



Higher Education Support Amendment (2009 Budget Measures) Bill 2009

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Social Policy Section

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Higher Education Support Amendment (2009 Budget Measures) Bill 2009

Date introduced: 28 May 2009

House: House of Representatives

Portfolio: Education

Commencement: Schedule 2, Schedule 4 item 1, and Schedule 5 commence on 1 January 2010. The remainder commences on Royal Assent.

Links: The [relevant links](#) to the Bill, Explanatory Memorandum and second reading speech can be accessed via BillsNet, which is at <http://www.aph.gov.au/bills/>. When Bills have been passed they can be found at ComLaw, which is at <http://www.comlaw.gov.au/>.

Purpose

The Bill amends the *Higher Education Support Act 2003*, ‘the Act’, to implement the initial stage of the Government’s reform of the higher education sector. The Bill:

- increases funding to eligible providers for the Commonwealth Grants Scheme (CGS) in the years 2010 and 2011
- increases funding to eligible providers for Other Grants to 2013
- revises the funding for Commonwealth Scholarships to 2013
- includes a funding cluster for education and provides increased funding for all clusters
- changes maximum student contribution amounts and
- gives effect to budget decisions on the Higher Education Loans Program (HELP).

Background

The *Higher Education Support Act 2003* is the legislative basis for Australian Government funding of higher education. It sets out the eligibility of higher education providers for public funding and the details of Australian Government funding which is provided largely through:

- the Commonwealth Grant Scheme which provides for a specified number of Commonwealth Supported places at public universities each year

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- the Higher Education Loan Programme (HELP)—previously called Higher Education Contributions Scheme (HECS)—arrangements providing financial assistance to students
- the Commonwealth Scholarships and
- a range of other grants for specific purposes including quality, learning and teaching, research and research training programmes.

Basis of policy commitment

While in opposition the Australian Labor Party (ALP) expressed concerns on the decline in public expenditure to the higher education sector—particularly in comparison to other OECD countries and as a percentage of GDP; the increasing red tape and micromanagement of the sector; the erosion of equity of opportunity; and the reliance of universities on student fees for revenue.

In a 2006 white paper on higher education and research the ALP promised ‘a substantial increase in public funding’ and ‘a program of long-term reform’ if elected to government.¹ The fulfilment of these promises was delayed in Government whilst the Review of Australian Higher Education was undertaken in 2008 with Professor Denise Bradley as chair of the panel. The review—commonly referred to as the Bradley review—reported in December 2008.² Among the 46 recommendations made by the Bradley review, some significant recommendations were that the Australian Government:

- set a national target of at least 40 per cent of 25- to 34-year-olds having attained a qualification at bachelor level or above by 2020
- set a national target that, by 2020, 20 per cent of higher education enrolments at undergraduate level are people from low socio-economic status backgrounds
- introduce a package of reforms to the student income support system
- increase the total funding allocation for the Research Infrastructure Block Grants program by about \$300 million per year. This represents an increase from about 20 cents to 50 cents in the dollar for each dollar provided through competitive grants
- increase the value of Australian Postgraduate Awards to \$25 000 per year and increase the length of support to four years, as recommended by the National Innovation

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1. *Australia’s universities: building our future in the world*, issued by Jenny Macklin MP, Australian Labor Party, Canberra, p. 12, viewed 1 June 2009, <http://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;query=Id%3A%22library%2Fparty%2F1LBK6%22>
 2. Department of Education, Employment and Workplace Relations, *Review of Australian Higher Education: final report*, Canberra, December 2008, viewed 14 May 2009, <http://www.deewr.gov.au/HigherEducation/Review/Pages/ReviewofAustralianHigherEducationReport.aspx>

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Review, to provide greater incentives for high-achieving graduates to consider a research career

