

charging policies
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What do TAFE students pay?

A review of charging policies in Australian
vocational education and training

Louise Watson

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Executive summary

This report maps the current policies on fees and charges in the vocational education and training (VET) sector in each state and territory of Australia. The purpose of this study was to identify the scope of these policies and the extent to which they are uniformly applied to institutes in receipt of public funding within each jurisdiction. The study also aimed to identify fee exemption policies and discuss the extent to which students receive exemptions. The report discusses the extent to which there are 'hidden' fees and charges that are not regulated by state and territory governments, such as student fees for on-line delivery, amenities and services fees, materials fees, fees for assessment of recognition of prior learning assessments, and charges to employers and enterprises.

The research questions are:

- ✧ What are the current policies on fees and charges for VET courses in each state and territory?
- ✧ To what extent are these policies consistently applied to VET providers?
- ✧ To what extent are students exempt from fees?
- ✧ What fees and charges imposed by VET providers are outside of the government's policy framework (that is, not subject to regulation)?
- ✧ To what extent are fees and charges likely to differ between courses and institutes?
- ✧ Is it necessary to undertake a more comprehensive survey of fees and charges in VET, and if so, what would be the research questions for such a study?

Data for the project were collected in three stages. The first stage was to gather information on student fees and charges from published documents and web sites. In the second stage, state and territory government officials with expertise in this area were contacted. The government officials filled in gaps in the research and reviewed drafts of the report relevant to their jurisdiction. The third stage of the project was to compare the fees and charges for the same course at different institutes. The data for these comparisons were obtained by speaking to administrative staff and course convenors at individual institutes.

Findings

VET charging policies

Students face three main types of fees and charges:

- ✧ tuition
- ✧ non-tuition
- ✧ miscellaneous

All states and territories except the Northern Territory implement policies covering tuition fees (although in New South Wales this fee is called an administration charge). A few jurisdictions have policies covering non-tuition and miscellaneous fees. These policies apply to technical and further education (TAFE) institutes in all states as well as publicly funded training providers.

Students suffering financial disadvantage are either exempt from tuition fees or pay a substantially discounted fee in all states and territories. An estimated 20–30% of VET students receive fee exemptions or concessions, although it is higher in some states and territories. Tasmania reports that 45% of TAFE students receive concessions and in New South Wales, the current rate of exemptions is over 50%. In effect, there are two distinctive fee regimes in the public VET system, depending on the characteristics of the student.

It is impossible to determine the tuition fees faced by any student in most jurisdictions as the final course cost depends on the number of training hours. As the training hours vary between students, courses and institutes, a separate fee is usually calculated for every individual VET student, at the time of enrolment. New South Wales is the only exception which has a flat fee per level of course. Assuming that a student is undertaking the same number of contact hours, and excluding non-tuition costs from an average fee—to cater for the fact that South Australia has none—the annual tuition fee across states and territories falls within the following ranges:

- ✧ full-time (540 hours): \$260–\$810 (nil to \$441 concession)
- ✧ part-time (215 hours): \$150–\$323 (nil to \$150 concession).

As an estimated 90% of VET students are enrolled on a part-time basis, the latter fee is more typical of the tuition costs faced by VET students.

In addition to tuition fees, students in all states except South Australia face non-tuition fees and costs imposed at the discretion of the provider.

The most significant ‘hidden’ cost is the cost of materials and resources consumed during the course. These costs are specified by the course provider and vary between courses, between institutes and between the same courses offered by different institutes. In Western Australia, these costs range from nil to \$2788 per year, depending on the course. In South Australia, these costs are included in the state-mandated tuition fee, which is capped at \$1200 per year. In other states and territories, information about these costs is not publicly available.

In Western Australia, ‘hidden’ non-tuition costs comprise, on average, around 40% of the total costs faced by VET students. If this is typical of other states and territories, in all jurisdictions except South Australia, the total cost borne by VET students is likely to be, on average, two-thirds higher than the tuition fee specified by government policy.

Total student fees

Although the formula for charging tuition fees is determined by government in all jurisdictions except the Northern Territory, the total tuition fee paid by the student will depend upon the following factors:

- ✧ the status of the student (concessional or standard enrolment)—in all jurisdictions
- ✧ the number of training hours—in all jurisdictions except New South Wales
- ✧ the level of the course—in New South Wales and South Australia
- ✧ the field of study—in South Australia.

The New South Wales system of charging a flat tuition fee per level of course is the most transparent of all the funding policy frameworks because the tuition fee paid does not vary according to the number of hours of training. The main factor influencing the total fees and charges paid by students outside of New South Wales is the number of training hours determined by the institute. Hours of training for the same course vary between institutes as a result of:

- ✧ minor differences in total hours of tuition for core units of competence
- ✧ major differences in the range of elective units offered within each course.

For example, the number of training hours delivered for one course of study—a Certificate Level 1 in Hospitality (Kitchen Operations)—ranges from 130 hours in one institute to 245 hours in another institute within the same state.

The most significant non-tuition cost faced by students is for course materials—resources consumed during the conduct of the course—and the mandatory purchase of tools of trade (equipment which remains in the student’s personal possession). In South Australia, materials costs are included in the centrally mandated fee schedule, and providers are prohibited from charging additional fees for course materials apart from tools of trade (which can be a significant cost in some courses). Fees charged for non-tuition costs, such as course materials and tools of trade, appear to be relatively similar between institutes, varying according to the type and quality of the tools of trade required.

Issues for policy and research

The lack of information about the current system of VET fees and charges makes it difficult to analyse the impact of fees and charges on student participation. The absence of publicly available information about total course costs means that potential students have no capacity to compare the cost of courses between institutes. These problems could be addressed if institutes were required to publish course costs (both tuition and non-tuition) on a central database—such as a website.

While the average cost of undertaking a VET course is usually modest, the cost of undertaking some courses are very high, particularly for courses requiring expensive materials or tools of trade. For example, non-tuition costs in one course in Western Australia are \$2788 per year. Given that high cost VET courses are a small proportion of total VET provision, it should be feasible for governments to provide additional funding to make the cost of these courses more comparable to the average total cost of other VET courses. To implement such a policy change, governments would need to take steps to regulate the range of ‘hidden’ non-tuition costs currently imposed in most VET courses in all jurisdictions except in South Australia.

There is no consistency in the fee regimes across Australia and there are many variations between institutes within the same state or territory. As all states and territories except New South Wales calculate tuition fees at an hourly rate (where the number of training hours is determined by institutes) and all institutes are free to charge additional non-tuition costs, it is impossible to determine the total fee paid by a VET student anywhere in Australia without collecting data at the institute level. Even then, students enrolled in the same course in the same institute could be paying different tuition fees owing to different hours of enrolment.

If a nationally consistent policy for VET fees and charges were to be introduced, it should be developed from a set of agreed principles such as:

- ✧ maximising access to VET courses, particularly at the foundation levels
- ✧ providing a transparent and simple fee structure for students
- ✧ maximising access to VET courses for students from disadvantaged social groups.

Given the increasing level of student movement between the VET and higher education sectors, it may be timely to consider ways of making VET fees and charges more consistent with the national fee regime for higher education as well.

Introduction

Widespread participation in post-compulsory education and training is vital to a nation's economic growth and development, yet governments are increasingly unwilling to finance all of this participation from public resources. Major policy statements in Australia and overseas emphasise that the cost of education and training provision must be shared between governments, industry and individuals (OECD 1996; ANTA 1998). Given that governments in Australia are prepared to fund a large part but not all of the cost of vocational education and training (VET), public VET providers are likely to be under pressure to raise additional revenue from student fees and charges.

Income from student fees and charges as a proportion of public VET providers' total revenue increased from 3.8% in 1997 to 4.0% in 2000. Australia-wide, student fees and charges represent an average of 20% of VET providers' revenue from non-government sources. But in some states—such as Western Australia and Queensland—income from student fees and charges represents more than 30% of VET revenue from non-government sources. In these two states, VET revenue from student fees and charges increased in real terms by 38% and 16%, respectively, between 1997 and 2000, compared to a national average increase of 6.2% (Watson 2002).

One of governments' aims in subsidising VET is to maximise equity for students, particularly those who face financial barriers to participation. It is not known how many students are deterred from participating in VET courses because of an inability to pay the charges. Students encounter anomalies in fees and charges policies when VET sector provision overlaps with other sectors, such as schools and universities. For example, teenagers engaged in VET programs incur up-front fees and charges, whereas most secondary schools only request voluntary financial contributions. Since the introduction of the Higher Education Contribution Scheme for university students, many higher level VET courses that charge up-front fees articulate into university degrees where students have access to deferred income-contingent loans.

Although the long-standing policy of fee minimisation enables the vast majority of potential students to access VET courses, it may be inadequate to assist those most in need. In an era when the attainment of Year 12 or its VET equivalent is increasingly a prerequisite for successful labour market participation, we need to ask whether the current system of fees and charges is consistent with the goal of maximising participation in education and training. Alternative methods of distributing limited government funding, such as an age-related entitlement scheme or the partial introduction of a deferred income-contingent loans scheme for VET, are currently the subject of policy research and debate (see Curtain 2001; Spierings 2001; Watson, Wheelahan & Chapman 2002; Nelson 2002).

We do not have sufficient information about the range of fees and charges in the VET sector to make an informed contribution to policy debates about changing the funding arrangements for the VET sector. To assist in understanding the implications of changing the system of subsidising VET courses, this report provides information on the range of fees and charges currently in place in each Australian state and territory.

VET charging policies

This section describes the policies governing fees and charges for VET courses that are within the government's policy framework. There are three main types of charges faced by VET students:

- ✧ tuition
- ✧ non-tuition
- ✧ miscellaneous

The policy framework for each of these categories is discussed below.

Tuition

Tuition fees are centrally mandated in all states and territories except for the Northern Territory and are capped in all states except the Northern Territory and the Australian Capital Territory.

Table 1: Government-mandated fees for VET, by state and territory, 2003

	NSW	Vic.	Qld	SA	WA	Tas.	NTU*	ACT
<i>Standard fee</i>								
Diploma course	\$710 p.a.							
Other courses	\$260 p.a.							
Per hour		\$1.00	\$0.91	Av. \$2.09	\$1.21	\$1.50	\$0.70	\$1.20
Minimum per year	\$710/\$260	\$40	None	None	None	None	None	None
Maximum per year	\$710/\$260	\$500	\$715	\$1200	\$883.40	\$900		
Coverage	Tuition	Tuition	Tuition	All costs	Tuition	Tuition	Tuition	Tuition
<i>Concessional fee (per hour unless otherwise stated)</i>								
ATSI	Free	\$40 fee	\$0.23	Av. \$1.59**	\$0.64****	\$0.50*****	Free	\$0.60
AUSTUDY	Free	\$0.50***	\$0.23	Av. \$1.59**	\$0.64****	\$0.50*****	Free	\$0.60
Pensioners	Free	\$40 fee	\$0.23	Av. \$1.59**	\$0.64****	\$0.50*****	Free	\$0.60
Apprentices/ trainees*****	Standard	\$290 max.	Standard	Standard	Standard	Standard	n.a.	\$313.60 fee

* Refers to Northern Territory University only, as fees are not centrally determined in the Northern Territory.

** Policy is a reduction in rate per hour of \$0.50 cents.

*** To a maximum of \$250 per year.

**** To a maximum of \$441.70 per year (\$220.85 per semester).

***** To a maximum of \$250 per year.

***** Apprentices in New South Wales pay the standard fee but trainees are exempt. The Australian Capital Territory fee applies only to first year apprentices and trainees.

Notes: 'Maximum' is a cap on the total fee charged. Fees are rate per hour unless stated otherwise. Fees refer to VET students and exclude students undertaking Board of Studies courses in VET, as they come under a different fee regime (see appendices). New South Wales fees are halved for one semester of study but full-time and part-time students pay the same fee.

Sources: State and territory policy documents as indicated in appendices, and Western Australia Department of Training (2002a). (Apprentices and trainees information).

As shown in table 1, seven of the eight jurisdictions charge tuition fees on the basis of a fixed cost per hour. New South Wales charges fees on the basis of course level. In New South Wales, a

higher fee is charged for diploma level courses than for other courses. All students—both full-time and part-time—are required to pay the fee in New South Wales, although the fee is halved for studies of one semester. Full fee exemptions apply to disadvantaged students in New South Wales, as discussed in the next section. The fee in New South Wales is referred to as an ‘administration charge’. However, it appears to be a tuition fee, as it varies by course level. If it was merely to cover administration costs, it is difficult to see why the cost of administration would vary by the level of course.¹

Victoria, Queensland, South Australia, Tasmania and the Australian Capital Territory all charge a rate per hour of training ranging from \$0.91 in Queensland to \$1.50 in Tasmania. The concessional fees are also an hourly rate in four of these states, while in Victoria the concessional rate is fixed at \$40. There is only one technical and further education (TAFE) institute in the Australian Capital Territory—the Canberra Institute of Technology (CIT).

South Australia differs from other jurisdictions in three key respects:

- ✧ South Australia charges a different hourly rate by field of study to account for the different costs of course delivery. The hourly rate in South Australia ranges from \$0.50 for pre-vocational courses to \$6.15 for the most expensive courses, with an average across all courses of \$2.09.
- ✧ The hourly rate charged differs according to the level of course qualification, with different rates for certificate levels 1, 2, 3 and 4 as well as diploma courses. In this respect, the South Australian system is similar to New South Wales’, which differentiates between certificate and diploma level courses in setting its fees, but with a higher degree of complexity.
- ✧ The set fee includes a charge for materials/resources that the student consumes during the course. Providers are prohibited from charging any additional fees other than requiring students to purchase tools of trade. In other jurisdictions, materials/resources fees are determined by the provider (see relevant section below).

