is above the compulsory repayment threshold. The compulsory repayment threshold is adjusted each year. The compulsory repayment threshold for the 2016-2017 income year is \$54,869.
- 2 From 1 July 2017, you will be required to confirm (in the Department of Education and Training's electronic Commonwealth Assistance Form (eCAF) system) your continued engagement in your course of study. Your ongoing access to a VET Student Loan is dependent upon you demonstrating that you are still engaged in and progressing through your course.
- 3 You will incur your liability to pay tuition fees for each part of your course on the **census** day for that part of your course.
- 4 If you do not wish to incur a liability for that part of the course you must withdraw your enrolment in that part of the course, before the **census** day. You must withdraw in writing and in line with your approved course provider's withdrawal procedure.
- 5 Full fee paying students will incur a 20 per cent loan fee on their VET Student Loan. Students whose enrolment is subsidised by a state or territory government do not incur a loan fee.
- 6 You must meet the eligibility criteria to be eligible for a VET Student Loan. You will need to supply information to your provider to prove that you meet the eligibility criteria.
- 7 The amount of a VET Student Loan for a course is capped. The loan may not be sufficient to cover all the tuition fees for a course. Your education provider must send you a written notice of the amount of your course tuition fees covered by the loan and any gap fees required to be paid by you. The information must be sent to you by the first **census date** for your course. You are responsible for paying the gap fee.
- 8 Information about tuition fees covered by the **VET Student Loans** program, any other fees payable for the course, and information including how to withdraw before the **census day** without incurring fees, will be provided to you by your provider prior to your enrolment.

YOU MUST READ THIS BOOKLET BEFORE SUBMITTING THE 'REQUEST FOR VET STUDENT LOAN eCAF'.

WHEN YOU SIGN AND SUBMIT YOUR 'REQUEST FOR VET STUDENT LOAN eCAF', YOU DECLARE THAT YOU HAVE READ THIS BOOKLET AND THAT YOU ARE AWARE OF YOUR OBLIGATIONS UNDER THE VET STUDENT LOANS PROGRAM.

IMPORTANT NOTE: The Department of Education and Training has aimed to ensure that the information in this publication is consistent with the **VET Student Loans Act 2016** (the Act) and the **VET Student Loans Rules 2016** (the Rules), made under the Act, available at www.legislation.gov.au. However, there may be differences between this publication and the Act or Rules. To the extent of any inconsistency, the Act and Rules will take precedence.

In addition, the information contained in this booklet is correct as at the time of publication (30 June 2017) and subject to change. For the latest information on the **VET Student Loans** program, refer to the **VET Student Loans** page on the Study Assist website at www.studyassist.gov.au or the Department of Education and Training's website at www.education.gov.au/vet-student-loans.

WHO IS THIS BOOKLET FOR?

This booklet is for people enrolling in approved VET courses at the diploma level and above.

This booklet is a summary of the key points a person applying for or receiving a VET Student Loan needs to know before applying for a loan. It is not intended to provide comprehensive information about the **VET Student Loans** program as a whole.

USING THIS BOOKLET

The first section, 'The **VET Student Loans** Program at a Glance' provides an overview of the **VET Student Loans** program.

Further detail is provided about the program in sections 1 to 6 of this booklet.

As you read through this booklet, you will notice that each page has key words **highlighted**; refer to the glossary for an explanation of what these words mean.

Refer to the section at the end of this booklet, 'Contacts and Additional Information' for further information and relevant contact details.

THE VET STUDENT LOANS PROGRAM AT A GLANCE

What is the VET Student Loans program?

The **VET Student Loans program** is an Australian Government loan program that helps eligible students enrolled in **approved courses** at **approved course providers** pay their **tuition fees**.

If you are an eligible student, the Department of Education and Training (the department) may approve your VET Student Loan for an approved course. The department will pay your loan directly to your approved course provider. You will be responsible for any gap amount in the tuition fees, which are not covered by the loan. You will owe a debt to the Australian Government for the loan, which will be managed by the Australian Taxation Office (**ATO**).

Am I eligible?

To receive a VET Student Loan, you must:

1. be an eligible student
2. be studying an **approved course**
3. be studying with an **approved course provider**
4. apply to the government using the approved form, and
5. confirm your engagement and progression to continue to access the loan throughout your course.

To be an eligible student, you must meet ALL of these criteria – further detailed below.

- You are:
 - an Australian citizen, or
 - a qualifying New Zealand citizen¹, or
 - a permanent humanitarian visa holder, who is usually resident in Australia.
- Your **FEE-HELP balance** (the amount of your FEE-HELP limit you have left) is more than \$0.
- You are enrolled with an **approved course provider** in an **approved course** and have enrolled in accordance with the application requirements.
- You are studying the approved course primarily at a campus in Australia.
- You have been assessed by your **approved course** provider as academically suited to undertake the **approved course** on the basis of either:
 - providing your Australian Year 12 Certificate; OR
 - providing evidence of successful completion of an Australian Qualifications Framework Certificate IV or higher qualification (where the language of instruction is English); OR
 - displaying competence at Exit Level 3 in the Australian Core Skills Framework in both reading and numeracy through an approved Language, Literacy and Numeracy test.

¹ A qualifying New Zealand citizen is a New Zealand citizen who meets all of the following:

- holds a special visa category, such as the New Zealand Special Category Visa (SCV);
- has been usually resident in Australia for at least 10 years;
- was a dependent child when he or she was first usually resident in Australia;
- has been in Australia for periods totalling 8 years during the previous 10 years; and
- has been in Australia for periods totalling 18 months during the previous 2 years.

In addition, your **approved course** provider must reasonably believe you show competence in completing the course.

