



Division of Education, Arts and Social Sciences
Office of the Pro Vice Chancellor

Supplementary Submission 40.1
TE Inquiry

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Friday, 30 September 2005

Standing Committee on Education & Vocational Training
Parliament of Australia
House of Representatives
Parliament House
Canberra ACT 2600

Re: Teacher Education Inquiry – Hearings at UniSA

Dear Committee Members,

First of all thank you again for holding a hearing at the University. My colleagues and I thoroughly enjoyed the opportunity to share with you our approach to teacher education, and to inform you of some of our successes and concerns.

As you will recall I am sure, our concerns focus on funding. Universities for many years have received declining funding per student, in real terms. This is a matter which has been much debated between DEST and the AVCC, with enough variables for everyone to be able to find a set of statistics to back the point of view they wish to express. Among the pieces of the puzzle are:

- funding for actual places versus planned places
- measures in actual or constant dollar terms
- funding of places prior to and after 2000, in which year the funds for the research training scheme were separated from other places
- total funding - i.e. HECS plus the government contribution - versus the government funding itself
- funding of student places alone and funds for other purposes such as capital works, equity, Indigenous support etc.

While analyses such as those presented by the AVCC at, for example http://www.avcc.edu.au/documents/publications/facts/PublicInvestmentinHigherEd_facts.pdf (enclosed) are helpful, the clearest picture of what the changes in funding have meant to those of us who have the responsibility of enrolling new students and supporting them to graduation is gained by looking at the rate at which the government contribution has been indexed for inflation. From 1996 to 2006 this has averaged 1.9%, whereas our costs, if we had not cut staffing and taken other measures to reduce costs, would have increased by an average of about 4%.

As an experienced budget manager, I have learned that sometimes the best way to get a sense of the financial position of parts of my organisation is not to look at the figures, but to walk around and see how people are working. How old are the computers on staff desks? How large are the monitors they are ordering with new computers? Are they still using black and white printing or have they gone to colour?

In a similar vein, I suggest that the best way to get a sense of the financial pressures on universities is to look at the student: staff ratio. From the AVCC web site I found that looking at all students and academic staff in academic organisational units (that is, ignoring people like me who do no teaching), the student: staff ratio has increased from 14.3:1 in 1993 to 21.1: 1 in 2003. Despite our many attempts to find ways to increase the productivity of academic

staff, such as by placing learning resources on line so that students can learn more independently, this is a very serious reduction in the capacity of universities to support student learning. Moreover, an increasing proportion of the declining number of academic staff (relative to the number of students) are casual staff. In some university departments now, more than 50% of the classes would be taken by casual staff. This is a very serious consequence of reduced funding per student, which warrants more attention.

Any recommendation of your committee which supported further consideration of indexation of university operating grants, as well as the removal of the HECS ceiling on teacher education, would make a difference to our students.

Thank you again for your attention to our presentations.

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PUBLIC INVESTMENT IN HIGHER EDUCATION TEACHING: THE FACTS

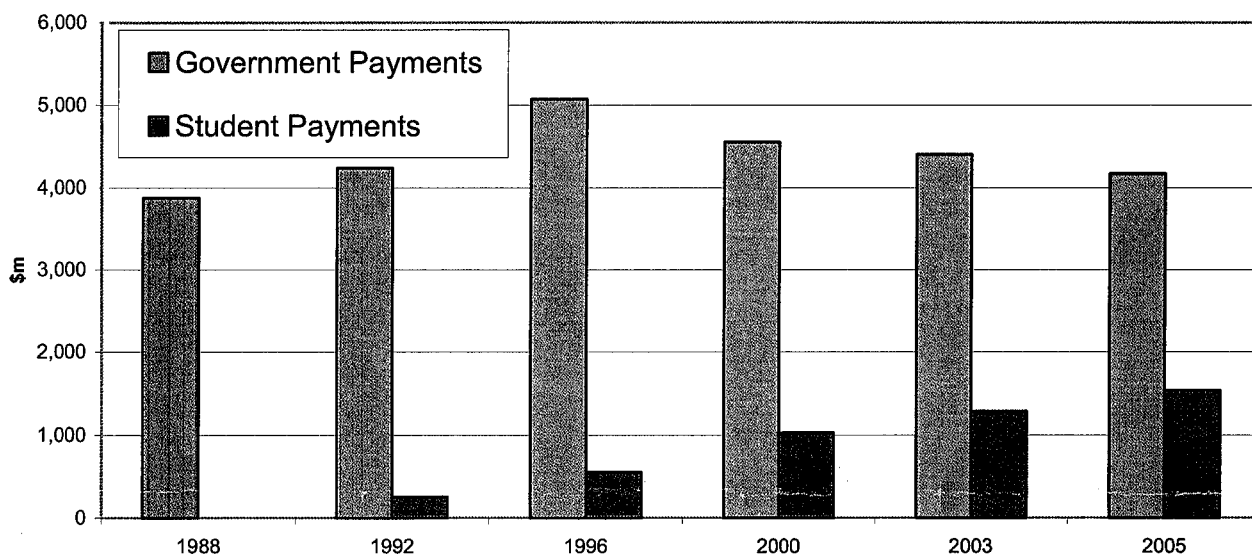
At a time when many other countries have been making strong public investment in their universities, Australia's public investment in university teaching and learning on a per student basis has been in decline.

