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*The National Tertiary Education Union (NTEU) represents the interests of higher education workers in universities, TAFEs, research institutions and other tertiary education providers nationally.*

*We welcome the opportunity to respond to the **Senate Inquiry into the Higher Education Support Amendment (Response to the Australian Universities Accord Interim Report) Bill 2023.***

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The NTEU supports the five policy measures announced by Education Minister Jason Clare on July 19<sup>th</sup>, including those proposed under the *Higher Education Support Amendment (Response to the Australian Universities Accord Interim Report) Bill 2023*.

Drawing from the Recommendations to Government by the Universities Accord Review of Higher Education, the Bill aims to partly address one of the most unfair policy changes introduced by the former Coalition Government, as well as expand access to Commonwealth supported places for First Nations students.

The NTEU has consistently opposed all harmful measures that were imposed by the former Coalition Government under its Job Ready Graduates (JRG) legislation in 2020.

We warned that the JRG changes would rip billions out of public universities while unfairly burdening many students with excessive and even life-long debt. We also predicted that the changes under the JRG would be unsustainable and create further strain on a sector that, even prior to the damaging impact of the pandemic, was at breaking point.

We note that the Expert Panel undertaking the first meaningful review of higher education in more than 15 years has been scathing of the impact on the sector by the Coalition's JRG policies and its stewardship of the sector more broadly. The NTEU agrees with these findings.

One of the harmful, and unnecessary, policies under the JRG changes was the decision to implement a condition that required students to pass more than 50% of their total attempted units to remain eligible for access to the Higher Education Loan Program (HECS-HELP) and a Commonwealth Supported Place (CSP). Students who failed to meet this condition were faced with a choice of either paying for their course upfront, transferring to another course, or withdrawing from their studies.

While the justification for this policy was supposedly to prevent students who were not 'academically suited' to their studies from continuing to accrue large student debts, it appeared more as a 'stick' to force higher completion rates, and/or to 'weed out' early those students the former government arbitrarily deemed to be unsuited to academic studies and save Government expenditure. Notably, there was no requirement under the 50% rule for

institutions to take action to assist students at risk of failing more than half their course load, or to address issues around the quality of education.

We note that the Coalition has stated it is opposed to the removal of the 50% pass rule in this Bill based on their concerns over the growth of student debt. Unfortunately, it is difficult to accept this sentiment at face value when it was the former Coalition Government that increased average student fees by 8% under the JRG. It was also the Coalition Government that particularly targeted HECS-HELP bands on humanities, arts, and social sciences (disciplines with higher rates of enrolments of student equity groups, First Nations students and women) with the tuition fee increased to over 110% for most courses, making it more expensive to get a degree in social work or journalism than a degree in medicine. Not content, the former Government also further shifted the cost of paying for education onto students directly, reducing the Commonwealth contribution per student place on average by 14%. As a result, on average, students entering higher education supported by public places now contribute 51% of the total cost of the cost of their place, versus 25% in 1996. According to international rankings (*OECD Education at a Glance, 2022*) Australia now ranks 4<sup>h</sup> worst in the OECD for public funding of tertiary education, behind the US, Korea, Canada, and New Zealand. Taking these factors into account, the Coalition's opposition to the Bill based on concerns over students' financial wellbeing appears to be at best highly selective, given the impact of the JRG and other changes to HECS-HELP that the former Government enacted.

In fact, it appears that the 50% pass rule has caused more harm to students, with the Interim report finding that it unreasonably and unfairly target students who were First Nations (and who were twice as likely to be impacted by the rule), students with carer obligations (especially women), those from low socio-economic backgrounds and students who are from under-represented or educationally disadvantaged cohorts (to name a few).

We are disappointed, but not surprised, by the fact that since its introduction over 13,000 students at 27 universities have been affected by the 50% pass rule, and thousands have left universities altogether. This is considerably higher than the original projection in 2020 by the Department of Education, Skills and Employment that around 2,500 students each year would be affected by the rule.

The NTEU strongly supports the removal of this condition under the proposed Bill.

We are also broadly supportive of the Government's associated proposal to require higher education providers to improve their support for students, noting that Minister Clare has released a consultation paper on proposed changes to regulations and Guidelines in support of the Bill.

