

# Australian Greens' Report

## Additional Comments

The Australian Greens share the concerns outlined in the main committee report relating to the Government package being a radical shift in university funding from the government to the student and their families. We support the concerns outlined in the main report relating to the impact of fee deregulation on students, the lack of indexation, the prescriptive workplace relations and governance reforms and the proposals to introduce anti-student organisation legislation.

Additional comments and recommendations from the Australian Greens fall into 5 categories:

1. The privatisation and corporatisation of higher education;
2. Public funding of universities;
3. The contribution of student organisations to political life;
4. Regional universities' contribution to their local communities; and
5. Financial support for students living and studying needs.

### **1. The privatisation and corporatisation of higher education**

Chapter 3 of the main committee report discusses the possible implication following from the lack of the word university in the detail of the legislation and the general emphasis in the legislation towards putting in place the mechanisms for a purchaser-provider model for higher education.

There was some discussion during the public hearings of the inquiry about the increasing ease with which private providers can access public subsidies and funding.

Dr Guille, Queensland State Secretary of the National Tertiary Education Union (NTEU) said in Brisbane to the committee:

I am concerned, however, about public subsidies being provided even to the private universities. We are more concerned about the growth of second-tier franchise type institutions, of which there is a number around this area of Brisbane, and whether they should receive public subsidy. As I said, some of the Christian *fundamentalist* ones have not fulfilled the test of being a university.

This issue was further discussed by the NTEU at the Canberra hearings where the comment was made that:

You can bet your bottom dollar that if we start opening up subsidies to private providers we will have an increase in applications for university status. Some of them may be justified but I am quite sure that some of them will not be as well. There is no consistent, clear, national rigorous process that this package sets out that deals with that, and that is a real concern for the union. That is something that we would like to stress quite strongly. The legislation does make some sort of capacity for *AUQA* to be the vetting body for private providers, as one of the hurdles that private providers will have to get over to get funding. That is not why *AUQA* was set up. That is not its mandate, and more work has to be done in this area.

During public hearings discussion often focussed on the impact for universities of a withdrawal of government funding and where they would source replacement funds from. Beyond perceiving students as a funding source there was some discussion about universities responding to the withdrawal of government funding by approaching corporations to make up the shortfall.

The dangers of such an approach were highlighted by many witnesses.

Ms Mills, of the Curtin Student Guild made another suggestion for how businesses could contribute to the cost and benefits they receive from higher education:

... it is not that we do not think that business should pay or contribute towards universities—because at the end of the day they are benefiting from graduates—it is what the businesses are actually getting out of universities in that direct link. That is where we think that perhaps the government should be the intermediary, getting that money from businesses, taxing businesses perhaps, instead of taxing students more. That becomes the intermediary, so that you do not have these compromises of educational quality because business is contributing. But we are not arguing that business should not contribute.

Earlier Ms Robinson, the President of UWA Student Guild commented that:

The private sector can dictate a university's research priorities, in exchange for funding. It ends up benefiting the industry more than the university.

Students gave examples of the way in which a created reliance by a university on corporate funding was impact on the quality of teaching and research available at the institution.

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Ms Loker, President of University of New England Student Association told one such example:

At this university one student who was doing computer science did an assignment on a *Lotus* program, and the course coordinator refused to mark it because it was not done on Microsoft Word. The student took that decision to the head of the school and it was overturned and the course coordinators were forced to mark it. That is a really clear example of the outrageous things that happen when private providers become involved in a university; their profit agendas are what is behind their very involvement in such institutions. I think it is disgusting.

Ms Coopes, President of Charles Sturt University Students Association outlines the essential problem:

It is completely inappropriate to expect universities, whose core businesses are learning and teaching, to go out into the corporate sector to get funding for their core activities. Education is for the public good and should be funded by the government.

