



THE UNIVERSITY OF
SYDNEY

Dr Michael Spence
Vice-Chancellor and Principal

14 March 2013

Ms Amanda Rishworth MP
Chair
House of Representatives Standing Committee on Education and Employment
Parliament House
Canberra

Via email: ee.reps@aph.gov.au

Dear Ms Rishworth

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

I write on behalf of the University of Sydney to offer the University's strong support for the amendments the above Bill would introduce in the *Higher Education Support Act 2003 (Cth)*.

The University of Sydney was a keen participant in the consultations that resulted in the *Australia in the Asian Century White Paper* prepared for the Government by Dr Ken Henry AC and his panel of experts. We strongly support the key findings and recommendation of that review, and in particular the emphasis it gave to the critical role that universities must play if Australia is to remain relevant, strong and prosperous in the Asian Century.

We welcome, for example, the recognition in the White Paper of the vital importance of the enduring people-to-people links that are formed through the international education and research collaboration activities of universities. The University of Sydney has strong linkages and considerable expertise relevant to many areas of Asia, which have been developed and fostered over many years. Through the establishment of our [China Studies Centre](#) and [Sydney Southeast Asia Centre](#), the University is building on the extensive disciplinary and cross-disciplinary educational and research strengths we have relevant to these two areas of great strategic importance to Australia. We currently have some 160 academics working on issues relevant to China, with some 200 engaged with the issues facing one or more countries in Southeast Asia. These Centres enhance the coordination, profile and impact of our work and increasingly provide innovative educational opportunities for our students. A core part of our strategy involves enabling as many of our students as possible to spend time during their studies immersing themselves in the languages and cultures of Asia through creative study and work-based learning opportunities.

In essence, the OS-HELP scheme currently provides certain students enrolled in Australian higher education institutions with access to funds to assist them to spend time studying overseas, while gaining credit for these studies towards their Australian qualification. In 2013, the maximum amount available through an OS-HELP loan is \$6,051 for a six month period. Students pay the loan back in the same way that HECS-HELP loans are repaid, once their taxable income exceeds the repayment threshold – currently \$49,095.



A variety of quite rigid eligibility criteria must currently be satisfied before an OS-HELP loan can be granted. We believe that this rigidity has contributed to what we understand has been a relatively low overall take-up rate for the scheme – particularly in relation to Asian destinations. We are aware, for example, of various cases over the years where our students have been deemed ineligible for an OS-HELP loan, and as a result may not have been able to pursue their dream of spending time during their studies in Asia or elsewhere.

To illustrate the current rigidity, only undergraduate Commonwealth Supported students are eligible, when increasingly institutions are offering professional degrees at the postgraduate level to a mixture of Commonwealth supported and full fee paying students. Moreover, at present students wishing to undertake short-term un-paid internships in one of our partner hospitals in Indonesia, or in the office of a multi-national firm in Shanghai, for credit towards a University of Sydney course, are not eligible for OS-HELP assistance unless the workplace is deemed to be an overseas higher education institution. Such restrictions have seen OS-HELP loans accessed largely by undergraduate students interested in traditional, semester long exchanges, with affiliated universities in Europe or North America.

If passed, the Bill will amend the Act to make the OS-HELP scheme much more flexible, and as a result it should make a positive contribution towards the national goal of seeing many more Australian students spending time in Asia during their university studies. The Bill will, for example, expand eligibility to include postgraduate Commonwealth Supported students. It will also remove the requirement that the student must be enrolled full time at an overseas higher education institution. This second measure should provide an incentive for Australian students to spend short periods undertaking a clinical or other type of work placement. Moreover, measures such as increasing the maximum value of the OS-HELP assistance available to students destined for Asia as opposed to other regions, and allowing up to \$1,000 per student to be accessed for the purposes of intensive training in an Asian language, should send a clear message to Australia's university students about where the nation's strategic priorities lie.

It will be important to monitor the impact that the reforms have on take-up rates, and for the Parliament to remain open to making further amendments to the Act if it becomes apparent that these changes have not had the desired impact. To this end we encourage the Government to work with the sector to ensure that arrangements are put in place early to promote the reforms to students and collect the data required to measure their impact efficiently. We also urge the Government to continue consulting with student groups and institutions during the implementation phase to identify areas where further improvements to the scheme may be warranted.

We urge the Committee to recommend that the Parliament pass the Bill so that the proposed changes to the OS-HELP scheme can be promoted to students well in advance of their proposed commencement from 1 January 2014. Should you wish to seek further information, please do not hesitate to contact

Yours sincerely

Michael Spence