



Griffith University

Submission to the Senate Education and Employment Legislation Committee

The Higher Education and Research Reform Amendment Bill 2014.

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Griffith University welcomes the opportunity to provide comment on the *Higher Education and Research Reform Amendment Bill 2014*.

General comments

Griffith University supports the submissions made by Universities Australia and Innovative Research Universities and offers the following additional comments.

The policy framework for the proposed new arrangements contained in the Regulation Impact Statement argues the case for correcting “market failure”. Economic considerations are central to a coherent public policy framework, but an effective and efficient higher education system is more than a function of market forces.

A balanced regulatory framework should promote business efficiencies in the internal management of institutions and in the relationship between regulators and providers. This should not be overlooked in the current debate about fee deregulation and related matters.

Special provision for designated regional institutions could overlook the situation of outer-metropolitan universities, often with multiple campuses, that face similar difficulties. Griffith, for example, has among the highest numbers nationally of disadvantaged students in its five campuses spread over some 80 kilometres in southeast Queensland. This is a region containing areas of high growth, inadequate infrastructure provision and social disadvantage that are at least as severe as some designated regional areas. The current narrow definition of “regional” is not the only synonym for relative disadvantage nor a simple function of distance from a State capital CBD.

If there are to be any special funding arrangements for regional institutions in a deregulated system, Griffith strongly urges appropriate consideration for outer-metropolitan universities.

The legislation

The *Higher Education and Research Reform Amendment Bill 2014* amends the *Higher Education Support Act* to introduce various principles, including fee deregulation, a new iteration of Commonwealth Scholarships and definitions of private and international institutions among others.

- *The provision of demand-driven funding to diploma, advanced diploma and associate degree courses and extend government subsidies to bachelor and sub-bachelor courses at private universities and non-university higher education providers.*
- *Removal of the maximum student contribution amounts*
- *Removal of the maximum student contribution amounts that providers can charge students in Commonwealth supported places.*

Griffith University notes the steady decline of per-student funding over recent years. We support the extension of demand driven funding to sub-degree qualification types and to

all approved higher education providers, but this is conditional on providers being able to deliver consistent, high quality teaching and learning environments and outcomes. The regulatory authority must have appropriate expertise to assess provider eligibility on initial entry into the sector and thereafter. There are clear lessons from institutional and market failures arising from lax regulation in other jurisdictions.

Whether student choice in Australia is actually enhanced by the proposed new arrangements will be shown by experience over time. Student choice reflects many factors such as availability of part time employment, parental opinion, housing and transport availability, distance from home and other factors determining choice alongside the course offerings or perceived qualities of preferred institutions.

- *Establish a Commonwealth Scholarship Scheme to support disadvantaged students.*

Griffith supports the Commonwealth Scholarship Scheme. As noted above Griffith enrolls among the highest numbers of low SES students nationally and endorses broadening participation as both a national priority and an aim of the University.

Public institutions in receipt of Commonwealth funding should not be able to opt out of supporting the principles of equity and participation and funding agreements should reflect this. Equitable access to educational experiences of the highest possible quality should not be denied because of institutional self-interest.

A national pool of Scheme funding that recognises current enrolment patterns would give eligible students the ability to enroll in high quality institutions with a strong record of support for disadvantaged students.

- *Replace the CPI indexation of HELP loans with the 10 year government bond rate.*

Griffith University disagrees with this proposal. It may lead to unintended consequences for many cohorts, particularly graduates in lower paid occupations and women of childbearing age. At the very least, the current indexation arrangements should apply until graduates' salaries reach the average weekly earnings income repayment threshold.

- *Lower the minimum repayment threshold for HELP debts.*

Griffith University has no objection to this proposal provided that the thresholds are indexed by the percentage of annual growth in minimum earnings.

- *Enable providers to charge Research Training Scheme students capped tuition fees*

Griffith objects to any cuts to the RTS. Already, funding for the RTS does not meet actual costs and a further arbitrary reduction adds to the need for internal subsidy. Worse, it puts domestic PhD recruitment further at risk. This is inconsistent with a need to lift the national research effort and innovation.

Replace the Higher Education Grants Index with the CPI

This represents a real reduction in funding for teaching and research on top of other cuts and is opposed. There is a general social consensus supporting a well educated population and the promotion of innovation for Australia's long term benefit but this is contradicted by cuts to funding for universities.