- after further consideration of current problems with regional provision, the Australian Government provide an additional \$80 million per year from 2012 in funding for sustainable higher education provision in regional areas to replace the existing regional loading. This should include funding to develop innovative local solutions through a range of flexible and collaborative delivery arrangements in partnership with other providers such as TAFE
- establish by 2010, after consultation with the states and territories, a national regulatory body
- increase the base funding for teaching and learning in higher education by 10 per cent from 2010
- maintain the future value of increased base funding for higher education by an indexation formula that is based on 90 per cent of the Labour Price Index (Professional) plus the Consumer Price Index with weightings of 75 per cent and 25 per cent respectively
- introduce a demand-driven entitlement system for domestic higher education students, in which recognised providers are free to enrol as many eligible students as they wish in eligible higher education courses and receive corresponding government subsidies for those students
- quarantine 2.5 per cent of the total government funding for teaching and learning for each provider to be allocated on the basis of achievement against a set of institutional performance targets which would be negotiated annually
- implement an approach to tuition fees for domestic undergraduate students in which all providers are able to offer courses on a full-fee basis where public subsidies are not received for any students in that particular course
- establish a new Structural Adjustment Fund amounting to about \$400 million in funding over a four-year period from 2009–10 to assist the sector to adapt to the reforms recommended in this report
- negotiate with the states and territories to introduce a tertiary entitlement funding model across higher education and vocational education and training (VET) commencing with the upper levels of VET (diplomas and advanced diplomas) and progressing to the other levels as soon as practicable and
- negotiate with the states and territories to extend income contingent loans to students enrolled in VET diplomas and advanced diplomas.³

3. For a list of the 46 recommendations made by the Bradley review and the Government's response, see: Australian Government, *Transforming Australia's higher education system*, Canberra, 2009, pp. 57–65, viewed 14 May 2009,

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The Minister for Education, Julia Gillard, responded in broad terms to the review in March 2009 but the substantial response, accompanied by significant structural change and policy initiatives, was given in the 2009–10 Budget.⁴ The Budget committed \$5.7 billion to higher education, innovation and research over four years. Less than half of the additional funding (\$2.2 billion) will provide additional recurrent funding for university teaching, learning and research.⁵

The policy reform is based on a number of key principles including:

- the importance of quality university education to the community and the individual
- broadening access to higher education (especially groups traditionally under-represented) and
- basing access on merit not the ability to pay.

The Government has adopted two key targets recommended by the Bradley review. First, a national target of at least 40 per cent of 25 to 34-year-olds having attained a qualification at bachelor level or above by 2025 (Bradley recommended achieving the target by 2020). Second, that by 2020, 20 per cent of university enrolments at undergraduate level are for people from low socio-economic status (SES) backgrounds.

The Bill gives effect to budget measures that implement initial reforms and increased funding to student places, revised indexation arrangements, institutional performance targets, indirect costs of research and a new quality and regulatory agency.⁶ Full

http://www.deewr.gov.au/HigherEducation/Documents/PDF/Additional%20Report%20-%20Transforming%20Aus%20Higher%20ED_webaw.pdf

4. J Gillard (Minister for Education), *Speech: Universities Australia Conference*, media release, 4 March 2009, viewed 9 June 2009, http://www.deewr.gov.au/Ministers/Gillard/Media/Speeches/Pages/Article_090304_155721.aspx; J Gillard (Minister for Education), *Speech: Australian Financial Review - Higher Education Conference, 9 March 2009*, media release, Canberra, 10 March 2009, viewed 9 June 2009, http://www.deewr.gov.au/Ministers/Gillard/Media/Speeches/Pages/Article_090310_141130.aspx
5. The remainder will fund education and research infrastructure (including infrastructure in the vocational education and training sector) through funding from the Education Investment Fund (EIF) (\$2.1 billion) and the Super Science measure in the Innovation, Industry, Science and Research portfolio (\$1.1 billion). See: Australian Government, 'Summary of measures', *Universities, innovation and education revolution*, Commonwealth of Australia, Canberra, May 2009, p. 19.
6. Significant changes to student income support and scholarships recommended by the Bradley Review will be implemented through amendments to the *Social Security Act 1991*.

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implementation of the reforms and associated funding will occur in 2012.⁷ The Bill appropriates funding for the provisional reforms in 2010 and 2011.

Committee consideration

On 4 June 2009, the Senate referred the Bill to the Senate Standing Committee on Education, Employment and Workplace Relations for report by 22 July 2009. The Selection of Bills Committee requested that schedule 1, item 5 of the Bill (relating to Commonwealth Scholarships) be examined specifically.⁸ Details of the inquiry are at the [Committee website](#).⁹

Position of significant interest groups

The higher education budget measures were widely welcomed by universities—particularly the Government’s support for a majority of the Bradley review’s recommendations, the commitment to an improved indexation rate, the move to full funding of research, significant infrastructure announcements and the reform of student income support.¹⁰ The measures relating to student income support changes—which will be implemented in amendments to the *Social Security Act 1991*—have drawn the most criticism from other sources, mainly the Coalition, the Australian Greens, affected potential Youth Allowance recipients and rural and regional interest groups.

