

The Hon. Mark Latham, MLC  
Parliament House  
Macquarie Street  
SYDNEY NSW 200

MT20/1615

Dear Mr Latham

Thank you for the opportunity to appear before the Portfolio Committee 3 on 8 September 2020 for the inquiry into the future development of the NSW tertiary education sector.

As requested by the Committee secretariat on 18 September 2020, please find attached the answers to questions on notice and supplementary questions. Please note that no changes have been made to the official transcript.

Please let me know if I can be of any further assistance.

Kind Regards

Martin Graham  
Deputy Secretary, Education and Skills Reform  
14 October 2020



### Answers to questions taken on notice at Legislative Council inquiry hearing

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Answers to questions taken on notice by the Secretary and Deputy Secretary, Education and Skills Reform, at the 8 September inquiry hearing have been drafted. The Deputy Secretary is asked to **note** the answers from other agencies at **TAB A**, and approve the answers at **TAB B** and **TAB C** to be sent back to the Committee by 9 October 2020.

### Key Information

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The Secretary and Deputy Secretary, Education and Skills Reform appeared before Legislative Council Portfolio Committee No. 3's Inquiry into the Future Development of the NSW Tertiary Education Sector on 8 September 2020.

#### Almost all questions taken on notice were for other agencies

At the hearing, 15 questions were taken on notice and of these, 13 were referred to other agencies for answers. This included Study NSW, NSW Treasury more broadly, and Regional NSW. These answers, which have been approved by the agencies' approval processes, are at **TAB A**.

Questions 1 and 8 were answered by the Department and are at **TAB B**. The Committee also sent three supplementary questions after the hearing, answers to which have been drafted by Higher Education Directorate and are at **TAB C**.

#### No representations from Charles Sturt University have been received

Higher Education Directorate consulted the Minister's Office on Question 8, regarding whether any representations from Charles Sturt University around removing its obligation to maintain certain regional campuses had been received.

The Minister's Office advised that '*CSU is reviewing courses and campuses as part of the university's Sustainable Futures Strategy. However, the Vice-Chancellor has indicated to the Minister for Tertiary Education that they are not planning to close any campuses.*'

#### The answers can be sent directly from the Deputy Secretary's office to the Committee Secretariat

The Secretary's office has delegated this response to Education and Skills Reform, and answers must be back with the Committee by 9 October 2020.

### Financial Implications

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N/A

### Recommendation

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That the Deputy Secretary **note** the answers from other agencies at **TAB A**, and approve the answers at **TAB B** and **TAB C**, with all answers to be sent back to the Committee by 9 October 2020.

Questions on Notice for other agencies– Future Development of the NSW Tertiary Education Sector

*From Transcript 8 September 2020*

Number	Asked by	Question	Answer	Reference
2	The Hon. Courtney Houssos	<p><b>The Hon. COURTNEY HOUSSOS:</b> Thanks very much, Mr Scott. Can you tell me when the accelerating research and development inquiry will be finalised?</p> <p><b>Mr GRAHAM:</b> I do not have that detail on me. I can get back to you.</p> <p><b>The Hon. COURTNEY HOUSSOS:</b> If you can provide that on notice, it will be made public as well.</p>	<p>The Premier has tasked her Parliamentary Secretary, the Hon Gabrielle Upton MP, with helping to accelerate research and development (R&amp;D) in NSW. The work is being guided by an Advisory Council of eminent leaders in innovation, business, government and the tertiary education sector. The Advisory Council will deliver its recommendations in due course.</p>	Page 39
3	The Hon. Courtney Houssos	<p><b>The Hon. COURTNEY HOUSSOS:</b> Thanks. Can you tell me how many aspirant deals have been signed with New South Wales universities? I am in this case specifically talking about the kind of deals that were sign between the University of Sydney and the New South Wales Government in regards to the Parramatta-Westmead campus.</p> <p><b>Mr GRAHAM:</b> In terms of health campuses?</p> <p><b>The Hon. COURTNEY HOUSSOS:</b> Yes.</p> <p><b>Mr GRAHAM:</b> Yes, we can come back to that. There have been a couple of them, at least.</p> <p><b>The Hon. COURTNEY HOUSSOS:</b> And if any of the final agreements have actually been signed on those?</p> <p><b>Mr SCOTT:</b> Yes, we can take that detail.</p>	<p>In November 2018, the NSW Government announced that it would be working with the University of Sydney, following a market sounding process, to establish a second campus as part of a leading international health and innovation precinct at Westmead.</p> <p>The NSW Government is currently in negotiations with the University of Sydney. A final agreement has not yet been signed.</p> <p>An MOU was signed in 2018 with the NUW Alliance (University of New South Wales, University of Newcastle and University of Wollongong) in partnership with Western Sydney University regarding exploring opportunities around the Aerotropolis and the development of a multiversity. The Western Parkland City Authority is in ongoing discussions with the NUW Alliance in partnership with Western Sydney University, as well as with the University of Sydney.</p>	Page 40
4	The Hon. Courtney Houssos	<p><b>The Hon. COURTNEY HOUSSOS:</b> Thanks very much. Can you tell me how many universities have been invited or travelled as part of official New South Wales trade delegations overseas?</p> <p><b>Mr SCOTT:</b> We will take that on notice. Not in recent days, but let us dig into the history for you.</p>	<p>Seven NSW Universities have participated in NSW Government trade delegations overseas in the last three years:</p> <ul style="list-style-type: none"> <li>• The University of Sydney</li> <li>• The University of Newcastle</li> <li>• University of Technology Sydney</li> </ul>	Page 40

