

Senate Select Committee on COVID-19

QUESTION ON NOTICE

Australian Government's response to the COVID-19 pandemic – 11 August 2020

Outcome: Early Childhood and Child Care

Department of Education, Skills and Employment Question No. IQ20-000162

Senator Mehreen Faruqi on 11 August 2020, Proof Hansard page 35

Union Consultation - JobKeeper/transition payment

Question

Senator FARUQI: You said there was a lot of consultation going on with the sector. Have you also consulted with unions or other employee representatives about JobKeeper or the transition payment?

Dr Baxter: Yes, we do have discussions with unions. We also have received correspondence and submissions from unions, and they were also involved in, as part of the consultation when we moved from the relief package, looking at what would come next. In addition to the groups that we have set up, we ran some topic-specific consultations. One of those was in relation to workforce, and the union was involved in that consultation also.

Senator FARUQI: Was the United Workers Union involved in that?

Dr Baxter: I would need to take on notice who the representatives were. I don't have that with me.

Senator FARUQI: Please take on notice which unions were consulted. Thank you.

Answer

Yes the United Workers Union was consulted.

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Department of Education, Skills and Employment Question No. IQ20-000163

Senator Murray Watt on 11 August 2020, Proof Hansard page 36

Child Care Modelling

Question

Senator WATT:..... Dr Baxter, in the interests of time could you table the modelling that was undertaken so that we can have a look at some of the assumptions and what it produced.

Dr Baxter: I'm happy to take on notice a summary of the data assumptions that I've just talked you through—where the attendance was at and where the enrolment numbers were at.

Answer

The Transition Payment was developed taking account of data that showed enrolments had remained quite strong during the Relief Package and that demand for child care was returning.

Please refer pages 35 - 37 of the proof copy of the Senate Select Committee on COVID-19 Hansard (11 August 2020) for the data presented by Dr Baxter at the Senate Committee hearing.

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QUESTION ON NOTICE

Australian Government's response to the COVID-19 pandemic – 11 August 2020

Outcome: Higher Education, Research and International

Department of Education, Skills and Employment Question No. IQ20-000165

Senator Mehreen Faruqi on 11 August 2020, Proof Hansard page 48

Job losses by university

Question

Mr English: The announcements by universities to date suggest job losses in the order of 4,729. That's a number that the sector themselves have declared as at 6 August. That in some cases, we believe, crosses years rather than this year versus next year, for example, and it is their declared expected changes in their staffing levels that they are making to respond to the financial crisis or the financial troubles caused by COVID.

CHAIR: Thank you, Mr English. If you could provide that on notice, perhaps broken down against university, that would be very useful.

Answer

- New figures suggest that as of 13 August 2020, 4919 potential and or actual reported university job losses have been found in the media. This includes both full-time and some casual staff who have ceased work, but reports do not always quantify casual worker reductions.
- The 4919 potential and or actual reported job loss figure represents 3.6 per cent of the total 137,315 reported FTE university staff numbers in 2019.
- Only 16 of the 41 Table A and B universities account for the reported job losses in the media to date.

Reported Australian University Job Losses

(*) Table B university

Institution	Reported actual or potential job losses	Reported date in media
Adelaide, University of	400	19 August 2020
Charles Sturt University	300	4 August 2020
Central Queensland University	197	11 May 2020
Deakin University	300	13 May 2020
Griffith University	300	27 July 2020
La Trobe	654	26 June 2020
Melbourne	450	6 August 2020
Monash	754	17 July 2020
New England, University of	210	26 July 2020
NSW, University of	493	16 July 2020

Institution	Reported actual or potential job losses	Reported date in media
Royal Melbourne Institute of Technology	200	15 May 2020
Sunshine Coast University	61	16 July 2020
Sydney, University of	10	17 July 2020
Technology Sydney, University of	250	6 August 2020
Victoria University	190	13 August 2020
Wollongong, University of	150	29 July 2020
All Institutions	4919	

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Department of Education, Skills and Employment Question No. IQ20-000166

Senator Mehreen Faruqi on 11 August 2020, Proof Hansard page 49

Internal research into student degree choices (referred to in opening statement)

Question

Senator FARUQI: Dr Bruniges, could you give me on notice, if you don't mind, the internal research into student degree choices that you referred to in your opening statement?

