Higher Education Support Legislation Amendment (A More Sustainable, Responsive and Transparent Higher Education System) Bill 2017

No.  , 2017

(Education and Training)

A Bill for an Act to amend the laws relating to higher education and vocational education and training, and for related purposes
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</tr>
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</table>
A Bill for an Act to amend the laws relating to higher education and vocational education and training, and for related purposes

The Parliament of Australia enacts:

1 Short title


2 Commencement

(1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with

No. 2017

Higher Education Support Legislation Amendment (A More Sustainable, Responsive and Transparent Higher Education System) Bill 2017
column 2 of the table. Any other statement in column 2 has effect according to its terms.

<table>
<thead>
<tr>
<th>Column 1</th>
<th>Column 2</th>
<th>Column 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provisions</td>
<td>Commencement</td>
<td>Date/Details</td>
</tr>
<tr>
<td>1. Sections 1 to 3 and anything in this Act not elsewhere covered by this table</td>
<td>The day this Act receives the Royal Assent.</td>
<td></td>
</tr>
<tr>
<td>2. Schedule 1</td>
<td>The day after this Act receives the Royal Assent.</td>
<td></td>
</tr>
<tr>
<td>3. Schedule 2, Part 1</td>
<td>The day after this Act receives the Royal Assent.</td>
<td></td>
</tr>
<tr>
<td>4. Schedule 2, Part 2</td>
<td>A day or days to be fixed by Proclamation. However, if any of the provisions do not commence within the period of 12 months beginning on the day this Act receives the Royal Assent, they commence on the day after the end of that period.</td>
<td></td>
</tr>
<tr>
<td>5. Schedule 2, Part 3</td>
<td>The day after this Act receives the Royal Assent.</td>
<td></td>
</tr>
<tr>
<td>6. Schedule 3, Part 1</td>
<td>The day after this Act receives the Royal Assent.</td>
<td></td>
</tr>
<tr>
<td>7. Schedule 3, Part 2</td>
<td>Immediately after the commencement of Schedule 1 to the Budget Savings (Omnibus) Act 2016. 1 July 2018</td>
<td></td>
</tr>
<tr>
<td>8. Schedule 3, Part 3</td>
<td>The day after this Act receives the Royal Assent.</td>
<td></td>
</tr>
<tr>
<td>9. Schedule 4</td>
<td>1 January 2018. 1 January 2018</td>
<td></td>
</tr>
<tr>
<td>10. Schedule 5</td>
<td>The day after this Act receives the Royal Assent.</td>
<td></td>
</tr>
</tbody>
</table>

Note: This table relates only to the provisions of this Act as originally enacted. It will not be amended to deal with any later amendments of this Act.
(2) Any information in column 3 of the table is not part of this Act.

Information may be inserted in this column, or information in it may be edited, in any published version of this Act.

3 Schedules

Legislation that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.
Schedule 1—Costs of higher education

Part 1—Amendments

Higher Education Support Act 2003

1 Paragraph 30-25(3)(c)
Omit “medical student loading”, substitute “medical, dental and veterinary science loading”.

2 Subparagraph 33-1(1)(b)(ii)
Omit “medical student loading”, substitute “medical, dental and veterinary science loading”.

3 Section 33-10
Repeal the section, substitute:

33-10 Commonwealth contribution amounts

The Commonwealth contribution amount, for a place in a funding cluster for 2021 and later years, is:

<table>
<thead>
<tr>
<th>Item</th>
<th>Funding cluster</th>
<th>Commonwealth contribution amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Law, Accounting, Administration, Economics, Commerce</td>
<td>$959</td>
</tr>
<tr>
<td>2</td>
<td>Humanities</td>
<td>$5,074</td>
</tr>
<tr>
<td>3</td>
<td>Mathematics, Statistics, Behavioural Science, Social Studies, Computing, Built Environment, Other Health</td>
<td>$9,343</td>
</tr>
<tr>
<td>4</td>
<td>Education</td>
<td>$9,896</td>
</tr>
<tr>
<td>5</td>
<td>Clinical Psychology, Allied Health, Foreign Languages, Visual and Performing Arts</td>
<td>$11,752</td>
</tr>
</tbody>
</table>

4 Higher Education Support Legislation Amendment (A More Sustainable, Responsive and Transparent Higher Education System) Bill 2017
### Commonwealth contribution amount

<table>
<thead>
<tr>
<th>Item</th>
<th>Funding cluster</th>
<th>Commonwealth contribution amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>Nursing</td>
<td>$13,269</td>
</tr>
<tr>
<td>7</td>
<td>Engineering, Science, Surveying</td>
<td>$16,795</td>
</tr>
<tr>
<td>8</td>
<td>Dentistry, Medicine, Veterinary Science, Agriculture</td>
<td>$21,452</td>
</tr>
</tbody>
</table>


Note 2: The Commonwealth contribution amount that is actually payable in 2021 and later years is the amount specified in the table as indexed under Part 5-6.

### 4 Subsection 93-10(1)

Repeal the subsection, substitute:

*Maximum student contribution amount for places (except places in enabling courses) for 2018*

(1) The maximum student contribution amount for a place in a unit of study (except a unit of study that is part of an "enabling course") for 2018 is the amount specified in the following table in relation to the "funding cluster in which the unit is included."

### Maximum student contribution amounts for places (except places in enabling courses) for 2018

<table>
<thead>
<tr>
<th>Item</th>
<th>Column 1 For a place in a unit in this funding cluster:</th>
<th>Column 2 The maximum student contribution is:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Law, Accounting, Administration, Economics, Commerce</td>
<td>$10,951.</td>
</tr>
<tr>
<td>2</td>
<td>Humanities</td>
<td>$6,561.</td>
</tr>
</tbody>
</table>
### Schedule 1 Costs of higher education

**Part 1 Amendments**

<table>
<thead>
<tr>
<th>Item</th>
<th>Column 1</th>
<th>Column 2</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>For a place in a unit in this funding cluster:</td>
<td>The maximum student contribution is:</td>
</tr>
<tr>
<td>3</td>
<td>Mathematics, Statistics, Behavioural Science, Social Studies, Computing, Built Environment, Other Health</td>
<td>(a) for a place in a unit in Mathematics, Statistics, Computing, Built Environment or Other Health—$9,353; or (b) for a place in a unit in Behavioural Science or Social Studies—$6,561.</td>
</tr>
<tr>
<td>4</td>
<td>Education</td>
<td>$6,561.</td>
</tr>
<tr>
<td>5</td>
<td>Clinical Psychology, Allied Health, Foreign Languages, Visual and Performing Arts</td>
<td>(a) for a place in a unit in Clinical Psychology, Foreign Languages or Visual and Performing Arts—$6,561; or (b) for a place in a unit in Allied Health—$9,353.</td>
</tr>
<tr>
<td>6</td>
<td>Nursing</td>
<td>$6,561.</td>
</tr>
<tr>
<td>7</td>
<td>Engineering, Science, Surveying</td>
<td>$9,353.</td>
</tr>
<tr>
<td>8</td>
<td>Dentistry, Medicine, Veterinary Science, Agriculture</td>
<td>(a) for a place in a unit in Dentistry, Medicine or Veterinary Science—$10,951; or (b) for a place in a unit in Agriculture—$9,353.</td>
</tr>
</tbody>
</table>

Note: Commonwealth Grant Scheme Guidelines made for the purposes of section 33-35 and this section deal with the funding clusters in which particular units of study are included and whether particular units are units in a particular part of a funding cluster.

### 5 At the end of section 93-10

Add:

*Maximum student contribution amount for places in enabling courses for 2018*

(3) The *maximum student contribution amount for a place* in a unit of study that is part of an "enabling course for 2018 is $3,271.*
Maximum student contribution amount for a place for 2019 and later years

(4) The maximum student contribution amount for a place in a unit of study (except a unit of study that is part of an enabling course) for 2019, 2020 and 2021 is worked out using the following formula:

The relevant maximum student contribution amount for a place in the unit for the previous year as indexed under Part 5-6 × 1.01824

(5) The maximum student contribution amount for a place in a unit of study:

(a) except if paragraph (b) applies—for 2022 and later years; or

(b) if the unit of study is part of an enabling course—for 2019 and later years;

is the relevant maximum student contribution amount for a place in the unit for the previous year as indexed under Part 5-6.

