

# **Submission to the Review of Australian Higher Education**

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### **The place of Higher Education in Australia**

This summary, leading into the panel's report, captures the role of higher education reasonably well, emphasising the need to make the most of our human capital, something that Australia fails to do as a result of underinvestment in both Higher Ed and (even more seriously) in VET.

However the introduction fails to emphasise the need for Australia to have a balanced and resilient economy served by its education system, perhaps accepting a common perception that the country can permanently exist on exports of energy and minerals that support a massive services sector, with a contribution from research and innovation that enables Australia to export intellectual/technological knowledge in the form of education and management services. This is producing an unbalanced nation without the resilience to respond smoothly to major global change.

Australia needs to retain the capacity to manufacture, to maintain infrastructure and to produce leaders with balanced views of a society for the future that challenge the market-driven mentality that has driven our economics and higher education for decades. The commodification of higher education and its linkage with immigration and economics has seriously unbalanced the ratios of graduates from different disciplines and made the sector dependent on a very high proportion of international students for its survival.

### **The functions of higher education in modern Australia**

Higher Education has a third major role, not mentioned in the summary, to go along with teaching and research and it is not surprising that it was omitted, given my comments above; this the role of **community service and interaction** which is exhibited through proactive leadership, independent public comment and debate, provision of services in hospitals and dental hospitals, provision of expert witnesses, delegates on boards, enquiries and reviews etc.

### **The growing importance of skills and education**

Australia's poor levels of participation in higher education, particularly by people from rural and isolated areas demonstrates the lack of resourcing and flexibility of delivery.

The absence of an effective national strategy for engagement of people of 45+ years, many of whom need to reskill, demonstrates the government's and the sector's lack of planning and capacity to respond.

The cost of these failures to national productivity is massive

The failure of the island of Australia to interest its students in studying overseas also has huge costs. To miss out on producing Australian professionals who have

an understanding of systems and perceptions from other cultures and economies is to miss the boat in many areas of research, innovation and economic practice. Networks established during overseas study are of immense value. Scholarships and promotion are required to popularise exchange/international study. O/S HELP involves borrowing yet more money and paying 20% interest...for something that is not required for graduation into a profession. (ever heard of grants and scholarships?).

### **Equity groups**

Whilst there has been some funding available to facilitate the entry of indigenous Australians into universities as students and staff, it has been inadequate and in many cases poorly used. The figures speak for themselves.

The inequity of uptake of higher ed places by low all SES students is still tragic. Coalition policies with respect to independent school funding have created a caste system where neither the teachers nor pupils from the state high school in my town think of students going to uni yet at opposite ends of town are the Anglican and Catholic schools that have been well-supported by the previous government, sucking the best staff, students and money into their systems. Rural students are wiped out by the even more deadly Youth Allowance arrangements.

The spectacular effect of Youth Allowance legislation over the last decade has robbed universities of thousands of potential students as they have been forced to take a gap year after school and have drifted away into unskilled employment, never to return to Higher Education.

The fact that the number of students who qualify as 'independent' for Youth Allowance purposes by working during a gap year, and thereby avoid a parental income test, exceeds the number of students eligible as 'dependents' because of low family income, shows the measure of this corruption of the basic intent of Youth Allowance. What is actually occurring is that we are delaying the entry to university of many of our best students (particularly those from rural and remote areas) by a year and losing many altogether. University of Adelaide admissions data shows that from country towns like Mt Gambier or Pt Lincoln well over half the students receiving an offer will defer it. When asked why they are deferring, more than 90% will answer...'So I can get Youth Allowance and become eligible for Commonwealth Learning and Accommodation Scholarships'. To a lesser extent this is becoming the custom of even students from the top private schools like St Peters College in Adelaide; students who could never have received a cent of Youth Allowance take a year off, earn some \$19000 and then get full Youth Allowance and equity scholarships for their entire academic career while continuing to live with their parents

Parents are understandably delighted to think that their students will get onto an indexed allowance and scholarships potentially worth some \$6000 annually.

In a breathtaking move this year the Defence Forces offered a 'GAP year' with an allowance of \$38000 per participant which qualifies participants as independent for Youth Allowance purposes (it received more than 10,000 applications)

The lost productivity comparing what these talented young people achieve serving burgers at Hungry Jacks with the output they could have had as a young engineer or doctor says much about our values.

