

## **EXPLANATORY STATEMENT**

*Guidelines issued under section 238-10 of the Higher Education Support Act 2003*

Commonwealth Scholarships Guidelines (Education) 2008

Issued by the authority of the Minister for Education

Subject:- *Higher Education Support Act 2003*  
Commonwealth Scholarships Guidelines (Education) 2008

### Authority

Section 238-10 of the *Higher Education Support Act 2003* ('the Act') provides that the Minister may make guidelines providing for matters required or permitted by the Act necessary or convenient to be provided in order to carry out or give effect to the Act. In particular section 238-10 specifies the Minister may make Commonwealth Scholarships Guidelines matters set out in Part 2-4 of the Act.

### Purpose and operation

The purpose of this instrument is to revoke the Commonwealth Scholarships Guidelines and all subsequent amendments and to make the Commonwealth Scholarships Guidelines (Education) 2008 ('the Guidelines').

The Guidelines provide for matters in order to make grants for scholarships under Part 2-4 of the Act.

### Background

On 5 September 2005, the former Minister for Education, the Hon. Dr Brendan Nelson MP, made the Commonwealth Scholarship Guidelines. These were registered on 20 September 2005 [F2005L02715] and amended four (4) times between that date and 9 October 2007.

The Administrative Arrangements Order (AAO) of 25 January 2008 ordered that research matters under the Act are the responsibility of the Minister for Innovation, Industry, Science and Research, and that all other matters under the Act are the responsibility of the Minister for Education. As a consequence, matters formerly dealt with in the Commonwealth Scholarships Guidelines relating to grants for the purposes of post-graduate research scholarships (see paragraph 46-10(b) of the Act) will now be dealt with in the Commonwealth Scholarships Guidelines (Research) 2008, made by the Minister for Innovation, Industry, Science and Research.

The purpose of the Guidelines is to provide additional guidance for Commonwealth Scholarships under section 46-20 of Act for scholarships other than postgraduate research scholarships. Significant changes from the previous Commonwealth Scholarships Guidelines in these Guidelines relate to two new scholarship categories to assist students studying in specialist courses and courses related to areas of skill shortage which were announced in the 2008-09 Budget:

- The establishment of new categories of National Priority Scholarships (NPS) which will target undergraduate students enrolling in priority disciplines such as nursing, teaching, medicine, dentistry, allied health, maths, science and engineering; and
- National Accommodation Scholarships (NAS) which will be for students who have to relocate in order to study a specialist course not available near their own home.

### Consultation

Draft Guidelines were released to the higher education sector for comment on 18 September 2008. Comments closed on 1 October 2008. 35 submissions from universities and other higher education providers and government departments were received.

A significant number of providers expressed strong support for the additional scholarships that were being made available to the sector.

A number of providers appreciated the additional flexibility in the conversion of within and across type that the Guidelines propose to introduce.

A significant number of providers stated that the National Accommodation Scholarship (NAS) proposed some difficulties for universities. Providers stated that more information or guidance is required in order for universities to implement a “specialist” course.

In addition, the sector expressed concern about the number of types of Commonwealth Scholarships which might increase the administrative burden for higher education providers. In response to submissions, the Guidelines have been drafted to give providers flexibility with respect to the implementation of the NAS. The NAS definition of eligible student was widened to include students who are undertaking a Masters program for initial registration and practice in accordance with the Masters List as per Schedule 3 to the *Determination of Education Institutions and Courses under Subsections 3(1) and 5D(1) of the Student Assistance Act 1973*.

This new provision was included to allow a Masters course of study to be treated as a specialist course for the purposes of the *Commonwealth Accommodation Scholarships (CAS) – Specialist* category of scholarship. The provision mirrors a similar provision which was previously included in the eligibility criteria for National Priority Scholarships (NPS). The difference between the two is that NPS is linked to labour skill shortage disciplines.

In addition, NAS eligibility was expanded to include students who may have missed out on their preferred university in the first round but would be eligible for NAS on acceptance of their second round offer.

In response to submissions, additional fields of education were included with respect to eligibility for NPS, including information technology and architecture.