The Northern Territory has no policy on VET fees and charges. There are three main public providers in the Northern Territory—the Northern Territory University (NTU), Centralian College and Batchelor College. Batchelor College charges no fees at all. The policy at Centralian College is not known, although it was recently announced that Centralian College would merge with the Northern Territory University. The Northern Territory University provides certificate level 1 and level 2 courses free of charge to all students and charges a low hourly rate for other courses. Like New South Wales, the Northern Territory University offers courses free of charge to disadvantaged students.

The fee structure for courses that are delivered partially or totally on-line is the same as regular courses in Tasmania and Queensland but no information is available on other states.

Exemptions and concessions

The seven states and territories that have centrally mandated tuition fee policies also have policies that provide fee exemptions and concessions for disadvantaged students. It is estimated that between 20% and 30% of VET students receive exemptions and concessions in the payment of VET fees (Borthwick 1999, p.33); however, this may be an underestimate. In Tasmania, in 2002, 45% of TAFE students received fee concessions, and in New South Wales the current rate of exemptions is over 50%. Furthermore, all government policies give institute directors the discretion to waive fees in cases of extreme hardship.

¹ A new TAFE NSW fee structure has been announced for 2004. This includes higher annual fees for different qualification levels and changes to the exemption policy.

In the majority of states and territories, providers are partially compensated for fee concessions through adjustments to their block funding that take into account variations in the number of concessional students between institutes. In New South Wales, institutes' income from the administration charge is estimated and 'netted' as part of their global budgets. In Victoria and South Australia, institutes are partly reimbursed for concessions on the basis of concession records. In Western Australia, concessions are taken into account in funding formulae for TAFE institutes, based on historical data on the number of concessional enrolments. In the Australian Capital Territory, registered training organisations can apply for equity assistance when they offer the full concessional rate and the Australian Capital Territory Government provides the Canberra Institute of Technology with \$100 000 per year to fund scholarships for disadvantaged students. However, in Tasmania and Queensland, TAFE providers are not reimbursed for fee concessions they have provided to disadvantaged students.

The general framework of concession policies is similar across jurisdictions, although the content differs greatly. In all jurisdictions, courses funded for specific purposes such as adult literacy education tend to be free of charge. These courses are excluded from this analysis, although some details are provided in the appendices. There are, generally speaking, four distinct client groups eligible for fee concessions who are treated differently in some states and territories' policies:

- ✧ Aboriginal and Torres Strait Islander (ATSI) students
- ✧ AUSTUDY recipients
- ✧ pensioners²
- ✧ apprentices and trainees

As shown in table 1, New South Wales and the Northern Territory University appear to have the most generous concession policy of all states and territories, offering free tuition to all disadvantaged groups. Eligible students in New South Wales are limited to one fee exemption per year except for Aboriginal and Torres Strait Islander students or students articulating from one course to another in the same year. In Victoria, disadvantaged students (except for AUSTUDY recipients) may enrol for a flat fee of \$40 per year. Most governments offer a reduced hourly rate to disadvantaged students, ranging from \$0.22 in Queensland to \$0.64 in Western Australia. In Victoria, Western Australia and Tasmania, the total annual fee payable is capped at a maximum of \$250, \$441.70 and \$250, respectively.

Concession policies apply only to tuition fees in all jurisdictions except in South Australia. Thus, while the South Australian concession policy of a reduction of \$0.50 per hour in course fees may not appear as generous as other states, disadvantaged students in other jurisdictions are likely to be liable for charges that are not covered by the government's concession policy.

Apprentices and trainees are eligible for reduced fees in Victoria and the Australian Capital Territory, and are also eligible for travel allowances in most states. In New South Wales, a Vocational Training Assistance Scheme is available to trainees and apprentices who travel more than 120 km in a round trip to attend off-the-job training as part of a VET course. It provides an allowance of \$0.12 per kilometre of travel to students and \$14.00 per day accommodation allowance for time spent away from home attending a block release program. In the Northern Territory, travel assistance is provided for interstate travel or if an apprentice/trainee lives more than 50 km from training centre. A Living Away from Home Allowance (\$110 per week) is also provided by the Department of Employment, Education and Training. Tasmania and Queensland also provide transport subsidies to apprentices and trainees. In Victoria, transport subsidies have been removed.

² Pensioners include a range of beneficiaries of government pensions, usually administered by Centrelink, such as disability and service pensions, parenting payment and training allowances (details in the appendices).

Fee payment options are listed in table 2. Some institutes provide assistance in the form of student loans, offered in conjunction with the Student Association. Payment of fees by instalments is available in five jurisdictions. These arrangements are usually made through direct debit from bank accounts for the duration of the course and are often referred to as ‘student loans’. It is not clear whether these arrangements also cover non-tuition fees, although in Queensland, they include tuition and the amenities/services fee.

Table 2: Fee payment options, by state and territory

	NSW	Vic.	Qld	SA	WA	Tas.	NTU	ACT
In full at enrolment	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Instalments	No	Yes	Yes	Yes	Yes	Yes	n.a.	Yes

Note: Where there is no policy coverage, it is possible that arrangements can be made at the institute level.

Sources: State and territory policy documents as detailed in appendices.

Average annual tuition fees

As all states and territories except New South Wales charge a fee based on the hourly cost per course, it is not possible to estimate the annual tuition fees faced by students without information on the number of hours in each course. The curriculum hours in a particular course can also vary between providers within the same jurisdiction. As exactly 50% of Australian Qualifications Framework students are enrolled in courses of less than 199 hours and the rest are enrolled in courses of 200 hours or more, there is no ‘typical’ length of VET course under the Australian Qualifications Framework.

If an average annual course load of 540 hours per year (that is, 15 hours per week over 36 weeks) is assumed, the annual tuition fee for a VET course would range between \$260 in New South Wales and \$810 in Tasmania, as shown in table 3. In South Australia, the annual tuition cost would be \$1128; however, this includes charges for materials/resources that are excluded in other states. If the South Australian fee is adjusted to exclude materials/resources component—indicated in parentheses—South Australia has the second highest tuition fee in Australia. However, this fee is based on an average hourly rate across all courses, so some course costs would be lower than this figure and some would be higher.

Table 3: Average annual tuition costs, for a full-time VET course (540 hours), by state and territory, 2003

	NSW	Vic.	Qld	SA	WA	Tas.	NTU	ACT
Standard	\$260/\$710	\$500	\$491	\$1128 (\$677)	\$653	\$810	\$378	\$648
Pensioner	Free	\$40	\$123	\$859 (\$515)	\$346	\$250	Free	\$324

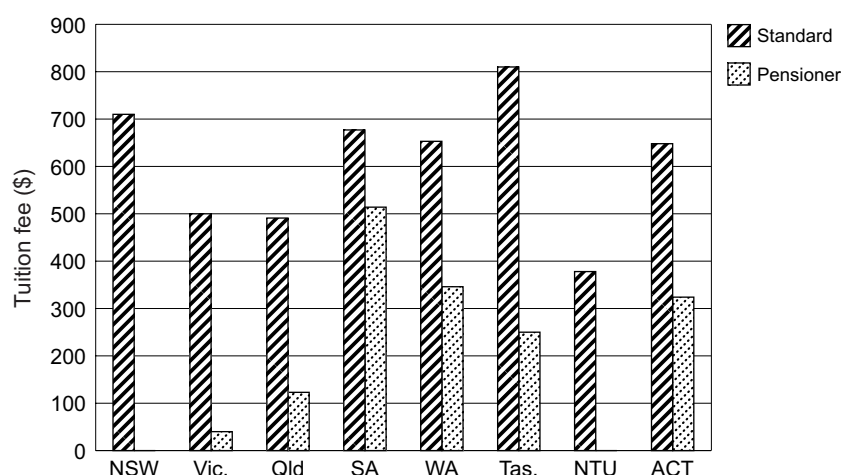
Notes: Full-time course assumed to be 540 hours per year. New South Wales \$260 figure for courses below diploma level. Queensland data is 2002. South Australian data include non-tuition costs and are based on an average for all courses of \$2.09 per hour. In the Northern Territory University, courses at certificate levels 1 and 2 are exempt from fees.

Sources: State and territory policy documents as shown in appendices.

Table 3 also illustrates the fee that would be paid by a concessional student, such as someone in receipt of a government pension. Disadvantaged students would receive free tuition in New South Wales and at the Northern Territory University and would pay only \$40 per year in Victoria. In Western Australia and the Australian Capital Territory, by contrast, a pensioner would be charged over \$300 a year for tuition fees. In South Australia, the concessional fee is higher than the regular fee in all other states and territories. However, it must be noted that the South Australian fee included materials/resources costs, which are imposed separately on all students in other states. Nevertheless, even when the notional materials/resources charge is excluded (estimated to be 40% of the total), concessional fees in South Australia are the highest in Australia.

The data in table 3 are reproduced in figure 1, with an adjustment for South Australia that excludes the materials/resources component of the South Australian fee. In figure 1, the data for South Australia are 60% of the actual fee, in an attempt to exclude the estimated materials/resources component. The 60/40 breakdown is based on research undertaken into materials charges in Western Australia and should therefore be seen as indicative only.

Figure 1: Average annual tuition fee, for a full-time (540 hours) VET course, by state and territory, 2003



Notes: Full-time course assumed to be 540 hours per year. South Australian data is based on an average for all courses of \$2.09 per hour and is 60% of the total charge to exclude materials/resources component. The New South Wales figure is based on the charge for diploma level courses—as these courses are most likely to be 540 hours or more in length.

Source: State and territory policy documents as shown in appendices.

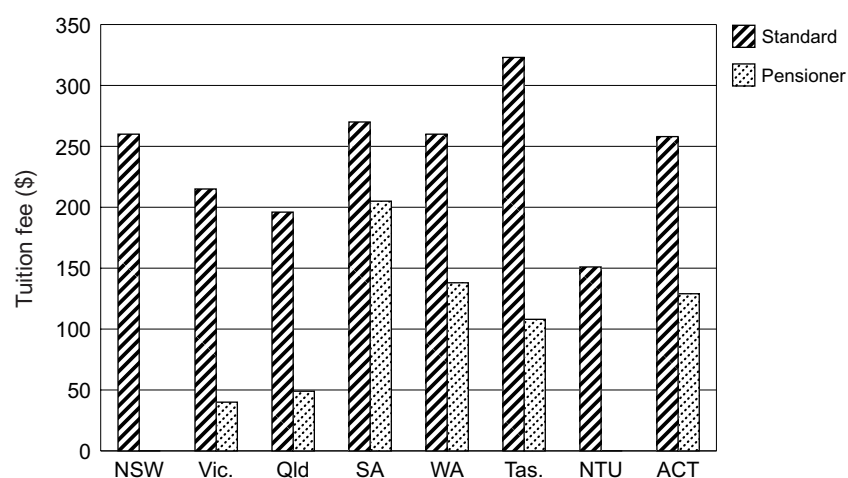
Figure 1 shows the estimated cost of a full-time course in each state and territory. Full-time courses are most likely to be at the diploma level (NCVER 2002b). New South Wales has the second highest tuition costs for TAFE diplomas after Tasmania, followed by South Australia. (The South Australian data reflect averages only, as the hourly rate per course ranges from \$0.50 to \$6.15). Western Australia charges the fourth highest fees for a year's full-time study, followed by the Australian Capital Territory. The cheapest fee for a year's full-time study is in the Northern Territory University. It is important to note that in New South Wales courses below diploma level cost only \$260 per year, which would make them the cheapest in Australia if this chart illustrated the cost of certificate courses in New South Wales rather than diplomas. In the Northern Territory University, all courses at certificate levels 1 and 2 are exempt from tuition fees, which would make the Northern Territory University the cheapest provider in the country of courses at that level.

For disadvantaged students, the relative costs between the jurisdictions are quite different. New South Wales and the Northern Territory offer free courses to disadvantaged students, and Queensland provides a generous fee concession of 75%. The most expensive courses for disadvantaged students are in South Australia, followed by Western Australia and the Australian Capital Territory. Tasmania also offers a generous fee concession to 45% of its TAFE students, compared to its relatively high standard tuition fee.

Although the average annual full-time course load is assumed to be 540 hours per year, the majority of VET students study part-time, and many would undertake a full-time load for only one semester. The National Centre for Vocation Education Research (NCVER) estimates that 90% of VET students study on a part-time basis (NCVER 2002b, p.3). When the total hours of VET delivery in 2001 is divided by the total number of students enrolled, the average course load per student is 215 hours per year. Therefore to provide a more realistic picture of the average tuition fees paid by a

more typical (that is, part-time) VET student, we have calculated the average cost of tuition on the basis of 215 hours per year, shown in figure 2.

Figure 2: Average annual tuition fee, for a part-time (215 hours) VET course, by state and territory, 2003



Notes: Part-time course assumed to be 215 hours per year. New South Wales \$260 figure for courses below diploma level. South Australian data are based on an average for all courses of \$2.09 per hour and is 60% of the total charge to exclude materials/resources component. In the Northern Territory University, certificate level 1 and 2 courses are free of tuition charges, so cost per hour for courses above this level is provided.