The fact is that almost all country students need financial support over and above what their family can provide, to achieve their academic potential and the community should be sharing in the costs to make that to happen through the tax system.

On the other hand, eligibility on the means test requires that one's parents need to be virtual paupers (combined parental income of under \$40000) to receive a full but miserly allowance of \$97 per week

Comparing the financial position of an Australian student with a German student one wonders if they are on the same planet.

It is no secret that the proportion of international students studying in some faculties of our universities is so great in some cases that it interferes with learning quality. The motivation of many of these students to attend the unis is dominated by a desire to migrate to Australia...thus a proportion of them are happy to get into relatively easy programs and pass. That said, internationals are a vital part of our learning community...but universities should not continue to be dependent on them for financial survival, which your figures so amply demonstrate that we are.

Residential accommodation for students, both international and rural domestic, is in crisis, with exhaustion of supply and exponential cost increases, both causing huge problems for students. Those lucky enough to receive the maximum Youth Allowance (living away from home \$177 per week) need to spend more than their entire allowance just for a room in a hostel or student village, let alone feeding themselves or having a social life.

The universities are very reluctant to spend money on accommodation and developers have far more lucrative options at present. But surely it is an essential part of the Australian education package. **Government funds need to be made available to build affordable student precincts in our major cities, close to public transport, food markets and teaching institutions. The universities have no money but they can manage the facilities and guarantee the income, once the accommodation is there.**

To survive, students are driven to 'part-time' work. Almost the first question a counsellor or student adviser asks is 'How much part time work are you doing?'. McInnis and James (Melbourne Uni) looked at how much time could sensibly be devoted to part time work and yet achieve their academic potential and found that 12 hours seemed to be a maximum. Unfortunately they also found that the average student was doing more than 14 hours. If 14 was the average it suggests that well over half our students are doing too much part time work and are suffering ineffective learning, poor performance and distress as a result. Again the question about national productivity needs to be asked, and the student's WHOLE learning environment considered when enquiring about Higher Education.

# National Nine News

## Students homeless due to cost of living

05:51 AEST Wed Jul 2 200

Hundreds of students at Melbourne University are homeless because of rising living costs.

Victoria's most distinguished institution says 440 of its students are effectively homeless and have to resort to staying with relatives or friends because they cannot afford their own place, The Age newspaper reported on Wednesday.

Figures reveal that an average teaching student in a share house will face costs of almost \$100,000 over the next four years, including yearly costs of \$5,000 for accommodation, \$5,000 for groceries, \$1,600 for transport and \$5,000 for HECS tuition costs.

"The reality is it's really difficult living independently as a student and it's getting worse, particularly in the major capital cities," National Union of Students (NUS) president Angus McFarland said.

"It does lead to students missing class because of work commitments and means that students aren't getting their money's worth for their degrees."

The notion of universities simply going their own way because 'so little of their income is now derived from the government' is frivolous. Even the so-called independent universities are captives of government policy on student loans and assorted income streams from government. For mainstream universities their principal shareholder and client is still the government. Melbourne University's move towards undergraduate fee-based students has been foiled by the new government's elimination of fee based UG places and it will cost it \$120million over the next five years according to Glynn Davis; its new 'Melbourne model' could be severely punished if a large % of their 5-year students are denied HECS-HELP.

Students have surprisingly little perceived choice in this matter; with tuition costs identical for CSPs across the nation and a fairly clear ranking of universities overall and between disciplines in each state. There is very little interstate movement, partly because of tradition and partly because of poor living allowances. The disciplines in which the government strongly limits places (medical etc) attract a high percentage of interstate applications but students will almost always accept local offers first. A small number of students are lured interstate by good scholarship offers and some country students will cross borders to pursue cheaper living costs eg from Horsham Vic to Adelaide rather than Melbourne.

Universities are shedding senior staff at an alarming rate in an effort to reduce salary costs, choosing to put the savings into inexperienced contract staff AND key research staff that they feel will bring the university to top ranking status for research grants in particular areas. These 'stars' often require expensive new infrastructure and have the habit of moving on to a new university when the infrastructure becomes slightly dated, leaving the institution with further reduced teaching quality.