- You meet the Tax File Number (**TFN**) requirements.
- You have a **Unique Student Identifier** (USI) or are otherwise exempt.
- You have given the required documents to your **approved course** provider and submitted the loan application form by the first **census day** no less than two business days after enrolling.

To be an **approved course** your course must be:

- specified on the *VET Student Loans (Courses and Loan Caps) Determination 2016* (the **courses and loan caps determination**): and
- lead to a qualification of diploma, advanced diploma, graduate certificate or graduate diploma in the Australian Qualifications Framework; and
- be provided by an **approved course** provider; and
- be delivered by an **approved course** provider or an entity registered with TEQSA or approved by the Department to deliver the course.

TRANSITIONAL ARRANGEMENTS FOR EXISTING VET FEE-HELP STUDENTS

The **VET Student Loans** program commenced on 1 January 2017, replacing the VET FEE-HELP scheme. It is a new vocational education and training student loans program, provided to give eligible students access to quality higher level VET qualifications, particularly those students who could not otherwise afford to pay upfront.

Opting in to continued access to VET FEE-HELP

To minimise disruption to existing VET FEE-HELP students enrolled in and receiving VET FEE-HELP assistance for VET courses prior to 1 January 2017, a phased approach was taken to transition from the VET FEE-HELP scheme to the new VET Student Loans program.

Where students:

- commenced a course under the VET FEE-HELP arrangements; and
- received VET FEE-HELP before 2017 for that course (must have had at least one **census date** before 31 December 2016 where a VET FEE-HELP loan was used); and
- were still studying the course immediately before 1 January 2017

students were given the opportunity to 'opt in' to continue to receive VET FEE-HELP assistance for further units of study in that course, with census days before 1 January 2018. Such students are said to be 'grandfathered'. (In some circumstances VET FEE-HELP will be available for grandfathered students beyond 31 December 2017).

For further information about the grandfathering arrangements including actions students must take, students should refer to the 'Grandfathering fact sheet' at www.education.gov.au/vet-student-loans.

GLOSSARY²

Accumulated HELP debt: The total of the Higher Education Loan Program (HELP) debts, including any VET Student Loans, VET FEE-HELP, FEE-HELP, HECS-HELP, OS-HELP or SA-HELP debts you have incurred (including any Government loans for study incurred before 2005).

Act (*VET Student Loans Act 2016*): The *VET Student Loans Act 2016*, the Commonwealth legislation that establishes the VET Student Loans program. It is available at www.legislation.gov.au/Series/C2016A00098.

Approved course: A course for which students can access a VET Student Loan. These courses are listed in the **courses and loan caps determination** and have a high national priority, meet industry needs, contribute to addressing skills shortages and align with strong employment outcomes.

Approved course provider (provider): A registered training organisation approved by the Australian Government whose students can access VET Student Loans for approved courses.

ATO (Australian Taxation Office): The ATO is the Australian Government's main tax collection agency. The ATO is responsible for managing HELP debt repayments.

CAN (Commonwealth Assistance Notice): A notice from your approved course provider issued after the census day which details the Commonwealth assistance (ie. the loan) you have used for the study period.

Census day: The last day on which you can withdraw from your course or part of course without having to pay tuition fees for the course or part of the course. The day is set by your approved course provider in accordance with the Act and Rules.

Commonwealth Higher Education Student Support Number (CHESSN): Your unique identification number as a person studying in a Commonwealth supported place or accessing a HELP loan.

Compulsory repayment threshold: You have to start repaying your HELP debt through the taxation system once your repayment income is above the compulsory repayment threshold, even if you are still studying. Repayment income is calculated from the amounts given on your income tax return for:

- your taxable income;
- reportable fringe benefits (reported on your payment summary);
- total net investment loss (which includes net rental loss);
- reportable super contributions; and
- exempt foreign employment income amounts

² Where these defined terms are also defined in legislation (e.g. the Act or the Rules), to the extent of any inconsistency between the definitions provided in this Glossary and in the legislation, the definition provided in the legislation prevails.

Courses and loan caps determination: The legislation made under the Act which sets out, the courses of study for which a VET Student Loan may be approved and the maximum loan amounts for those courses. It is available at www.legislation.gov.au.

Equivalent full-time student load (EFTSL): How the study load for students is measured. One EFTSL is the load for a year of a student undertaking a full-time course.

FEE-HELP: An Australian Government loan program that helps eligible fee paying students pay their tuition fees for higher education study.

FEE-HELP balance: The amount of VET Student Loans, VET FEE-HELP and FEE-HELP, you have left to use before reaching the FEE-HELP limit.

FEE-HELP limit: The maximum amount of VET Student Loans, VET FEE-HELP and FEE-HELP, you can use over your lifetime. The FEE-HELP limit is indexed annually on 1 January. The current FEE-HELP limit for 2017 is \$100,879 for most students.

Full Fee paying/fee for service student: A student enrolled in a course for which the provider does not receive a state or territory government subsidy is a full fee paying student.

Fee paying student: A student who is enrolled in a fee paying place and who pays tuition fees for their course.

Government electronic Commonwealth Assistance Form (eCAF) (Request for a VET Student Loan eCAF): The online system for students to request a VET Student Loan (and other loans) under the HELP. It provides students with a secure and easily accessible way to complete application forms for these programs.

Students will use the eCAF to log in (after 1 July 2017) to demonstrate they are engaged with their training and wish to continue accessing a VET Student Loan.

HELP (Higher Education Loan Program): Australian Government loans that help eligible students pay their tuition fees (VET Student Loans, VET FEE-HELP or FEE-HELP), student contributions (HECS-HELP), overseas study expenses (OS-HELP) and student services and amenities fee (SA-HELP). HELP loans are repaid through the tax system once a person earns over the compulsory repayment threshold.