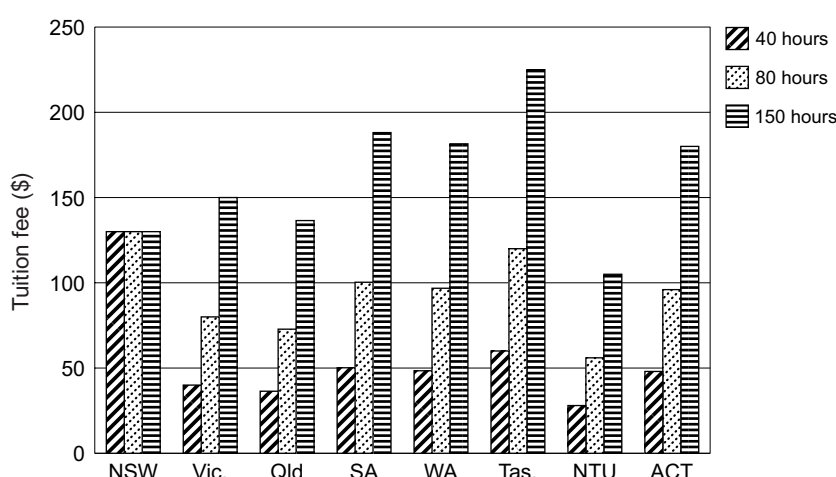
Source: State and territory policy documents as shown in appendices.

For part-time courses of 215 hours, Tasmania remains the most expensive provider, followed by South Australia. New South Wales and Western Australia are equal third. The relativities between the fees for pensioners remain the same, with South Australia the most expensive provider (on average) and New South Wales and the Northern Territory the only jurisdictions offering free tuition to disadvantaged students. The fact that New South Wales has a fixed fee means that its comparative position changes significantly depending on the number of hours in the course. For courses with a small number of hours, New South Wales would be quite expensive relative to other states. For courses involving a large number of hours, on the other hand, New South Wales would be relatively inexpensive.

Figure 3 illustrates the influence of the number of course hours on relative tuition fees at lower levels of hours. For courses of 150 hours or more, Tasmania has the highest tuition fee because its rate per hour is the highest. However, for courses 100 hours or less, New South Wales is the most expensive provider because its fees are fixed by course level at \$130 per semester. The rate shown (\$130) is the cheapest New South Wales rate for certificate level courses. If the rate for New South Wales diploma courses (\$710) were illustrated on this chart, New South Wales would be the most expensive provider of all states and territories. For any course at the diploma level involving less than 320 training hours, New South Wales is the most expensive provider in Australia.

In contrast, the relative cost of courses for concessional students involving less than 150 hours training is quite different to the situation for students paying the standard fee. As shown in figure 4, New South Wales and the Northern Territory University provide courses free of charge to concessional students, making these two jurisdictions the cheapest in the country for disadvantaged students. South Australia has the least generous fee concession policy, which makes it the most expensive provider for courses involving more than 50 hours of training. The \$40 concessional fee in Victoria makes it the most expensive provider of courses of 40 hours or less.

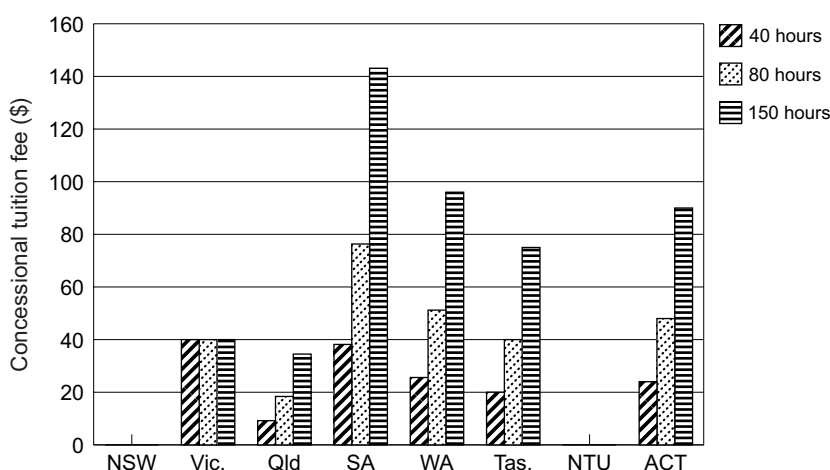
Figure 3: Tuition fee for VET courses of different length, by state and territory, 2003



Notes: South Australian data are based on an average for all courses of \$2.09 per hour and is 60% of the total charge to exclude materials/resources component. New South Wales fee is for certificate level courses of less than one semester (\$130). In the Northern Territory University, certificate level 1 and 2 courses are free of tuition charges.

Source: State and territory policy documents as shown in appendices.

Figure 4: Concessional tuition fee for VET courses, by state and territory, 2003



Notes: South Australian data are based on an average for all courses of \$1.59 per hour and is 60% of the total charge to exclude materials/resources component.

Source: State and territory policy documents as shown in appendices.

The previous charts illustrate the degree of variation in what students are paying for VET tuition in each state and territory. The relativities between the states and territories vary according to the following five factors:

- ✧ the status of the student (concessional or standard enrolment) in all jurisdictions
- ✧ the number of training hours in all jurisdictions except New South Wales
- ✧ the level of the course in New South Wales and South Australia
- ✧ the field of study in South Australia
- ✧ the inclusion of materials/resources charges in the South Australian tuition fee.

In comparing tuition fees between jurisdictions, the aim was to take into account the impact of these five factors; but this was not always possible. It was possible to take into account the status of

the student (factor 1) and to provide data for some training hours (factor 2). The different fees by level of course (factor 3) in New South Wales were evident but could not be applied to South Australia. Similarly, the different fees by field of study in South Australia (factor 4) could not be illustrated in this analysis, so the estimated fee for South Australia is an average of the entire range of fees in that state. The inclusion of materials/resources fees in South Australia (factor 5) was recognised by reducing the average tuition fee by 60%. There is no simple method for comparing the relative position of all states and territories in respect of tuition fees because both South Australia and New South Wales depart significantly from the formulae used in other jurisdictions.

With the above limitations taken into consideration, table 4 provides a rough ranking of the states and territories according to the number of training hours, the broad level of the course and the type of student (concessional or standard enrolment). In regard to concessional students, New South Wales and the Northern Territory University have the most generous policy because they offer full exemptions to disadvantaged students. In regard to standard fees, however, New South Wales charges the highest fees for all diploma courses of less than 540 hours and for certificate courses of less than 80 hours. South Australia has the least generous concession policy in the country for courses of more than 40 hours and the second highest standard fees for certificate courses of 150 hours or more. Tasmania has relatively high standard fees for both diploma and certificate courses but relatively generous fee concessions (66%). Queensland has the lowest standard fees for diplomas after the Northern Territory University and the most generous fee concession policy after New South Wales and the Northern Territory University.

Table 4: Highest and lowest tuition fees for standard and concessional students, by level of course and number of training hours

Diploma					Certificate				
Level	Enrol	Standard	Standard	Concession	Concession	Standard	Standard	Concession	Concession
	<i>Cost</i>	<i>Highest</i>	<i>Lowest</i>	<i>Highest</i>	<i>Lowest</i>	<i>Highest</i>	<i>Lowest</i>	<i>Highest</i>	<i>Lowest</i>
540	Tas./NSW	NTU/Qld	SA/WA	NSW/NTU	Tas./SA	NSW/NTU	SA/WA	NSW/NTU	
215	NSW/Tas.	NTU/Qld	SA/WA	NSW/NTU	Tas./SA	NTU/Qld	SA/WA	NSW/NTU	
150	NSW/Tas.	NTU/Qld	SA/WA	NSW/NTU	Tas./SA	NTU/NSW	SA/WA	NSW/NTU	
80	NSW/Tas.	NTU/Qld	SA/WA	NSW/NTU	NSW/Tas.	NTU/Vic.	SA/WA	NSW/NTU	
40	NSW/Tas.	NTU/Qld	Vic./SA	NSW/NTU	NSW/Tas.	NTU/Vic.	Vic./SA	NSW/NTU	

Notes: The New South Wales fee used for this chart is \$710 for diplomas. \$260 for certificates of 215 hours and 540 hours and \$130 (one semester) for certificates less than 150 hours. The South Australian fee is 60% of the average of all fees charged. The Northern Territory University offers free courses at certificate 1 and 2 level.

In summary, the calculation of average annual tuition fees in the VET sector is far more complex than in any other area of education and training. Given that the total tuition fee charged is dependent upon the level of the course in South Australia and New South Wales, the field of study in South Australia, the type of student (concessional or standard enrolment) in all states, and the number of training hours (in all states except New South Wales), to rely on any single measure to compare VET tuition fees would be highly misleading.

Non-tuition

Non-tuition costs are the range of costs faced by students in addition to tuition fees. In some cases, non-tuition costs are charged by the institutes, or they can be requirements for the students to purchase particular materials or tools of trade in order to undertake the course. In most jurisdictions, non-tuition costs are imposed by institutes, although some states prohibit the charging of certain additional fees (notably amenities and services fees and materials/resources fees in South Australia). Some states also specify the fee to be charged in some areas (that is, the amenities and services fee in Western Australia). The major non-tuition costs are discussed below.

Amenities and services

Amenities and services fees are applied to recover the cost of student services such as cafeterias, libraries and membership of a student association (if compulsory). The extent to which amenities and services fees are the subject of government policy is illustrated in table 5. South Australia is the only state that prohibits the charging of amenities and services fees, although institutes usually charge between \$5 and \$15 for student cards. In Western Australia and Queensland, the amenities and services fee is determined by the state government—a flat fee in Western Australia and an hourly rate in Queensland. New South Wales TAFE institutes are allowed to charge a \$15 fee for student association membership (which is voluntary).

Table 5: Amenities and services fees, by state and territory

NSW	Vic.	Qld	SA	WA	Tas.	NT	ACT
\$15 voluntary student association membership	Provider	\$0.23 p.h. to a maximum of \$172.20 per year	Prohibited	\$21.00 enrolment fee per semester	None	No government policy but NTU charges to maximum of \$224 per year	\$31.90 student association membership per semester

Sources: State and territory policy documents as detailed in appendices.

In Victoria, amenities and services fees are levied at the discretion of the provider and practices differ between TAFE institutes, with some imposing a flat fee and others a rate per student contact hour (similar to Queensland). The rate per hour ranges from \$0.20 to \$0.36, depending on the institute. Some institutes offer concessional rates to disadvantaged students, and in most institutes, the amenities and services fee is capped at a maximum level. Data collected by Victorian Government officials indicate that across Victorian TAFE institutes, student amenities and services fees range from a minimum of \$12 to a maximum of \$371.

Materials/resources

In all jurisdictions other than South Australia, institutes are entitled to charge for course materials or ‘resources’ consumed during the course. For example, in cookery courses materials/resources fees would help to cover the cost of food used in training. In building courses, these fees would cover the cost of timber. Fees for materials/resources also encompass the cost of textbooks or workbooks as well as the cost of field trips and excursions. The Canberra Institute of Technology in the Australian Capital Territory levies a charge for internet access, which is compulsory in some courses.

In addition, students are often required to purchase tools of trade, either privately or from the institute. Tools of trade are the equipment needed to carry out a particular course of training that are kept by the student for their personal use after the course is completed. In the case of hairdressers, for example, it would include cutting equipment, wigs and mannequins. For chefs, tools of trade usually include uniforms and knives. Although South Australia prohibits institutes from charging for materials or resources consumed in the course, they are entitled to require students to purchase tools of trade. In Queensland, the state policy is that students are to be provided with the essential basic materials needed to complete their program of study without charge, but institutes are entitled to purchase materials for re-sale to students (Queensland Guidelines for Student Fees and Charges 1997, as advised by government officials).

South Australia is the only VET system that includes materials/resources fees in its centrally mandated fees schedule and is therefore the only place where close to the full cost borne by students is publicly known—albeit on a course-by-course basis. Western Australia also possesses this information—gathered in a major review over the past two years—but detailed data are not publicly available. Western Australian registered training organisations are required to make the cost

of materials/resources charges available to students prior to enrolment and are not allowed to increase the charge annually by more than the Perth consumer price index.

In Western Australia, registered training organisations are entitled to charge for materials consumed or transformed by students in the course of instruction. However, excursion fees must be charged separately, and any increase in the resource fee must not exceed a Perth consumer price index of 2.6%. Resources fees in Western Australia must be published by providers prior to the commencement of the academic year, and accountable officers must be able to substantiate the fees (Western Australia Department of Training 2002a). However, a recent Western Australian auditor's report found significant inconsistencies in resources fees charged by TAFE colleges in Western Australia. The auditor-general found most TAFE colleges lack a clear and consistent understanding of exactly what costs should be covered by the fee, with uncertainty regarding whether indirect costs (such as library costs, computing costs and lecturing support costs) should be included. The auditor-general also found that most colleges could not substantiate the basis for charging their resource fee (Auditor-general Western Australia 2000). A Western Australian Government review recently concluded that non-tuition costs accounted for, on average, 40% of total course fees and the major component of non-tuition costs is charges for course materials. It also noted that the total materials/resources fee payable differed widely between courses and fields of study.