(6) The relevant maximum student contribution amount for a place in a unit of study for a year is:

(a) except if paragraph (b) applies—the maximum student contribution amount for a place for the year in relation to the funding cluster in which the unit is included; or

(b) if the unit of study is part of an enabling course—the maximum student contribution amount for a place for the year for units of study that are part of enabling courses.

6 Subsection 198-5(1) (table item 3)

Repeal the item, substitute:

3 *Relevant maximum student contribution amounts for places Subsections 93-10(4) and (5)

7 Subsection 198-5(2)

Omit “the section”, substitute “the provision”.

Schedule 1 Costs of higher education

Part 1 Amendments

8 Subclause 1(1) of Schedule 1 (definition of Commonwealth contribution amount)

Repeal the definition, substitute:

*Commonwealth contribution amount* means:

(a) for 2018, 2019 and 2020—the amount specified in the table in subitem 12(2) of Schedule 1 to the *Higher Education Support Legislation Amendment (A More Sustainable, Responsive and Transparent Higher Education System) Act 2017*; or

(b) for 2021 and later years—an amount specified in section 33-10.

9 Subclause 1(1) of Schedule 1 (definition of maximum student contribution amount for a place)

Omit “subsection 93-10(1)”, substitute “section 93-10”.

10 Subclause 1(1) of Schedule 1

Insert:

*relevant maximum student contribution amount for a place* has the meaning given by subsection 93-10(6).
Part 2—Application and transitional provisions

11 Medical, dental and veterinary science loading

The amendments of sections 30-25 and 33-1 of the Higher Education Support Act 2003 made by Part 1 of this Schedule apply in relation to the following:

(a) grants payable in respect of 2018 and later years;
(b) funding agreements made in relation to 2018 and later years.

12 Commonwealth contribution amounts

(1) The amendments of section 33-10 of the Higher Education Support Act 2003 made by this Schedule apply in relation to any unit of study with a census date that is on or after 1 January 2021 (whether the unit of study is part of a course commenced before or after that day).

(2) The Commonwealth contribution amount, for a place in a funding cluster for 2018, 2019 and 2020, is:

<table>
<thead>
<tr>
<th>Item</th>
<th>Funding cluster</th>
<th>Commonwealth contribution amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Law, Accounting, Administration, Economics, Commerce</td>
<td>(a) for 2018—$1,741; or (b) for 2019—$1,365; or (c) for 2020—$1,164</td>
</tr>
<tr>
<td>2</td>
<td>Humanities</td>
<td>(a) for 2018—$5,604; or (b) for 2019—$5,316; or (c) for 2020—$5,196</td>
</tr>
<tr>
<td>3</td>
<td>Mathematics, Statistics, Behavioural Science, Social Studies, Computing, Built Environment, Other Health</td>
<td>(a) for 2018—$10,030; or (b) for 2019—$9,635; or (c) for 2020—$9,490</td>
</tr>
<tr>
<td>4</td>
<td>Education</td>
<td>(a) for 2018—$10,492; or (b) for 2019—$10,136; or (c) for 2020—$10,017</td>
</tr>
<tr>
<td>Item</td>
<td>Funding cluster</td>
<td>Commonwealth contribution amount</td>
</tr>
<tr>
<td>------</td>
<td>-----------------------------------------------------</td>
<td>----------------------------------</td>
</tr>
<tr>
<td>5</td>
<td>Clinical Psychology, Allied Health, Foreign Languages, Visual and Performing Arts</td>
<td>(a) for 2018—$12,418; or (b) for 2019—$12,015; or (c) for 2020—$11,885</td>
</tr>
<tr>
<td>6</td>
<td>Nursing</td>
<td>(a) for 2018—$13,911; or (b) for 2019—$13,508; or (c) for 2020—$13,390</td>
</tr>
<tr>
<td>7</td>
<td>Engineering, Science, Surveying</td>
<td>(a) for 2018—$17,682; or (b) for 2019—$17,136; or (c) for 2020—$16,966</td>
</tr>
<tr>
<td>8</td>
<td>Dentistry, Medicine, Veterinary Science, Agriculture</td>
<td>(a) for 2018—$22,486; or (b) for 2019—$21,835; or (c) for 2020—$21,645</td>
</tr>
</tbody>
</table>

(3) A Commonwealth contribution amount under this item, for a place in a funding cluster for 2019 and 2020, is indexed under Part 5-6 of the Higher Education Support Act 2003 as if that Commonwealth contribution amount were an amount referred to in the table in section 198-5 of that Act.

Note 1: The amounts specified for 2018 in the table in subitem (2) are not indexed.


(4) Despite section 198-5 of the Higher Education Support Act 2003, Part 5-6 of that Act does not apply in relation to section 33-10 of that Act (as inserted by this Schedule) for the 2018 calendar year.

Note: The amounts specified in the table in section 33-10 are indexed in 2019 and later calendar years.

13 **Maximum student contribution amounts for places**

(1) The amendments of section 93-10 of the Higher Education Support Act 2003 made by this Schedule apply in relation to any unit of study with a census date that is on or after 1 January 2018 (whether the unit of study is part of a course commenced before or after that day).
(2) The amendments of section 93-10 of the *Higher Education Support Act* 2003 made by this Schedule apply despite item 3 of Schedule 5 to the *Higher Education Support Amendment (2009 Budget Measures) Act* 2009.

14 **Indexation**

The amendments of section 198-5 of the *Higher Education Support Act* 2003 made by this Schedule apply in relation to the 2019 calendar year and later calendar years.
Schedule 2—Commonwealth Grant Scheme

Part 1—Enabling and sub-bachelor courses and work experience in industry

Higher Education Support Act 2003

1 Paragraphs 30-25(3)(ca) and (da)
   Repeal the paragraphs.

2 Subparagraph 33-1(1)(b)(iii)
   Repeal the subparagraph.

3 Subsection 33-30(1) (method statement, step 1)
   Omit “a unit of study that wholly consists of "work experience in industry”, substitute “any unit that is an "ineligible work experience unit for a student”.

4 After subsection 36-10(4)
   Insert:
   
   Persons enrolled in approved sub-bachelor courses who have previously obtained certain higher education awards

   (4A) A higher education provider must not advise a person that he or she is a "Commonwealth supported student in relation to a unit of study that is part of an "approved sub-bachelor course if the person has previously obtained a "higher education award (except if the award was obtained by completing an "enabling course).

5 Before subsection 36-15(1A)
   Insert:
   
   Overseas courses

6 After subsection 36-15(1A)
   Insert:

Higher Education Support Legislation Amendment (A More Sustainable, Responsive and Transparent Higher Education System) Bill 2017
Sub-bachelor courses

(1B) A higher education provider must not advise a person that the person is a "Commonwealth supported student in relation to a unit of study that is part of a "sub-bachelor course unless the course is an "approved sub-bachelor course.

Note: Generally, a person must not have previously obtained a higher education award (see subsection 36-10(4A)).

Other courses

7 Subsection 93-5(3)

Repeal the subsection.

8 Paragraph 238-10(1)(a)

Omit “Chapter, Part or section”, substitute “provision (or a definition in Schedule 1 required for the purposes of the provision)”. 

9 Paragraph 238-10(1)(b)

Omit “Chapter, Part or section”, substitute “provision”. 

10 Subsection 238-10(1) (table, heading to column headed “Chapter/Part/section”)

Repeal the heading, substitute:

Provision

11 Subsection 238-10(1) (table item 1)

After “section 19-37;”, insert “section 33-30;”.

12 Subclause 1(1) of Schedule 1

Insert:

approved sub-bachelor course means a "sub-bachelor course that:

(a) meets the requirements specified in the Commonwealth Grant Scheme Guidelines for the purposes of this paragraph; and

(b) is determined by the Minister, by legislative instrument, for the purposes of this paragraph.
13 Subclause 1(1) of Schedule 1 (definition of enabling course)

Repeal the definition, substitute:

enabling course means a course of instruction that:
(a) is intended only to develop skills and knowledge needed to gain entry into, or succeed in, a student’s first undergraduate course of study; and
(b) is not a secondary school qualification; and
(c) has not been determined by the Minister, by legislative instrument, as not being an enabling course for the purposes of this paragraph.