While we welcome the initiative and the commitment made by the Government in the *Support for students* policy consultation paper that requires providers to better understand and support students at risk, we are concerned over how (and if) providers will meet these new obligations.

This is because much of the direct interaction students have with our universities, TAFEs and other providers is via staff who are insecurely employed and often are not paid (or underpaid) for student consultation and support. Requirements for check-ins, flexibility around assessment arrangements and other such matters may not be possible for the staff who, despite having direct contact with students, are deployed under precarious and extremely

narrow work arrangements that are arranged at school, or sub-school level, and given minimal instruction, resources, support and scope. We also note that higher education providers rarely, if at all, provide professional development and training for non-permanent staff.

On top of this, the NTEU has found that many student support services – already operating under significant strain – were targeted in the COVID pandemic redundancies by university managements. Where these have been returned it is often with non-permanent staff, who may also have other work-related responsibilities. In some institutions, the services have been outsourced completely to external parties.

We strongly recommend that compliance frameworks not be primarily reliant on self-reporting by institutions, and that particular attention is given to higher education providers demonstrating that sufficient resources – both in staff being qualified and in appropriate numbers - are available and accessible to students. We note that in the Minister’s Consultation paper on the *Support for students* policy guidelines, desktop audits and complaints from students “and others” are noted as mechanisms in addition to self-reporting by providers – we strongly advise that democratically elected bodies representing the interests of students and staff also have a role within the compliance framework.

We also wish to emphasise the need for institutional governance reform, particularly in relation to workforce development and planning, and that continued use of insecure forms of employment, including the use of external ‘contractors’ to deliver core teaching, learning, student support and other academic and welfare services, will undermine the changes to the Higher Education Provider Guidelines and the requirement for institutions to have an effective policy framework in support of at risk students. Universities have a plethora of positive sounding policy that in reality is either partly implemented or not implemented at all– for example, their policies around sexual harassment and staff and student safety on campuses.

We note that the Consultation paper has identified Governance as being highly relevant to the *Support for students* policy that underpins this provision of the Bill, but only in the context of student safety. While we agree there is a direct link in relation to student support, as noted above, Governance must also address the long running workforce problems within the higher education sector as well.

The NTEU will respond in further detail to the Consultation paper on the *Support for students* policy, but we believe that these issues should also be raised in considerations around the proposed Bill.

In relation to the implementation of the second recommendation from the Universities Accord Interim Report in the proposed Bill, the NTEU supports the expansion of eligibility for places in demand driven higher education courses for all First Nations students that will enable them to enrol in bachelor and bachelor honours level courses (other than in medicine) at Table A providers.

The NTEU has previously proposed this change in our Accord submissions and we welcome the announcement of the Government’s plans to enact it.

We do, however, note that more needs to be done to encourage First Nations students to complete their secondary education so they are eligible to undertake higher education studies.

Just as important is the need to also ensure that students can afford to study – be that access to financial support and increasing these amounts, better rental and housing access and assistance, access to affordable childcare, transport, and other support services. While demand by First Nations students for access to higher education places is increasing, other obstacles must also be addressed for the goal of meeting – and exceeding - population parity is to be realised.

A further concern is that the continuation of excessive HECS-HELP tuition fees for bands such as humanities, arts and social science studies has a disproportional impact on First Nations students, who are overrepresented in these areas of study.

Given the ongoing issues around HECS-HELP indexation, there are concerns that students with already excessive debts after only a few years of study will be further burdened by this inequity. Studies have also shown that First Nations students are more averse to tuition fee debt. The NTEU has recommended that indexation either be ceased or capped at the level of wage growth, in keeping with HECS-HELP being linked to future income.

## **Recommendations**

***The NTEU Recommends that the Bill be adopted.***

***The NTEU also recommends that consideration be given to the implementation of the provisions of the Bill in relation to Support for students policy, particularly around compliance, reporting and governance process.***

***The NTEU also recommends that further consideration be given to closing the gap in First Nations higher education attainment, and that this includes social welfare and student support.***

***The NTEU also recommends inequitable and unfair JRG tuition fee levels be rolled back as soon as possible, and HECS-HELP indexation revised to be in line with average wage growth.***

## **Contacts:**

Dr Alison Barnes, NTEU President

Dr Terri MacDonald, Director, Public Policy and Strategic Research

Mr Kieran McCarron, Public Policy and Strategic Research Officer