

# WESTERN SYDNEY UNIVERSITY



## **Senate Education & Employment Legislation Committee Western Sydney University submission**

**Higher Education Support Amendment (Reverse Job-ready Graduates Fee Hikes and End 50k Arts Degrees) Bill 2025 | 31 March 2026**

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Western Sydney University (WSU) is pleased to provide a submission to the Senate's Education and Employment Legislation Committee into the Higher Education Support Amendment (Reverse Job-ready Graduates Fee Hikes and End 50k Arts Degrees) Bill 2025.

### **Western Sydney University**

WSU is committed to expanding access to affordable world-class higher education, a great student experience, life-changing opportunities, equity, and fairness. Its mission is to deliver student success, impactful research and stronger communities.

The University's priority is to put students first, as reflected in our commitment to make every year, the year of the student. Everything is geared towards supporting students to graduate, advance to fulfilling careers, contribute to their communities, and be partners in Western Sydney's once-in-a-generation economic and social transformation.

WSU's student body comprises aspirational yet underrepresented groups. Two-thirds of its students are the first in their families to attend university, one-third are from non-English-speaking backgrounds, and it has the nation's largest number of low Socio-Economic Status (SES) students.

As a public sector institution with the overriding role to deliver public good, the University operates in service of its students and communities.

### **Ending \$52,000-plus three-year Arts Degrees**

WSU remains unequivocal in its stance against the perverse and socially regressive impacts of the Job-ready Graduates (JRG) package. Reversing this policy in the national interest is long overdue. Further delay will bring ever-increasing harm to students.

The data is now available that makes clear how JRG has resulted in a broken and unsustainable system for setting university fees, introducing deep unfairness and a two-track education system that penalises students from poorer backgrounds.

The JRG is a handbrake on social mobility. It is a tax on education and aspiration, and is actively pricing young Australians out of their dreams. It risks eroding Australia's ethos of equality and a fair go and sends a strong pricing signal to many students that, irrespective of their willingness to work hard and their potential, university is not for them.

Without action, the JRG will continue to undermine the Australian Universities Accord's long-term ambition to increase participation and equity through greater affordable access to higher education.

Federal Education Minister, the Hon. Jason Clare MP told the 2026 Universities Australia Gala Dinner in February that only "17 per cent of students in our universities are from the poorest 25 per cent of families" and this is little changed in three decades. If the doors to opportunity are to be opened for those who most need the life-changing benefits of education, the JRG must be urgently replaced.

The JRG is one of the worst five policy mistakes made by the Commonwealth this century. The policy has failed in its stated aims, undermines intergenerational equity, broken the link between student fees and graduate earnings and harms the very people most in need of the social mobility and opportunities that higher education affords. Unsurprisingly, the policy has been widely criticised:

- The June 2023 interim report of the Australian Universities Accord said the JRG needed to be fixed "before it causes long-term and entrenched damage" and that without change the higher education system "will rapidly become unfit for purpose".
- The final Australian Universities Accord report, released in February 2024, recommended "urgent remediation" of the JRG package, and progressively moving towards a student contribution aligned with lifetime earnings.
- The Productivity Commission has also called for a "new funding model as a priority" given "the design flaws" of the JRG. It said the "differences in student contributions by perceived labour market needs fail to meet their goals while arbitrarily increasing debt burdens on some students"<sup>i</sup>.
- In 2025, 100 high-profile Australians, including authors Tim Winton, Helen Garner and Kate Grenville, urged the scheme be reversed, calling on Labor to "defend equity in education".

### **Impacts falling on students**

The Innovative Research Universities (IRU) March 2026 report, [\*Impacts of the Job-Ready Graduates policy and options for reform\*](#), shows that university students are paying the price for the JRG.

It highlights how students are facing rising costs and fewer students from lower SES backgrounds are enrolling in university, especially in the most expensive disciplines.

The IRU analysis compared 2024 data with pre-JRG rates, adjusting for inflation and student load. It found in 2024:

- Students overall paid up to \$368 million more in student contributions.
- Students in the highest charging band paid up to \$1.3 billion more.
- The Government contributed up to \$1.18 billion less.
- Universities received up to \$813 million less, or 6 per cent less base funding, to teach and support students.

IRU's analysis highlights that the JRG has led to a 3.5 per cent decline in overall Bachelor degree commencements from 2020 to 2024. The number of low SES students starting university fell by 9.8 per cent, or put simply, one in 10 students from poorer families who would have gone to university chose not to attend.

In the highest charging bands of Arts, Humanities and Law degrees, the analysis shows a 19.7 per cent decline in low SES commencements. Effectively, almost one in five students who would have chosen to attend university pre-JRG are no longer doing so in these areas.

In addition, the research shows that low SES commencements comprised only 15.7 per cent in Humanities and Social Sciences, 10.9 per cent in Commerce and 13.4 per cent in Law.

Very often Arts programs are the degree of choice for many Australians who are the first in their families to go to university, women, Indigenous students, and those who come from disadvantaged backgrounds.