14 Subclause 1(1) of Schedule 1

Insert:

ineligible work experience unit for a student means a unit of study that the student is enrolled in that meets the following conditions:
(a) the unit wholly consists of *work experience in industry;
(b) either:
   (i) the student is exempt from paying his or her *student contribution amount in relation to the unit; or
   (ii) the unit does not meet the requirements specified by the Administration Guidelines for the purposes of this subparagraph.

sub-bachelor course means a *course of study (except a *VET course of study) that leads to an award of diploma, advanced diploma or associate degree.
Part 2—Amendments generally applying from 1 January 2019

Higher Education Support Act 2003

15 Subsection 5-1(2) (after table item 3)

Insert:

3A Part 2-2 (Commonwealth Grant Scheme) Applies to the Australian branch of the provider and to students undertaking or proposing to undertake units of study at that branch.

3B Part 3-2 (HECS-HELP assistance) Applies to the Australian branch of the provider and to students undertaking or proposing to undertake units of study at that branch.

16 Paragraphs 5-1(4)(a) and (e)

Repeal the paragraphs.

17 At the end of section 19-35

Add:

(6) Without limiting this section, a higher education provider must not take into account the fact that a person has been allocated a scholarship place in relation to a course of study in making decisions about the selection, from among the persons who seek to enrol with the provider in the course, of persons to enrol.

18 Section 27-1 (note)

Repeal the note.

19 Section 30-1

Repeal the section, substitute:
30-1 Eligibility for grants

(1) A grant under this Part is payable, as a benefit to students, to a higher education provider, in respect of a year, if the provider has entered into a funding agreement with the Commonwealth under section 30-25 in respect of a period that is or includes that year.

(2) However, a grant that is payable to a higher education provider that is not a Table A provider is payable only to the extent that the grant relates only to one or more of the following:
   (a) national priorities;
   (b) enabling courses;
   (c) non-medical non-research postgraduate courses.

20 Paragraph 30-10(1)(b)

Repeal the paragraph, substitute:
   (b) any other higher education provider.

21 Subsection 30-10(2)

Repeal the subsection, substitute:

Allocation requirements

(2) The allocation must, for each funding cluster, specify the distribution of those places between:
   (a) courses of study in medicine; and
   (b) enabling courses; and
   (c) courses of study specified by the Minister under subsection 30-12(2); and
   (d) if the provider is not a Table A provider:
      (i) non-medical bachelor courses; and
      (ii) approved sub-bachelor courses.

22 After subsection 30-10(4)

Insert:
(4A) However, subsection (4) does not apply to the extent that the allocation is in respect of *enabling courses or *non-medical non-research postgraduate courses.

**Allocation not legislative instrument**

23 **Paragraph 30-12(1)(a)**

Repeal the paragraph.

24 **After paragraph 30-12(1)(b)**

Insert:

(ba) *enabling courses;

25 **Subsection 30-25(1)**

Omit “each year in a period of 3 years (the *grant years*)”, substitute “one or more years (the *grant years*) if the Minister has allocated, or intends to allocate, Commonwealth supported places to the provider”.

26 **After subsection 30-25(1)**

Insert:

(1AA) The Minister may, on behalf of the Commonwealth, enter into a funding agreement with a higher education provider relating to grants under this Part in respect of one or more years (the *grant years*) if:

(a) one or more "Commonwealth supported students are enrolled with the higher education provider under subsection 36-30(6) (scholarship places) in relation to a unit of study; and

(b) the Minister has not allocated, and does not intend to allocate, Commonwealth supported places to the provider.

27 **Subsection 30-25(1A)**

Omit “the agreement”, substitute “an agreement under subsection (1) or (1AA)”.

28 **Subparagraph 30-25(3)(a)(ii)**

Repeal the subparagraph.
29 Section 30-27

Repeal the section, substitute:

30-27 Funding agreement may specify maximum unadjusted grant amounts

(1) A funding agreement may specify a maximum unadjusted grant amount payable to a higher education provider for a grant year for:
   (a) *courses of study in medicine; and
   (b) *enabling courses; and
   (c) courses of study specified by the Minister under subsection 30-12(2); and
   (d) for a *Table A provider—*non-designated courses of study (except *non-medical non-research postgraduate courses); and
   (e) for a provider that is not a Table A provider:
      (i) *non-medical bachelor courses; and
      (ii) *approved sub-bachelor courses.

Maximum unadjusted grant amounts generally

(2) The *maximum unadjusted grant amount for a higher education provider for a kind of course (except *non-designated courses of study) for a grant year must not be less than the amount worked out for the provider under subsections 33-5(3) and (4) for that kind of course for the grant year.

Table A providers—maximum unadjusted grant amounts for non-designated courses of study

(3) The *maximum unadjusted grant amount for a *Table A provider for *non-designated courses of study must not be less than:
   (a) if a maximum unadjusted grant amount was specified in the provider’s funding agreement for the preceding year for non-designated courses of study—the amount that was so specified; or
   (b) if a maximum unadjusted grant amount was not specified in the provider’s funding agreement for the preceding year for
non-designated courses of study—the amount worked out for the provider under subsections 33-5(3) and (4) for that kind of course for the preceding year.

30 Paragraph 33-1(1)(a)
Omit “‘basic grant amount’”, substitute “‘adjusted grant amount’”.

31 Subdivision 33-B (heading)
Repeal the heading, substitute:

Subdivision 33-B—Unadjusted and adjusted grant amounts

32 Section 33-5
Repeal the section, substitute:

33-5 Unadjusted grant amounts

(1) This section sets out how to work out the unadjusted grant amount for a higher education provider for a year.

Unadjusted grant amounts

(2) The "unadjusted grant amount for a year is the sum of each of the amounts (the course amount), worked out in accordance with this section, for a course of the following kind:

(a) a "course of study in medicine;"
(b) an "enabling course;"
(c) a course of study specified by the Minister under subsection 30-12(2);
(d) a "non-medical non-research postgraduate course;"
(e) for a "Table A provider—a "non-designated course of study (except a "non-medical non-research postgraduate course);"
(f) for a provider that is not a "Table A provider:
   (i) a "non-medical bachelor course; and
   (ii) an "approved sub-bachelor course.

(3) The course amount for a course of a kind referred to in subsection (2) is (subject to subsection (5)) the sum of the amounts
worked out, for each *funding cluster in which the provider has
provided places in a course of that kind, by multiplying:
(a) the *number of Commonwealth supported places referred to
in subsection (4); by
(b) the *Commonwealth contribution amount for a place in a
course of that kind in that funding cluster.

(4) For the purposes of paragraph (3)(a), the *number of
Commonwealth supported places is:
(a) for a *non-medical non-research postgraduate course, a
*non-designated course of study or a *course of study for
which a *maximum unadjusted grant amount is specified in
the provider’s funding agreement—the number of
*Commonwealth supported places provided by the provider
in a course of that kind in that *funding cluster; or
(b) otherwise—the lesser of:
(i) the number of such places provided by the provider in a
course of that kind in that funding cluster; or
(ii) the number of such places allocated to courses of that
kind in that funding cluster.

Course amount not to exceed maximum unadjusted grant amount

(5) Despite subsection (3), if:
(a) a *maximum unadjusted grant amount is specified in the
provider’s funding agreement for a course of that kind for the
year; and
(b) the course amount worked out under subsection (3) for a
course of that kind for the year is more than that specified
maximum amount;
the course amount for a course of that kind for the year is instead
that specified maximum amount.

33-7 Adjusted grant amounts

(1) The Commonwealth Grant Scheme Guidelines may determine a
method for adjusting an *unadjusted grant amount for a higher
education provider for a year to reflect the performance of the
provider, against criteria specified by those Guidelines.
(2) The amount worked out for the provider for the year in accordance with the method is the *adjusted grant amount* for the provider for the year.

(3) The adjusted grant amount for the provider for the year may be:
   (a) more than, or equal to, the *unadjusted grant amount* for the provider for the year; or
   (b) less than that unadjusted grant amount, but must not be less than 92.5% of that unadjusted grant amount.

