A Submission by the

Council of Australian Postgraduate Associations Inc (CAPA)

to the

2002 Ministerial Review of Higher Education
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Introduction

The Council of Australian Postgraduate Associations (CAPA) welcomes the opportunity to contribute to Minister Nelson's review of the higher education sector. We value this opportunity for public consultation, and believe that this is integral to the review process. We submit the following response to the overview paper *Higher Education at the Crossroads*\(^1\) on behalf of all students enrolled in Australian postgraduate degrees.

CAPA is the national peak body representing Australia’s 155,312 postgraduate students. It has affiliated postgraduate associations in 34 of Australia’s public higher education institutions and in all States and Territories. Australian postgraduate students fall into two broad categories: postgraduate coursework students who number 116,913 and postgraduate research students who number 38,499.\(^2\) Coursework students undertake a set program of studies and are likely to be part-time, pay full fees, often deferred through the Postgraduate Education Loan Scheme (PELS), and have limited or no access to income support. The range of coursework awards extends from graduate certificate to professional doctorate. Research students undertake original research for a period of two years (Masters) and four years (PhD), are less likely to pay fees or HECS and can compete for a limited number of scholarships. Research places and scholarships are allocated competitively.

CAPA believes that the Australian higher education system should foster quality, equity and diversity in teaching and scholarship. For this reason, we feel considerable concern over some of the policy options raised in *Crossroads*. In particular, we are concerned by the prospect of further deregulation of higher education. Postgraduate coursework students have already experienced the

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\(^1\) For the purposes of brevity, we refer to this paper as *Crossroads* throughout our submission.

effects of the deregulation of their degrees, reducing the quality, equity and
diversity of postgraduate coursework education. The postgraduate coursework
degree market now contains a plethora of degrees granting the same
qualification despite varying standards of curricula, duration, and entry standards.
Full up-front fees have been a barrier to economically disadvantaged students
and the introduction of the Postgraduate Education Loan Scheme has resulted in
universities raising fees further. For this reason, postgraduate coursework
students have become increasingly concentrated in business, law and computer
science degrees at the expense of the arts and basic sciences. Thus, CAPA
views proposals for further deregulation with alarm.

CAPA is also concerned by the suggestion raised several times in Crossroads,
that students from different backgrounds should not aspire to the same level or
quality of higher education. The proposition that rural students in regional
universities should only have access to a narrow breadth of study options of
direct relevance to the regional economy, or that shorter degrees should be
provided for students from equity groups are both fundamentally inequitable.
CAPA views such suggestions as serving only to exacerbate the divide between
rich and poor, and between the city and the bush.

Crossroads signals a fundamental shift in the relationship between government
and the higher education sector. At the same time as it dismisses the need for
any increase in public funding for higher education, Crossroads proposes a
number of policies that would increase the influence of government on the
institutional decisions made by universities. In Crossroads we see proposals that
would dictate the breadth and depth of the courses that universities can teach, as
well as the teaching methodologies to be used in these courses. Decisions on
topics such as appropriate teaching methodology and delivery options have
traditionally been made by academics within universities, not by government.
Similarly, Crossroads suggests that the role of government is to purchase
specific services, rather than to fund institutions. There is an inherent tension in
this document between proposals to limit government’s funding role for higher education, but to increase its capacity to overrule institutional autonomy.

In our submission, we address those consultative questions asked in *Crossroads* of most relevance to our postgraduate constituents, as well as providing additional information on areas of particular importance to postgraduate students. In the process, we have made some recommendations for improving the quality, equity and diversity of Australian higher education, but these by no means exhaust CAPA’s ideas on how to improve our higher education system. There is simply not the room here to be exhaustive. However, the establishment of a properly consultative advisory body would provide an appropriate mechanism for CAPA and all other interested parties to continue contributing to the development of Australian higher education policy.
Summary of Recommendations

Recommendation 1: That current eligibility measures for access to income support be reviewed with the goal of extending income support to all undergraduate and postgraduate students whose learning would otherwise be compromised by the need to undertake excessive paid employment.

Recommendation 2: That the Commonwealth Government increase public funding by 20 per cent per EFTSU to reduce staff: student ratios and support the development of sufficient teaching and research infrastructure to accommodate increasing student participation in higher education.

Recommendation 3: That the Commonwealth Government provide appropriate additional funding for universities to develop on-line learning as a complement to, rather than a replacement for, face-to-face teaching.

Recommendation 4: That the Australian Universities Quality Agency (AUQA) pay particular attention to the quality of postgraduate coursework degrees when it audits Australian universities.

Recommendation 5: That all academic staff have access to professional development to improve their awareness of appropriate teaching methods for increasingly multi-cultural classes.

Recommendation 6: That universities revise their English-language entry requirements and improve pre-course bridging programmes for international students.

Recommendation 7: That the effectiveness of current quality assurance mechanisms be reviewed following the first five year audit cycle of the Australian Universities Quality Agency (AUQA).
Recommendation 8: That the Commonwealth Government, in consultation with ATSIC and Indigenous Units within universities, undertake a review of the effects of ABSTUDY changes on patterns of participation and success. This review should, in the first instance, be informed by existing literature such as the Review of ABSTUDY undertaken by ATSIC in 1998.

Recommendation 9: That the Commonwealth Government urgently address the decline in Indigenous Australian participation in higher education by restoring ABSTUDY entitlements to levels applying prior to alignment with Youth Allowance, at no disadvantage to the minority of recipients who benefited from those changes.

Recommendation 10: That a thorough review of the effects of changes to the Away-From-Base component of ABSTUDY be undertaken by DEST in close cooperation with Indigenous Units/Centres within universities, aimed at identifying measures to improve Indigenous participation and educational outcomes.

Recommendation 11: That the Commonwealth Government institute an Indigenous Australian postgraduate fellowship scheme, aimed at addressing the severe under-representation of Indigenous Australian scholars in postgraduate research while increasing the involvement of Indigenous Australian researchers in research which impacts on their communities.

Recommendation 12: That additional APAs for Indigenous students be introduced in 2003, providing security for reasonable recreation from study and that are tax exempt for part-time as well as full-time study channels.

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3 Supporting Recommendations 1, 2 and 3 of NTEU Indigenous Tertiary Education Policy Committee's Submission to the 2001 Senate Inquiry into the capacity of public universities to meet Australia’s higher education needs.

4 Supporting Recommendation 8 of NTEU Indigenous Tertiary Education Policy Committee's Submission to the 2001 Senate Inquiry into the capacity of public universities to meet Australia’s higher education needs.
Recommendation 13: That the Commonwealth Government increase Indigenous Support Funding so that the level of funding per student is increased to at least the level provided in 1996.

Recommendation 14: That, in light of the recent decline in participation in higher education by Aboriginal and Torres Strait Islander peoples, the Commonwealth Government ensure that the actual level of Indigenous Support Funding provided to each university does not decrease in real terms within the current triennium.

Recommendation 15: That the Minister urgently convene an advisory committee, including representatives from our largest migrant groups, and from the staff and students of universities, to advise on ways that DEST can turn around the decline in NESB student participation in higher education. A target of returning to levels of at least those for 1995 (6% of new enrolments) should be set for the 2004 academic year.

Recommendation 16: That the Minister and DEST reconsider the Department's approach to encouraging the participation of rural and isolated students in higher education, recognising that current initiatives have failed.

Recommendation 17: That any move toward the 'specialisation' of regional institutions in non-traditional areas be accompanied by special funding to ensure the continued provision of subject areas which allow the broad learning opportunities available in metropolitan institutions.

Recommendation 18: That the level set by DEST for participation of students with a disability in higher education be separated into an undergraduate and a postgraduate cohort, and that the postgraduate target be set at 10%. Ability to meet this target should be linked to provision of certain funding.
**Recommendation 19:** That the Department of Education, Science and Training (DEST) require that a clause outlining the uses to which disability data will be put (similar to that used at James Cook University) be included in all institutions' enrolment information packages, and that reference to the clause be inserted on all enrolment forms in the tick-a-box section. Students' attention should be drawn to the *Act*, which protects their equality of access.

**Recommendation 20:** That the disability disclosure boxes on enrolment forms are altered to include the opportunity for detailed disclosure.

**Recommendation 21:** That the Commonwealth Government take *immediate action* to ensure that the *Draft Standards for Disability in Education* is amended to recognise that it is the responsibility of all public institutions to proactively ensure that they are equipped to cater to *all* students, by designing, upgrading, and maintaining both their physical environment and their pedagogic models in such a way that they are appropriate to students with disabilities.

**Recommendation 22:** That the Commonwealth Government take *immediate action* to ensure that the *Draft Standards on Disability in Education* do not extend the ‘unjustifiable hardship’ exemption to any rights of the student beyond initial enrolment.

**Recommendation 23:** That DEST require all institutions to provide evidence that they have anti-discrimination protocols in place, and that they ensure all staff are trained in disability awareness. DEST should ensure there is an external body equipped to monitor institutions’ compliance with such protocols.

**Recommendation 24:** That:

- part-time scholarships (like full-time scholarships) are made tax-free;
- a number of APA scholarships are set aside each year for equity groups;
• institutions ensure that they have an adequate number (5% would be appropriate) of their scholarships set aside for students with a disability, and that these scholarships are allocated using a system which does not disadvantage students whose grades may not reflect their full potential.

Recommendation 25: That the Commonwealth Government review the RDLO program with a view to establishing a centralized coordinating body to liaise between institutional disability liaison units.

Recommendation 26: That DEST establish a taskforce to analyse institutions' equity plans, and devise progressive policy initiatives ensuring that issues of best practice at individual institutions are implemented throughout the sector.

Recommendation 27: That a review group be constituted by DEST to investigate a more centralised approach to the funding of students with disabilities, including special provision for students with high cost needs, and a system of grants for upgrading existing infrastructure.

Recommendation 28: That the Research Training Scheme legislation be revised to take into consideration the burdens many students from equity backgrounds suffer which can hinder timely completion. The RTS must be amended so as not to discriminate against equity groups. Specifically, the 2 year full time Masters and 4 year full-time PhD candidatures (and corresponding part-time candidatures) must be abolished and replaced with a candidature time frame which allows completion times to be tailored in a way appropriate to individuals. CAPA sees the current RTS completion times as overtly discriminatory.

Recommendation 29: That regional universities should receive additional funding to support their important community role, as well as the breadth and depth of their teaching and research.
**Recommendation 30:** That core operating grant funding be increased to accommodate the additional costs of regional universities and that a 'regional benefit' criterion be added to selected grant funding.

**Recommendation 31:** That additional ARC funding to be targeted towards basic research and the humanities and social sciences.

**Recommendation 32:** That the Commonwealth Government target additional funding to expand the research capacity of new universities in their self-identified areas of research strength.

**Recommendation 33:** That a Higher Education Peak Bodies Round Table be established, for the purpose of advising government on policy matters relating to Australia’s public universities.

**Recommendation 34:** That any concentration of course offerings be accompanied by appropriate funding to support students who must relocate to study.

**Recommendation 35:** That all universities be appropriately funded to engage in both teaching and research.

**Recommendation 36:** That DEST undertake a proper analysis of class sizes, before making any moves to engineer change based on the assumption that too many classes are too small. We suggest counting the size of core teaching platforms (usually lecture groups) instead of subject codes.

**Recommendation 37:**
That the following be provided by all universities:
- Cultural diversity and awareness training for teaching staff and supervisors;
- Accreditation of supervisors, and ongoing training to maintain accreditation;
- A streamlined complaints system within universities, in which staff who attract an abnormal number of complaints can be identified;
- Postgraduate research students' annual progress report forms (which vary from institution to institution) should all include a section for the student's comments which is not seen by the supervisor. Students should be able to make supervision problems known to the university in a discrete manner.

**Recommendation 38:** An audit of each institution's non-teaching and learning costs be undertaken, showing what proportion of spending is directed to each non-teaching and learning budget area.

**Recommendation 39:** That a review of the relationship between the States and Commonwealth in respect of university governance be undertaken, in consultation with the states and all stakeholders.

**Recommendation 40:** That changes that have been made to the governance structures of universities over the past decade be reviewed by an independent and diverse panel, with a view to establishing ways in which accountability processes are managed, and addressing the benefits and losses resulting from changes to governance.

**Recommendation 41:** That the governing Acts of all universities be required to contain a detailed clause stating the institution's purposes and objects, as well as its specifying the powers and responsibilities of the institution to set up private or commercial ventures.

**Recommendation 42:** That a National Universities Ombudsman be appointed, funded by the Commonwealth, after consultation with the states and national representative bodies on higher education, including staff and students, and that such an office include the power to investigate ancillary fees and charges and to conciliate complaints. Students enrolled in Australian programs off-shore should have equal rights of access to the Ombudsman.
Recommendation 43: That DEST, jointly with the NTEU, undertake a thorough review of industrial agreements across the sector, in particular determining which aspects of agreements are generally shared.

Recommendation 44: That PELS be abolished and replaced with a flat rate of HECS.

Recommendation 45: That DEST conduct an audit of the true cost of university administration of commercial activities, including associated costs of recruitment; servicing and teaching of international students; off-shore operations; marketing and promotions; and investment advice. The audit must be made publicly available.

Recommendation 46: That DEST ensure each university have in place a Student Intellectual Property Policy which guarantees:

- Student participation will not unreasonably limit publication of any thesis. It is important that students are able to publish their theses soon after completion of studies, for the purposes of career development. A period of longer than two years would be excessive. It is important that students are able to apply to their project supervisors for the right to publish all or part of their work prior to an embargo date, if early publication would not contradict the commercial reasons for the embargo.

- Student participation will not ignore potential tensions between study requirements and commercial concerns. The project must recognise that students will submit work for marking throughout the duration of their courses, and that the copyright from work pursuant to their studies remains the student’s own. The project must also recognise that the first priority of student participants is to complete their course requirements. The project will ensure that students have sufficient time and support to that end.
- Participation will not unreasonably proscribe the employment options of students. Forbidding a student from in future working for a competitor project or for a competing industrial concern is unreasonable.
- Student contributions to the project will be appropriately acknowledged. Any publications arising from the project will acknowledge student contributions, including student authorship where appropriate.
- Student researchers will receive a reasonable share of revenue from any commercial applications of their IP. Where a student is required to assign away revenue rights from commercialisation of their IP, the project will remit an appropriate share to the student creator. Less than the share an academic staff member would receive for a comparable contribution is unreasonable.

**Recommendation 47:** That the Australian higher education system be appropriately funded to provide access to all Australians with the capacity to participate in higher education.

**Recommendation 48:** That an appropriate balance between public and private contributions to the cost of higher education can best be achieved by:
- the abolition of all unregulated and/or up-front fees (at all levels),
- the extension of HECS to all postgraduate research and coursework places,
- the restoration of the HECS repayment threshold to the level of the average male wage,
- the extension of eligibility for income support,
- the implementation of a more progressive taxation system, and
- for industry to pay their share for public education.

**Recommendation 49:** That the Commonwealth Government place limits on the fees that universities can charge for degrees, rather than limiting students' access to HECS LIABLE places or education loan schemes.
Recommendation 50: That eligibility for public funding not be extended to private providers.

Executive Summary

A learning experiences and outcomes

Full time Australian university students in part-time employment are spending more time at work than ever before (an average of 14.5 hours per week). We need to think of ways to provide adequate income support to these students, rather than further 'streamlining' their learning.

It is our experience that students learn best in a collegial, participative environment, rather than alone. Studies show that, rather than teaching independent thinking, 'self-paced, customised' learning punishes those who have not already learned this skill.

CAPA is pleased that this review is asking questions about the quality and rigour of Australian higher education (Qa3). Postgraduate coursework education must be included in this debate. Problems with postgraduate coursework quality include the 're-badging' of undergraduate courses as postgraduate, and the market-driven race towards ever shorter and more superficial Masters by Coursework degrees.

B access on an equitable basis

CAPA believes that the starved funding environment in Australian higher education is impacting most harshly on students from equity groups.

While total student load has increased markedly over the last decade, participation by students from equity groups has not. The factors contributing to the continuing marginalisation of students from equity groups are as diverse as the groups themselves, and include: changes to abstudy; inadequate equity
scholarships; the continued taxation of part-time scholarships; the requirements of the RTS scheme, and inadequate infrastructure and support for disabled students

C engagement of universities with their communities

*Crossroads* focuses on the community service obligations of regional universities and campuses. *Crossroads* also limits discussion of regional course offerings to those which reflect the employment and development needs of the communities they are situated in. While CAPA believes both of these to be important aspects of the role of regional communities, we also believe that regional universities need to be able to provide their students with education which is on a par with that offered at metropolitan universities--including a diversity of course offerings.

D institutional specialisation

Australia's higher education sector is one characterised by great diversity. We celebrate this diversity and hope for it to be maintained. However, some federal policy initiatives, such as the targeted ARC funding, threaten this diversity, and disadvantages new universities who may not have a long established research profile.

We are also sceptical about the notion of aspiring to at least one 'world class university' in Australia. We require a world class university system--not just a world class university.

E efficiency and effectiveness

CAPA supports the contention that our universities should be run efficiently and effectively, in a way that allows resources to best benefit students, staff and the community. We accept that there is probably some room for further streamlining of resource allocation, however we reject the implication that academic staff are
too 'unproductive', and that there is a wastage of teaching resources and too many small classes. We call for a more thorough study into these issues.

F governance, management and workplace relations

Responsibility for the government of all bar two of Australia’s universities lies with the States. However, by controlling the majority of university funding, the Commonwealth can exert control over the way universities operate. CAPA endorses the recent review of university governance undertaken by New South Wales, and its resulting changes to university governing Acts. We also ask for a national universities ombudsman, to provide a clear, sector-wide procedure for dealing with the grievances of staff and students.

G revenue diversification

CAPA recognises that universities should take every opportunity to increase their revenue in ways which benefit their members and the community. CAPA is particularly keen to see an increase in support for the commercialisation of new knowledge, much of which is generated by postgraduate research students. Of course, we are equally keen to see excellent intellectual property and authorship policies and procedures put in place at all universities, to protect the rights of postgraduate researchers.

We also call for an investigation into how much each institution spends on non-teaching and learning activities. Anecdotal evidence suggests that the increasing costs of managerialism, excessive administration, and commercial investment, are eating into funds which should properly be directed towards teaching, learning and research.
H allocation of public subsidies

*Crossroads* limits the funding debate to a range of options involving static or decreasing public investment in higher education. Worryingly, OECD figures show Australia is already ranked twentieth in the world according to the proportion of funding its universities receive from public funds. Further, the increasing deregulation of Australia’s tertiary sector is compounding the difficulties imposed by inadequate public funding.

CAPA argues that performance based funding for universities is failing Australia’s research effort, and should not be extended to undergraduate education. Demand driven funding also has its problems--studies necessary to Australia’s long-term future, such as basic science and Indonesian, are under enrolled, and require extra funding.

We also make suggestions about the reform of the HECS and PELS programs, and limiting student debt through capping fees.

I cutting bureaucratic red tape

CAPA believes that university practices and decisions should be transparent, and informed by stakeholder participation. However, we raise some concerns about the degree to which DEST and other agencies have attempted to regulate and shape the growth of higher learning in Australia through 'incentive' driven funding models.
A) Learning Experiences and Outcomes

The concept of learning is central to any discussion of higher education. Any debate on the appropriate funding or regulatory mechanisms for universities needs to be placed in the broader context of the learning, teaching and research they will enable. This section of Crossroads is of particular relevance to postgraduate coursework students, who comprise seventy five per cent of the postgraduate cohort. Coursework study can take place in seminars, lectures, tutorials, laboratories, or on fieldtrips: all learning environments where the quality of teaching is extremely important. This section is also relevant for the postgraduate research students who make up the majority of the casual teaching staff in Australian universities: the casualisation of the academic workforce in Australia has meant that postgraduate research students are increasingly responsible for teaching in tutorials and lectures.

The learning experience

As Crossroads states, the nature of student involvement in higher education has changed over time. Students now combine their university education with increasing numbers of hours in paid employment, a large number study part time rather than full time, and students spend fewer hours on campus. CAPA is highly concerned by these changes and does not believe that this situation should be entrenched by universities having to change the way they teach to accommodate the limited time that students have available for education.

Michael Long and Martin Hayden have described being a university student in Australia in the year 2000 as "tough - financially speaking". They provide the following snapshot of the Australian undergraduate financial situation:

- seven in every ten students are in paid employment during university semesters - an increase by about one half since 1984;

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among full-time students, the average number of hours worked by those in paid employment during semester is 14.5 hours per week - a threefold increase since 1984 …

work adversely affects study 'a great deal' for two in every ten students in paid employment during semester.\(^6\)

The financial situation of postgraduate students, especially those enrolled in coursework degrees, is even worse. The vast majority of postgraduate students are not eligible for any form of income support, such as the Youth Allowance or AUSTUDY benefits available to some undergraduate students. Until the introduction of the Postgraduate Education Loans Scheme (PELS) in 2002, most coursework students were required to work not only to support themselves, but to pay up front full fees. Student fees for a coursework Masters degree are typically $10,000 to $20,000 per year depending on the degree programme and university. Since the introduction of PELS, these students now have the option of paying full fees up front or incurring a debt for the full amount, to be paid back via the taxation system.