My Skills (www.myskills.gov.au): My Skills website is the national Vocation Education and Training (VET) consumer directory that contains information about each Registered Training Organisation (RTO) and the courses they offer. It is a federal government initiative to enable consumers to search for, and compare, VET courses and training providers.

New Zealand Special Category Visa Holder (SCV): If you arrived in Australia using a New Zealand passport, in the absence of another valid Australian visa, you will have automatically received a Special Category Visa (SCV) provided you met certain security, character and health requirements. It is a temporary visa that expires as soon as you leave Australia, but remains in place for as long as you remain in Australia. If you are a New Zealand citizen and hold a SCV you may be able to access VET Student Loans, providing you:

- have been usually resident in Australia for at least 10 years,
- were a dependent child when you first began to be usually resident in Australia,
- have been in Australia for periods totalling 8 years during the previous 10 years, and
- have been in Australia for periods totalling 18 months during the previous 2 years.

Specific enquiries about the SCV, and other visas, should be directed to the Department of Immigration and Border Protection (www.border.gov.au).

Request for a VET Student Loan eCAF: The online system for students to request a VET Student Loan. It provides students with a secure and easily accessible way to complete application forms for VET Student loans (see **Government electronic Commonwealth Assistance Form (eCAF)**).

Rules: The *VET Student Loans Rules 2016*, the legislation made under the Act that sets out detailed requirements for the VET Student Loans program. It is available at www.legislation.gov.au/Series/F2016L02030.

Special circumstances: Specific circumstances, as set out in the Act, that you must establish exist, in order to have your VET Student Loans debt for a course cancelled (and your FEE-HELP balance re-credited) if applicable. See section 68 of the Act.

Student entry procedure: An approved course provider's procedure to ensure that a student is academically suited to undertake a course.

Study Assist (www.studyassist.gov.au): A website providing information about how you can pay for tertiary study (including VET Student Loans), as well as lists of approved course providers, approved courses and student income support options.

Subsidised VET student: A student whose enrollment is subsidised by a state or territory government and who is enrolled in a vocational education and training accredited course at an approved course provider.

TFN (Tax File Number): Your unique identification number from the ATO for everything tax related, including making HELP debt repayments.

Tuition fees: Fees that students are charged by approved course providers.

USI (Unique Student Identifier): Your unique reference number made up of 10 numbers and letters that creates a secure online record of the student's recognised training and qualifications gained in Australia.

VET FEE-HELP scheme: An Australian Government loan scheme established under Schedule 1A of the *Higher Education Support Act 2003* in place from 2009-2016 (and to some continuing students in 2017 onwards—refer to VET FEE-HELP transitional arrangements) that allows access to loans for higher level VET study.

VET Student Loans program: The Australian Government loan program established by the *VET Student Loans Act 2016* that assists eligible students enrolled in approved higher level vocational education and training courses at approved course providers pay their tuition fees.

VET Student Loans fee notice: An invoice that approved course providers must send to students, who are requesting a VET Student Loan, for each fee period, at least 14 days prior to the **census day**. Refer to section 99 of the Rules.

VET Student Loans Statement of Covered Fees: A statement issued to the student that provides details of the total course fee and how much will be covered by the loan amount.

1. TRANSITIONING TO TERTIARY STUDY

Before you decide where to study and apply for an approved course, you will need to make some important decisions. This section provides information about your options, so you can make an informed decision before you enrol in vocational education and training.

Things to think about:

- how to make a smooth transition to tertiary study,
- how you can be a savvy student,
- which **approved courses** suit your needs,
- what is the cost of your course,
- what financial assistance you may be eligible for,
- which **approved course providers** offer approved courses which are eligible for **VET Student Loans**,
- what vocational education and training (VET) students can expect from registered training organisations, and
- what your career options are by using the following websites:

Visit www.myskills.gov.au for useful information about career pathways, employment outcomes and salary expectations. **My Skills** shows you the average price for each approved course you are interested in and can help you find the training and training provider that best matches your needs and expectations.

Visit www.joboutlook.gov.au to access a Career Quiz to help you identify what types of work you most like doing. Alternatively, you can download a free app from the **iTunes app store** and **Google Play** by searching for 'Career Quiz Australia'.

Visit www.education.gov.au for the loan caps that apply to all approved courses. Other than for specified exceptions, there are three loan cap bands of \$5,000, \$10,000 and \$15,000, which apply irrespective of whether the course is being delivered face-to-face, online, or via mixed delivery modes. A full list of eligible courses and their associated loan cap can be found at: www.legislation.gov.au/Series/F2016L02016.

Top tips for transitioning to tertiary study and the VET Student Loans program

1.1 Get a TFN early!

- If you want to use a **VET Student Loan** to pay for your study, you must submit your **TFN** by the **census day**; otherwise, you will not be able to use the loan for that study period.
- If you do not have a TFN, you must apply for one at the **ATO** website. See **section 3.1** for more information.
- Keep your TFN secure and treat it like your bank PIN.



HELP debts are recorded against your TFN so be really careful who you give this information to.

1.2 Be aware of your obligations!

- At the time of enrolment, you will need to give your own personal email (or mailing address) to your provider. This is so that your provider is able to issue you with your **VET Student Loans fee notice**, which is an important document that will include all the information about your VET Student Loan. It is your responsibility to check your email on a regular basis.
- You will need to be aware of your **census day(s)** as this date is critical to getting a loan or withdrawing your enrolment. See **section 3.4** for more information. Find out your provider's withdrawal procedure. You must withdraw from a course or a particular part of a course before the **census day** to avoid incurring a debt for that course (or part of the course).
- From 1 July 2017, a student engagement and progression requirement applies to your continued access to a VET student loan. When requested, you will need to log in periodically to the Department of Education and Training's **electronic Commonwealth Assistance Form (eCAF)** to confirm your active and legitimate enrolment in the course. Otherwise you may not be able to continue to access **VET Student Loans**.
- Find out your provider's policies regarding the conditions of your study. If you are not progressing satisfactorily in your course, your enrolment may be cancelled even if you have already incurred a VET Student Loan debt or made a payment for that study.
- You should be aware of complaints handling and withdrawal policies as these are avenues to have your debt cancelled if your provider is in breach of its obligations or where special circumstances apply to you.
- If you have previously studied and accessed a **HELP** loan, it is your responsibility to ensure that you have sufficient **FEE-HELP balance** to cover the VET Student Loan amounts in your invoice notice. You can check your FEE-HELP balance by logging onto myUniAssist using your **Commonwealth Higher Education Student Support Number (CHESSN)**, which will be quoted on your invoice notice, to log in.