33 **Subsection 33-30(3) (table item 2)**

Repeal the item, substitute:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2A</td>
<td><em>courses of study in medicine in a funding cluster</em></td>
</tr>
<tr>
<td>2B</td>
<td><em>enabling courses in a funding cluster</em></td>
</tr>
<tr>
<td>2C</td>
<td>courses of study specified by the Minister under subsection 30-12(2)</td>
</tr>
<tr>
<td>2D</td>
<td><em>non-medical non-research postgraduate courses</em></td>
</tr>
<tr>
<td>2E</td>
<td><em>non-medical bachelor courses</em></td>
</tr>
<tr>
<td>2F</td>
<td><em>approved sub-bachelor courses</em></td>
</tr>
</tbody>
</table>

34 **Section 33-37**

Omit “*basic grant amount*” (wherever occurring), substitute “*adjusted grant amount*”.

35 **Subsection 36-10(5)**

After “unit of study”, insert “(except a unit of study that is part of an *enabling course or a *non-medical non-research postgraduate course)*”.

36 After subsection 36-10(6)

Insert:

Former holders of scholarship places

(6A) A higher education provider must not advise a person that he or she is a "Commonwealth supported student in relation to a unit of study that is part of a "course of study if:

(a) the person was a Commonwealth supported student under subsection 36-30(6) in relation to another unit of study that is part of the course because the person had been allocated a "scholarship place in relation to the course; and

(b) the person has been given a notice under subsection 36-27(3) that the person is no longer to be a Commonwealth supported student as a result of the scholarship place in relation to any units of study that are part of the course.

37 After section 36-25

Insert:

36-27 Persons advised that they have been allocated a scholarship place for a non-medical non-research postgraduate course

(1) The Minister must advise, in writing, an individual that he or she has been allocated a "scholarship place in relation to a "course of study if:

(a) the course is a "non-medical non-research postgraduate course; and

(b) the individual meets the requirements specified by the Commonwealth Grant Scheme Guidelines for the scholarship place.

(2) The Minister may, in the notice given to the individual under subsection (1), impose conditions in relation to a "scholarship place allocated to the individual.

(3) A higher education provider must give a notice in writing advising an individual that he or she is no longer to be a "Commonwealth supported student in relation to a unit of study that is part of a "course of study if:

(a) the person was a Commonwealth supported student under subsection 36-30(6) in relation to another unit of study that is part of the course because the person had been allocated a "scholarship place in relation to the course; and

(b) the person has been given a notice under subsection 36-27(3) that the person is no longer to be a Commonwealth supported student as a result of the scholarship place in relation to any units of study that are part of the course.
supported student as a result of the \textquote{scholarship place in relation to any units of study in a course of study if:

(a) the provider provides the course to the individual; and

(b) either:

(i) the individual fails to meet the ongoing requirements determined by the Commonwealth Grant Scheme Guidelines for the purposes of this subparagraph; or

(ii) the individual fails to meet a condition specified in the notice given under subsection (1) to the individual.

(4) Without limiting this section, the Commonwealth Grant Scheme Guidelines may provide for, or in relation to, a scheme (the \textit{scholarship places scheme}) for providing \textquote{scholarship places for the purposes of this Act, including by providing for, or in relation to, the following:

(a) the person or body that is to administer the scholarship places scheme;

(b) the \textquote{non-medical non-research postgraduate courses in relation to which scholarship places are to be allocated to individuals;

(c) the number of scholarship places available to be allocated to individuals, or the method for determining the number of places available to be so allocated;

(d) the process for allocating scholarship places to individuals;

(e) the criteria and method used to allocate scholarship places to individuals;

(f) fees charged in relation to applying for a scholarship place under the scholarship places scheme;

(g) the process for higher education providers to opt out of the scholarship places scheme;

(h) matters of a transitional nature (including prescribing any saving or application provisions) relating to the scholarship places scheme.

Note 1: The powers under this section and the scholarship places scheme can be delegated to the person or body administering the scheme, or an authorised officer of such a person or body (see subsection 238-5(1A)).
Note 2: For specification by class, see subsection 13(3) of the *Legislation Act 2003*.

38 Subsection 36-30(3)

After “unit of study”, insert “(except a unit of study that is part of an *enabling course or a *non-medical non-research postgraduate course)*”.

39 At the end of section 36-30

Add:

*Scholarship places*

(6) If:

(a) a person is to be enrolled with a higher education provider in a unit of study; and

(b) the person has been advised under section 36-27 that the person has been allocated a *scholarship place in relation to a course of study of which the unit forms a part; and

(c) the higher education provider is not prohibited, under section 36-10 or 36-15, or both, from advising the person that he or she is a *Commonwealth supported student; and

(d) the person has not been given a notice under subsection 36-27(3) that the person is no longer to be a Commonwealth supported student as a result of the scholarship place in relation to any units of study that are part of the course; and

(e) a notice is not in force under Commonwealth Grant Scheme Guidelines made for the purposes of paragraph 36-27(4)(g) stating that the higher education provider has opted out of the scholarship places scheme; and

(f) if the enrolment is subject to conditions specified in a notice given under subsection 36-27(1) to the person—enrolling the person in the unit does not breach any of those conditions;

the provider must enrol the person in the unit as a Commonwealth supported student.

40 Paragraph 46-13(c)

Repeal the paragraph, substitute:

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Higher Education Support Legislation Amendment *(A More Sustainable, Responsive and Transparent Higher Education System)*

*No. 6*, 2017

*Bill 2017*
(c) a student of a "Table A provider or any other higher education provider satisfies those eligibility requirements; and

41 Subsection 46-15(1)

Omit “higher education providers to which subparagraph 30-1(1)(b)(i) applies”, substitute “any other higher education providers”.

42 After subsection 238-5(1)

Insert:

(1A) Without limiting subsection (1), the Minister may, by writing, delegate to:

(a) a person or body; or

(b) an authorised officer of a person or body;

that is specified for the purposes of paragraph 36-27(4)(a), all or any of the powers under this Act, or the Commonwealth Grant Scheme Guidelines, in relation to the “scholarship places scheme.

43 Subclause 1(1) of Schedule 1

Insert:

adjusted grant amount has the meaning given by subsection 33-7(2).

44 Subclause 1(1) of Schedule 1

Repeal the following definitions:

(a) the definition of basic grant amount;

(b) the definition of maximum basic grant amount.

45 Subclause 1(1) of Schedule 1

Insert:

maximum unadjusted grant amount has the meaning given by subsection 30-27(1).
Schedule 2  Commonwealth Grant Scheme
Part 2  Amendments generally applying from 1 January 2019

non-medical bachelor courses means *courses of study leading to
a bachelor degree (or equivalent), except courses of study in
medicine.

non-medical non-research postgraduate course means a
non-research *postgraduate course of study that is not a *course of
study in medicine.

46 Subclause 1(1) of Schedule 1 (definition of postgraduate
course of study)
Repeal the definition, substitute:

postgraduate course of study means a *course of study that leads
to one or more of the following *higher education awards:
(a) a graduate diploma;
(b) a graduate certificate;
(c) a master’s degree;
(d) a doctoral degree;
whether or not it also leads to any other higher education award.

47 Subclause 1(1) of Schedule 1
Insert:

scholarship place: a scholarship place is allocated to a person, in
relation to a *course of study, if, when the person enrolls in a unit of
study in the course, the person becomes, under
subsection 36-30(6), a *Commonwealth supported student in
relation to the unit.

scholarship places scheme has the meaning given by
subsection 36-27(4).

unadjusted grant amount has the meaning given by section 33-5.

Income Tax Assessment Act 1997

48 Section 11-15 (table item headed “education and training”)
Before:
Tools for Your Trade payment (under the program known as the Australian Apprenticeships Incentives Program), recipient of ............................................. 51-10

insert:

student, grant payable to higher education provider for scholarship place of .................................................................

### 49 Section 51-10 (at the end of the table)

Add:

| 2.10 | a student who has been allocated a scholarship place under the Higher Education Support Act 2003 in relation to a course of study | the amount of the grant payable to the relevant higher education provider in relation to the scholarship place | none |

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Part 3—Application and transitional provisions

50 Grants, places and funding agreements for enabling and designated courses

The amendments of sections 30-25 and 33-1 of the *Higher Education Support Act 2003* made by Part 1 of this Schedule apply in relation to the following:

(a) grants payable in respect of 2018 and later years;

(b) funding agreements made in relation to 2018 and later years.

