Paying for post-secondary education

Dealing with the costs of post-secondary education.

One of the main ways to improve your chances of getting a job is with a certificate, qualification or degree from an educational institution. In this article, we explore how to pay for education while you're balancing other financial obligations.

University education

While a degree from a university is not essential for securing work in Australia, people with a degree tend to get higher salaries in the long run. So, depending on your interests, having a university qualification can be a good career move. It can also be a very fulfilling experience.

Finding the right course

The Course Seeker website has information and tools for helping prospective students find study options.

Studying part-time

Though institutions and courses differ, university study can be completed on a part-time or full-time basis. So if you need to keep regular pay coming in while studying, you may want to think about how being a part-time student could work for you.

Vocational education and training (VET)

Another type of post-secondary education is vocational education and training, known as 'VET'. This is a type of education that focuses on the practical skills needed for a wide range of specific jobs and trades. Even if you haven't completed high school, there are many paths you can take to further your education and grow your prospects.

VET courses will usually earn you a 'Certificate' or 'Diploma' level qualification. Much like university qualifications, VET qualifications are often required to secure jobs in certain industries.

Who delivers the training

VET courses can be completed at Technical and Further Education (TAFE) colleges funded by the state and territory governments, and privately-run VET registered training organisations (sometimes called Registered Training Organisations or RTOs).

Where to find courses

TAFE Courses

Vocational Education and Training Courses

My Skills directory of training

How VET is designed for workers

VET courses are often set up so people can work at the same time, with arrangements like night classes. Some employers also require that their workers undergo VET courses as part of their employment.

Calculating the cost of education

Different learning institutions cost different amounts to attend. So, when searching for the perfect institution for your learning goals, you may also want to check their fee structure to see what you're up for.

Knowing the fees upfront helps you to not only have a clear picture of what things cost, it also helps you understand potential future debt should you decide to take on a HELP loan.

Costs in addition to fees

- books and equipment
- computer and internet access
- travel to and from campus

Commonwealth-supported places and fee-free courses

A lot of university and VET courses are subsidised by the government, which means the courses have lower costs than others. These are called 'Commonwealth-supported places'. Most state and territory governments also fund fee-free TAFE courses.

HELP Loans

The Australian Government Higher Education Loan Program (HELP) allows eligible students to avoid paying upfront fees for post-secondary education.

Where to find information

StudyAssist – for HELP and other loans, subsidies, scholarships and overseas students

Australian Taxation Office – for study and training support loans

myGov website or app – to check for any outstanding HELP debt

Eligibility for HELP loans

Not all courses and educational institutions are eligible for HELP loans, and you must be an Australian citizen to qualify. But with most higher education places covered, you are likely to find that the course you want to take is offered at an institution where HELP loans are available, which may mean you can start taking the course with no upfront fees.

HELP loans are not available to students of privately-run VET registered training organisations outside of TAFE colleges. You may be able to get a VET student loan instead.

How HELP loans work

When you take out a HELP loan, you're going into a form of debt, but a HELP loan is unlike typical credit card and bank loans.

No interest	Instead of interest charges, the amount you pay back is indexed to inflation. This means that the debt won't increase at the same rate as a bank loan, but at times of high inflation HELP loans can be indexed by quite a lot.
Paying it back	You start paying back a HELP loan once you earn over the 'repayment threshold'. The amount is indexed and is adjusted by the Government. In 2021-22, payments were required on incomes of $47,014 and over. You can check the current repayment threshold here. HELP loans are usually paid out of your wages by your employer on your behalf.
Repayment rate	Payments are calculated at a percentage determined by your income.
When you don't need to pay it back	If you never earn over the repayment threshold or if you pass away and your estate cannot cover the outstanding debt, the debt doesn't need to be paid.
No impact to your credit score	A HELP loan debt has no impact on your credit score, but banks might still take your HELP debt into account when giving you a loan as it impacts what they call your 'borrowing power'.

You can also make your own voluntary payments via the MyGov website as a way to reduce your debt faster.

If you're experiencing financial hardship

Even with the immediate cost of your course covered by HELP loans, getting by as a student isn't always easy. There are many other expenses to cover, and you're also expected to devote a lot of your time to study – which can make you time-poor and unable to earn additional income.

So if you're stressed about money and unable to cover the cost of living, you could be said to be experiencing 'financial hardship'. Depending on your situation, you have options to help you get by.

Student concessions

Having a student card gets you access to discounts on such things as everyday essentials, transport, special bank accounts, and entertainment. While it may only be a few dollars saved here and there, there's nothing to lose by being on the lookout for student savings and taking full advantage when they come your way.

📌For more information about getting around, **see our ways to save on transport page.**

Paying off your HELP loan

If you're finding it hard to repay your HELP debt, you can apply to the Australian Taxation Office (ATO) for support. The ATO may allow you to enter a repayment plan or defer your repayments.

There's a two-year time limit to apply for a deferment of compulsory HELP repayments. Visit the ATO's website or call them on 13 28 61 for more information.

Government support

Centrelink provides financial support to students through various payments

Youth Allowance	financial assistance for students and apprentices who are 24 years old or younger, and are either studying full-time or completing a full-time Australian Apprenticeship.
Austudy	financial help for students and apprentices who are 25 years old or older and are studying or completing an Australian Apprenticeship.
ABSTUDY	range of payments available for Aboriginal and Torres Strait Islander students or apprentices.

There is more government support to explore at Service Australia's higher education payments page and the Department of Employment and Workplace Relations' help with the cost of training page.

📌 **See our dealing with Centrelink page**.

How your learning institution can help

Universities and TAFE institutions often have resources and services to support students experiencing financial hardship. As well as helping with the costs of student life, they may also have resources for dealing with the cost of living more generally. You can look at your learning institution's website or speak with a staff member for more information.

No interest loans

No Interest Loans (NILs) allow you to borrow money to help you get back on your feet without having any of the crippling interest or high fees that come with other forms of loans.

How does it work?

NILs are typically offered for up to $2,000-$3,000 for education fees, rent or bond, essentials like fridges, washing machines, furniture, kitchenware, medical expenses, car repairs, and other goods and services you might need to get back on your feet.

There are certain rules around who can apply for NILs. Broadly, you must:

- have a Health Care Card, a Pensioner Concession Card or have an income below a certain level
- have lived at your current address for more than three months
- show that you can repay the loan.

Who provides NILs?

NILs are a service offered by community organisations. You can find providers over at the Good Shepherd website.

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This information was last updated on 5 June 2023.

The links and resources in this article have been compiled and reviewed by the Brotherhood of St. Laurence. We aren't responsible for what you'll find at the links, *though we do hope you find the information useful. See our disclaimer if you'd like to know more.*

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