

Senate Committee: Education and Employment

**QUESTION ON NOTICE
Additional Estimates 2014 - 2015**

Outcome: Higher Education Research and International

Department of Education and Training Question No. SQ15-000182

Senator Carr, Kim provided in writing.

Commonwealth's role in overseeing the financial health of universities

Question

"Can you confirm that the department has adopted a new approach to forecasting student fees (or "student contributions")? Is it taking a "hands-off" stance, saying that to provide forecasts in this area "would signal estimates to the market in a way which might lead either to collusions or sub-optimal market operations..?"

What does it mean? Does it mean that the Government, henceforth, plans to adopt a "hands-off" stance on the financial health of public universities? What role do you see for the Commonwealth in overseeing the financial health of our universities?"

Answer

The department has not previously provided forecasts of student fees, and will continue this practice.

Under the *Higher Education Support Act 2003* (HESA), higher education providers are required to be financially viable and likely to remain financially viable. Given this requirement, the Commonwealth is required to assess each provider on an annual basis and this would continue in a deregulated student fee environment.

Universities are required to provide financial statements and acquittals of Commonwealth funding under HESA to the Commonwealth, and the content, format and frequency of reporting would be unlikely to change with the introduction of deregulated student contributions.