1.3 You are responsible for your own education!

- Due to privacy laws, **approved course providers** cannot give information to your spouse, parent, or anyone else about your payment details, VET Student Loan, attendance or other personal matters.
- Be sure to base your decision to study on the right information by comparing prices of courses and providers at **www.myskills.gov.au** before you enrol. Compare the course fee with the corresponding loan cap amount to check if you will need to fund any difference between the two.
- Do not enrol in a course or request a VET Student Loan until you have made a firm decision to study. You should consider whether you are able to and want to complete the course requirements.

1.4 Know who to ask for help

- Your provider is the first place you should go to for any questions about your study or VET Student Loan, or complaints about the quality of service. Student administration staff will help you with enrolment and administration, or will direct you to the appropriate area (refer to the **Contacts section** for other useful contacts).
- The *Myskills* and *Study Assist* websites are updated regularly to provide information about providers and loans.

1.5 Get involved

- Most providers offer an orientation service for new students, as well as social events and various clubs. These activities can help you to learn your way around, meet new people and build a support network.
- If you are studying online or by distance, social media pages, blogs and online discussion groups are excellent ways to connect with fellow students.

1.6 Be a savvy student

- Be aware that a VET Student Loan is a loan from the Australian Government, which you will have to begin repaying when you reach the compulsory repayment threshold.
- Be aware that brokers or marketing agents are banned from signing you up for **VET Student Loans**. They are also banned from contacting you about the availability of loans.
- If you require information about enrolling in a course, you should contact the provider that delivers the course directly.
- Remember, your **TFN** should be treated like a bank PIN. It is your personal reference number in the tax and superannuation system. Make sure you understand the purpose of any documents or electronic forms that ask you to provide your **TFN**.
- If you suspect your **TFN** has been stolen or accessed by an unauthorised third party, you must report this to the **ATO** as soon as possible (refer to the **Contacts section** for more information).



Never give out your username or password from government agencies like Centrelink or MyGov.

Visit www.studyassist.gov.au for more information and tips on how to be a savvy student or www.myskills.gov.au or www.training.gov.au for more information about your provider.

2. THE VET STUDENT LOANS PROGRAM

To be eligible for a **VET Student Loan**, you must meet the eligibility criteria as specified on pages 6 and 7. Further information on these requirements is detailed below.

You may be interested to know that:

- if you use a **VET Student Loan**, you will not have to make any repayments in the 2016–17 income year unless your income is \$54,869 or above
- if there is a direct connection between your work and your study, you may be able to claim your tuition fees as a tax deduction. Contact the **ATO** for more information on how to claim self-education expenses, including eligible study, and applicable caps on the amount you can claim
- you can check your eligibility by visiting **www.studyassist.gov.au** and entering your details in the eligibility tool.

2.1 Approved courses

VET Student Loans are only available for approved courses at the diploma, advanced diploma, graduate certificate and graduate diploma level that are specified on the courses and loan caps determination at **www.legislation.gov.au/Series/F2016L02016**.

The **courses and loan caps determination** specifies the courses for which VET Student Loans may be granted; sets the maximum loan amounts for those courses; and provides for the annual indexation of the maximum loan amounts.

Other than for specified exceptions, there will be three loan cap bands of \$5,000, \$10,000 and \$15,000 which will apply irrespective of whether the course is being delivered face-to-face, online, or via mixed delivery modes. Courses in the aviation training package are a specified exemption and are eligible for a loan of up to \$75,000.

Approved course providers may charge tuition fees for courses in excess of the loan cap amount.

2.2 Approved course providers

Only students studying at **approved course providers** are eligible for VET Student Loans. Registered Training Organisations (RTOs) that offer higher level VET qualifications (Diploma level and above) and meet specified course provider requirements may apply to the Australian Government to be approved as **approved course providers**. Ask your course provider if they are approved, or visit **www.myskills.gov.au**.

2.3 Academic suitability

You must have been assessed by your course provider as academically suited to undertake the course to access a VET Student Loan for that course.

To be assessed as academically suited, you must provide either:

- a copy of your Australian Senior Secondary Certificate of Education (year 12 Certificate) or
- evidence of successful completion of an Australian Qualification Framework (AQF) Certificate IV or higher qualification (where the language of instruction is English).

If you do not have an Australian year 12 Certificate or have not successfully completed an AQF Certificate IV or higher qualification, you must sit an approved Language, Literacy and Numeracy (LLN) test and be assessed as competent at Exit Level 3 in the Australian Core Skills Framework in both reading and numeracy. Your provider will conduct this test and notify you of your result.

Your provider must set out these academic suitability requirements in its **Student entry procedure** on its website.

2.4 What are the citizenship and residency requirements for VET Student Loans?

To meet the citizenship and residency requirements you must be either:

- an Australian citizen, or
- a qualifying New Zealand citizen, holding a special visa category such as the **New Zealand Special Category Visa holder** who meets the long term residency requirements (refer to the glossary), or
- a permanent humanitarian visa holder (check www.border.gov.au for the list of humanitarian visa subclasses) who is usually resident in Australia.