It is no wonder that students, who must work to support themselves and pay for their education, must frequently choose to study part time while they work full time. Australia has one of the highest proportions of part time university students in the OECD. The OECD mean for the proportion of full time and part time university students is 85.1 and 14.9 per cent respectively. In contrast, only 62.8 per cent of Australian university students are enrolled full time while 37.2 per cent are enrolled part time.\(^7\) This has significant implications for the university experience of Australian students. Ingrid Moses argues that part time study limits the ability of students to participate in extra-curricular departmental activities, which excludes students from valuable socialisation into the norms and values of

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\(^6\) Ibid.

\(^7\) OECD, *Education at a Glance: OECD Indicators 2001 Edition*, Table C3.3


OECD tertiary education data are divided into two groups: Tertiary-type A, or "theoretically-based" education mainly taught at universities, and Tertiary-type B, or "vocationally-oriented" education. The figures cited are for Tertiary-type A and advanced research programmes, which broadly correspond to the education provided by Australian universities.
the discipline, and prevents them from becoming part of a professional network or feeling a sense of academic fellowship.⁸

The increasing casualisation of university staff also affects the student learning experience. The proportion of university staff employed as casuals doubled from 9 per cent in 1990 to 18 per cent in 2000.⁹ Students' access to academic staff has decreased as tutorials and lectures are increasingly taught by these casual staff who are only available for a minimum of consultation, if at all. Traditionally, the 'learning experience' has involved active engagement with a subject or discipline, conversations between students and their teachers, debates between students, and time for reflection to consolidate what has been learned. Learning is social and interactive. Darryl Coulthard's survey of Australian postgraduate coursework students elicited a number of student comments that "..reflect a view that the university should be, and is failing to be, a collegial and personal place where learning relationships are formed, and that it should not be simply a process of information delivery".¹⁰ In contrast, the Australian 'learning experience' is increasingly about juggling employment and study, isolation from teachers and other students, and a minimum of time spent on campus.

Suggestions that the 'learning experience' could be improved are customarily rebuffed with reference to the increasing satisfaction expressed by students completing the Course Experience Questionnaire. As Crossroads argues, "...while the staff:student ratio has increased from 15:1 to 19:1 between 1993 and 2000, over the period from 1996 to 2001, the results from the Course Experience Questionnaire indicate an increase in overall satisfaction of

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students". However, any measure of satisfaction is entirely dependent on expectation: low expectations are more easily satisfied. Rather than interpreting CEQ satisfaction levels as a positive indicator of university performance, it is more plausible to interpret them as an indicator of the low expectations of Australian students. If not, we are led to believe that students who spend more time at work than they do on campus, who in the minimum of time they are able to attend university must sit in overcrowded lecture theatres and tutorial rooms, who complete their assignments in under-resourced libraries and laboratories, who have highly limited access to university ICT which they may be charged to use, and who have little personal engagement with senior academic staff, enjoy this experience, rather than merely being resigned to it.

**Recommendation 1:** That current eligibility measures for access to income support be reviewed with the goal of extending income support to all undergraduate and postgraduate students whose learning would otherwise be compromised by the need to undertake excessive paid employment.

*Improving the learning experience*

*Crossroads* suggests a variety of options for improving the learning experience. These include more flexible 'packaging' of learning such as 'individually paced learning' for 'rapid student progression', incorporating units from VET and private international providers into university degrees, and assessing the 'knowledge transfer outcomes' of university graduates. It is interesting to compare these proposals with the suggestions of students themselves as to how their learning could best be improved.

A number of postgraduate student associations around Australia have canvassed such responses from their coursework postgraduate student members in recent years. In addition to national surveys of postgraduate coursework students, such

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11 Paragraph 163.
as that by Darryl Coulthard referred to above, this CAPA submission has been
directly informed by surveys of postgraduate coursework students at the
University of Sydney, the University of Melbourne, Deakin University, Monash
University, RMIT, Swinburne University of Technology and Curtin University of
Technology. Postgraduate coursework students at all of these universities
identified the following areas for improvement:

- **Better infrastructure**: the need to improve the quality and quantity of library
  holdings and for increased opening hours, more computer laboratories with
  longer opening hours and more work space for students;

- **Academic-student interaction**: the need for more detailed feedback on
  assessment and more time for consultation with academics;

- **Intellectual rigour of courses**: the need for postgraduate teaching to be at a
  higher, more challenging level than undergraduate teaching in order to stimulate
  intellectual engagement and growth; and

- **The need to maintain or create an "atmosphere of collegiality and
  community"**.

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**Qa1 What scope is there for increasing the productivity of learning?**

- by moving away from time serving approaches to curriculum organisation and
  allowing more self-paced, mastery-based progression?
- by adopting student customised, modular approaches to course construction?
- by providing tuition and learning support services on a more continuous basis
  throughout a calendar year, and on weekends?
- by institutions operating at more convenient times for students?
- by limiting the duration of tuition subsidies?

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12 Rosemary Chang, (2001) *Postgraduate Coursework Fee-paying and Quality Control at the University of Melbourne 2001: PELS and Quality*, University of Melbourne Postgraduate
Association, Melbourne, p 34.
Extended provision of teaching and services

Postgraduate students favour extending opening hours for support services and more flexible scheduling for teaching. Student associations have been concerned for some time that universities are not sufficiently responsive to the needs of students who work full-time. In 1997, a survey of students at Deakin, Monash, RMIT and Swinburne universities revealed the difficulty faced by students attending evening lectures where the library closed at the same time, or shortly after, their classes finished. Students typically enrol in evening lectures if they are working full time during the day, and are thus unable to access library resources during normal opening hours. As a result, the postgraduate associations of these universities recommended that "library opening times must be extended to cater for the different time patterns of many postgraduates".  

Similarly, following a survey of coursework postgraduate students at the University of Sydney, the Sydney University Postgraduate Representative Association (SUPRA) recommended that "the University and Union acknowledge the differing needs of part time students and provide longer opening hours for computer access labs, the libraries and other student services".

However, it is vital that any additional demands placed on university staff, whether in the form of extended opening hours for libraries and computer laboratories, or more classes being taught outside working hours, be matched with appropriate additional funding. Since the reduction of university operating grants announced in the 1996 Federal Budget, university staff workloads have been placed under increasing pressure. For academic staff in particular, any additional responsibilities such as the development of on-line teaching materials or an extension to the academic teaching calendar, are in addition to current pressure to teach larger classes, carry out more administrative duties, produce

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research 'output' more efficiently, and obtain funding from private investors and national grant bodies.

**Recommendation 2:** That the Commonwealth Government increase public funding by 20 per cent per EFTSU to reduce staff: student ratios and support the development of sufficient teaching and research infrastructure to accommodate increasing student participation in higher education.

'Self-paced', 'customised' learning

*Crossroads* explains the goal of teaching and learning in terms of 'learning productivity' as though the learning process is about the transmission of information, and that 'learning productivity' can therefore best be achieved through the transmission of the greatest amount of information in the shortest time, via the most inexpensive mode of delivery. However, learning is more than the mere transmission of knowledge: it is a cognitive and social process.

For this reason, suggestions that learning can be improved through individualised, self-directed modules, fail to acknowledge the desire of students for human interaction and a sense of learning community. As Rosemary Chang comments, "it is as if universities have forgotten that students are also people who crave human contact".¹⁵ Qualitative surveys of the student learning experience consistently reveal the importance of interaction with other students. A Curtin University of Technology survey cites a student response that "lack of contact with other students reduced my satisfaction"¹⁶ as typical. The survey finds that "over 93 per cent of people felt that encouragement of class participation and discussion was an important part of the coursework

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experience”\textsuperscript{17} and that "the feeling of being included in a learning community is strongly associated with overall level of satisfaction, and getting value for money".\textsuperscript{18} It is not just interaction between students that is important, but interaction between students and academic staff. The survey of postgraduate coursework students at Deakin, Monash, RMIT and Swinburne universities recommends that "the availability of, and face-to-face interaction with, academic staff is most important to coursework postgraduates. This must be of primary consideration when developing courses".\textsuperscript{19}

Individualised, self-paced learning is often promoted as beneficial in developing a student's capacity to learn independently. However, educational research has consistently demonstrated that for a student to study successfully in this manner, they must already have the capacity to learn independently: that it is a pre-requisite for successful self-paced learning, rather than a product of that learning.\textsuperscript{20} This has serious implications for students who typically require more academic support, such as students from equity groups, students who have been out of the education system for a considerable period of time, or students who have difficulty with the transition from school to university education. For these students, individualised, self-paced learning, without the support of academic staff and a class peer group, is likely to result in increased attrition rates.

Individualised, self-paced learning models are increasingly delivered on-line, further removing students from necessary social interaction, and creating a barrier for students without access to internet-capable computers or sufficient ICT knowledge and confidence. For example, the Deakin University Student Association (DUSA) has commented that "the University's preoccupation with forcing students into on-line learning is accompanied by a failure to address the IT skill deficit of many lifelong learners, such as practising nurses seeking

\textsuperscript{17} ibid, p 43.

\textsuperscript{18} ibid, p 66.


upgraded qualifications".21 This is particularly true of postgraduate students, who typically attended secondary school before ICT was a regular component of pre-tertiary education.

The use of Information and Communications Technology (ICT) can improve the flexibility of access to resources for students. The internet can be effectively used to make text-based teaching materials available to students. On-line library catalogues also aid students in their research for assessments if they have limited time available to spend in the library. Universities are increasingly providing administrative services on-line, such as enrolment administration, which is far more time-efficient for students with internet access. On-line delivery options are most effective when combined with opportunities for student interaction. DUSA has emphasised the importance of this interaction, particularly in light of "evidence from surveys of employers that the area in which they are most dissatisfied with university graduates are communication skills and team work abilities, precisely those generic skills fostered by student participation in tutorials".22

In the quest for flexibility, individually-paced education and modular on-line learning are often presented as an efficient, cost-effective alternative. However, high quality on-line modules are actually very expensive. "It has been estimated in the United States that the cost of developing quality on-line packages is about $25,000 per instructional hour, or $650,000 per semester. This is far above the cost of delivering conventional programmes, except for high volume courses."23 On-line education is also extremely time consuming for academic staff who, having developed appropriate on-line curricula, must spend considerably more time responding to email communication from students living in a variety of time

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21 Senate Employment, Workplace Relations, Small Business and Education References Committee, (2001), s 5.84
22 ibid
23 ibid, s 5.81
zones, than they would spend face-to-face with students in a traditional 'office hour'.

To summarise, while individual, self-paced learning may be an appropriate delivery option for students who have already developed independent learning skills, students around Australia have consistently expressed their desire for more face-to-face time with academic staff and for more socially interactive learning. Students benefit from the sense of a learning community, and this is difficult to foster with an individualised, module-based approach. The use of ICT in teaching can be extremely effective if properly funded, but should be complementary to, rather than a substitute for, face-to-face contact.

**Recommendation 3:** That the Commonwealth Government provide appropriate additional funding for universities to develop on-line learning as a complement to, rather than a replacement for, face-to-face teaching.

**Qa2 How can we best enhance the status and quality of teaching in higher education?**

*Crossroads* recognises the importance of induction, professional development and rewarding good teaching. CAPA agrees that appropriate induction is critical to successful teaching and endorses teaching induction programmes for the postgraduate research students who teach the majority of tutorials, and are increasingly called upon as casual lecturers. This teaching experience is a valuable complement to the research focus of a postgraduate degree, especially for those students intending to pursue an academic career. Postgraduate coursework students have also expressed a desire for more extensive teaching induction and professional development for their teachers. In response to their survey of postgraduate coursework students, the Curtin University Postgraduate Student Association recommended that "the University review and update staff
on effective teaching practices and ensure all postgraduate teaching staff have formal teaching qualifications".\textsuperscript{24}

While in no way denying that research has traditionally been better rewarded than teaching and that it is important to redress the comparative lack of status accorded to the teaching role of academics, it is also vital to recognise the positive relationship between teaching and research. The teaching-research nexus distinguishes teaching in universities from teaching in the VET sector. Students are critical of those lecturers whose teaching is not informed by research. For example, responses to the survey of postgraduate coursework students at the University of Sydney included criticism of course content for not being "up to date".\textsuperscript{25} Research informs the teaching of academic staff and ensures that curriculum content is dynamic and relevant.

**Qa3 How can institutions ensure that subjects/units and courses are:**

- sufficiently rigorous in content and assessment?
- Appropriate as 'higher education'?
- Sufficiently responsive to the needs of students, employers and other stakeholders?

The deregulation of postgraduate coursework education, and the subsequent proliferation of course offerings at this level, have raised a number of concerns about the quality of postgraduate coursework degrees. Universities have sought to expand the revenue they receive from up front fees paid by postgraduate coursework students in order to cross-subsidise other university expenses. In this context, it is important to heed the warning of Craig McInnis, Richard James and Alison Morris that "while the proliferation of new masters programs continues

\textsuperscript{24} Rashford and Dowsett, (2001) Recommendation 4, p xii.

to be market driven within the context of the deregulation of postgraduate fees, the standards of the masters degree are potentially compromised.\textsuperscript{26}

The desire to expand the postgraduate coursework fee revenue base has led to compromises in terms of both minimum entry requirements for some degrees, and the quality of these courses. Anecdotal evidence suggests that the lowering of minimum entry standards to admit full fee paying students has prompted adaptation of the curriculum to accommodate those students who are academically incapable of studying at postgraduate level.\textsuperscript{27} Similar concerns are raised in relation to the practice of Recognition of Prior Learning (RPL), where credit is granted for studies at a lower level, and the crediting of Graduate Certificate and Graduate Diploma units towards Masters degrees. Of even more concern to coursework postgraduate students is the 'rebadging' of undergraduate curriculum content for use in postgraduate subjects, and the 'parallel teaching' of undergraduate and postgraduate students in the same class. Bradley Smith and Mark Frankland have outlined the dangers of this practice as follows.

In the absence of sufficient numbers of fee-paying students, postgraduate courses are only sustainable if departments use undergraduate subjects for part of, or the entire, course. This is a controversial practice. Some academics argue they 'mark harder' and some also set additional work for postgraduate students in undergraduate subjects. Even so, it is difficult to believe that discussions in a subject with twenty students comprising 18 second years and two fourth year students will not be conducted at the lower level. We contend that excessive use of undergraduate material is, by definition, 'dumbing down' of postgraduate education and potentially misleading to students seeking to enrol in 'postgraduate' programs.\textsuperscript{28}

\textsuperscript{26} Craig McInnis, Richard James, Alison Morris, (1995) \textit{The Masters Degree by Coursework: Growth, Diversity and Quality Assurance}, Evaluation and Investigations Program, Department of Employment, Education and Training, Canberra, August, p ix.


\textsuperscript{28} Bradley Smith and Mark Frankland (2000) "Marketisation and the new quality agenda: postgraduate coursework at the crossroads", \textit{Australian Universities' Review}, vol 43, no 2, p 11.
Competition in the postgraduate coursework market has not improved quality. Smith and Frankland demonstrate that the time frame for a Masters coursework degree has reduced by six to twelve months (EFT) during the 1990s, and that universities have often succumbed to pressure to shorten the duration of Masters coursework degrees in order to conform with shorter degrees offered by their competitors. Degree structure and entry requirements can vary significantly for degrees that nominally appear to be the same qualification. This begs the question, "given such variation in duration for the same qualification what exactly do students think they are 'buying'? What do employers think they are getting when they employ someone with a Masters?".\(^{29}\) Competition between institutions to make the Masters degree even shorter is a race towards mediocrity.

The Australian Qualifications Framework Advisory Board (AQFAB) has responded to these concerns by issuing guidelines for the qualifications offered by the tertiary education sector. AQFAB’s 2002 *Australian Qualifications Framework Implementation Handbook* acknowledges the variety of entry pathways, methodologies and duration of Masters degree programmes but concludes that "most Masters degrees require the equivalent of two years of study post the three year Bachelor degree or one year of study post the Bachelor Honours degree or four year (or longer) Bachelor degree".\(^{30}\) However, even a cursory examination of the coursework Masters degree programmes currently on offer at Australian universities reveals a number of Masters degrees that require significantly less than two years of study for students entering with only a three year Bachelor degree. For example, a Master of Commerce degree at the University of New South Wales and a Master of Business degree at the University of South Australia both only require 18 months of study, and it is

\(^{29}\) ibid, p 13.

possible to complete the Master of Business in twelve months.\textsuperscript{31} A Master of Occupational Therapy degree at James Cook University requires only twelve months study, and the Master of Information Technology degree can also be completed in twelve months.\textsuperscript{32}

**Recommendation 4:** That the Australian Universities Quality Agency (AUQA) pay particular attention to the quality of postgraduate coursework degrees when it audits Australian universities.

**Qa4 What impact do overseas students have on learning experiences and outcomes?**

Increasing numbers of international students have chosen to study in Australia over the last decade. In the twelve year period between 1989 and 2001, the number of international students enrolled in Australian universities increased more than five times, from 21,112 in 1989 to 112,342 in 2001. Of the international students enrolled in Australian universities in 2001, one third were studying at postgraduate level, and seventy percent of international postgraduate students were enrolled in coursework Masters programmes.\textsuperscript{33}

However, despite the rapidly changing demographic composition of the student cohort in Australia, some universities have failed to adapt their course offerings or teaching methods to accommodate increasing numbers of students from a variety of cultures and non-English speaking backgrounds (NESB). This can be remedied through professional development programmes for university teachers. Australian education researchers have produced extensive research on appropriate teaching practices for multi-cultural classes with a range of language

\begin{itemize}
  \item \textsuperscript{31} See <http://www.fce.unsw.edu.au/prospective_students/pg/> and <http://www.unisa.edu.au/course/PAGAcrobatfiles/Bue/Graduate_Business_Programs.pdf>
  \item \textsuperscript{33} Department of Education, Science and Training (2000), *Students 2001: Selected Higher Education Statistics*, Table 22.
\end{itemize}
abilities, and have made a number of recommendations to improve the quality of the learning experiences of international students. These include:

- incorporating cross-cultural awareness units into the curriculum,
- using visual aids to support lectures, and
- avoiding overly idiomatic language.

Ongoing professional development for academic teachers ensures that lecturers who may have received their teaching induction decades ago, if at all, when international students were a smaller proportion of the student body, are made aware of the latest research in teaching techniques for multi-cultural classes.

CAPA is also concerned that university English language entry requirements are not sufficiently rigorous. International students who have passed the required English language proficiency tests, such as the TOEFL (Test of English as a Foreign Language) or IELTS (International English Language Testing System), may still encounter varying degrees of difficulty with the fluency of their academic English. Pam Denicolo and Maureen Pope observe that,

NESB students must cope with understanding both our spoken and written words and must reciprocate by demonstrating that understanding, in an oral and written form, themselves. This is a difficult enough task at degree level without combining it with the intellectual rigour and original research required of higher degree students.\(^{34}\)

International students may make the reasonable assumption that passing the English-language entry test required for a course is an indication that their language skills are sufficient. Thus, some international students may not realise the extent of their English language difficulties at the time of enrolment and therefore choose not to enrol in language courses, believing them to be unnecessary.\(^{35}\)

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\(^{34}\) Pam Denicolo and Maureen Pope (1999), 'Supervision and the Overseas Student' in Yoni Ryan and Ortun Zuber-Skerritt (eds), *Supervising Postgraduates from Non-English Speaking Backgrounds*, The Society for Research into Higher Education and Open University Press, Buckingham, p 71.

Surveys of postgraduate coursework students have produced a number of recommendations for improving the learning experience of international students. For example, the Sydney University Postgraduate Representative Association (SUPRA) makes the following recommendations.

That the University improve its pre-course bridging programs for international students particularly with reference to language programs, and that coursework teachers encourage identified students to undertake extra language programs as deemed necessary.
That teachers and students in coursework programs with large numbers of international students have the opportunity to undertake some form of specialist cultural awareness programs in regards to the differing needs of international students.\(^{36}\)

The experience of students at the University of Sydney is by no means unique, and these recommendations are also highly relevant for other Australian universities. While the international support services provided by all Australian universities fulfil an important role, teaching practices must also evolve to accommodate the diverse needs of an increasingly multi-cultural student body. We expand on these issues further in our response to consultative question Qg5.\(^{37}\)

| **Recommendation 5:** That all academic staff have access to professional development to improve their awareness of appropriate teaching methods for multi-cultural classes. |
| **Recommendation 6:** The universities revise their English-language entry requirements and improve pre-course bridging programmes for international students. |

\(^{36}\) Brown, Swinbourne, and Harrod, (2000), Recommendation 11, p 47.

\(^{37}\) For more extensive discussion of international postgraduate student issues see the forthcoming CAPA paper by Arturo Bravo Nuevo.
Qa8 Is the existing quality assurance framework sufficiently rigorous to assess the quality and standards of educational outcomes?

