

HIGHER EDUCATION BULLETIN



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Welcome to the post-Budget edition of the Higher Education Bulletin.

As anticipated, there was little good news for universities in this year's Budget. The Government's science and innovation package, *Backing Australia's Ability (BAA) 2*, was released a week before the Budget as a 'good news story' yet, was disappointingly under-funded.

Since our last Bulletin, the Australian Vice-Chancellors' Committee (AVCC) has revealed that 28 per cent of eligible applicants missed out on an offer of a university place this year. We also know that in 2003-04 universities leveraged an estimated \$450 million from their own budgets to participate in competitive research programs; the Government will not maintain its commitment, in real terms, to research and development (R&D) at the 2005-06 levels of *BAA1* in *BAA2*; and, most universities will

increase their fees in 2005 due to inadequate funding by the Howard Government.

At printing, 24 out of 37 public universities have decided on their 2005 HECS levels, with 17 universities announcing increases across most courses. For details see page 3.

I congratulate those students who have, through non-violent actions, tried to prevent their university increasing fees and urge you to continue the fight for improved higher education funding.

After pushing for an inquiry into student income support for many years, in March I succeeded in initiating the first Senate inquiry to look solely at this issue. Existing student income support arrangements mean many students are being forced to survive below the poverty line. This inquiry will look at the financial barriers facing those undertaking tertiary education.

You can have your say on this issue by submitting your views and experiences to the Senate committee at

eet.sen@aph.gov.au. More information is available at: www.aph.gov.au/Senate/committee/eet_ctte/studentincome04/index.htm

I wish you every success with your studies. If you have any comments or concerns about university life, please do not hesitate to email me at senator.stottdespoja@aph.gov.au or contact my office on (08) 8232 7595.

Yours sincerely,

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Students slugged more for textbooks

In this year's Federal Budget, the Government allowed the abolition of the Educational Textbook Subsidy Scheme (ETSS). It failed to allocate any funds to the scheme which is due to finish on June 30.

From July 1, students will now have to pay the full GST on textbooks for the first time. This means a price increase of almost 10 percent for all students, including school, TAFE and university students.

However, it is not too late for the Government to change its mind and decide to continue the Scheme.

In June last year, I moved a Private Member's Bill to extend the Scheme past the end of June.

I urge you to make your voice heard on this issue in the lead up to the end of June, by letting the Government know how you feel about this imminent price hike, and how it would affect your studies. Of course, I will also continue to do everything I can to pressure the Government to extend the Scheme.

Please contact my office if you would like a copy of the Private Member's Bill, copies of the Democrats' petition to keep the Scheme, copies of our Save Our Subsidy sticker or postcard, or more information about the Scheme.

Research and Development

The Government has belatedly responded to the science community's message that our public research organisations need stable funding in the long-term with BAA2.

Some of the positive initiatives in BAA2 include - an additional \$57.9 million funding over five years for the National Stem Cell Centre, \$305 million for CSIRO's Flagship programme and the continuation of block grants and regional protection funding for universities.

However, in the first year of BAA2 (2006-07), funding for major infrastructure drops by around \$24 million, despite the Government's own report recommending in-

creased funding for research infrastructure.

We welcome Dr Nelson's announcement that the Research Training Scheme will be simplified in time for 2005 funding allocations, and look forward to some positive changes to this flawed scheme.

The PM says it... but does he believe it?

Prime Minister John Howard, 6 May 2004:

"I am delighted to announce a major boost to science and innovation in Australia through a \$5.3 billion package that continues and strengthens the successful *Backing Australia's Ability* programme."

The funding shortfall in BAA2 from the final year of BAA1

BAA2 (\$million)	2006-07	2007-08	2008-09	2009-10	2010-11	Total
Estimate in BAA2	1003.7	1047.6	1027.6	1064.5	1028.3	5171.7
Maintaining real value from BAA1*	1100.3	1124.5	1149.3	1174.5	1200.4	
Difference	-96.6	-76.9	-121.6	-110.0	-172.1	-577.3
Maintaining percentage of GDP from BAA1^	1138.0	1202.9	1271.4	1343.9	1420.5	
Difference	-134.3	-155.3	-243.8	-279.4	-392.2	-1204.9

* Estimated inflation rate of 2.2% per annum; ^ Estimated GDP and inflation growth of 5.7% per annum.

“... national investment into R&D will fall further behind the OECD ...”

“By investing in science and innovation we are investing in Australia’s social and economic prosperity.”

“Our ability to discover and harness new technologies will be critical to our success as a nation.”

Regrettably, science and innovation will not be boosted by BAA2, and it is likely that under this program our national investment into R&D of 1.55% of GDP in 2001 will fall further behind the OECD average (2.33% in 2001).