Also in response to submissions, the Guidelines were amended to allow providers ten rather than five working days for the offering of a Commonwealth Scholarship to a student after the applicant has been awarded a Commonwealth Supported place.

Providers raised a number of other technical issues in relation to the draft Guidelines. Wherever possible, the department has incorporated the comments into the final version of the guidelines.

### Commencement

The Guidelines will take effect the day after the day on which they are registered on the Federal Register of Legislative Instruments.

## Overview of the Commonwealth Scholarships Guidelines (Education) 2008

### Chapter 1 - Introduction

- 1.1 sets out the purpose of the Guidelines and provides information on the obligations on the Department of Education, Employment and Workplace Relations ('the Department') in relation to the Guidelines which may be created by the *Privacy Act 1988* and *Freedom of Information Act 1982*.
- 1.5 sets out the defined terms used in the Guidelines. This section has been updated from the previous Guidelines to include definitions for National Priority Scholarships (NPS) and National Accommodation Scholarships (NAS) types.

### Chapter 2 – Commonwealth Scholarships

- 2.1 specifies that the objectives of the Commonwealth Scholarship Program are to facilitate choice in higher education and to increase higher education participation by students from low socio-economic status backgrounds, particularly Indigenous students and students from regional and remote areas. It also specifies that the NPS and the NAS will respectively facilitate study in disciplines associated with Australian Government identified labour skill shortage disciplines, and study in specialist courses not available near students' own homes.
- 2.1.1 specifies that there are four Commonwealth Education Cost Scholarships (CECS) (CECS-Ordinary, CECS-Priority Discipline, CECS Associate Degree, and CECS Indigenous Enabling) and five Commonwealth Accommodation Scholarships (CAS) (CAS-Ordinary, CAS-Specialist, CAS-Associate Degree, CAS-Indigenous Enabling, and CAS-Indigenous Payment).
- 2.5.5 specifies that CECS-Ordinary, CECS-Priority Discipline, and CAS-Ordinary scholarship allocation will be determined based on a formula. CECS-Associate Degrees, CECS-Indigenous Enabling, CAS-Specialist, CAS-Associate Degrees, CAS-Indigenous Enabling, and CAS-Indigenous Payment will be allocated based on a competitive bidding process.
- 2.5.10 specifies the flexibility for higher education providers to rollover and convert funding of Commonwealth Scholarships (CS) across and within type, the administrative processes for the return of CS funds and reallocation of funds resulting from unspent CS funds by higher education providers.
- 2.10 specifies that a student may only hold one type of CS from each of the respective CECS and CAS categories (the exception is that a student can hold a CAS-Indigenous Payment concurrently with another category of CAS) and the maximum duration a student can have access to one or more scholarships (eight scholarship periods exception being a student accessing a CECS-Indigenous enabling or CAS-Indigenous Enabling may access ten scholarship periods if progressing to an undergraduate degree).
- 2.10.1 specifies the basic eligibility requirements for each categories of CS. This section includes the introduction of the CECS-Priority Discipline and CAS-Specialist types.
- 2.10.5 specifies the low socio-economic status requirements in order to be eligible for a CS.

