

The Impact of Voluntary Student Unionism on Services, Amenities and Representation for Australian University Students

DISCUSSION PAPER

February 2008

Introduction

The Australian Government is committed to providing young people with a dedicated suite of youth focussed policies. Part of this commitment is ensuring that university students have access to the amenities and services they need, including childcare, healthcare, counselling and sporting facilities. The previous government's voluntary student unionism (VSU) approach has made it difficult for many students to access these services.

The Government is also committed to students having independent and democratic student representative bodies.

The previous government provided some assistance for the transition to VSU through initiatives such as the Voluntary Student Union Transition Fund for Recreational and Sporting Facilities, the Support for Small Businesses on Regional Campuses Programme and the Regional University Sport Programme. Funds under these programmes are fully committed, were not provided to all institutions, and do not provide long term support.

The purpose of this discussion paper is to seek views from higher education stakeholders such as universities, students, small business, sports and community groups on:
The impact of VSU on student services and amenities and student representation; and
What needs to be done to ensure satisfactory services and amenities and student representative bodies.

The discussion paper poses a number of key discussion questions relating to these issues.

The discussion paper is one of the ways that the Government is consulting with the sector on these matters. Meetings will also be held with stakeholder groups. This consultation will supersede a planned review of the impact of the VSU legislation which the previous government intended would commence in June 2008.

Responses to the discussion paper should be submitted to the Department of Education, Employment and Workplace Relations (DEEWR) by close of business 11 March 2008.

Written submissions will be supplemented by information gathered in consultative meetings with stakeholders which will be held in February and March 2008.

Background

Student amenities and services fees prior to VSU

Prior to the introduction of voluntary student unionism (VSU), students at most university campuses around Australia were required to be members of a student association. Linked to this was the payment of an 'amenities' or 'student services' fee to the university. The university distributed some of the funds to the student association to provide for its operations. The rest of the funding went to support the student services provided by the university itself.

A snapshot taken by Universities Australia (formerly the Australian Vice-Chancellors' Committee) of student organisations in 2005 found that, in the final year before VSU, universities collected \$172.8 million from student services and amenities charges. The snapshot found that these funds were distributed to:

Student organisations (71%);

Universities to run their own student services (14%); and

Other bodies such as privately run student advocacy organisations (15%).

Examples of the services that were provided by student associations under the model that operated prior to the introduction of VSU are:

Provision of food outlets;

Buildings, meeting rooms and toilet facilities;

Stationary and second-hand book shops;

Child-care services;

Legal services, welfare services;

Accommodation assistance, health and employment services;

Funding to student groups including clubs and societies on campus, and support for campus theatres;

Student representation and educational advocacy;

Short and long term student loans; and

Student newsletters and newspapers.

Implementation of VSU

The Higher Education Support Amendment (Abolition of Compulsory Up-front Student Union Fees) Bill 2005 was passed on 9 December 2005 and received royal assent on 20 December 2005, bringing into existence voluntary student unionism (VSU) effective from July 2006. The Bill amended the Higher Education Support Act (2003) so that higher education providers cannot require:

a student to be a member of a student association, union or guild; and/or
a person to pay a compulsory fee for facilities, amenities or services that are not of an
academic nature.

Compliance with VSU legislation is a condition of continued approval as a higher
education provider, and a condition of the grants that are made to providers.

For overseas students, arrangements were made to ensure that universities could include
in the tuition fees an amount to cover the costs for services required by the Education for
Services for Overseas Students Act 2000. The National Code of Practice for Registration
Authorities and Providers of Education and Training for Overseas Students requires that
registered providers provide information and access to support services for overseas
students such as those that assist them to make the transition to living in Australia - such
as legal services, health services, complaints processes and a student contact officer.

Transition Funding

With the introduction of VSU, the previous government provided transition funding to
universities through the following competitive funding programmes:

The VSU Transition Fund for Recreational and Sporting Facilities was established to
assist universities with the construction and maintenance of infrastructure for sporting
and recreational facilities to support implementation of VSU. \$85 million was allocated
for 44 projects;

The Small Businesses on Regional Campuses Fund assists higher education providers to
encourage and support small business to establish operations on regional campuses to
provide services for students. \$5 million was allocated for 19 projects; and

The Regional University Sport Programme (through the Australian Sports Commission)
is providing \$10 million over four years to Australian University Sport to support
regional universities maintain their sports programmes.

All funds for these programmes are fully committed.