You cannot access VET Student Loans for a course which is taught primarily at an overseas campus.

Need to check your visa subclass?

Your provider will need proof of your visa status to verify your eligibility. With your permission and your passport details, providers registered with Visa Entitlement Verification Online (VEVO) can confirm your visa status. Alternatively, send your details directly to them, using VEVO's send email function. VEVO is a free, online service that allows visa holders and registered Australian organisations, such as providers, to check the details and conditions of a visa.

To access the VEVO service, please visit www.border.gov.au/vevo.

If you are not eligible for a VET Student Loan, you will need to confirm upfront payment dates and arrangements with your provider directly. If you cannot pay part or all of your tuition fees upfront, you should contact your provider as some may offer their own payment options or plans.

2.5 How much can I borrow? What is the FEE-HELP limit?

You can borrow up to the **FEE-HELP limit** to pay your tuition fees. The FEE-HELP limit is the total amount available to you under VET Student Loans, **VET FEE-HELP** and **FEE-HELP** over your lifetime. Any amount you borrow under VET Student Loans, **VET FEE-HELP** or FEE-HELP will be added together until you reach the FEE-HELP limit.

For 2017, the FEE-HELP limit is \$100,879 for most students.

The FEE-HELP limit is a lifetime limit and is not reset or 'topped up' by any repayments that you make.

2.6 What is the FEE-HELP balance?

The **FEE-HELP balance** is the available amount of VET Student Loans, **VET FEE-HELP** and/or FEE-HELP that you have left to use before you reach the FEE-HELP limit. You are responsible for keeping track of your FEE-HELP balance and for advising your provider if you do not have enough left to cover your tuition fees.

Check **section 4.4** for information about how to check your FEE-HELP balance.

2.7 Will I be charged interest?

There is no interest charged on **HELP** debts. Your HELP debt is, however, indexed each year. It increases annually on 1 June to maintain its real value, adjusting in line with changes in the cost of living (as measured by the Consumer Price Index figure released each March).

Debts are not indexed until they are 11 months old. You can find current and past indexation rates on the ATO website.

2.8 Is there a loan fee?

Yes, for most students. A 20 per cent loan fee applies to VET Student Loans for full fee paying / fee for service students. The loan fee does not count towards your FEE-HELP limit.

You do not have to pay the loan fee upfront – it is reported by your provider and is added to your HELP debt at the ATO.

For example, if you are undertaking a course that costs \$1,000, the loan fee is \$200 (i.e. 20% of \$1,000). So your VET Student Loans debt for that course will be the cost of the course (\$1,000) + the loan fee (\$200) = \$1,200.

You do not pay the loan fee if you are a student who is subsidised by a state or territory government. If you are not sure if you are a **subsidised VET student**, contact your provider directly.

3. APPLYING FOR A VET STUDENT LOAN

More information about applying for a **VET Student Loan** is available at www.education.gov.au/vet-student-loans or www.studyassist.gov.au.

3.1 How do I apply for a VET Student Loan?

To apply for a VET Student Loan you must complete the **Request for a VET Student Loan eCAF** by the **census day**.

You must first enrol with your provider and indicate you wish to access a VET Student Loan. Your provider will then give the department your enrolment information, including the nearest applicable **census day**, through the electronic Commonwealth Assistance Form (eCAF) system.

You will then receive an email from the department allowing you to sign into the eCAF system. Once you sign-in, you will need to verify the pre-populated information and complete the mandatory fields. You must then **wait at least two full business days** after you have enrolled in your studies before submitting the eCAF.

You must submit the eCAF **on or before the first census day for which you would like the loan to apply**.

Once you submit your eCAF, you will receive an email confirming your loan approval and providing you with a copy of your completed form. You should keep this form for your records.

In exceptional circumstances, you may be permitted to use a paper loan request form or other eCAF developed by your provider. Your provider will advise you how to apply using these forms.

If you do not complete the eCAF, or other permitted form, by the required date for your course, you will have to wait until the next part of your course /unit, next semester or trimester to request a VET Student Loan for future study. Retrospective access to VET Student Loans is not allowed under any circumstances.

Students under the age of 18

If you are under 18 years of age, a parent or guardian must complete and sign a parental consent form. The completed parental consent form must be given to your provider before you can be issued with an eCAF application form. The parental consent form is not necessary if you have been assessed by Centrelink as meeting the requirements for receiving the independent rate of Youth Allowance under part 2.11 of the *Social Security Act 1991*. You will need to provide evidence of this assessment in the form of your Centrelink Income Statement, which you can request by logging into myGov and selecting your Centrelink online account. For more information, visit www.humanservices.gov.au/customer/enablers/request-document-using-your-centrelink-online-account.

Tax file number requirements

If you want to use a VET Student Loan to pay for your study, you must meet the **TFN** requirements:

- you must have a valid TFN by the **census day**, or
- if you don't have a TFN, you can obtain a *Certificate of application for a TFN*. This certificate is available from the **ATO** after you have applied for a TFN. If you get a *Certificate of application for a TFN*, you are required to upload it to your eCAF before you submit.

You must advise your provider as soon as you have received your TFN from the ATO. Your provider will then 'open up' your eCAF to put it into 'revision status' for you to update. You will then receive an email with a link to the eCAF where you can then update your TFN. Once you have done this, your eCAF is then resubmitted to your provider. If you do not provide your TFN, you will not be able to use a VET Student Loan for that study period. You must keep your TFN secure.

3.2 What happens if I want to enrol in another course or I want to change my course?

If you want to enrol in two different courses at the same provider, you must complete a separate eCAF for each course.

If you change your course, you will need to complete a new eCAF for your new course.

You will also need to withdraw officially from any course you have enrolled in and do not wish to continue with, by the **census day**, so that you do not incur a HELP debt for that course.

