

Council of Australian Postgraduate Associations Inc

Federal Election 2007

Background information

The following information is correct at July 1, 2007. Readers are urged to seek authoritative advice on the most recent details, particularly in regard to income support. This information must not be used as a substitute for legal advice.

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1.	Acronyms	1
2.	Scholarships	1
2.1.	Australian Postgraduate Award APA	1
2.2.	Australian Postgraduate Award Industry APAI	2
2.3.	Other HDR scholarships.....	2
2.4.	Coursework scholarships.....	2
2.5.	Scholarships and taxation.....	3
2.6.	Scholarships and Centrelink.....	3
3.	Centrelink.....	3
3.1.	Postgraduate courses eligible for Youth Allowance and Austudy	3
3.2.	Austudy	4
3.3.	Youth Allowance	4
3.4.	Abstudy	5
3.5.	Rent Assistance.....	5
3.6.	Health Care Card	5
3.7.	Poverty measurements	5
4.	Postgraduate statistics	6
5.	Course costs.....	7
5.1.	HECS-HELP.....	7
5.2.	FEE-HELP.....	8
6.	Taxation rates	9
7.	Research Training Scheme (RTS).....	9

1. Acronyms

APA	Australian Postgraduate Award
AVCC	Australian Vice-Chancellors' Committee (now Universities Australia)
CAPA	Council of Australian Postgraduate Associations
DEST	Department of Education Science and Training
ESOS	Education Services for Overseas Students (ESOS) Act 2000
HDR	Higher Degree by Research
HESA	Higher Education Support Act 2003
PGSA	Postgraduate Student Association
RQF	Research Quality Framework
VSU	Voluntary Student Unionism

2. Scholarships

2.1. *Australian Postgraduate Award APA¹*

Rate

\$19,616 f/t (tax free)
\$10,480 p/t (taxable)

Availability

New 1,581 (in 2005 there were 11,008 commencing enrolments in HDR)

Duration

PhD 3 yrs (+6mths), p/t 6 yrs
Masters 2 yrs, (no extension), p/t 4 yrs

Part time

Part time only in exceptional circumstances relating to 'significant caring commitments or a medical condition that limits the student's capacity to undertake full-time study'

¹ DEST, Commonwealth Scholarships Guidelines, 14 February 2007

2.2. Australian Postgraduate Award Industry APA²

Rate

\$24,650 (tax free)

\$13,463 (taxable)

Part time

Part time only if able to demonstrate heavy care commitments or a medical condition precluding full-time study, including:

- (a) care responsibilities for a pre-school child; or
- (b) care responsibilities for school-aged children as a sole parent with limited access to outside support; or
- (c) care responsibilities for an invalid or disabled spouse, child or parent; or
- (d) a medical condition which limits the capacity to undertake full-time study.

2.3. Other HDR scholarships

Many universities offer institutional or departmental scholarships. Rate, duration and conditions are usually set to match those of the standard APA (see 2.1 above). The available number of these scholarships varies among institutions.

2.4. Coursework scholarships

Availability

Some universities offer institutional or departmental postgraduate coursework stipend scholarships.

Rate

Most are supplements to income.

Those universities that do offer full stipends are usually at a rate commensurate with the APA.

Eligibility

While there are some targeted scholarships, only a few universities offer scholarships that are tenable in any discipline and open to all Australian citizens.

² Australian Government and ARC, Funding Agreement for *Linkage Projects* funding commencing in 2007

2.5. Scholarships and taxation

To be exempt from income tax:

- a scholarship, bursary, educational allowance, or educational assistance must be open to a wide range of candidates
- you must be a full-time student³

2.6. Scholarships and Centrelink

‘Scholarships or similar payments are income unless otherwise excluded ... the term scholarship is not defined in the SSAct, but is generally taken to mean payment/s made to a student to assist with general living expenses’

‘If any of the following apply the scholarship should be counted as income:

- more than one payment
- the student applied for the scholarship (goes to expectation of receipt)
- the scholarship was based on certain qualifications, for example, residency, financial circumstances, academic performance
- the scholarship was provided as part of an incentive program
- the scholarship is for a stated purpose, for example, to meet living expenses and/or to assist with union fees and books
- the donor or benefactor does not/has not provide(d) ‘gifts’ to other people who are not students

Unless the type of scholarship, or similar payment, is specifically exempted, it should be assessed as income for the student’.⁴

3. Centrelink

3.1. Postgraduate courses eligible for Youth Allowance and Austudy

‘An approved course of education or study is one approved by the Minister for Education, Science and Training who has the authority to approve courses and institutions. To exercise this power the Minister issues an instrument called the ‘Ministerial Determination of Education Institutions and Courses’.⁵

