



## Higher Education Support Amendment (Melbourne University Private) Bill 2005

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## **Higher Education Support Amendment (Melbourne University Private) Bill 2005**

**Date Introduced:** 16 March 2005

**House:** House of Representatives

**Portfolio:** Education, Science and Training

**Commencement:** Royal Assent

### **Purpose**

To amend the *Higher Education Support Act 2003* (the HESA) to add Melbourne University Private (MUP) to the list of Table B higher education providers. This will allow MUP to have access to Commonwealth research funding and to enable its students to obtain Commonwealth loans for their tuition fees through the FEE-HELP scheme.

### **Background to Bill**

The matters dealt with in this Bill had previously been included in an omnibus Bill, the *Higher Education Legislation Amendment Bill (No. 3) 2004*. On 11 August 2004, that Bill was referred to the Senate *Workplace Relations and Education Legislation Committee*.<sup>1</sup> The purpose of the referral was for the Committee to consider the provisions dealing with MUP. The earlier Bill lapsed at the end of the 40<sup>th</sup> Parliament. The Bill was reintroduced in November 2004 without those parts dealing with Melbourne University Private.

### **Background to Melbourne University Private**

Melbourne University Private is a company limited by shares, with the University of Melbourne as its sole shareholder. It is governed by a board of directors which is subject to the normal laws and regulations applicable to companies. Academic affairs and all matters affecting the university status of MUP are the responsibility of the Academic Senate, which advises the board of directors.

The Senate is led by the Vice President and Provost and consists of Academic Heads of Schools, Executive Deans (academic and management), the president and CEO, the Academic Registrar, at least three and up to six external members, who are nominated by the Vice President and Provost, all academic staff of professorial level, one graduate student and one member of the non-professorial staff, elected by the non-professorial staff.

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MUP sees itself as having a mission which is quite distinct from public universities: all its degree programs have been developed for either a specific government or corporate client, or in response to the needs of specific industry sectors. Its three 'schools' operate simultaneously as academic and business units.

MUP was established in July 1998 under a Ministerial Order of the then Victorian Minister of Education. This gave the institution the right to operate as a university over a five-year establishment period after which it was required to apply to the Minister for a renewal of the order. It then had to convince a panel appointed by the Minister that it had satisfied the National Protocols for Higher Education Approval Processes, approved in 2000 by the Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA).

In February 2002 the Minister gave the MUP the choice of either operating within an essentially traditional model and setting minimum requirements for research and research training, or changing its name to remove the word 'university'. MUP opted for the former course, and in July 2003 Minister Kosky granted the university approval to continue to operate for a further five years under a new [Ministerial Order](#).<sup>2</sup> The Minister stipulated that the university abide by seven conditions:

- by July 2004 each of the three schools must produce a minimum of one peer-reviewed externally published research output per equivalent full time academic staff member
- a progressive increase in the proportion of higher education activity, so that by 2008 at least 10 per cent of total enrolments are in higher education award courses
- a Chief Academic Officer, be appointed and Heads of School and academic staff be employed full time within the five years
- the retention of an academic organisational structure, with at least three Schools. All conjoint University of Melbourne–MUP appointments are required to undertake research
- an Australian Universities Quality Agency (AUQA) audit be undertaken by July 2007
- MUP must to provide an Annual Report to Parliament, containing information on relevant performance indicators, and
- the University of Melbourne is required to maintain a majority interest in MUP.

In September 2003, the [Australian Qualifications Framework Advisory Board](#) (AQFAB)<sup>3</sup> received a recommendation from the Victorian government that the university be listed as a self-accrediting higher education institution on the AQF registers. This brought it within the national quality assurance framework. Under the AQF, the university has the authority to accredit its own programs, and is responsible for maintaining its own quality assurance regime. MUP is also subject to audit by the Australian Universities Quality Agency, which was established by the Australian government to conduct quality assurance audits of self-

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accrediting institutions. The AUQA audit process covers teaching, learning, research and management.

