

Senate Standing Committee on Education and Employment - Education

**QUESTIONS ON NOTICE
Budget Estimates 2014-2015**

Outcome 3 - Higher Education, Research & International

Department of Education Question No. ED0256_15

Senator Rhiannon provided in writing.

Question

Commonwealth Scholarships

1. Can you confirm that no government money will go into Commonwealth Scholarships and in fact the money will come from student fees? 2. Who decided on the name Commonwealth Scholarships, was it the Minister's office, or the Department of the Prime Minister & Cabinet? 3. Was it chosen to trade off the good name of the previous Commonwealth Scholarship scheme? 4. Was the name chosen to give the impression that the government is providing assistance to disadvantaged students at a time when a university education is out of reach for many? 5. How much money will be available through this scholarship scheme? 6. Have you done any analysis on the quantity and number of so called "Commonwealth Scholarships" that could be offered? 7. Is it correct that the \$1 out of every \$5 that universities charge for student tuition that will be diverted to the Commonwealth Scholarship will only apply to student fees once they exceed the current cap is based on the 2013-14 funding clusters? 8. Is it correct that if a university increases student fees to make up for the loss in Commonwealth funding in a particular discipline, none of that increase will be diverted into Commonwealth Scholarships? 9. Is it correct that universities will have to increase student fees over and above their current 2013-14 levels in order to even begin funding Commonwealth Scholarships? 10. How much has the department estimated fees will increase in order to fund these Commonwealth Scholarships? 11. Is it correct that if a university charges a lower amount of student fees they will thus have a lower amount of Commonwealth Scholarships to offer?

Answer

1. Commonwealth Scholarships will be funded by the requirement that \$1 of every \$5 of additional revenue a higher education institution receives be dedicated to them.
2. The Australian Government.
3. No.
4. No.
5. The funds available will be dependent on the pricing decisions of institutions.
6. The size and quantity of the scholarships offered by institutions will be determined by institutions

7. The 20 per cent will be calculated by comparing the income derived by an institution from Commonwealth supported students under current arrangements (through the combination of Commonwealth Grant Scheme (CGS) funding and maximum student contributions as will apply to grandfathered students) with the income generated from student contributions and Commonwealth grant funding under the new arrangements. Any additional revenue will be subject to the 20 per cent requirement.
8. Yes.
9. See question seven.
10. The fees charged by higher education providers is a matter for those institutions.
11. The amount of funds available to provide scholarships will be determined by the amount of additional revenue raised by the institution.