However, some broader concerns have been raised: some regarding funding commitments, and others related to the structural reform of the sector. Criticisms centre on the Government’s rejection of the 10 per cent increase in the base funding rate of student places recommended by the Bradley review, the failure to fully fund the reforms at the rates recommended by the review—some estimate that the funding commitment is as low

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7. For a review of the reforms and the 2009–10 Budget, see C Dow, ‘Higher education’, *Budget review 2009–10*, Research paper, no. 33, 2008–09, Parliamentary Library, Canberra, 2009, pp. 124–31, viewed 9 June 2009, <http://www.aph.gov.au/Library/pubs/RP/2008-09/09rp33.pdf>
 8. Senate Selection of Bills Committee, *Report*, no. 7, 4 June 2009, viewed 9 June 2009, http://www.aph.gov.au/senate/committee/selectionbills_ctte/reports/2009/rep0709.pdf
 9. Senate Education, Employment and Workplace Relations Committee, *Information about the inquiry*, Canberra, 2009, viewed 18 June 2009, http://www.aph.gov.au/Senate/committee/eet_ctte/higher_ed_amend/info.htm
 10. Universities Australia, *Universities Australia applauds federal Budget for higher education, research and innovation*, media release, 12 May 2009, viewed 9 June 2009, http://www.universitiesaustralia.edu.au/documents/news/media_releases/2009/uniaus_media_05_09.pdf; Group of Eight, *Visionary road taken to university reform*, media release, 12 May 2009, viewed 9 June 2009, http://www.go8.edu.au/index.php?option=com_content&task=view&id=235&Itemid=180

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as 30 per cent of the figure recommended in the review—and the delayed start of the full increases to funding until 2012.¹¹

Financial implications

The Bill:

- increases the appropriation for the Commonwealth Grants Scheme (CGS) by \$416.3 million for the years 2010 and 2011
- increases the appropriation for Other Grants by \$398.5 million for the years 2010, 2011 and 2012
- appropriates funding, to a maximum of \$2067.3 million, for Other Grants for 2013
- decreases the appropriation for Commonwealth Scholarships by \$355.8 million for the years 2010, 2011 and 2012 and
- appropriates funding, to a maximum of \$275.1 million, for Commonwealth Scholarships for 2013.

In relation to HELP, the Explanatory Memorandum states the estimated financial impact over the period 2009–10 to 2012–13 is minus \$156.132 million.¹²

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11. S Marginson, 'A touch of the blues', *The Australian*, 20 May 2009, viewed 20 May 2009, <http://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;query=Id%3A%22media%2Fpressclp%2F80MT6%22>; see also: A Trounson and B Lane, 'Euphoria recedes after reality check', *The Australian*, 20 May 2009, viewed 20 May 2009, http://parlinfo/parlInfo/download/media/pressclp/8ZLT6/upload_binary/8zlt60.pdf;fileType=application/pdf#search=%22australian%22; A Norton, 'The gap between us', *The Australian*, 20 May 2009, viewed 20 May 2009, <http://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;query=Id%3A%22media%2Fpressclp%2FYZLT6%22>; J Ross, 'The Pollyanna principle', *Campus review*, 18 May 2009; and A Norton, 'A 5/10 budget for undergraduate teaching', Andrew Norton website, viewed 20 May 2009, <http://andrewnorton.info/2009/05/a-510-budget-for-undergraduate-teaching/>
 12. Explanatory Memorandum, Higher Education Support Amendment (2009 Budget Measures) Bill 2009, p. 3, viewed 9 June 2009, http://parlinfo.aph.gov.au/parlInfo/download/legislation/ems/r4133_ems_Odd57cff-0ca2-4903-89ed-d0675a5c2033/upload_pdf/329753.pdf;fileType=application%2Fpdf

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Main provisions

Schedule 1—Grants

Schedule 1 deals with appropriations for Commonwealth Grants, Other Grants and Commonwealth Scholarships.

Commonwealth Grants Scheme

Subsection 30-5(1) of the *Higher Education Support Act 2003* defines the maximum annual amounts payable to higher education providers for the Commonwealth Grants Scheme (CGS). The CGS provides funding for undergraduate and some non-research postgraduate higher education places according to the funding cluster in which a unit of study is classified.