Withdrawal does not happen automatically when you transfer to a new course or when you stop attending classes. Instead, you must notify your provider in writing of your decision to withdraw. **See Chapter 5** for information on withdrawing from your studies.

3.3 What happens when I change my provider (but not my course)?

If you change your **approved course provider** and you wish to continue to access a VET Student Loan you will need to complete an eCAF nominating your new provider. You will only have available the remaining loan amount to access at your new provider.

For example, if the course cap is \$10,000 and you have accessed \$4,000 at your previous course provider, you will only have \$6,000 loan amount remaining at your new provider for that course.

You will need to withdraw officially from the course at your previous provider. If you do not want to incur a HELP debt you need to withdraw by the census day.

Withdrawal does not happen automatically when you transfer to a new provider or when you stop attending classes. Instead, you must notify your course provider in writing of your decision to withdraw. **See Chapter 5** for information on withdrawing from your studies.

3.4 What is the census day?

The census day is a very important date for you to know about!

The census day for a course, or a part of a course, is the last day you can:

- complete the eCAF to apply for a VET Student Loan for your course, or
- withdraw your enrolment without incurring a debt for the course or part of the course.

Providers set **census days** within the rules set by the Australian Government. This date may differ between individual courses and providers.

Every part of a course (unit or subject) has its own **census day**, so that you incur debts as you progress through your course, not for the whole course at the beginning. Every course must have at least 3 **census days** spread reasonably evenly throughout your course. Your provider is required by law to publish **census days**.

If you are unsure of your **census days**, check your provider's website or contact them directly to confirm the census day for each unit you enrol in and whether withdrawal is limited to your provider's business hours.

Your provider must send you an invoice before the census day so that you have all the information you need to make your study and payment decisions.

3.5 How do I confirm my continued engagement and participation in my course?

From 1 July 2017, a student engagement and progression requirement applies to your continued access to a VET Student Loan. An invitation email with login details to the eCAF system will be sent to you requesting that you indicate your study intent and complete a short survey. Depending on the duration of your course and the length of time you take to complete the course, you may be requested to complete this form more than once during the length of your course. If you do not complete the form and survey, you may be ineligible to continue accessing VET Student Loans to pay for the remainder of your course tuition fees.

3.6 What happens if I want to apply for a VET student loan, and the census day has already passed?

You cannot access VET Student Loans for a past census day. You must submit your eCAF on or before the first census day for which you wish the loan to apply.

4. KEEPING TRACK OF YOUR VET STUDENT LOAN

More information about keeping track of your **VET Student Loan** is available at www.studyassist.gov.au.

4.1 Your Commonwealth Higher Education Student Support Number (CHESSN)

You will be allocated a **CHESSN** when you first apply for admission to your provider. Your **CHESSN** is a unique identification number that stays with you for the whole of your student life.

Your **CHESSN** helps providers and the Australian Government provide you with information about any HELP loans you may have used. Your **CHESSN** is printed on your Commonwealth Assistance Notice (**CAN**).

4.2 Invoice notices

Your provider must send you a **VET Student Loans fee notice** for each fee period, for the course(s) you are enrolled in for that fee period. This must be sent to your nominated personal email or postal address at least 14 days before the census day. The invoice must detail a range of information including:

- the provider's name and registration code,
- your name, contact details and student identification number as issued by the provider,
- the cost of the unit/s you are enrolled in for that part of your course,
- the census day/s on which you will incur the debt,
- your **CHESSN**, and
- the loan fee (if applicable).

You should note that your fee invoice may include more than one unit, but your provider is required to provide at least three invoices across your course as your course must include at least three **census days**. This will ensure your course fees are spread across the course as you progress.

Your **approved course provider** must also send you a **VET Student Loans Statement of Covered Fees** which will provide details of the total course fee and how much will be covered by the loan amount.

4.3 Your Commonwealth Assistance Notice (CAN)

If you are getting a **VET Student Loan**, your **provider** will send you a **CAN**, within 28 days after the **census day**, for each study period that you are using the loan. Your **CAN** will include information on:

- the **tuition fees** for your course,
- the course for which you have received VET Student Loans,
- any upfront payments you have made, and
- any VET Student Loan you have used for that study period.

Check your **CAN** carefully to make sure that the tuition fees listed on your **CAN** are the same as those published on your provider's website. If you notice any errors on your **CAN**, you have 14 days from the date of the **CAN** to send your provider a written request for correction (some providers may allow for a longer correction period).

4.4 myUniAssist and myGov

There are two websites that help you keep track of what you have borrowed and how much you still have left to pay.



myUniAssist will help you keep track of how much you have borrowed under the various HELP loans from 2005 onwards.

Please note that myUniAssist only shows the loans you have received under HECS-HELP, OS-HELP, FEE-HELP, **VET FEE-HELP** and VET Student Loans, but not SA-HELP. The information is displayed on a per-unit basis.

There is a time lag between the census day and when your information on myUniAssist is updated. To work out a total of your current loan amounts, you will need to add any units you have recently enrolled/are currently enrolled in to amounts showing on myUniAssist if they are not already there.

myUniAssist does not show the details of how much of your **HELP** debt you have repaid to the **ATO** or what you have left owing to the ATO. It will also not show any details about pre-2005 study (including former HECS, OLDPS, PELS and BOTPLS loans).

You can use your **CHESSN** and other personal details to access myUniAssist via the home page at **www.studyassist.gov.au**.

myGov allows you to get more information about your HELP debt online. It will show:

- all of your current HELP debt (which includes HECS-HELP, OS-HELP, SA-HELP, FEE-HELP, **VET FEE-HELP** and VET Student Loans as a consolidated amount),
- any indexation that has been applied to your debt, and
- any repayments you have made, so you can see how much you have left owing.

To access this online service, please refer to the instructions on **www.ato.gov.au**.