The postgraduate courses set out in the Determination are:

³ Australian Taxation Office, Scholarships,
<http://www.ato.gov.au/individuals/content.asp?doc=/content/26619.htm>

⁴ Australian Government, 4.3.9.40 Income from scholarships, *Guide to Social Security Law*

⁵ Australian Government, 1.1.A.210 Approved course of education or study (NSA, YA, Austudy, PES), *Guide to Social Security Law*

- Graduate Certificate courses
- Graduate Certificate Diplomas or Degrees
- Master qualifying courses

Note:

- Rates and income test levels are accurate at 1 July 2007
- Compare Newstart - 21 yrs and over, unemployed - \$424.30 p/f

3.2. Austudy

Rate

\$348.10 p/f

Eligibility

25yrs or over, full-time student, undergrad, postgraduate but not doctorate or masters⁶ (Legislation currently before the Senate may extend eligibility to coursework students in a limited number of Masters courses from 2008).

Single students living away from home can earn up to \$236 per fortnight before their allowance is reduced.⁷ They have access to income bank.

Currently not eligible for rent assistance (legislation before the Senate to extend eligibility to Austudy recipients in 2008).

3.3. Youth Allowance

Rate

\$348.10 p/f over 18yrs independent

Eligibility

16-24 studying full-time, undergrad, postgraduate (not doctorate or most masters)⁸

Independence criteria

25yrs or over (in which case they would get Austudy), or worked 18mths, or earned approx \$17667 in 18mths since leaving school (see Centrelink for more detailed provisions)

Single students living away from home can earn up to \$236 per fortnight before their allowance is reduced.⁹ They have access to income bank.

⁶ Centrelink, A Guide to Payments and Services

⁷ Centrelink, Personal Income Test,

<http://www.centrelink.gov.au/internet/internet.nsf/payments/chartda.htm>

⁸ Centrelink, A Guide to Payments and Services

3.4. *Abstudy*

Rate

\$424.30 p/f over 21 yrs
\$19,616 p/a (\$752.40 p/f) for masters and doctorate

Eligibility

all tertiary study including masters and doctorates

Single students living away from home can earn up to \$236 per fortnight before their allowance is reduced. They have access to income bank.

3.5. *Rent Assistance*

Rate

\$104.20 max

Eligibility

Currently not available for Austudy (legislation before Senate to extend eligibility to Austudy recipients in 2008).

3.6. *Health Care Card*

Eligibility

Single person with no children the weekly income limit is \$423 (average of the gross income for previous 8 weeks)¹⁰

Income limits are adjusted every 6mths.

3.7. *Poverty measurements*

Information on poverty lines can be found at the following links:

- <http://www.melbourneinstitute.com/labour/inequality/poverty/default.html>
- <http://www.aph.gov.au/library/intguide/SP/poverty.htm>
- <http://www.natsem.canberra.edu.au/publications/papers/dps/dp55/dp55.pdf>
- <http://www.natsem.canberra.edu.au/publications/papers/dps/dp59/dp59.pdf>

⁹ Centrelink, Personal Income Test,
<http://www.centrelink.gov.au/internet/internet.nsf/payments/chartda.htm>

¹⁰ Centrelink, Low Income Health Care Card,
http://www.centrelink.gov.au/internet/internet.nsf/payments/conc_cards_iat.htm

4. Postgraduate statistics

Postgraduate Students by Level of Course and Gender, Full Year 2005¹¹

		Male	Female	Total
Higher Degrees by Research	Doctorate by Research	19,620	19,333	38,953
	Master's by Research	4,542	4,706	9,248
				48,201
Coursework Higher Degrees	Doctorate by Coursework	998	843	1,841
	Master's by Coursework	79,305	66,994	146,299
	Graduate Diploma	17,501	25,581	43,082
	Graduate Certificate	10,348	13,167	23,605
	Postgraduate Qual/Prelim.	183	293	476
				215,303
Totals:		132,587	130,917	263,504

Domestic and International Postgraduates by Level of Course, Full Year 2005

		Domestic	International		Total
Higher Degrees by Research	Doctorate by Research	32,021	6,932	18%	38,953
	Master's by Research	7,922	1,326	14%	9,248
					48,201
Coursework Higher Degrees	Doctorate by Coursework	959	882	48%	1,841
	Master's by Coursework	73,570	72,729	50%	146,299
	Graduate Diploma	37,192	5,890	14%	43,082
	Graduate Certificate	21,220	2,385	10%	23,605
	Postgraduate Qual/Prelim.	389	87	18%	476
					215,303
Totals:		173,273	90,231	34%	263,504