### **Recommendation 1**

**That core funding be strictly limited to universities as defined in the MYCEETA National Protocols. Any other Government funding to private higher education providers should be limited to institutions which offer courses that both achieve the relevant quality benchmark and cannot reasonably be supplied by a local university.**

## **2. Public funding of universities**

The Australian Greens preface these remarks with the endorsement of comment made to the committee by the Vice Chancellor of the University of Technology in Sydney, Professor Ross Milbourne, when he said:

I cannot for the life of me understand why we cannot have the same indexation that is given to the funding of public schools. If that happened, most of the issues that might come out of this package would evaporate...

The Australian Greens note the refusal of the Government to provide for this indexation as a clear indication of an ideological shift in the funding of universities from the public to the private, forcing as it does universities to source core funding from students, their families and the corporate sector.

The inability of the Government to recognise the implications for quality, equity and independence that this model brings is cause for serious concern. The Australian Greens therefore recommend that Professor Milbourne's advice be taken up and an indexation model be devised that plots actual increases in

the costs of providing tertiary education and for funding to be adjusted accordingly.

The Australian Greens note that WCI model proposed by the Chairs Report is an improvement on current practice but still fails to accurately plot the rise in real costs.

Throughout the public hearings of this inquiry debate raged about how our higher education sector should be funded. The clearest distinction was between the Government model as proposed in the legislation that students should pick up the tab for funding universities where the government has left off and the view expressed by almost all witnesses that the Federal Government needs to invest more public money into higher education.

During this discussion the public and private benefits of higher education were much canvassed with several witnesses expressing to the committee the view that higher education was a public good and should be funded as such by the government.

Mr Vijayalingam Nellailingham, President of the Students Association Campbelltown Campus Inc. outlines the position his organisation:

The students association believes that education is a public good, has always been a public good and should remain a public good. For these reasons we believe that education should be properly and fully publicly funded. We should have a *free* education system.

A number of witnesses extolled the virtues of a progressive taxation system including the submission from the executive of the NTEU, UNE Branch 'In short, stripping away the particularities of the present debate reveals that we used to have a perfectly adequate system for extracting higher proportions of tax from higher paid individuals: it was called a progressive tax system.'

Mr McKay, President of the Council of Australian Postgraduate Associations in his opening statement argued that:

progressive taxation should ensure that those who benefit financially contribute back to the system and that it is illogical to condemn those who do not benefit financially from their education to a lifetime of debt and debt burden.

## **Recommendation 2**

**That an indexation process, similar to that applying to government schools, be developed to ensure core funding keeps pace with the real rise in the costs of running universities.**

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That HECS be abolished and all HECS debts be forgiven. That future enrolment be selected on the basis of academic merit and potential only.

As noted in the main committee report, The Australian Greens recommend that in circumstance where HECS remains the repayment threshold should be set at average weekly earnings.

### **3. The contribution of student organisations to political life**

The Australian Greens concur with the comments in chapter 5 of the main committee report regarding student organisations. The chapter outlines the benefits that student organisations provide to campus life with a particular emphasis on the service provision provided by student organisations.

The main report notes:

The Government's moves against student organisations appear motivated by the desire to weaken, if not eliminate, the likelihood of any anti-government political movement among students.

Student organisations combine service provision with representative responsibilities that include political representation and advocacy support roles. The committee during the public hearings discussed with students and vice-chancellors in particular issues surrounding the capacity and willingness of universities or commercial operators to provide the services that student organisations currently provide.

There was also some discussion about the advocacy and representative work student organisations do.

Ms Caroline Vu, President of the UTS Student Association in response to a question about the capacity of universities to pick up the advocacy work that student organisations do said:

It is obviously not necessarily in the university's interests to have students appealing decisions made by lecturers about exclusion, or even grades. Universities would be able to take over services like gyms, cafeterias and those sorts of things, if VSU were introduced. But, with things like advocacy and appeals processes, there is no real reason why the university would take over the services that our caseworkers provide. And there is really no reason that students would want the university to take over that process. Basically, the right to appeal a grade is a student right. I would not envisage that the excellent work done by caseworkers in student unions could be continued. Basically, lecturers would be much more able to make arbitrary decisions in the university process without fear of *retribution*. As appealing a grade is a student right, it would also be a roll-back of the democracy of universities.

