



AUSTRALIAN CATHOLIC UNIVERSITY

15 November 2010

Senator Mathias Cormann
Chair
Select Committee on the Scrutiny of New Taxes
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Senator Cormann,

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

Australian Catholic University (ACU) is pleased to make a submission to the Committee's inquiry into the Government's proposal to allow universities to introduce a services fee.

Introduction

ACU is a publically funded university with six campuses spread over three states and one territory; in both regional and metropolitan centres. ACU is guided by a commitment to quality in teaching, research, and service and a fundamental concern for justice and equity, and the dignity of all human beings.

The Federal Government's proposal to allow universities to charge a service levy will allow universities to fund services vital to the provision of quality and accessible education.

The inability for the University to collect such a fee has led to an inevitable decline in the quality of student services over the past five years. This is especially true of the University's rural campus in Ballarat where the strength of the campus community and culture has been identified as a major contributor to the success or failure of the campus.

ACU is pleased to note that the Government's proposal closely reflects the Australian Vice-Chancellors' Committee 2005 recommendation for a services and amenities fee for non-academic purposes¹. It is also welcoming that the Government has recognised the financial impact that such a fee will have on students and the impact this will have on their studies. ACU believes that the provision of an income contingent loan for students will address the issue.

¹ http://www.universitiesaustralia.edu.au/documents/publications/policy/submissions/AVCC_report_HESABill-2005.pdf, page 13.

Vice-Chancellor: Professor Greg Craven

40 Edward Street, North Sydney NSW 2060 • PO Box 968, North Sydney NSW 2059, Australia
Telephone: (61 2) 9739 2910 Facsimile: (61 2) 9739 2955 Email: vc@acu.edu.au

BRISBANE • SYDNEY • CANBERRA • BALLARAT • MELBOURNE

www.acu.edu.au

Australian Catholic University Limited ABN 15 050 192 660
CRICOS registered provider: 00004G, 00112C, 00873F, 00885B



AUSTRALIAN CATHOLIC UNIVERSITY

A quality and accessible higher education system

ACU is proud to be part of a higher education system that has a reputation for excellence. ACU aims to provide an exceptional standard of education to its diversified student body and to conduct cutting edge research with a particular emphasis on the areas of health and education.

It is the University's opinion that student amenities and services form an integral part of providing a quality education. As such the University considers the provision of these services and amenities as part of its core business. The cost of provision should be considered an essential part of the cost of running a university. It is therefore the University's opinion that this fee, if implemented, should not be considered a tax.

Student services and amenities 2006-2010

Since 2006, the restriction on universities collecting fees for student services and amenities has had a number of effects.

The level of services and amenities has been significantly eroded. This has been especially true for ACU which has the additional difficulty of managing these services over six geographically disparate campuses. Funding provided directly for non-academic student services was reduced over two years to 13% of 2005 levels. It has since increased, by diversion of funds from other operating activities, and is now at 33% of 2005 levels. For this reason it should be acknowledged that the current arrangements for universities have not only an impact on the quality of student services but also a significant impact on the research and teaching activities of the University.

Since 2005, ACU has increased its student load by 54% (an increase of 49% in enrolments).

A changing sector

ACU has committed itself wholeheartedly to the Governments higher education reform agenda as outlined in its response to the recent *Review of Higher Education* (the Bradley Review). These reforms will see a significant expansion of the number of undergraduates studying at ACU. Without the ability for the University to collect a compulsory fee there will be a very limited capacity for the University to expand its services and amenities to accommodate further increases to student numbers.

A large body of literature illustrates the importance of a positive early student experience in influencing persistence decisions. Trotter and Roberts (2006)² argue that enhancing the early student experience leads to improved levels of student retention and achievement. Trotter and Roberts identify this as a particularly important factor within an environment of widening and diversifying participation in higher education.

² Trotter, Eileen and Roberts, Carole A. (2006) 'Enhancing the early student experience', *Higher Education Research and Development*, 25: 4, 371 – 386

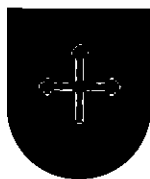
Vice-Chancellor: Professor Greg Craven

40 Edward Street, North Sydney NSW 2060 • PO Box 968, North Sydney NSW 2059, Australia
Telephone: (61 2) 9739 2910 Facsimile: (61 2) 9739 2955 Email: vc@acu.edu.au

BRISBANE • SYDNEY • CANBERRA • BALLARAT • MELBOURNE

www.acu.edu.au

Australian Catholic University Limited ABN 15 050 192 660
CRICOS registered provider: 00004G, 00112C, 00873F, 00885B



AUSTRALIAN CATHOLIC UNIVERSITY

ACU identifies retention rates as one of the major areas needing improvement in order to meet the Government's aims of an expanded higher education sector and increased participation from students of a low-SES or Indigenous background. It is therefore the opinion of ACU that this measure is vital for the success of the changing higher education sector in Australia.

Impact on students

There is no doubt that fees charged by universities for student services and amenities prior to 2006 had a significant financial impact on students. Often these fees were paid at the start of the academic year, coinciding with the purchase of textbooks and other costs associated with studying at university.

The recent overhaul of student support payments (Austudy and Youth Allowance payments), particularly the introduction of semesterly scholarship payments has gone some way in remedying this situation for students who are under financial strain. The Government's proposal to allow students to defer payments onto interest free, income contingent loans address the issue of immediate financial strain for all students.

Conclusion

Australian Catholic University supports the introduction of a capped and regulated student services and amenities fee. ACU sees such a fee as essential to the provision of quality education and for the widening of participation in higher education. A high standard of education requires a high standard of both academic and non-academic services.

Thank you for the opportunity to make a submission. If the committee requires any further information from the Australian Catholic University, please do not hesitate to contact me.

Yours sincerely

Professor Greg Craven
Vice-Chancellor

Vice-Chancellor: Professor Greg Craven

40 Edward Street, North Sydney NSW 2060 • PO Box 968, North Sydney NSW 2059, Australia
Telephone: (61 2) 9739 2910 Facsimile: (61 2) 9739 2955 Email: vc@acu.edu.au

BRISBANE • SYDNEY • CANBERRA • BALLARAT • MELBOURNE

www.acu.edu.au

Australian Catholic University Limited ABN 15 050 192 660
CRICOS registered provider: 00004G, 00112C, 00873F, 00885B