School expenses

fact sheet

phone: 1800 007 007
www.debtselfhelp.org.au

Published 2013.

This document is for general information and is not legal advice.

Overview

School expenses (fees, uniforms, books, sports and camp fees) can cause a lot of stress in times of reduced income. This is particularly so if you are paying private school fees. Decisions about your children's education involve a lot of emotion. They can cause you severe stress if you wish to minimise the impact of your financial hardship on your children.

Assess your financial situation

When you are having trouble paying your debts, you need to make a realistic assessment of your financial situation and prioritise your debts. If you cannot afford the school expenses and you don't do anything about the arrears, the school may take you to court. Depending on your circumstances, unpaid school debts could result in serious consequences including losing your house.

Contact the school

The best option is to contact the school as soon as possible when you are in financial trouble. Ask to speak to the principal or school bursar/ registrar (school financial manager) and tell them you are having difficulty paying. When talking to the school there are many options you may want to consider.

- If the school has a hardship policy, try and negotiate a payment plan that you can afford and the school accepts. If you reach an agreement, ask the school to put this in writing.
- Check to see if the school has a relief scheme for books and clothing expenses.
- In most States and Territories there is some form of Student Assistance Scheme that can help families on a low income. Once again, check with your school about the availability and eligibility for such a scheme.
- In some cases you might be able to negotiate for the debt to be waived completely (that is, they let you off paying) depending on the circumstances. A school may waive or reduce the fees/debt if you have had a long association with the school or if your child brings some academic, sporting or other curricular prestige to the school.
- You might be able to ask the school if you can perform some professional or other service for the school so they can reduce or waive the fees or debt.

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Stopping direct debit payments

If your school expenses are being paid by a direct debit from your bank account, it may be best to cancel the direct debit. The advantage of stopping direct debits is that it can help you to have more control over how much and when you make payments. Also, if you are going through a tight financial time you may have insufficient funds to cover the direct debit amount, and overdrawing your savings account may add extra cost to your account.

See our Fact Sheet on direct debits on this page for more information.

What if you are being sued?

See our fact sheet on court action (under dealing with debt).