



Enquiry into the *Higher Education and Research Reform Bill 2014*
Education and Employment Legislation Committee

Submission from the University of Divinity
19 February 2015

1. The University of Divinity welcomes the opportunity to make a submission to the Senate Inquiry into the *Higher Education and Research Reform Bill 2014*.

About the University of Divinity

2. The University of Divinity is an Australian University of Specialisation constituted by an Act of the Parliament of Victoria for the purpose of offering degrees in divinity and its associated disciplines. The University is included on Table B of the *Higher Education Support Act 2003* and receives Commonwealth funding for research and research training. It does not receive Commonwealth supported places for its undergraduate coursework awards. The University's coursework students bear the full cost of their tuition fees; eligible students have access to FEE-HELP.
3. The University benefits from the support of thirty institutional partners in the churches and religious orders who resource its eleven Colleges in Melbourne, Adelaide, and Sydney. The University has an outstanding record since its foundation as the Melbourne College of Divinity in 1910 of providing high quality tertiary education and world-class research in theology, philosophy, and ministry studies.

Submission to the present inquiry

4. The University does not support the passage of the *Higher Education and Research Reform Bill 2014* at this time.
5. The rationale for the passage of the bill at this time is now unclear. In its present form, the bill will not provide significant savings to the budget in the medium term. The necessity of the bill must be assessed in terms of the difference it will make to the quality, regulation, and support of Australian higher education.
6. The present bill seeks to make fundamental changes to the public funding of Australian higher education from 1 January 2016. If adopted, the bill would allow very little time for the changes to be properly implemented by higher education providers in ways that would reflect the gravity of these changes and provide confidence to students and the wider Australian community. At this stage in the debate, it would be more prudent to delay action that affects higher education providers and most especially students who anticipate commencing in 2016.

7. The major change the bill makes is the deregulation of fees, through the removal of the maximum student contribution amounts that providers can charge students in Commonwealth supported places. Once deregulation is adopted, it will be extremely difficult to reintroduce regulation of fees. This measure should not be adopted unless the Parliament is confident that deregulation will improve the quality of Australian higher education, and that sufficient controls are in place to ensure access to higher education for all qualified Australians, especially in the public universities.
8. The University of Divinity would support a comprehensive inquiry into the funding of higher education in Australia prior to the introduction of legislation with a view to any consequent changes commencing in 2017 or 2018. This would enable the current policy challenges to be comprehensively addressed, and give an opportunity to build public consensus on proposed solutions. In light of the extensive debate on this bill and its predecessor over the past year, and the many creative options presently being put forward, the University believes such an outcome could be achieved in a relatively short period of time.
9. The University of Divinity continues to welcome the provisions in the Bill to extend government subsidies to bachelor and sub-bachelor courses at private universities and non-university higher education providers. This provision would enable the University to reduce the cost of tuition for its undergraduate domestic students.
10. The University of Divinity is of the view, however, that government subsidies should only be made available to private higher education providers on two conditions: first, that public funding should only be provided to higher education providers that are not-for-profit institutions; and second, that sufficient regulation must be in place through the Tertiary Education Quality and Standards Agency (or equivalent) to ensure that all publicly-funded higher education is of a high quality.
11. The University of Divinity welcomes the provisions in the bill to merge the FEE-HELP and HECS-HELP loan schemes to create a single HELP program. This would provide clarity to higher education providers.
12. The University of Divinity continues to advocate strongly for the removal of the wholly unjustifiable inequity in the present system of the 25% loan fee charged to undergraduate students whose tuition fees are paid through FEE-HELP.
13. The University of Divinity welcomes the proposal in the present bill to maintain the CPI indexation rate as the HELP indexation rate as a means of minimising inequity and promoting access to higher education on the grounds of merit, not capacity to pay.