Evaluations of the impact of Voluntary Student Unionism

The Government's view is that the VSU approach has made it difficult for many
university students to access amenities and services like childcare, health services,
counselling, advocacy, and sporting facilities. This discussion paper is one of the ways
that the Government is engaging with the community on the impact of the abolition of
compulsory student union fees and introduction of VSU. The Hon Kate Ellis MP,
Minister for Youth, will meet a range of student and university representatives from the
higher education sector at a number of meetings across Australia in February and March
2008.

The discussion paper and other consultations seek the views of universities, students, small business, sports and community groups on the impact of the VSU approach, and ways in which student services and independent student representation for university students can be assured. These consultations will inform any Government response.

In 2007 a number of reviews of the impact of VSU were undertaken. They concluded that the abolition of up-front compulsory student union fees has impacted negatively on the provision of amenities and services to university students. Another finding of the reviews is that capacity for student advocacy and democratic representation has been significantly reduced.

Summaries for the three reviews undertaken by student organisations are provided below. Findings from a fourth investigation undertaken by the Queensland Department of Education, Training and the Arts are summarised in a media release from the Queensland Government dated 5 September 2007 (Appendix A).

Council of Australian Postgraduate Associations review of the impact of VSU

The Council of Australian Postgraduate Associations Inc. (CAPA) published its report *The Impact of VSU on Postgraduate Students in August 2007*, key findings are:

As of 1 July 2007, at least 8 universities no longer have an independent postgraduate student association/organisation (PGSA);

Of the 20 PGSA's that responded to a questionnaire mid 2007:

8 are receiving less than 50% of their pre-VSU funding, including 4 that are receiving less than 5%;

While 70% have some funding support from their university, many have conditions attached including some that prevent the payment of honorariums and affiliation fees;

Staff numbers have been halved. Seven responding PGSA's have no staff at all;

30% are unable to provide advocacy services; and

Three have been forced into mergers with other student organisations, while others must cope with continued pressure to merge and greater university control.

The full report may be accessed at the CAPA website: .

National Union of Students review of the impact of VSU

National Union of Students released its VSU impact report in October 2007, titled *NUS First Annual Report into the Impact of Federal Voluntary Student Unionism (VSU) Legislation*. Key findings of the report are:

VSU has failed to deliver what its proponents argued for – self sustaining student organisations just able to survive off voluntary memberships, investments and trading operations. Only two WA Guilds (UWA and Murdoch) are self-funded. In all other cases, the organisations have either received substantial university funding, have collapsed or

are surviving on limited reserves. Only two other organisations (Curtin Guild and UNSW Arc) look like achieving self-sufficiency in the next couple of years;

25 out of 30 student organisations reported substantial or total job losses; much of these cuts have come in the area of professional support to student representatives;

Eight universities have or are planning to take direct control of the major student service provider (Charles Darwin, Flinders, La Trobe, Monash Clayton/Peninsula/Caulfield, Swinburne, University of Canberra, University of New England, University of South Australia); arrangements are in transition at Macquarie University and the University of Tasmania;

The students' rights advocacy support is now mainly conducted by the university or a university owned company for at least six universities (Flinders, Swinburne, Charles Darwin, Victoria University, University of New England and University of the Sunshine Coast); and

13 out of 18 organisations reported that they had made substantial or near total cuts to departmental or portfolio funding (ie campaigns, activities, support programmes).

The full report may be accessed at the National Union of Students website:
www.unistudent.com.au.

Australian University Sport and the Australian Campus Union Managers' Association review of the impact of VSU

Australian University Sport (AUS) and the Australasian Campus Union Managers' Association (ACUMA), in May 2007, commissioned Tertiary Balance Pty Ltd to undertake a VSU impact study. Subsequently in November 2007 the report VSU Impact Study – First Draft Release was circulated. Some of the key findings are:

VSU reduced funding of \$166 million from amenities and services fees or membership monies annually (down from \$179 million to \$13 million). The net present value of this reduced funding to the sector over the next 25 years is estimated to be approximately \$2.7 billion;

The \$166 million reduction in income for the sector has been partially and temporarily offset by a combination of:
increased direct charges to students and others for use of facilities or access to events;
increased 'in-kind' support for sport from universities (eg building maintenance);
cost-cutting; and
new, but limited, transition funding from universities and the Australian Government (the latter is described in more detail under the heading of Background above);

There has been a reduction/loss of employment across the student services sector (1000 jobs have been lost in this area and the report anticipates further job losses);

Following the passing of the VSU legislation the sector has made many cuts to services offered to students and is contemplating further changes to services, with over 400 sport, advocacy and other services (eg childcare) shut down or contracting nationally. Club sport participation has reduced by 17%; and

Prices charged to students for use of services and facilities have in general increased materially since on-set of VSU outstripping, in most cases, consumer price index (CPI) and placing greater financial pressures on students.