Materials/resources fees differ between courses, as some courses involve the consumption of more expensive materials. Courses that would typically charge high materials/resources fees would be courses in art and design such as animation, ceramics, fashion textiles design, fine art, jewellery or photography. Cookery courses are also likely to have above-average materials/resources fees. Resources fees for the majority of courses are considerably lower than this. For example, at Holmesglen Institute (Victoria), the materials charges for courses in building trades range from \$55 to \$165. In Western Australia, in 2001, resources fees ranged between nil and \$2788, depending on the type of course. The average value of resources fees across all areas and courses in TAFE colleges in 2001 was \$81.89 (Western Australia Department of Training 2002a). Data collected by Victorian Government officials suggest that course materials fees in Victoria range from nil to approximately \$1950 (Certificate Level 4 in Beauty Therapy at Gordon Institute of TAFE).

Materials/resources fees charged for the same course can also differ between institutes. For example, at the William Angliss Institute (Victoria) students enrolling in Certificate Level 2 in Hospitality (Commercial cookery) are advised that they will be expected to pay for textbooks, equipment and uniforms to an estimated value of \$600 (William Angliss Institute 2003). Yet at the Gordon Institute (Victoria) students enrolling in the same course are advised that they will need to spend approximately \$270 for course equipment—namely \$100 on uniforms, \$120 on a knife kit and \$50 for prescribed workbooks (Gordon Institute 2003). These differences may reflect differences in the quality of materials or tools of trade required of each institute, although this was not the finding of the auditor-general in Western Australia. Following the auditor-general's report on resources fees in TAFE colleges in 2000, the Western Australia Department of Training commissioned a comprehensive study of TAFE fees. This review found 'a very high level of inconsistency between colleges in the resources fees paid by students for the same course' (Western Australia Department of Training 2002b, p.24).

In nearly half of (all funded module) enrolments, the fee paid by students varied by at least 50% between colleges. In over one-third of enrolments, the fee varied by 100% or more. On average, between the metropolitan college with the lowest fees and the metropolitan college with the highest fees, there was a three-fold difference between the resource fees for the same course.

(Western Australia Department of Training 2002b, p.24)

The Western Australian review calculated an index showing the extent of the difference in expected revenue from resources fees in each college, compared to what would have been collected if the college was charging resources fees equal to the state average. On this resource fee index, one college's fees were only 32% of the state average, while the highest charging college was 34% above

the state average. The review concluded that ‘(t)he disparities between resources fees across colleges are so great as to suggest that the resource fee cannot, in all, or even in most cases accurately reflect the real requirements for provision of course materials’ (Western Australia Department of Training 2002b, p.25).

The final report of the Western Australian review raised concerns about the impact of the high resources fees on student participation. Consultations carried out as part of the review ‘found that high resources fees often prevent a student from enrolling their preferred course’ (Western Australia Department of Training 2002b, p.26). The Western Australian review also reported (p.19) that TAFE colleges in Western Australia collected around \$6 million per year in resources fees in 2000.

Miscellaneous

Miscellaneous fees and charges are imposed by providers for specific services that are not imposed on all students. These charges are specified in government policy in three states.

The Queensland policy is the most prescriptive in terms of specifying miscellaneous fees and charges for VET students. A range of charges are specified in the Queensland legislation with the exception of charges for recognition of prior learning; however, it is likely that recognition of prior learning fees are covered by a different policy. Western Australia also prescribes the rate for a range of miscellaneous fees and charges in its policy guidelines. South Australia is distinctive for the fees and charges that it prohibits in its guidelines. However, institutes are allowed to charge for student identification cards. Table 6 gives an indication of the types of miscellaneous fees and charges specified in these three states’ policies. In other jurisdictions, miscellaneous charges tend to be levied at the institute level.

Table 6: Miscellaneous fees specified in government policy by state and territory

	Qld	SA	WA
Academic history	\$8.90	Provider	
Car-parking		Not allowed	Provider
Extract app/trainee register	\$13.35		
Late enrolment	\$11.15		
Literacy test	\$100.35		
Re-evaluation of results	<1 hr \$27.85; >1 hr at cost		\$26 per module
Replacement award	\$13.35		
Recognition of prior learning/ recognition of current competencies		50% course fee*	\$1.18 p.h.*
Skills assessment			<\$70*
Student ID card	At cost	Provider	
Remote assessment	At cost		\$50
Trade test	At cost**		
Vocational placements	25% of fees p.h.		

* Maximum and concessional rates apply.

** Maximum of \$275.45.

Notes: Tasmania, Northern Territory, Victoria, the Australian Capital Territory and New South Wales excluded because charges are mainly determined by registered training organisation.

Sources: State and territory policy documents as detailed in appendices.

Scope of government policy

As discussed above, there are many fees and charges that are outside of the government’s policy framework in each state and territory. It is estimated that VET students pay, on average, two-thirds more than the prescribed tuition fee in all states and territories apart from South Australia. A

summary of the fees and charges that fall within and outside of the government's policy framework in each jurisdiction is provided in table 7.

Table 7: Coverage of government fees and charges policies, by state and territory

	NSW	Vic.	Qld	SA	WA	Tas.	ACT
Tuition (and concessions)	Fully specified	Fully specified	Fully specified	Fully specified	Fully specified	Fully specified	Fully specified
Non-tuition							
Amenities and services	Partial	Delegated	Specified	Prohibited	Partial	Delegated	Delegated
Materials/resources	Delegated	Delegated	Delegated	Prohibited**	Delegated	Delegated	Delegated
Miscellaneous	Partial	Delegated	Specified	Partial	Partial	Delegated	Delegated

** except for tools of trade.

Notes: Northern Territory excluded because there is no policy framework. 'Delegated' refers to delegation to institute. 'Partial' refers to some coverage in government policy as well as some institutional discretion to charge fees. 'Prohibited' means that government prohibits the charging of fees in either legislation or policy guidelines.

Sources: State and territory policy documents as detailed in appendices.

Tuition is the main element of VET charging policies that is centrally imposed in all states and territories, except the Northern Territory. Some amenities and services fees are specified in the government's policy in New South Wales, Queensland and Western Australia and are prohibited in South Australia. In all states and territories except South Australia, fees for course materials/resources are determined by the provider. Some miscellaneous fees are specified in the policies of New South Wales, Queensland, South Australia and Western Australia, but there is likely to be a range of miscellaneous fees determined by institutes in all jurisdictions.

All Australian states and territories have different charging policies for the VET sector. In all states and territories, except Queensland and South Australia, government policy frameworks apply to all publicly funded registered training organisations, including TAFE institutes. In Queensland and South Australia, the legislation applies only to TAFE institutes, but this does not mean that publicly funded registered training organisations are not subject to regulation under a separate agreement. Government policy only applies to government-funded courses. In all jurisdictions, TAFE institutes as well as non-TAFE providers offer courses on a full-fee basis that fall outside of the government's policy framework. In discussions with state officials, several people raised the issue of a perceived growth in full-fee courses offered by TAFE institutes. There is very little information available about the extent of full-fee course provision in TAFE institutes. The circumstances where full-fee provision for Australian students is most likely to occur follow:

- ✧ Training courses are commissioned by an employer or other agency for a particular group of people.
- ✧ In fields where demand for a particular course is strong and the funded course is full, TAFE institutes may provide additional courses on a full-fee basis.
- ✧ In areas that do not receive any public funding (that is, new or emerging industries), full-fee courses are the only means of meeting industry and student demand.

Summary

Students face three main types of fees and charges:

- ✧ tuition
- ✧ non-tuition
- ✧ miscellaneous

All states and territories except the Northern Territory implement policies covering tuition fees (although in New South Wales this fee is called an administration charge). A few jurisdictions have policies covering non-tuition and miscellaneous fees. These policies apply to TAFE institutes in all states as well as publicly funded training providers.

Students suffering financial disadvantage are either exempt from tuition fees or pay a substantially discounted fee in all states and territories. An estimated 20-30% of VET students receive fee exemptions or concessions, although it is higher in some states and territories. Tasmania reports that 45% of TAFE students receive concessions and in New South Wales, the current rate of exemptions is over 50%. In effect, there are two distinctive fee regimes in the public VET system, depending on the characteristics of the student.

It is impossible to determine the tuition fees faced by any student—except in New South Wales—as in all other jurisdictions, the final course cost depends on the number of training hours. As the training hours vary between students, courses and institutes, a separate fee is usually calculated for every individual VET student, at the time of enrolment. Assuming that a student is undertaking the same number of contact hours, and excluding non-tuition costs from an average fee for South Australia, the annual tuition fee across states and territories falls within the following ranges:

✧ full-time (540 hours): \$260–\$810 (nil to \$441 concession)

✧ part-time (215 hours): \$150–\$323 (nil to \$150 concession)

As an estimated 90% of VET students are enrolled on a part-time basis, the latter fee is more typical of the tuition costs faced by VET students.

In addition to tuition fees, students in all states except South Australia face non-tuition fees and costs imposed at the discretion of the provider.

The most significant ‘hidden’ cost is the cost of materials and resources consumed during the course. These costs are specified by the course provider and vary between courses, between institutes and between the same courses offered by different institutes. In Western Australia, these costs range from nil to \$2788 per year, depending on the course. In South Australia, these costs are included in the state-mandated tuition fee, which is capped at \$1200 per year. In other states and territories, information about these costs is not publicly available.

In Western Australia, ‘hidden’ non-tuition costs comprise, on average, around 40% of the total costs faced by VET students. If this is typical of other states and territories, in all jurisdictions except South Australia, the total cost borne by VET students is likely to be, on average, two-thirds higher than the tuition fee specified by government policy.

Total student fees

Vocational education and training revenue derived from student fees and charges varies between each state and territory. In 2001, Australian public training providers received more than \$182 million in revenue from student fees and charges—4.4% of total VET revenue from all sources. In South Australia, revenue from student fees and charges accounts for 7.5% of total revenue, compared to 3.1% in New South Wales, as shown in table 8.

Table 8: Revenue from student fees and charges as a proportion of total revenue, by state and territory, 1997 and 2001

	NSW	Vic.	Qld	SA	WA	Tas.	NT	ACT	Aust.
Fees and charges 2001	\$40.9m	\$47.6m	\$34.0m	\$23.5m	\$27.6m	\$3.6m	\$0.9m	\$4.2m	\$182.1m
% total VET revenue 2001	3.1	4.2	5.2	7.5	6.8	4.0	1.1	5.4	4.4
% total VET revenue 1997	2.5	4.1	4.4	8.1	4.9	5.2	1.5	4.8	3.8

Notes: Revenue from student fees and charges includes income from admission charges, enrolment fees, tuition fees, materials fees and some student amenities fees. It excludes student association fees maintained in non-public bank accounts.

Sources: NCVER, 2002a; NCVER, 2002b.

In some states and territories, revenue from student fees and charges has increased, over the past four years, as a proportion of their total VET revenue, while in other states it has declined. In New South Wales, Victoria, Queensland, Western Australia and the Australian Capital Territory, revenue from student fees and charges has increased as a proportion of total VET revenue. In South Australia, Tasmania and the Northern Territory, revenue from student fees and charges has declined as a proportion of total VET revenue.

The broad structure for charging fees is similar in each jurisdiction, but the policies determining the fees charged are very different. The fee structure in each jurisdiction has three main components: tuition, non-tuition, and miscellaneous.

- ✧ Tuition fees are centrally determined in all states and territories except the Northern Territory.
- ✧ Non-tuition fees are determined by providers (generally outside of the government policy framework) in all states and territories except for South Australia.
- ✧ Miscellaneous fees and charges are generally determined by providers, although some governments, notably Queensland and Western Australia, specify charges for some miscellaneous fees.

The total fees charged to students vary considerably between courses. A high proportion of VET students received exemptions and concessions on the tuition component of their fees. The differences in fees and charges within and between jurisdictions are discussed below.

Information on the average total fees incurred by VET students is only available from South Australia and Western Australia. In 2003, the statewide average price for VET courses in South Australia is \$2.09 per hour. In Western Australia, the statewide average price for VET courses in

2001 was \$1.85 per hour (that is, including a tuition fee of \$1.15 per hour, an enrolment fee of \$20 per semester, and a materials/resources fee). In Western Australia, tuition fees comprise just over 60% of the total average cost borne by VET students. The remaining 40% is for non-tuition expenses determined at the provider level—predominantly charges for course materials (Western Australia Department of Training 2002a). If the Western Australian experience is typical of other jurisdictions, the total average fees borne by VET students in all states and territories is likely to be two-thirds higher than the published tuition fees determined by government policy (except in South Australia).

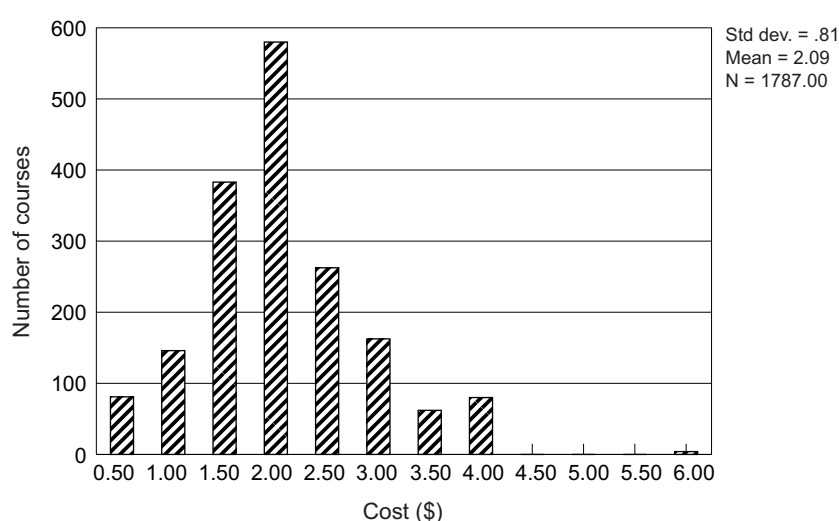
The total fees payable by individual students vary for two reasons:

- ✧ In all systems except New South Wales, tuition fees are determined by the *total number of hours* in a course that are based on hours of training delivery in each unit of study (unit of competence). In most cases, students do not know their fee liability until they have chosen their units for a particular course. As most training packages include a wide range of elective units, students enrolled in the same course in the same institute can pay different fees (except in New South Wales).
- ✧ *Materials/resources charges* differ between courses, with courses like fashion design or telecommunications likely to charge high materials fees, while courses in the building trades may charge lower fees. In all states and territories except South Australia, materials/resources charges are determined by the institute and are therefore not specified in government policy. This can be a substantial ‘hidden’ cost in some courses; although for most courses, the charge appears to be less than \$200 per course.