51 Work experience in industry and enabling courses

The amendments of sections 33-30 and 93-5 of, and the definition of *enabling course* in clause 1 of Schedule 1 to, the *Higher Education Support Act 2003* made by Part 1 of this Schedule apply in relation to any unit of study with a census date that is on or after 1 January 2018 (whether the unit of study is part of a course commenced before or after that day).

52 Sub-bachelor courses

(1) Subsections 36-10(4A) and 36-15(1B) of the *Higher Education Support Act 2003*, as inserted by Part 1 of this Schedule, apply in relation to sub-bachelor courses commenced on or after 1 January 2018.

(2) To avoid doubt, for the purposes of determining, after the commencement of this item, whether a higher education provider would have been prohibited from advising a person who commenced a sub-bachelor course before 1 January 2018 that he or she is a Commonwealth supported student, disregard subsections 36-10(4A) and 36-15(1B) of the *Higher Education Support Act 2003*.

53 Grants, places and funding agreements for enabling and designated courses

(1) The amendments of sections 30-1 to 33-37 of the *Higher Education Support Act 2003* made by Part 2 of this Schedule (except the amendments of section 30-25 of that Act) apply in relation to the following:

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*Higher Education Support Legislation Amendment (A More Sustainable, Responsive and Transparent Higher Education System) Bill 2017*
54 Performance funding for 2018

(1) The Higher Education Support Act 2003 applies, in respect of 2018, as if the amount of a grant payable under paragraph 33-1(1)(a) of that Act in respect of that year were the amount worked out for the purposes of that paragraph adjusted, in accordance with the Commonwealth Grant Scheme Guidelines, to reflect the performance of the provider, against criteria specified by those Guidelines.

(2) The adjusted amount for the provider for 2018 may be:
   (a) more than, or equal to, the amount worked out for the purposes of paragraph 33-1(1)(a) of that Act for the provider for 2018; or
   (b) less than that amount, but must not be less than 92.5% of that amount.

(3) Section 238-10 of the Higher Education Support Act 2003 applies as if a reference to this item were included in item 2 of the table in subsection 238-10(1) of that Act.

55 Scholarship places scheme

(1) The amendments of sections 36-10 to 46-15 of the Higher Education Support Act 2003 made by Part 2 of this Schedule apply in relation to any unit of study with a census date that is on or after 1 January 2019 (whether the unit of study is part of a course commenced before or after that day).

(2) For the purposes of the Higher Education Support Act 2003, an individual is taken to have been advised under section 36-27 of that Act (as inserted by this Schedule) that the individual has been allocated a scholarship place in relation to a non-medical non-research postgraduate
course if, before 2 May 2017, the individual received an offer of a Commonwealth supported place in relation to the course.

Note: The Commonwealth Grant Scheme Guidelines can also provide for matters of a transitional nature in relation to the scholarship places scheme under paragraph 36-27(4)(h) of the Higher Education Support Act 2003.

(3) Subitem (2) ceases to apply at the end of 31 December 2020.

(4) A higher education provider must not, under subsection 36-27(3) of the Higher Education Support Act 2003, give a notice to an individual who is taken to have been allocated a scholarship place under subitem (2).

(5) To avoid doubt, if:
   (a) an individual is advised, before 1 January 2019, that the individual is a Commonwealth supported student in relation to a unit of study in a non-medical non-research postgraduate course; and
   (b) the census date for the unit is on or after 1 January 2019; and
   (c) the individual is not covered by subitem (2);
the individual is not a Commonwealth supported student in relation to the unit unless the individual is enrolled as a Commonwealth supported student under subsection 36-30(6) of the Higher Education Support Act 2003 (as inserted by Part 2 of this Schedule).

56 Definition of postgraduate course of study

The amendments of the definition of postgraduate course of study in subclause 1(1) of Schedule 1 to the Higher Education Support Act 2003 made by Part 2 of this Schedule apply in relation to any unit of study with a census date on or after 1 January 2019 (whether the unit of study is part of a course commenced before or after that day).
Schedule 3—Higher Education Loan Program

Part 1—Amendments

Higher Education Support Act 2003

1 Paragraph 36-10(1)(c)
   After “subsections (2)”, insert “, (2AA), (2AB)”.

2 Before subsection 36-10(2)
   Insert:
   
   Australian citizens and current or former permanent humanitarian visa holders

3 Paragraphs 36-10(2)(b) and (c)
   Repeal the paragraphs, substitute:
   
   (b) a *permanent humanitarian visa holder who will be resident within Australia for the duration of the unit; or
   
   (c) a person in relation to whom both of the following apply:
       (i) when the person commenced the *course of study of which the unit is a part, the student was a permanent humanitarian visa holder;
       (ii) the person is a *permanent visa holder who will be resident in Australia for the duration of the unit.

4 After subsection 36-10(2)
   Insert:
   
   Current and former special category visa holders
   
   (2AA) A person also meets the citizenship or residency requirements for the purposes of paragraph (1)(c) if:
       (a) the person is a New Zealand citizen; and
       (b) the person holds a special category visa under the Migration Act 1958; and
(c) the person first began to be usually resident in Australia as a dependent child and has not ceased being usually resident in Australia since that time; and

(d) that time was at least 10 years before the day the person made the request for Commonwealth assistance; and

(e) the person has been in Australia (whether or not continuously) for at least 8 years of the 10 year period immediately before that day, of which at least 18 months was in the most recent 2 year period; and

(f) the person will be resident in Australia for the duration of the unit.

(2AB) A person also meets the citizenship or residency requirements for the purposes of paragraph (1)(c) if:

(a) when the person commenced the course of study of which the unit is a part, the person met, under subsection (2AA), the citizenship or residency requirements; and

(b) the person is a permanent visa holder who will be resident in Australia for the duration of the unit.

When a person is resident within Australia

5 Subsection 36-10(2A)

Omit “subparagraph (2)(b) or (c)”, substitute “this section”.

6 Before subsection 36-10(2B)

Insert:

When an Australian citizen does not meet citizenship or residency requirements

7 Subsection 36-10(2B)

Omit “subsections (2) and (2A), a person”, substitute “paragraph (2)(a), a person who is an Australian citizen”.

8 Paragraph 90-1(aa)

After “accredited course”, insert “or enabling course”.

Higher Education Support Legislation Amendment (A More Sustainable, Responsive and Transparent Higher Education System) Bill 2017
9 Before subsection 90-5(1)

Insert:

Australian citizens and current or former permanent humanitarian visa holders

10 At the end of subsection 90-5(1)

Add:

; or (c) a student in relation to whom both of the following apply:

(i) the student was a permanent humanitarian visa holder when the person commenced the course of study of which the unit is a part;

(ii) the student is a *permanent visa holder who will be resident in Australia for the duration of the unit.

11 Subsection 90-5(2)

Omit “paragraph (1)(b)”, substitute “this section”.

12 Subsection 90-5(2A)

Repeal the subsection, substitute:

Current and former special category visa holders

(2A) A student also meets the citizenship or residency requirements under this section in relation to a unit of study if:

(a) the student is a New Zealand citizen; and

(b) the student holds a special category visa under the Migration Act 1958; and

(c) the student first began to be usually resident in Australia as a "dependent child and has not ceased being usually resident in Australia since that time; and

(d) that time was at least 10 years before the day referred to in subsection (2B) (the test day); and

(e) the student has been in Australia (whether or not continuously) for at least 8 years of the 10 year period immediately before the test day, of which at least 18 months was in the most recent 2 year period; and
(f) the student will be resident in Australia for the duration of the unit.

(2B) A student also meets the citizenship or residency requirements under this section in relation to a unit of study if:
(a) when the student commenced the course of study of which the unit is a part, the student met, under subsection (2A), the citizenship or residency requirements in relation to the unit; and
(b) the student is a permanent visa holder who will be resident in Australia for the duration of the unit.

13 Before subsection 90-5(3)
Insert:
When an Australian citizen does not meet citizenship or residency requirements

14 Subsection 90-5(3)
Omit “subsections (1), (2) and (2A), a student”, substitute “paragraph (1)(a), a student who is an Australian citizen”.

