

10 September 2020

Committee Secretary  
Senate Education and Employment Committees  
PO Box 6100  
Canberra ACT 2600



Dear Committee,

### **Inquiry into the Higher Education Support Amendment (Job-Ready Graduates and Supporting Regional and Remote Students) Bill 2020**

I write to you today in my capacity as Chief Executive Officer of the Youth Affairs Council of Western Australia (YACWA) in strong opposition to the majority of the proposed changes outlined in the *Higher Education Support Amendment (Job-Ready Graduates and Supporting Regional and Remote Students) Bill 2020* (the Bill). The drastic fee increases for an unreasonable selection of degrees may place further economic disadvantage for Australian young people, entrenching decades of overwhelming debt as well as an unaffordable and poorer quality higher education experience.

Australia has a proud history of nurturing an affordable, equitable and quality education system that values the beneficial contributions that students with diverse skillsets, knowledge areas and passions bring to Australian society. This foundation is under unwarranted threat due to significant portions of the proposed changes outlined in the Bill.

In a year where young people are facing a pandemic, a recession and a crisis in unemployment the Federal Government has decided to make things significantly harder for many of those looking to build a successful career and a healthy future through tertiary study. Their plan to drastically increase student fees will lock many out of education pathways that have demonstrated benefit to their community, the economy, and their lives, as well as saddling others with debilitating debt and disadvantage.

As an organisation dedicated to fighting for a society where all young people feel valued and supported to thrive and reach their greatest potential, our position is that this Bill cannot be enacted into law in its current form. Given the gravity of the impact the Bill's proposed changes will have on the higher education system and implications for the long term economic and educational future of young people in Australia, it is clear that the limited timeline given for public scrutiny is insufficient for the Committee to, in good conscious, recommend the passage of the Bill through parliament.

Whilst we understand that universities are eager for funding certainty, it would be detrimental to the long-term viability, quality and international competitiveness of tertiary education in Australia if this Bill were to be fully enacted in its current form. More time for rigorous scrutiny of the tenuous evidence that underpins the proposed changes must be allowed so that the Bill can be improved and revised to better reflect the core purpose of the higher education system and properly support, rather than disadvantage, Australia's economy, workforce and future generations of prospective students.

Outlined below are YACWA's key areas of concern about the proposed legislation which we strongly urge the Committee to take into account when developing its final report on the Bill.

## The Bill lacks adequate evidence to justify selective and disproportionate fees for certain degrees

The intent of the proposed changes as outlined by the Minister for Education The Hon. Dan Tehan is to 'incentivise students' to choose a 'job ready' degree that increases the likelihood of sustained employment and discourage them from pursuing courses deemed 'less important' to the Australian workforce, such as History and Communications. It is clear that the Bill has an astounding lack of evidence to underpin its justification for its fee restructuring, and as a result whether it will achieve its stated aims is largely in dispute<sup>1</sup>. The Federal Government has not released any clear modelling to justify the rationale, and it is not supported by extensive research across a number of key areas:

- Courses such as Arts, Humanities and Social Sciences have an almost identical long-term employment rate (87%) as Science and Mathematics (87.1%)<sup>2</sup>.
- Arts, Humanities and Social Sciences graduates also have a higher medium-term average salary (\$72,000) compared to graduates working in fields related to Science and Mathematics (\$70,000)<sup>3</sup>.
- Research shows that student interest their chosen field has consistently been the strongest motivator for students' desire to both enrol in university<sup>4</sup> and pursue a particular degree, with the level of HECS fees generally not a major influence or deterrent in decision making<sup>5 6</sup>.
- Despite not having a demonstrable impact on the majority of students' degree choices, the significant fee increases outlined in the bill instead will likely have a perverse and unintended impact of further disadvantaging the most vulnerable prospective students, including low-SES young people who may have had less opportunities for advancement compared to those who can easily afford these fee increases:
  - Research shows that varying fees by subject and institution can entrench inequality, by either saddling vulnerable young people with overwhelming debt or discouraging them from pursuing suitable career pathways<sup>7</sup>.
  - Women make up greater numbers of students completing humanities and communications degrees – all areas set to experience significant fee increases from 2021<sup>8</sup>. For young women from low-income or other

