

The Australian National University Students' Association



anusa
australian national university students' association

Submission to the Senate Committee on Education and
Employment

Inquiry into the *Higher Education and Research Reform
Amendment Bill (2014)*

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1 The ANU Students' Association (ANUSA)

1.1 ANUSA's Purpose

ANUSA is the peak advocacy body for undergraduate students at the ANU. The 'objects' laid out in the Association's Constitution are as follows:

- a. "To promote the welfare of and further the interests of ANU Undergraduate Students; to work for quality and equity in higher education
- b. To afford a recognized means of representation for ANU Undergraduate Students within The University and the wider community; and
- c. To foster community, equity and diversity within the University'¹

In order to achieve these objects, ANUSA representatives advocate for ANU students on a number of committees within the University.

1.2 ANUSA's Structure

ANUSA has a number of means for consulting with its constituents including, but not limited to, hosting forums and convening committees that all ordinary members of the Association may attend.

ANUSA's Education Officer convenes one such committee, the Education Committee. The Education Committee is open to any ordinary member of the Association (all undergraduate students at the ANU). At this committee, students discuss reforms in the higher education sphere and vote on policy and actions, which are then taken to the ANUSA Student Representative Council (SRC). The SRC, in light of this consultation with the Committee, may then ratify, amend, or reject the proposed policy and/or action.

¹ ANUSA Constitution <http://anusa.com.au/wp-content/uploads/2013/08/ANUSA-Constituion-.pdf>

In the past year the Committee has adopted a staunchly anti-deregulation stance and has taken a number of actions in opposition to the Government's proposed reforms and is looking to do so in the coming months. Students at the ANU have conducted a range of actions in response to the reform package, including the 'Read-In',² the 'Stick-In',³ a panel discussion/forum⁴ regarding the deregulation of university fees, an 'Unhappy Birthday Party' for Minister Christopher Pyne and a number of others. ANU students have also actively participated in actions lead by the National Union of Students, including the recent 'Pecks for Pyne: Kiss Deregulation Goodbye'⁵ campaign and a number of National Days of Action. The Days of Action held at the ANU⁶ had among the best participation rates in the country, proportionate to the number of students at the University. This is a clear illustration of the discontent of ANUSA's members with regards to these reforms.

2 Introduction

ANUSA Has a number of concerns with regards to the Bill, including a rejection of the reform involving the deregulation of university fees, a strong opposition to the cuts to university funding and a wariness in terms of the structure that the Commonwealth Scholarship Scheme might take.

ANUSA therefore welcomes the opportunity to submit its position on the Bill.

3 ANUSA, its Constituents and the Proposed Reforms

3.1 The Deregulation of University fees

ANUSA does not support the deregulation of university fees. The risks involved with bringing about such a drastic reform are immense. This element of the Bill,

² <http://www.canberratimes.com.au/act-news/read-all-about-it-anu-student-launches-readin-protest-against-university-fee-hikes-20140526-zroje.html>

³ <http://www.canberratimes.com.au/act-news/writing-on-the-wall-as-student-protests-continued-at-anu-20140604-zrwx.html>

⁴ <http://www.canberra.edu.au/blogs/vc/2014/06/03/anu-uc-forum-on-deregulation-of-student-fees/comment-page-1/>

⁵ <http://www.canberratimes.com.au/act-news/anu-students-pash-christopher-pyne-at-kissing-booths-to-protest-university-fee-deregulation-20150211-13br24.html>

⁶ <http://www.canberratimes.com.au/act-news/hundreds-turn-out-for-anu-protests-over-federal-budget-20140522-zrk7b.html>

which encourages competition between universities not only risks, but encourages, the creation of a tiered university system.

In such a system, students of a lower socio-economic status would likely be excluded, due to cost, from the higher-tier universities, which are projected to charge fees of up to \$100, 000 over the period of a degree.⁷ Many would choose to forgo the opportunity to attend university altogether, as they would be forced to make the choice to accrue a still significant debt, for what would be an education of 'lesser value' according to the market.

The ANU, a Group Of Eight University, with a high research output, would be aiming to place itself in the upper tier of this system. Such a tiered system would be devastating for the diversity of ANUSA's constituency and for the vibrancy of the ANU's community. The ANU accepts students with the highest median ATAR and has the lowest participation rate of students from low-SES backgrounds.. ANUSA's constituents would benefit from rectifying, rather than exacerbating this problem as would occur under this legislation.

However, it is not simply that constituents would benefit from rectifying this lack of diversity; doing so aligns very well with the Association's constitutional objects stated above, particularly with relation to 'fostering community, equity and diversity within the ANU'.