Dr Bruniges: Yes, Senator; I'm happy to take that on notice.

Answer

In 2019, independent research projects commissioned by the department identified key influences on a student's decision to undertake tertiary study:

- Parents (47 per cent), friends (28 per cent), school teachers (28 per cent), information made available by specific education providers (27 per cent) and careers advisors (26 per cent), have the greatest influence on a student's decision to undertake tertiary study.
- Information provided by teachers (73 per cent), followed by parents (55 per cent), friends (47 per cent) and career practitioners (46 per cent) were cited as most used for senior school subject selection for University students.

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Australian Government's response to the COVID-19 pandemic – 11 August 2020

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Department of Education, Skills and Employment Question No. IQ20-000167

Senator Jacqui Lambie on 11 August 2020, Proof Hansard page 41

Family day care educators who have left the sector

Question

Senator LAMBIE: Do you know how many family day care educators have left the sector since March?

Dr Baxter: No, I don't. I could take on notice to find out for you what I can. We have very little visibility of family day care educators. We work directly with the providers. We work with the 462 family day care businesses. We don't have a direct relationship with educators. What we do know is that, throughout the relief package, and since, the family day care model has remained very healthy. Our understanding is that there's been a strong call for educators because there's been strong attendance at most family day care services. We have not heard that there have been a lot of family day care educators leaving the sector; that's not something that we've been hearing anecdotally. In fact, we've been hearing that these businesses, during the relief package, had very strong attendance and have continued to have that since.

Senator LAMBIE: So you don't know how many of these providers that have left since March might have been in Victoria either. Can I get you to take that on notice?

Dr Baxter: Yes, Senator.

Answer

The Department of Education, Skills and Employment does not hold authoritative data on educator numbers as our legal relationship is with providers.

Based on information available to the department, between 6 April and 12 July 2020, two Family Day Care providers have ceased operations due to COVID, one of which was in Victoria.

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QUESTION ON NOTICE

Australian Government's response to the COVID-19 pandemic – 11 August 2020

Outcome: Higher Education Research and International

Department of Education, Skills and Employment Question No. IQ20-000168

Senator Murray Watt on 11 August 2020, Proof Hansard page 43

Briefings with Minister Gee

Question

Senator WATT: Has Minister Gee been briefed by the department on this legislation?

Dr Bruniges: I think it would be fair to say that over a period of time the department would have conducted briefings with Minister Gee.

Senator WATT: Do you know roughly how many?

Dr Bruniges: I'd need to take that on notice.

Answer

Minister Gee was briefed by the department on the Job-ready Graduates legislation in the usual course of Ministerial approval of the draft Bill.

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QUESTION ON NOTICE

Australian Government's response to the COVID-19 pandemic – 11 August 2020

Outcome: Early Childhood and Child Care

Department of Education, Skills and Employment Question No. IQ20-000169

Senator Murray Watt on 11 August 2020, Proof Hansard page 45

Services that have stood down staff

Question

Senator WATT: What action are you taking against those services that have stood down staff, in contravention of the Prime Minister's guarantee?

Dr Baxter: We take action on a range of levels. We work very hard to educate services at the front end to ensure they understand what is required of them. For example, late last week I had a particular service contact me, talking through some plans they had for managing their staff during this period. Our sense was that it would not have met the requirements of the employment guarantee. We gave them very detailed advice about what would be required, and we found that the service was able to meet the requirements of the employment guarantee and not take concerning action with staff. We also ensured they understood that the revenue that was being provided to them during this period was more than sufficient to cover the staff costs, which generally relate to about 57 or 58 per cent of revenue. That's one level. As we go down the levels, we have a range of things we do. We have a range of compliance activities that we undertake in relation to all of the requirements of the transition payment. You'll recall there's a requirement not to increase your fees and not to be receiving JobKeeper and the employment guarantee. We do proactive compliance. We do telephone surveys with parents, checking in to ensure we understand what's going on in services, from that perspective, and we also respond to queries and tip-offs. I can take on notice the exact number, but we have followed up a number of queries. We can take action. We can require services—

CHAIR: Have you taken action?