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<sup>1</sup> Department of Parliamentary Services (2020). Higher Education Support Amendment (Job-ready Graduates and Supporting Regional and Remote Students) Bill 2020, *Bills Digest No 12*. Retrieved from [https://parinfo.aph.gov.au/parinfo/download/egs/aton/b\\_sds/7527030/upload\\_bary/7527030.pdf;fileType=app/attachment/pdf](https://parinfo.aph.gov.au/parinfo/download/egs/aton/b_sds/7527030/upload_bary/7527030.pdf;fileType=app/attachment/pdf)

<sup>2</sup> Quality Indicators for Learning and Teaching (2020). *2020 Graduate Outcomes Survey – Longitudinal (including tables and figures)*. Retrieved from [https://www.q.t.edu.au/docs/default-source/gos-reports/2020-gos-12020-gos-natona-report.pdf?sfvrsn=de45ec3c\\_2](https://www.q.t.edu.au/docs/default-source/gos-reports/2020-gos-12020-gos-natona-report.pdf?sfvrsn=de45ec3c_2)

<sup>3</sup> Ibid.

<sup>4</sup> Melbourne Centre for the Study of Higher Education (2015). *The First Year Experience in Australian Universities: Findings from Two Decades 1994-2014*. Retrieved from [https://melbourne-cshe.unimelb.edu.au/\\_\\_data/assets/pdf\\_file/0016/1513123/FYE-2014-FULL-report-FINAL-web.pdf](https://melbourne-cshe.unimelb.edu.au/__data/assets/pdf_file/0016/1513123/FYE-2014-FULL-report-FINAL-web.pdf)

<sup>5</sup> Department of Education, Employment and Workplace Relations. Roy Morgan Research (2009). *Year 12 Student Choices: A survey on factors influencing Year 12 decision-making on post-school destination choice of university and preferred subject*. Retrieved from

[https://web.archive.org/awa/20110629214643mp\\_/http://pandora.na.gov.au/pan/127723/20110629-1522/www.deewr.gov.au/HigherEducation/Publications/Documents/Year12StudentChoicesReport.pdf](https://web.archive.org/awa/20110629214643mp_/http://pandora.na.gov.au/pan/127723/20110629-1522/www.deewr.gov.au/HigherEducation/Publications/Documents/Year12StudentChoicesReport.pdf)

<sup>6</sup> Evans, C. Donnelly, M (2018). Deterred by Debt? Young People, Schools and the Escalating Cost of UK Higher Education, *Journal of Youth Studies Vol.21 No.9*. Retrieved from <https://www.tandfonline.com/doi/pdf/10.1080/13676261.2018.1461815?needAccess=true>

<sup>7</sup> Education Policy Institute (2019). *Post-18 Education and Funding: Options for the Government Review*. Retrieved from <https://epi.org.uk/publications-and-research/post-18-education-and-funding-options-for-the-government-review/>

<sup>8</sup> Workplace Gender Equality Agency (2019). *Higher Education Enrolments and Graduate Labour Market Statistics*. Retrieved from <https://www.wgea.gov.au/data/fact-sheets/higher-education-enrolments-and-graduate-labour-market-statistics>

disadvantaged backgrounds, this fee increase may prove an inaccessible barrier to studying, as well as compounding systemic disadvantages for those who choose to study anyway.

Broader research as well as anecdotal statements from the business community have shown that skills in high demand in the Australian workforce include those that are at the core of Arts, Humanities and Social Sciences degrees. These include; creativity, originality and initiative, analytical thinking and innovation; complex problem-solving and critical thinking skills<sup>9 10</sup>. Rather than evidence, it is clear the fee increases for these courses seem to be underpinned by long held stigmatising beliefs of the unemployability of the Arts, Humanities and Social Sciences graduates, a stereotype which has been repeatedly debunked.

It is critical that the fee increases outlined in the Bill are not supported by Parliament, otherwise generations of graduates from Arts, Humanities, Social Sciences other affected degrees will be forced to pursue their passions in spite of the Federal Government's attempts to reinforce this stigma by demonising and devaluing their diverse skillset and the valuable contributions that they bring to Australian society.