In total funding terms, public investment peaked in the mid-1990s and has declined since, despite specific government initiatives announced in 2001 for science and rural education.

The AVCC accepts that students should make a contribution to their education - and HECS is a fair system for managing this. However, the direct fee income paid by students and their families can never be a complete substitute for investment by the government in the infrastructure and resources (human and capital) that is fundamental for ensuring quality outcomes in teaching and learning. It is important that the proportion of funding borne by students not become too high.

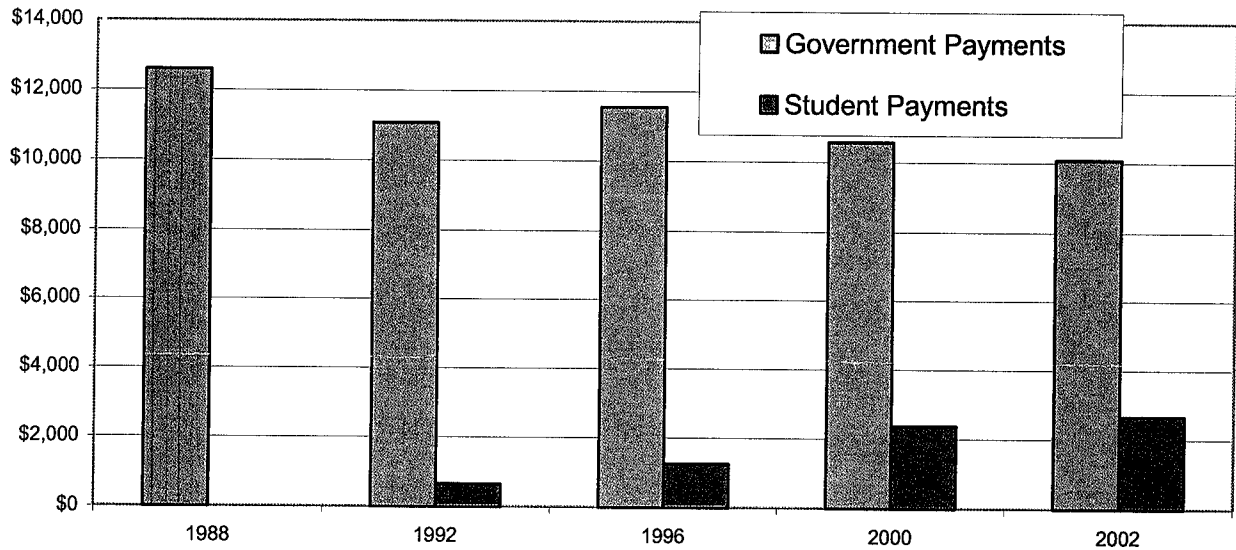
As the number of students in Australia's universities has grown, the total level of the operating grant has increased. However, the expansion of the sector has been funded by increasing the contribution made by students (and their parents). This can be seen both in terms of total dollars (Figure 1) and in terms of funding per student (Figure 2).

FIGURE 1: PUBLIC AND STUDENT CONTRIBUTIONS TO UNIVERSITY OPERATING GRANTS –TOTAL DOLLARS



	1988 (\$m)	1992 (\$m)	1996 (\$m)	2000 (\$m)	2003 (\$m)	2005 (\$m)
Government Payments	3,878	4,240	5,071	4,553	4,404	4,171
Student Payments	0	250	553	1,023	1,281	1,533

FIGURE 2: PUBLIC AND STUDENT CONTRIBUTIONS TO UNIVERSITY OPERATING GRANTS –PER STUDENT



	1988	1992	1996	2000	2002
Government Payments	\$12,596	\$11,084	\$11,549	\$10,581	\$10,085
Student Payments	\$0	\$655	\$1,259	\$2,378	\$2,668

Source: AVCC Funding Tables, 2003

What is needed in response?

In its submission to the Government’s review of higher education, *Forward from the Crossroads*, the AVCC argues for a flexible financing framework that will reflect university’s individual success in achieving their missions. As part of this framework the AVCC argues that to ensure internationally competitive quality in teaching and learning outcomes in our universities:

- each university should be funded for a range of publicly funded student places, with the range set each year in response to factors such as student demand, participation rates and university performance such that over time student numbers at different universities will increase and decrease. To meet existing demand, the number of funded places will increase to reach 20,000 by 2007;
- the overall level of funding per student must increase by \$1200 per place by 2007; and
- universities’ core grant should be indexed by an indexation factor equal to the indexation applied to school funding, to maintain the core grant’s real purchasing power into the future.

AVCC Facts – April 2003