Whilst universities may feel compelled to pick up some of the service provision student organisations currently provide if anti-student organisation legislation was introduced, the question remains as to whether universities would be in a position to or whether it would be appropriate that they pick up the advocacy responsibilities currently carried out by student organisations.

The political representation that students organisations provide was only touched on during the public hearings of the inquiry. In response to a question about the impact of anti-student organisation legislation, Professor Gavin Brown, Vice Chancellor of Sydney University said:

I think it would have a hugely negative effect—I really do. I am perhaps a little more to the left of this issue than even many of my colleagues. I seriously believe that experience in student politics or in the *SRC*—that kind of thing—is enormously valuable both to the individuals who participate in it and ultimately to the country in terms of the training and so on they get. Most people are prepared to settle for saying that we want sport, debating and food outlets, and we need to raise fees for that. I am prepared to go much further and say that you should provide students with the opportunity to be engaged in serious political involvement while they are students, because that is ultimately to the net benefit of society.

It was significant to hear a prominent vice-chancellor such as Professor Brown speak so supportively of the opportunities for political representation that student organisations provide.

#### **4. Regional universities' contribution to their local communities**

The voices from rural and regional communities and universities that appeared before the committee spoke of the central role that universities play in regional towns across the country.

Ms Coopes, President of Charles Sturt University Students Association outlined the contribution that regional universities make to their community.

Like no other industry, education has the ability to provide sustainable development and improvement for a region. As a seven-campus university which spans a series of diverse regional communities, CSU is a unique demonstration of a truly regional university which engages extensively with its regions. This goes beyond the fiscal benefits of employment and economic flow. Regional universities serve their regions. They engage in community projects, provide state-of-the-art facilities for local communities and create cultural, intellectual and human traffic within and between regional and metropolitan centres.

The elusive concept of the Australian identity is often referred to in rural and regional terms. The little Aussie battler was born on a

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property and, sadly, it seems that the little Aussie battle will remain there. The regressive and draconian Nelson reforms, which create a two-tiered system, deny regional Australians so much. They deny us access to a diverse and equally valuable regional institution which will retain Australians in the regions by choice. They deny many students access to university much more insidiously at square one by pricing them out of youth allowance through a grossly unjust means test, which counts land as an asset. They deny students from low socioeconomic backgrounds the opportunity to escape the cycle of poverty by making education a market driven commodity.

The 'make the poor pay more' problem is endemic throughout the proposed reforms. It is a harsh reality that regional universities will be demoted to vocational specialist institutions which will be forced to raise their fees in order to save their reputation or lower their fees to maintain their mission of providing affordable options at the expense of quality and sustainability. There is already a perception that those who charge more, provide more. Emphasising the private benefits of tertiary education furthers such elitist views.

Ms Loker, President of University of New England Student Association counteracted the government position on regional universities succinctly in her exchange with Senator Tierney:

Senator TIERNEY —That is why we have put a regional component in the package.

Ms Loker —But the regional component does not make up for that shortfall in funding.

The consequences of the package for employment in regional communities were also canvassed.

Students from regional universities proposed mechanisms for keeping students working in regional centres after their university studies.

Ms Loker, President of University of New England Student Association stated:

Having studied in the region prompts them to come back and work in the region after they have graduated. I think that it ties in with the issue of lack of diversity and lack of choice for regional communities. If we were to take an approach that valued and encouraged diversity in the regions and increased new subject areas in the regions, that could help to rectify the problem as well, because we would have people studying medicine in Armidale. As the statistic says, a lot more people would be more inclined to come back or stay and work in the region they had graduated from.