Crossroads argues that, despite the recent implementation of such quality assurance mechanisms as AUQA and the National Protocols, "questions have still been raised about whether the framework will provide a sufficiently rigorous assessment of the quality of educational outcomes in Australian higher education institutions". However, given that this is the first year in which AUQA is conducting 'real' audits, as opposed to the trial audits conducted in 2001, we consider it premature to be assessing the effectiveness of the agency. The AUQA audit cycle is five-yearly, and thus we suggest that a more appropriate time to evaluate the effectiveness of the Australian quality assurance framework would be at the conclusion of the first AUQA audit cycle.

**Recommendation 7:** That the effectiveness of current quality assurance mechanisms be reviewed following the first five year audit cycle of the Australian Universities Quality Agency (AUQA).

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38 Paragraph 101.
B) Access on an Equitable Basis

In 1990, the Federal Government released the policy document *A Fair Chance for All, Education That's Within Everyone's Reach*. *A Fair Chance* identified six equity groups toward whom funding and strategic policy initiatives would be directed:

- Indigenous students
- People from non-English-speaking backgrounds
- People from rural and isolated backgrounds
- People from low socio-economic status backgrounds
- Women
- People with a disability

The aims of *A Fair Chance* have been met to only varying degrees for each group. For example, while women now comprise just over half of all university enrolments, they remain worryingly under-represented in certain fields--most notably those fields which often lead to higher paying employment (information technology, science, business and engineering). Aboriginal and Torres Straight Islander people were making striking and encouraging progress in heightened enrolments, though this progress has turned to sharp decline after recent changes to Abstudy. There is no doubt that Federal policy initiatives can have a dramatic effect on the participation in, and quality of experience of, higher education for disadvantaged groups. The challenge for government is to be brave enough to spend real funds on these urgently important but politically unglamorous issues.

In this section of our submission, we will investigate each DEST equity group individually, paying attention to the questions raised in the *Crossroads* overview paper, as well as drawing attention to other important issues. We note at the outset, however, that issues of equity and participation in higher education merit the more focussed attention of government, beyond what can be achieved in the exceptionally broad framework of *Crossroads*. 
The charts on the following page give a broad indication of the extent to which the participation of equity group members is reflected in the enrolment of commencing students. The first chart shows students from the various DEST equity groups as a percentage of total enrolments over the period 1992-2000, while the second shows the actual numbers of commencing students in each category over the same period.  

*Note that figures for students with a disability have only been collected since 1996.*
Indigenous students
CAPA works closely with the National Indigenous Postgraduate Association Aboriginal Corporation (NIPAAC) through its elected Indigenous Peoples Liaison Officer.\(^{39}\) CAPA believes that the under-representation of Aboriginal and Torres Straight Islander People in postgraduate studies is a pressing concern, and calls on the Federal Government to institute measures to support and encourage Indigenous participation and retention in postgraduate studies.

Indigenous students are among the most disadvantaged of students in the low socio-economic cohort and often face extraneous pressures in their pursuit of education. The failure of Crossroads to identify the need for more public funding of Higher Education institutions, and developments such as PELS that substitute public subsidisation for student-funded participation, will have grave implications for Aboriginal and Torres Strait Islander students. CAPA believes that a Commonwealth review of the Higher Education sector should entail a commitment to innovative measures for Indigenous participation, while addressing existing problems with ABSTUDY and other areas of support funding.

ABSTUDY
CAPA is particularly concerned about the effects of recent changes to ABSTUDY on the participation and performance of Indigenous students. Many Postgraduates studying graduate or postgraduate diploma courses rely on ABSTUDY for support. The rise in Aboriginal and Torres Strait Islander participation rates in Australian postgraduate studies to a high of 5.9% in 1999 can be accredited largely to the availability of targeted income support.\(^{40}\) CAPA is worried to note that growth in participation by Indigenous students in both higher education and vocational education and training has fallen dramatically since changes to ABSTUDY were implemented in early 2000. The changes entailed restructuring and cutbacks of ABSTUDY components such as travel

\(^{39}\) For more extensive discussion of these issues please see the NIPAAC submission to this review.
\(^{40}\) Figure from Higher Education Statistics, DETYA, 2001, p. 41.
entitlements and the Away-from-Base Allowance that ultimately resulted in a reduction of income support for the majority of Indigenous students.

The drop in growth in both higher education and VET undermines assertions by DEST that the higher education drop represents a move towards VET. The National Tertiary Education Union Indigenous Tertiary Education Policy Committee found that:

Research undertaken on behalf of ATSIC by Deakin University examined the likely effects of the changes [to Abstudy] on the 1998 cohort, and concluded that the changes would advantage significantly Indigenous higher education students who are under 21 years of age, independent and single (730 students), and those students 21 years or older and living at home (165 students). The study concluded that the changes would disadvantage significantly students who were 21 years and older, independent, single or with partner, with or without children (9950 students) and those students in receipt of either a Sole Parent Pension, or a Disability Support Pension, or who were studying as part time pensioner students (4810 students). In summary, the analysis undertaken by Deakin University on behalf of ATSIC concluded that based on the 1998 cohort, the changes to ABSTUDY would benefit 5.7% of Indigenous students, while 94.3% would be significantly disadvantaged. In light of this research, the recent 15.2% decline in commencements is tragically unsurprising.

In support of recommendations to the 2001 Senate Review of Higher Education made by the NTEU Indigenous Tertiary Education Policy Committee, CAPA makes the following recommendations.

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43 Submission by the NTEU Indigenous Tertiary Education Policy Committee to the 2001 Senate Inquiry into the capacity of public universities to meet Australia’s higher education needs, p. 11.
Recommendation 8: That the Commonwealth, in consultation with ATSIC and Indigenous Units within universities, undertake a review of the effects of ABSTUDY changes on patterns of participation and success. This review should, in the first instance, be informed by existing literature such as the Review of ABSTUDY undertaken by ATSIC in 1998.

Recommendation 9: That the Commonwealth Government urgently address the decline in Indigenous Australian participation in higher education by restoring ABSTUDY entitlements to levels applying prior to alignment with Youth Allowance, at no disadvantage to the minority of recipients who benefited from those changes.

Recommendation 10: That a thorough review of the effects of changes to the Away-From-Base component of ABSTUDY be undertaken by DEST in close cooperation with Indigenous Units/Centres within universities, aimed at identifying measures to improve Indigenous participation and educational outcomes.44

Scholarships
Although fixing the current problems with ABSTUDY would go a long way toward encouraging Indigenous Australians back into Higher Education, improvements also need to be made in the provision of targeted scholarships. In January 2000, the Commonwealth Government abolished the Merit-based Equity Scholarship scheme, an area of funding of historical importance to Indigenous Australian participation in Higher Education. A significant proportion of the Merit-based Equity Scholarships were awarded to undergraduate Indigenous students and it is worthwhile to note that the abolition of the scheme coincided with the dramatic drop in Aboriginal and Torres Strait Islander enrolments recorded in 2000. The removal of schemes designed to assist and attract Indigenous undergraduate

44 Supporting Recommendations 1, 2 and 3 of NTEU Indigenous Tertiary Education Policy Committee's Submission to the 2001 Senate Inquiry into the capacity of public universities to meet Australia’s higher education needs.
students cannot fail to impact on the opportunities for Indigenous people to access postgraduate studies.

DEST’s Researchers Development Scheme is the only form of targeted government financial assistance for Indigenous Australian researchers and is sadly under-funded. If we are serious about increasing the participation of indigenous students in postgraduate research, an investment of $130,000, made to the scheme in 1999 is hardly sufficient.\textsuperscript{45} This amount represents just 0.16\% of the total Australian Postgraduate Award pool of $79 million. If we are trying to encourage indigenous students into top level postgraduate research, why is funding for targeted scholarships less than an amount representative of the community targeted?

Again, we support the NTEU Indigenous Tertiary Education Policy Committee in recommending:

\begin{center}
\textbf{Recommendation 11:} That the Commonwealth Government institute an Indigenous Australian postgraduate fellowship scheme, aimed at addressing the severe under-representation of Indigenous Australian scholars in postgraduate research while increasing the involvement of Indigenous Australian researchers in research which impacts on their communities.\textsuperscript{46}
\end{center}

CAPA has identified the establishment of a category of Australian Postgraduate Awards (APA) for Aboriginal and Torres Strait Islander students as an important starting point for improvements in scholarship schemes for Indigenous postgraduates. There are few living allowance scholarships made available as an alternative to ABSTUDY and ABSTUDY entitlements have been eroded in recent years to include no payment during student holiday periods. We recommend:

\textsuperscript{45} Latest figures available on DEST’s site at: \url{http://www.dest.gov.au/highered/scholarships.htm#atsiprogram}

\textsuperscript{46} Supporting Recommendation 8 of NTEU Indigenous Tertiary Education Policy Committee’s Submission to the 2001 Senate Inquiry into the capacity of public universities to meet Australia’s higher education needs.
**Recommendation 12:** That additional APAs for Indigenous students be introduced in 2003, that provide security for reasonable recreation from study and that are tax exempt for part-time as well as full-time study channels.

*Support Funding*

The funds provided to Higher Education institutions to meet the specific needs of Aboriginal and Torres Strait Islander students are vital for the maintenance and improvement of support programs that assist Indigenous participation. The NTEU Indigenous Tertiary Education Policy Committee expressed concern in its submission to the 2001 Senate Review of Higher Education that Indigenous Support Funding for the year 2000 had returned to 1997 levels and would remain static in real terms until 2002. Given that the level of Indigenous Support Funding also did not rise during the 1990s in correlation with the increase in Indigenous Australian student numbers (prior to the recent decline), the current levels of Indigenous Support Funding per student are insufficient. There has been a decrease in funding since 1996 from approximately $3100 to $2400 per student.

An analysis of Indigenous Support Funding allocations 2002 to 2004 by institution reveals that support funding will decrease over that time in all but eight out of 39 Australian universities and that the overall levels of funding will remain static in 2002 dollars until 2004.\(^{47}\)

CAPA supports the NTEU Indigenous Tertiary Education Policy Committee in the following recommendations:

**Recommendation 13:** The Commonwealth Government increase Indigenous Support Funding so that the level of funding per student is increased to at least the level provided in 1996.

Recommendation 14: In light of the recent decline in participation in higher education by Aboriginal and Torres Strait Islander peoples, the Commonwealth should ensure that the actual level of Indigenous Support Funding provided to each university does not decrease in real terms within the current triennium.

People from non-English-speaking backgrounds
In 2001, CAPA notified the Senate Inquiry into Higher education that the participation rate in postgraduate education for Australian residents from a non-English speaking background had been in steady decline. We found that between 1996 and 1999, the total participation rate (all enrolments) declined each year, falling from 6.69% of the total domestic postgraduate population in 1996 to 5.15% in 1999, a drop of about 23% in just 3 years.48

The charts at the beginning of this section of our submission show that this trend continues. Of all the DEST equity groups, students from a non-English speaking background are faring the worst. New enrolments for these students peaked in 1995 with 13,062 (6.03% of) new enrolments. In 2000, that number had dropped to 9,643 (4.16%)--a drop of 31% over the half-decade period. Embarrassingly, the percentage of NESB students for new enrolments in 2000, was actually less than it was in 1992 (when it was 5.3%). Clearly, something is very wrong.

As we reported to the Senate last year:

It is all too clear from this trend – combined with the continuing dismal participation rates for Aboriginal and Torres Strait Islanders – that the whitening of the Australian university is the proven outcome of the implementation of policies written for the ‘generic’ (read: ‘white’49) Australian student. If the increased presence of international students has disguised this trend on campus, it is often with little credit to government.

48 DETYA (1996) DETYAPAC 96 equity version 1.10.00 data purchased from DETYA, DETYA (1999) DETYAPAC Equity version 2.02.94, data purchased from DETYA.
49 … and male, straight, urban, middle-class, well-off, in their mid-20’s, Australian-born, etc.
Australia is a young country with a large population of recent immigrants. We must encourage these people, and their children, to participate in higher education, so that they can find a secure footing in our society.

**Recommendation 15:** That the Minister urgently convene an advisory committee, including representatives from our largest migrant groups, and from the staff and students of universities, to advise on strategies to turn around the decline in NESB student participation in higher education. A target of returning to levels of at least those for 1995 (6% of new enrolments) should be set for the 2004 academic year.

**People from rural and isolated backgrounds**

Rural students have been the most stable of DEST’s equity groups. New enrolments were 19.37% of commencing enrolments in 1992, and 19.51% in 2000. CAPA is concerned that, despite rural and isolated students being a targeted DEST equity group for nearly a decade, no increase in participation from these groups is visible.

**Recommendation 16:** That the Minister and DEST reconsider the Department’s approach to encouraging the participation of rural and isolated students in higher education, recognising that current initiatives have failed.

CAPA is also concerned by the Department's recent implications that rural Universities should specialise in local industry, and cease offering the more traditional courses taught across the sector. In response to this proposal, we draw the Minister's attention to the concerns of our affiliated association, the Northern Territory University Postgraduate Student's Association (NTUPSA):

NTU no longer teaches English Literature and Philosophy, barely provides Engineering, Mathematics, and has virtually abandoned Anthropology, Political Theory and Physics. In addition, Indonesian language studies staff numbers have been cut to the point of being only taught externally!? The cut of English Literature in 1997 caused a nationwide uproar, and today NTU is perhaps the
only University in Australia that doesn’t teach it to some extent. The original rationale behind the ‘dis-establishment’ of English Literature, Philosophy and Public Policy were to restructure the Faculty of Arts’ focus towards South-East Asian Studies, (which has also since suffered staff cuts). This relied on the assumption that the students would magically re-distribute themselves to do the available subjects at NTU.

The core of the issue is simple: At what point below raw financial viability (since some of these areas will struggle to consistently attract enough students) do social and cultural considerations maintain the need for these subjects to be offered locally in the NT? It is to that minimum point that planning and finance must be targeted.\(^{50}\)

NTUPSA also raise the issue of equity of opportunity for rural Australians.

There is a further consideration that lies in the perceived and constitutional duty of the Federal Government to provide educational opportunities to the tax and HECS payer in the Northern Territory that are equal to others in the nation.

Educational opportunities are denied when the student for family, social and/or economic reasons cannot raise the required $1,000’s to move the required 1,000’s of kilometres. There also must be an impact on NTU attracting high calibre secondary school leavers, developing and keeping their skills in a regional area. The disciplines affected are core subjects at secondary school.

Not having local specialist teachers in these areas will only continue the cycle of the decreasing strength of the education of the students completing their secondary schooling and entering society.

CAPA believes that it is vitally important that students of rural and isolated institutions continue to have the right to enjoy the same learning opportunities as their colleagues in the cities. We understand the importance of ensuring that education institutions offer courses that benefit the community which they service, but do not agree that limiting learning opportunities is such a benefit. Therefore, we recommend:

\(^{50}\) Northern Territory University Postgraduate Students Association (2001) Submission to the Senate Inquiry into the capacity of public universities to meet Australia’s higher education needs, 30 March.
**Recommendation 17:** That any move toward the 'specialisation' of regional institutions in non-traditional areas be accompanied by special funding to ensure the continued provision of subject areas which allow the broad learning opportunities available in metropolitan institutions.

*People from low socio-economic status backgrounds*

While the lack of participation of people from low socio-economic backgrounds (low SES) is often talked about, very little has changed since *A Fair Chance for All*. The 2001 Senate Inquiry into Higher Education found that:

> The participation in higher education of students from socio-economically disadvantaged backgrounds has increased every year in absolute numbers since 1991. In that year, there were 73,715 such students; in 1999 there were 92,779; in 2000 there were 93,011. In terms of the proportion of the population of such students, however, it has remained at very similar levels: 15 per cent in 1991 and 14.7 per cent in 1999, with little fluctuation between those dates.\(^{51}\)

It is exceptionally difficult to gauge the participation of low SES students in postgraduate education. Socio-economic background is tracked by home postcode, which may be partially suitable for undergraduate students (who are probably just leaving home), but is more problematic for postgraduates. Independent students often live in 'cheap' areas, but may not be from a disadvantaged background.

CAPA would like to see the Equity Scholarship scheme extended, with earmarked scholarship for different equity groups, and for both research and coursework postgraduates (see below).

*Women in Non-Traditional Areas*

There is some good news for women in non-traditional areas. A comparison of DEST data collected in 1997 and 2001 shows that women account for an

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\(^{51}\) Senate Employment, Workplace Relations, Small Business and Education Committee (2001), s. 8.8
increasing proportion of total enrolments in all areas in which women comprise less than 50 per cent of total enrolments. These areas are:

- Science
- Engineering
- Architecture
- Agriculture

Interestingly, these increases in women's participation in so-called non-traditional areas are mirrored by a decrease in participation in traditional areas. These include:

- Arts
- Education
- Health

A potentially worrisome decline appears to be occurring in business studies, where women accounted for 60.89% of total enrolments under the 1997 DEST heading of 'Business, Administration and Economics', but for only 40.27% under the 2001 heading of 'Management and Commerce'. It is unclear exactly why this change has taken place—it could be something as simple as a redistribution of enrolments between categories, or it could represent something more
meaningful. DEST should investigate this apparent problem to ensure that the changes are not a result of women leaving the profession. Information Technology is another area presenting difficulties, with women accounting for only 27.54% of the 2001 cohort. Unfortunately, DEST has only just begun collecting data on IT as an area of study, so a comparative analysis over time is difficult.

This analysis of freely available data is encouraging at the cross-study-area level, as it suggests that the distribution of the sexes within postgraduate study is evening up. However, the preliminary data does not take individual institutions into account, and more equitable universities are probably covering up the shortcomings of the less equitable.

Although participation by women is improving in CAPA's target area of engineering, the situation remains far from optimal. In 1997, women comprised just 15.75% of the engineering postgraduate cohort. A subsequent improvement has led to women comprising a whopping 19.06% of the cohort in 2001. These gains have mostly been from the major courses of the Doctorate by Research, and Masters by Coursework. A lot of work is needed to bring women's enrolment in engineering up to adequate levels.

People with a disability
The current review of higher education is exceptionally broad in its terms of reference. CAPA has recently provided a detailed submission to the current Senate Inquiry into Disability in Education. In that submission, we address the issues confronting students with a disability at some length, and we direct the Minister to that submission for a fuller account of this particular equity group than is possible here.

In our Submission to the Senate Inquiry into Disability in education, we cover the following:
- Identification of students with disabilities (the 'check-box' on enrolment forms)
• self disclosure
• lack of disclosure
• simplistic disclosure options
• the needs of students with a disability
• the Draft Disability standards for education

Funding
The following provides some more general information on issues affecting students with a disability.

Demographic information about the participation of students with disabilities in Australian higher education has only been collected since 1996, and even this information is at best problematic. However, DEST estimates that around 18,925 non-overseas students with disabilities were studying at Australian tertiary institutions in 2000, out of a total cohort of 695,485 (599,878 non-overseas) students. Of the total 2000 cohort, 130,720 students (of whom 102,399 were non-overseas students) were postgraduate students, of whom 1349 reported a disability.

*Disability and Age*
Because disability levels increase with the age of the population, a greater proportion of postgraduates experience disability than undergraduates. For example, of students enrolling in 2000, while 3.7% of the total cohort reported a disability (6414 students out of 174,422), 4.9% of postgraduates reported a disability (1349 students out of 27,748). The table below shows enrolling postgraduate students reporting a disability in 2000 spread across age groups.
An interesting difficulty related to the increase of disability rates with age is that the targets set by institutions to ensure they enrol a representative proportion of students with a disability (compared to the general population) is set at rates appropriate for an undergraduate cohort. The usual 'target' rate at institutions is about 4%. Note however, that although this rate is not far off the general population rate of disability resulting in handicap (about 5-6%) for the 20-24 year old age group, the rate of disability in the general community at a postgraduate age is much higher—about 7-8% for 25-34 year olds, and about 11-12% for 35-44 year olds. These figures are also borne out in the table above. As long as university access rates are set with only an undergraduate cohort in mind, there is little incentive for institutions to encourage participation of postgraduate students with disabilities at a representative level.

### Recommendation 18:
That the level set by DEST for participation of students with a disability in higher education be separated into an undergraduate and a postgraduate cohort, and that the postgraduate target be set at 10%. Ability to meet this target should be linked to provision of certain funding.

Further to this recommendation, the following comprise the recommendations laid out in our submission to the current Senate Inquiry into Disability in Education:

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52 These numbers are based on students checking 'yes' on a box marked “Do you have a disability, impairment or long-term medical condition which may affect your studies?” on their enrolment form.

Recommendation 19: That the Department of Education, Science and Training (DEST) require that a clause outlining the uses to which disability data will be put (similar to that used at James Cook University) be included in all institutions’ enrolment information packages, and that reference to the clause be inserted on all enrolment forms in the tick-a-box section. Students’ attention should be drawn to the Act, which protects their equality of access.

Recommendation 20: That the disability disclosure boxes on enrolment forms be altered to include the opportunity for detailed disclosure.