In addition to its distinctive mission, the MUP differs from other Australian universities in a number of other ways:

- it operates under a Ministerial Order rather than its own establishing legislation. Other private universities, such as Bond and Notre Dame, were established under specific State Acts – namely the [Bond University Act 1987](#) (Qld)<sup>4</sup> and the [University of Notre Dame Australia Act 1989](#) (WA)<sup>5</sup>
- its continued existence as a university is dependent upon it meeting a number of conditions set out by the State Minister
- it is the only private university owned by a public university
- it has no undergraduates and only 250 postgraduate students – with a further 160 students undertaking non-award professional development courses
- it obtains most of its revenue from English language schools and consulting projects, and
- it is not a member of the Australian Vice Chancellors' Committee (Bond is a member, Notre Dame has not applied for membership). There have been media reports that the AVCC Board recommended that MUP not be admitted as a member.<sup>6</sup>

## Comment on the Bill

The Bill was considered by the Senate *Workplace Relations and Education Legislation Committee*.<sup>7</sup> The Committee's Report<sup>8</sup> was tabled on 31 August 2004. Several submissions, including those from the Australian Vice-Chancellors Committee, the National Tertiary Education Union, the Federation of Scientific and Technological Societies (FASTS) and Council of Australian Postgraduate Associations were critical of the proposal to include MUP in Table B. The Opposition Senator's dissenting report<sup>9</sup> sets out a detailed criticism of the proposal.

## Main Provisions

Item 1 of Schedule 1 amends ss.16-20 of the HESA to include MUP in Table B.

Note: Division 16 of Part 2-1 of the HESA defines higher education providers. There are two listed types of providers: those in Table A (s.16-15) and those listed in Table B (s.16-20). Table A providers can receive grants through the Commonwealth Grant Scheme as provided for by Part 2-2. Table B providers can only receive such grants if they relate to

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national priorities (s.30-1). However, Table B providers are eligible for grants to support research and the training of research students (ss. 41-10).

## Endnotes

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- 1 [http://www.aph.gov.au/Senate/committee/eet\\_ctte/completed\\_inquiries/2002-04/highered04/index.htm](http://www.aph.gov.au/Senate/committee/eet_ctte/completed_inquiries/2002-04/highered04/index.htm).
- 2 [http://www.dpc.vic.gov.au/domino/Web\\_Notes/newmedia.nsf/0/c32e63b0ddce91fcc256d3b007eaf25?OpenDocument](http://www.dpc.vic.gov.au/domino/Web_Notes/newmedia.nsf/0/c32e63b0ddce91fcc256d3b007eaf25?OpenDocument).
- 3 <http://www.aqf.edu.au/register.htm>.
- 4 [http://www.austlii.edu.au/au/legis/qld/consol\\_act/bua1987204/](http://www.austlii.edu.au/au/legis/qld/consol_act/bua1987204/).
- 5 [http://www.austlii.edu.au/au/legis/wa/consol\\_act/uondaa1989371/](http://www.austlii.edu.au/au/legis/wa/consol_act/uondaa1989371/).
- 6 *The Australian*, 26 May 2004 'New uni's plea to join gang'; Australian Financial Review, 2 August 2004 'MUP still kept out in the cold'.
- 7 [http://www.aph.gov.au/Senate/committee/eet\\_ctte/completed\\_inquiries/2002-04/highered04/index.htm](http://www.aph.gov.au/Senate/committee/eet_ctte/completed_inquiries/2002-04/highered04/index.htm).
- 8 [http://www.aph.gov.au/Senate/committee/eet\\_ctte/completed\\_inquiries/2002-04/highered04/report/index.htm](http://www.aph.gov.au/Senate/committee/eet_ctte/completed_inquiries/2002-04/highered04/report/index.htm).
- 9 [http://www.aph.gov.au/Senate/committee/eet\\_ctte/completed\\_inquiries/2002-04/highered04/report/c02.pdf](http://www.aph.gov.au/Senate/committee/eet_ctte/completed_inquiries/2002-04/highered04/report/c02.pdf).

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