

BILL NO. 14 OF 2023

A BILL

FOR AN ACT TO AMEND THE TERTIARY SCHOLARSHIPS AND LOANS SERVICE ACT 2014

ENACTED by the Parliament of the Republic of Fiji—

Short title and commencement

1.—(1) This Act may be cited as the Tertiary Scholarships and Loans Service (Budget Amendment) Act 2023.

(2) This Act comes into force on 1 August 2023.

(3) In this Act, the Tertiary Scholarships and Loans Service Act 2014 is referred to as the “Principal Act”.

Section 16B inserted

2. The Principal Act is amended after section 16A by inserting the following new section—

“Cancellation of debt under loan agreement

16B.—(1) Notwithstanding section 16, loan repayments under a loan agreement by a student or a former student prior to 1 August 2023, except for loan repayments under a loan agreement by a student or a former student who was under a loan scheme prior to 1 August 2023 while working in the private or public sector and is yet to fulfil his or her loan repayment, are deemed to have been cancelled.

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(2) Subject to subsection (1), all loan agreements entered into by a student or former student prior to 1 August 2023 are deemed to have been converted into bond agreements.

(3) The terms and conditions of the bond agreements under subsection (2) will be determined by the Fiji Revenue and Customs Service.

(4) A student or a former student who was under a loan scheme prior to 1 August 2023 must fulfil the bond conditions as set out in the bond agreement under subsection (3).

(5) A student or a former student who was under a loan scheme prior to 1 August 2023 and has made partial repayments, must have the option of continuing the loan repayment or fulfilling the bond conditions set out in the bond agreement under subsection (3).

(6) A student or a former student who was under a loan scheme prior to 1 August 2023 and is residing abroad, must continue to make loan repayments under his or her obligations under the loan agreement.

(7) A guarantor for a student or former student who was under a loan scheme prior to 1 August 2023 is obliged to make loan repayments if the student or former student, as the case may be, has left the country prior to 1 August 2023 and defaults on loan repayment or fails to fulfil the bond agreement.

(8) A student or a former student who was under a loan scheme prior to 1 August 2023 and intends to travel abroad for medical, vacation or temporary work purposes is required to provide nominated guarantors for travel clearance.

(9) For the purposes of this section, the Service and the Fiji Revenue and Customs Service must act in good faith in accordance with the Act to resolve issues arising out of the enforcement of the schemes, loan repayments or bond conditions.

(10) A student or former student who has paid his or her loan repayment or fulfilled his or her bond conditions must be issued a clearance letter from the Fiji Revenue and Customs Service.

(11) A student or a former student who was under a loan scheme prior to 1 August 2023 and has fully or partially paid his or her loan repayment prior to 1 August 2023 will not be reimbursed.”.

Schedule 1 amended

3. The Principal Act is amended by deleting Schedule 1 and substituting the following—

“SCHEDULE 1
(Section 2)

ELIGIBLE INSTITUTION

1. Advance Aviation Training (PTE) Limited
2. Auckland University of Technology
3. Centre for Applied Technology Development
4. Corpus Christi Teachers College
5. Fiji National University
6. Fulton Adventists University College
7. Keshals Business Education Institute
8. Massey University
9. Monash University
10. Montfort Boys Town
11. Navuso Agricultural Technical Institute
12. Pacific Flying School
13. Pacific Polytechnics
14. Pivot Point
15. Queensland University of Technology
16. Sangam Institute of Technology
17. Service Pro
18. SPA Academy Fiji
19. Swinburne University of Technology
20. The University of Auckland
21. The University of the South Pacific
22. University of Fiji
23. University of New South Wales
24. University of Newcastle
25. University of Sydney

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26. Vishan Infotech
27. Western Sydney University”.

