SUBMISSION

Submission to the Senate Standing Committee on Education and Employment

Submission to the Education Legislation Amendment (Startup Year and Other Measures) Bill 2023 [Provisions]

14 April 2023

The Australian Academy of Technological Sciences and Engineering (ATSE) is a Learned Academy of independent, non-political experts helping Australians understand and use technology to solve complex problems. Bringing together Australia's leading thinkers in applied science, technology and engineering, ATSE provides impartial, practical and evidence-based advice on how to achieve sustainable solutions and advance prosperity.

ATSE welcomes the opportunity to provide a submission to the Senate Standing Committee on Education and Employment on the Education Legislation Amendment (Startup Year and Other Measures) Bill 2023 [Provisions] inquiry. ATSE has previously provided feedback through a 2022 consultative roundtable. ATSE makes the following recommendations to strengthen implementation of the Startup Year program:

Recommendation 1: That the Startup Year program is subject to a review consultation after its first year of operation.

Recommendation 2: That the Department of Education collects and publishes demographic information about enrolment in and completion of Startup Year programs.

Recommendation 3: That the Australian Government creates a Startup Year scholarship program targeted at under-represented groups in STEM.

Recommendation 4: That the amendment to rename "SY-HELP" to "Start-up-HELP" be adopted.

Recommendation 5: That the name of the social security "Student Start-up Loan" be renamed to avoid confusion with the Startup Year loan.

Invigorating industry and entrepreneurship engagement

ATSE is a strong supporter of enabling students to engage with industry and develop the STEM workforce. ATSE's Elevate program targets undergraduate and postgraduate women STEM students to provide participants with a scholarship, mentoring, and access to events and networking with industry. ATSE's Industry Mentoring Network in STEM (IMNIS) program provides STEM PhD students with industry engagement and pairs them with industry mentors. Ninety per cent of IMNIS alumni are interested in, or pursuing, industry careers, compared with 30% of the general PhD graduate population. Exposing students to industry and entrepreneurship through structured programs is an important lever to increase innovation activity and showcase career paths that students may not have otherwise considered.

The Startup Year program – which includes students within and beyond STEM – communicates a commitment to research translation and commercialisation. Its value is not only in coaching students to translate their ideas, but also in creating a generation of innovators. It is crucial that this program is well-designed, accessible, and responsive to evaluation. As it is a new program, ATSE recommends that the Australian Government directs the Department of Education and the Department of Industry, Science and Resources to undertake a review after the program's first year of operation to ensure it is meeting its outcomes and that it attracts participation from a diverse range of students.

Recommendation 1: That the Startup Year program is subject to a review consultation after its first year of operation.

Enhancing accessibility of the Startup Year

ATSE agrees with the bill's allowance that accelerator program courses can be offered at part-time (0.5 EFTSL) to full-time. This bill does not imply an obligation for higher education providers to offer accelerator programs on a part-time basis. Part-time courses widen accessibility for students who would not be able to engage full-time due to caring or paid work responsibilities, or due to medical conditions.

Inadvertent consequences of bundling this program with student loans should be considered. The Australian student loan scheme has been shown to disproportionately disadvantage women: as student loan balances have increased, it becomes less likely that these loans are paid off prior to life events

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including caring for young children (Warburton, 2023). The high course fees for accelerator programs – with the maximum level set at the same rate as medicine, dentistry, and veterinary science – will contribute to this problem, particularly in the current high interest rate environment. This may be a deterrent for women's participation in accelerator programs – despite the potential of these programs to kickstart their careers.

There may be anomalies created by allowing PhD and masters by research students to enrol in accelerator program courses during or after their degrees and allowing them to access social security study payments in this time (as graduate research courses are not eligible for social security study payments). This may lead to situations in which these students, especially if self-funded, are incentivised to enrol in accelerator programs while maintaining or writing up their research. This issue has not been considered by the bill, despite the potential for research translation through accelerator programs.

At a minimum, the Department of Education should collect and publish demographic information about enrolment in and completion of accelerator programs. This should include what discipline/s the students are drawn from, as well as information such as gender, Aboriginal and Torres Strait Islander status, and socioeconomic status. This will enable identification of underrepresented groups and the introduction of levers to increase their participation in accelerator programs.

The Government should also consider proactive initiatives from the outset to ensure strong participation from under-represented groups in STEM, including those who would be disproportionately impacted by taking on additional student debt. For example, the Government could create a Startup Year scholarship program to target women, Aboriginal and Torres Strait Islander students, and low-socioeconomic status students who are enrolled in (or have recently completed) STEM degrees.

Recommendation 2: That the Department of Education collects and publishes demographic information about enrolment in and completion of Startup Year programs.

Recommendation 3: That the Australian Government creates a Startup Year scholarship program targeted at under-represented groups in STEM.

Ensuring clarity for the Startup Year loan program

Efforts should be made that Startup Year loans are accessible, particularly to students who would not otherwise have the opportunity to engage in the innovation ecosystem, and that the terms of the loan (and the fact that it is a loan) be made clear. ATSE agrees with the Member for Mackellar, Dr Sophie Scamps MP's proposed amendment to change the name of the loan from "SY-HELP" to "Start-up-HELP", so the purpose of the loan is clearer to those accessing it. Similarly, it would be helpful to amend the name of the "Student Start-up Loan" payment, a voluntary loan paid directly to higher education students twice a year through social security payments, to reduce confusion between the two unrelated programs.

Recommendation 4: That the amendment to rename "SY-HELP" to "Start-up-HELP" be adopted.

Recommendation 5: That the name of the social security "Student Start-up Loan" be renamed to avoid confusion with the Startup Year loan.

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References

Warburton, M 2023, 'Gender, equity and policy neglect in student financing of tertiary education', Melbourne Centre for the Student of Higher Education, accessed from < https://melbourne-cshe.unimelb.edu.au/__data/assets/pdf_file/0006/4509852/Gender-equity-and-policy-neglect-in-student-financing.pdf>

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