

EXPLANATORY STATEMENT

Issued by the Authority of the Minister for Education

Higher Education Support Act 2003

FEE-HELP Guidelines Amendment (No. 1) 2019

Purpose

The purpose of the FEE-HELP Guidelines Amendment (No. 1) 2019 (the **Instrument**) is to amend the *FEE-HELP Guidelines 2017* (the Guidelines) to implement the changes made to the *Higher Education Support Act 2003 (HESA)* by Schedule 1 of the *Education Legislation Amendment (2019 Measures No. 1) Act 2019* (the **ELA Act**).

Overview

The amendments made to the Guidelines by this Instrument insert new provisions into Chapter 1 of the Guidelines to specify the courses of study in aviation to which the higher HELP loan limit applies, for the purposes of subsection 128-20(2) of the Act.

Background

Schedule 1 of the ELA Act introduced a measure to increase the combined Higher Education Loan Program (**HELP**) loan limit for students undertaking eligible aviation courses on or after 1 January 2020 at higher education providers approved under the Act and vocational education and training (**VET**) providers approved under the *VET Student Loans Act 2016 (VSL Act)*. This measure enables students undertaking eligible aviation courses that lead to certification as a Commercial Pilot at higher education providers and VSL providers to access the higher of the two HELP loan limits (the same limit that applies to students studying medicine, dentistry and veterinary science courses). The higher HELP loan limit will be \$152,700 for 2020.

The purpose of the measure is to reduce students' barriers to enrolling in aviation courses through increased loan assistance to defer tuition fees for their aviation study. It will enable student pilots to defer all of their tuition fees in order to obtain the licenses and ratings required by the Civil Aviation Safety Authority for most practical commercial employment.

Consultation

Higher education providers that provide courses of study in aviation to students were consulted during the drafting of these Guidelines.

Regulatory Impact Statement

The Office of Best Practice Regulation (OBPR) has been consulted. Based on their advice that the proposal does not appear to have a more than minor regulatory impact on business, community organisations or individuals, only a short form Regulation Impact Statement (RIS) was required (OBPR ID No. 24747). This short form RIS was completed and approved by OBPR.

EXPLANATION OF PROVISIONS

Sections 1, 2 and 3 of the Instrument are technical provisions that set out the name, commencement, and authority for the Instrument.

The Instrument commences on 1 January 2020, immediately after the commencement of Schedule 1 to the ELA Act to it relates. The Instrument is made by the Minister for Education under section 238-10 of HESA, and sets out the courses of study in aviation as authorised by subsection 128-20(2) of HESA.

Section 4 of the Instrument provides that each instrument that is specified in a Schedule to the legislative instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to the legislative instrument has effect according to its terms.

Schedule 1 – Amendments

Schedule 1 amends the *FEE-HELP Guidelines 2017*.

Item 1 inserts provisions in Chapter 1 of the Guidelines that specify the courses of study in aviation to which the higher HELP loan limit in HESA applies.

New **section 1.2.1** sets out the courses provided by higher education providers that are courses of study in aviation; the section specifies the courses and the higher education providers that provide them.

New **section 1.2.2** sets out the courses provided by VSL providers that are courses of study in aviation.

STATEMENT OF COMPATIBILITY WITH HUMAN RIGHTS

Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011

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Human rights implications

This Instrument provides the administrative detail to support the higher HELP loan limit for the eligible aviation courses measure introduced by Schedule 1 to the ELA Act. Therefore, this Instrument does not engage any human rights additional to those engaged by the enabling legislation.

A *Statement of Compatibility with Human Rights* was prepared for the Education Legislation Amendment (2019 Measures No. 1) Bill 2019 and appended to the Explanatory Memorandum for that Bill. The Explanatory Memorandum can be found at:

https://www.aph.gov.au/Parliamentary_Business/Bills_Legislation/Bills_Search_Results/Result?bld=r6428

Conclusion

The instrument is compatible with human rights because, to the extent it engages those rights, it promotes those rights.