Schedule 2 amended

4. The Principal Act is amended by deleting Schedule 2 and substituting the following—

“SCHEDULE 2
(Section 2)

TERTIARY SCHOLARSHIP AND LOANS SCHEMES

Tertiary Scholarship Schemes

1. **Masters and PhD by Research Scheme**
Full scholarships for students intending to undertake a Masters or PhD qualifications by research. For the scheme assistance, a student must have his or her candidature confirmation at the time of application.
2. **Merit Based Overseas Scheme**
Full scholarships for national priority areas of studies not offered at a local university. The eligible students will be top ranked from Year 13 examination results or such equivalent studies as determined by the Service in the preceding year of the award.
3. **Merit Based Higher Education – Level 7 Local Scheme**
Full scholarships for national priority areas of studies offered at a local university. The eligible students will be top ranked from Year 13 examination results or such equivalent studies as determined by the Service in the preceding year of the award.
4. **Merit Based Skills Qualification Scheme**
Full scholarships for national priority areas under skills qualification for Year 12 and Year 13 or such equivalent as determined by the Service for students completing their studies in the preceding year of the award.
5. **Scholarship for Students with Special Needs Scheme**
Full scholarship for students with an impairment or disability for studies at a local university.
6. **Scholarship for In-Service Scheme**
Full scholarship for public sector employees to upgrade or attain a new qualification at a local university.

7. **Scholarship for Higher Education – Level 7 with Minimum Cut off Mark Scheme**
Scholarship for studies based on national priority areas with qualifying cut-off mark. The student must have completed Year 13 in 2011 or foundation studies thereafter.
8. **Scholarship for Skills Qualification Based on Offer Scheme**
Scholarship for studies at a local institution in a skills qualification programme.
9. **Tuition Only-Hardship Assistance Scheme**
Scholarship for higher education level 7 degree programmes for privately funded students to support their studies from Year 2 onwards. The student must have a cumulative GPA equivalent to 65% to be eligible.

Loan Schemes

1. **Scheme for In-Service Students**
Tuition only support scheme for private sector employees to upgrade or attain a new qualification at a local university.”.

June 2023

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EXPLANATORY NOTE

(This note is not part of the Bill and is intended only to indicate its general effect)

1.0 BACKGROUND

- 1.1 The Tertiary Scholarships and Loans Service Act 2014 (**‘Act’**) *inter alia* establishes the tertiary scholarships and loans service schemes for the administration of tertiary scholarships and loans in Fiji.
- 1.2 The Tertiary Scholarships and Loans Service (Budget Amendment) Bill 2023 (**‘Bill’**) seeks to amend the Act to cancel the loan repayments under a loan agreement by a student or former student prior to 1 August 2023, except for a student or a former student who was under a loan scheme prior to 1 August 2023 while working in a private or public sector and is yet to fulfil his or her loan repayment.

2.0 CLAUSES

- 2.1 Clause 1 of the Bill provides for the short title and commencement. If passed by Parliament, the amending legislation will come into force on 1 August 2023.
- 2.2 Clause 2 of the Bill amends the Act by inserting a new section 16B to provide for the cancellation of loan repayment under loan agreements for a student or a former student who was under a loan scheme prior to 1 August 2023. All loan agreements will be converted to bond agreements with bond conditions determined by the Fiji Revenue and Customs Service. The cancellation of loan repayment under loan agreements, however, will not apply to a student or a former student who was under a loan scheme prior to 1 August 2023 while working in the private or public sector. Clause 2 of the Bill also amends the Act to specifically address possible scenarios or issues likely to be affected by the cancellation of the loan repayment.
- 2.3 Clause 3 of the Bill amends the Act by deleting Schedule 1 to the Act and substituting a new Schedule 1 with an updated list of eligible institutions.

2.4 Clause 4 of the Bill amends the Act by deleting Schedule 2 to the Act and substituting a new Schedule 2 with an updated list of tertiary scholarships and loan schemes.

3.0 MINISTERIAL RESPONSIBILITY

3.1 The Act comes under the responsibility of the Minister responsible for education.

S. TURAGA
Attorney-General