It would be a tragedy for this review to walk by the wreckage of the teaching powerhouse in our universities without comment. The scenario I describe repeats itself throughout Australia:

A student graduates with honours and is invited to stay on for a research degree. She is not a truly outstanding student, many of 'those' have gone to well-funded and prestigious overseas institutions. The 24 year-old has worked hard to get good grades, has never received Youth Allowance and has been supported by her parents and a small part time job. She is keen to become more independent and rent some accommodation. Looking at the stipend which goes with the graduate work she can see she'll need to supplement it with part-time employment. The stipend pays \$500 per week and the average rental for a modest unit even in Adelaide running at \$230 plus electricity, gas, phone and internet, bond, medicare, private health insurance, public transport, super, tax, union dues, car and fuel, food and entertainment is going to make for a weekly deficit.

The Uni is looking for low level, casual academic staff fairly much in her area. It seems like it would be quite a symbiotic job. She gets it. But she gets picked up and put down by the semester, so pay is discontinuous; she has to do a lot more preparation than she had expected; she finds the actual teaching stressful, especially as all the 'teacher training' she gets is a one-day workshop. Then there's loads and loads of marking that she can't possibly get through in the hours she's paid for. Her research work starts to suffer, her financial situation is still stressful and inevitably (because a disjunction between the duration of student support grants and the time required to finish the award) she runs out of funding and drops out. An alternate ending is that she learns how to provide uncontroversial classes, marks quickly and is just another of the despised casual academics who are never around when students need them. They also leave...to be replaced by more of the same.

In many of our universities more than half the teaching is being done by casuals. Is this the way to lift national productivity? Is this the foundation of teaching excellence for the future. Its time to give higher degree students better support and to employ more full-time academic teaching staff.

Senior bureaucrats are fond of asserting that the climbing level of Higher Education tuition fees to be repaid through HECS-HELP has not been a disincentive to student applications – 'Look, they still enrol'.

If students want a career they have no choice, so of course they enrol. The same bureaucrats reduce the fees for national priority courses to encourage more uptake...is that not an incentive?

Most research grants from government require institutional input to the point that funds are diverted from general budgets into the research area. Research intensive faculties are often perennially broke when it comes to the other functions of the faculty and stress levels are intolerable.

The recent emphasis on the 'quality of student experience' has led to the employment of many transition facilitators and staff to help students with remedial learning, again reducing the capacity of the university to recruit and retain truly excellent teaching staff.

Universities' marketing budgets have grown exponentially as the drive to increase economies of scale becomes more urgent and many specialist areas of training are sacrificed as the numbers of students and expense of teaching don't stack up economically. Courses in agriculture, a vital field for the nation's food security and an important element in its export mix, have been shortened, discontinued, amalgamated and simplified.

The device of forcing students to undertake identical studies for the first year or two of their training, rather than taking appropriately tailored subjects is becoming more common, as is the reduction of electives

Many key research roles are now partially or completely funded by outside bodies and the research results can become 'commercial in confidence'. This skews research, gags release of information and has the effect of making the staff member a champion of the sponsoring company or body. There have also been several instances of universities gagging or attempting to discipline staff who have been legitimately critical of outside bodies which may have had the capacity to hurt the institution financially.

Many regional universities have been living on ad hoc supplementary 'life support' grants for some years with Charles Sturt standing out as an institution that has perhaps best found its way with unique delivery systems that give it stability. The offering of short term, Government sponsored, 'labour market' programs to quickly retrain redundant auto industry workers to work in mines by a Queensland university that was in serious financial circumstances was just one example of a university being forced to provide study that was neither at an appropriate level nor within its recognised field of expertise.

There has been no particular encouragement by government to get universities to tailor their delivery systems to mature-age students and as a result many areas of study (particularly those dominated by Go8 universities) are barely available to the growing section of the community aged 45 and over.

**Many universities offer virtually none of their courses through distance education mode. A tied set of government grants to encourage more flexible learning would pay big dividends in terms of access by equity groups and people in the workforce wanting to increase their skills, knowledge and qualifications.**

The potential easing of numbers of secondary school leavers could be balanced by a return to study by older Australians and continued strong migration, combined with a policy to scrap the means test stopping country students getting allowances for accommodation and living whilst studying at university or TAFE.

### **Reshaping Higher Education**

The sector needs clear definition or the creep of VET institutions into the domain of higher education will further degrade the system. One of the clear differences between the VET sector and the university sector has been universities' capacity for high

quality research. There are welcome instances of collaboration between VET units and university groups but it would seem imprudent to be throwing open the door to institutions other than universities to 'anchor' research.