Recommendation 21: That the Commonwealth Government take immediate action to ensure that the Draft Standards for Disability in Education is amended to recognise that it is the responsibility of all public institutions to proactively ensure that they are equipped to cater to all students, by designing, upgrading, and maintaining both their physical environment and their pedagogic models in such a way that they are appropriate to students with disabilities.

Recommendation 22: That the Commonwealth Government take immediate action to ensure that the Draft Standards on Disability in Education do not extend the ‘unjustifiable hardship’ exemption to any rights of the student beyond initial enrolment.

Recommendation 23: That DEST require all institutions to provide evidence that they have anti-discrimination protocols in place, and that they ensure all staff are trained in disability awareness. DEST should ensure there is an external body equipped to monitor institutions’ compliance with such protocols.

Recommendation 24: That the Commonwealth review the RDLO program with a view to establishing a centralised coordinating body to liaise between institutional disability liaison units.
Recommendation 25: That DEST establish a taskforce to analyse institution’s equity plans, and devise progressive policy initiatives ensuring that issues of best practice at individual institutions are implemented throughout the sector.

Recommendation 26: That a review group be constituted by DEST to investigate a more centralised approach to the funding of students with disabilities, including special provision for students with high cost needs, and a system of grants for upgrading existing infrastructure.

General Principles
Further to the discussion and recommendations above, CAPA would like to draw the Minister's attention to a number of broad issues which impact across all equity groups: The Research Training Scheme (RTS), a number issues regarding scholarships, and the Postgraduate Education Loans Scheme (PELS).

Research Training Scheme
CAPA sees the current Research Training Scheme funding allocations as overtly discriminatory against equity groups. A set completion time of four years full-time for the PhD, and two years full-time for the Masters (Research) degree discourages universities from enrolling students who may have different study requirements from the imaginary norm of the fit young white male. This is a case of indirect discrimination of the kind prohibited by the Disability Discrimination Act 1992.

With this in mind, we recommend:

Recommendation 27: That the Research Training Scheme Guidelines be revised to take into consideration the burdens many students from equity backgrounds suffer which can hinder timely completion. The RTS must be amended so as not to discriminate against equity groups. Specifically, the 2 year full time Masters and 4 year full-time PhD candidatures (and corresponding part-time candidatures) must be abolished and replaced with a candidature time...
frame which allows completion times to be tailored in a way appropriate to individuals. CAPA sees the current RTS completion times as overtly discriminatory.

Scholarships

CAPA has been arguing for many years that part-time scholarships should be tax free, as full time scholarships are. Many of those who take part-time scholarships are from equity groups, and having tax applied only to these scholarships is, again, indirect discrimination. We are also concerned that the so called 'merit based' allocation of scholarships fails to recognise students of merit who may have been hindered from gaining the marks of more advantaged students, due to their membership of an equity group.

With these points in mind, we recommend:

**Recommendation 28:** That:

- part-time scholarships (like full-time scholarships) are made tax-free
- a number of APA scholarships are set aside each year for equity groups
- institutions ensure that they have an adequate number of their own scholarships set aside for students from equity groups, and that these scholarships are allocated using a system which does not disadvantage students whose grades may not reflect their full potential.

PELS

CAPA has long been of the opinion that the uncapped fees allowed by the Postgraduate Education Loans Scheme (PELS) would encourage institutions to raise fees to the highest levels possible. At the time of writing, news is breaking of an attempt by the University of Melbourne to raise postgraduate coursework fees by as much as 31%, with the specific and stated aim of meeting revenue targets. The university has not indicated that the proposed fee increase is in any way linked to increases in the quality or standard of the courses offered, and
there is some indication that the quality of these courses at the University of Melbourne is actually falling.\textsuperscript{54}

Further, CAPA believes that schemes like the Higher Education Contribution Scheme (HECS) and PELS disadvantage equity groups, as members of these groups often earn less, meaning the debt, which is subject to snowballing CPI, will take far longer to repay. These schemes particularly disadvantage women, who often take time away from the workforce to raise children. However, we believe that PELS is by far the worse of the two, due to its uncapped fee structure. Related PELS issues are also discussed in later sections of this submission.

\textit{Qb3 What is the scope for offering disadvantaged students differently structured courses, including courses of shorter duration than the traditional degree programme, without compromising quality or standards?}

CAPA believes that there is no scope whatsoever for offering such a program. CAPA is appalled by the suggestion that disadvantaged students should be given a second-rate version of true higher education as a panacea for the lack of support these students receive in traditional programs. The idea that quality and standards will not be compromised is laughable--a shorter course is a lesser course (or else a more intensive course, which would be in direct opposition to the needs of these students).

CAPA believes that such a proposal amounts to nothing less than segregation on the basis of race, class, gender, wealth, disability or place of abode (depending on the equity group considered).

CAPA opposes any such programmes.

C) Engagement of universities with their communities

Since the Dawkins reforms created the Unified National System in 1988, the number of regional universities, and regional campuses of metropolitan universities, has grown significantly. There are now approximately 70 higher education facilities outside capital cities, greatly improving physical access to higher education for rural and isolated students.\textsuperscript{55} Regional universities offer programmes of specific relevance to the local economy, such as the marine science and tropical medicine research carried out at James Cook University, or the mining and mineral processing related courses offered at the Gladstone and Emerald campuses of Central Queensland University. At the same time, regional universities strive to satisfy community expectations that they deliver a broad range of programmes, to give regional university students access to a comparable education to that which they would receive at a metropolitan university.\textsuperscript{56}

\textit{Crossroads} emphasises the community service obligations of regional universities. Much is made of the relationship between regional universities and their local communities, and for good reason. Regional universities contribute considerably to the educational, social and economic development of a region. Most importantly, regional universities educate students from rural and isolated areas who would otherwise not have access to higher education due to the cost and disruption of relocation to a capital city. The NSW Department of Education and Training observes that regional universities "act as accelerators in the development of regions by raising educational aspirations and participation in higher learning".\textsuperscript{57} Regional universities educate students in areas relevant to regional employment needs and, through co-operation with local employers, help to ensure that graduates are employed in the region rather than lost to capital

\textsuperscript{55} Senate Employment, Workplace Relations, Small Business and Education References Committee, (2001), s 10.8
\textsuperscript{56} ibid., 10.3
\textsuperscript{57} ibid., 10.15
cities. It has been estimated that regional universities contribute approximately $2 billion to annual regional output through their role as a major regional employer, by attracting additional students and staff to the area who then increase the demand for goods and services in the local economy, and by facilitating growth and socio-economic development.\textsuperscript{58} Regional universities also contribute to local sport and culture via community use of university facilities such as playing fields and auditoriums.

However, while \textit{Crossroads} emphasises the need for regional universities to contribute more to the local community, there is no acknowledgment of the difficulties faced by these universities. The Queensland Government has estimated that the cost of service delivery for regional campuses is 30 to 40 per cent higher than for metropolitan campuses.\textsuperscript{59} This is due to the structural disadvantages that regional universities must overcome: the smaller scale on which they operate; the additional location costs; the high staff turnover due to limited research infrastructure and few opportunities for promotion; and the cost of bandwidth access for ICT which is three times more than for metropolitan universities.\textsuperscript{60} When the current funding formula does not recognise these diseconomies of scale, it is difficult to see how regional universities can be also expected to undertake special community service obligations.

\textit{Qc1 What is a reasonable expectation of the contribution of higher education institutions to regional communities?}

\textit{Crossroads} lists the community service obligations of regional universities as including the provision of community facilities, involvement in local projects, developing specific courses for regional needs, providing research expertise for local farmers and businesses, and being a source of technology and expertise to upgrade local skills and thus strengthen the regional economy. These are

\textsuperscript{58} ibid., 10.10
\textsuperscript{59} ibid., 10.66
\textsuperscript{60} ibid., 10.72
common themes in most analyses of the role of regional universities. However, the implication in *Crossroads* is that regional universities are regional institutions first, and universities second, and that for this reason the teaching and research of a regional university should be limited to those areas of specific regional importance. *Crossroads* limits discussion to the need for regional university course offerings to reflect the employment and development needs of the local area, such as mining, agriculture or horticulture, or the training of teachers and nurses for rural schools and hospitals.

In contrast, regional universities face considerable demand from the local community to teach and research across a broad range of disciplines. The University of New England has explained that because of its geographical isolation, "the community expects the university to provide a comprehensive range of educational programs … neither students, nor staff, nor the public are willing to tolerate rationalisations, particularly in a regional university".61

Vice-Chancellor of Murdoch University, Mal Nairn has also argued in favour of diverse course offerings at regional universities.

…once there is a university in the region there is a pressure to offer a wide range of courses. This can result in a university having to provide some courses with a relatively low number of students. This can be accommodated, if it is believed important to offer such courses, by having a differential funding formula for regional universities in the basic government recurrent grant. This is in line with the subsidised support given to services in regional Australia.62

Multi-campus universities encounter similar difficulties under the present funding system. The Vice-Chancellor of Deakin University, Geoff Wilson, comments that "it is becoming more and more difficult for multi-campus universities to maintain or further develop an adequate range of disciplines over their campuses".63

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61 ibid., 10.28
The diversity of regional university course offerings has been decreased following the six per cent reduction in forward estimates of operating grants and lack of appropriate subsidisation of salary increases since 1996. Most have had to ‘rationalise’ course offerings and in some cases entire departments have been closed, as was the fate of the English Literature programme at the Northern Territory University. This creates a considerable dilemma for regional universities. “Reductions in student intakes [resulting from regional economic and population decline] affect universities’ capacity to provide a broad range of programs, but the more narrow the program offerings, the greater the need for local students to seek higher education outside their local areas”.64

The research capacity of regional universities has also been drastically reduced in recent years. The origins of several regional universities as former Colleges of Advanced Education or Teachers Colleges, without the research base of the older, established universities, has always placed their research capacity at a disadvantage. Regional universities have worked hard to reduce this disparity, but this effort has been severely undermined by the introduction of the Research Training Scheme, first implemented in 2001. Research students and recent research graduates (for example postdoctoral fellows) form a core element of university research effort. Nevertheless, the Research Training Scheme reduced the number of research places nationally from 24,980 in 2000 to 21,644 in 2001 (EFTSU). These cuts hit regional universities particularly hard. For example, the University of Ballarat lost 41 per cent of its research places, while the University of Southern Queensland and Edith Cowan University both lost 46 per cent of places.65 In contrast, while regional institutions lost 800 Higher Degree Research (HDR) places, the whole Group of Eight, with a substantially larger base of research places, lost only 663 HDR places.

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64 Senate Employment, Workplace Relations, Small Business and Education References Committee, (2001) 10.11
65 See CAPA (2001) Submission to the Senate Inquiry into the capacity of public universities to meet Australia’s higher education needs, Table 2.
Regional universities will inevitably lose more research places, once the regional protection component of the Research Training Scheme is removed at the end of 2004. During the transition phase for the new funding formula (2002-2004), no institution can gain or lose more than 5 per cent of its research places. When this protection ends, regional universities will be vulnerable to losing far more than 5 per cent of their current research places. In this way, the Research Training Scheme concentrates research studies in a few metropolitan locations, resulting in increasing numbers of regional researchers leaving their local communities to pursue their research.

CAPA has summarised the current environment for postgraduate study in regional universities as follows.

Since 1996, support for postgraduate studies in regional universities has been slashed by the equivalent of an entire regional university. This reduction comprises:

- reductions made to postgraduate coursework places made under the Vanstone cuts to operating grants (1997-1999) of 3905 places,
- cuts to Higher Degree Research (HDR) places as part of the 'Gap places' element of the research White Paper of 800 places, and
- subsequent cuts to postgraduate coursework places made as part of cuts to operating grants post-1999.

66 DETYA (2001), *Research Training Scheme Guidelines*, Section 5.3 ‘Caps and Regional Protection’.
67 CAPA (2001) *Submission to the Senate Inquiry into the capacity of public universities to meet Australia’s higher education needs.*
Cuts to postgraduate places in regional universities

<table>
<thead>
<tr>
<th>INSTITUTION</th>
<th>Postgraduate coursework places 1997–9</th>
<th>PG coursework cut shifted to UG load since 1999</th>
<th>HDR Places 2001 Cuts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charles Sturt University</td>
<td>-510</td>
<td>0</td>
<td>-11</td>
</tr>
<tr>
<td>Southern Cross University</td>
<td>0</td>
<td>-240</td>
<td>-15</td>
</tr>
<tr>
<td>The University of New England</td>
<td>-265</td>
<td>-220</td>
<td>-43</td>
</tr>
<tr>
<td>The University of Newcastle</td>
<td>-320</td>
<td>-305</td>
<td>-50</td>
</tr>
<tr>
<td>University of Wollongong</td>
<td>-360</td>
<td>0</td>
<td>-6</td>
</tr>
<tr>
<td>Deakin University</td>
<td>-705</td>
<td>0</td>
<td>-224</td>
</tr>
<tr>
<td>La Trobe University</td>
<td>-710</td>
<td>0</td>
<td>-177</td>
</tr>
<tr>
<td>University of Ballarat</td>
<td>-20</td>
<td>-115</td>
<td>-31</td>
</tr>
<tr>
<td>Central Queensland University</td>
<td>-255</td>
<td>0</td>
<td>-4</td>
</tr>
<tr>
<td>James Cook University</td>
<td>-215</td>
<td>-170</td>
<td>-76</td>
</tr>
<tr>
<td>University of Southern Queensland</td>
<td>-30</td>
<td>-335</td>
<td>-69</td>
</tr>
<tr>
<td>University of Tasmania</td>
<td>-425</td>
<td>-45</td>
<td>-81</td>
</tr>
<tr>
<td>Northern Territory University</td>
<td>-90</td>
<td>-75</td>
<td>-13</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>-3,905</strong></td>
<td><strong>-1,505</strong></td>
<td><strong>-800</strong></td>
</tr>
</tbody>
</table>

*Does not include further cuts made as a result of subsequent cuts to operating grants.
(Source: DEETYA 1996, pp.52–55; DETYA data provided to CAPA; and DETYA (2001a, p. 153–154)

We present this information in order to place the community service obligations of regional universities in the broader context of their educational obligations to their regions. If regional universities are to engage with their local communities via relevant research, the provision of expertise to local business and the education of graduates to meet the needs of local employers, they need a policy and funding framework to support their productive engagement with their regions.

Regional universities perform a number of social and economic roles within a region, but their primary role is an educational one. To satisfy this role, regional universities need to be able to provide local students with access to higher education that is on a par with the higher education available to city students. Mal Nairn uses the example of the University of Ballarat to illustrate this point. Ballarat University, for example, has over 70 per cent of its students coming from within its region and 40 per cent from within a 40 kilometre radius of the
campus. Over 60 per cent of graduating students at Ballarat are first time graduates in their family.\textsuperscript{68}

By emphasising the community service obligations of regional universities, Crossroads attempts to heighten the distinction between metropolitan and regional universities and imply that their educational roles should also differ. In other words, a school-leaver from Melbourne should be able to aspire to higher education when a school-leaver from Ballarat should be restricted to employment training for the local economy.

Regional universities do play a role in the community that is different to that of metropolitan universities, and this is worth supporting with appropriate funding. But this role should not be used as justification to reintroduce a binary system where the research role of regional universities is restricted to the few areas where they can attract private investment from local businesses, and their teaching role is limited to acting as ‘feeder’ institutions for metropolitan universities.

\textit{Qc2 Should universities be specifically funded for community service activities and if so, who should pay?}

By emphasising the community development role of regional universities, Crossroads introduced ample reason to seek additional funding for regional universities beyond higher education appropriation. Crossroads presents a number of funding suggestions, including paying regional universities a social premium to fund community service obligations, maintaining existing funding levels but lowering student enrolments to release funding for other activities, encouraging universities to charge a fee for services, and seeking contributions

from state governments. The Queensland Government has also argued for the need to integrate higher education and regional development policies.69

*Crossroads* recognises the valuable community service role played by regional universities and acknowledges the need for this to be appropriately funded. Currently, regional universities do not receive additional funding for this role, which compounds the financial difficulties that they face, as discussed above. However, this community service role should not be funded at the cost of the universities' education role. As discussed earlier, regional universities have already reduced their course offerings, closed departments, and had their postgraduate places decimated. Lowering student enrolments to divert funding to community service obligations will further reduce the courses that regional universities are able to offer, making them even less competitive with metropolitan universities.

Funding for community service obligations must be additional to, rather than at the expense of, funding for educational services. If targeted specifically towards community engagement, it would be appropriate for universities to receive federal and state regional development funding. A successful example of Commonwealth-State cooperation has been the partnership between the Commonwealth and the Queensland government to expand regional campuses in that state. However, it is important that federal and state funding is coordinated effectively. The Government of Victoria has demonstrated that tensions may arise if this is not the case. Its submission to last year's Senate Inquiry states,

> The Victorian Government is strongly committed to supporting viable campuses in regional and rural Victoria. We have made major contributions to their infrastructure. We have yet to see the Commonwealth convert their words about support for regional and rural areas into financial support.70

69 Senate Employment, Workplace Relations, Small Business and Education References Committee (2001) s10.76

70 ibid, 10.50
Additional federal support for the regional development role of universities was also recommended by the House of Representatives Standing Committee on Primary Industries and Regional Services, which advised that the Commonwealth should review the funding formulae to recognise regional universities' contributions to regional economic development. Any review of the funding formulae should also account for the additional cost of teaching and research in regional areas.

**Recommendation 29:** That regional universities should receive additional funding to support their important community role, as well as the breadth and depth of their teaching and research.

**Qc3 How can Government policy encourage universities to focus on being of service to the community?**

As argued above, while CAPA certainly recognises the important community role played by regional universities, we are wary of any attempt to make this their primary role and thus create a new form of binary divide between metropolitan and regional universities. However, regional universities can fulfil community service obligations in addition to engaging in the breadth and depth of teaching and research that is a defining feature of all universities.

The DETYA occasional paper, *Atlas of Higher Education: A community focus*, suggests that regional universities can best be of service to the community via joint university-community initiatives work experience programmes, involving local employers in the design of employment focused degree programmes, fostering new local business through graduate entrepreneurship programmes, establishing mentoring relationships and encouraging local commercialisation of university-based research. Any university-community cooperation places large demands on the time and resources of both academic staff and local employers.

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71 ibid., 10.77
Government policy could encourage this form of community interaction by providing targeted funding for these programmes, including funding for the necessary academic staff hours. This should not be at the expense of current funding.

The University of the Sunshine Coast made helpful recommendations on this topic in its submission to last year's Senate Inquiry. The University recommends weighting the current funding criteria in favour of non-metropolitan universities to fund their contribution to regional economic development and the special education needs of their students, a much higher proportion of whom are from equity groups than is the case in metropolitan universities. It also recommends "amending the performance criteria for core operating grant funding to recognise connections to the regional community which explicitly enhance competitiveness, and adding a regional dimension to specific purpose funding so that there is a financial incentive for universities to target their research and teaching to regional priorities".\textsuperscript{72}

\textbf{Recommendation 30:} That core operating grant funding be increased to accommodate the additional costs of regional universities and that a 'regional benefit' criterion be added to selected grant funding.

Qc4 \textit{Should the funding decisions for regional higher education institutions in relation to purchase of educational services and broader services be with regional bodies?}

While the situations of regional and metropolitan universities do differ in terms of the financial difficulties that they face and the community services that they are expected to provide, they remain part of the same public education system. While CAPA recognises the importance of fostering the relationship between regional universities and their communities, this should not be at the expense of

\textsuperscript{72} ibid., 10.78
either the breadth and depth of their teaching and research, or at the expense of institutional autonomy. For this reason, CAPA believes that devolution of funding decisions for regional universities to regional bodies, while maintaining the status quo for metropolitan universities, will further the divide between metropolitan and regional institutions. Within the limits imposed by a geographically disparate population base, Australians should not have their educational aspirations restricted by the development of a binary system which would deny students access to a breadth of opportunities on the basis of where they live.
D) Institutional Specialisation

*Crossroads* portraits the current higher education system, encompassing 38 public universities with a broadly similar breadth of teaching and research, as inefficient in its uniformity. However, Australia's higher education institutions are far from uniform. The creation of a unified national system in 1988 did increase the number of institutions engaged in research and teaching by enabling former Colleges of Advanced Education to develop a research profile. Nevertheless, the Australian higher education system encompasses a diverse range of institutions including specialist institutes such as the Australian Maritime College, Victorian College of the Arts, and the Australian Defence Force Academy.

Non-specialist institutions also display considerable diversity in the breadth and depth of their course offerings, their research profiles, the private investment and grant funding they attract, and the demographic composition of the students they teach. Simon Marginson classifies Australian universities as belonging to four broad groups: 'sandstones' - the older universities in each state, 'wannabee sandstones' - other pre-1987 universities, 'universities of technology' and 'new universities' - post-1987 universities. Marginson's 'sandstone' and 'universities of technology' categories broadly correspond with the sector networks known as the Group of Eight and the Australian Technology Network respectively. Competition between universities has required each institution to create a position for itself in the market that is mainstream enough to attract the required number of students, yet differentiated enough to attract students away from

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73 See *Crossroads*, Attachment A.

competing institutions. Marginson partly attributes the relative success of the sandstones and universities of technology to their effective ‘division of labour’. The universities of technology attract students and private investment on the basis of their applied research and vocationally oriented programmes, while the sandstones dominate in the academic disciplines, medicine and research. However, in Marginson's view a competitive system disadvantages the 'wannabee sandstones', such as La Trobe and Macquarie, which differentiate themselves on the basis of innovative institutional structure, flexibility in degree format and diversity of courses, as well as the new universities which are heavily dependent on public funding.