3.2 The Question of Scholarships

While ANUSA does not necessarily oppose the provision for the use 20% of additional tuition fees collected in a deregulated system in the creation of a Commonwealth Scholarship Scheme, the Association is wary of the shape that these scholarships might take. There is no guarantee that these scholarships will exist purely as equity scholarships. In addition, the scholarships could not

⁷ <http://www.theaustralian.com.au/higher-education/k-degrees-a-reality-nteu/story-e6frgcjx-1227054201694>

possibly provide opportunity to all of those who have been excluded from the higher education system due to debt aversion.

3.3 The Existence of HECS as a Protection

It is true that HECS will continue to exist, removing an upfront cost to students. This is likely to splinter students into two groups: Students who are debt-aware and may experience debt aversion, and students who do not fully comprehend the level of debt they will incur.

Debt-averse students are more likely to come from low-SES backgrounds, and be the first in their family to attend university. Debt aversion due to fee deregulation will have a disproportionately high impact on these students and cement the higher education sector as a bastion of privilege.

Students who are not aware of the full burden of debt they will shoulder of the course of their education will also be negatively affected. By removing an immediate price indicator, students leaving high school will be asked to incur levels of debt that they may never have the capacity to repay. This will not be evident to those students until after they have taken on the debt.

Even without the indexation of HECS at the 10-year Government Bond Rate, the level of debt that students are projected to accrue is significantly larger than in the present.⁸

3.4 Cuts to University Funding

ANUSA takes an extremely negative view towards the cuts to university funding, averaging 20% across all course programs, which will occur if the Bill were to be passed. It is the continuation of a long-term movement, which sees universities gutted, stripped of their capacity to provide quality education.

⁸ <https://maths-people.anu.edu.au/~alperj/deregulation/>

This reform will compound the effect of a deregulated fee structure, as fees charged to students will have to be raised to a baseline simply in order to meet the funding that has been cut.

The Government happily justifies the shift in funding from the taxpayer to the individual by repeatedly stating that higher education is something pursued for personal gain. The statistic most commonly used is that 'university graduates earn 75% more than school-leavers'.⁹ However, an OECD study has concluded that in Australia the public return as a result of an individual seeking higher education is almost double that of the return to the individual.¹⁰ What is more, this is only in terms of what that individual is taxed; it does not take into account the more intrinsic benefits of a more highly educated society, such as 'critical thinking skills, deeper civic engagement and better health'.¹¹

3.5 The Question of Quality

The final point that ANUSA makes is that for such drastic increases in student-paid fees, the government can give no guarantee that the quality of undergraduate education would increase proportionally.

In a market-driven higher education system, a major market indicator to prospective students would be university-ranking systems, such as the Times Higher Education World University Rankings. Many of such ranking systems rely heavily on the volume and quality of a university's research output in order to rank the university.¹² This would be a false market indicator, as there is no guarantee that the researchers responsible would be teaching students, or would be adept in doing so.

⁹ <http://www.highered.gov.au/>

¹⁰ <http://www.smh.com.au/national/education/oeecd-figures-show-public-benefits-more-than-individuals-from-tertiary-education-20140928-10n6cc.html>

¹¹ Ibid.

¹² <http://www.timeshighereducation.co.uk/world-university-rankings/2013-14/world-ranking/methodology>

It is not inconceivable that universities would use extra funding collected in a deregulated model in order to cross-subsidise research programs in order that they may bolster such rankings – ultimately attracting more students and more funding. ANU Professor Brian Schmidt confirms the process of bolstering rankings with cross-subsidisation¹³ and it is confirmed that the practice of cross-subsidisation occurs at the ANU.¹⁴

4 Conclusion

The vast majority of ANUSA's constituents do not like this reform package. Every representative elected in the Association's 2014-15 election was elected on a platform of 'no deregulation' and the Association maintains its opposition to these drastic and harmful changes.

These reforms would create a rift in our university system, pricing prospective students from disadvantaged demographics out of top-tier universities, or out of a university education altogether. These reforms are inequitable, unfair, unnecessary and unpopular.

As they would be of great detriment to ANUSA's members and prospective members and are at odds with the objects laid out in ANUSA's constitution, ANUSA must conclude that the *Higher Education and Research Reform Amendment Bill 2014* should not be supported

For this reason, the Association appreciates greatly the opportunity to make a submission to the Committee and would also welcome the invitation to appear before the Committee or at public hearings in the future, in order to represent our members.

¹³<http://www.mso.anu.edu.au/~brian/IMAGES/Research%20and%20High%20Education%20-%20Australian%20Jun%202014.pdf>

¹⁴ <http://aiec.idp.com/uploads/pdf/2013-m-003-young-wed-3.55pm-bradman-m-003.pdf>