4.5 Your HELP account

You can view your HELP loan account and other information, such as your payment reference number (PRN) and voluntary repayment options online. To access ATO online services, you need to create a myGov account and link it to the ATO. If you already have a myGov account linked to the ATO, you can log in at any time. For more information, visit **www.ato.gov.au/Individuals/Study-and-training-support-loans/View-your-loan-balance-online/**.

You can phone the ATO at any time during the year. The ATO will need to know they are talking to the right person before they can discuss your HELP account. If you can, please have your TFN handy when you call.

5. WITHDRAWAL OR NON-COMPLETION OF STUDIES

More information about withdrawal procedures and **special circumstances** is available from the **Study Assist website** at: www.studyassist.gov.au. You must also familiarise yourself with the specific withdrawal policy of your **provider**.

5.1 What happens if I fail or withdraw from a unit?

You must withdraw correctly by the census day to avoid a VET Student Loans debt!

If you correctly withdraw from a unit or subject by the **census day**, you will not incur a debt for that part of your course. If you have already made an upfront payment of your **tuition fees**, you will receive a refund from your provider.

If you fail part of a course (unit or subject), or withdraw from part of a course after the census day, you will still have to pay the tuition fee for that unit. If you used a VET Student Loan, you will incur a **HELP** debt. If you made an upfront payment to your provider, you are not eligible for a refund of that payment.

If you failed the unit or subject or withdrew after the census day because of special circumstances (see **section 5.3**), you can apply to your provider to have your HELP debt removed. If you paid for your units upfront, you will need to contact your provider for information on the refund process for upfront payments.

If your provider engaged in unacceptable conduct in relation to your application for a VET Student Loans (see **section 5.4**) you can apply to the department to have your debt removed.

5.2 How do I withdraw from a unit?

To withdraw from a unit or course without getting a HELP debt or forfeiting an upfront payment, you need to complete your provider's formal withdrawal process and withdraw in writing by the census day. If the course you are withdrawing from involves enrolment with more than one provider, you will need to withdraw from each one individually.

Providers cannot charge you a fine, penalty or fee for withdrawing from units before the census day, but you must withdraw in writing. Furthermore, providers cannot enrol you in subsequent units without your written instruction. In the event you wish to enrol in subsequent units, your provider is required to have in place a process to allow this. You should refer to your provider's withdrawal process which will be available on its website.

Contact your provider's student administration area for more information on withdrawing and the required formal process.

5.3 Special circumstances

If you withdraw from a unit after the census day because you become seriously ill or for other special circumstances, you can apply to your provider to have your **FEE-HELP balance** re-credited and your HELP debt removed. You cannot have your debt removed if you have already successfully completed your unit of study.

Changing your mind or failing a unit is not a good enough reason to apply for special circumstances and you will still be required to repay your HELP debt.

For your provider to be satisfied that special circumstances apply to you, you must be able to prove that the circumstances:

- were beyond your control,
- did not make their full impact on you until on or after the census day, and
- made it impracticable (i.e. impossible) for you to complete your unit(s) of study requirements.

5.4 Unacceptable conduct

Students who find themselves with a HELP debt due to a provider's unacceptable conduct in relation to their application for a VET Student Loan may be able to apply to have the HELP debt cancelled.

Examples of unacceptable conduct include, but are not limited to, misleading or deceptive conduct; advertising tuition fees for the course where there are reasonable grounds for believing that the provider will not be able to provide the course for those fees; the use of physical force, or harassment or coercion in connection with the application or enrolment in the course.

Students will need to apply to the department and provide details of what led to the debt being raised and any correspondence or paperwork received about their study and debt. To find out more information about unacceptable conduct remissions, visit the Complaints and Grievances webpage at www.studyassist.gov.au.

5.5 Complaints

Approved course providers must have a complaints procedure that allows students to lodge a grievance (i.e. an issue or complaint) about any academic (e.g. grade) or non-academic (e.g. fee or debt dispute) matter. Students should contact their provider in the first instance for issues or complaints relating to academic and non-academic matters.

If you are dissatisfied with the manner in which your provider has dealt with your debt complaint, you may wish to contact the VET Student Loans Ombudsman. The VET Student Loans Ombudsman will be operating from 1 July 2017. Further information on the VET Student Loans Ombudsman is available at www.ombudsman.gov.au/about/vet-student-loans-ombudsman.

The National Training and Complaints Hotline (13 38 73) is also a national service for consumers to register complaints concerning vocational education and training.

5.6 What happens if my provider is not able to continue to deliver my course?

All **approved course providers** are required to have an approved tuition assurance arrangement in place with a tuition assurance scheme operator.

This is to support students with VET Student Loans, in the event that their provider ceases to provide a courses after it starts but before it is completed – for example because the provider shuts down.

If this happens, the tuition assurance scheme operator will contact affected students and provide assistance to help them complete their course. Such assistance may include:

- arranging for students with a VET Student Loan to finish their course or an equivalent course with another provider; or
- where it is impractical for the student to finish the course with another provider, repay the student's tuition fees, which were paid using a VET Student Loan.

6. REPAYING YOUR HELP DEBT

More information about **HELP** debt repayments, including how the **ATO** calculates your compulsory repayment, is available at www.studyassist.gov.au.

6.1 When do I start paying back my loan?

Your **VET Student Loans** debt forms part of your **accumulated HELP debt**. You must start repaying your HELP debt through the tax system once your income is above the compulsory repayment threshold, even if you are still studying.

The threshold is adjusted each year and for the 2016–17 income year it is \$54,869 or above. Repayments made through the Australian taxation system are called ‘compulsory repayments’ and continue until you have repaid your whole debt.