		<p><b>The Hon. COURTNEY HOUSSOS:</b> That would be excellent. If you could provide that for the last three years, that would be very helpful.</p> <p><b>Mr SCOTT:</b> Sure.</p>	<ul style="list-style-type: none"> <li>• Macquarie University</li> <li>• Western Sydney University</li> <li>• Charles Sturt University</li> <li>• University of New South Wales</li> </ul>	
5	The Hon. Courtney Houssos	<p><b>The Hon. COURTNEY HOUSSOS:</b> I want to ask you about the New South Wales Regional Growth Fund. We have received a recommendation that that should be specifically targeted and expanded to allow for regional universities to provide infrastructure for regional communities. Would that be covered under the current guidelines?</p> <p><b>Mr GRAHAM:</b> I am not familiar with the guidelines for the Regional Growth Fund. That is not administered by the department.</p> <p><b>The Hon. COURTNEY HOUSSOS:</b> If universities wanted to access that they would just do it through their own means, they would not come through the department?</p> <p><b>Mr SCOTT:</b> They would probably do that directly. But we are happy to take that on notice and come back to it.</p>	<p>The NSW Government \$1.7 billion Regional Growth Fund is managed by the Department of Regional NSW and has a range of different targeted funding programs.</p> <p>Each program has specific guidelines that outline the rules and requirements for applications, including eligible applicants.</p>	Page 40
6	The Hon. Anthony D'Adam	<p><b>The Hon. ANTHONY D'ADAM:</b> Can I ask about support for international students during the COVID crisis? I think there was a \$21 million fund that was provided by the New South Wales Government.</p> <p><b>Mr SCOTT:</b> Yes.</p> <p><b>The Hon. ANTHONY D'ADAM:</b> How much of those funds have been accessed to date?</p> <p><b>Mr SCOTT:</b> I understand that, based on current volume, about \$10 million of those funds will be committed for the approved students to stay in the accommodation for the period of time that there is allocated. So about half of it is set out to go out.</p> <p><b>The Hon. ANTHONY D'ADAM:</b> That is in direct support for students, is it?</p> <p><b>Mr SCOTT:</b> Yes. This is in accommodation support.</p> <p><b>Mr GRAHAM:</b> Yes, that is right.</p> <p><b>Mr SCOTT:</b> And there has been more money that has been spent on legal support, food hampers and the like, but the key focus was on providing emergency accommodation needs for international students. So half of that budget has been identified and is peaked to have been spent thus far and we recognise that the challenge</p>	<p>As at 28 September 2020 the Government had approved 3,846 applications under the NSW International Student Temporary Crisis Accommodation Scheme.</p> <p>Based on the current volume, \$15,465,043 (incl GST) will have been committed if all approved students stay in accommodation under the scheme for the full 20 weeks.</p> <p>On top of temporary crisis accommodation funding, the Government has also expended the following in additional COVID response support for international students:</p> <p>\$110,000 (incl. GST) to make the multilingual My Legal Mate app available at no-cost to offer legal information to international students in NSW;</p> <p>\$136,140 (incl. GST) to add another solicitor to the International Student Legal Service NSW for six months</p>	Page 41