Item 1 proposes repealing paragraphs 30-5(1)(f), (g) and (h) and substituting **new paragraphs (f) and (g)** for the years 2010 and 2011. The new maximum amounts appropriate an extra \$416.3 million for the CGS.

The Government has accepted the Bradley review's recommendation to introduce an uncapped student demand-driven system (sometimes called a voucher system) for the funding of university undergraduate places. This is a major policy change to the allocation and funding of student places which to date have been funded through agreements with universities on a set or capped number of places. Over-enrolments have been penalised and universities have resorted to uncapped overseas and domestic full fee places to meet demand and provide revenue. The new system of allocating student places is estimated to cost \$490.6 million over the next four years and provide an additional 50 000 student places by 2013.¹³ The Government estimates \$36.4 million will be needed in 2009–2010 and \$74.3 million in 2010–2011 to allow universities to over-enrol student places by 10 per cent in anticipation of the introduction of the new student demand-driven system of funding in 2012. **Proposed paragraph 33-25(7)(b)** in Schedule 3 of the Bill allows the adjustment of funding for the 10 per cent over-enrolment.

Additional CGS amounts will fund new university performance targets agreed to in 'compacts' made between the Government and individual universities. In 2011 transitional payments will be made for agreeing to the first year of institutional targets but will be paid in 2012. The Government states that unlike the previous Teaching and Performance Fund (which will be abolished and the funds redirected to the new compacts), the new performance funding 'will not be distributed on the basis of relative performance to allow

13. Australian Government, *Budget measures: budget paper no.2: 2009–10*, Commonwealth of Australia, Canberra, 2009, p. 144; J Gillard (Minister for Education), *Student demand to drive university funding*, media release, 12 May 2009.

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all institutions to be rewarded for achieving improvements'.¹⁴ Performance payments of approximately 2.5 per cent of total government funding for teaching and learning will be provided.¹⁵

A major concern of the higher education sector has been the indexation formula used for teaching and research grants and student payments. The present formula was introduced in 1997 and, despite a review in 2005, has remained unchanged. Universities have lobbied for a new index in which the salary component of the index is changed from the present Safety Net Adjustment (SNA)—which makes up 75 per cent of the current index—to the Labour Force Index (Education), previously known as the Wage Cost Index (Education).¹⁶ The Government has promised the Safety Net Adjustment index will be replaced with a wage price index discounted by 10 per cent that is comparable to the Labour Price Index (Professional) recommended by the Bradley Review. An amendment to the Act will be required for the new index to operate in 2012 when all programs funded under the Act (including grants for teaching and learning and research) will be indexed by a revised rate which will cost \$578 million over four years. The Government estimates that the 'new index will be around 1.8 percentage points higher than the existing index', will better reflect professional salary movements and maintain 'the real value of the Commonwealth's funding and student contributions'.¹⁷ In 2011 the increase in indexation relating to non-research funding will be provided as conditional funding tied to agreements covering the achievement of institutional performance targets. Conditional funding in 2010-11 will be \$58.3 million.¹⁸

Other Grants

Subsection 41-45(1) of the Act specifies the maximum annual payments for Other Grants to support and enhance a range of higher education functions including capital projects, research and teaching. Grants are provided to promote productivity, quality, equality of opportunity, collaborative reform and structural reform.

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14. Australian Government, Transforming Australia's higher education system, p. 33.
 15. Australian Government, Budget measures: budget paper no.2: 2009–10, p. 148.
 16. See: Australian Vice-Chancellors Committee (AVCC), *Laying the foundations: AVCC submission to the Review of the Indexation of University Funding*, AVCC, Canberra, 2004, viewed 20 May 2009, <http://www.universitiesaustralia.edu.au/documents/publications/policy/submissions/IndexationSubmission.pdf>
 17. Australian Government, *New indexation arrangements*, Canberra, 2009, viewed 23 June 2009, http://www.deewr.gov.au/HigherEducation/Documents/PDF/Pages%20from%20A09-303%20Budget%20Fact%20Sheets-6_webaw.pdf
 18. Australian Government, Budget measures: budget paper no.2: 2009–10, p. 143.

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Item 4 proposes amendments to the table of payments to increase the maximum payments for Other Grants for 2010, 2011, 2012 by \$398.5 million. It also appropriates funding of \$2067.3 million for 2013.