Range of fees between different courses

South Australia is the only jurisdiction where we have an indication of the total fees paid (per hour) by students because their fee structure includes both tuition fees and materials/resources charges. However, the South Australian fee schedule does not indicate the total cost per course, as this varies according to the number of hours in each course. The South Australian fee schedule does indicate the *range* of total fees payable per hour in South Australia, which is illustrated in figure 5.

Figure 5: Range of course fees per hour in South Australia, 2003



Sources: South Australia, Department of Further Education, Employment, Science and Technology (2002), supplied to the author by the South Australian Government officials.

The histogram in figure 5 shows the number of courses by the rate they cost per hour within \$0.50 ranges—the first bar shows \$0.25 to \$0.75, the second bar \$0.75 to \$1.25, the third \$1.25 to \$1.75 and so on. The distribution indicates that over 80% of the course fees are under \$2.75 per hour. Thirty-six per cent of courses are in the \$1.75 to \$2.25 bracket. The average fee charged in South Australia across all courses is \$2.09 per hour. South Australian fees are also capped at \$1200 per year. If we assume an average full-time load of 540 hours per year (that is, 15 hours per week over 36 weeks), the total fees paid by a South Australian VET student would range from \$270 to \$1200 per year (due to the cap).

Range of fees for the same course

In order to compare the cost of the same course delivered in different institutes, both tuition and non-tuition fees need to be compared. Tuition involves the cost of delivering the training course, which is covered by the government policy. But institutes determine the hours of training delivery—which directly determines the total cost of the course. Even when one course is isolated for comparison, it is not possible to compare ‘like with like’ because, in all states except New South Wales, the number of training hours for a particular course varies between institutes. There are two reasons for the variation in training hours. First, institutes are free to determine the number of training hours associated with delivering the core units of competence specified for each qualification. Second, students are usually required to complete a certain number of elective units of competence which involve different numbers of training hours. Thus two students enrolled in the same course in the same institute can be paying different fees because they have chosen different electives.

All state and territory governments, except the Northern Territory, have policy frameworks governing the cost of tuition fees which, except in New South Wales, specify the cost per hour of training. But as the number of hours of training associated with each course is determined by the training provider, there is, in effect, no government control over the fee charged to VET students except in New South Wales. Fee schedules that specify a charge per training hour, yet leave the hours of training determined at the institute level, do not specify a student fee at all.

Non-tuition costs involve amenities and services fees, materials fees and the costs of purchasing tools of trade. In most states and territories, these costs are determined at the institute level and vary between institutes.

To compare the cost of one course between institutes, a course in the hospitality industry was chosen because this sector has the largest national enrolments by units of competence. To minimise the impact of elective units, a training package course was chosen at a level that has many core modules and very few electives—the Certificate Level 1 (Kitchen Operations) in the Hospitality Training Package. The Hospitality Training Package is designed to address the training needs of people working in the hospitality industry from certificate 1 through to advanced diploma level. The Certificate Level 1 (Kitchen Operations) is designed to provide the student with knowledge and experience of basic food preparation in the area of commercial cookery as a first step towards becoming a qualified chef—which would be achieved by proceeding to Certificate Levels 2, 3 and 4 (Commercial Cookery). As a stand-alone qualification, the Certificate Level 1 (Kitchen Operations) provides the skills required to work as a kitchen hand.

The main limitation of comparing fees for a certificate level 1 course is that these courses are at a very low level and have limited application in the workplace. Several institutes advised that their basic offering was the Certificate Level 2 (Kitchen Operations) and that they did not offer Certificate Level 1 (Kitchen Operations). However, under the training package structure, the core units of competence in certificate level 1 are embedded in all higher level qualifications. Thus students enrolled in Certificate Level 2 (Kitchen Operations) would have to complete the same core units required for the Certificate Level 1 (Kitchen Operations) and would have the choice of

the same electives. Technically, this means that a student enrolled in a certificate level 2 course can exit early with the certificate level 1 qualification once they had completed the units of competency required for the certificate level 1. The North Coast Institute of TAFE (Grafton campus) in New South Wales advised that students enrolled in their Certificate Level 2 (Kitchen Operations) were free to exit with a certificate level 1 once they had completed the relevant units of competence. This was also the case at Central West TAFE (Western Australia) where it was offered under a certificate level 3 course, and at the Riverina (Albury) campus of TAFE NSW where it was offered as part of certificate level 2 studies.

Another approach to overcome the perceived narrowness of the Certificate Level 1 (Kitchen Operations) was to increase the range of electives offered within the certificate level 1 course. In South Australia, some registered training organisations ‘option-up’ certificate level 1 courses with more electives to market them as pre-apprenticeship commercial cookery courses. Such pre-apprenticeship programs can involve up to 585 hours of training for a Certificate Level 1 (Kitchen Operations). It was argued that this approach maximises students’ training opportunities across a range of industry sub-sectors. However, it should also be noted that in South Australia, the state-mandated student fee differs between certificate level 1 and certificate level 2. Institutes must charge \$2.45 per hour for Certificate Level 1 (Kitchen Operations) and \$3.30 per hour for Certificate Level 2 (Kitchen Operations). By offering additional electives within a certificate level 1 course—all of which would provide advanced standing in higher level certificates within the training package—institutes are effectively reducing the total fee payable by students in South Australia.

The Certificate Level 1 (Kitchen Operations) involves nine core units of competence and one elective. Although units of competence specified in training packages are not intended to be units of study, in most TAFE institutes courses are constructed around units of competence with hours of training specified for each unit.³ Table 9 illustrates the different hours of training associated with the nine core units of competence specified in the training package across six institutes.

As illustrated in table 9, all six providers offer the nine core units of competence as units of training, with nominal training hours specified for each unit. TAFE NSW differs slightly by offering a core unit, called ‘Learner orientation/recognition’, which may be in place of the two units of competence it does not offer. The remaining five providers offer the same nine core units of competence, but Spencer, Adelaide and Murray Institutes deliver them in 124 hours compared to 131 at Gordon Institute and 116 hours at Central West (Western Australia).

The range of elective subjects offered by the institute is the main source of variation in the contact hours—and therefore cost—of a VET course in every state except New South Wales. Under the specifications of the National Training Package, a student could achieve a Certificate Level 1 (Kitchen Operations) after successful completion of nine core units of competence and one elective chosen from elsewhere in the training package. There is a wide range of electives, ranging from small units of competence (that is, *Prepare Sandwiches*) that involve 6–10 training hours to large units of competence, such as *Using Basic Methods in Cookery*, that involve 35–50 training hours. The extent to which the full range of electives is on offer depends on the institute, the needs of local industries and student preferences. For example, the course material at Gordon Institute nominates the elective as *Prepare Sandwiches* involving only six training hours, whereas Central West Institute of TAFE nominates *Use Basic Methods in Cookery* (44 training hours) as an elective under Certificate Level 1 (Kitchen Operations). At Spencer Institute (South Australia), the electives provided are *Prepare Sandwiches* (6 hours) and *Operate a fast food outlet* (80 hours). At Adelaide TAFE, the elective units include *Prepare Appetisers and Salads* (25 hours), *Prepare Sandwiches* (6 hours), *Provide First Aid* (30 hours), *Prepare Packaged Foodstuffs* (20 hours), *Communicate on the Telephone* (5 hours), *Clean and Tidy Bar* (10 hours), *Provide a link between Kitchen and Serving Areas* (10 hours), *Prepare and Serve non-alcoholic*

³ Royal Melbourne Institute of Technology is a notable exception to this practice, although there may be others.

beverages (15 hours). These additional units of competence add up to 121 additional units of study at Adelaide TAFE—almost double the training hours in similar courses elsewhere.

Table 9: Hours of training for core units of competence, Certificate Level 1 (Kitchen Operations), by provider, 2003

No.	Core units of competence	Murray (SA)	Gordon (Vic.)	Central West (WA)	TAFE NSW	Spencer (SA)	Adelaide (SA)
THHCOR01B	Work with colleagues and customers	15	20	15	24	15	11
THHCOR02B	Work in a socially diverse environment	10	20	10	n.a.	10	10
THHCOR03B	Follow health, safety and security proc.	5	5	15	n.a.	5	5
THHCO01B	Develop and update industry knowledge	25	25	15	18	25	25
THHGH01B	Follow workplace hygiene procedures	18	15	15	9	18	18
THHBKA01B	Organise and prepare food	25	20	20	25	25	25
THHBKA02B	Present food	6	6	6	12	6	10
THHBKA03B	Receive and store kitchen supplies	10	10	10	12	10	10
THHCOR01B	Clean and maintain kitchen premises	10	10	10	12	10	10
Institute-only	Learner orientation/recognition				27		
<i>Sub-totals</i>		124	131	116	139	124	124
	Electives	6	6	44	50	86	121
Totals		130	137	160	189	210	245

Sources: TAFE institutes' web sites and personal communications and *Hospitality Training Package* ANTA

Table 10: Total fee for core units of competence in Hospitality Certificate Level 1 (Kitchen Operations), by provider, 2003 (\$)

	Hours	Tuition				Non-tuition			Total fee	
		Rate per hour		Total tuition		Amen./ serv.	Material/ res.	Tools of trade	Stand.	Conc.
		Stand.	Conc.	Stand.	Conc.					
		\$	\$	\$	\$					
North Coast (Grafton), NSW	139	n.a.	n.a.	130.00	0.00	0.00	0.00	120.00	250.00	120.00
Riverina (Albury), NSW	139	n.a.	n.a.	130.00	0.00	0.00	75.00	90.00	295.00	165.00
Gordon TAFE, Vic.	137	1.00	n.a.	137.00	40.00	41.44	20.00	115.00	313.44	216.44
VUT (TAFE Div), Vic.	137	1.00	n.a.	137.00	40.00	88.50	40.00	218.00	483.50	386.50
Adelaide TAFE, SA	124	2.45	1.95	303.80	241.80	0.00	0.00	113.00	416.80	354.80
Spencer TAFE, SA	124	2.45	1.95	303.80	241.80	0.00	0.00	0.00	303.80	241.80
Murray TAFE (Barossa), SA	124	2.45	1.95	303.80	241.80	0.00	0.00	0.00	303.80	241.80
Central West (Bunbury), WA	116	1.21	0.64	140.36	74.24	21.00	153.00	0.00	314.36	248.24

Notes: Victoria University of Technology amenities and services fee includes a \$40 building levy for on-campus study. Miscellaneous charges are excluded.

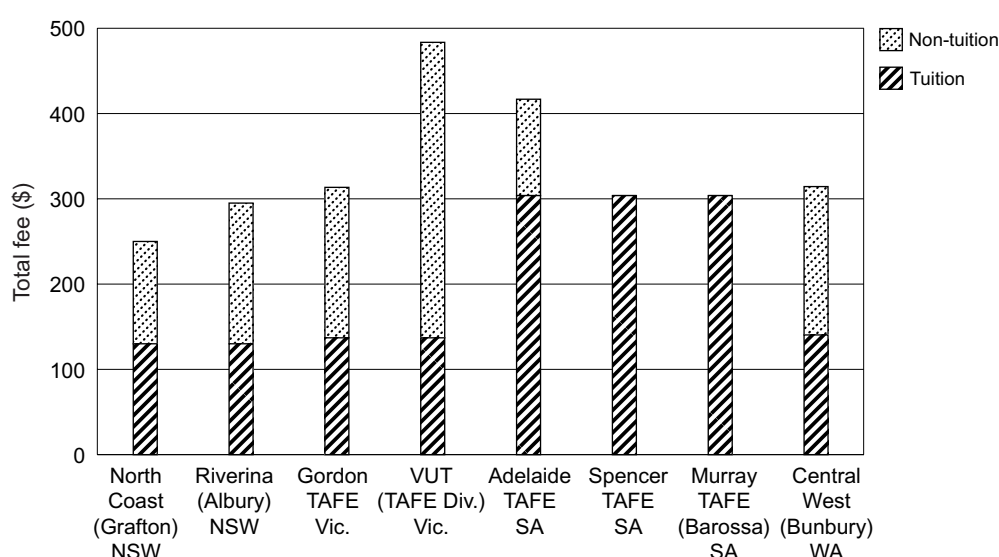
Source: TAFE institutes.

Given the wide range of units available within one certificate, the only way to compare 'like with like' in terms of tuition fees around Australia is to compare the cost of providing the *core units of competence* of the Certificate Level 1 (Kitchen Operations) and exclude the cost of electives. This does not represent a real course, because one elective is necessary to obtain the certificate level 1 qualification, but comparing the cost of core units of competence is the only way to compare what

students are paying for the same training around the country. Information on core units of competence was obtained from eight institutes (six of which are shown in table 9) and the cost of these units plus the associated non-tuition fees is illustrated in table 10.