¹¹

http://www.dest.gov.au/sectors/higher_education/publications_resources/statistics/publications_higher_education_statistics_collections.htm

Indigenous Postgraduates by Level of Course, Full Year 2005

		Indigenous		Total
Higher Degrees by Research	Doctorate by Research	215	0.55%	38,953
	Master's by Research	119	1.29%	9,248
		334		48,201
Coursework Higher Degrees	Doctorate by Coursework	5	0.27%	1,841
	Master's by Coursework	417	0.29%	146,299
	Graduate Diploma	228	0.53%	43,082
	Graduate Certificate	116	0.49%	23,605
	Postgraduate Qual/Prelim.	8	1.68%	476
		774		215,303
Totals:		1,108	0.42%	<u>263,504</u>

5. Course costs

5.1. HECS-HELP

Commonwealth supported students are required to contribute towards the cost of their course of study.¹² The student contribution varies depending on the course undertaken. Students can borrow this amount through a HECS-HELP loan and repay through the taxation system when their income reaches a designated threshold.¹³

Student contribution bands and maximum contribution for each unit of study in 2007 for students who commenced on or after 1 January 2005

Band 3
law, dentistry, medicine, veterinary science
\$8,333

Band 2
accounting, administration, economics, commerce, mathematics, statistics,

¹² Further information and the tuition costs at each institution are available at:
<http://www.goingtouni.gov.au/>

¹³ An analysis of the overall cost to students is available at:
<http://www.nteu.org.au/policy/submissions/discussionpapers07/paymoregetless07>

computing, built environment, health, engineering, science, surveying, agriculture
\$7,118

Band 1

humanities, behavioural science, social studies, foreign languages, visual and
performing arts
\$4,996

National priorities

education, nursing
\$3,998

2006-07 repayment thresholds and repayment rates

Below \$38,149	Nil
\$38,149 – \$42,494	4%
\$42,495 – \$46,838	4.5%
\$46,839 – \$49,300	5%
\$49,301 – \$52,994	5.5%
\$52,995 – \$57,394	6%
\$57,395 – \$60,414	6.5%
\$60,415 – \$66,485	7%
\$66,486 – \$70,846	7.5%
\$70,847 and above	8%

5.2. FEE-HELP

Very few postgraduate courses have access to Commonwealth Supported Places. Most postgraduate coursework students are required to contribute the total cost of their course.

The course costs are not regulated.

Students can borrow the course cost up to a lifetime limit of \$80,000 (\$100,000 for medicine, dentistry and veterinary science) through a FEE-HELP loan and repay through the taxation system when their income reaches a designated threshold.

Repayment thresholds and rates are the same as for HECS-HELP.

On completion of their studies postgraduate students will have an accumulated HECS and FEE-HELP debt.

6. Taxation rates

Tax rates 2007-08¹⁴

Taxable income	Tax on this income
\$0 – \$6,000	Nil
\$6,001 – \$30,000	15c for each \$1 over \$6,000
\$30,001 – \$75,000	\$3,600 plus 30c for each \$1 over \$30,000
\$75,001 – \$150,000	\$17,100 plus 40c for each \$1 over \$75,000
Over \$150,000	\$47,100 plus 45c for each \$1 over \$150,000

7. Research Training Scheme (RTS)

The RTS provides block grant funding for student places in Doctorate and Masters research degrees.¹⁵

Eligibility

Australian citizen, permanent resident, NZ citizen

PhD

4 years

Masters

2yrs

Allocation to institutions

75% of previous years allocations, allocation of remaining 25% based on relative success in performance index (research income 40%, completions 50%, publication 10%)

A formula is used for calculating the allocation.

Completions are weighted for cost and type of degree.

Publications are weighted.

Performance index data is averaged over last 2 years

Safety net - each year provider's total allocation cannot be less than 95% of allocation for previous year - gains are put in a pool, safety net allocations are made, then remaining funds in pool are allocated to HEPs that gained - allocation based on % of contribution to pool.

Small higher education providers - no longer receive additional funds.

Regional Protection Scheme - limited protection for RTS and IGS.

¹⁴ <http://www.ato.gov.au/individuals/content.asp?doc=/content/12333.htm>

¹⁵ Detailed information available at:

http://www.dest.gov.au/sectors/research_sector/programmes_funding/programme_categories/professional_skills/research_training_scheme.htm