The Democrats, AVCC, National Tertiary Education Union (NTEU), and Federation of Australian Scientific and Technological Societies (FASTS) have all called for increased national investment into R&D with the OECD average as a medium term goal, but BAA2 will see Australia’s R&D effort heading in the wrong direction.

CRCs Funding

In February, I warned of the dangers to collaborative applied research into environmental and social issues resulting from the Federal Government’s changes to the funding guidelines for Cooperative Research Centres (CRCs). These new guidelines favoured research that could be rapidly commercialised for economic gain.

Recently, it was exposed that existing CRCs researching the Great Barrier Reef, rainforests, coastal zones, satellites and photonics will not gain further funding through the CRC pro-

gramme after failing to pass the first stage of the CRC selection process.

The Democrats support the role of research in economic growth, but we also support its public good role in raising living standards and solving major environmental challenges. Dr Nelson needs to understand that Australians have concerns other than the short-term economic performance of industry.

Voluntary Student Unionism

VSU remains on the Government’s agenda and is listed for debate in June. Despite its appearance on the forward program several times, however, the Government has not yet brought it on for debate. The Democrats support the great work of student organisations and will be vigilant in opposing this legislation, whenever the Government brings it on.

University Places

Recent AVCC research showed that more than one in every four students missed out on an offer of a university place this year. The most worrying aspect of this data is that there is still no sign of a reversal in the trend of increasing unmet demand which has been occurring since 1998.

The Minister can not ignore this shortage of university places, which is expected to last until 2007 due to the phasing out of 33,600 marginally funded places.

I have called on the Government to bring forward the growth places planned for 2007 as a first step towards addressing this high level of unmet demand.

University Decisions on 2005 HECS levels

Increase by 25%

(with some exceptions for specific subjects or courses):

Deakin University
Griffith University
La Trobe University
Monash University
QLD University of Technology
RMIT University
University of Adelaide
University of Melbourne
University of Newcastle
University of Queensland
University of Sydney
University of Technology Sydney
University of Western Australia

Increase by 20%

University of New England
University of Southern QLD

Increase by 15%

Swinburne University of Technology (plus one course by 20%)
Victoria University

Freeze

Australian Catholic University
Australian National University
Central Queensland University
Charles Sturt University
James Cook University
University of Tasmania
Southern Cross University

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THE FIGHT FOR PUBLIC EDUCATION

The PM vs The Dems

	Prime Minister Howard	The Democrats
1996	Introduced differential HECS	Opposed it
1996	Increased the repayment schedule and lowered HECS repayment threshold to \$20,701	Opposed it
1996	Raised the AUSTUDY age of independence from 22 to 25 years	Voted to retain current AUSTUDY independent status for students 22-24 years old and living at home
1997	Cut rent assistance to single students living in shared accommodation	Opposed it
1997	Wanted to increase tax on students	Persuaded the Federal Government to remove taxation from full time postgraduate scholarships which would have increased tax on students by \$2 million over four years
1998	Opposed it	Voted to lower the Youth Allowance age of independence for students from 25 years to 18 years (not supported by the ALP)
1999	Tried to introduce national VSU legislation	Forced the government to abandon plans to introduce national VSU legislation
2000	No action	Established a senate inquiry into the capacity of public universities to meet Australia's Higher Education needs
2001	Attempted to decrease the independence of the ARC and increase Ministerial powers over it	Forced the Government to amend legislation to the Australian Research Council to: ensure it maintained the capacity to initiate its own inquiries; enhance Ministerial accountability; and, prevent funding for University research and research education being made available to private non-university providers
2001	Introduced the PELS scheme	Opposed it
2002	Extended PELS to four private Colleges	Opposed it
2003	Closed the Student Financial Supplement Scheme prior to the Senate's decision and with no provision for the students who relied on it	Attempted to amend the closure to allow existing users of the scheme continued access to loans
2003	Allowed universities to increase HECS by up to 25%, increased the number of full-fee paying student places to 35%, added a 20% surcharge on loans for undergraduate full-fee payers, placed a 7 year basic limit on access to HECS places and introduced Ministerial power to withdraw funding from particular courses	Opposed all of these regressive policies and moved more than 100 amendments to remove the regressive proposals, reduce fees, improve Ministerial accountability, and improve funding for universities and student income support
2004	No action	Established the first Senate inquiry to look solely at student income support measures
2004	Will close the Educational Textbook Subsidy Scheme (ETSS) on 30 June 2004	Campaigned nationally on this issue, receiving over 25,000 signatures on a petition calling for the extension of the ETSS



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