

27 February 2015

The Committee Secretary
Senate Education and Employment Committee
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Secretary

Inquiry into the principles of the Higher Education and Research Reform Bill 2014 and related matters

Swinburne University of Technology welcomes the opportunity to make a submission to the Senate Education and Employment Committee into the principles of the Higher Education and Research Reform Bill 2014 and related matters.

Like other universities, Swinburne does not support the proposed 20% reduction in CrT BTGtien α6C2 Tm(Li)

sector is low and falling. OECD comparisons are particularly telling. Australia ranked 30 out of 31 OECD countries for public investment in (university equivalent) tertiary education as a percentage of GDP in 2011, down from 25 (out of 30) in 2010; and in 2011, Aust education was 0.74 per cent of GDP, compared to OECD average of 1.13 per cent.¹

A decrease in public funding of higher education would place Australia at a further disadvantage relative to other OECD countries and undermine -term economic future.

In earlier submission to the Senate Committee inquiring into the *Higher Education and Research Reform Amendment Bill*,² Swinburne expressed serious concerns about the inflationary aspects of the proposed reforms. These pose a risk both to students and taxpayers.

¹ *Universities Australia, Pre-*

These inflationary risks are now more widely understood and a number of different policy approaches have been advanced to address this issue. These include:

Maximum HELP loan limits: This

protecting quality and reducing funding risk by staging the entry of non-university higher education providers into the CSP market;

providing additional funding support to the Tertiary Education Quality and Standards Agency to ensure that it is equipped to effectively regulate the more competitive higher education market which the reform process establishes;

designing the new Commonwealth Scholarship Scheme to allow national pooling of funds and a simple model of distribution to eligible providers based on the number of low-SES students enrolled at each; and

considering the introduction of a national tuition assurance scheme for domestic students, modelled on the scheme already in place to protect international students in instances of provider failure, and funded by market participants proportionate to the risk of provider failure.

Should the Senate agree to an amended package of reforms, the introduction of any change should be deferred until calendar year 2017. Many universities have already determined their international fees for 2016. Any future domestic fee setting would need to align with international pricing strategies. To align domestic and international fee-setting, changes would need to be timed for the 2017 calendar year at the earliest. Implementation in 2017 would also allow universities to implement change with the minimal disruption to domestic students and ensure that prospective students are properly equipped to make informed higher education choices.

We would welcome the opportunity to provide further information to the Committee.

Yours sincerely

Professor Linda Kristjanson
Vice-Chancellor & President