



Education Services for Overseas Students

Removal of study periods

In December 2015 the Education Services for Overseas Students (ESOS) Amendment (Streamlining Regulation) Bill 2015 passed through Parliament to amend the Education Services for Overseas Students Act (ESOS Act). The removal of study period requirements came into effect on Monday 14 December 2015.

Overview

- The definition of a study period has been removed from the ESOS Act. Previously it was defined as a maximum 24-week period.
- A study period still must not exceed six months as defined in the *National Code of Practice for Providers of Education and Training to Overseas Students 2007* (the National Code).
- Providers are no longer restricted to collecting outstanding tuition fees two weeks prior to a second study period.
- Written agreements must still set out course details, an itemised list of course money payable by the student including tuition fees, and refund arrangements, as required by the National Code.
- While written agreements no longer need to set out prescribed information for *study periods*, providers should still clearly set out the period of time to which a particular payment of tuition fees relates for refund calculation purposes.

Benefits for students

The removal of the study period requirement from the ESOS Act will give students more flexibility in the way they pay their fees.

Students can *choose* to pay more of their fees upfront and also agree on a payment plan with their provider setting out when any remaining fees are due to be paid.

The National Code continues to protect students by requiring all providers to have a written agreement that sets out course details, an itemised list of course fees including tuition fees, and refund arrangements.

Benefits for providers

Providers' fee schedules for international students can be aligned with those in place for all other students. There is now no extra requirement to set out the length of study periods or the tuition fees that apply to study periods in ongoing invoices and billing cycles.

As there are no longer restrictions on the collection of further tuition fees, providers can agree on a payment plan with students setting out when any remaining fees are due to be paid once the student starts their course.

Fees to be paid must be set out and agreed to by each student in their written agreement with the provider.

When entering into a written agreement, providers should clearly set out what period of time a payment of tuition fees relates to. Refunds paid under section 47E of the ESOS Act are calculated under the Education Services for Overseas Students (Calculation of Refund) Specification 2014, which involves working out how many weeks are in a default period and the associated tuition fee.

About the *Education Services for Overseas Students Act 2000*

Australia protects international students through the *Education Services for Overseas Students* (ESOS) legislation, which requires institutions to meet nationally consistent standards to provide education and training services. It also enables the Australian Government to monitor education providers. Breaches of the Act are treated very seriously and the penalties can be significant.

All institutions wanting to deliver courses to international students in Australia must be registered on the Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS) and meet the registration conditions set out in the ESOS Act. Providers must comply with the ESOS Act and the National Code and, if appropriate, the ELICOS or Foundation Program Standards to meet these conditions. They must be 'fit and proper' to be registered and have the principal purpose of providing education. The ESOS agency* must be satisfied that the provider will provide education of a satisfactory standard to overseas students. Providers must also pay the registration and tuition protection fees that apply to their institution.

*Note: The changes to the ESOS Act creating the concept of an ESOS agency for a provider take effect on 1 July 2016.