**Recommendation 3**

**That the Government recognise the special challenges that rural and regional universities face and provide the additional costs incurred in meeting those challenges. That these costs be reflected in a core funding formula that gives appropriate weighting to regional and rural universities enabling these institutions to deliver comprehensive course offerings and university environment.**

**5. Financial support for students living and studying needs**

The Australian Greens note the universal recognition amongst the peak representative bodies in the tertiary sector (AVCC, NUS, NTEU, CAPA) that student financial hardship is worsening and that the Government can and should do more to address the problem. The Australian Greens endorse the comments of the AVCC in their study *Paying Their Way: A Survey of Australian Undergraduate Student Finances, 2000* when it states:

Government income-support programs are very important in allowing less financially advantaged students to continue studying, but many concerns were expressed that the level of income support is too low and that access to the schemes is too restrictive. Austudy recipients are disadvantaged compared with Youth Allowance recipients because they are not eligible for 'rent assistance'. Because of the way in which the programs are structured, Youth Allowance and Austudy recipients have a strong financial disincentive to work more than about a day a week on average throughout the year. The total income from income support and limited part-time work, combined with educational expenses, leaves participants in these programs financially vulnerable.<sup>1</sup>

The Australian Greens endorse many of the recommendations made to the committee by the UNSW Student Guild as a way to address these serious deficiencies.

**Recommendation 4**

**That the Commonwealth Government replace Youth allowance and Austudy with one simple payment that incorporates the following measures;**

- 1. The age of independence be reduced to 18;**

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1 Michael & Hayden Long, Martin, "Paying Their Way: A Survey of Australian Undergraduate Student Finances, 2000," (Canberra: Australian Vice-Chancellor's Committee, 2001).



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- 2. The eligibility criteria should not be based upon previous personal earnings;**
  - 3. The personal income threshold (current set at \$236 per fortnight, without affecting benefit payments) should be increased to a more realistic figure;**
  - 4. The Parental Income Test cut-off threshold should be increased to allow greater access to higher education;**
  - 5. That same sex couples be recognised as de facto relationships for the purposes of income support measures including student income support;**
  - 6. All postgraduate awards are redefined as ‘approved courses’ for the purposes of rent assistance;**
  - 7. As a minimum, provide students with benefits consistent with the Henderson poverty line; and**
  - 8. That these benefits be indexed to the Consumer Price Index, with reference to the Henderson poverty line.**

**And that ABSTUDY be maintained as a separate scheme, and that within this payment structure:**

- 1. All supplementary benefits, allowances and payments available under the ABSTUDY scheme be maintained;**
- 2. All payment structures be endorsed and approved by the relevant indigenous community organisations;**
- 3. Any future rationalisation of the ABSTUDY allowances only occur after sustained and authentic dialogue with Indigenous communities across Australia; and**
- 4. The changes made to ABSTUDY in the 1997-1998 Commonwealth Budget be reversed.**

## **List of Recommendations**

### **Recommendation 1**

That funding be strictly limited to universities as defined in the MYCEETA National Protocols. Government funding to private higher education providers should be limited to institutions which offer courses that cannot reasonably be supplied by a local university, and achieve the relevant quality benchmark.

### **Recommendation 2**

That an indexation process, similar to that applying to government schools, be developed to ensure core funding keeps pace with the real rise in the costs of running universities.

That HECS be abolished and all HECS debts be forgiven. That future enrolment be selected on the basis of academic merit and potential only.

As noted in the main committee report, The Australian Greens recommend that in circumstance where HECS remains the repayment threshold should be set at average weekly earnings.

### **Recommendation 3**

That the Government recognise the special challenges that rural and regional universities face and provide the additional costs incurred in meeting those challenges. That these costs be reflected in a core funding formula that gives appropriate weighting to regional and rural universities enabling these institutions to deliver a comprehensive course offerings and university environment.

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And that ABSTUDY be maintained as a separate scheme, and that within this payment structure:

1. All supplementary benefits, allowances and payments available under the ABSTUDY scheme be maintained;
2. All payment structures be endorsed and approved by the indigenous community organisations;
3. Any future rationalisation of the ABSTUDY allowances only occur after sustained and authentic dialogue with Indigenous communities across Australia; and
4. The changes made to ABSTUDY in the 1997-1998 Commonwealth Budget be reversed.

The Australian Greens recommendations in the main committee report noted.

That in order to meet the current levels of unmet demand for a university place from qualified applicant and additional 50,000 full and part-time commencing university places be created.

**Senator Kerry Nettle**