Research concentration

Crossroads suggests that it may be more appropriate to concentrate research in a select number of universities. Australian research is already heavily concentrated in the older, established universities. When the Unified National System was introduced in 1988, only 10 universities possessed significant research libraries, and nine had two thirds of all research students. Despite some additional funding for the development of research infrastructure in new universities, this disparity remains more than a decade later. The Group of Eight universities undertake 70 per cent of all research in Australian universities. In 2000, the Group of Eight universities attracted 71 per cent of competitive grant funding, 64 per cent of all private donations and bequests to Australian universities, and more research students than all the other Australian universities combined. As Crossroads observes, the performance based funding formulae of the Research Training Scheme (RTS) and Institutional Grants Scheme (IGS) have further compelled universities to concentrate their research efforts in self-

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76 See http://www.go8.edu.au/about.html
selected areas of research strength, identified by each university in its Research and Research Training Management Plan.\textsuperscript{78}

The Coalition Government has also encouraged the concentration of research within particular disciplines by setting four highly targeted research priority areas for the Australian Research Council's 2003 funding round. Thirty three per cent of ARC funding in the 2003 round (or 92 per cent of the additional funding granted to the ARC for 2003 in \textit{Backing Australia's Ability}) has been targeted to the areas of Nano and Bio-materials, Genome/Phenome Research, Complex/Intelligent Systems and Photon Science and Technology.\textsuperscript{79} This targeting of funds to specific areas of scientific research sends a clear message to universities as to the areas in which they should specialise. Unfortunately, this message encourages all universities to 'specialise' in the same few fields.

Thus, the current funding environment encourages universities to develop areas of research strength that will attract maximum competitive grant funding and private investment. Industry also pursues its interest in investing in clearly defined, mainly technological, applied R&D. The result is a system where universities all compete to foster applied scientific research in the same few disciplines, rather than less marketable basic research or research in the humanities. This competition takes place in a research funding environment where funds are allocated according to previous performance, which vastly advantages the older universities over those new institutions which are yet to

\textsuperscript{78} The humanities and social sciences are conspicuous by their absence in the many of these plans. For example, James Cook University identifies its 'Areas of Research Excellence' as being Marine Science and Earth Science, and lists its 'Established Areas of Research Focus' as being Tropical Biology and Conservation, Biotechnology and Biomolecular Sciences, and Computational and Experimental Mechanics (http://www.jcu.edu.au/div2/research.shtml#2). The University of Adelaide identifies its research strengths as being Agriculture, Veterinary and Environmental Sciences; Biological Sciences; Chemical Sciences; Earth Sciences; Engineering and Technology; Information, Computing and Communication; Mathematics; Medical and Health Sciences; Physical Sciences; Studies in Human Society with specific reference to the National Key Centre for Social Applications of Geographical Information Systems (The University of Adelaide Research and Research Training Management Plan, 2002).

consolidate their research capacity or fully develop their research infrastructure. Only a small group of elite universities will be able to offer a comprehensive spread of research activity across most disciplines.

Qd1 How can Australia best develop and maintain world class capability in knowledge advancement?

1. Should Government adopt a planned approach to differentiation or allow higher education institutions to determine their own futures in response to incentives that reward diversification?

2. Can Australia have at least one world-class university? What would it take?

3. Should Government encourage stronger collaborative arrangements, such as a federation of the ATN universities?

4. Should we encourage the formation of some highly specialised units such as Agricultural Institutes or Graduate Schools of Education?

5. Can we develop world class expertise on a distributed basis by developing communications and computing infrastructure?

The West Review argued that, “…far greater differentiation [between universities] is possible and desirable." As demonstrated above, current funding incentives reward the concentration of research by each institution in the same applied science disciplines. For this reason the current system should be modified to encourage research diversification.

Recommendation 31: That additional ARC funding to be targeted towards basic research and the humanities and social sciences.

Recommendation 32: That the Commonwealth Government should target additional funding to expand the research capacity of new universities in their self-identified areas of research strength.

CAPA is concerned that the current policy allowing universities to determine their own areas of research strengths, within the limitations of a funding system that
favours applied sciences, will not produce a sufficiently balanced or diverse
research base. For this reason, the diversity of Australian research needs to be
monitored. Since the repeal of the legislation establishing the National Board of
Employment, Education and Training, there has been no independent advisory
body of the type needed to review RRTMPs to ensure that there is sufficient
breadth in the research strengths of Australia's 38 public universities.

CAPA has long recommended the establishment of a position similar to the Chief
Scientist that is well resourced and has an advisory panel consisting of members
from key participating groups, including the Academies, and student
(undergraduate, postgraduate and VET), staff, employer representatives. In
addition to monitoring the diversity of Australian research, this body could also
commission independent research, report on long term strategic outcomes, and
identify where information is lacking and needs to be collected.

**Recommendation 33:** That a Higher Education Peak Bodies Round Table
be established, for the purpose of advising government on policy matters
relating to Australia's public universities.

Decisions on which disciplines should be concentrated in which institutions
should be made through collaboration across the institutions, for example
through the Academies. Arguably, the quality of teaching and research offered
by a department could be better assessed by peer review than by the current
quantitative measures of number of publications, student completions and
research income which discriminate against talented academics employed in the
newer universities.

Australian universities already collaborate in the provision of programmes on a
number of levels. For example, Macquarie University participates in a
consortium of four Sydney universities for the teaching of Geology and
Geophysics, and has a co-operative relationship with UNSW in the area of
biotechnology where the two institutions offer complementary rather than similar
programmes. The three South Australian universities have recently collaborated to purchase a library information system that allows students of each university to search for and borrow holdings from all three libraries. South Australian universities have also shared modern language teaching for years as an early solution to the depletion of funding for courses with fewer students such as Russian and Spanish. Generally though, the current funding system encourages collaboration between universities and industry but is less compatible with collaboration between institutions. While universities acknowledge the importance of such 'strategic alliances', in the words of one official at the University of South Australia, "it's not actually all that easy to develop strategic alliances in climates of intense competition".

The impact of specialisation on students

CAPA supports collaboration between universities to ensure the survival of teaching in such areas like mathematics, physics, philosophy and many languages with smaller student enrolments. These disciplines are vital to the cultural development of Australian society, and for this reason it is important to support teaching and research in these areas, despite smaller student enrolment than in mass vocational degrees. Collaboration between institutions is infinitely preferable to the elimination of departments from certain universities, such as the recent closure of the Department of Earth Sciences at La Trobe University.

However, the consequences of such collaboration for students should always be considered before this option is pursued. Even collaboration in course provision by geographically proximate institutions raises a myriad of logistical issues. These can include:

- the timetabling of classes across multiple institutions,

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• the location of classes and subsequent transport needs of students,
• access to facilities for students enrolled at other institutions,
• the co-ordination of library holdings and borrowing rights, and
• the establishment of grievance procedures for students from multiple institutions.

Concentrating teaching and research for particular disciplines in a select number of institutions also has several implications for students. This policy assumes that students are able to move to undertake study in a particular discipline or to conduct research, or if not, that students are willing to study externally or on-line without face-to-face teaching or supervision. In reality, Australian students have traditionally been less willing to move to study than their US counterparts. David Pennington argues that "the reluctance on the part of students at all levels to move between universities interstate" has been a "real obstacle" to the development of major research universities in Australia.  


83 However, particular groups of prospective students are significantly restricted in their ability to relocate, such as part time mature age students who often cannot move away from the location of their employment, and students from lower socio-economic backgrounds who cannot afford to move.  

84 For research students, moving interstate to study can enhance the isolation of their research, making it more difficult to complete their study without the support of family and friends. For postgraduate students, the majority of whom are over 30, considerations such as partners, children and mortgages may make relocation difficult. For students from rural and isolated areas, or from cultural and socio-economic groups that have traditionally had limited access to and participation in postgraduate study, having to relocate may be a significant disincentive for study.

83 David Pennington (1997) 'Research Universities in Australia', in Sharpham and Harman, p 211.

Recommendation 34: That any concentration of course offerings be accompanied by appropriate funding to support students who must relocate to study.

A world-class university or a world-class university system?

In the current funding environment, the pursuit of one world-class university is an utterly unrealistic objective for Australia. Andrew Milner argues that by any objective measure of comparative strength, such as staff-student ratios, per-student laboratory or library expenditure, or the number of Nobel Laureates on the faculty, Australia doesn't have any first tier (Ivy League) or second tier (Oxbridge) universities, and that our best institutions can only aspire to compete with other third tier, "good, solid, provincial universities" such as Leeds or McGill.\(^{85}\) CAPA believes that Australia should aspire to a world-class university system rather than one world-class university.

Qd2 What roles do we envisage for universities that will not be competitive in sustaining their current profiles of research and research training?

The role of Australian universities is defined by a series of National Protocols, agreed upon by Commonwealth, State and Territory Education Ministers in 1999. Protocol One, 'Criteria and Processes for Recognition of Universities' lists the criteria that an institution must meet to be classified as an Australian University. Relevant to this discussion of specialisation are the following criteria that require an Australian University to demonstrate:

- "authorisation by law to award higher education qualifications across a range of fields …",
- "teaching and learning that engage with advanced knowledge and inquiry",

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\(^{85}\) Andrew Milner, 'University Chaos, Apocalypse No', in James, 2000, p 22.
• "a culture of sustained scholarship extending from that which informs inquiry and basic teaching and learning, to the creation of new knowledge through research, and original creative endeavour".  

In this way, the National Protocols define two key features of a university as being the teaching-research nexus, and the breadth and depth of fields of study. The reintroduction of a binary divide between research and teaching institutions would utterly undermine what it means to be a university. A significant distinction between university teaching and VET sector teaching, is that university teaching is informed by research. University students in each discipline should be exposed to up to date, relevant curricula, and be taught by academic staff who are actively involved in the development of their discipline through their research.

**Recommendation 35:** That all universities be appropriately funded to engage in both teaching and research.

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E) Efficiency and effectiveness

CAPA is disturbed by the tone of discussion in this section of *Crossroads*. We support the contention that our universities should be run efficiently and effectively, in a way that allows resources to best benefit students, staff and the community. We accept that there is probably some room for further streamlining of resource allocation. However, we reject the implication that academic staff are too 'unproductive', and that there is a wastage of teaching resources and too many small classes. As postgraduates, we come into very close contact with academic staff. Our members constantly complain of the extent to which academic staff are overburdened with administrative tasks, to the extent where they often find it difficult to make time for supervisory sessions with research students. We are grateful that so many staff are willing to stay after hours, or meet during lunch or on their own research time, in order to attempt to provide adequate supervision. In this section, we limit our comments to the consultative questions posed in the Discussion paper.

Qe1 What is the scope for rationalising the number of courses offered?

The Discussion paper suggests that "20 per cent (20 681) of units of study on offer annually have fewer than five students." The paper does allow that "there may be some coding 'noise' in these figures but not load enough to drown out the problem" (para. 125). CAPA has seen no evidence that overly small classes 'proliferate.'

A great many subjects are taught simultaneously. For example, a subject may be offered at both 2nd year and 3rd year level, and may accept students from two or more faculties. While there will only be one lecture group, and tutorials will be open to all enrolment types, each of these streams will have a different code (the same subject may be coded as all of: Science 2020; Science 3030, Arts 2031, Arts 3031, Commerce 2032, for example). Often, while the streams are taught concurrently, each will have a slightly different assessment requirement, suitable
to the major and study level within which it is taken. Many, many subjects are run this way. Indeed, we are constantly lobbying universities to stop offering postgraduate subjects as a 'write an extra assignment' version of undergraduate subjects (rebadging). If anything, the main complaint from students is that classes are too large. Contrary to the sentiments expressed in the Discussion Paper, Australian universities are lagging far behind many other OECD countries in terms of staff to student ratios:

*Ratio of students to teaching staff (1999) at tertiary institutions, for OECD nations*

<table>
<thead>
<tr>
<th>OECD countries</th>
<th>Country</th>
<th>students to teaching staff</th>
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<tbody>
<tr>
<td>Rank</td>
<td></td>
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<tr>
<td>1</td>
<td>Iceland</td>
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<td>2</td>
<td>Sweden</td>
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<tr>
<td>3</td>
<td>Slovak Republic</td>
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<td>4</td>
<td>Japan</td>
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<tr>
<td>5</td>
<td>Netherlands</td>
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<td>6</td>
<td>Hungary</td>
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<td>7</td>
<td>Germany</td>
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<tr>
<td>8</td>
<td>Norway</td>
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<tr>
<td>9</td>
<td>United States</td>
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<td>Mexico</td>
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<td>New Zealand</td>
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<td>Czech Republic</td>
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<td>Austria</td>
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<td>Ireland</td>
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<td>18</td>
<td>Belgium (Fl.)</td>
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<td>United Kingdom</td>
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<td><strong>Australia</strong></td>
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<td>21</td>
<td>Turkey</td>
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<td>22</td>
<td>Italy</td>
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<td>Greece</td>
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We are highly concerned that DEST seems to have so little understanding of the way universities operate, especially with regards to class size, and the way subjects are coded.

**Recommendation 36:** That DEST undertake a proper analysis of class sizes, before making any moves to engineer change based on the assumption that too many classes are too small. We suggest counting the size of core teaching platforms (usually lecture groups) instead of subject codes.

Once class sizes are counted properly, there will, of course, still be some subjects with low enrolments. The Discussion Paper shows a glimmer of understanding of this need: "some argue that students ought to have access to an increasing range of units as they progress through to their final year, recognising the right to choice and the need to specialise." There is, of course, the caveat "however, resources are not unlimited."

CAPA reminds the Minister that, even when 'noise' is accounted for, some classes simply must be kept small. Postgraduate study involves intensive study which cannot be successfully undertaken in a large group environment. And there is certainly a need to specialise--if we want our postgraduate students to be internationally competitive, we cannot fit them out with a generic education undertaken in large classes. Resources may not be unlimited, but neither should they be squandered on the provision of second-rate education (even if it's cheaper).

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87 Note, OECD data unavailable for: Australia, Canada, Denmark, Finland, Korea, Luxembourg, Poland, Portugal, Switzerland. Figure for Australia: NTEU Federal Budget Submission 2002-2003, Melbourne, April 2002.
**Qe2** How can staffing productivity (both general and academic) be increased and monitored?

CAPA disputes the proposition that university academic staff are unproductive. We see the difficulty many of our supervisors find in making time to see us. We know that these academics frequently do not have time for their own research (which should be a fundamental part of their job) in between undertaking teaching, supervision, applying for grants, and undertaking excessive administration and reporting.

However, we agree that variation in the quality of teaching and supervision represents a misuse of resources. While, as we note above, the vast majority of academic staff are working exceptionally hard in an under-funded environment, we still hear many stories about inadequate supervision of research students. We recommend a number of measures to deal with this problem:

**Recommendation 37:** That the following be provided by all universities:

- Cultural diversity and awareness training for teaching staff and supervisors
- Accreditation of supervisors, and ongoing training to maintain accreditation
- A streamlined complaints system within universities, in which staff who attract an abnormal number of complaints can be identified
- Postgraduate research students' annual progress report forms (which vary from institution to institution) should all include a section for the student's comments which is not seen by the supervisor. Students should be able to make supervision problems known to the university in a discrete manner.
Qe3 What scope exists for further improving the efficient use of universities’ capital assets?

CAPA agrees that university rooms and lecture theatres should be available for use by community and other groups between semesters. We do wish to comment here, however, on the contention that "most universities are only fully operational for 150 days a year." (para. 130) It is true that teaching time only comprises about 150 days a year, however it is odd for DEST to describe this time as the only time that universities are "fully operational." The time between teaching periods provides an important opportunity for research students to make full use of library resources, which are often stretched to capacity during term-time; for academic staff to undertake their own research; and for postgraduate research students to consult with otherwise unavailable supervisors. All these activities are core university functions. It is a mistake to describe this time as being other than one which is 'fully operational.'

Qe5 How can universities' administrative processes be made more efficient?

It is difficult for us to suggest changes to administrative processes from our position as students, however, we would very much like an improvement in the transparency of costs of administration. We are especially concerned at the increasing amount which seems to be spent on non-core activities such as:

- increasing layers of senior management
- travel costs for senior management
- time spent by academic staff reporting on various 'indicators' to DEST
- general administration

We suggest:

**Recommendation 38:** An audit of each institution's non-teaching and learning costs be undertaken, showing what proportion of spending is directed to each non-teaching and learning budget area.
F) Governance, Management and Workplace Relations

Australian universities find themselves answering to a wide array of masters—a confused and confusing system of external governance too often mirrored in internal practices. While the enabling legislation for all bar two of Australia’s universities rests with their respective States, the bulk of university funding stems from the Commonwealth—and with that funding, the various bureaucratic and procedural hoops through which they must jump to attain it.

Through enabling legislation, the States control the internal governance structures of universities, which is set out in their Acts. The content of these Acts varies from State to State. In 2001, New South Wales undertook a comprehensive review of its university’s legislation, setting out each university governing council’s functions, responsibilities and jurisdictions, ensuring the reigns of governance were more tightly held. Conversely, Victoria reacted to the 1995 Hoare report by undertaking its own review (culminating in the 1997 Storey Report), and drastically reduced the membership of its universities’ governing councils in a misguided bid for their greater commercial success, following Hoare in linking such success to increased managerialism.

Yet the effects of the occasional tinkering of a State government with the enacting legislation of universities is as nothing to the impact the Federal government can have through its policies and procedural requirements. As funding becomes more tightly tied to the ways in which universities are managed and directed, and as Vice Chancellors come to resemble CEO’s, with their councils as boards of directors, the eagerness of the Commonwealth to intervene in the governance of universities becomes less surprising. That the current Federal review of higher education is considering governance issues as within its purview speaks to both the difficulties and the possibilities the current situation presents.
CAPA deplores the move away from participative governance which has seen student seats on councils either disappear altogether, or be replaced by internal appointments. However, CAPA is more greatly concerned that the enacting legislation of so many universities fails to specify the precise roles and responsibilities of their councils. We applaud the recommendation of the Senate Employment, Workplace Relations, Small Business and Education References Committee for a universities ombudsman, and wish to ask the Crossroads Panel to consider the possibility in their deliberations. Most importantly, we ask the Minister that the changes to governance structures undertaken by many universities in response to the recommendations of the 1995 Hoare report be reviewed, and an analysis of their effectiveness be carried out.

Qf7 How Appropriate is the Current Division of Responsibilities for Managing Higher Education as Between the Commonwealth and the States and Territories?

With the abolition of tuition fees in 1974, and the Commonwealth taking over funding of universities, the role of the States in 'managing' higher education was effectively reduced to legislative control. The word 'managed' is in inverted commas here, as this period saw university management as an internal, collegial activity, and the Commonwealth asked for little institutional control or intervention in return for the funding it provided.

Since the Dawkins reforms of the late eighties and early nineties, the sector has been subject to increased social engineering by the Commonwealth through the requirements of DEST (DEET, DETYA, et al.). Under the Commonwealth Higher Education Funding Act 1988, most funding is now tied to reporting against an increasingly complicated series of goals, objectives, quotas and other requirements. Although, strictly speaking, 'governance' may be thought of as the way an institution's council directs the institution, as well as the governance requirements of State legislation, discussion about governance is perhaps more
robust if we admit that the requirements of DEST are intimately linked to governance practices.

The main disadvantage of the joint State/Commonwealth role in university management is excessive administration costs. Obviously the system would be streamlined if universities were not providing audited reports to the States, and all other reports to DEST. DEST could ensure a uniform system of quality governance and link funding to requirements like transparency of commercial financial reports, or other governance requirements which are currently policed (to various effect) by the States.

However, the Commonwealth does not seem well placed to make decisions about the specific needs of individual institutions. The current system allows the States, which have a much more intimate relationship both with their universities and their citizens, to exercise the kinds of control which are appropriate on a micro level. For example, Queensland has provided special funding ($400 million over ten years) to assist its universities, and has been active in ensuring regional institutions are adequately supported.88

Further, the closer relationship between institutions and their State means closer scrutiny of procedures and therefore enhanced accountability. An example of this is the recent review of Melbourne University Private Limited (MUPL) undertaken by the Victorian State Government. Although the review in part sprang from the requirements of the initial enacting legislation for MUPL, the Minister was able to use the Review to investigate specific problems with MUPL raised in the Victorian local media. It is difficult to imagine that the Commonwealth would have either the incentive or the specialist local knowledge to undertake such a review. State governments thus play an extremely important role in ensuring that institutions act in the best interests of their stakeholders--which most immediately include the citizens of the State.