		continues and there is more money available in that fund that has been identified.	to meet increased demand for the free legal advice service for international students across NSW; and  \$99,000 (incl. GST) to provide free food hampers to thousands of international students across NSW.	
7		<b>The Hon. ANTHONY D'ADAM:</b> I am happy for you to take this question on notice. The Charles Sturt Port Macquarie campus received some financial support from the New South Wales Government in terms of its establishment. Are you able to provide details about the nature of how that funding was constructed? <b>Mr SCOTT:</b> Yes, let us get some detail on that. <b>The Hon. ANTHONY D'ADAM:</b> Obviously, it is a topic that has been canvassed in this inquiry so far around the types of infrastructure support, and my colleague has also touched on that, so perhaps if we could have some information about the Port Macquarie campus investment and how that was structured?	Charles Sturt University applied for and was successful in securing \$15.08 million from the NSW Government for the International Port Macquarie Education Centre project through the Regional Growth Fund <i>Growing Local Economies</i> program.  The project was independently reviewed by Infrastructure NSW as part of the assessment process.	Page 41
9	Mr David Shoebridge	<b>Mr DAVID SHOEBRIDGE:</b> Can you provide details about how much has been spent on food and legals? <b>Mr SCOTT:</b> Yes, we can. We will provide that information on notice.	The NSW Government, through Study NSW, has expended the following in additional COVID response support for international students:  \$110,000 (incl. GST) to make the multilingual My Legal Mate app available at no-cost to offer legal information to international students in NSW;  \$136,140 (incl. GST) to add another solicitor to the International Student Legal Service NSW for six months to meet increased demand for the free legal advice service for international students across NSW; and  \$99,000 (incl. GST) to provide free food hampers to thousands of international students across NSW.	Page 42
10	Mr David Shoebridge	<b>Mr DAVID SHOEBRIDGE:</b> Does that mean 1,500 have been rejected? <b>Mr SCOTT:</b> No, some are still in progress. Also some applications did not proceed on the basis they were either duplicates, when finally the application was processed the students declined the offer or they did not respond to the offer.	As at 28 September the Government had received a total of <b>5,699</b> applications.  <b>3,846</b> applications had been approved	Page 43

		<p><b>Mr DAVID SHOEBRIDGE:</b> Alright. Can you give us a full breakdown of that on notice?</p> <p><b>Mr SCOTT:</b> Yes, we can.</p> <p><b>Mr DAVID SHOEBRIDGE:</b> But I go back to this point: With 185,000 or so—and it may be a little more, it may be a little less—foreign students, a package that spread across those is valued at no more than \$115 each. Can you provide us with any details about the modelling or the assessment that justifies such a small package, given it is less than half of what happened in Victoria?</p> <p><b>Mr SCOTT:</b> But the package was designed to meet crisis accommodation needs, to provide some level of legal support and advice, and to provide free food hampers as required also. Particularly around the accommodation, which the vast bulk of it, it would appear that there has been significant interest and take-up of that but we are not in a situation now where we are saying to you, "That funding allocation was fully identified, fully subscribed. We have been overwhelmed by that demand." So some money was put on the table to meet the contingency funding required for short-term accommodation and temporary crisis accommodation and we have met that. And we continue to monitor it. If you follow the comments of the Premier and the Treasurer and the Minister and even my comments here today, nobody underestimates the importance of international students and—</p>	<p><b>110</b> applications were assessed as ineligible and declined.</p> <p>A further <b>1,279</b> applications did not proceed on the basis that they were either duplicates (545 applications), the students declined the offer (452 applications), or did not respond to the offer (276 applications).</p> <p><b>464</b> applications were in progress and being processed.</p>	
11	Mr David Shoebridge	<p><b>Mr SCOTT:</b> I think we are in heated agreement around the importance of international students and trying to provide them with best support. Crisis accommodation was identified as an area of support. Funding was put on the table. That funding seems to have met demand so far but we will continue to monitor that over time.</p> <p><b>Mr DAVID SHOEBRIDGE:</b> Can you provide us with the criteria on notice?</p> <p><b>Mr SCOTT:</b> Yes, we can. We will provide it.</p>	<p>The NSW Government's support package for international students during COVID was developed in consultation with the international education sector, including advice from international students, education providers and key frontline welfare service organisations such as the Redfern Legal Centre and Department of Communities and Justice. The package has been calibrated to complement existing sector support for international students and targets the State's most vulnerable international students.</p> <p>In the week of 11 May 2020, when the NSW Government's COVID support package for international students was announced, there were 170,000 primary student visa holders in Australia registered to NSW</p>	Page 43