The full report may be accessed at either the websites of the AUS, www.unisport.com.au, or the ACUMA, www.acuma.org.au.

Discussion Points

Exploring the impact of the VSU approach

Financial Impacts

What is the financial impact of VSU on your institution or organisation?

What approaches have been implemented to offset the loss of income from compulsory student union and amenities and services fees and how successful have they been? Your response might refer to the following examples:

- a) voluntary contributions/fees from students;
- b) financial and in-kind support from the university;
- c) the implementation of 'user pays' approaches; and
- d) other (please state)

How much have students been prepared to pay for services on a voluntary basis?

What is the financial impact of VSU on you as an individual? Financially are you better off overall?

Changes in service provision since VSU

Is your institution or organisation supporting different services and amenities to those which were supported prior to the introduction of VSU?

Without any change to existing VSU arrangements how might services and amenities be further affected?

Are currently available funds being directed to amenities and student services of high importance?

Were services previously supported entirely by amenities and student services fees or were universities / others contributing additional funding?

Have there been job losses or changes in work loads and or responsibilities for you or your institution or organisation since the introduction of VSU?

Have people other than university students been affected in your community by the introduction of VSU?

Changes in student representation and advocacy since VSU

What has been the impact of VSU on capacity for student representation and advocacy, both on campus and in the wider community? Describe any changes in the level of such services available to students.

Describe how VSU has impacted on the operations of student representative bodies on your campus? Identify the affected body in your response.

Does your campus or institution currently have an independent, student representative body? What work is it currently able to undertake effectively? In what areas is it falling short?

Post-VSU funding options

The Government acknowledges that it has a responsibility to ensure universities provide suitable student services and amenities and also that students have appropriate representation. The views of the higher education sector and wider community are needed to inform any Government response.

Sustainable student amenities and services and quality student representation

Key issues concerning post-VSU funding options include whether the sector would benefit from additional funding from government, and, if so, what form this should take. A relevant issue is how much funding should reasonably be raised via user funding.

The National Union of Students (NUS) has raised various options for additional funding for student services (reported in *The Age* on 15 January 2008). As of late January 2008 the NUS had not endorsed any particular model. The options raised in the article were: the Government directly funding student services; the Government allowing students to defer their union fees through a HECS-style loan. A HECS-style loan scheme would involve the deferral of union fees until students were working and reached a minimum income level; and universities funding services such as sport and child care while the Government provided student advocacy services similar to the way it funds community legal centres.

If a HECS-style loan scheme was followed, the debt could be rolled into the existing HECS debt.

Potentially, student services could be recognised as an important part of ‘going to university’ and provided for via the Government’s funding compacts with universities.

The following examples describe the situation with respect to student services fees in various jurisdictions / countries.

Under the Tertiary Education Act 1993 (Vic) membership of student associations was made voluntary (the VSU legislation took effect from July 2006). Under the Victorian Act, students had to pay a student services fee that could only be used to provide services and facilities that were for the direct benefit of the institution or students. Such fees could not be compulsorily imposed on students on the basis of acquiring membership of the student association. A student’s decision to become a member of an association was not linked to the payment of the student services fee.

In Denmark universities have student unions. Membership is not compulsory. The student unions are funded by the university and the government on the basis of the percentage of votes made every year at student union elections.

In France, university student social activities and sports events are organised by student organisations which are not affiliated with political bodies. These student organisations usually work closely with university administrators. In Japan students can belong to self-government-organisations that promote cultural and sporting activities.

In the United Kingdom universities must have student unions or associations that can democratically represent the interests of students. Students have automatic membership of their university’s student union, though they can decide to resign their membership. Unions benefit students through advocacy and by supporting social groups, clubs and sporting activities. Most unions receive annual funding from their education institution to fund operations. Many also supplement this income from commercial activities.

Discussion Points

Exploration of models for sustainable services for students

Amenities and services for university students

Is there an essential suite of amenities and services that university students should be able to access?

Can services and amenities be prioritised? Which might be considered crucial to campus community life and individual student success?

Are there services not provided before the VSU legislation which your institution should now provide?

Are there any services provided before the VSU legalisation that are no longer required or should be provided on a reduced basis?

What services and amenities, currently offered on campus, are being accessed by youth/community groups outside of the university? Should / do they pay for usage and access?

Are there particular issues relevant to providing student services and amenities in regional areas?