In its February 2026 report, [\*Critical challenges in Australia's university sector: securing a sustainable future\*](#), Universities Australia found the JRG, combined with earlier funding freezes, "created a substantial misalignment between where student places are delivered and where funding is provided".

It also highlighted that the JRG package eroded university Commonwealth Supported Place revenue by about 6 per cent. While the introduction of the Australian Tertiary Education Commission and Managed Growth Funding should work towards addressing some of these discrepancies, reversing the JRG as soon as possible will introduce fair funding for students and sustainable funding for the sector.

### **Not fit for economic transformation**

The JRG has delivered both damaging financial and social impacts, with far-reaching consequences for Australia's future prosperity that risk holding the country back as global economies undergo enormous technological transformation.

The exponential rise of generative Artificial Intelligence (AI) is reshaping the workforce and higher education. Employers, governments and universities need to rethink the skills and capabilities Australians will need in the future, especially given that many of the jobs in the decades to come are yet to be defined.

Rather than being 'work ready' in a narrowly defined vocational sense, graduates will need to possess human skills such as critical thinking, imagination, intuition, judgement, and creativity, and to develop resilience and the ability to adapt quickly.

Arts and Humanities degrees afford the opportunity for students to develop the ability to think and learn, but the JRG policy has made these prohibitively expensive. JRG runs directly counter to the education students need in a world of AI, and in doing so undermines Australia's national interests.

## **Guarding against misinformation**

In a world rife with often ideologically driven misinformation, critical thinking learned through the Arts and Humanities is more important than ever.

Humanities and the Arts are one of the most important building blocks of a prosperous, fair, inclusive and socially cohesive country. They foster understanding, inquiry and discovery.

The ability to think independently and decipher fact from fiction are important defences against misinformation, including 'fake news', which can threaten democracy and erode trust and confidence in public and civic institutions.

Australia needs more graduates in disciplines including philosophy and history.

## **Failed in its objectives**

Introduced in 2021, the JRG removed the link between student fees and graduate earnings established by the Howard Government. Instead, it attempted to use price signals to steer students away from the Arts and Humanities into areas of national labour shortage such as mathematics, agriculture and nursing.

The policy has completely failed to meet its objectives and fundamentally misunderstood the drivers of student choice. One study found that fewer than one in 50 changed their field of study due to differential fees.<sup>ii</sup>

Instead, as the IRU research highlights, many students are deterred from attending university at all. And for those who do follow their dreams, they are lumbered with higher fees and mounting debt. Many students will be unable to pay this debt off, effectively incurring a debt until death.

The Albanese Government's decision to reduce existing student debt by 20 per cent was welcome, but it does not help current or future students who are weighed down by high costs. It dealt with the symptom rather than the root cause of student debt: the fees charged to students in the first place.

In breaking the link between graduate earnings and the cost of degrees, many arts graduates will never earn enough to pay off their qualifications. Effectively, some will incur a debt until death.

The annual cost of an Arts degree is now nine times the original 1989 contribution costs, with student fees increasing from a third of their salaries to more than two-thirds.<sup>iii</sup>

## **Recommendations**

WSU does not support the amendments contained in the Bill and instead recommends the IRU's costed proposal for a three step process that goes further to deliver fairer fees.

**Step 1:** Restore the three band student contribution system by reclassifying fields in the current top-charging band (\$17,000) to the second highest band (\$14,000). The estimated additional cost would be \$801 million per year.

**Step 2.** Restore the humanities and related fields to their pre-JRG rates by reclassifying these from the current second highest band (\$14,000) to the mid-charging band (\$10,000). The estimated additional cost would be \$436 million per year.

**Step 3.** Restore STEM to pre-JRG funding rates by increasing government funding in STEM by \$5,000. The estimated additional cost would be \$680 million per year.

Combined, the three steps would cost \$1.917 million a year and simplify the system. Critically, it would reduce the cost of a three-year Arts Degree from \$52,000 to \$30,000, immediately benefiting about 285,000 students nationwide.

WSU commends the Senate Committee's actions to examine the flawed JRG and consider its reversal. It urges swift action to end an untenable situation where Australian students are being unfairly penalised, especially those from underrepresented and equity backgrounds.

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<sup>i</sup> Productivity Commission (2023) “5-year Productivity Inquiry: From learning to growth. Inquiry report – volume 8”,  
<https://www.pc.gov.au/inquiries/completed/productivity/report/productivity-volume8-education-skills.pdf>

<sup>ii</sup> Kabatek, Coelli (2023) “Only 1.5% of students swapped fields due to the ‘Job-ready Graduates’ fee changes”, <https://findanexpert.unimelb.edu.au/news/68926-only-1.5-of-students-swapped-fields-due-to-the-job-ready-graduate-fee-changes>

<sup>iii</sup> Thrower (2024) “University is expensive. Impacts of rising university costs on young people”,  
<https://australiainstitute.org.au/wp-content/uploads/2024/11/P1736-University-is-expensive-Web-1.pdf>