education providers. Not all of these required assistance. Their numbers have continued to decline weekly, as many return home and Australia's borders remain closed to new arrivals. As at 20 September, the number of primary student visa holders in Australia registered to NSW providers had dropped to 145,000.

On 15 May, the NSW Government announced a \$20 million (ex GST) package to support international students in NSW during COVID. The bulk of the funding is for temporary crisis accommodation targeted at NSW's most vulnerable international students who are stranded in Australia and unable to support themselves financially.

In order to access the temporary crisis accommodation for international students, applicants must demonstrate that they are international students who have lost, or are at risk of losing, access to secure accommodation, and have no other avenues of support.

The online application form detailing what is required to apply is available at <https://www.service.nsw.gov.au/transaction/apply-international-student-covid-19-crisis-accommodation>

The package also includes funding to make available 50,000 free subscriptions to the multilingual My Legal Mate student app to help international students protect themselves during COVID by raising awareness of their legal rights.

The package also set up a service to allow international students to call the NSW Government COVID-19 hotline (13 77 88) 24/7 to receive free advice and information about other support measures available to them, including the moratorium on rental evictions and medical, mental health, legal and emergency support.



			<p>The package complements more than \$180 million commitment from NSW universities and other NSW education providers to support their students during the pandemic.</p> <p>The package is in addition to the \$12.1 million the NSW Government has committed to Study NSW to support the State's international students' welfare since 2013/14.</p>	
12	Mr David Shoebridge	<p><b>Mr DAVID SHOEBRIDGE:</b> How much of the \$715 million has been accepted?</p> <p><b>Mr SCOTT:</b> We are still in discussions with the universities around that. So that is money that is available but the money will be allocated on the basis of bilateral discussions with the universities. We are involved in discussions with a number of universities now.</p> <p><b>Mr DAVID SHOEBRIDGE:</b> Putting to one side future conversations, sitting here today how much has actually been lent?</p> <p><b>Mr SCOTT:</b> I am not in a position to give you that detail. I can take that on notice.</p>	<p>The NSW Government is guaranteeing commercial loans provided to participating universities. It is not directly lending to universities. As at 29 September 2020 NSW Treasury has received five full or partial applications from universities and all applications are currently being assessed. Participating universities are negotiating loan terms with their banking partners. No guarantees have been provided at this stage.</p>	Page 44
13	Mr David Shoebridge	<p><b>Mr DAVID SHOEBRIDGE:</b> My last question is: Could you provide us with what the net present value for those funds is, what it actually means in terms of finance?</p>	<p>As the NSW Government is providing a State Government Guarantee over commercial loans to universities, the net present value of the loans to be obtained will depend on the precise terms negotiated between the universities and their banking partners.</p>	Page 44
14	The Hon. Scott Farlow	<p><b>The Hon. SCOTT FARLOW:</b> In terms of the program, the Government, and through you Study NSW and the Department of Education, loosened the requirements to allow more students access to the crisis accommodation support?</p> <p><b>Mr SCOTT:</b> That is right.</p> <p><b>Mr GRAHAM:</b> That is right.</p> <p><b>The Hon. SCOTT FARLOW:</b> What are the requirements now in order to gain access to this support?</p> <p><b>Mr GRAHAM:</b> I can provide you with the list of those requirements. They come from Study NSW and we can provide them.</p>	<p>In order to access the temporary crisis accommodation for international students, applicants must demonstrate that they are international students who have lost, or are at risk of losing, access to secure accommodation, and have no other avenues of support.</p> <p>The online application form detailing what is required to apply is available at <a href="https://www.service.nsw.gov.au/transaction/apply-international-student-covid-19-crisis-accommodation">https://www.service.nsw.gov.au/transaction/apply-international-student-covid-19-crisis-accommodation</a></p>	Page 47



