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Sarah Edson
Committee Secretary
House of Representatives Standing Committee on Education and Employment
Parliament House
CANBERRA ACT 2600
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Dear Sarah

Inquiry into the Higher Education Support Amendment (Asian Century) Bill 2013

Thank you for the opportunity to contribute to this Inquiry. Universities Australia considers the amendments in this Bill to be beneficial. These changes should greatly improve access to OS-Help loans, increase the amount of loan funds available to students, and through the removal of the financial barrier to mobility, increase the number of Australian students able to benefit from an overseas study experience.

While the proposed amendments are positive and will go a long way to improving the policy settings that enable and encourage student mobility, there are additional changes that could greatly increase the benefits of this legislation.

Recommendation 1: Extend availability of OS-HELP loans to all postgraduate students currently eligible for HELP loans.

Recommendation 2: Remove the requirement for any units of study to remain on completion of the overseas study experience.

1. Under the terms of the proposed legislation, the OS-Help scheme will be extended to postgraduate students provided they have a Commonwealth supported place. As the majority of postgraduate students are fee-paying (58 per cent of the 2011 postgraduate cohort¹) rather than Commonwealth supported, this excludes more than half of the cohort. By removing the restriction on fee-paying postgraduate students, the potential benefits of this amendment can be fully realised, effectively extending the benefit to tens of thousands more students. Further, as this is an OS-HELP loan rather than a grant (and these students are eligible for HELP loans) the current exclusion runs counter to the aim of the amendment and the Asian Century Whitepaper's goal to increase the number of Australian students studying offshore.

¹ Department of Industry, Innovation, Science, Research and Tertiary Education (DIISRTE) Higher Education Statistics Data Cube.

2. The proposed legislation has changed the OS-HELP eligibility requirement such that students will now only need to have one unit of study rather than one full semester of study remaining when they complete their overseas study. This will allow students who have followed a non-traditional study program and thus have less than one full semester of study to complete in their final semester to access the OS-HELP scheme in their final year and so benefit from some overseas study. However the rationale for requiring any study to remain at all is weak.

The rationale for requiring some portion of study to remain following the overseas experience is to ensure the student returns to Australia to complete their degree and therefore pay their OS-HELP debt. There is no publicly available information on the rate of non-repayment of OS-HELP debts due to students leaving the country. Given the absence of an evidence base, the risk the policy is trying to minimise may be minimal, but would have the effect of excluding many final semester students from funding for their overseas study.

Changing pedagogies mean students are now able to complete many of their units on-line, making the need for students to return to Australia to complete their degrees redundant. The requirement to have study remaining after an overseas study period serves to restrict access to the program, rather than reducing the likelihood of non-return and subsequent non-payment. The requirement to have any amount of study remaining should be removed as it is counter to the aims of the Asian Century Whitepaper and this amendment.

Universities Australia would be pleased to appear before the Committee should a public hearing be announced. Please feel free to contact me if you have any follow-up questions.

Yours sincerely

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