1 July 2002

Mr John Carter Secretary Senate Employment, Workplace Relations and Education Legislation Committee Suite S1.61, Parliament House CANBERRA, ACT 2600

Dear Mr Carter

## Re: Higher Education Funding Amendment Bill 2002

Thank you for the opportunity to comment on this bill, which makes provision for the extension of the Postgraduate Education Loans Scheme to students enrolled at four private institutions.

On behalf of our organisation, I would like to express support of the provisions made in the bill. At the same time I wish to point out that the provisions made in the bill fall considerably short of the promises made in then Minister David Kemp's pre-election Policy Release, where he said:

A re-elected Government will provide more students with access to higher education that targets their specific needs by placing several other teacher training institutions in the same position as the University of Notre Dame...

The application of this principle would provide concrete assistance and a more level playing field for those in the community who establish alternative institutions to meet their needs. It would also provide a potentially sounder and more equitable base to assure the supply of suitably qualified teachers in private schools with a religious mission.

A third Howard Government will provide the same arrangements as apply currently to the University of Notre Dame to Bond University, the Melbourne College of Divinity, Christian Heritage College and Tabor College by including them within the framework of the Higher Education Funding Act 1988 (HEFA) while maintaining their ability to have fee-paying students.

The bill does not make provision for the inclusion of the four mentioned higher education institutions to be placed in the same position as the University of Notre Dame. To achieve this, the four mentioned institutions would need to be listed in Table A of Section 4 of HEFA. There is sound precedent for this step to be taken. For instance, two of the institutions named are offering high quality accredited initial teacher education degrees and, with the inclusion of Notre Dame in Table A in 1999, these two institutions are the only two higher education institutions in Australia offering general initial teacher education that do not receive government funding. Graduates from these two institutions are teaching in both public and private sector schools and are very highly regarded in both sectors.

It is of note that in recent years there has been a steady trend in Australia towards non-government primary and secondary education. Students in government schools increased by 31,309 between 1991 and 2001, while school students outside the government system rose by 161,691. In 2001 there were 3,268,000 students in the government school system and 1,019,616 school students outside this system, i.e. 31.2% of all school students were outside the government school system (AusStats: Education – National Summary Tables [a]; http://www.abs.gov.au; accessed 18.6.02).

Private higher education is also meeting the needs of a significant but much smaller number of Australians. It is used by stakeholders because of its value. However, because of a lack of government funding in any form (student loans or institutional subsidies), it is generally limited

only to those who are able to pay the full fees required up-front. This, we believe is an inequitable and discriminatory situation that needs to be addressed.

Private education is considerably less expensive for the Government than equivalent public education. A large sector of the public who avail themselves of private primary and secondary education are unable to avail themselves of private higher education because of the cost of this. Nevertheless, this sector of the public pays a considerable amount of tax into the public purse. We do not consider it is equitable that this tax should be used to fund the public higher education sector but not the private higher education sector, as the latter is the sector that many of these tax-payers would prefer to use if financial arrangements were more equitable for them.

We therefore endorse the provision of PELS loans for students at the private higher education institutions named in the bill. We consider that private higher education offered by reputable higher education institutions is of great benefit to both the individuals who receive this education and to the community in which these individuals will live and work.

We also recommend that further legislation to implement Dr Kemp's pre-election promise, indicated above, be considered as soon as possible.

Yours sincerely

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PS: Please could you note the above contact details and amend your records accordingly?