Funding amenities and services

Should services be provided through user funding? How?

What is an appropriate balance between government, university, student and user pays funding of university amenities and services?

Who should receive the funding provided by students and / or governments and how can it be used transparently so as to meet the requirements of all university students?

How can student amenities be made more sustainable, particularly sporting infrastructure which can be costly and require significant expenditure on maintenance?

Describe your institution / organisation's preferred model that would facilitate adequate student services on your campus.

Exploration of models for advocacy and representation for and by students

What structures does your university have in place that helps it "listen" to the wishes of students concerning amenities, services and study? How can they be improved or made more effective?

How do university students on your campus appoint advocates or select others to represent their individual and collective interests?

What advocacy and representation services are valued on your campus?

What are the best ways for funding advocacy and representation services?

Should the government make adequate student representation and advocacy a condition of university funding?

Should the government impose requirements on either universities or student organisations in regard to the adequate and appropriate representation services?

Describe your institution / organisation's preferred model that would facilitate adequate student advocacy and representation on your campus.

Next Steps

The Australian Government welcomes the submission of responses to this paper addressing some or all of the discussion points or any other issues you would like to raise.

Responses to the discussion paper are sought by close of business 11 March 2008 and should be provided in writing to the Department of Education, Employment and Workplace Relations at the following addresses:

Email: UniStudentServices@deewr.gov.au or

Post: "The impact of voluntary student unionism on services, amenities and representation for Australian university students" Loc. 033 Department of Education, Employment and Workplace Relations GPO Box 9880 Canberra ACT 2601
Enquiries about the discussion paper may be directed to Dr Caroline Perkins, Branch Manager, Equity and Structural Reform Branch, Higher Education Group, on (02) 6219-3560.

Unless you request that your submission be treated confidentially, submissions may be made publicly available on the Department of Education, Employment and Workplace Relations website as part of the consultation process. In addition, you may wish to note that, because the Department may be required to release your submission by the operation of law, judicial or Parliamentary body or government agency, it can give no undertaking that your submission will never be made publicly available.

If you would like your submission to be kept confidential, please indicate this clearly at the top of your document or in a covering note. If only part of your response is confidential, please put that part on a separate page(s) and note this clearly on that part.

This discussion paper can also be downloaded from: .

Appendix A

Investigations of the Queensland Department of Education, Training and The Arts on the impact of VSU: Media Release 5 September 2007

Joint Statement:

Premier and Minister for Trade The Hon. Peter Beattie

Minister for Education and Training and Minister for the Arts The Hon. Rod Welford

Wednesday, September 05, 2007

FEDERAL ANTI-UNIONISM POLICY KILLING SPIRIT OF UNIVERSITIES

The Howard Government's introduction of voluntary student unionism in July last year had ripped the heart out of Queensland universities, Premier Peter Beattie told Parliament today. Mr Beattie said the Department of Education, Training and the Arts had sought feedback from Queensland universities and student associations to measure the impact of the policy on university life. "The Department has reported a number of disappointing

trends to Government,” Mr Beattie said. “Essential services that are critical to students and their families, such as childcare, counselling, medical services, and legal and welfare advice have been scrapped or wound back at unis around the state. “Many student associations are continuing to struggle on, despite the downturn in memberships, but often with a reduced number of staff. “There have also been reports of a decline in ‘community spirit’ at university campuses because many activities are now going off-campus.” Mr Beattie said some examples of the effect of voluntary student unionism that had been reported included: - Central Queensland University Student Association staff has been reduced from 42 to 15 either through redundancies or attrition, resulting in a loss of about \$1 million in wages in the local community. - James Cook University Student Association was forced to retrench much of its existing staff and there has been a significant reduction in services, including sport and recreation, Orientation Week events and academic advocacy. - The Schonell Cinema and a café were closed at the University of Queensland and two other refectories, including the only one at the Ipswich campus, are under threat of closure. - An estimated loss of \$6.5 million in student association revenue at Griffith University, resulting in the University providing \$1.5 million from its own budget to help off-set the loss and maintain services. “The student associations are doing a remarkable job to try and maintain some level of service, despite the Howard Government’s anti-unionism stance working to destroy everything our universities stand for,” Mr Beattie said. Education and Training Minister Rod Welford said Queensland universities were at risk of becoming cold, sterile places stripped of services essential for university life. “There’s a lot more to a tertiary education than attending lectures and tutorials, there’s also the social and recreational aspects to consider,” Mr Welford said. “As more of these services are ripped out of our universities, we lose more and more of that ‘community spirit’ that is so integral to a university education.”