Dr Baxter: Yes.

CHAIR: Maybe you could provide that to the committee, including any that have been penalised in some way for it.

Dr Baxter: Certainly.

Answer

The Department of Education, Skills and Employment regularly reminds providers of their requirements under the Employment Guarantee – through direct emails, training webinars, responses to specific enquiries, and formal investigation where warranted. This proactive action has resulted in a number of services adjusting their business decisions to comply with the Employment Guarantee.

The department is working closely with the Fair Work Ombudsman and the Australian Taxation Office to cross-refer cases of concern and share information to support appropriate enforcement action.

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QUESTION ON NOTICE

Australian Government's response to the COVID-19 pandemic – 11 August 2020

Outcome: Higher Education, Research and International

Department of Education, Skills and Employment Question No. IQ20-000170

Senator Perin Davey on 11 August 2020, Proof Hansard page 51

Job-ready package

Question

Senator DAVEY: One of the key reasons for the job-ready package and the proposed reforms is to try and encourage Australian students to fill the gap created by not having access to international students. That's my understanding anyway; I might be making a statement there. My core interest area is regional universities and the impact that COVID has had on regional universities. I note that one component of the job-ready package is for a regional education commissioner, which is planned to begin on 1 January 2021, with the aim to halve the difference between metro and regional areas; currently, there's a difference of something like [inaudible]. Do I take it that, given additional funding for regional universities through 3.5 per cent growth in Commonwealth grant scheme funding, the department believes that a majority of new enrolments may go to those regional universities and regional headquarterd universities?

Mr English: I'd need to check our numbers to say that it would be a majority of new enrolments. I certainly think what we've done has created the opportunity for regional universities to grow faster than the rest of the sector, by having greater capacity there. The reason I pause on 'a majority' is that we're still offering 2½ per cent growth for the fast-growing metro campuses, and the volume of places tends to be based there. So I think the largest number of places will grow in those inner metro areas, but the pace of growth that regional universities can achieve is unprecedented. They will certainly have plenty of opportunity to evolve their offerings to try and attract students to regional areas to participate in those universities, but I will take on notice the precise balance between the volume, if I can.

Answer

In 2021 regionally-headquartered universities are expected to receive \$10.4 million in funding for additional Commonwealth supported places (CSP), 27 per cent of the total. This rises to over \$300 million by 2030, 29 per cent of the total. This share is higher than the current share of CSPs at those universities, which in 2019 is around 14 per cent.

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Outcome: Higher Education, Research and International

Department of Education, Skills and Employment Question No. IQ20-000171

Senator Katy Gallagher on 11 August 2020, Proof Hansard page 53

University places

Question

CHAIR: I have a few questions on higher education as well so we may need you back at the table, Mr Heferen and Mr English. The government has claimed that the reforms in the package will provide 39,000 additional university places over the next three years. Can you explain briefly how that 39,000 figure was arrived at? And is it based on population growth or some other measure of demand for university places?

Mr Heferen: As we discussed last time, a key element of the increase in the number of places is trying to align the costs of the course with the combination of the HELP amount and the CGS amount. The work that the universities, the department and Deloitte did to try and match the costs of the course with the total contribution that was provided showed that courses were, on average, funded to something like—Mr English will take you through the detail—over 110 per cent. Trying to align it has meant that more money has been freed up to enable more CGS places to be afforded. I might turn to Mr English to give the detail on the assumptions around the average cost of the new CGS places.

Mr English: The increase in places comes about from two main sets of decisions. One is that we have re-established CPI indexation in the funding model where previously it was population indexation, and that allows the real value of places currently in the system to be maintained, where previously that was not the case with the population based indexation. That returns a fraction of the places into the system. I'm trying to find my particular notes about the percentages. On average, as Mr Heferen said, we started with about 110 per cent overfunding—110 per cent of revenue to cost—which we've reduced to about 106 per cent, and we've used that surplus to create the funding pools that allow the 3½ per cent growth in places for regional universities, for example. So the 39,000 takes into account the protection of the current value of the places and then the redirection of that funding.

