



Office of the Hon Dan Tehan MP
Minister for Education

Parliament House
CANBERRA ACT 2600

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Our Ref: MC20-021808

30 JUL 2020

Ms Julie Dyson AM
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Dear Ms Dyson

Thank you for your email of 22 June 2020 to the Hon Dan Tehan MP, Minister for Education, regarding the Job-ready Graduates package (the package) of reforms to higher education. The Minister has asked me to reply on his behalf.

As you are aware, on 19 June 2020, the Australian Government announced the package. The package will create 100,000 new university places by 2030 and provide additional support for students in regional and remote Australia. The Government already provides more than \$18 billion a year to fund our universities and this will grow to \$20 billion by 2024. With the passage of legislation, the package will commence on 1 January 2021.

Field of education structure and definitions in Australia are categorised under the Australian Standard Classification of Education. Creative Arts falls under 'Broad Field 10 - Creative Arts'. More information on fields of education can be found at <https://heimshelp.education.gov.au/resources/field-of-education-types>.

As you highlighted, the student contribution amount for Creative Arts currently sits under Band 1 (\$6,804). Under the funding reforms in the package, this will move to Band 2 (\$7,700), representing an increase of 13 per cent. Further information on the new funding arrangements is available on the on Department of Education, Skills and Employment website www.dese.gov.au/system/files/doc/other/faqs_-_jrg_-_clusters_redesign_0.pdf.

Current students who are already studying in a Commonwealth supported place (CSP) will be grandfathered so they pay either the new lower rates or current rates. From 1 January 2021, current students who enrol in units where the student contribution has decreased will have these reduced amounts applied. Current students who enrol

in units where the student contribution has increased will have grandfathering arrangements applied, whereby their student contribution and Commonwealth Grant Scheme (CGS) amounts remain as they are under the current arrangements (with existing rates indexed by the Consumer Price Index each year).

The changes to the CGS funding clusters and student contribution bands are being simplified to make Government funding for universities clearer, simpler and more sustainable. Overall, Australian taxpayers will continue to pay more than half of the costs of CSPs, with funding prioritised to the areas of high public benefit and those most needed by the labour market. This means that CSP students studying courses in key growth areas including science, nursing, teaching, engineering and information technology (IT) will see significant reductions in their student contribution for those units. While some fields of study will see increases in student contribution amounts for units, almost 60 per cent of students will see either a reduction or no change in their student contribution.

It is worth noting that changes are based at a unit level, not a degree level. This means that by choosing electives that respond to employer needs in subjects like mathematics, English, science and IT within their degree, students can not only reduce their total contribution but enhance the skills they bring to employment.

Additionally, the reforms align the total combined public and private funding for higher education units with contemporary data on the cost of delivering university education. The new higher education funding model is based on university self-reported data on the actual cost of delivery of teaching in universities.

Thank you contacting the Australian Government in relation to the Job-ready Graduates package. More information on the package is available at www.dese.gov.au/job-ready.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'P. Connoles', with a stylized flourish at the end.

PHIL CONNOLES
Chief of Staff