15 Before subsection 104-5(1)
Insert:
Australian and New Zealand citizens and certain permanent visa holders

16 After paragraph 104-5(1)(b)
Insert:
(ba) a New Zealand citizen who will be resident in Australia for the duration of the unit; or
(bb) a permanent visa holder (except if the student is covered by paragraph (c)) who will be resident in Australia for the duration of the unit; or
(bc) a student in relation to whom both of the following apply:
(i) the student was a permanent humanitarian visa holder when the person commenced the course of which the unit is a part;
(ii) the student is a permanent visa holder who will be resident in Australia for the duration of the unit; or

17 Subsection 104-5(2)
Omit “paragraph (1)(b) or (c)”, substitute “this section”.

18 Subsection 104-5(2A)
Repeal the subsection, substitute:

Current and former special category visa holders

(2A) A student also meets the citizenship or residency requirements under this section in relation to a unit of study if:
(a) the student is a New Zealand citizen; and
(b) the student holds a special category visa under the Migration Act 1958; and
(c) the student first began to be usually resident in Australia as a dependent child and has not ceased being usually resident in Australia since that time; and
(d) that time was at least 10 years before the day referred to in subsection (2B) (the test day); and
(e) the student has been in Australia (whether or not continuously) for at least 8 years of the 10 year period immediately before the test day, of which at least 18 months was in the most recent 2 year period; and
(f) the student will be resident in Australia for the duration of the unit.

(2B) A student also meets the citizenship or residency requirements under this section in relation to a unit of study if:
(a) when the student commenced the course of study of which the unit is a part, the student met, under subsection (2A), the citizenship or residency requirements in relation to the unit; and
(b) the student is a "permanent visa holder who will be resident in Australia for the duration of the unit.

19 Before subsection 104-5(3)

Insert:

When an Australian citizen does not meet citizenship or residency requirements

20 Subsections 104-5(3) and (4)

Omit “subsections (1), (2) and (2A), a student”, substitute “paragraph (1)(a), a student who is an Australian citizen”.

21 After paragraph 118-5(1)(b)

Insert:

(ba) a student in relation to whom both of the following apply:
(i) the student was a permanent humanitarian visa holder on the day referred to in subsection (3);
(ii) the student is a "permanent visa holder; or

22 Paragraph 118-5(1)(c)

After “subsection (2)”, insert “or (2A)”.

23 Subsection 118-5(2)

Repeal the subsection, substitute:

Current and former special category visa holders

(2) This subsection applies to a student if:
(a) the student is a New Zealand citizen; and
(b) the student holds a special category visa under the Migration Act 1958; and
(c) the student first began to be usually resident in Australia as a "dependent child and has not ceased being usually resident in Australia since that time; and
(d) that time was at least 10 years before the day referred to in subsection (3) (the test day); and

36 Higher Education Support Legislation Amendment (A More Sustainable, Responsive and Transparent Higher Education System) Bill 2017
(e) the student has been in Australia (whether or not continuously) for at least 8 years of the 10 year period immediately before the test day, of which at least 18 months was in the most recent 2 year period.

(2A) This subsection applies to a student if:

(a) on the day referred to in subsection (3), the student met, under subsection (2), the citizenship or residency requirements; and

(b) the student is a "permanent visa holder.

24 Subsection 118-5(3)

Omit “subsection (2)”, substitute “this section”.

25 Before subsection 126-5(1)

Insert:

Australian and New Zealand citizens and permanent visa holders

26 At the end of subsection 126-5(1)

Add:

; or (c) a New Zealand citizen resident in Australia; or

(d) a "permanent visa holder resident in Australia; or

(e) a student in relation to whom both of the following apply:

(i) the student was a permanent humanitarian visa holder on the day referred to in subsection (1B);

(ii) the student is a permanent visa holder resident in Australia.

27 Subsection 126-5(1A)

Repeal the subsection, substitute:

Special category visa holders

(1A) A student also meets the citizenship or residency requirements under this section in relation to a "student services and amenities fee imposed on the student by a higher education provider if:

(a) the student is a New Zealand citizen; and

(b) the student holds a special category visa under the *Migration Act 1958*; and
(c) the student first began to be usually resident in Australia as a *dependent child and has not ceased being usually resident in Australia since that time; and
(d) that time was at least 10 years before the day referred to in subsection (1B) (the *test day*); and
(e) the student has been in Australia (whether or not continuously) for at least 8 years of the 10 year period immediately before the test day, of which at least 18 months was in the most recent 2 year period; and
(f) the student is resident in Australia.

(1AB) A student also meets the citizenship or residency requirements under this section in relation to a *student services and amenities fee imposed on the student by a higher education provider* if:
(a) on the day referred to in subsection (1B), the student met, under subsection (1A), the citizenship or residency requirements in relation to the fee; and
(b) the student is a *permanent visa holder resident in Australia*.

28 **Subsection 126-5(1B)**

Omit “subsection (1A)”, substitute “this section”.

29 **Before subsection 126-5(2)**

Insert:

> When an Australian citizen does not meet citizenship or residency requirements

30 **Subsection 126-5(2)**

Omit “subsections (1) and (1A), a student”, substitute “paragraph (1)(a), a student who is an Australian citizen”.

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**Higher Education Support Legislation Amendment (A More Sustainable, Responsive and Transparent Higher Education System) Bill 2017**
VET Student Loans Act 2016

31 Section 6 (definition of qualifying New Zealand citizen)

Omit “subsection 11(2)”, substitute “subsections 11(2) and (3)”.

32 At the end of subsection 11(1)

Add:

; or (d) a New Zealand citizen who is usually resident in Australia; or

(e) a holder of a permanent visa (within the meaning of subsection 30(1) of the Migration Act 1958) who is usually resident in Australia; or

(f) a student in relation to whom both of the following apply:

(i) the student was a holder of a permanent humanitarian visa (within the meaning of the Migration Act 1958) on the day the Secretary approved a VET student loan to the student;

(ii) the student is the holder of a permanent visa (within the meaning of that Act) who is usually resident in Australia.

33 At the end of section 11

Add:

(3) A qualifying New Zealand citizen is also a New Zealand citizen who:

(a) on the day the Secretary approved a VET student loan to the citizen, he or she was a qualifying New Zealand citizen under subsection (2); and

(b) is the holder of a permanent visa (within the meaning of the Migration Act 1958) who is usually resident in Australia.
Part 2—Amendments commencing 1 July 2018

Higher Education Support Act 2003

34 Section 140-15

Repeal the section.

35 Paragraph 154-10(a)

Repeal the paragraph, substitute:

(a) for the 2018-19 income year—$41,999; or

36 Section 154-20 (table)

Repeal the table, substitute:

<table>
<thead>
<tr>
<th>Item</th>
<th>If the person’s repayment income is:</th>
<th>The percentage applicable is:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>More than the * minimum repayment income, but less than:</td>
<td>1%</td>
</tr>
<tr>
<td></td>
<td>(a) for the 2018-19 * income year—$44,520; or</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(b) for a later income year—that amount indexed under section 154-25.</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Equal to, or more than, the amount under item 1, but less than:</td>
<td>1.5%</td>
</tr>
<tr>
<td></td>
<td>(a) for the 2018-19 * income year—$47,191; or</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(b) for a later income year—that amount indexed under section 154-25.</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Equal to, or more than, the amount under item 2, but less than:</td>
<td>2%</td>
</tr>
<tr>
<td></td>
<td>(a) for the 2018-19 * income year—$50,022; or</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(b) for a later income year—that amount indexed under section 154-25.</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Equal to, or more than, the amount under item 3, but less than:</td>
<td>2.5%</td>
</tr>
</tbody>
</table>

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High Education Support Legislation Amendment (A More Sustainable, Responsive and Transparent Higher Education System) Bill 2017
### Applicable percentages

