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29 August 2023

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Senate Education and Employment Legislation Committee
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Group of Eight (Go8) submission to the Inquiry into the Higher Education Support Amendment (Response to the Australian Universities Accord Interim Report) Bill 2023 [Provisions]

The Go8 is pleased to provide this short submission to the Committee's Inquiry into the *Higher Education Support Amendment (Response to the Australian Universities Accord Interim Report) Bill 2023 [Provisions]*.

Please note that this submission represents the view of the Go8 network and members universities may wish to make their own individual submissions. Go8 also consents for this submission to be published in full.

First and foremost, Go8 universities strongly support the two related policy objectives of the legislation, namely:

- to allow all First Nations students¹, including First Nations students living in metropolitan areas, to be eligible for Commonwealth supported places in demand driven higher education courses; and
- to remove the requirements that students must pass 50 per cent of the units they study to remain eligible for a Commonwealth supported place and for FEE-HELP assistance.

As the group of universities in Australia with the highest completion rates of low SES students (at 81 percent which is 17 percent **above** the national average) we are absolutely committed to ensuring all our students, regardless of background or circumstance, are supported to succeed in their studies and beyond.

Across the Group of Eight, our universities have high admission standards, low failure and attrition rates and comprehensive monitoring of students' academic performance.

Notwithstanding this, we can always do better, and key elements of this legislation will support improvement across the entire university sector.

It is in that context that we make the following comments about the proposed legislation.

Transparency and accountability must underpin any legislative changes – but not at the expense of the very students we are seeking to support. The cost of compliance-based reporting by Australian universities is estimated to be in excess of \$500 million per annum – a staggering impost that diverts resources from those areas we are looking to address – in this case supporting students to succeed.

Our concern is not with the intent of the legislation but rather with the fact that there has been no clear articulation of the policy problem. To ensure we don't end up with unintended consequences as we have with the Job Ready Graduate package, the Go8 recommends the following to guide the implementation of the legislation:

¹ Known as "Indigenous students" in the Higher Education Support Act (HESA)



- That the explanatory memorandum of the Bill be amended to provide a clear articulation of the policy problem being solved by the Bill.

A Demand Driven System for all First Nations students

This measure has our unqualified support. However, we would caution that, as with other elements of this legislation, great care be taken in the design and implementation to ensure that it delivers outcomes in success, retention, attainment and (career) employment outcomes for participating students.

We must ensure that First Nations students are fully supported once they are enrolled in university. This may require additional investment from government on top of the specialised support provided by our universities. There will also be a need for additional support at the secondary school level to build aspiration and preparation for university study.

Our universities will continue to work with partners on flexible admissions processes to provide a wide range of pathways for First Nations students to take advantage of the Demand Driven System.

While there is much work for Go8 members to do in this space – particularly on increasing the numbers of First Nations students at our universities - **our collective record on outcomes is strong**. In 2020, the Go8 retention rate for Indigenous students was 83 percent, **well above the sector average of under 74 percent**. ANU ranked top in Australia with a retention rate of over 89 percent and all Go8 members are in the top 15 public universities nationally. The average 9-year completion rates of Indigenous bachelor 2013 commencers for Go8 members is 68 percent, which is 18 percentage points higher than the sector average.

Under the limited First Nations DDS introduced when the Job Ready Graduates (JRG) program came into effect in 2021, Go8 members collectively increased their number of commencing Indigenous students by 16 percent – from a low base – compared to the sector increase of 4 percent. Go8 universities remain committed to improving this performance even further under the full First Nations DDS.

Removing the 50 percent pass rate rule

Go8 members have an unwavering commitment to identifying and supporting students who may be struggling with their university studies, particularly those from under-represented and disadvantaged backgrounds. As part of this commitment the Go8 has long advocated for the removal of the 50 percent pass rate with an evidence-based consideration on the damaging impact it will have on students.

In 2020 the Go8, as part of the then consultation draft of the JRG legislation, specifically identified the 50 percent pass rate rule as **poorly thought through and likely to put substantial pressure on students**.

In 2021, we sought, at the least, a deferral of the commencement of the 50 percent pass rate rule given the concerns of the impact on the mental health of students as a result of the COVID-19 pandemic.

During 2022 the Go8 made numerous representations to the Department of Education on the 50 percent pass rate rule and formally wrote to the Secretary of the Department, Mr Tony Cook PSM, in December 2022 to provide evidence on the disproportionate impact of the measure on students from under-represented/equity backgrounds.



The point of referring to this background is to set the context of our deep and practical commitment to student outcomes.

The reality is that penalty regime as proposed in the Bill will likely have little material impact upon Go8 universities for several reasons:

- We have in place intensive support efforts for our students
- Across the Go8, 825 students were impacted by the 50 percent pass rate rule.
- The impact on students from equity backgrounds was varied and not necessarily as large as initially anticipated. For some, half of those students impacted were from an equity background, but there is insufficient information available to suggest this is the case across all Go8s.
- The majority of students who were impacted were **undergraduates studying full-time**.
- Where institutions did report on how students have responded to losing Commonwealth support, a relatively large number opted to pay full fees to continue with their chosen course.

The University of Sydney reports that in the 2022 academic year 162 Commonwealth-supported students – or 1.5 percent of all Commonwealth-supported students at the institution – triggered the application of the 50 percent rule. Of these only 21 suspended their studies, 44 transferred to another course at the University, 93 moved to paying their fees upfront and 4 had late discontinuation under approved special circumstances.

The current parallel consultation on amendments to the *Higher Education Provider Guidelines* to specify the requirements of the *Support for student policy* established by the current Bill is detailed but lacking in an evidentiary base. In fact, the consultation paper itself notes the Minister has asked the Higher Education Standards Panel (HESP) to review the application of the Higher Education Threshold Standards as it applies to student support measures, and on whether 2018 recommendations to improve retention, completion and success have been implemented and whether they have made a difference.

This indicates that an administrative and penalty regime is being implemented before the nature and extent of any problems with student support have been properly identified.

What we do know is that there will be an additional administrative load which diverts resources away from where they are best utilised – supporting our students. One of our members suggests this could potentially necessitate a dedicated full-time staff member.

In closing, the Go8 reconfirms its strong support for key elements of the legislation. In doing so, we believe it is incumbent upon us to ensure that the legislation is framed to ensure it delivers for the very students we are looking to support.

Thank you for the opportunity to provide this submission.

Yours sincerely

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CHIEF EXECUTIVE