



Submission

to the Senate Education and Employment Legislation Committee
Higher Education Support (Charges) Bill 2018 and
Higher Education Support Amendment (Cost Recovery) Bill 2018

University of Divinity
1 November 2018

Committee Secretary
Senate Education and Employment Legislation Committee
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1. The University of Divinity welcomes an opportunity to make a submission to the Committee. The University was established in 1910 as a self-accrediting private higher education provider by the Parliament of Victoria and was granted University status in 2011. Australia's smallest University, the University of Divinity has the highest student engagement satisfaction ranking of all Australian Universities. The University advocates for a diverse university sector in Australia which supports the education of wise and compassionate graduates who are able to meet the multi-faceted challenges of contemporary global society and who can contribute to vibrant society and robust economy in Australia in which no person is left behind.
2. The University of Divinity opposes the Bills.
3. For over a decade the HELP scheme has provided low-cost support which has facilitated an unprecedented number of Australians to take up the opportunity to study at University. This has considerably improved Australia's capacity to meet the challenges of the contemporary world, through building knowledge, skills, adaptability and resilience. HECS-HELP in the public sector and FEE-HELP in the private sector have been highly successful tools, deployed in a robust and capable manner by the Department of Education and by University and other higher education providers with no evidence of providers or students "gaming the system".
4. The present legislation seeks to introduce charges on providers under a cost-recovery model, yet the present model has operated satisfactorily for over a decade without any such charge. Although loan debt under the HELP scheme has increased significantly since the expansion of higher education, this is offset by the recent changes approved in August 2018 to lower

repayment thresholds for students and graduates, and has resulted in very significant economic benefits to Australia and Australian graduates through development of a knowledge economy.

5. The proposed legislation would add a further layer of cost to Universities and other providers in the extra time required for compliance and the financial cost of the proposed scheme, without any benefit whatsoever to students, Universities, the higher education sector or Australia's international reputation for higher education. These requirements would be in addition to already onerous, if necessary, burdens imposed by the Commonwealth to ensure the fundamental quality of higher education in Australia most notably and successfully through TEQSA (Tertiary Education Quality and Standards Agency)
6. Furthermore, the design of the present legislation gives untrammelled power to the Minister of Education to set and establish fees by regulation. The design of the underlying system is not yet known and it is impossible to establish the actual costs which will be charged to Universities and other providers under the proposed legislation. Draft proposals recently circulated, for example, do not explain how the four Universities listed in Table B of the *Higher Education Support Act* will be treated under the proposed legislation and consequent regulations with the new system to commence in 2019. A potential consequence of the proposed system is to further inhibit diversity and creativity in the Australian higher education system such as that represented by the University of Divinity. This creates further unnecessary uncertainty for providers.
7. Therefore, the University argues that the proposed legislation is unnecessary as the extra costs involved do not provide any benefit to students or any improvement to higher education in Australia.