<table>
<thead>
<tr>
<th>Item</th>
<th>If the person’s repayment income is:</th>
<th>The percentage applicable is:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(a) for the 2018-19 (^*) income year—$53,024; or (b) for a later income year—that amount indexed under section 154-25.</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Equal to, or more than, the amount under item 4, but less than: (a) for the 2018-19 (^*) income year—$56,205; or (b) for a later income year—that amount indexed under section 154-25.</td>
<td>3%</td>
</tr>
<tr>
<td>6</td>
<td>Equal to, or more than, the amount under item 5, but less than: (a) for the 2018-19 (^*) income year—$59,577; or (b) for a later income year—that amount indexed under section 154-25.</td>
<td>3.5%</td>
</tr>
<tr>
<td>7</td>
<td>Equal to, or more than, the amount under item 6, but less than: (a) for the 2018-19 (^*) income year—$63,152; or (b) for a later income year—that amount indexed under section 154-25.</td>
<td>4%</td>
</tr>
<tr>
<td>8</td>
<td>Equal to, or more than, the amount under item 7, but less than: (a) for the 2018-19 (^*) income year—$66,941; or (b) for a later income year—that amount indexed under section 154-25.</td>
<td>4.5%</td>
</tr>
<tr>
<td>9</td>
<td>Equal to, or more than, the amount under item 8, but less than: (a) for the 2018-19 (^*) income year—$70,958; or (b) for a later income year—that amount indexed under section 154-25.</td>
<td>5%</td>
</tr>
<tr>
<td>10</td>
<td>Equal to, or more than, the amount under item 9, but less than: (a) for the 2018-19 (^*) income year—$75,215; or (b) for a later income year—that amount indexed under section 154-25.</td>
<td>5.5%</td>
</tr>
</tbody>
</table>

\(^*\) refers to the financial year.
### Schedule 3  Higher Education Loan Program

**Part 2**  Amendments commencing 1 July 2018

<table>
<thead>
<tr>
<th>Item</th>
<th>If the person’s repayment income is:</th>
<th>The percentage applicable is:</th>
</tr>
</thead>
<tbody>
<tr>
<td>11</td>
<td>Equal to, or more than, the amount under item 10, but less than:</td>
<td>6%</td>
</tr>
<tr>
<td></td>
<td>(a) for the 2018-19 *income year—$79,728; or</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(b) for a later income year—that amount indexed under section 154-25.</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Equal to, or more than, the amount under item 11, but less than:</td>
<td>6.5%</td>
</tr>
<tr>
<td></td>
<td>(a) for the 2018-19 *income year—$84,512; or</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(b) for a later income year—that amount indexed under section 154-25.</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Equal to, or more than, the amount under item 12, but less than:</td>
<td>7%</td>
</tr>
<tr>
<td></td>
<td>(a) for the 2018-19 *income year—$89,582; or</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(b) for a later income year—that amount indexed under section 154-25.</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Equal to, or more than, the amount under item 13, but less than:</td>
<td>7.5%</td>
</tr>
<tr>
<td></td>
<td>(a) for the 2018-19 *income year—$94,957; or</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(b) for a later income year—that amount indexed under section 154-25.</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Equal to, or more than, the amount under item 14, but less than:</td>
<td>8%</td>
</tr>
<tr>
<td></td>
<td>(a) for the 2018-19 *income year—$100,655; or</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(b) for a later income year—that amount indexed under section 154-25.</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Equal to, or more than, the amount under item 15, but less than:</td>
<td>8.5%</td>
</tr>
<tr>
<td></td>
<td>(a) for the 2018-19 *income year—$106,694; or</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(b) for a later income year—that amount indexed under section 154-25.</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>Equal to, or more than, the amount under item 16, but less than:</td>
<td>9%</td>
</tr>
<tr>
<td></td>
<td>(a) for the 2018-19 *income year—$113,096; or</td>
<td></td>
</tr>
</tbody>
</table>

*Higher Education Support Legislation Amendment (A More Sustainable, Responsive and Transparent Higher Education System) Bill 2017*
### Applicable percentages

<table>
<thead>
<tr>
<th>Item</th>
<th>If the person’s repayment income is:</th>
<th>The percentage applicable is:</th>
</tr>
</thead>
<tbody>
<tr>
<td>18</td>
<td>Equal to, or more than, the amount under item 17, but less than:</td>
<td>9.5%</td>
</tr>
<tr>
<td></td>
<td>(a) for the 2018-19 income year—$119,882; or</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(b) for a later income year—that amount indexed under section 154-25.</td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>Equal to, or more than, the amount under item 18.</td>
<td>10%</td>
</tr>
</tbody>
</table>

### Section 154-25(1)

Repeal the subsection, substitute:

1. The following amounts for the 2019-20 income year, or a later income year:
   - (a) the minimum repayment income;
   - (b) the amounts referred to in paragraph (a) of the second column of items 1 to 18 of the table in section 154-20;
2. are indexed by multiplying the corresponding amounts for the 2018-19 income year by the amount worked out using the formula:
   \[
   \text{The sum of the } \text{*index numbers for the *quarter ending on } 31 \text{ December immediately before the income year and the 3 quarters immediately preceding that quarter} \times \text{The sum of the *index numbers for the *quarter ending on } 31 \text{ December immediately before the 2018-19 income year and the 3 quarters immediately preceding that quarter}
   \]

### Section 154-25(2) and (3)

Repeal the subsections.

### Paragraph 154-30(b)

Omit “to 9”, substitute “to 18”.

---

40 Section 198-1 (note 1)
   Omit “sections 140-10 and 140-15”, substitute “section 140-10”.

41 Subclause 1(1) of Schedule 1 (definition of AWE)
   Repeal the definition.

42 Subclause 1(1) of Schedule 1 (paragraph (a) of the definition of index number)
   Repeal the paragraph, substitute:
   (a) for the purposes of Parts 4-1 and 4-2, has the meaning given by clause 2 of this Schedule; and

43 Subclause 1(1) of Schedule 1 (definition of reference period)
   Repeal the definition.

44 At the end of Schedule 1
   Add:

2 Index numbers

   (1) For the purposes of Parts 4-1 and 4-2, the index number for a quarter is the All Groups Consumer Price Index number, being the weighted average of the 8 capital cities, published by the Australian Statistician in respect of that quarter.

   (2) Subject to subclause (3), if, at any time before or after the commencement of this Act:
   (a) the Australian Statistician has published or publishes an index number in respect of a quarter; and
   (b) that index number is in substitution for an index number previously published by the Australian Statistician in respect of that quarter;
   disregard the publication of the later index number for the purposes of this clause.

   (3) If, at any time before or after the commencement of this Act, the Australian Statistician has changed or changes the reference base...
for the Consumer Price Index, then, in applying this clause after
the change took place or takes place, have regard only to index
numbers published in terms of the new reference base.
Part 3—Application and transitional provisions

45 Amendments made by Part 1 of this Schedule

(1) The amendments of the *Higher Education Support Act 2003* made by Part 1 of this Schedule (except the repeal of paragraphs 36-10(2)(b) and (c) of that Act) apply in relation to any unit of study with a census date that is on or after 1 January 2018 (whether the unit of study is part of a course commenced before or after that day).

(2) The amendments of the *VET Student Loans Act 2016* made by Part 1 of this Schedule apply in relation to any part of a course with a census day that is on or after 1 January 2018 (whether the course commenced before or after that day).

46 Commonwealth supported students

The repeal of paragraphs 36-10(2)(b) and (c) of the *Higher Education Support Act 2003* by Part 1 of this Schedule applies in relation to:

(a) courses commenced on or after 1 January 2018; or

(b) for courses commenced before 1 January 2018—units of study in such courses if the units are commenced on or after 1 January 2023.

47 Indexation

(1) The amendments of the *Higher Education Support Act 2003* made by Part 2 of this Schedule (except the amendments of section 154-25 of that Act) apply in relation to the 2018-19 income year and later income years.

(2) The amendments of section 154-25 of the *Higher Education Support Act 2003* made by Part 2 of this Schedule apply in relation to the 2019-20 income year and later income years.
Schedule 4—Other grants

Part 1—Amendments

Higher Education Support Act 2003

1 Division 41 (heading)
   Repeal the heading, substitute:

Division 40—Introduction

2 Section 41-1
   Renumber as section 40-1.

3 Before section 41-5
   Insert:

Division 41—Other grants

4 At the end of section 41-10
   Add:
   Note: The Higher Education Participation and Partnerships Program is established by Division 42.