15	Mr David Shoebridge	<b>Mr DAVID SHOEBRIDGE:</b> Mr Scott, I was hoping that you could provide on notice what the net present value is of, first of all, the deferred payroll tax and also the proposed low-income loans, assuming they were fully subscribed.	<p>In relation to the NSW Government University Loan Guarantee Scheme, the net present value of the loans to be obtained will depend on the precise terms negotiated between the universities and their banking partners.</p> <p>In relation to payroll tax, the net present value of deferrals depends on the actual payroll tax liabilities of each university and the timing of deferred payments, which varies from university to university. NSW Treasury does not have access to this level of data.</p>	Page 49
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Questions on Notice for NSW DoE – Future Development of the NSW Tertiary Education Sector

*From Transcript 8 September 2020*

Number	Asked by	Question	Answer	Reference
1	The Hon. Courtney Houssos	<p><b>The Hon. COURTNEY HOUSSOS:</b> Thank you. Does the Department of Education or any other part of the New South Wales Government play any kind of coordinating role when it comes to HEPPP funding or the allocation of HEPPP funding between universities?</p> <p><b>Mr GRAHAM:</b> That is from the Commonwealth, but we work with universities to join them up with schools. We work as the interface with the public school sector in particular, although we also work with non-government schools.</p> <p><b>The Hon. COURTNEY HOUSSOS:</b> In doing that connecting do you actually map where they are going? Do you go, "Okay, we've got these particular schools in this particular part of the State that haven't received a visit and these schools are receiving a visit from three different universities?" Is there anything like that?</p> <p><b>Mr GRAHAM:</b> We do not map that activity because universities have a lot of relationships with individual schools, but we have worked with the universities to make sure that they are targeting the right schools. They are actually targeting the schools that have the greatest level of need and perhaps have the most number of students who would benefit from having contact with a university earlier in their career.</p> <p><b>The Hon. COURTNEY HOUSSOS:</b> Would you mind providing on notice any other information about that kind of coordinating role that you provide?</p>	<p>The Department does not perform a coordinating role in relation to HEPPP funding or the allocation of HEPPP funding between universities.</p>	Page 39
8	The Hon. Anthony D'Adam	<p><b>The Hon. ANTHONY D'ADAM:</b> In the Charles Sturt University submission they have proposed to remove their obligation around maintaining certain campuses. On notice if you like, unless you have got an answer at hand, have they made representations to the Government in similar terms and what has the Government's response been?</p> <p><b>Mr SCOTT:</b> Yes. I note the submission. I am not aware of formal representations at this point from the university around that.</p>	<p>No representations have been made by Charles Sturt University on this issue.</p>	Page 42

		<b>The Hon. ANTHONY D'ADAM:</b> Do you want to take that on notice? <b>Mr SCOTT:</b> Yes.		
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Supplementary Questions– Future Development of the NSW Tertiary Education Sector

Number	Question	Answer
1	With regard to the \$750 million loan guarantee by the NSW Government and the need for NSW universities to come back from COVID-19 in a sustainable financial position, what action is the Department taking to help universities manage the risk of over-reliance on overseas student fees, especially given the situation in China?	<p>Universities are autonomous institutions with complete control over their enrolment profiles. Universities are subject to annual financial audits by the Audit Office of NSW.</p> <p>However, the government continues to engage with NSW universities about their future resilience in a challenging environment.</p>
2	Specifically, is it sustainable for a) Sydney University and b) UNSW to take 29 and 27 percent respectively of their overall income from Chinese overseas students?	<p>Universities are autonomous institutions with complete control over their enrolment profiles. Universities are subject to annual financial audits by the Audit Office of NSW.</p> <p>However, the government continues to engage with NSW universities about their future resilience in a challenging environment.</p>
3	Further, given the rapidly deteriorating status of Sino-Australian relations, should NSW universities be minimising their exposure to Chinese overseas student income and other forms of financial reliance on China?	<p>Universities are autonomous institutions with complete control over their enrolment profiles. Universities are subject to annual financial audits by the Audit Office of NSW.</p> <p>However, the government continues to engage with NSW universities about their future resilience in a challenging environment.</p> <p>Foreign affairs are a Commonwealth issue and are considered by the Australian Minister for Foreign Affairs.</p>