



The University of Queensland's submission in response to the Universities Accord (Student Support and other Measures) Bill 2024

The University of Queensland (UQ) welcomes the opportunity to provide input into the Senate Education and Employment Committee Inquiry concerning the Universities Accord (Student Support and other Measures) Bill 2024.

Our feedback is based on our support for the reform agenda outlined in the Universities Accord Final Report, including recommendations in relation to ensuring a fairer Higher Education Loan Program (HELP) system, improving access to higher education and supporting students to complete degrees. This is why we support, in-principle, the intent of the Universities Accord (Student Support and other Measures) Bill 2024. We do, however, have concerns in relation to Schedule 4—Commonwealth Prac Payments and have recommended a change. Comments in relation to each Schedule in the Bill are outlined below.

Schedule 1—HELP indexation

UQ supports modernising the HELP system to reduce the financial burden of repayments, this includes the amendments detailed in the Bill that aim to ensure that growth in HELP loans does not outpace growth in wages. However, we encourage the Government to continue to look at other initiatives outlined in Recommendation 16 of the Universities Accord Final Report that aim to make the HELP system fairer and simpler, including:

- reducing student contributions to address the most significant impacts of the Job-ready Graduates package
- moving to a system of HELP repayment based on marginal rates
- reducing repayment times by changing the timing of indexation for HELP loans so that amounts withheld for compulsory repayment can be accounted for before indexation is applied
- reviewing bank lending practices to ensure banks recognise that HELP loans are not like other types of loans.

We acknowledge that there are significant administrative issues with implementing these additional changes. As we do not wish to delay the implementation of the amendment outlined in the Bill, we have not recommended any changes.

Schedule 2—SSAF changes and Schedule 3—FEE-FREE Uni Ready courses

UQ supports the amendments under Schedule 2 and 3 and has no recommendations.

Of note is that UQ already allocates a high proportion of Student Services Amenities Fee to student-led organisations. In 2024, 50% of the Student Services Amenities Fee was allocated to the UQ Union.

Schedule 4—Commonwealth Prac Payments

UQ strongly supports the introduction of financial assistance for students undertaking mandatory unpaid placements as we recognise the significant financial burden these learning activities can place on students. However, we do not support the proposed amendment to the *Higher Education Support Act 2003* (HESA). Changes to HESA in relation to the Commonwealth Prac Payments (CPP) should be made only after thoroughly assessing options for its administration. Given that CPPs are similar to income support payments, UQ believes that Services Australia should be assessed as a potential administrator.



UQ suggests that the advantages and disadvantages of Services Australia and universities as CPP administrators be considered before introducing legislation, and therefore **recommends that the Bill be amended to delete the addition to 1 Subsection 41-10(1), which adds item 15 at the end of the table.**

The issue of assessing student eligibility will be key to determining which entity is best placed to administer the CPP. We recognise that if Services Australia was to administer the CPP, universities would be required to transmit data to Services Australia to verify students on a placement which would be complicated. However, there would also be complexities with universities assessing eligibility in terms of means-testing and the requirement to work criteria as universities do not collect data on whether a student receives income support, or their work arrangements.

If individual universities, rather than a central body such as Services Australia, administers the CPP there is also the risk of inconsistent approaches to assessing eligibility and releasing payments. This would result in students at different institutions having disparate CPP experiences.

There are numerous outstanding questions in relation to eligibility and implementation that need to be answered before determining which entity — universities or Services Australia — would most efficiently and effectively administer the CPP. Some of these outstanding questions are listed below:

- How will eligibility be assessed? For example, how will ‘the need to work 15 hours per week’ be determined? If it is based on work history over a particular period of time, is this an annual assessment or does it need to be assessed prior to the commencement of each placement? Will the government provide universities with data on which students meet the ‘receiving income support’ criteria or will universities need to collect this information from students and implement a verification process?
- Has the Government considered the costs associated with assessing student eligibility and administering payments? Will these costs be covered by Government? If universities ultimately administer CPPs will the grant amount include funding for administration?
- How should payments be administered for students undertaking placements in a one or two days a week pattern? In such cases will the payments need to be pro-rata or based on an hourly rate? Or alternatively, are students only eligible if their placement is in a 5-day block.
- Do students need to be enrolled full time to receive a payment, noting that only full-time students are eligible for Youth Allowance?
- If a student fails a placement, are they able to receive a second payment when the placement is repeated?
- Are the payments taxable and will universities need to withhold tax and report the payments to the ATO?
- If a student withdraws from a placement due to illness or other reasons, will they need to return the funds? What happens if a payment has been made and the placement is cancelled?

UQ looks forward to working with the Government in the future to design the proposed Commonwealth Prac Payments.

Schedule 5—Adelaide University and Schedule 6—Transitional Rule

UQ has no comments in relation to these sections.