The additional funding will support a number of measures to assist in the reform implementation. These measures include \$202.1 million to establish the Structural Adjustment Fund, including \$64 million redirected from the existing Diversity and Structural Adjustment Fund. Structural adjustment grants will be authorised by the amendment to the table of eligibility for grants under **proposed subsection 41-10(1)** dealt with in **Schedule 4 item 2**. Funding will be available to institutions, both regional and metropolitan, to ‘develop diverse missions’, ‘consider their strategic direction’ and focus on ‘achieving long-term sustainability’.¹⁹ No further details are provided, but the Government is encouraging collaborative efforts, including those between universities and vocational education and training providers, and through possible mergers. A feasibility study for a possible merger of regional providers, Charles Sturt University and Southern Cross University, will receive funding of \$2 million.

Additional funding of \$436.9 million over four years will be targeted at supporting increased participation for low SES students. The funds (calculated as a percentage of teaching and learning grants) will reward universities that attract more students from low SES backgrounds, that assist those students once enrolled and to fund partnerships with schools and VET providers that will encourage retention of low SES students in pre-tertiary education. This is an important measure in the Government’s aim to boost participation of low SES students to 20 per cent of enrolments by 2020.²⁰ However the bulk of the funds will be provided in 2011–12 and 2012–13. The appropriation for 2009–10 of \$29.4 million has been criticised as inadequate to significantly increase the number of disadvantaged students.²¹

Subsection 41-10(1), items 7 and 8 of the Act, authorise grants to support the research capability of universities and the training of research students. A significant boost to research was announced in the Budget with an additional \$200 million to 2013 to fund universities for the indirect costs of research, such as capital and administrative costs.²² The Government expects this initiative will ‘take total support provided to universities by the Australian Government to meet the indirect costs of competitive research grants from

19. Australian Government, Transforming Australia’s higher education system, p. 40.

20. Since 1996 the rate has remained unchanged on 15 per cent.

21. J Mather and R Lebihan, ‘Unis cry poor over social plan’, *Australian financial review*, 15 June 2009.

22. Australian Government, Budget measures: budget paper no.2: 2009–10, p. 362.

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about 20 cents in the competitive research dollar in 2009, to about 30 cents in 2011, and over time to approach 50 cents in the competitive dollar'.²³

Funding of \$52 million will aim to assist small and regional universities build collaborative research networks and adapt to a more performance-focused research environment.

Grants to support the training of research students are paid through the Research Training Scheme (RTS). The RTS funds Australian Postgraduate Awards (APAs) for doctoral and masters students. The Government will increase the stipend of APAs from \$20 427 in 2009 to \$22 500 in 2010 at a cost of \$51.7 million.²⁴

Item 5 deals with the payments for Commonwealth Scholarships. **Proposed section 46-40 (table items 7 to 9)** decreases the appropriation for Commonwealth Scholarships by \$355.8 million for the years 2010, 2011 and 2012 and appropriates funding, to a maximum of \$275.1 million for 2013. The amended payments implement Government budget decisions. The first abolishes the Commonwealth Education Costs Scholarships (CECS) and the Commonwealth Accommodation Scholarships (CAS). Funding will be redirected to two new scholarships: an annual Student Start-up Scholarship and a Relocation Scholarship. From 2010 the Student Start-up Scholarship will replace the current Commonwealth Education Costs Scholarships (CECS), while existing CECS recipients will be 'grandfathered'. University students receiving Youth Allowance or ABSTUDY who have to live away from the family home for study will be assisted by a Relocation Scholarship. It will replace the Commonwealth Accommodation Scholarship (CAS) for new students, while existing CAS recipients will be 'grandfathered'.

The second budget decision moves the new scholarships—which will be awarded to all students receiving Youth Allowance and ABSTUDY—into the student assistance program. Appropriations for student assistance are made under the *Social Security Act 1991*. Indigenous scholarships and 'grandfathered' Commonwealth Scholarships will continue to be funded from appropriations made under section 46-40 of the Act with required appropriations falling to \$15.98 million in 2012–13.²⁵

Schedule 2—Funding clusters

The amount the Commonwealth Government provides for each Commonwealth supported place varies according to the funding cluster in which a discipline is classified under

23. Australian Government, Transforming Australia's higher education system, p. 25.

24. Australian Government, Budget measures: budget paper no.2: 2009–10, p. 360.

25. Australian Government, *Portfolio budget statements 2009–10: budget related paper no 1.5: Education, Employment and Workplace Relations Portfolio*, Commonwealth of Australia, Canberra, 2009, pp. 108, 116.