88 Senate Employment, Workplace Relations and Education Committee (2001), s 4.80
CAPA believes that the advantages of a localised governance perspective fully justifies the maintenance of State control of university governance. However, we recognise that the State / Commonwealth relationship has grown organically and could be streamlined and refined to meet contemporary needs. We would welcome a more focused review of the relationship between State and Commonwealth, and be pleased to submit a more detailed response were such a review under-taken.

**Recommendation 39:** That a review of the relationship between the States and Commonwealth in respect of university governance by undertaken, in consultation with the states and all stakeholders.

**Qf4 What are the Capabilities Required of University Governing Bodies?**

*Participation and Representation*

The transition from scholarly academy to 'enterprise university' undertaken by Australia's universities since the Dawkins reforms of 1988-9 have been accompanied by a corresponding transition in the way universities are managed. The Dawkins reforms themselves played a key role in this second transition, with Minister Dawkins painting collegial, participative university councils and senates as impediments to streamlined management. The 1995 Hoare report further eroded participative university governance by advocating small councils of 10-15 members, with a majority of those members being external (at the time most council were comprised of 18-25 mainly internal members).89

University governing bodies (councils and senates) have a variety of responsibilities, generally outlined (with varying degrees of specificity) in the enabling legislation of their institutions. The council is the peak body of the university, and responsible for strategic planning, financial oversight, and final sign-off on matters such as senior appointments and commercial ventures.

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For this reason, members of councils need to have an intimate acquaintanceship with the university, its members, its academic and professional culture, and its aims. It is usually also seen as appropriate to ensure councils have at least some members with specialist expertise in business and law. Government appointments to councils provide a knowledge of the way the university fits into the wider goals of the public, as well as an understanding of the political environment in which the institution operates. While all university councils are comprised of members with all these skills and abilities, the degree of representation of members from each of these diverse backgrounds varies from institution to institution, with reference to the university's Act, which outlines its council's membership.

Since the late 1980s, there has been a shift in the kinds of experience and expertise valued on university councils. The input of graduates, students and staff are now rarely seen to be of any value, and a significant proportion of institutions have cut down on, or removed completely, the seats available to these groups. It is seen as more important for councils to be very representative of business interests, and commercial experience is highly valued. The Hoare Report reveals the extent to which the participation of members of the university is (under) valued:

\[90\] ibid., p. 48

CAPA believes that the members (students, staff) of a university have an important role to play in ensuring the institution is well managed. CAPA has seen little evidence that councils with a higher proportion of external members are

\[90\] ibid., p. 48
better at governance or management than more collegial councils. We welcome the idea of a council where the bread and butter of university life is debated in a collegial atmosphere, in which members of the body have a vested interest in ensuring the institution's success.

With this in mind (and in support of the same issue raised in paragraph 4.76 of *Universities in Crisis*), CAPA recommends:

**Recommendation 40:** That the changes that have been made to the governance structures of universities over the past decade be reviewed by an independent and diverse panel, with a view to establishing ways in which accountability processes are managed, and addressing the benefits and losses resulting from changes to governance.

CAPA finds the assumptions behind the Hoare Report's recommendation that external members outnumber internal members ironically misguided:

> At some institutions governing bodies appear simply to confirm decisions by the administration and adopt a passive and reactive role. Thus, there is a risk that the wider issues will not be considered. The role that governing bodies play in the development of the strategic plan is limited in some institutions to a quick perusal, perfunctory discussion and approval.\(^91\)

We repeatedly hear claims from our constituent organisations that the 'new, streamlined' university councils, dominated by business interests and the pet appointees of Vice Chancellors, act as rubber stamping bodies for senior management. CAPA would like to draw attention to an exchange recorded in Hansard between Senator Kim Carr, and a postgraduate student representative of one of CAPA's constituent bodies, the University of Melbourne Postgraduate Association, at the Melbourne hearing of the 2001 Senate Inquiry into the capacity of public universities to meet Australia’s higher education needs. The postgraduate student, Mr Simon Booth, was one of the two student representatives.

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\(^91\) ibid., p. 46
representatives on the University of Melbourne's Council in 2001. The exchange is a little lengthy, but representative of far too much of what we hear goes on at university councils:

Senator CARR—I turn to your submission, in particular to your concerns about the use of public assets to bail out speculative ventures. You refer to Melbourne University Private and Universitas 21 Global. Mr Booth, as you are a member of the council, I am wondering whether you could advise me on the following. Has Melbourne University Council recently decided to amalgamate MEI and MUP?

Mr Booth—Yes.

Senator CARR—Who is the new chair of that combined board?

Mr Booth—Alan Gilbert.

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Senator CARR—... When the Melbourne University Council considered the decision to merge these two bodies—is 'merged' the term used?

Mr Booth—Yes.

Senator CARR—They are proposing a joint board for both companies?

Mr. Booth—Yes, a single board.

Senator CARR—Are they proposing to abolish either of the companies? Are they to remain in existence?

Mr Booth—It is my understanding that they will be a single entity.

Senator CARR—What discussion on the council was there about the taxation and charitable status of this merged entity?

Mr Booth—There was no discussion.

Senator CARR—No discussion at all?

Mr Booth—not that I recall.

Senator CARR—Was there any discussion about the plan? Was there a business plan put before the council?

Mr Booth—No, there was not.

Senator CARR—Was there a business model put before the council?

Mr Booth—No, there was not.

Senator CARR—Was there any advice to the council of the restructure committee’s deliberations?

Mr Booth—Yes, there were reports from the university’s finance committee and from the university’s subsidiaries committee. The reports were fairly short. They stated that a merger would be preferable. They also referred to the fact that there was a dissenting report by the MEI board, but that report was not tabled at the council.

Senator CARR—What were the issues canvassed in that dissenting report?

Mr Booth—The report itself was not presented to the council. I am not sure whether it was the vice-chancellor or the senior deputy vice-chancellor who spoke to that and said that it related to who would be the top dog in the new entity.

Senator CARR—So it was an issue of personalities. Is that the way it was presented to you?

Mr Booth—Yes.
Senator CARR—Was there any discussion on the financial implications or concerns raised by directors of MEI about the financial arrangements and this proposed new board?

Mr Booth—No, there was not.

Senator CARR—Was there any discussion or advice that members of either board had, at any point, refused to sign off on any business plans?

Mr Booth—No.

Senator CARR—Was there any advice provided to the council on the questions of the solvency of the current companies—Melbourne University Private?

Mr Booth—No, although in relation to the stories about the financial state of Melbourne University Private, the vice-chancellor has been making a great number of assurances that Melbourne University Private will be a viable business, although not of the scale envisaged.

Senator CARR—Were you advised that Mr John White, Chairman of MUP, had written to Professor Sally Walker, the acting vice-chancellor of the university, on 21 November 2000, raising concerns concerning the solvency of Melbourne University Private?

Mr Booth—No.

Senator CARR—Were you advised that legal advice had been provided to the vice-chancellor concerning Melbourne University directors’ obligations under the Companies Act?

Mr Booth—No, I was not aware of that.

Senator CARR—Were you advised that any of the other directors had raised concerns regarding the solvency of Melbourne University Private?

Mr Booth—No.

Senator CARR—Were you advised as late as 26 April this year, on behalf of the directors Capp, Adams and Michelmore, that the directors of MEI had serious misgivings about the financial arrangements being asked of them?

Mr Booth—No, I was not.

Senator CARR—I am surprised that the Melbourne University Council could consider these issues without this relevant information being put before them. Are you surprised, given what you have heard today and seen since that council meeting?

Mr Booth—The council is a fairly homogeneous body in terms of its composition. Most of them come from the Collins Street end of town. It tends to operate through a few key players being aware of things and, when they give their assurances, the council stamps their decisions.

One cannot argue, after hearing such evidence, that increased external membership has done much for the University of Melbourne’s council. In the late 1990's, the University of Melbourne's council was almost halved, with all ten graduate seats removed, four staff seats, and two student seats. It is sad and ironic that it is the student who is left to raise the issue of the council’s lamentable lack of business ability.
Qf6 Should the Acts under which Universities are Established be Modified to Legally Bind University Boards to Act for the University as a Whole?

The question of whether the Acts under which universities are established should be modified to legally bind the members of councils and senates to act in the interests of the university as a whole was a feature of the recent Victorian Review of University Governance. CAPA is aware of instances in which student members of university councils have been removed from certain offices, or otherwise bullied due to a misplaced perception on the part of senior executives that students cannot be trusted with confidential business, and will act on behalf of the bodies who elected them to the council, rather than for the university as a whole.

CAPA suspects that question Qf6 has been raised by DEST with the supposed difficulty of student and staff representatives of council failing to 'toe the party line' in mind. CAPA, however, is quite happy for members of university councils to be bound to act in the best interests of the institution--any clarification of the roles of council members in what are often quite opaque Acts would be a great improvement. It should hardly be contentious that members of governing bodies are there to serve the best interests of the institution they govern. That principle is recognised in the case Bennetts v Board of Fire Commissioners of NSW (1967), and is well understood.

The difficulty with policing such a provision, however, is that staff and student representatives are going to have a far greater understanding of issues that affect staff and students than external members of councils. It would be surprising if such members were not often using this specialist knowledge to benefit the council--but quite likely that, if that member's views conflicted with the popular opinion of council, they would be seen as having a sectional interest. What constitutes 'acting for the university as a whole' is a matter of opinion. In a forum where debate and diverse opinion should be encouraged, but is too often discouraged, the 'acting for the whole' argument could simply turn out to be used
as a form of censorship. For example, criticism by CAPA's constituent, the University of Melbourne Postgraduate Association, of the University Council's and Finance Committee's handling of investment in the private companies U21global and MUPL, was described by the Vice Chancellor at Melbourne as "hostile to the University." However, the Senate report *Universities in Crisis* found that:

> There is some irony in the Vice-Chancellor's comment that release of such information is an act which is hostile to the University, when the motivation of the students was nothing less than the preservation of the University's reputation.92

While CAPA agrees that members of university councils should act in the interests of the university, we are wary of situations, like that outlined above, where the notion of 'best interest' is used to silence vital criticism.

*Further Clarification of Governing Acts*

**Financial and Other Powers**

There is great deal more than the action of boards which needs to be enshrined in universities governing Acts. In particular, States should legislate to define the commercial and other functions of universities and to establish basic powers and responsibilities for universities in the exercise of those functions, taking particular note of the NSW *Universities Legislation Amendment (Financial and Other Powers) Act 2001*. Acts should also clearly state the purposes or objects under which a university is constituted. CAPA is concerned that some university's acts do not contain purposes, making it unclear just what powers the university has. New South Wales has recently revised its universities' Acts to ensure that the universities have a clear set of purposes. These include:

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92 Senate Employment, Workplace Relations, Small Business and Education References Committee (2001), s 4.67
7 Object and functions of University
(1) The object of the University is the promotion, within the limits of the University’s resources, of scholarship, research, free inquiry, the interaction of research and teaching, and academic excellence.

(2) The University has the following principal functions for the promotion of its object:
(a) the provision of facilities for education and research of university standard ..., 
(b) the encouragement of the dissemination, advancement, development and application of knowledge informed by free inquiry, 
(c) the provision of courses of study or instruction across a range of fields, and the carrying out of research, to meet the needs of the community, 
(d) the participation in public discourse, 
(e) the conferring of degrees, including those of Bachelor, Master and Doctor, and the awarding of diplomas, certificates and other awards, 
(f) the provision of teaching and learning that engage with advanced knowledge and inquiry, 
(g) the development of governance, procedural rules, admission policies, financial arrangements and quality assurance processes that are underpinned by the values and goals referred to in the functions set out in this subsection, and that are sufficient to ensure the integrity of the University’s academic programs.

(3) The University has other functions as follows:
(a) the University may exercise commercial functions comprising the commercial exploitation or development, for the University’s benefit, of any facility, resource or property of the University or in which the University has a right or interest (including, for example, study, research, knowledge and intellectual property and the practical application of study, research, knowledge and intellectual property), whether alone or with others, 
(b) the University may develop and provide cultural, sporting, professional, technical and vocational services to the community, 
(c) the University has such general and ancillary functions as may be necessary or convenient for enabliing or assisting the University to promote the object and interests of the University, or as may complement or be incidental to the promotion of the object and interests of the University, 
(d) the University has such other functions as are conferred or imposed on it by or under this or any other Act.

(4) The functions of the University may be exercised within or outside the State, including outside Australia.93

93 Universities Legislation Amendment (Financial and Other Powers) Bill 2001, NSW.
CAPA applauds the initiative taken by the NSW State Government. All universities can benefit from a clear set of provision within its Act defining exactly the purposes for which the university exists.

As more and more universities undertake commercial ventures, the rights and responsibilities of institutions in respect to the establishment of commercial arms must be made more explicit in governing Acts. Sections 7 (3) (a) and (c) from the *NSW Universities Legislation Amendment (Financial and Other Powers) Act 2001*, quoted above, define those aspects of universities operations which are functionally imperative to the financial management of a university but which are only indirectly related to the ‘principal functions’ set out in section 7 (2). The Act goes on to specify the powers and responsibilities that universities have in the exercise of these ‘other functions’. CAPA believes all States should follow NSW's lead in this matter.

**Recommendation 41:** That the governing Acts of all universities be required to contain a detailed clause stating the institution's purposes and objects, as well as specifying the powers and responsibilities of the institution to set up private or commercial ventures.

**A Universities Ombudsman**

At present it can be very difficult for students or staff who have complaints about actions of a university to know whom to take the complaint to. An ombudsman would alleviate this difficulty. Further, members of a university are occasionally dissatisfied with the outcomes of complaints which have been handled internally. If there were a national universities ombudsman, complainants could be assured that the outcomes of their complaints were objective.

More importantly, though, a national ombudsman is needed to ensure that universities’ commercial activities, and other non-traditional practices, meet appropriate auditing standards, and are subject to adequate measures of probity.
Universities in Crisis, revealed a number of problems in the reporting and auditing requirements of universities. The Committee noted its concern that “there appears to be laxity in the way that universities report their financial affairs”. The Auditor General of New South Wales notified the Committee that auditors generally find it particularly difficult to audit organisations jointly owned by more than one university, with no university having a greater than 50% share. The NSW Auditor General felt that these difficulties “may lead to Parliament not being informed on financial audit outcomes of such entities”. A national universities ombudsman could ensure that universities and their controlled or jointly controlled entities undertook adequate reporting procedures, including audit requirements.

CAPA supports Recommendation 12 of the Senate report Universities in Crisis:

**Recommendation 42:** That a National Universities Ombudsman be appointed, funded by the Commonwealth, after consultation with the states and national representative bodies on higher education, including staff and students, and that such an office include the power to investigate ancillary fees and charges and to conciliate complaints. Students enrolled in Australian programs off-shore should have equal rights of access to the Ombudsman.

**Industrial Matters**

Postgraduate students, especially research students, undertake a significant proportion of university teaching responsibilities as tutors and demonstrators. CAPA endorses the role of the National Tertiary Education Union (NTEU) as the peak representative body for these students in their capacity as staff of Australian universities. However, we wish to raise some issues here which are specific to postgraduate student workers.

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94 Senate Employment, Workplace Relations, Small Business and Education References Committee, (2001) s 4.43.
CAPA is alarmed at the contention in paragraph 141 of the Ministerial discussion paper that university industrial agreements are too uniform. There is a high level of variation between the conditions and salaries for staff at each institution. CAPA supports the idea of a set of minimum requirements, above which universities would be free to make variations. In particular, we wish to see better conditions for casual and contract staff, many of whom are postgraduates, and many of whom are treated less favourably than their more senior colleagues. We are unsure why there is thought to be such uniformity of agreements across the sector, when it seems to us that there is much variation. We believe that any decisions taken by the Minister about such matters should be informed by a factual understanding of the situation. With this in mind, we recommend:

**Recommendation 43:** That DEST, jointly with the NTEU, undertake a thorough review of industrial agreements across the sector, in particular determining which aspects of agreements are generally shared.

We are also alarmed about the increasing casualisation of staffing at universities. Postgraduate students are too often hired on a short term casual basis to replace more expensive senior staff. With the teaching part of the year being approximately 26 weeks, these workers are effectively denied an income for half the year. Further, conditions for casual staff are often slip-shod, and not protected adequately through industrial agreements. All universities should have set agreements to cover casual and contract staff.

Postgraduate students are also frequently employed under contract. This leaves them without the cover of the provisions of the *Higher Education Contract of Employment Award 1998* (HECE). HECE specifically allows the contracting of postgraduates and must be amended to provide postgraduate students with an acceptable level salary and conditions.

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95 ibid, 4.37
G) Revenue Diversification

CAPA recognises that universities should take every opportunity to increase their revenue in ways which benefit their members and the community. Increasing revenue through diversification provides many benefits. CAPA is particularly keen to see an increase in support for the commercialisation of new knowledge, much of which is generated by postgraduate research students. These students rely on their universities to support them in patent applications, the establishment of research teams, and commercial networks to establish their careers. Of course, we are equally keen to see excellent intellectual property and authorship policies and procedures put in place at all universities, to protect the rights of postgraduate researchers.

Sustained erosion of public funding over the last decade has made finding new ways to generate income a pressing concern for most universities. Some universities, and their Vice Chancellors, use an 'inevitability' argument to justify their involvement in sometimes questionable commercial ventures.96 However, CAPA rejects the notion that the continued decreasing commitment of successive governments to adequate public funding of universities is inevitable. Australia's diminishing investment in education goes against the trend set by other OECD nations, and we believe that the erosion of quality in our universities must eventually be redressed--whether that redress comes as a result of international embarrassment, or visionary leadership.

While we will continue to argue for an increase in commitment to publicly funded education, we do not deny the reality of commercialisation within our institutions. In this section, we wish to comment on such commercialisation, as well as the effects of the imposition of fees on Australian postgraduate students, and the marketing of education to international students. We will also discuss the

96 Professor Alan Gilbert, Vice Chancellor of the University of Melbourne, provides a good example of this kind of reasoning, in his defence of Melbourne University Private and U21global.
possibilities for commercialising research, and related issues of intellectual property.

Fees

Universities are increasingly relying on tuition fees as a key component of income. The Crossroads Ministerial discussion paper itself notes that fees from international students and domestic postgraduates now comprise 12% of all university revenue. However, revenue from fees varies greatly across the board. For example, looking at a handful of older universities, we find that: fees and charges at the University of Sydney comprise 17.9% of revenue; at the University of Melbourne investment fees and charges are 36.9% of revenue, while at the University of Queensland, and La Trobe in Victoria, income from fees and charges is on the average at 12% of total income.

The table below show how the transition from publicly to privately funded education has taken shape. While overall university income has increased by 168% over the period 1989-98, revenue from international student fees has risen 925% and revenue flowing from fees imposed on domestics students has grown a staggering 1994%. The notion of free tertiary education is now a very distant memory.

97 Paragraph 147
98 http://www.planning.usyd.edu.au/snapshot/inc_0.htm
99 http://www.unimelb.edu.au/about/ataglance/
100 http://www.uq.edu.au/about/finance/#revenue,
Income of higher education institutions by source, Australia: 1989 to 1998

<table>
<thead>
<tr>
<th>Year</th>
<th>international student fees</th>
<th>domestic student fees (award courses)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$s million 1989-90 prices</td>
<td>$s million 1989-90 prices</td>
<td>$s million 1989-90 prices</td>
</tr>
<tr>
<td>1989</td>
<td>66.281</td>
<td>7.110</td>
<td>4396.752</td>
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<tr>
<td>1990</td>
<td>136.714</td>
<td>11.962</td>
<td>4781.068</td>
</tr>
<tr>
<td>1991</td>
<td>207.671</td>
<td>18.602</td>
<td>5249.316</td>
</tr>
<tr>
<td>1992</td>
<td>269.239</td>
<td>26.027</td>
<td>5650.946</td>
</tr>
<tr>
<td>1993</td>
<td>317.217</td>
<td>36.780</td>
<td>6046.234</td>
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<tr>
<td>1994</td>
<td>355.376</td>
<td>50.671</td>
<td>6361.718</td>
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<td>1995</td>
<td>400.938</td>
<td>67.032</td>
<td>6847.543</td>
</tr>
<tr>
<td>1996</td>
<td>473.571</td>
<td>80.186</td>
<td>7179.297</td>
</tr>
<tr>
<td>1997</td>
<td>552.238</td>
<td>99.865</td>
<td>7233.846</td>
</tr>
<tr>
<td>1998</td>
<td>613.027</td>
<td>141.784</td>
<td>7394.571</td>
</tr>
</tbody>
</table>

* includes fees for non-award continuing education courses, and part of fee-for-service research and consulting income (the remainder of research and consulting activities are included under ‘other’).

source: DETYA, Higher Education data collection

Fees for Australian Postgraduates--PELS

Australian coursework postgraduates have been struggling under the burden of fees since deregulation in 1994. This year, the Postgraduate Education Loans Scheme has been introduced, meaning that students can now defer the payment of their fees.

