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Our Ref: F. 2010/3-03

28 October 2010

The Secretary
Senate Select Committee on the Scrutiny of New Taxes
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Secretary

Re: Select Committee on the Scrutiny of New Taxes – Inquiry into compulsory student fees

The University of Adelaide welcomes the opportunity to provide input into the deliberations of the Select Committee on New Taxes. The basis of our submission is the possibility of introducing a student service fee for universities.

Background

The University of Adelaide still suffers from the impacts of Voluntary Student Unionism (VSU). In 2004 and 2005, in preparation for the introduction of VSU, the University and the Adelaide University Union (AUU) jointly undertook market research looking at services offered by both organisations to students. The market research sampled 3,000 students and highlighted a number of services which are highly valued by students. The University agreed to continue to fund these priority services through the AUU. This has been at an ongoing cost to the University in excess of \$1m each year (not including building and maintenance costs) and has had an impact on increased staffing equivalent to 2FTE at HE08/9. We have also had to limit community access to a number of our facilities. The introduction of VSU coincided with a period of drastic underfunding right across the higher education sector, further limiting the funds available to universities for student activities and adding pressure to already stretched budgets.

The University opted to bear these additional costs as we believe one of our distinguishing marks is the campus culture, which draws many people to the institution. The University of Adelaide is regarded as having a vibrant campus and it is critical to maintain this and to ensure the provision of appropriate services to students within the campus. Priority services include student representation, advocacy, employment service, services on remote campuses and sports and the University is committed to retaining these. The provision of some commercial outlets such as food and beverage, travel and books are also seen as critical to student life and academic success. Campus culture and adequate service provision are key components of the student experience and contribute significantly to student satisfaction.

As Government policy is currently focused on increasing participation in higher education, it is likely that the University will see larger numbers of commencing students and will correspondingly be under increased pressure to provide services and activities to a growing student body. As funds are already limited, the ability to continue to provide these services to all students is likely to be compromised without additional funding.

User Pays Funding and Impact on Students

The University of Adelaide firmly believes that it is inequitable to charge for student representation and advocacy. From the perspective of service provision, while the University recognises user pays as a sensible theory in principal, there is a concern about the ability of students to pay a fee for services. Full-time students may be earning a wage through part-time employment but on the whole this is not adequate to enable them to pay full fees for other activities. A small charge is currently passed on to students belonging to sports clubs, but this needs to remain less than that charged by community groups to remain competitive. Beyond this, a voluntary contribution was offered in 2006 but student take up was very low as they did not see the value, and could ill afford it.

Increasing numbers of students from a low-SES background, in support of the Government's target for this cohort to represent 20% of university enrolments by 2020, suggests an even greater limit on the ability of these students to cover fees for services and activities. It should also be noted that increasing access and participation for traditionally under-represented students needs to be backed up by increased social and academic support and transition services. Passing these costs directly on to students would seriously undermine the value of these programs by further disadvantaging the very students being targeted.

Preferred Options and Implementation

Whilst the University continues to provide essential services for our students, this remains a large impost on the budget for the University for which we have received no additional government assistance.

The University's preferred model for funding student services and activities would be for government support to supplement the contributions already made by the University. However, the University recognises that this may not be able to provide the level of support required and so would support a small contribution on the part of students that could be paid through the HECS-HELP/ FEE-HELP systems, ensuring no impost on students until they are in a position to repay the contribution.

We also believe that the University is best placed to receive and distribute any funding for student services. That way we can ensure that funds are used appropriately for the benefit of all students, and best supplement the funding already provided by the University. The situation may arise that the student body becomes dysfunctional, as has happened in a number of institutions, however the University can then ensure that these services are provided through other means. Transparency can also be achieved by a mandated relationship between the student body and the University, with KPIs agreed by the groups. All universities who receive any government funding for student representation and advocacy especially should be able to demonstrate that this is being provided. This is the structure of the University's current relationship with the AUU.

Summary

The introduction of VSU had a significant impact on the University of Adelaide and our ability to provide an outstanding student experience and vibrant campus life. While we acknowledge that as beneficiaries of these services, it is reasonable to expect some contribution from students, we are also keenly aware of the restricted financial circumstances of many students and are strongly opposed to creating any further barriers to accessing higher education.

In recognition of this, the University would be supportive of a student services fee that could be incorporated into existing HELP schemes, ensuring no immediate impost on financially disadvantaged students, and with the University retaining responsibility for the distribution of funds. This would help to ensure the ongoing and sustainable provision of vital student services, activities and support programs.

Yours sincerely

A handwritten signature in black ink, appearing to read 'James A. McWha'. The signature is fluid and cursive, with a large, stylized initial 'J' and 'M'.

PROFESSOR JAMES A. McWHA
Vice-Chancellor and President