- 2.10.10 specifies the full-time student and part-time requirements for types of CS.
- 2.10.15 specifies the additional eligibility requirements for CAS-Ordinary, CAS-Associate Degree and CAS-Indigenous Enabling CS. Additional requirements provides guidance on whether a student has lived in a regional or remote area consistent with the Guidelines.
- 2.15.1 specifies that higher education providers may only offer a student a CS as a result of an application lodged by the student as part of a competitive application process, with the exception of Indigenous students in receipt of a CA-Indigenous Payment and those students having been receipt of either a CECS-Indigenous Enabling or a CAS-Indigenous Enabling where special arrangements are in force and under quarantine provisions to encourage students to enter higher education through special access schemes.
- 2.15.5 specifies the selection policy that a higher education provider must maintain for CS, including special provisions for students progressing from a CECS-Indigenous Enabling and/or CAS-Indigenous Enabling and priority of offers for the offer of CAS-Indigenous Payment.
- 2.15.10 specifies the offer process that higher education providers are to follow which includes offering at least minimum number of CS allocated, informing the student of the nature of the CS, and managing and funding any liabilities above their allocation.
- 2.15.10(4) specifies that scholarships are to be offered within ten working days of the offer of a Commonwealth-supported place.
- 2.15.15 specifies the requirement of higher education providers to collect student personal information for the purposes of issuing letters and certificates across all types of CS and the administrative requirements for conversion within and across type of CS.
- 2.20 specifies the requirements for the payment of CS to students; for example a higher education provider must spend CECS grant amounts only on making of CECS payment to students awarded a CECS who are undertaking an eligible course of study and CS grants may only be used for CS payments.
- 2.20.1 specifies the value and indexing of CS will be advised to the higher education provider by 1 August each year.
- 2.20.5 specifies the payment arrangements required by higher education providers across all CS types. Depending on the type of CS and when the offer made, the timing of payment will differ. In all cases the payment is 50 percent of the value of the CS.
- 2.25.1 specifies that each higher education provider is responsible for monitoring the ongoing eligibility of its students to ensure that each student continues to meet the CS eligibility requirements.
- 2.25.5 specifies the circumstances in which a suspension of a CA may be granted
- 2.25.10 specifies the maximum duration of a scholarship for each type of scholarship.
- 2.25.15 specifies the circumstances in which a higher education provider must terminate a CS, and that a CS may not be terminated for any other reason..
- 2.25.20 specifies the steps which must be taken by the higher education provider if it or the Department believes a student has provided false or misleading

information. As this clause relates to the student possibly committing an offence under the Criminal Code (Cwth) against the Commonwealth, rather than against the higher education provider, the provider should not make contact with the student in relation to the matter as it may jeopardise the investigative process and the collection of evidence which may be needed for any subsequent prosecution. Officers of the Department's Investigations Branch are required to conduct any enquiries in accordance with the Australian Government Investigation Standards, the Fraud Control Policy of the Commonwealth and various statutory provisions governing investigatory and forensic processes.

Schedule 1 specifies the Fields of Education that will be accepted for the purposes of awarding a CECS-Priority Discipline for undergraduate study.

### **Chapter 3 – Indigenous Staff Scholarships**

- 3.1 specifies that the objective of the Indigenous Staff Scholarship (ISS) Program is to develop Indigenous leadership in the higher education sector through the provision of opportunities for professional development.
- 3.1.1 and 3.1.5 describes the ISS, the number of ISS available each year and that they are standard scholarships in accordance with paragraph 46-10(a) of the Act.
- 3.5.1 specifies the total grant amounts allocated to providers for 2009 and that this amount will be indexed in subsequent years in accordance with the Act.
- 3.5.5 specifies the stipend value and payment of tuition fees and/or student contribution amounts for 2009 in order to determine the grant amount per student at each provider.
- 3.10 specifies the student eligibility requirements.
- 3.15. specifies the application process, the selection policy and the offer process.
- 3.20 specifies the condition of grants to eligible providers.
- 3.20.5 specifies the stipend amount for 2009, and the time and manner of payments.
- 3.20.10 specifies the tuition fees and student contribution amounts for 2009.
- 3.20.15 specifies the process for recovery of funds on termination or transfer of ISS.
- 3.20.20 specifies reporting and notice requirements which the provider must comply with in order to provide the Department with certain information.
- 3.25 specifies the conditions of scholarship.
- 3.25.1 specifies the ISS value for 2009 in terms of the stipend to students and the grant to providers.
- 3.25.5 specifies the duration of the ISS.
- 3.25.10 specifies the circumstances in which an ISS may commence.
- 3.25.15 specifies the circumstances in which a suspension of an ISS may be granted.
- 3.25.20 and 3.25.25 specify the circumstances in which a course may be withdrawn from or changes within the conditions of the ISS.

- 3.25.30 specifies the circumstances in which a transfer to another provider within the tenure of the ISS may be granted.
- 3.25.35 specifies the circumstances in which the student might be eligible for concurrent scholarships or awards.
- 3.25.40 and 3.25.45 specifies the conditions in relation to work and leave.
- 3.25.50 specifies reporting requirements which the student must comply with in order to provide the Department with certain information.
- 3.25.55 specifies the circumstances in which an ISS may be terminated.