### **The Bill plans to reduce the overall funding of Australia's higher education system, therefore threatening the quality of education for future students**

Despite lowering the student contribution to costs for some degrees, the Federal Government isn't matching this will funding for universities to compensate for the fee shortfall in these areas. This means that universities will effectively be required to deliver more for less. Less funding means fewer resources, fewer supports, fewer staff and a reduced ability to deliver a quality education that promotes the 'job readiness' that the Bill claims to promote. It will also mean that some important courses will no longer be offered because universities will no longer be able to viably run them, and/or students will be unable to afford the higher debt burden.

An analysis by Frank Larkins, a researcher at Melbourne University's Centre for the Study of Higher Education, found the university sector faced an overall loss of around \$290 million a year due to changes in core funding, including a \$3500 reduction in funding from the Federal Government for STEM courses, despite the Bill's intent to prioritise these as 'job ready' degrees<sup>11</sup>. Funding reductions per student of between 6-17% will threaten the quality of Australian degrees across multiple fields and reduce their ability to compete at an international level<sup>12</sup>.

A quality educational experience is now more important than ever and universities are already doing it tough during COVID-19, having lost significant revenue due to the collapse of international enrolments. Australia's higher education system cannot be held hostage for the sake of the bottom line. Universities are central to Australia's future economy and society

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<sup>9</sup> Department of Jobs and Small Business (2019). *Australian Jobs 2019*. Retrieved from <https://docs.employment.gov.au/documents/australian-jobs-publication>

<sup>10</sup> Jennifer Westacott (2016). *The True Value of Humanities*. Retrieved from <https://www.bca.com.au/the-true-value-of-humanities>

<sup>11</sup> Larkins, F (2020). *What will the Tehan Changes Mean for Students and Universities?*. Retrieved from <https://franklarkins.wordpress.com/>

<sup>12</sup> Larkins, F. Marshman. I. The government's making job-ready degrees cheaper for students – but cutting funding to the same courses. *The Conversation*. Retrieved from <https://theconversation.com/the-government-s-making-job-ready-degrees-cheaper-for-students-but-cutting-funding-to-the-same-courses-141280?fbclid=IwAR1z1LwKboMmeykCJhLQAUoKBXpO5sRbcYazAtecPF1bW3o7vsxtZW0A>

and Arts and Humanities degrees are at the core of this and this must be reflected in a guarantee in the Bill of overall funding increases to ensure their long-term sustainability.

### **The Bill discourages students from pursuing career pathways that play a vital role in the Australian community**

The proposed changes to the Bill fail to acknowledge the research and consensus that many of the degrees targeted for fee increases are vitally needed across the broader workforce, and their graduates possess skills that are highly valued by employers for their unique contributions to the Australian community.

Despite the need for more Youth Workers being recognised by the Federal Government through being listed on the Short-Term Skilled Occupation List, A degree in Youth Work is among those listed in the top tier of fee increases as part of the Bill. This is counterproductive to the Federal Government's aim of providing subsidies for university courses that meet needs within the economy and where there are shortages of qualified workers. This will also limit the capacity of institutions to produce graduates with the right skills, at the right time, as aspired to in the provisions outlined in the Bill. The reduction in funding will mean that many institutions will struggle to offer youth work degrees and this will dramatically increase existing workforce shortages. Tens of thousands of young people will be unable to access support from a youth worker as a direct result of this change and this could have broad ramifications for the health and wellbeing of vulnerable young people in Australia.

The pandemic means that youth workers are needed now more than ever. Young people are currently experiencing rising unemployment, increases in the prevalence of mental-ill health and significant disruption to their education as a direct result of COVID-19. It will take decades for young people to recover from these disruptions and an increase of youth workers will be urgently needed to provide support for young people across Australia. A significant increase in the Federal Government contributions to Youth Work degrees will ensure that universities are able to continue to offer them with the required quality and produce graduates in the required numbers to fill the current and anticipated employment vacancies now and in the future.

### **The Bill punishes vulnerable students who may be struggling with adversity, rather than providing them with the supports needed to succeed**

As part of the Bill students could lose access to the HELP-HECS Scheme, should they fail a number of subjects or not progress in their course. This means that if the Bill is enacted in legislation many vulnerable students could be forced to withdraw from their degree or be forced to pay upfront fees in order to continue their education, potentially pushing them into entrenched debt and poverty.

