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12 November 2010

Mr John Hawkins
Committee Secretary
Select Committee on the Scrutiny of New Taxes
PO Box 6100
Parliament House
Canberra ACT 2600

By email: newtaxes@aph.gov.au

Dear Mr Hawkins

Higher Education Legislation Amendment (Student Services and Amenities) Bill 2010

The University of Sydney is pleased to make a submission to the Committee's inquiry and to provide any further information that the Committee may require as it considers the legislation.

Our position in relation to the proposed legislation remains unchanged from 2009, when we strongly supported the passage of the earlier version of the Bill through Parliament. We urge members of the committee to set aside any political differences associated with this Bill and to focus on the issue of how, given the funding realities and constraints facing all Australia's universities, the Parliament can best enable students to have access to high quality support services and amenities that are internationally competitive and enrich the student experience.

The University regards its various student representative and sporting organisations as integral parts of the fabric of the University. Our student organisations add enormous value to campus life by representing the interests of students and by providing essential services, amenities and sporting facilities that enhance the overall quality of the educational and social experiences available to all students. Since introduction of Voluntary Student Unionism (VSU) in 2006, we have worked hard with our student organisations to ensure that they remain vital and important parts of University life at Sydney.

As a result of the VSU reforms, the University has been forced to divert large amounts of general University funds to support the representation and services aspects of the student experience. By the end of 2010, we estimate that our direct financial support for services and amenities provided by our six student organisations will have amounted to \$38 million over the four years 2007 to 2010. In addition, as a direct result of VSU the University has also had little choice but to increase the levels of 'in kind' support it provides its student organisations, for example in the form of ICT, finance, insurance, and infrastructure provision. We estimate the value of this in kind support at in excess of \$5 million annually. Without the provision of such substantial cash and in kind support, we have little doubt that the quality of student services and amenities available to all students at this University would have diminished below acceptable levels for an institution of its type and international standing.

The arrangements we currently have in place are, however, not sustainable in the long term. We have always treated them as transitional and temporary, as we have awaited clarity from Parliament about the long term policy settings under which we must operate. Despite the University's strong belief in the value and importance of the services historically provided by student bodies, we cannot commit indefinitely to supporting them by redirecting funds from competing teaching, research and other priorities. The financial challenges posed by the GFC and the current downturn in demand from international students, are placing additional financial pressures on the University across all core areas of activity. While we would be dismayed to see the services provided by student organisations reduced further, this is a very real possibility unless we are given the capacity to raise funds from students specifically for these purposes. Many of the student services the University has supported for the last two years are unlikely ever to be financially self-sustaining, while funding demands of other activities and proposals will always be significant.

In our Strategic Plan 2011-2015 we set out our commitment to attracting the most promising students whatever their social or cultural background, including students from low socioeconomic backgrounds and regional areas, as well as Indigenous students. Due to the geographical displacement, academic and cultural challenges often faced by students from these backgrounds, they are likely to be most greatly affected by any reduction or loss of student services at the University. For the University to achieve its objective of contributing to social inclusion, it is vital that our student services and amenities are sustained at high levels of accessibility and quality. The proposed \$250 student services fee is therefore a welcome, though arguably only minimally sufficient, contribution to future sustainability of quality student services and amenities. It is unlikely, for example, to enable us to cover the costs of providing student services as well as maintain and invest in new sporting and other infrastructure to support the extra-curricular activities that form such a vital part of University life.

As presented, the proposed legislation removes key issues of contention from the arrangements that preceded VSU. If passed, students will face no necessary up-front cost as the Bill allows for payment of the fee to be deferred through the proposed SA-HELP scheme. The addition of clear guidelines for the destination of the fees removes much of the ambiguity surrounding the role of universities in ensuring that funds are directed to the correct services and amenities. The concerns expressed by some student organisations, that advocacy and representation services may be jeopardised, appear to have been addressed through the Representation and Advocacy Protocols.

The University of Sydney therefore strongly holds the view that the Parliament should pass the Bill as soon as possible. In our view it is time to put an end to the uncertainty for universities and student organisations alike, and to give institutions time to put the necessary administrative arrangements in place for the commencement of the 2011 academic year.

If the Committee requires any further information from the University of Sydney about the possible impact of the legislation from our perspective, or our experience since the introduction of VSU in 2006, please do not hesitate to contact me.

Yours sincerely

Michael Spence