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THE PARLIAMENT OF THE
COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

OVERSEAS STUDENTS CHARGE AMENDMENT BILL 1992

EXPLANATORY MEMORANDUM

(Circulated by authority of the
Minister for Employment, Education and Training,
the Hon Kim C Beazley, MP)



OVERSEAS STUDENTS CHARGE AMENDMENT BILL 1992

OUTLINE

The purpose of the Bill is to amend the Overseas Students Charge Act 1979 to fix the charges payable under the Act for the 1993 academic year.

BACKGROUND

The Overseas Students Charge (OSC) applies to overseas students who enrolled in their current place at an Australian education institution under the former subsidised program to which the Act relates. No new students were enrolled in the program after 31 December 1989. As the Australian taxpayer provides funds for places at such institutions, subsidised overseas students are required to meet some of the costs of the places taken by _____ them. In accord with established practice, the OSC is adjusted annually in line with movements in the index of higher education charges. In 1993 the highest rates of OSC will be 55 per cent of the full average cost of a place. Lower rates apply to some students who began courses earlier when lower percentage contributions were in place.

FINANCIAL IMPACT

The overseas students charge raised \$21.5 million in 1991/1992, and is expected to raise \$10.3 million in 1992/1993. Less will be raised in 1992/1993 than in the previous financial year because the subsidised program to which the Act relates is being phased out.

NOTES ON CLAUSES

Clause 1: Short Title

1. Provides for the Act to be cited as the *Overseas Student Charge Amendment Act 1992*.

Clause 2: Commencement

2. Sets the commencement date of this Act as the day on which it receives the Royal Assent.

Clause 3: Rates of charge

3. This clause relates to Section 6 of the Principal Act. It sets the rates of charge for the academic year 1993 [clause 3(a)] separately by education sectors ie higher education including casual higher education, technical and further education and secondary education. The rates are different, depending also on the year in which students enrolled in the respective courses. In 1993 the highest rates of OSC will be 55 per cent of the full average cost of a place. Lower rates apply to some students who began courses earlier when lower percentage contributions were in place. The rates of charge are as follows:

HIGHER EDUCATION COURSES:

Courses enrolled in and begun before 1 January 1986:

Clause 3(b): \$5,954 for medicine, veterinary science or dentistry; or

Clause 3(c): \$5,161 for all other courses.

Courses enrolled in and begun after 31 December 1985 but before 1 January 1988:

Clause 3(d): \$8,109 for medicine, veterinary science or dentistry; or

Clause 3(e): \$7,269 for all other courses.

Courses enrolled in and begun after 31 December 1987:

Clause 3(f): \$9,732 for medicine, veterinary science or dentistry; or

Clause 3(g): \$8,892 for all other courses.

Clause 3(h): \$8,892 for a casual higher education course for a year.

TECHNICAL AND FURTHER EDUCATION COURSES

- Clause 3(i):** \$719 for a course enrolled in and begun before 1 January 1987; or
- Clause 3(j)** \$1,011 for a course enrolled in and begun after 31 December 1986 but before 1 January 1988; or
- Clause 3(k):** \$1,236 for a course enrolled in and begun after 31 December 1987.

SECONDARY EDUCATION COURSES

- Clause 3(l):** \$428 for all students.
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