How much you must pay back is calculated from the amounts given on your income tax return for:

- your taxable income,
- reportable fringe benefits (reported on your payment summary),
- total net investment loss (including net rental loss),
- reportable super contributions, and
- exempt foreign employment income amounts.

From 1 July 2017, anyone who has a HELP debt, and earns above the minimum repayment threshold, will be required to repay their debt regardless of where they live, whether in Australia or overseas. Visit www.studyassist.gov.au for more information.

If you move overseas and have a HELP debt you have the same repayment obligations as those living in Australia. This applies if you already live or intend to move overseas for a total of 183 days or more in any 12 month period.

You will be required to notify the ATO by updating your contact details through ATO online services within seven days of leaving Australia. Visit www.ato.gov.au/overseasobligations or www.studyassist.gov.au for more information.

6.2 How much will my repayments be?

The amount you repay each year is calculated as a percentage of your world-wide income. The repayment percentage increases as your income increases, so the more you earn, the higher your repayment will be, but it is capped at 8 per cent of your income.

The ATO will calculate your compulsory repayment for the year and include it on your income tax notice of assessment.

Table 1: Repayment rates for the 2016–17 income year

| Repayment income | Repayment % rate |
|----------------------|------------------|
| \$54,869 - \$61,119 | 4.0% |
| \$61,120 - \$67,368 | 4.5% |
| \$67,369 - \$70,909 | 5.0% |
| \$70,910 - \$76,222 | 5.5% |
| \$76,223 - \$82,550 | 6.0% |
| \$82,551 - \$86,894 | 6.5% |
| \$86,895 - \$95,626 | 7.0% |
| \$95,627 - \$101,899 | 7.5% |
| \$101,900 and above | 8.0% |

6.3 Can I make a voluntary repayment?

Yes. You can make a voluntary repayment to the ATO at any time and for any amount. Voluntary repayments are in addition to the compulsory repayments made through your tax return.

There are several ways you can make a voluntary repayment, including via BPAY and credit card. Voluntary repayments can be made through ATO online services accessible via myGov.

For more information on making a payment, go to www.ato.gov.au/atohowtopay. For more information on voluntary repayments, go to www.ato.gov.au/voluntaryrepay.

6.4 Are repayments tax deductible?

Compulsory repayments are not tax deductible. Voluntary repayments made by you or someone other than your employer are not tax deductible. Your employer may be able to claim a tax deduction for voluntary repayments it makes on your behalf, but it may also be liable for fringe benefits tax on the repayments. For more information, visit www.ato.gov.au.

CONTACTS AND ADDITIONAL INFORMATION

Your provider

The student administration/enrolments office at your **provider** will be able to help you with:

- enrolments,
- **tuition fees**,
- **census days**,
- eligibility criteria for **VET Student Loans**,
- applying for a VET Student Loan,
- the correct withdrawal procedure,
- getting your **FEE-HELP balance** re-credited and your **HELP** debt removed under **special circumstances**, and
- grievance procedures for student complaints.

MySkills website www.myskills.gov.au

MySkills is the consumer directory for VET. Using MySkills you can compare courses and providers to choose the course that best suits your needs.

MySkills lists all the nationally registered training providers, their contact details, the publicly available courses they are approved to deliver and where they are being delivered.

Course price and course duration information can also be entered by training providers to assist students in assessing value for money.

MySkills features:

- course price information: all **approved course providers** are now required to enter on MySkills the fees a student can expect to pay for a course accessed with VET Student Loans,
- a VET Student Loans calculator to assist you to understand how your debt will grow after five and ten years if unpaid, and
- information collected from previous students about their satisfaction with training and their employment outcomes.

Study Assist website www.studyassist.gov.au

The website provides information about options for financing your tertiary study, including:

- **HELP** loans available in both the higher education and VET sectors,
- courses and providers that offer Australian Government assistance,
- student income support, and
- Australian Scholarships and Awards.

National Training Complaints Hotline

The National Training Complaints Hotline (13 38 73) is a joint Australian and state and territory government initiative which protects students and makes it easier for consumers, such as apprentices, students, employers and others, to lodge complaints if they are concerned about any aspect of the training system.

The National Training Complaints Hotline directs complaints to relevant authorities, connecting consumers to the appropriate organisation.

For more information, visit www.education.gov.au/NTCH

Australian Taxation Office (ATO)

The **ATO** can help you with:

- your HELP debt,
- compulsory repayments,
- voluntary repayments,
- overseas repayments, and
- the best time for you to repay your debt.

Contact details:

- visit www.ato.gov.au/getloaninfo,
- For information on viewing your loan account online visit: www.ato.gov.au/onlineloanbalance,
- use ATO online services to view loan accounts and other information such as Payment Reference Number (PRN) and voluntary repayment options,
- call 13 28 61 for information about your HELP account and personal tax topics,
- call 13 36 77 TTY or 1300 555 727 TTY for hearing or speech impaired students, or
- write to: Australian Taxation Office PO BOX 1032, ALBURY NSW 2640.

NOTE: Do not send voluntary repayments to this address.

Department of Human Services (DHS)

DHS can help you with Youth Allowance, Austudy, and ABSTUDY and other forms of student income support assistance.

Contact details:

- visit www.humanservices.gov.au,
- call 13 24 90 for information on Youth Allowance and Austudy,
- Freecall™ 1800 132 317 for information on ABSTUDY,
- Freecall™ 1800 810 586 for TTY* enquiries, or
- call 13 12 02 for information in languages other than English.

*TTY is only for people who are deaf or who have a hearing or speech impediment. A TTY phone is required to use this service.

Department of Immigration and Border Protection (DIBP)

DIBP can help you with visas and Australian citizenship.

Contact details:

- visit www.border.gov.au for visa and citizenship information, or
- call 13 18 81 for visa and citizenship information.

NOTES

Record your provider's details here, and other notes to assist you in decision-making.