CHAIR: Perhaps, if you find that part of your notes, you can provide them to the committee on notice, in terms of what contributes to those 39,000 places. I think I've read somewhere that it covers population growth over the first three years but won't necessarily deal with demand that will increase due to the recession, and I think we're seeing some of those figures already coming through. Have you done any work to try and understand how the COVID recession will impact on the demand for university places?

Mr English: Certainly, we've tried to look back into the historical experience around the pattern of economic growth over time—

Answer

Please refer to IQ20-000120 for the growth in places.

From previous recessions, a one per cent increase in:

- youth unemployment rate for 15–19 year olds, resulted in a 1.15 per cent increase in applications for higher education from school leavers; and

- overall unemployment rate, resulted in a 6.2 per cent increase in applications for higher education from non-school leavers.

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Australian Government's response to the COVID-19 pandemic – 11 August 2020

Outcome: Higher Education, Research and International

Department of Education, Skills and Employment Question No. IQ20-000172

Senator Katy Gallagher on 11 August 2020, Proof Hansard page 54

University fees

Question

CHAIR: In the absence of a new funding stream, within the package you've got now. Mr English: Then their two choices at that point will be fewer places or more fees for students.

CHAIR: It is estimated under the package that 40 per cent of students—I think we went through this at the last hearing—will pay 93 per cent of the cost of their course, so \$58,000 for a four-year social work degree, while, at the other end of the scale, some students will pay 12 per cent, or say \$14,800 for an agriculture degree. That's a big difference between what some students are paying and what others are paying. Has there ever been a time under HECS when the gulf between fees for different students has been that wide between the top and the bottom? I'm not asking for the distribution in the middle.

Mr Heferen: I'm not aware. I think that reducing the bottom band so much is probably the big difference. Previous changes have been increases. There have been, in the past, increases of bands, but the difference with this package is that the bottom band has been reduced significantly. As we've discussed here and as Minister Tehan has made very clear, the conscious decision is to try to make sure that those courses have a much lower student contribution, to encourage students to enrol in those courses.

CHAIR: So is that, no, there has never been a time when the gulf between the top and the bottom fee level has been that wide? That was the question I asked.

Dr Bruniges: I think we'd have to take that on notice.

Mr Heferen: I think we'll have to take that on notice.

Answer

No.

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QUESTION ON NOTICE

Australian Government's response to the COVID-19 pandemic – 11 August 2020

Outcome: Schools

Department of Education, Skills and Employment Question No. IQ20-000173

Senator Mehreen Faruqi on 11 August 2020, Proof Hansard page 58

Advanced funding

Question

Senator FARUQI: Do you know how many schools sought the advance payments but failed to meet the two conditions of the return-to-classroom plan?

Ms Gordon: In order to apply to have it brought forward, they had to meet the conditions, so there weren't any schools that applied but were not eligible per se. In fact, there were more schools that were eligible than actually requested the payment. I can tell you, for the first schedule payment, the—

Senator FARUQI: Perhaps you could provide that list of schools on notice.

Ms Gordon: Yes, I was just going to give you the totals.

CHAIR: Thank you, Ms Gordon. That would be helpful.

Answer

To be eligible to bring forward the July recurrent funding payment, schools were required to:

1. Have a physical learning environment and a plan to fully re-open and return to classroom learning by 1 June 2020 (12.5 per cent to be paid in May 2020)
2. Have a physical learning environment and a plan to achieve 50 per cent student attendance in classroom learning by 1 June 2020 (remaining 12.5 per cent to be paid in June 2020)

All schools that requested early payments met the eligibility requirements.

The number of schools that were eligible for and requested early access to July recurrent funding is in the table below.

	Number of non-government schools eligible for early payment	Number of non-government schools requesting early payment
Schedule 1 (May payment)	827	678
Schedule 2 (June payment)	819	677