The notion of completely seamless transition from VET to higher education is ridiculous in many areas; a TAFE light engineering student is trained to be capable of designing and welding light equipment. A completely different set of mathematical skills are required to be a computational engineer – why pretend that having undertaken a two year TAFE diploma, the light engineering student would be able to go 'seamlessly' into a BEng (Computational). Clearly the student may have to pause to acquire the skills taught in Yr 12 Specialist Maths to have any idea of even first year Engineering subjects. The more research intensive the uni the less the likelihood of seamlessness.

Anyway, didn't we want to produce a generation of expert tradesmen!

(Of course there are some areas where harmonisation is clearly feasible eg Dance)

The issue of associate degrees, as they are currently being used, brings up similar issues. They are generally not accepted by industry and are simply the first couple of years of a longer degree, conferring no real career pathway.

The squeezing of budgets has also forced some institutions to simply put Associate Diploma students into the first two years of a somewhat similar degree course. This causes stress and anguish for the Ass Dip students (many of whom had failed to gain entry into the degree course because they were clearly not up to it academically) AND leaves them without any specialised teaching in the area they thought they'd joined.

The notional 'Pre-University Colleges' seem to be essentially an invention of canny businessmen preying on international students and desperate TAFE institutes.

Schools remain very good at teaching pre-university studies and both Thebarton and Marden Senior Colleges in Adelaide cater for newly arrived migrants of all ages, open access students, students of other schools wanting a fresh start at Yr 11 or 12 and adults wanting to return to study.

Some universities have special affiliations with schools such as University Senior College in Adelaide.

Universities already run bridging programs for students deficient in some individual subjects.

Governments whine about the slowness of higher education to respond to labour market needs but fail to collect and promulgate useful projections in a timely manner or to use scholarships as freely as they might. The success of the 'baby bonus' and teacher recruitment scholarships are two contemporary examples of the success of simple 'bribery' in action.

With less micro-management universities would also be significantly freer to respond quickly to emerging needs for education.

### **University configurations**

It is highly unlikely that there would be a single 'teaching-only' university in Australia if universities were properly funded.

There is a case for some amalgamations, alliances and joint operations to bring researchers and teaching departments together for critical mass and reducing student

admin overheads. In a slightly deregulated environment this is already starting to happen.

Specialist universities and University Colleges seem quite unnecessary constructions when the existing universities have the diversity to build specialist areas with extra staff and can easily supply the task-force approach for multi-disciplinary challenges.

Much of the dysfunction of the current system is simply a hangover from more than a decade in the wilderness. Indeed it is vital that a new breed of young academics are brought into a revitalised environment where they are properly resourced and treated with respect by their institutions, industry and government

### **Governance**

A statutory authority with the power to create stability and vision for higher education is called for. It would hopefully reduce the resource-hungry micromanagement of universities and clear the blurred vision of politicians who have no clear idea of the difference between VET and higher education. It would also develop skills in providing reasonable continuity of funding, thus relieving the tortured system of the constant need to change data collection systems, rebuild budgets etc on an hour-by-hour basis as was the case under the Coalition. The concept of indexation could again be introduced, if only in part.

Academic freedom of thought and speech are two other hallmarks of a true university and they have been severely compromised in the last 5 years

### **AQF**

The sector certainly does not need to follow the University of Melbourne model which has had great trouble in accommodating the legitimate needs of many courses, to the point that it has been abandoned for all its VCA courses and makeshift corruptions of the model have had to be put into place for Engineering etc. This is not surprising, seeing as how the Bologna model has had no universal adoption in the EU. The model will be expensive and destructive of the superbly honed double degrees and degrees plus language and music diplomas students have been putting together for themselves over the last decade.

It is worth noting that good Australian students have no trouble entering US and European institutions with their Australian-configured undergrad qualifications.

Some of the overseas education models can take 2-3 years longer to produce a qualified professional for the workforce than is the case in Australia.

Australia's system can also produce dual skilled graduates in 4-5 years. These advantages should not be given away lightly.

### **Summary**

In short, the sector need some TLC, some stability, a stack of terrific young academics, some carrots and sticks to get universities working with industry and government more productively, an explosion in access through flexible learning and a complete reform of student living allowances (with accommodation allowances for all country students).

Graham Brookman     July 2008