CAPA believes that access to education should be based on merit, and is angered at the extent to which our universities are being forced to provide education on the basis of wealth and privilege. This is particularly so for postgraduate students, who are being treated as cash-cows in the deregulated environment of fees/PELS.

Whether they pay up front or defer payment through an income contingent loan, students bear the full cost of their education. Because postgraduate coursework fees are not capped, or regulated like HECS, universities are at liberty to set the
level of fees, and we are already noticing striking increases in fees as institutions come to realise that students will incur greater levels of debt that they are willing to pay up front. While PELS does enable students to have access to the system who could not previously afford up-front fees, it does so by directing the greatest debt burden to those who can least afford it.

CAPA believes that education provides a public benefit which far outstrips the benefit to the individual students. PELS may be a handy way for institutions to 'diversify revenue', but targets an inappropriate revenue source--the student. Industry and society benefit greatly from citizens achieving the highest levels of education, and should be baring a greater share of the cost.

**Recommendation 44:** That PELS be abolished and replaced with a flat rate of HECS.

CAPA is concerned that postgraduate coursework will increasingly be seen by government and universities as a mere revenue source, rather than as a valuable investment in Australia's future. The claim in paragraph 148 of the Ministerial Discussion paper that continuing education growth has been modest in terms of the growing importance of lifelong learning is couched purely in terms of revenue growth. CAPA constantly hears appalling stories about the lack of quality in many postgraduate coursework courses--when the focus is on earning income rather than provision of quality learning, this is hardly surprising. The must be a return to the language of learning (as opposed to the language of business management) in the way DEST speaks about higher degrees.

*Qg5 How can universities ensure that overseas student fees cover the cost of their education?*

The increase in participation in Australian education by international students has been encouraged as a way to generate revenue--it is the profit margin attached to international student fees which makes these students attractive. The fees
payed by international student cover not just the cost of their own education, but, increasingly, part of the cost of the education of local students.

The charts on the following page show the sharp increase in the international student population in Australian universities over the last 10 years. The increase is particularly marked in the Masters by Coursework degree, to the extent that international student numbers almost equal local student numbers.

International students regularly describe themselves as 'cash-cows.' Many are very disappointed at the difference between the experience of study in Australia which is advertised to them in their home countries, and what they find on their arrival. A difficulty for CAPA is that international students are often scared to make official complaints. Some even fear retribution for complaints will result in visa cancellations. This makes it difficult for us to provide more than anecdotal evidence. However, the most common complaints we hear encompass:

- visa restrictions preventing research students from remaining in Australia while their thesis is examined
- visa restrictions on the number of hours a spouse can be employed per week
- visa restrictions removing student's ability to attend their own graduation ceremonies
- a dire lack of affordable accommodation
- language test requirements for entry being below the actual level of ability a student finds they need when they start studying
- a lack of cultural awareness and diversity training in staff
- a lack of culturally appropriate facilities (ablution rooms, prayer rooms, etc)
- provision of education facilities (desk space, computers, libraries) being scarcer than was advertised, or implied in advertising
- course or class cancellations after arrival

If Australia is serious about retaining its education export market (not to mention treating its visitors with respect!) these problems need to be urgently addressed.
Commercialisation and Privatisation

Universities are becoming increasingly involved in setting up venture companies in the hope of capturing new markets. The governance and accountability requirements of universities undertaking such ventures are outlined in this submission in the section focussed on governance. Here, we wish to focus on the way commercialisation has affected the sector more broadly.

The Ministerial discussion paper notes that university revenue has grown 70% in the 1991-2000 period (paragraph 144). The naïve observer would expect such dramatic growth to have enabled a rise in the quality of education the sector is able to provide to students. Strangely, the opposite is true. The table below shows how, while total revenue has risen, the student staff ratio has also risen—more dollars have strangely been accompanied by larger classes:

### University revenue and student:staff ratio over time

<table>
<thead>
<tr>
<th>year</th>
<th>student load</th>
<th>income per unit of student load, from:</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>government s</td>
<td>government s plus HECS</td>
<td>all sources</td>
<td>student-staff ratio *</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$s million 1989-90 prices</td>
<td>$s million 1989-90 prices</td>
<td>$s million 1989-90 prices</td>
<td></td>
</tr>
<tr>
<td>1989</td>
<td>354,235</td>
<td>8724</td>
<td>10,140</td>
<td>12,412</td>
<td>12.81</td>
</tr>
<tr>
<td>1990</td>
<td>376,522</td>
<td>8691</td>
<td>10,185</td>
<td>12,698</td>
<td>12.81</td>
</tr>
<tr>
<td>1991</td>
<td>422,563</td>
<td>8306</td>
<td>9758</td>
<td>12,423</td>
<td>13.49</td>
</tr>
<tr>
<td>1992</td>
<td>433,005</td>
<td>8362</td>
<td>10,087</td>
<td>13,034</td>
<td>14.69</td>
</tr>
<tr>
<td>1993</td>
<td>441,085</td>
<td>8268</td>
<td>10,052</td>
<td>13,708</td>
<td>14.50</td>
</tr>
<tr>
<td>1994</td>
<td>444,406</td>
<td>8888</td>
<td>10,713</td>
<td>14,315</td>
<td>14.53</td>
</tr>
<tr>
<td>1996</td>
<td>487,977</td>
<td>8548</td>
<td>10,250</td>
<td>14,712</td>
<td>15.31</td>
</tr>
<tr>
<td>1997</td>
<td>514,727</td>
<td>7717</td>
<td>9786</td>
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<tr>
<td>1998</td>
<td>528,838</td>
<td>7250</td>
<td>9650</td>
<td>13,983</td>
<td>17.38</td>
</tr>
</tbody>
</table>

* units of student load per effective full-time teaching-related staff member (including casual staff) n.a. means data not available. Teaching related staff includes teaching only and teaching/research staff; excludes research-only staff

101 Simon Marginson, (2001) Submission to the Senate Inquiry into the capacity of public universities to meet Australia’s higher education needs, Melbourne., p. 7
How can this be possible? According to Simon Marginson:

The answer is found by looking behind the trend in total income, which in itself is misleading: it needs to be disaggregated and related to patterns of expenditure. In a system undergoing radical commercialisation - taking place at the margin of the student body but at the centre of institutional operations due to the scarcity of funds - the pattern of expenditure has changed. The new private income from international education and elsewhere, has been applied to different functions to those supported by the old public income. Thus the new private income has failed to substitute for that old public income. The new private income has been applied to new or additional functions. The functions provided using the old public income have been partly reduced.102

Rather callously, the Ministerial Discussion paper notes that: "some institutions have sacrificed return flows in favour of redirecting income to other uses." (paragraph 149) CAPA would suggest that these uses are quite probably teaching and learning.

Speculative business ventures are capital hungry:

It has been estimated by one university that for every dollar earned in the open market across all its commercial activities, the outlay required is 92 cents. This small return comes at the expense of teaching and learning programs that have been deprived of adequate funding in order to support a university marketing and administrative arm. 103

CAPA would like to see the true cost of revenue diversification made clear. If class sizes are growing while revenue increases, there is clearly something wrong.

In 2001, the Senate Committee reviewing higher education attempted to find out from universities the proportion of their expenditure which was directed to administration and marketing. It reported little success. The Committee "consider[ed] that this question should be taken up by DETYA." And that "It should not be considered one of the many areas of university autonomy beyond

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the scope of DETYA's reach, particularly as it affects the programs over which DETYA maintains its firm grip." CAPA agrees. We therefore recommend:

**Recommendation 45:** That DEST conduct an audit of the true cost of university administration of commercial activities, including associated costs of recruitment; servicing and teaching of international students; off-shore operations; marketing and promotions; and investment advice. The audit must be made publicly available.

*Selling Ideas, and Intellectual Property*\(^\text{104}\)

Revenue diversification, and in particular the commercialisation of research, must not compromise the Intellectual Property rights of postgraduate student researchers. Most Australian universities have policies or statutes that set out the intellectual property rights of staff and students, although the approaches of these documents differ widely from institution to institution. Most universities also have codes of research ethics that outline the privileges and responsibilities associated with authorship, although here too the approaches are quite divergent.

A comparison of the IP policy regimes at different Australian universities, peak bodies, and institutions and organisations overseas shows that students have distinctive needs and aspirations for the products of their intellectual creativity. Where student interests are not properly addressed, it is a disincentive to their participation in study and in research. Frequently, university failures to uphold the IP needs and aspirations of students are contrary to law.

Students produce the majority of research in Australian universities. Postgraduate students alone are responsible for over 60% of research work and

\(^{104}\) What follows draws on CAPA's 2000 Policy Statement: *Student ownership of intellectual property and the moral rights of authors*, passed at its 2000 Annual Council Meeting.
35% of research publications.105 CAPA aims to ensure that students receive adequate recognition, remuneration, and support in the development and realisation of their ideas.

The legal context

Legally, student IP in Australia is subject to the following conditions:

- There is a distinction between staff and students in relation to their respective IP rights. For the purposes of IP rights, students are not regarded as employees of the university, at least where their IP is directly related to their studies.
- Students are owners of any intellectual property they create pursuant to their studies, unless they knowingly sign away those rights.
- Students cannot legally sign away IP rights to a university without at least being advised to seek independent counsel prior to signing any agreement and prior to commencing the relevant course. Otherwise students may claim they signed away their IP rights without understanding the implications of any contracts so signed or that they signed subject to duress.
- Universities cannot coerce students into signing agreements to relinquish IP by making this a condition of enrolment. The relatively less worrying possibility exists to make participation in a given project conditional on such an agreement. Where this happens it is the responsibility of the university to offer an alternate project in which the student might participate to complete the requirements of their enrolled course.

Safeguarding student IP rights

Universities should provide every university with an intellectual property policy that states the four legal principles above explicitly and clearly. University

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105 In 1984, Margaret Powles estimated the postgraduate students contributed 35-50 per cent of universities’ research and between 10.8-15.5 per cent of Australia’s total research effort (M. Powles, 1984, The role of postgraduates in Australian research, CAPA, Melbourne, p. 44). More recently, Siddle has argued that a more accurate figure is 65-70 per cent (D. Siddle, 1997, Submission to the Committee conducting the review of Higher Education Financing and Policy, Deans and Directors of Graduate Education, 23 April).
intellectual property policy should acknowledge that it is the responsibility of the university to ensure these four principles are respected and upheld. Universities must recognise that students produce IP as a natural corollary of pursuing studies, and that students have the right to own and use that IP (except where, for specific projects, they opt to forego some of their IP rights) as they see fit, including:

- Publishing their own work
- Commercialising their own work
- Transferring their own work to another institution.

University IP policies should set out clear processes by which students may pursue any complaints relating to their IP rights or the moral rights associated with their authorship. They should also set out clear mechanisms for their promulgation, so that all university research and teaching staff are aware of student IP rights.

**IP rights for students in industry partnership projects**

Some university research projects are reliant upon the support of one or more industry partners. In such cases there may often be particular commercial pressures on the IP of project researchers, including any students working on the project. As well as drawing outside funding into universities, participation in such projects can often be of great benefit to individual students—as long as academic standards are upheld. Those academic standards include the IP rights of student researchers.

CAPA believes that the rights if students participating in industry projects should be protected, and that institutions should provide a guarantee of such protection. Currently, IP policies vary from institution to institutions. CAPA would like to see DEST encourage universities to undertake commercial partnerships in a responsible manner, by making university funding contingent on appropriate policy being in place. We therefore recommend:
**Recommendation 46:** That DEST ensure each university have in place a Student Intellectual Property Policy which guarantees:

- **Student participation will not unreasonably limit publication of any thesis.** It is important that students are able to publish their theses soon after completion of studies, for the purposes of career development. A period of longer than two years would be excessive. It is important that students are able to apply to their project supervisors for the right to publish all or part of their work prior to an embargo date, if early publication would not contradict the commercial reasons for the embargo.

- **Student participation will not ignore potential tensions between study requirements and commercial concerns.** The project must recognise that students will submit work for marking throughout the duration of their courses, and that the copyright from work pursuant to their studies remains the student’s own. The project must also recognise that the first priority of student participants is to complete their course requirements. The project will ensure that students have sufficient time and support to that end.

- **Participation will not unreasonably proscribe the employment options of students.** Forbidding a student from in future working for a competitor project or for a competing industrial concern is unreasonable.

- **Student contributions to the project will be appropriately acknowledged.** Any publications arising from the project will acknowledge student contributions, including student authorship where appropriate.

- **Student researchers will receive a reasonable share of revenue from any commercial applications of their IP.** Where a student is required to assign away revenue rights from commercialisation of their IP, the project will remit an appropriate share to the student creator. Less than the share an academic staff member would receive for a comparable contribution is unreasonable.
H) Allocation of public subsidies

*Crossroads* rejects calls for increased public investment in higher education and argues that "productivity improvements, combined with alternative sources of revenue, may ensure that quality can be maintained at present levels of current funding." This is in direct contrast to the recommendation of the Senate Employment, Workplace Relations, Small Business and Education References Committee that "significant expansion in public investment in the higher education system over a ten year period" is critical.\textsuperscript{106} Similarly, both the Australian Vice-Chancellors' Committee and the National Tertiary Education Union have argued that a 20 per cent increase in base grant funding is necessary to address worsening student : teaching staff ratios, diminishing academic staff time available for research, and declining resources in libraries and laboratories.\textsuperscript{107}

Instead, *Crossroads* limits the funding debate to a range of options involving static or decreasing public investment in higher education. Proposals such as increasing student HECS fees, placing a time limit on HECS liable study, and the expansion of deregulated full-fee places for undergraduate education all suggest that university funding must increasingly come from students. However, as the following chart demonstrates, Australian students already contribute more to the cost of their higher education than the students of any country in the OECD other than the US, Japan and Korea. All Australian students contribute to the cost of their higher education. Student fees range from HECS payments of $3598, $5125 or $5999 per year, to the full fees payed by some undergraduate students, the vast majority of coursework postgraduate students, and all international students. Domestic students enrolled in the Juris Doctor degree at the University of Melbourne currently pay the highest domestic student fees in Australia - in 2002 each student in this programme paid $72,000 ($36,000 per year).

\textsuperscript{106} Senate Employment, Workplace Relations, Small Business and Education References Committee, (2001) Recommendation One.
The funding models presented in *Crossroads* justify an increase in the proportion of the cost of higher education borne by students, as befitting the individual economic benefit gained through higher education. However, even if an appropriate balance of public and private funding for higher education is evaluated purely on the basis of the economic beneficiaries of that funding, the significant public benefit from higher education supports the view of education as a predominantly public good. David Johnson and Roger Wilkins have analysed the revenue generated for the government by higher education through the increase in taxation revenue gained from university graduates. They find that "the current net benefit to government of higher education is in excess of $9 billion per year, while the expected rate of return on the cohort of students entering higher education in 1999 is 10.9% per year".108 Added to this are the returns to society generated by university research and its commercialisation. Thus, the choice of the term 'public subsidy' rather than 'public investment' to

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describe an activity that generates a return of over ten per cent per year, mistakenly portrays higher education as a predominantly private, rather than a predominantly public good.

A number of the funding proposals outlined in *Crossroads* are all too familiar to Australian postgraduate students. Full up-front fees and an accompanying loan system are the status quo for postgraduate coursework students. A performance-based funding model is already in place for postgraduate research education. Before we consider extending these funding models to undergraduate study, it is important to evaluate the effect they have already had on postgraduate education in Australia.

**Qh1 How large should the Australian higher education system be?**

A key feature of the unified national system has been the transition from elite to mass higher education. In the 1988-1990 period tertiary participation expanded to over 15 per cent of the total age cohort, a threshold which has been suggested as the definition of a mass system.\(^{109}\) Governments throughout the OECD have viewed learning in a much wider perspective, as a lifelong activity. In June 1998, the OECD Ministers of Employment, Labour and Social Affairs declared their support for lifelong learning as a key element of an "active aging strategy", which aimed to expand the capacity of an aging population to lead socially and economically productive lives.\(^{110}\) At the same time, Australia requires an increasingly skilled labour force to remain internationally competitive in an increasingly services-oriented global economy.

For these reasons, many other OECD governments have been substantially expanding their public investment in higher education (see Table Two). In

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contrast, while *Backing Australia's Ability* created an additional 2700 HECS-liable places, 5300 fully funded HECS-liable places were lost between 1998-2000.\textsuperscript{111} The number of fully funded HECS-liable places will not reach 1996 levels until 2003. The size of the Australian higher education system needs to match the rhetorical commitment of governments to lifelong learning and a skilled labour force. For the sake of Australia's future social and economic prosperity, the system needs to be large enough to provide access to all Australians with the capacity to participate in higher education.

**Recommendation 47:** That the Australian higher education system be appropriately funded to provide access to all Australians with the capacity to participate in higher education.

**Qh2** What is an appropriate balance of public and private contributions to the costs of higher education?

In recent years, the proportion of higher education funding from public sources has decreased in Australia. While there was little change in the balance of public and private contributions to the cost of higher education for most OECD countries between 1995 and 1998, Australia was surpassed only by Hungary in the extent to which its public contribution was reduced.\textsuperscript{112} This decrease in the public contribution to higher education has been most apparent in the six per cent reduction of forward estimates of operating grants and the lack of appropriate funding for salary increases since 1996. By 2000, operating grant funding was $546 million less than in 1996 and has since fallen further. At the same time, the number of students attending university has increased, resulting in a dramatic decline in public funding per student.\textsuperscript{113} In this context, universities have been compelled to seek additional funding elsewhere. A few universities have been


\textsuperscript{113} AV-CC (2001) p 2-4.
successful in developing industry partnerships to fund research, however this private investment is typically highly targeted and volatile, and thus hinders the capacity of universities to commit to long term expansion of fundamental infrastructure for teaching, learning and research.

All universities have sought to increase the proportion of their income obtained from student contributions, especially the full fees paid by coursework postgraduate students and international students. Deficiencies in operating grant funding have led universities to use these fees to cross-subsidise other courses and the cost of administration.

*The increasing cost of higher education for students*

The funding models suggested in Crossroads all propose increasing student contributions to the cost of their education, to varying degrees. Crossroads fails to acknowledge the considerable amount that students already pay to study. The cost of higher education for students includes the following expenses.

- **Tuition fees.** These range from HECS contributions of $3598, $5125 or $5999 per year for undergraduate degrees, to the full fees paid by postgraduate coursework and international students. Coursework Masters degrees cost between $10,000 and $36,000 per year depending on the institution.

- **Ancillary fees.** Many of these are illegal under the Higher Education Funding Act, but are none the less commonly levied at many institutions, and include internet access fees, library fees, collections of prescribed readings, and resource centre access costs. Research postgraduate students who exceed the time limits of their candidature are now charged 'overtime fees' at the University of Melbourne, James Cook University and the University of Technology, Sydney. At UTS, this fee is $1,000.
• **Course-related costs.** In the absence of adequately resourced libraries or computer laboratories, students must often pay for text books and computer equipment. Many courses require additional equipment such as lab materials, paintbrushes, musical instruments, drawing equipment, and technical instruments.

• **Living expenses.** In addition to the cost of their study, students must also support themselves. Living expenses such as accommodation, food, and transport are generally estimated at $10,000-$12,000 per year. This excludes the cost of supporting any dependants or the cost of paying for childcare while studying. Most postgraduate students are ineligible for income support such as Austudy or the Youth Allowance.

Obviously, the cumulative cost of higher education has serious equity implications. The most disadvantaged groups in society are those most in need of access to higher education. The high cost of higher education for Australian students condemns equity groups to further social and economic marginalisation.

*Crossroads* pays lip service to equity considerations by proposing the extension of a PELS-style loans scheme to undergraduate study to preserve equity of access in a deregulated higher education system. While being able to defer payment of fees overcomes the significant initial barrier imposed by escalating up front fees, it places a huge burden of debt on students regardless of whether they go on to derive economic benefit from their study. Such a scheme will most assist those who are less debt adverse (usually not members of equity groups) seeking to study in areas where they anticipate high financial rewards. Disincentives will still apply to those seeking to enter or advance in lower paid professions as they are unlikely to recoup the cost of the fees paid.

Instead of further increasing the cost of higher education for students, who already pay thousands and thousands of dollars for their education, CAPA supports increasing the top tax rates to restore public investment and expanding
the contribution that industry makes to higher education. CAPA accepts that some individuals gain significant economic benefit from their higher education. However, rather than imposing student fees for education on the mistaken assumption that all students will gain significant economic benefit from their studies, CAPA believes that it is more appropriate to collect a contribution to the cost of education from those who have actually benefited via a more progressive taxation system.

CAPA also believes that it is time to recognise the economic benefits to industry from the education of employees. Since government and industry often point to individual private benefit as justification for student contributions, it is only reasonable that industry be invited to help fund a public education system from which they so clearly derive private benefit.114 As was suggested in the CAPA submission to last year's Senate Inquiry, possible models might include:

- re-visiting the Commonwealth Industry Place Scheme and extending the system to postgraduate level,
- extending the research and development tax incentive system to professional training,
- legislative encouragement for employers to participate in industry body controlled joint funds for continuing professional training (this would overcome the free-rider problem), or
- a combination of measures.115

**Recommendation 49:** That an appropriate balance between public and private contributions to the cost of higher education be achieved by:

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114 We do not refer here to industry funding of specific research or corporate training enterprises, where direct input yields direct gain. We refer instead to industry support of coursework education, basic research education, and infrastructure which net significant but less readily defined returns.