Although there is a significant variation between states and territories in the tuition fee charged for the core units of competence, when the non-tuition costs are included (that is, for amenities and services, materials/resources and tools of trade) the differences between the jurisdictions diminish. In particular, the South Australian courses appear much less expensive once the cost of materials/resources in other states is taken into account. The course at the Victoria University of Technology (VUT) is the most expensive of the eight courses listed, owing to the high non-tuition costs imposed by the institute. The non-tuition costs at Victoria University of Technology are two and a half times higher than the tuition fee, compared to 90% of the tuition fee at the Grafton campus of TAFE NSW. The two TAFE institutes in New South Wales are the cheapest because they charge low tuition fees and relatively low non-tuition costs. New South Wales also has the lowest fee for concessional students. The composition of the total fee across the institutes is illustrated in figure 6.

Figure 6: Total fee for core units of competence in Hospitality Certificate Level 1 (Kitchen Operations), by provider, 2003 (\$)



Notes: Victoria University of Technology amenities and services fee includes a \$40 building levy for on-campus study. Miscellaneous charges are excluded.

Source: Data in table 10.

As shown in figure 6, the differences within states (that is, Victoria and South Australia) appear greater than the differences between states owing to the impact of materials and resources charges imposed by institutes. Students receiving fee concessions must also pay the non-tuition costs, so the relativities illustrated in figure 6 are similar for concessional students (see table 10 for details).

Although comparing the cost of enrolling in core units of competence is the most accurate way to compare 'like with like' in terms of the fees and charges faced by students enrolled in different TAFE institutes, the data in figure 6 and table 10 do not represent a real course of study and therefore do not convey the real cost borne by students. As illustrated in table 9, the number and size of elective units offered under the Certificate Level 1 (Kitchen Operations) vary between institutes and even within institutes. This has an impact on the cost of courses. As fees are charged at an hourly rate in most states and territories, students undertaking the same course but enrolled in different electives—at the same institute—are likely to be paying different total tuition fees.

Table 11 illustrates the total cost of undertaking a Hospitality Certificate Level 1 (Kitchen Operations) in several TAFE institutes across Australia. The table shows the tuition fee calculated by the institute on the basis of the total number of course hours—both for core units and for electives. The non-tuition costs are the same as those reported in table 10 and figure 6.

Table 11: Total student fees and charges for Hospitality Certificate Level 1 (Kitchen Operations), by provider, 2003 (\$)

	Hours <i>All units</i>	Tuition		Non-tuition					Total fee	
		Rate per hour	Total tuition	Amen./serv.	Material/res.	Tools of trade	Stand.	Conc.	Stand.	Conc.
		<i>Stand.</i>								
		\$	\$	\$	\$	\$	\$	\$	\$	\$
North Coast (Grafton), NSW	189	n.a.	n.a.	130.00	0.00	0.00	0.00	120.00	250.00	120.00
Riverina (Albury), NSW	189	n.a.	n.a.	130.00	0.00	0.00	75.00	90.00	295.00	165.00
Gordon TAFE, Vic.	137	1.00	n.a.	137.00	40.00	41.44	20.00	115.00	313.44	216.44
VUT (TAFE Div), Vic.	137*	1.00	n.a.	137.00	40.00	88.50**	40.00	218.00	483.50	386.50
Southbank-Colah, Qld	145	0.91	0.23	131.95	33.35	0.00	0.00	0.00	131.95	33.35
Adelaide TAFE, SA	245	2.45	1.95	600.25	477.75	0.00	0.00	113.00	713.25	590.75
Spencer TAFE, SA	210	2.45	1.95	514.50	409.50	0.00	0.00	0.00	514.50	409.50
Murray TAFE (Barossa), SA	130	2.45	1.95	318.50	253.50	0.00	0.00	0.00	318.50	253.50
Central West (Bunbury), WA	160	1.21	0.64	193.60	102.40	21.00	153.00	0.00	367.60	276.40
Drysdale TAFE, Tas.	161	1.50	0.50	241.50	80.50	0.00	120.00	400.00	761.50	600.50

Notes: Victoria University of Technology amenities and services fee includes a \$40 building levy for on-campus study. Miscellaneous charges are excluded.

* Estimate.

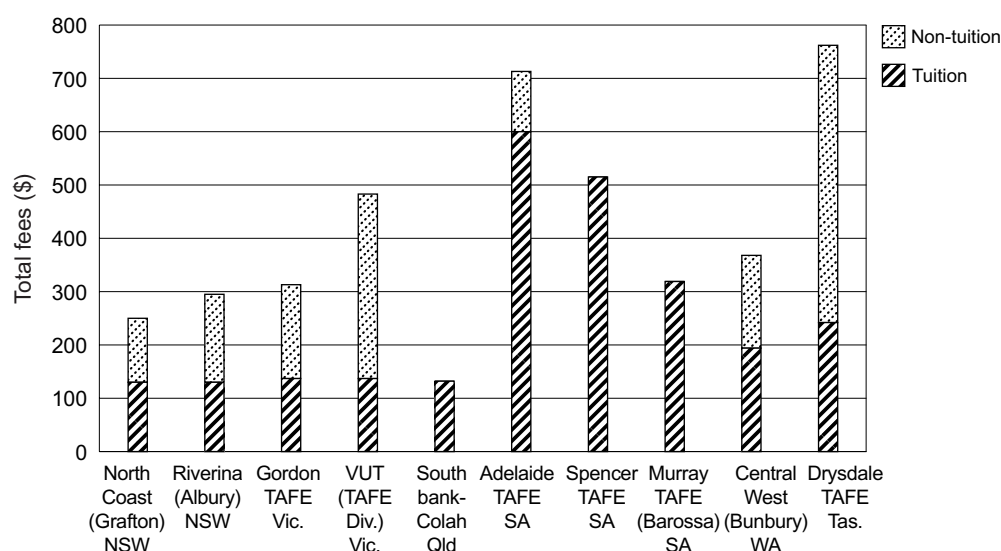
** Includes \$40 building levy.

Sources: TAFE institute web sites and personal communication with TAFE institute staff.

Total contact hours are determined by the elective units of competence offered within the course that are determined by the institute. Although a student is technically eligible for a Certificate Level 1 (Kitchen Operations) after completing the nine core units of competence and one elective, the courses at Spencer TAFE and Adelaide TAFE involve more than one elective and it appears that students are required to enrol for the entire course and pay the full price. The institutes justify this course load in terms of meeting the needs of local industry and improving the students' prospects in the labour market. The extent to which this claim is justified in terms of student outcomes warrants further investigation.

The main finding of this small survey is the extent to which the number of training hours affects the tuition fee charged for each course. The training hours involved in delivering a Certificate Level 1 (Kitchen Operations) ranges from 137 at Gordon TAFE in Victoria to 245 at the Adelaide TAFE in South Australia. This has a significant impact on the cost of the course in each state. If the Spencer TAFE course were delivered for the same number of hours as the Gordon TAFE course, the cost of the Spencer course would be \$335.64 (standard) and \$267.15 (concession)—almost the same as the total cost of the course at Gordon TAFE. The very large number of training hours serve to make the Spencer TAFE and Adelaide TAFE courses among the most expensive, rather than other factors, as illustrated in figure 7.

Figure 7: Total student fees and charges for Hospitality Certificate Level 1 (Kitchen Operations), by provider, 2003 (\$)



Source: Data in table 11.

Charges for materials and resources consumed during the course also have a significant impact on the total cost of the course. The course at Tasmania TAFE (Drysdale) is the most expensive of those compared because students are required to purchase a uniform for \$150 and a knife kit worth \$250, as well as pay a materials/resources fee of \$120. This brings the total course fee to \$761.50 (\$600.50 for concessional students). In Victoria, where the tuition fee concession is very generous—capped at \$40 per year—the charges for materials and the cost of tools of trade raises the concessional fee by several hundred dollars. Admittedly, cookery is one of the more expensive courses in terms of materials consumed, so this would not be the case for all courses. Most cookery courses require students to purchase tools of trade, either privately or from the institute. The tools of trade for this course involve a uniform—usually costing around \$100—and a set of kitchen knives. The cost of the knife kit varies depending on the quality of the set—starting at around \$120. At Gordon Institute (Victoria), the students can hire the knife kit for \$15. At Victoria University of Technology and Drysdale (Tasmania), students are required to buy a knife kit. In all other courses compared, the purchase of a knife kit is not compulsory, although it is highly recommended in most institutes.

The full cost of delivering the Certificate Level 1 (Kitchen Operations) is probably around \$7200 per year. This is the fee charged by *Le Cordon Bleu Australia* in Sydney for its ten-week course, leading to a Certificate Level 1 in Hospitality (Kitchen Operations) offered. If \$7200 is the approximate cost of delivering this course, the fee paid by students at Drysdale (Tasmania) and Adelaide TAFE (South Australia) represents around 10% of the total cost. In contrast, the fee of \$131.95 paid by students at Southbank-Colah (Queensland) is less than 2% of the total cost of course delivery.

One final qualification about the data presented here is that although the courses all lead to a Certificate Level 1 (Kitchen Operations), they serve different sub-sectors of the hospitality industry, and this can have an impact on the fees charged—particularly the materials/resources fees. The course at Southbank-Colah in Queensland, for example, is a course specifically designed to train kitchen hands employed in nursing homes, through flexible delivery. As a result, there are no materials charges and students are not required to purchase uniforms or tools of trade. In contrast, courses that require students to purchase expensive tools of trade are more likely to be the first stage of training towards higher level qualifications as a chef. The courses that have high numbers

of elective units (such as Spencer TAFE and Adelaide TAFE) may serve regional labour markets that have different training requirements.

Summary

Although the formula for charging tuition fees is determined by government, in all jurisdictions except the Northern Territory, the total *tuition* fee paid by the student will depend upon the:

- ✧ status of the student (concessional or standard enrolment) in all jurisdictions
- ✧ number of training hours in all jurisdictions except New South Wales
- ✧ level of the course in New South Wales and South Australia
- ✧ field of study in South Australia.

The New South Wales system of charging a flat tuition fee per level of course is the most transparent of all the funding policy frameworks because the tuition fee paid does not vary according to the number of hours of training. The main factor influencing the total fees and charges paid by students outside of New South Wales is *the number of training hours* determined by the institute. Hours of training for the same course vary between institutes as a result of:

- ✧ minor differences in total hours of tuition for core units of competence
- ✧ major differences in the range of elective units offered within each course.

For example, the number of training hours delivered for one course of study—a Certificate Level 1 in Hospitality (Kitchen Operations)—ranges from 130 hours in one institute to 245 hours in another institute *within the same state*.

The most significant *non-tuition* cost faced by students is for course materials—resources consumed during the conduct of the course—and the mandatory purchase of tools of trade (equipment which remains in the student's personal possession). In South Australia, materials costs are included in the centrally mandated fee schedule and providers are prohibited from charging additional fees for course materials apart from tools of trade (which can be a significant cost in some courses). Fees charged for non-tuition costs such as course materials and tools of trade appear to be relatively similar between institutes, varying according to the type and quality of the tools of trade required.

Issues for policy and research

This report provides a factual summary of the VET fees and charges policies in each state and territory. It does not analyse the impact of those policies on individual students. Nevertheless the findings suggest several issues that should be addressed through research and policy at either the state or national level.

Inadequate information

In all states and territories it is not possible to know the full cost of a VET course (both tuition and non-tuition) without inquiring at the institute level.

Only a few institutes publish the hours of training delivery per course and most institutes do not publish non-tuition costs such as materials and resources and tools of trade. Western Australia is the only state that requires institutes to publish materials and resources fees. Although this information is made available to students prior to enrolment, it makes it difficult for students to compare the costs of courses between institutes. Students in New South Wales are aware of total tuition fees because they are set at a fixed rate per type of course, but the non-tuition costs for courses are not always published by institutes in New South Wales.

It is impossible to say with any accuracy the total fee faced by a VET student in any particular course of study without making inquiries of the course convenor to gather data on hours of training, units of study, amenities and services fees, materials/resources fees and the required tools of trade. These data are necessary to work out the implications of the state and territory charging policies for individual students (both concessional and standard enrolments) in all jurisdictions.

The lack of publicly available information about total course costs means that potential students have no capacity to compare the cost of courses between institutes. These problems could be addressed if institutes were required to publish course costs (both tuition and non-tuition) on a central database—such as a web site. A central repository of information on course fees and charges would assist students to compare the costs of courses. It would also highlight the lack of consistency in course fees and charges between institutes across Australia.

The high cost of some courses

Although the average charge of undertaking a VET course in terms of both tuition and non-tuition costs appears modest, the costs are high for some courses in particular industries owing to the need for expensive course materials. In Western Australia, materials and resources charges for some courses are as high as \$2788. These courses are a small proportion of total courses and are typically in the fields of art and design, such as animation, ceramics, fashion textiles design, fine art, jewellery or photography. It is possible that low-income students would be deterred from enrolling in courses with such high non-tuition costs. This would be the case in all states except South Australia, where total fees (that include non-tuition costs) are now capped at \$1200 per year.

There is little research on the extent to which the high cost of some courses is a barrier to student participation, although a Western Australian study reported the view that high materials charges in some courses were a deterrent to students enrolling in their preferred course of study. It is clearly unfair for VET students to face financial barriers to enrolment in high-cost courses when this does not occur in other sectors. In higher education, for example, there are three levels of HECS charges that apply to courses with different costs of provision. But the level of student contributions for a course like medicine, for example, does not reflect the full cost of providing the course. Expensive university courses are funded through additional government expenditure and some cross-subsidisation from lower cost courses.