In their submission to the consultation on the draft Bill, the 'Group of Eight' leading Australia universities warned that this provision could lead to 'perverse outcomes', as internal support services available to the student may fail to protect them from being affected by this draconian policy, therefore leaving them with little support whilst being required to pay significant fees upfront or drop out of university all together. They argued that this may deny a student "the opportunity to be supported in achieving what should be accessible education

and career aspirations, and that universities will be required to set up expensive administrative processes that do not deliver the desired outcomes”<sup>13</sup>.

Education is a fundamental right, not a privilege and should be accessible to all, no matter your wealth or privilege. This measure would unfairly punish students and young people who are seeking to learn and add extra hardship during what can be an already vulnerable time in their lives. Students don't need punishments; they need supports to help them thrive and succeed in their studies. Mental health and educational support investments are far more important and effective than this short-sighted approach to save money.

## Concluding Statement

This Bill has been put forward by the Federal Government in a time where young people are set to face decades of career scarring and economic disadvantage due to the impacts of an unprecedented global pandemic, and Australia's worst recession since the Great Depression. Rather than being demoralised and disadvantaged by Government policies, young people need to be properly invested in and support to fulfil their crucial role in building a safe and stable future for Australian society and recovering from the impacts of COVID-19.

The founder of the modern Liberal Party Sir Robert Menzies, clearly displays how far the ideology that underpins how far the intent of this Bill has departed from foundational understandings of the purpose of Australian Universities:

*“Are the universities mere technical schools, or have they as one of their functions the preservation of pure learning, bringing in its train not merely riches for the imagination but a comparative sense for the mind, and leading to what we need so badly—the recognition of values which are other than pecuniary”<sup>14</sup>*

Universities do not exist simply as job factories and cannot be run on a profit-driven model; they are places to develop passions, support career aspirations, create change makers and expand shared knowledge to the benefit of all society. By downplaying the 'job readiness' of certain degrees without basis, the Federal Government discredits the notion that anyone can be supported achieve their goals if they work hard enough, no matter the path they choose.

The proposed changes to outlined in the Bill will further disrupt the foundations of world-leading higher education system has been built on and this can potentially have long term ramifications for the future of our economy, society and generations of young people.

YACWA believes the Bill should be drastically revised to better reflect the evidence of degree employment outcomes and the skills and knowledge required in the Australian workforce. As such we recommend that:

- 1. The Bill in its entirety be opposed until more rigorous scrutiny of the evidence base and revision of the proposed changes is undertaken to ensure fairer, more equitable and effective changes to the higher education system are made.**

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<sup>13</sup> Group of Eight Australia (2020). *Submission to the consultation of the draft legislation to implement the “Australian Government’s Job-ready Graduates Package”*. Retrieved from <https://go8.edu.au/go8-submissions-on-to-the-consultation-of-the-draft-legislation-to-implement-the-australian-governments-job-ready-graduates-package>

<sup>14</sup> Furse-Roberts, D. 'A Rugged Honesty of Mind: Menzies and Education'. *The Quadrant*. Retrieved from <https://quadrant.org.au/magazine/2019/06/a-rugged-honesty-of-mind-menzies-and-education/#:~:text=In%20his%20early%20career%20in,we%20regard%20education%20as%20a>

- 2. Costs for Arts, Humanities, Social Sciences and Youth Work in particular should be drastically reduced to be more reflective of their employment outcomes and importance to the Australian workforce and broader community.**
- 3. Overall Federal Government funding for the higher education system be increased to provide much needed stability for universities to be able to weather the impacts of COVID-19, decrease financial reliance on international students and provide an effective education for students which adequately ensures the job readiness of their degrees.**
- 4. Scrap provisions to penalise students for failing units and increase funding for universities to implement education, mental health and other supports for vulnerable young people to assist with management of student workload and hardship.**

As cornerstones of Australian society, universities must receive increased resources to be able to cope with the impact of COVID-19 and to support current and future graduates to be community leaders that guide us through global issues, such as Climate Change, that will have a drastic impact on Australian and international society.

I look forward to reading the Committee's findings at a later date and would welcome the opportunity to provide more information at a public hearing if the opportunity arises.

Yours sincerely,

Ross Wortham

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Youth Affairs Council of WA