115 CAPA (2001) *Submission to Senate Inquiry into the capacity of public universities to meet Australia’s higher education needs*, Melbourne.
• the abolition of all unregulated and/or up-front fees (at all levels),
• the extension of HECS to all postgraduate research and coursework places,
• the restoration of the HECS repayment threshold to the level of the average male wage,
• the extension of eligibility for income support, and
• the implementation of a more progressive taxation system, and
• for industry to pay their share for public education.

Qh3 What is the best mix of public funding mechanisms for promoting quality, responsiveness, diversity and engagement?

- how feasible is performance-based funding for undergraduate education?
- should historically allocated places be transferred to areas of growing student demand?
- how should places be allocated?
- How should the funding structure take into account university differences?

Crossroads raises a number of questions about the allocation of funding, in particular whether funding should be allocated according to performance, student demand, or the type of institution. These rest on the fundamental question of what role government should play in the funding of higher education. The funding models presented combine a neo-liberal preference for less public funding with the suggestion that government should play a stronger central role in determining how that funding is allocated. Crossroads suggests that government can play a central planning role by determining the appropriate mission for individual institutions and funding them accordingly, as is evident in the suggestion that the primary focus of regional universities should be community service rather than research.
Performance based funding

One of the funding options canvassed in *Crossroads* is performance-based funding for undergraduate education. Performance-based funding is already used for postgraduate research education in the form of the Research Training Scheme, which allocates postgraduate research places according to a formula which gives a 50% weighting to student completions, 40% weighting to sources of total research income, and a 10% weighting to the number and type of publications produced by a university. Performance based funding overwhelmingly favours wealthier, established universities over new or regional universities. In the case of the Research Training Scheme, universities with developed infrastructure, greater levels of private income, leading researchers and an established international reputation will always out perform those universities struggling to establish themselves in a hostile funding environment. The full extent of this bias will not be evident until the end of 2004, when the regional protection currently in place is removed. During the transition period 2002-2004, no university can gain or lose more than 5 per cent of its postgraduate research places. Once this protection is removed, postgraduate research will gradually become even more concentrated in a small number of departments in the older, metropolitan universities.

In the absence of a level playing field, extending performance-based funding to undergraduate education would inevitably result in the closure of some universities. Gabrielle Baldwin and Richard James have made the following compelling argument as to why this is unacceptable.

...in a publicly funded system, such as that found in Australia, the government cannot allow universities to 'go to the wall' as bankrupt companies would, because students - and whole communities - would suffer in the process. It is just conceivable that a few non-viable institutions could be closed down and students carefully transferred in a way that would not impede their progress, but to have this happen often and with little warning, as bankruptcies do in the normal market-place is unthinkable. Beyond that, it is hard to see how government could justify any significant imbalances in resources and
opportunities available to students in a publicly-funded system. It would not be the students’ fault if their universities were not ‘up to scratch’, but it would be they who would suffer if resources were determined on the basis of performance. This is an inescapable difficulty with the notion of performance-based funding in public education.\footnote{Gabrielle Baldwin and Richard James (2000) ‘The Market in Australian Higher Education and the Concept of Student as Informed Consumer’, \textit{Journal of Higher Education Policy and Management}, 22/2, p 140.}

\textit{Allocation on the basis of demand}

Postgraduate education also provides ample examples of the danger of funding purely on the basis of demand. Following the deregulation of postgraduate coursework degrees in 1996, student participation in postgraduate coursework has been dictated solely by demand. The result has been a concentration of students in the areas of business administration and computer science at the expense of such disciplines as the biological and chemical sciences. Analysis of student places (EFTSU) by disciplinary group shows that numbers have increased in ‘mathematics and computing science’ and ‘administration, business economics and law’ while numbers in the remaining nine disciplinary groups have experienced rapid decline. These business and computer science groups constituted over 50\% of domestic load in 1999 up from 38\% in 1996. The picture of excessive concentration is brought into sharper relief when analysis of trends within the groups is taken into account. In particular, core discipline areas such as biological and chemical sciences, maths and statistics, and sociology have experienced quite marked declines.\footnote{Smith & Frankland (2000), pp. 8-10} Allocation of student places on the basis of demand alone will inevitably result in a deficit of graduates in some disciplines. On the basis of current trends, Australia could soon be lacking sufficient numbers of basic scientists and Indonesian speakers, for example, with obvious implications for scientific development and diplomatic and trade relations.
James, Baldwin and McInnis have also demonstrated that students are not rational actors in terms of their choice of degree and institution. "The problem is that student choices of course and institution do not seem to operate on particularly rational grounds, at least as the government is attempting to define rationality". Their survey of 937 applicants for higher education places in three Australian states revealed that students have little or moderate knowledge about career prospects for graduates in particular fields and from particular institutions, the approach or quality of teaching for prospective courses, or the graduate satisfaction with those courses. Thus allocating funding on the basis of student demand would effectively result in a system funded according to uninformed student choice, with no guarantee of sufficient graduates in each discipline to further the social, scientific and economic welfare of Australia.

Funding to support diversity

While earlier sections in this submission have demonstrated that the Australian higher education system is not as uniform as its critics claim, the current funding system has failed to appropriately account for the diversity of institutions. As was discussed in Section C, regional and multi-campus universities have been disadvantaged under a funding model that does not recognise that it is more expensive to provide higher education services across a number of campuses and in regional areas.

In addition, the current model rewards concentration rather than diversity of research. Applied scientific and technological research is more likely to attract both private investment and ARC funding, particularly after the designation of four targeted areas for one third of the 2003 ARC funding round. These disciplines also tend to have more timely completion rates, and given the 50 per

118 Baldwin and James (2000), p 141.
119 Richard James, Gabrielle Baldwin and Craig McInnis 1999 Which University? The Factors Influencing the Choices of Prospective Undergraduates, EIP, Higher Ed Division, DETYA, Canberra.
cent weighting of the Research Training Scheme towards student completions, universities also have every incentive to concentrate their postgraduate research places in these disciplines.

Institutional diversity, and the diversity of research carried out within institutions, could both be encouraged through modification of the current funding system. For this reason, CAPA recommends weighting the basic funding formula to account for the costs borne by regional and multi-campus universities. CAPA also recommends additional ARC funding to be targeted towards basic research and the humanities and social sciences.

Qh4 How should non-university courses, which are articulated into university degrees, be funded?

Articulation provides a valuable alternative path into university education via entry from the VET sector. In the interests of promoting equity of access and participation, CAPA believes that non-university courses which are articulated into university degrees should receive the same funding as their university equivalents.

Qh5 Should tuition subsidies be time limited? Should loans be capped? If so, what are the appropriate limits?

In the interests of equity of access and participation, CAPA vehemently opposes the limiting of tuition subsidies or capping of loans. Placing time limits on students' eligibility for HECS places discriminates against students wishing to study longer degrees such as law, medicine or double degrees. In a deregulated environment, capping the amount that can be borrowed via HECS and PELS makes the ability of students to undertake postgraduate coursework study entirely dependent on university whim, or the extent to which particular institutions need to compensate for insufficient operating grants. Both of these
policies limit access to certain degrees - whether long or expensive - to only the wealthiest students.

CAPA has been highly critical of the deregulation of coursework postgraduate education which removes any restriction on the fees that universities can charge for degrees, while the Innovation and Education Act 2001 which establishes PELS contains provisions for the Minister to cap PELS debt. Section 106ZD allows the Minister to determine a maximum permitted debt that can be contracted by a student under the *Higher Education Funding Act*, limiting the total amount that can be borrowed under HECS, PELS and the Open Learning Deferred Payment Scheme. A restrictive cap may leave students incapable of paying for the final part of a degree, or exclude students who have already accumulated sufficient debt from re-training to change careers, thus denying students access to lifelong learning.

**Recommendation 49:** That the Commonwealth Government place limits on the fees that universities can charge for degrees, rather than limiting students' access to HECS-liable places or education loan schemes.

_Qh6 How can universities best be given increased flexibility for raising resources within a framework of accountability?_

- **to what extent should the higher education sector be further deregulated?**

*Crossroads* proposes several models for further deregulation of the higher education sector. Universities could be granted the discretion to set HECS fees within broad bands. Alternatively, undergraduate education could be fully deregulated, as is currently the case for postgraduate coursework education, with no restriction on the fees universities charge. *Crossroads* speculates that further deregulation will create a more diverse higher education system, allowing universities to target different student markets. Wealthier students will be able to access the highest quality courses, while students from lower socio-economic backgrounds will have access to cheaper 'no frills' courses. Quite aside from the
elitist implication that only the wealthy should be able to access the highest quality education, *Crossroads* makes the dubious assertion that in a deregulated market there would be an incentive for universities to lower fees for some courses. This has certainly not been the case for postgraduate coursework degrees. At the University of Melbourne, where it has been proposed that postgraduate coursework fees will rise by as much 31 per cent in 2003, the setting of fees is influenced by demand rather than any sense of social obligation to cater for the educational needs of less wealthy students.\(^{120}\) In addition, vocal advocate of deregulation Andrew Norton himself argues that "if universities were given the opportunity to set their own charges, average fees would almost certainly rise".\(^{121}\)

However, in the interests of equity of access, *Crossroads* proposes that a PELS-style loan scheme could be extended to deregulated undergraduate education. The PELS-style loan scheme is presented as a panacea for all equity concerns, as though giving students the choice between escalating up front fees and escalating debt makes deregulation a more palatable funding option. It is clear that this is the view of the current government.

The *Higher Education Legislation Amendment Bill (No.1) 2002*, passed on 14 March 2002, amends the *Higher Education Funding Act 1988* in order to extend eligibility for income contingent loans to overseas-trained professional people who require bridging courses to enter their professions in Australia. Bridging courses, which were previously offered on a HECS-liable basis, are now full-fee paying courses. Thus, the *Higher Education Legislation Amendment Bill (No.1) 2002* signalled a trend towards the extension of a PELS-style loan scheme to deregulated undergraduate courses.

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\(^{121}\) Andrew Norton (2002) 'The Market for Tradition', *Policy*, 18/1, Autumn, p 12
The deregulation of undergraduate education, and the accompanying loan scheme this necessitates, is a frightening prospect for Australian society. This policy will effectively prevent debt-averse people, such as people from equity groups or older people with existing mortgage, personal or business debts, from accessing higher education. Students who do graduate from such a system will be in dramatically different economic situations depending on whether they were wealthy enough to pay up front full fees, or whether they have had to accumulate a massive debt while studying. *Crossroads* does not evaluate the serious economic implications for a generation of students who will graduate with significant debt. For the student who must defer payment of full undergraduate fees, and then go on to defer payment for full postgraduate coursework fees in order to gain entry to a profession, a scenario where they complete their study with a debt of $100,000 is not unrealistic.

Thus it is extremely disingenuous to present the extension of a PELS-style loan scheme as an equity measure. The effect of this policy will be to remove existing constraints on the escalation of student fees. Any government with a genuine concern for equity would at best, abolish student fees altogether, or at least extend HECS-liable places to all undergraduate and postgraduate courses.

*The difference between HECS and PELS*

Part of the reason that the fallacy of PELS as an equity measure gains such credence is due to confusion among many media commentators and participants in the sector as to the difference between HECS and PELS. PELS has been mistakenly referred to on several occasions as a HECS-style loan, purely because both are income contingent loans that permit students to defer payment of their fees. The fundamental difference between the two schemes is that HECS fees are regulated and postgraduate coursework fees are not. The HECS fee is limited to $3598, $5125 or $5999 per year depending on the course, but there are no limits on the fees that universities can charge for postgraduate coursework fees. While HECS recognises that the benefit of higher education is
shared by both the individual student and the public, and thus requires both to contribute to cost of that education, PELS entrenches the view that postgraduate coursework education only benefits the individual. Despite the fact that a number of professions, such as psychology, require postgraduate coursework degrees as an entry qualification, or that postgraduate coursework degrees enable people to upgrade their professional skills or retrain for a new profession as is increasingly necessary in the changing labour market, successive governments which have expressed their rhetorical commitment to lifelong learning have refused to fund the very degrees that are integral to this goal.

While PELS has enabled people who would not be able to pay up front full fees to access postgraduate coursework education, it has also created an open slather for universities to increase the fees for these courses. Without any regulation of postgraduate coursework fees, the Australian higher education system will become one of escalating fees and escalating debt.

The economic implications of escalating student debt

In New Zealand, where all students have access to a government loan scheme, universities have taken advantage of this to increase tuition fees at a far higher rate than the CPI. For example between 1991 and 1997 the tuition fees at Auckland University rose by more than 15% annually at a time when the CPI was negligible. 122 Despite the fact that New Zealand domestic students do not pay full fees for their degrees, in 2001 the largest loan in New Zealand was NZ$167,000, a $20,000 increase on the size of the largest loan in 2000. In 2002, students owed $5 billion through the Student Loan Scheme, and this is predicted to grow to $20 billion by 2020. Only 10 per cent of New Zealand students do not have a student loan debt. In 2001, the average debt held by a New Zealand student was

$12,496 which will take the average male 14 years to repay and 28 years for the average female.\textsuperscript{123}

The wider societal implications of the New Zealand Student Loan Scheme, which was introduced in 1992, are now becoming apparent. Professor Pool from the University of Waikato, has linked the Student Loan Scheme to reducing fertility and increasing migration rates.\textsuperscript{124} In 1999, a survey of bank managers and loan officers undertaken by the Otago University Student Association found that "around half of the officers had denied people finance because of their loan".\textsuperscript{125} It is highly plausible that escalating student debt will diminish the capacity of graduates to spend in other areas of the economy, will delay home ownership, and reduce the population rate as graduates delay having children.

\textit{The implications of deregulation for diversity}

As discussed earlier in this submission, the deregulation of postgraduate coursework fees has resulted in an increase in the number of students studying in the DETYA discipline classifications of 'business, administration and law' and 'mathematics and computer science' at the expense of most other disciplines. When faced the economic prospect of a massive debt upon graduation, students in a fully deregulated higher education system will have even more incentive to study in disciplines leading to higher paying employment. Deregulation results in the concentration of students in particular disciplines rather than increasing diversity. This has serious implications for future labour shortages in professions which not well renumerated but are central to the overall economic and social good of the country, such as teaching and nursing. As CAPA has consistently argued, deregulation substitutes short-term economic imperatives for social,

\textsuperscript{123} Otago University Student Association (2002) \textit{Tertiary Education Issues 2002 - Debt Fact Sheet}, Dunedin.

\textsuperscript{124} Cited in Otago University Student Association (2002) \textit{Tertiary Education Issues 2002 - Debt Fact Sheet}, Dunedin

\textsuperscript{125} ibid.
cultural and long-term economic considerations in determining the activities of universities.

CAPA opposes further deregulation of the higher education system and recommends the restoration of HECS-liable places to postgraduate coursework education.

*Qh7 Should private providers have wider access to public subsidies on the same basis as public institutions as a means of simulating differentiation?*

- what criteria should private institutions be required to meet?

Crossroads raises a number of options for the extension of public funding to private higher education providers. These include extending eligibility for HECS places or income contingent loans to private providers, or inviting private providers to tender for specific educational service contracts. In the zero-sum environment of static funding, any extension of funding to private providers would be at the expense of public universities. Crossroads states that the extension of eligibility for HECS places to private providers "would require a redistribution from public institutions unless there was funding growth and/or price deregulation".  

Former Minister for Education, Dr. Kemp, created a precedent for the extension of HECS-liable places to private institutions in his unilateral decision to allocate HECS places to the private catholic University of Notre Dame for teacher training. The University of Notre Dame is now on the same schedule of the *Higher Education Funding Act 1988* as the public universities, which determines eligibility for public funding. Bond University is also eligible to compete with the public universities for Commonwealth research and research training funding. The *Report for the 2002 to 2004 Triennium* confirms that Bond University is receiving funding from the Research Training Scheme, the Australian Postgraduate Awards Scheme, the International Postgraduate Research

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126 Crossroads, s171, p.35
Scholarships Scheme, the Institutional Grants Schemes, the Research Infrastructure Block Grants Scheme.

The debate on whether public funding should be extended to private providers has effectively been pre-empted by legislation before parliament, at the time of writing this submission. Part 2 (Items 8-21) of the *Higher Education Funding Amendment Bill 2002* will extend PELS to private providers.

CAPA is concerned that private providers are not subject to same accountability mechanisms and quality audits as public universities. The governing bodies of public universities are guided by the requirement to act in the public interest. In contrast to private providers, public universities must conform with government reporting and accountability requirements and are now subject to audit by the Australian Universities Quality Agency (AUQA). CAPA believes that public funding should not be extended to private providers because of the lack of provision to ensure the effective use of this funding. CAPA is also concerned about the equity implications of providing public funding to private religious institutions which may not operate under the same EEO principles as public universities. In particular, CAPA strongly opposes the re-allocation of funding away from public universities to private providers.

**Recommendation 50:** That eligibility for public funding not be extended to private providers.
I) Cutting Bureaucratic Red Tape

CAPA concurs with the Australian Vice-Chancellors Committee’s statement, cited in *Crossroads*, that too many university staff spend too much time juggling bureaucratic requirements. However, we believe that universities tend not to demonstrate appropriate levels of accountability and transparency in certain matters. We raise a number of concerns earlier in this submission, about the accountability of university governing bodies to the institution’s members, and the wider community. In particular, we recommend a return to participative membership of university councils as a way to ensure greater accountability and transparency.

CAPA believes that university practices and decisions should be transparent, and informed by stakeholder participation in decision making. However, we wish to raise some concerns here about the degree to which DEST and other agencies have attempted to regulate and shape the growth of higher learning in Australia through 'incentive' driven funding models.

*Qi1 Are the current levels of reporting and regulation appropriate and necessary?*

Levels of reporting and regulation need to balanced against the ends such reporting is supposed to achieve. If extensive reporting is required in order to ensure money is not wasted, it must be asked just how much money the reporting itself will 'waste.' This sentiment seems pretty straightforward, even simplistic, yet the levels of reporting undertaken by universities represents a massive cost in staff time, which seems disproportionate to the ends to be achieved.

CAPA endorses the requirement that institutions report in a regular and transparent fashion, but would appreciate some public clarification by DEST of
just what the reporting required hopes to achieve, and how successful it is in achieving it.

We are also concerned at the degree of 'self assessment' which is required of universities. Most of our constituent postgraduate associations have members sitting on a great number of university committees and boards. The degree to which institutions' self assessments mirror reality 'at the coal face' is laughable. If DEST (or AUQA) does not have the resources to undertake audits itself, then perhaps it is best asked whether the audit should be undertaken at all? Why waste staff time to produce reports which say little and mean less?

Qi2 How can the bureaucratic structures and processes and compliance costs imposed on institutions by the Commonwealth, States, Territories and other agencies be streamlined?

As we note in Section G, since the Dawkins reforms of the late eighties and early nineties, the higher education sector has been subject to increased social engineering by the Commonwealth through the requirements of DEST (DEET, DETYA, et al). Under the Commonwealth Higher Funding Education Act 1988, most funding is now tied to reporting against an increasingly complicated series of goals, objectives, quotas and other requirements.

While CAPA recognises that a certain degree of reporting needs to be undertaken, we are sceptical about the increasing number of mechanisms designed to engineer change in our institutions. In particular, the Research Training Scheme raises numerous concerns. The imaginary crisis of wastage invented by DEST (then DETYA), intended to justify changes to the way research education is undertaken, was ill-founded, and misunderstood by the Department itself. Despite deciding to fund RTS places against an institution's record of higher degree completions, it was almost a year before the department could even specify what it meant by a completion. Students transferring from Masters to PhD candidature were being counted as lapsed candidates, the Department
was unsure whether 'submission' meant when the thesis was handed in or when it was returned by the examiners, part-time candidatures were not being separated from full-time candidatures in calculating the average length of candidature.

Given that the Department was so certain there was a problem with completions, it surprised many in the sector that it was unsure what a completion was. The point we are trying to make here is that, if the department is going to institute requirements which will change the way the sector operates in fundamental ways, it should be certain that it has its facts straight. Implementing the RTS has been a massive drain on university resources. The fruits of these labours are likely to be a reduction in the amount of speculative research undertaken, and a drop in the participation of equity groups (both entail a possibility of longer completion time). Is the cost of increased administration and report writing, decreased speculative research, decreased participation by equity groups, and the frustration of all involved, truly justified by a fantasy about problems with length of candidature?

**Qi3 Should the inter-governmental agreement between the Commonwealth and the states in respect of higher education responsibilities be reviewed?**

Please refer to our response to consultative question G2: *How Appropriate is the Current Division of Responsibilities for Managing Higher Education as Between the Commonwealth and the States and Territories?*
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