Given that high cost VET courses are a small proportion of total VET provision, it should be feasible for governments to provide additional funding to make the cost of these courses more comparable to the average total cost of other VET courses at that level. To implement such a policy change, governments would need to take steps to regulate the range of 'hidden' non-tuition costs currently imposed in most VET courses in all jurisdictions except in South Australia.

Lack of consistency

At a broad level, there is some consistency in VET charging policies across Australian states and territories in that:

- ✧ all jurisdictions except New South Wales charge a fixed rate per hour of training
- ✧ all jurisdictions except South Australia permit institutes to impose non-tuition charges
- ✧ all jurisdictions offer tuition concessions and exemptions to categories of disadvantaged students.

But within this broadly consistent policy framework, there is very little consistency in the VET fees and charges imposed on students because:

- ✧ the fixed rate per hour for tuition is different in each state and territory
 - ◆ the number of hours per course are variable
- ✧ the non-tuition charges vary according to the type of course and the institute
- ✧ the fees and concessions offered to disadvantaged students vary between jurisdictions.

A question for policy and research is whether a more consistent fee regime should be adopted throughout Australia or within jurisdictions. In 2001, total income from VET student fees and charges was \$182 million. This represents 4.4% of total VET revenue in Australia—ranging from 3.1% in New South Wales to 7.5% in South Australia. For such a modest source of revenue, it could be argued that no policy change is necessary.

On the other hand, if the differences in course costs were to become more widely known—through, for example, requiring institutes to publish their course costs on a central database—students would be equipped to 'shop around' for the cheapest courses. In this context, the lack of consistency between states and territories could contribute to 'welfare migration' where students have an incentive to move to the jurisdiction with the lowest fees and charges—which would place unfair pressure on the government with the most generous fee regime. The industries in states with the less generous fee regimes are also disadvantaged if relatively high TAFE fees act as a barrier to participation or encourage potential students to transfer out of the state.

If a nationally consistent policy for VET fees and charges were to be introduced, it should be developed from a set of agreed principles such as:

- ✧ maximising access to VET courses, particularly at the foundation levels

- ✧ providing a transparent and simple fee structure for students
- ✧ maximising access to VET courses for students from disadvantaged social groups.

Given the increasing level of student movement between the VET and higher education sectors, it may be timely to consider ways of making VET fees and charges more consistent with the national fee regime for higher education.

Summary

The lack of information about the current system of VET fees and charges makes it difficult to analyse the impact of fees and charges on student participation. The absence of publicly available information about total course costs means that potential students have no capacity to compare the cost of courses between institutes. These problems could be addressed if institutes were required to publish course costs (both tuition and non-tuition) on a central database—such as a web site.

While the average cost of undertaking a VET course is usually modest, the cost of undertaking some courses are very high, particularly for courses requiring expensive materials or tools of trade. For example, non-tuition costs in one course in Western Australia are \$2788 per year. Given that high cost VET courses are a small proportion of total VET provision, it should be feasible for governments to provide additional funding to make the cost of these courses more comparable to the average total cost of other VET courses. To implement such a policy change, governments would need to take steps to regulate the range of ‘hidden’ non-tuition costs currently imposed in most VET courses in all jurisdictions except in South Australia.

There is no consistency in the fee regimes across Australia and there are many variations between institutes within the same state or territory. As all states and territories except New South Wales calculate tuition fees at an hourly rate (where the number of training hours is determined by institutes) and all institutes are free to charge additional non-tuition costs, it is impossible to determine the total fee paid by a VET student anywhere in Australia without collecting data at the institute level. Even then, students enrolled in the same course in the same institute could be paying different tuition fees owing to different hours of enrolment.

If a nationally consistent policy for VET fees and charges were to be introduced, it should be developed from a set of agreed principles as focussing on accessibility and transparency. The relationship between the VET and higher education sectors might also be considered.

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Appendix A: New South Wales

Summary of fees and charges, 2003

Fee		Application	Concessions for disadvantaged	Notes
Tuition or 'administration charge' 2003 ⁴				
<i>Full year</i>	<i>One semester or less</i>			
\$710	\$355	Graduate diploma	One individual exemption from the administration charge each calendar year for eligible students.	No part-time fees. Administration charge paid on all enrolments for all types of delivery.
\$710	\$355	Graduate certificate	Exemptions from the administration charge apply to the following students:	
\$710	\$355	Advanced diploma	✧ Australian Aboriginal and Torres Strait Islander people, whether they receive Abstudy or not	
\$710	\$355	Associate diploma; diploma;	✧ Disabled students who are clients of teachers/consultants and not eligible for exemption under any other category	
\$260	\$130	Certificate IV	✧ Students enrolling in courses exempted from the charge*	
\$260	\$130	Certificate III	✧ Students enrolling into outside funded programs	
\$260	\$130	Certificate I and II	✧ Needy students receiving any of the following pensions or allowances** at the time of enrolment are eligible for an exemption. More than one exemption is available to: ✧ Aboriginal and Torres Strait Islander students ✧ students articulating from one exempt course to another exempt course ✧ students seeking articulation from an exempt course to a TAFE NSW mainstream vocational course may be granted a second exemption provided they meet the criteria under the needy students' category Selected courses are exempt from the administration charge.	

Notes: * see list of courses exempt from the administration charge on page 37
 ** see list of pensions and allowances on page 37

⁴ A new TAFE NSW fee structure has been announced for 2004. This includes higher annual fees for different qualification levels and changes to the exemption policy.

***Courses exempt from the administration charge**

Aboriginal Vocational Preparation
Aboriginal Access to Further Study
Access to Work and Educational Opportunities
Language, Literacy and Numeracy
AUSLAN
Adult Foundation Education General
Work Opportunities for Women (WOW)
Career Education and Employment for Women
Signed English
Adult Foundation Education First Level
Adult Foundation Education Second Level
Adult Foundation Education Third Level
Adult Foundation Education
Business Access
Tutorial Support
Employment Skills
ESOL (Access)
ESOL (Access)
Foundation and Vocational Education
Foundation and Vocational Education—Stage 1
Foundation and Vocational Education—Stage 2
Foundation and Vocational Education—Stage 3
Foundation and Vocational Education—General
Outreach Access Courses
Adult Literacy Volunteer Tutoring
English Language Volunteer Tutoring
Schools Volunteer Tutoring

****Pensions and allowances**

Age Pension
Austudy (including Veterans Affairs Children Education Scheme)
Carer Payment
Dependent Child of Eligible Beneficiary
Disability Support Pension
Exceptional Circumstances Relief Payment
Family Tax Benefit Part A (Maximum Rate)
Farm Help
Farm Household Support Scheme
Mature Age Allowance
Newstart
Partner or Spouse of Pension/Allowance Recipient
Parenting Payment (Single)
Sickness Allowance
Special Benefit
Veterans Affairs Payments
Widow Pension (including Widow B Pension)
Wife Pension
Widow Allowance
Youth Allowance

Fee	Application	Concessions for disadvantaged	Notes
Non-tuition			
<i>Amenities/services</i>			
\$15	Student association membership		Voluntary
<i>Materials</i>			
Varies	Course-related charges		No policy coverage
<i>Miscellaneous</i>			
\$35	OTEN-Distance Education handling fee		
\$8 per student/teacher contact hour	Temporary visa holders tuition fees		
Varies	Fees for commercial courses		
Varies	Commercial recognition fees		
Varies	Licence fees		
Varies	Car-parking (semester or annual)		

Fee payment options

Option
Accepted methods of payment for the administration charge and other related charges are:
✧ EFTPOS
✧ Personal or bank cheque made payable to TAFE NSW
✧ Credit card (Visa, MasterCard and Bankcard)
✧ Money order made payable to TAFE NSW.

Refunds policy

Refund of tuition (administration charge)	<p>Institute directors and the director OTEN-DE have the authority to approve refunds of the administration charge.</p> <p>Refund of the administration charge may be given in the following exceptional circumstances:</p> <ul style="list-style-type: none"> ✧ students who have overpaid the administration charge ✧ students enrolled in a course that has been cancelled by the college/campus or institute ✧ the student pays but receives Youth Allowance or Austudy commencing within two weeks of the enrolment date or the date of first attendance at class ✧ within the first three teaching weeks, the student is offered and accepts a place in a course at university or at the same/another TAFE NSW college/campus ✧ the student enrolls in a course only to repeat a failed subject but is then granted a pass in that subject by an Assessment Review Committee ✧ the student advises the college/campus, <i>before classes commence</i>, that they are withdrawing from the course ✧ the delegate is of the opinion that the applicant/student would be unreasonably disadvantaged if not granted a refund. For example, a student who meets with a <i>serious</i> misadventure and is unable to continue his/her enrolment.
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Sources: TAFE NSW website and advice from government officials.

Appendix B: Victoria

Summary of fees and charges, 2003

Fee	Application	Minimum and maximum fees	Concessions for disadvantaged	Notes
Tuition				
\$1 per student contact hour.	All enrolments in government-funded courses by one student in one calendar year Includes off-campus courses, traineeships and apprenticeships Fee-for-service and commercial courses not eligible for concessions	Minimum fee of \$40 applies; and maximum fee of \$500 applies (e.g. a 240-hour course costs \$240); 20-hour course costs \$40 (min.); and 700-hour course costs \$500 (max.) For apprentices and trainees a maximum fee of \$290 per calendar year applies For VCE courses, a maximum of \$420 applies, with the maximum of \$500 payable for all government-funded studies	Eligible students ⁵ and their dependents or students holding a valid TAFE Voucher only pay \$40 minimum fee AUSTUDY recipients receive a 50% concession to a maximum fee of \$250 Selected courses ⁶ must not charge more than the minimum tuition fee No tuition fees are charged for prisoners, detainees, youth on remand, or students under court orders Other exemptions and concessions at discretion of provider	Statewide policy set by state government. [Ministerial Directions to Councils of TAFE Institutes and Universities with TAFE Divisions (Schedule 1), made under the <i>Vocational Education and Training Act 1990</i> (Vic), s.6]

⁵ 'Eligible students' are Aboriginal and Torres Strait Islander students and students and their dependents in receipt of the following benefits: Age Pension; Veterans' Affairs Service Pension (Age); Carer's Pension; Additional Family Payment; a formal training allowance paid by the Commonwealth Department of Employment, Education and Training and Youth Affairs; Disability Support Pension; Veterans' Affairs Service Pension (Invalid); Job Search Allowance, provided that the person has not been a full-time secondary student in the preceding 16 weeks; Mature Age Allowance; Rural Adjustment Scheme; Sickness Allowance; Sole Parent's Pension; Special Benefit; Newstart Allowance; Widow's Pension; Youth Training Allowance; or Partner Allowance.

⁶ 'Selected courses' are courses (including Stream 2000) in: Basic Adult Education; Literacy or numeracy; and ESL. Also courses targeted at people who are: Disadvantaged Women; over 12 months unemployed, old-age pensioners; and disabled.

Fee	Application	Minimum and maximum fees	Concessions for disadvantaged	Notes
Non-tuition				
<i>Amenities/services⁷</i>				
30 cents per enrolled hour (e.g. TAFE only)	All enrolments in government-funded courses by one student in one calendar year, including flexible learning	Maximum of \$150 per calendar year No maximum student services fee; determined by each provider	For students with a valid Youth Allowance TAFE Voucher, maximum of \$20 applies All other students pay fee Provider must make provision for appropriate concessions or exemptions in cases of hardship (Ministerial Directions)	State government policy [Ministerial Directions—as above] allows compulsory non-academic fees to be determined by provider ⁴
No fee set by Ministerial Directions				
\$5 per hour (e.g. TAFE)	Outreach courses			
<i>Materials/resources</i>				
Varies	Where students receive course notes or goods	Charged by providers on a cost-recovery basis for materials that remain in possession of the student		State government policy [Ministerial Directions] allows providers to recover the actual cost (but no more than this) of providing goods or material to be retained by the student
	Excursions		No concessions	State government policy [Ministerial Directions] allows providers to recover the actual cost of an excursion or field trip which is not a requirement of the accredited course
<i>Miscellaneous</i>				
Varies	Recognition of prior learning	Providers may recover no more than the actual cost of a recognition of prior learning assessment if conducted at the request/ with the consent, of the student		Ministerial Directions

⁷ State policy gives providers discretion to determine the level of, and charge this fee, provided they make provision for appropriate concessions or exemptions in cases of hardship and impose, collect and expend fee in accordance with Division 3 of the Tertiary Education Act 1993.

Fee payment options

Option	Scope
Full payment on enrolment	All fees
Instalments over the duration of course by Direct Debit from bank account (student loan)	All fees
A letter/purchase order from employer/government agency acknowledging their responsibility for payment of fees	All fees

Refunds policy

Full-refund of tuition and non-tuition fees	If student enrolls in another government-funded course within four weeks of commencement
Full refund of tuition and non-tuition fees less minimum tuition charge (\$40)	If student withdraws within four weeks of commencement
Full refund of tuition fee and pro-rata refunds of non-tuition fees	If provider cancels the course at any time during enrolment
Partial refund of tuition fees	If student does not undertake tuition in part of a government-funded course because of recognition of prior learning or If student withdraws from only part of a course or if only part of a course is cancelled
Other refunds (or refunds of greater amounts than provided above)	At discretion of provider

Sources: Department of Education and Training—Victoria 2002 *Conditions as to fees and charges* <<http://gftp.ette.vic.gov.au/gftp/ATTP/Fees.asp>>; East Gippsland Institute of TAFE website; and advice from government officials.