5 At the end of section 41-20
   Add:
   Note: The Minister may approve a grant under Division 42 (Higher Education Participation and Partnerships Program) under this section.

6 Paragraph 41-25(a)
   After “Other Grants Guidelines”, insert “or the HEPPP Guidelines”.

7 Section 41-30
   After “amount of a grant”, insert “(except a grant under section 42-20)”.

8 Paragraph 41-30(a)

After “Other Grants Guidelines”, insert “or the HEPPP Guidelines”.

9 At the end of section 41-30

Add:

Note: Section 42-20 sets out how to work out the amount of a grant in the form of a low SES student loading under the Higher Education Participation and Partnerships Program.

10 Paragraph 41-35(a)

Repeal the paragraph, substitute:

(a) a body corporate meets, in respect of a year, the requirements of:

(i) the Other Grants Guidelines made for the purposes of section 41-15 in relation to a program; or

(ii) the HEPPP Guidelines made for the purposes of subsection 42-10(3) in relation to the Higher Education Participation and Partnerships Program; or

11 Section 41-35

After “41-30”, insert “or 42-20 (as the case requires)”.

12 Section 41-45 (heading)

Repeal the heading, substitute:

41-45 Maximum payments for other grants under this Division

13 Subsection 41-45(1) (not including the table)

Omit “this Part”, substitute “this Division”.

14 Subsection 41-45(1) (table heading)

Repeal the heading, substitute:

Maximum payments for other grants under this Division

15 Subsections 41-45(1A) and (1B)

Omit “this Part”, substitute “this Division”.

48 Higher Education Support Legislation Amendment (A More Sustainable, Responsive and Transparent Higher Education System) Bill 2017
16 Subsection 41-50(1)

After “which may be paid”, insert “under this Division”.

17 At the end of Part 2-3

Add:

Division 42—Higher Education Participation and Partnerships Program

42-1 What this Division is about

Grants are payable under the Higher Education Participation and Partnerships Program to promote equality of opportunity in higher education by improving:

(a) access to undergraduate courses for persons from a low socioeconomic status background; and
(b) the extent to which persons from a low socioeconomic status background participate, remain and succeed in higher education, and obtain higher education awards.

The grants are payable to Table A providers and, in relation to the National Priorities Pool, any body corporate that is eligible for the grant.

42-5 The HEPPP Guidelines

Grants under this Division are also dealt with in the HEPPP Guidelines. The provisions of this Division indicate when a particular matter is or may be dealt with in these Guidelines.

Note: HEPPP stands for the Higher Education Participation and Partnerships Program. The HEPPP Guidelines are made by the Minister under section 238-10.
**42-10 Higher Education Participation and Partnerships Program**

(1) The following grants are payable under the Higher Education Participation and Partnerships Program for the purpose referred to in subsection (2):

(a) a grant in the form of a loading under section 42-20;
(b) a grant of performance funding under section 42-25;
(c) a grant under section 42-30 (National Priorities Pool).

Note: The Minister approves the grants under section 41-20.

(2) The purpose of the Program is to promote equality of opportunity in higher education by improving:

(a) access to "undergraduate courses for persons "from a low socioeconomic status background; and
(b) the extent to which persons from a low socioeconomic status background participate, remain and succeed in higher education, and obtain "higher education awards.

Note: A grant for the purpose referred to in this subsection could include a grant for an eligible body corporate to research or investigate how to improve the matters referred to in paragraph (2)(a) or (b).

(3) The HEPPP Guidelines may also specify all or any of the following matters for the Program:

(a) the Program’s objectives;
(b) the extra conditions of eligibility to receive a grant under the Program;
(c) the method by which the amount of grants under section 42-25 or 42-30 will be determined;
(d) the conditions that apply to grants under the Program.

**42-15 Meaning of eligible low SES student**

A student is an eligible low SES student of a provider for a period if the student is:

(a) a "domestic student; and
(b) "from a low socioeconomic status background; and
(c) enrolled in an "undergraduate course of study with the provider during the period.

---

42-20 Low SES loadings for Table A providers

(1) A "Table A provider is, subject to subsection (3), eligible for a grant under this section in the form of a loading for a year worked out using the following formula:

\[ \text{Low SES student loading amount} \times \frac{\text{The number of eligible low SES students of the provider for the most recent year in relation to which data is available}}{\text{The number of eligible low SES students}} \]

(2) The low SES student loading amount is $985.

Note: The low SES student loading amount is indexed under Part 5-6.

Extra conditions of eligibility

(3) If the HEPPP Guidelines specify extra conditions of eligibility to receive the grant, then a "Table A provider is not eligible for the grant unless the provider complies with those extra conditions.

42-25 Performance funding for Table A providers

(1) A "Table A provider is eligible for a grant under this section in respect of a year if the provider improves, over the period and in the manner specified in the HEPPP Guidelines, the outcomes of either or both of the following:

(a) eligible low SES students of the provider during all or part of the period;

(b) Indigenous students who are enrolled in an undergraduate course of study with the provider during all or part of the period.

(2) The total of the grants under this section approved in respect of a year must equal $13,348,307.

Note: The total is indexed under Part 5-6.

(3) If the HEPPP Guidelines specify extra conditions of eligibility to receive the grant, then a "Table A provider is not eligible for the grant unless the provider complies with those extra conditions.
42-30 National Priorities Pool

(1) A body corporate is eligible for a grant under the National Priorities Pool in respect of a year if the provider is eligible for the grant under the HEPPP Guidelines.

(2) The total of the grants under the National Priorities Pool approved in respect of a year must equal $9,500,000.

Note: The total is indexed under Part 5-6.

18 Subsection 198-5(1) (after table item 2)

Insert:

<table>
<thead>
<tr>
<th>2A</th>
<th>“Low SES student loading amount”</th>
<th>Section 42-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>2B</td>
<td>Amount mentioned in subsection 42-25(2)</td>
<td>Section 42-25</td>
</tr>
<tr>
<td>2C</td>
<td>Amount mentioned in subsection 42-30(2)</td>
<td>Section 42-30</td>
</tr>
</tbody>
</table>

19 Subsection 238-10(1) (after table item 5)

Insert:

5A HEPPP Guidelines

Division 42

20 Subsection 238-10(1) (table item 8)

Omit “Part 2-3”, substitute “Division 41”.

21 Subclause 1(1) of Schedule 1

Insert:

eligible low SES student has the meaning given by section 42-15.

from a low socioeconomic status background has the meaning given by the HEPPP Guidelines.

Note: The HEPPP Guidelines may apply, adopt or incorporate matter contained in an instrument or other writing despite subsection 14(2) of the Legislation Act 2003 (see subclause (4)).

low SES student loading amount has the meaning given by subsection 42-20(2).
22 At the end of clause 1 of Schedule 1

Add:

(4) Despite subsection 14(2) of the Legislation Act 2003, the HEPPP Guidelines may define from a low socioeconomic status background by applying, adopting or incorporating any matter contained in an instrument or other writing as in force or existing from time to time.
Part 2—Application and transitional provisions

23 Application of amendments

Division 42 of the Higher Education Support Act 2003, as inserted by this Schedule, applies in relation to any grants made under Part 2-3 of that Act (whether before or after this item commences).
Schedule 5—Minor and technical amendments

Part 1—Amendments

Higher Education Support Act 2003

1 Subsection 16-15(1) (table item dealing with University of Technology, Sydney)
   Repeal the item, substitute:

   University of Technology Sydney

2 Subsection 16-20(1) (table item dealing with MCD University of Divinity)
   Repeal the item.

3 Subsection 16-20(1) (at the end of the table)
   Add:

   University of Divinity

4 Subclause 1(1) of Schedule 1 (paragraph (c) of the definition of higher education award)
   Repeal the paragraph, substitute:

   (c) any other award offered or conferred by a higher education provider under the Australian Qualifications Framework, except an award offered or conferred for completing a VET course of study.
Part 2—Application and transitional provisions

5 Higher education awards

The amendments of the definition of *higher education award* in subclause 1(1) of Schedule 1 to the *Higher Education Support Act 2003* made by this Schedule apply in relation to any unit of study with a census date that is on or after 1 January 2018 (whether the unit of study is part of a course commenced before or after that day).