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section 30-15 of the Act. Commonwealth contribution amounts for each cluster are listed in section 33-10.

Proposed section 30-15 amends the funding clusters by placing Education in its own cluster.

Proposed section 33-10 updates the Commonwealth contribution amounts for each cluster. All are increased reflecting increased indexation and the transfer of funding from the Workplace Reform Program. Education will receive additional funding due to the redirection of funding from grants made under the cost of providing the practical component of teacher education which will be abolished under **proposed subsection 41-10(1)** dealt with in **Schedule 4**.

Schedule 5—Maximum student contribution amounts

Maximum student contributions vary according to disciplines. The maximum amounts students can be charged by their university is specified in subsection 93-10(1) of the Act. **Item 1** proposes a **new subsection 93-10(1)** which will increase the annual maximum student contributions for all disciplines. Annual contributions for Nursing and Education will increase from \$4162 to \$5310—a greater percentage increase than that of other disciplines—as they are moved from the current national priority rate to Band 1. The increases will apply to commencing students in 2010. Existing students will continue under existing arrangements dealt with under proposed amendments in **Item 3**.

The increased student contributions will provide additional funding to the providers of teaching and nursing courses. However the cost of students deferring their contributions through the Higher Education Loan Program (HELP) is met by the Commonwealth Government which expects the impact on the fiscal balance to be \$32.9 million over four years.²⁶

The Minister has announced that the HECS-HELP Guidelines made under section 238-10 of the Act will be amended to reduce HECS-HELP repayments for graduates of teaching and nursing degrees by \$1536 for each year in which graduates go on to work as teachers and nurses, up to a maximum of five years. The Government expects this measure will cost \$82.6 million over four years.²⁷

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26. Australian Government, Budget measures: budget paper no.2: 2009–10, p. 150; Australian Government, *Education and nursing student contribution and HELP repayment reduction for education and nursing graduates*, Canberra, 2009, viewed 9 June 2009, http://www.deewr.gov.au/HigherEducation/Documents/PDF/Pages%20from%20A09-303%20Budget%20Fact%20Sheets-4_webaw.pdf
27. Australian Government, Budget measures: budget paper no.2: 2009–10, p. 149.

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Schedule 6—OS-HELP debts

OS-HELP is a loan scheme to assist Australian undergraduate students to undertake some of their course of study overseas. A loan fee of 20 per cent is applied to each OS-HELP loan and the OS-HELP debt is added to the student's accumulated HELP debt. **Proposed subsection 137-15(2)** will remove the 20 per cent loan fee. The Government estimates that a student who takes out the maximum loan of \$5523 will save around \$1,100 and has allocated \$17 million to this measure.²⁸ The Government expects that removing the loan fee will 'encourage more Australian students to undertake overseas study and increase take up of OS-HELP loans'.²⁹

Schedule 7—Indexation

Schedule 7 deals with the method of indexation of maximum student contributions for 2011. The amendments will apply the revised indexation arrangements for funding (to be introduced in 2012) to maximum student contribution amounts in 2011.

Concluding comments

The Bill acts as a significant first step in the implementation of the Government's reform agenda for Australian higher education. It appropriates additional funding to meet a commitment made in opposition to address the decline in public expenditure on higher education. The degree to which this decline is arrested will not be evident until 2012 when the significant input from the new indexation formula will occur. However the funding appropriated in the Bill should make some change in the percentage of university revenue derived from Commonwealth Grants—which in 2007 was 41 per cent—and reduce dependency on the cross-subsidisation from overseas enrolments.

The reform to the allocation of student places—the student demand driven system—will also commence in 2012 but the measure to allow and fund over-enrolments in 2010 and 2011 will provide an indication of the increased demand for places and the impact on individual universities. The use of the new structural adjustment funding will assist universities to adapt to the impacts of the new system and could result in a more diversified system emerging by 2012.

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28. Australian Government, *Removal of loan fee for OS-HELP loans*, Canberra, 2009, viewed 22 June 2009, http://www.deewr.gov.au/HigherEducation/Documents/PDF/Pages%20from%20A09-303%20Budget%20Fact%20Sheets-5_webaw.pdf
29. Australian Government, *Budget measures: budget paper no.2: 2009–10*, p. 152.

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