



Financial Hardship Definitions and Guidelines

Source: Department Training & Workforce Development VET Fees and Charges Policy 2025 V1.0

1. Severe financial hardship definition

A person is considered to be in severe financial hardship only where they are unable to provide food, accommodation, clothing, medical treatment, or other basic necessities for themselves and/or their dependants. Forms of entertainment or recreation are not basic necessities.

2. Financial hardship assessment

The assessment of whether an applicant qualifies for a fee waiver is to be made on the basis of their individual circumstances and those of any dependent family members.

Subject to the exceptional circumstances outlined below, a fee waiver cannot be given unless **ALL** of the following criteria are met.

Where these criteria are not met, instalment plans are appropriate and extended payment periods may also be considered.

Criteria for severe financial hardship			
	The student's income must not exceed the Services Australia income thresholds for the low income health care card, as outlined below.		
	Status	Weekly income	Income in an 8 week period
1	Single, no children	\$978.75	\$7830.00
	Couple combined, no children	\$1673.75	\$13,390.00
	Single, one dependent child	\$1673.75	\$13,390.00
	Couple combined, one dependent child	\$1716.25	\$13,730.00
	For each extra dependent child, add	\$42.50	\$340.00
2	The student does not have the disposable income to pay the fees via instalments without compromising their ability to meet their basic living needs or those of their dependents.		
3	There is no basis for concluding that the student's financial circumstances are likely to change within a reasonable period (e.g. 12 months).		



3. Supporting documentary evidence

The student must provide relevant supporting documentation to evidence their claim, including evidence as to their financial circumstances. The nature of the evidence provided will depend on the individual circumstances of the student.

Example evidence for assessing income includes pay slips and bank statements.

Example evidence for assessing outgoings includes tenancy agreements and utility bills.

4. Exceptional circumstances

Short term hardship or temporary financial difficulty that arises from a sudden change in circumstances does not generally qualify a person for fee waiver consideration. Only in exceptional circumstances should a fee waiver be considered.

The following provides examples of the types of events that may compromise a student's ability to meet their essential living needs or those of their dependents. The list is indicative and not exhaustive.

- The student or family member has a sudden or unexpected health issue or disability.
- Death of a significant wage earner in the family, where the student had a dependent relationship.
- Relationship breakdown or domestic violence.
- Significant events which are likely to last over the duration of the enrolment period and clearly impact on the student's capacity to provide themselves or dependents with basic necessities such as food, accommodation, clothing, medical treatment and other basic necessities.

Accountable Officers must make their own assessment on whether the student has adequately demonstrated that hardship exists and is likely to persist over the period of enrolment.

In other circumstances a payment plan should be considered.

5. Partial fee waivers

A partial waiver of all fees for enrolled units within an enrolment period is not permitted.

6. Time limit

Fee waivers can only be granted for units commenced within the calendar year.

7. Approvals and reporting

Approvals should be made by the appropriate accountable authority within each organisation and supporting documentary evidence must be retained by the provider for audit purposes.

All fee waivers granted by providers must be reported to the Department, failure to comply is a breach of the training provider's delivery agreement or contract of service.