Appendix C: Queensland

Summary of fees and charges, 2003

Fee	Application	Minimum and maximum fees	Concessions for disadvantaged	Notes
Tuition				
\$0.91 per nominal hour for a subject ⁸	Government-funded subjects at TAFE institutes and private registered training organisations (While not governed by the regulation, in Qld private registered training organisations that deliver government-funded programs i.e. User Choice and Competitive Purchasing are required under their contracts to charge the same rate as the regulation requires)	Maximum of \$715.00 per year for a full program of study	75% of tuition for eligible students ⁹ Full exemption of tuition and services fees at discretion of director for students experiencing extreme financial hardship ¹⁰ No tuition or student services fee for specific government-funded subjects or tests ¹¹	Statewide policy set in subordinate legislation
\$45.80	One or more BSSSS subjects or equivalent for a semester			
Non-tuition				
<i>Amenities/services</i>				
\$0.23 per hour		Maximum of \$172.20 per year for a full program of study	Full exemption of tuition and services fees at discretion of director for eligible students (see above) No tuition or student services fee for specific government-funded subjects or tests (see above)	Statewide policy set in subordinate legislation
\$57.50	One or more BSSSS subjects or equivalent for a semester			Statewide policy set in subordinate legislation

⁸ 'Subject' includes module, unit of competency and element of competency.

⁹ 'Eligible students' are: students under 17 who have not completed Year 12; students under 18 taking courses that include BSSSS subjects in a program equivalent to Years 11 or 12; Aboriginal and Torres Strait Islander students; holders of health care or pensioner concession cards and their dependents.

¹⁰ Students must satisfy the director that they are suffering extreme financial hardship and must apply in writing on an approved form when enrolling.

¹¹ Where state governments or Commonwealth Government requires there to be no fee (e.g. adult literacy or numeracy program funded by state); where voluntary tutors are used; tests for placement in literacy or numeracy programs; extra learning support subjects; subjects that are part of student's secondary education.

Fee	Application	Minimum and maximum fees	Concessions for disadvantaged	Notes
Non-tuition				
<i>Materials</i>				No legislative coverage
<i>Other</i>				
25% of fees payable per nominal hour	Vocational placements			Statewide policy set in subordinate legislation
At cost to a maximum of \$284.00	Trade, apprentice-level or trainee level test			
\$28.70	Re-evaluation of results (<1 hour)			
At cost	Re-evaluation of results (>1 hour)			
\$13.75	Replacement award			
\$9.20	Student academic history or equivalence statement			
\$11.50	Late enrolment			
\$103.45	Literacy or numeracy test for a special entry apprentice			
At cost	Student ID card			
At cost	Supervising student's examination at another TAFE institute			

Fee payment options

Option	Scope	Notes
Full payment on enrolment	All courses	
Deferred payments of tuition and services fees, time to pay	If fees over \$75, at discretion of director	Statewide policy set in subordinate legislation

Refunds policy

Full refund of tuition and services fee (not really a refund, more a transfer of the fees paid from the cancelled subjects to the new subjects or institute)	If student transfers enrolment to another subject or TAFE institute, or cancels and re-enrols within two weeks
Full refund of tuition and services fees	If subject or course cancelled by director
Full refund of tuition and services fees less \$10.00 administration charge	If student received academic exemption If student cancels before course starts During course: <ul style="list-style-type: none"> ✧ if student accepts place through the Queensland Tertiary Admissions Centre ✧ if student withdraws due to illness or injury ✧ if exceptional circumstances prevent student from completing

Sources: *Training and Employment Act 2000*. Training and Employment Amendment Regulation (No.1) 2001. Training and Employment Amendment Regulation (No.2) 2002 and advice from government officials.

Appendix D: South Australia

Summary of fees and charges, 2003

Fee	Application	Minimum and maximum fees	Concessions and exemptions	Notes
Tuition				
\$0.50 for pre-vocational courses ¹²	Hourly rate varies by field of study ¹³	Maximum of \$1200 per annum (two consecutive semesters)	100% exemption for Aboriginal education courses	Tuition fees contribute to all costs associated with learning. Separate materials fees are prohibited by state government
\$1.15–\$6.15 all other courses		No maximum for new apprenticeships and traineeships	Concession of \$0.50 less per hour for eligible students, ¹⁴ except for pre-vocational courses	
Average for all courses is \$2.09 per hour			100% exemption in cases of financial hardship at discretion of institute (no reimbursement by state)	
Non-tuition				
Amenities/services				
Nil	Student association membership			Not allowed
Nil	Enrolment/application			Not allowed
Materials				
Nil	Non-commercial notes/handouts and consumables			Materials fees prohibited
Varies by course	Tools of trade/items that remain property of student on completion of course Wine consumed in wine industry courses			Institutes are allowed to charge for items that remain the property of the student after course completed
Miscellaneous				
\$10	Student-initiated refund of TAFE fees, except when student has accepted university place			
50% of course fee	Recognition of prior learning/recognition of current competencies	Maximum of \$1200 per annum (two consecutive semesters)	Concession of \$0.50 less per hour for eligible students (as defined above)	
At discretion of institute	Academic history			
Nil	Car parking			Not allowed

¹² Except for Certificate in Voc.ED—Gen. Engineering (Drafting—Building and Furnishing) at \$1.35 per hour.

¹³ There are some exceptions to this general rule.

¹⁴ Holders of health care card, pensioner concession card, veterans affairs pensioner concession card and prisoners.

Fee payment options

Option	Notes
Full payment	
Payment by instalments	At discretion of institute director

Refunds policy

Full refund	Student withdraws from course prior to commencement, or accepts university place. Institute cancels course
50% refund	Student withdraws before 50% of delivery has been concluded

Sources: South Australia, Department of Further Education, Employment, Science and Technology (2002), supplied to the author by the South Australian Government officials.

Appendix E: Western Australia

Summary of fees and charges, 2003

Fee	Application	Minimum and maximum fees	Concessions and exemptions	Notes
Tuition				
\$1.21 per hour	Streams 3000 and 4000: bridging courses and VET courses, including delivery by flexible learning Stream 2000: entry-level training and bridging courses are free Tertiary Entrance Examination courses under different fee structure VET in Schools students (incl. traineeships) exempt Note: these fees do not include resources fees	Maximum of \$441.70 per semester No different for apprentices and trainees, even if 100% on the job training Full fee payable for enrolments in part-module/unit of competency	\$0.64 per hour to maximum of \$220.85 per semester for eligible students ¹⁵ All fees and charges may be waived at discretion of registered training organisation managing director in cases of severe financial hardship	
Non-tuition				
<i>Amenities/services</i>				
\$21.00 per semester	Enrolment fee All courses (incl. Stream 2000)		VET in Schools students (incl. traineeships) exempt	
<i>Materials</i>				
Resource fee ranging from \$0 to \$2788 (2001) Average value of resource fee statewide in 2001 was \$81.89	Materials purchased by the college to be consumed or transformed by students in the course instruction, including internet charges and other services utilised by students in courses of instruction, but not leasing, purchase or depreciation of equipment or general infrastructure Excludes equipment that must be purchased by the student and retained for personal use (i.e. text books)	Pro rata for part course enrolments	No concessions Registered training organisations must provide training record books and relevant flexible learning guides to trainees and apprentices free VET in Schools students (incl. traineeships) exempt	Must be published by providers prior to commencement of academic year Since 1995, must not be increased by more than the Perth consumer price index Applied by registered training organisation chief executive officers and must be substantiated

¹⁵ 'Eligible students' includes persons and dependents of: Abstudy/Austudy recipients, holders of a health care card, a pensioner concession card, a veteran health benefit or youth allowance, and people who are inmates of a custodial institute.

Fee	Application	Minimum and maximum fees	Concessions and exemptions	Notes
<i>Miscellaneous</i>				
Varies	Parking			At discretion of registered training organisation
Varies	Security			At discretion of registered training organisation
\$50	Remote assessment fee for remote students			
\$20 per module/unit of competency	Assessment only enrolments			
\$1.21 per hour (\$0.64 concession)	Skills recognition for credit (recognition of prior learning and recognition of current competencies) assessment No charge for Stream 2000	Maximum of \$441.70 per course/qualification Maximum applies to combined cost of skills recognition and any training undertaken, per semester	Maximum of \$220.85 concessional rate Maximum applies to combined cost of skills recognition and any training undertaken, per semester	
<\$70	Skills recognition for entry No charge for Stream 2000		<\$40 concessional rate	
\$20–\$50	Recognition of overseas qualifications			
\$25	Re-marking of assessment			

Fee payment options

Option	Scope
In full in advance	Yes
Instalments	For students who qualify for financial hardship
Signed authority to invoice and employer	

Refunds policy

Full refund	Course/module/unit cancelled or re-scheduled at an unsuitable time
Full tuition refund and 50% refund of resources fee	Student accepted into university Student withdraws from course within four weeks of commencement or before 25% of delivery has been concluded
Pro rata refunds	When students withdraw for personal reasons beyond their control

Note: Fees for 2003 unless otherwise indicated.

Sources: Western Australia Department of Training 2002a; Central TAFE Homepage; McLure, Koshy & Birch 2002; Advice from government officials.

Appendix F: Tasmania

Summary of fees and charges, 2003

Fee	Application	Minimum and maximum fees	Concessions for disadvantaged	Notes
Tuition				
\$1.50 per hour	A training fee of \$1.50 per nominal delivery hour is payable	Maximum of \$900 per year	Training fee reduced to \$0.50 per hour to a maximum of \$250 per year for eligible students	Eligible students are people or their dependents receiving specified government benefits and allowances
Higher rates	Commercial programs Full paying international students	None		
Free	ANTA Competitive Bids, Women's Programs, Aboriginal Programs All Cert I or II ANTA funded traineeships and apprenticeships; designated Cert III and IV Basic Competencies in General Education, New Apprenticeships Access Programme, Adult Migrant English Programme Literacy and Numeracy, Start@TAFE, New Enterprise Incentive Scheme		n.a.	The chief executive officer is authorised to expand the list of courses for which a fee concession applies, for trainees and apprentices, having regard to market forces
Non-tuition				
<i>Amenities/ services</i>				
	n.a.			
<i>Materials</i>				
Varies by course	Textbooks, equipment and consumables	At state manager's discretion	Fee waiver. May be negotiated in exceptional circumstances	
<i>Miscellaneous</i>				
	Licenses, computer access, additional trade testing, excursions	At state manager's discretion	Fee waiver. May be negotiated in exceptional circumstances	

Fee payment options

Option	Scope	Notes
In full in advance	Cash, cheque, credit card, including by phone	Payment can also be made at Australia Post offices. In exceptional circumstances, fees may be waived
Instalments	Those unable to pay total fees at enrolment	Deposit and instalments adjusted so that payment completed by completion of study
Centrepay deductions	Minimum deposit of \$100	
Third Party such as employer/sponsor	Recipients of Centrelink benefits. Minimum deposit of \$50	

Sources: TAFE Tasmania website and advice from government officials.

Appendix G: Northern Territory

The Northern Territory has no policy regarding student fees and charges in VET, although they are currently going through a funding model review and therefore this may change in the near future. The three publicly funded registered training organisations—Northern Territory University (NTU), Centralian College of TAFE and Batchelor Institute—are paid block grants and how they charge students is the responsibility of the institute. Batchelor College advised that it does not charge any fees to its students. Information from Centralian College was not available. Fees and charges from the Northern Territory University are detailed below.

Summary of fees and charges, 2003

Fee	Application	Minimum and maximum fees	Concessions and exemptions	Notes
Tuition				
\$0.70 per hour			100% tuition and amenities fees for pensioners, Aboriginal and Torres Strait Islander and remote students and courses at AQF Levels 1 and 2 Regional students at external rate	NTU
Non-tuition				
<i>Amenities/services</i>				
Proportion of full-time fee		Ceiling of \$224 per year		NTU
<i>Materials</i>				
Varies by course				NTU
<i>Miscellaneous</i>				
\$0.25 per actual hours contact	Recognition of prior learning			

Sources: Northern Territory University website and advice from government officials.

Appendix H:

Australian Capital Territory

Summary of fees and charges, 2003

Fee	Application	Minimum and maximum fees	Concessions for disadvantaged	Notes
Tuition				
\$1.20 per hour	Most programs	Special fee of \$156.80 per semester for first-year apprentices and trainees	50% tuition (excluding apprentices and trainees) for eligible students ¹⁶ 100% tuition for courses in literacy, numeracy and foundation studies	Tuition fees set by minister Other fees determined by CIT
Non-tuition				
<i>Amenities/services</i>				
\$31.90 per semester	Student association membership			
	Administration fee		No concessions	
<i>Materials/resources</i>				
Varies by course			No concessions	Must reflect real cost
<i>Miscellaneous</i>				
\$80	Late fee		No concessions	
\$25 of 50Mb download	Internet access fee			
\$15	24-hour computer laboratory access			

Fee payment options

Option	Notes
In full in advance	
Loans and grants (limited number offered by CIT and CIT Student Association)	Government funding of \$100 000 p.a provided for this purpose

Sources: CIT website and advice from government officials.

¹⁶ 'Eligible students' are those in receipt of: youth allowance; newstart allowance; Abstudy/Austudy payment; pensioner concession; VET's children's education scheme allowance; VET's service pensioner concession; parenting payment; partner allowance.