

16 April 1999

The Secretary  
Standing Committee on Primary Industries & Regional Services  
House of Representatives  
Parliament House  
CANBERRA ACT 2600

Dear Secretary,

**Submission to House of Representatives  
Standing Committee on Primary Industries and Regional Services  
Inquiry Into Infrastructure and the Development of Australia's Regional Areas**

**University of New England**

**Introduction**

The University of New England (UNE) commenced in 1938 as a constituent college of the University of Sydney, before becoming a university in its own right in 1954.

Australia's first regional university, it has been long renowned as a centre for high quality research and teaching, as well as for being one of Australia's pioneering and successful providers of distance education.

Recognised, rightly, as Australia's leading centre for research in the rural industries sector, UNE also provides high quality service to regional Australia through its work in the areas of education, health, professional studies, business, law, economics, the social sciences and humanities as well as in wider areas of the sciences.

UNE is the major employer in the New England region, makes significant practical and theoretical contributions to regional development debates, and will be a key contributor to future regional growth.

**Why Is UNE Important To This Inquiry?**

"Infrastructure" takes many forms in regional Australia. Universities like UNE:

- are major regional employers
- inject considerable funds into the regional economy,
- support the growth of regional towns
- stimulate the growth of regional industry and commerce
- help create and sustain regional service industries
- train people for those industries and services
- provide cultural and intellectual leadership for rural populations
- play a major role in retaining regional populations

Consider these specific points concerning UNE as an exemplar:

### **The Regional Significance of UNE**

Statistics from 1998 confirm the regional significance of UNE :

#### Economic Contribution

\$134.1 million revenue

\$131.5 million expenditure

\$19.7 million research income

34% of total revenue came from non-Government operating grants

Using a multiplier of 1.8, as used in other studies (for example, R. Milbourne et.al., *Profitable Neighbours: The Economic Impact of the University of New South Wales on the Randwick Municipality*, 1993), suggests that UNE contributes in the order of **\$236** million to its regional economy.

#### Staff

Total 1,558 staff members

1,028 non-academic

530 academic

The contribution made to and the impact upon the region by these staff and their families is clear – they:

- support local and regional schools
- support businesses, professional services, and service industries
- contribute significantly to social, sporting and cultural activities

For example, staff employed by UNE contribute to civic life by serving on the Armidale City Council, the New England Regional Health Board, numerous sporting bodies, play a leading part in musical and dramatic societies, are prominent in service groups and business development organisations.

Similarly, family members of UNE staff run small businesses, serve in positions often difficult to fill in regional centres (e.g. nursing and allied health services and school

teaching), play prominent roles in volunteer organisations, and provide (often unpaid) skilled advice in areas of importance to regional development.

### Students

Total 16,433

11,120	undergraduate
4,309	postgraduate coursework
12,636	distance education
3,228	on-campus full time
872	higher degree research
132	non-degree

The Australian National University calculates, conservatively, that each full-time on-site student contributes \$1,500 per annum to the local economy in Canberra.

Using that model, and bearing in mind part-time and external modes, UNE students would contribute at least \$13.8 million per year to the local and regional economy.

Residential schools for external students provide additional economic investment for the region. Over 7,000 students attended the April 1999 schools, and each was reckoned (conservatively) to contribute \$100 to local services – that would provide an additional \$700,000 beyond accommodation costs.

Within this student profile:

13,770	were drawn from all over Australia
2,200	came from the New England
2,000	lived on-site
453	were on-site international students

Access and equity considerations are highly important here. DETYA data from 1996, for example, shows that **42.4%** of UNE's enrolment that year was from students designated as living in **rural areas**, and **4.1%** from areas designated as **remote**.

Similarly, regional universities like UNE have provided important educational avenues for students from **lower socio-economic status** areas (designated by postcode). In 1996 **Australian universities** as a whole showed a **15.5%** enrolment from such areas. **UNE's** enrolment from such areas was **23.1%**.

Women students at UNE in 1996 constituted **60% of enrolment** against a national average of 55%. That participation rate was especially significant in key areas like science (UNE 49% against the national average 42%), and health (83% against 74%).

By 1996, too, UNE showed a 1.3% enrolment from Aboriginal and Torres Strait Islander students, against a national system average of 1.4%.

Quite clearly UNE, and other regional universities, provide the major opportunities for students in regional and/or under-privileged areas as well as equity groups to gain post-secondary and ongoing education and training.

### **Observations**

Some significant points, then, emerge from this snapshot:

- UNE is a major provider of educational services to regional Australia
- Its regional economic impact is substantial
- Its research and teaching base injects considerable financial resources into the region
- Its international student base injects considerable financial support into the region
- It is a major employer in its region
- It is a significant contributor to regional social and cultural life

### **Further Implications Of This Significance**

#### **On-site student numbers.**

These determine the critical mass of the university, have a direct bearing upon the university's economic, cultural and intellectual contribution to Armidale and the region generally, have a major impact on the university's ability to provide as wide a possible range of professional and intellectual training as possible.

UNE surveys reveal that low level availability of part-time work is a major problem for students attending or wanting to attend the University. An end of 1998 survey suggested that 31.6% of the students leaving study prematurely at that point did so because of significant difficulties in attracting part-time work.

#### **Flexible delivery students**

These students are an extremely important component of the university's work.

However, the current means by which they are funded, as a proportion of normal EFTSU (Equivalent Full Time Student Unit, put great strain upon regional universities like UNE. On average, it takes between 1.8 and 2.4 such flexible delivery students (depending upon specific circumstances) to attain the same funds generated by a normal EFTSU.

Yet those flexible delivery students, on average, create higher demands for infrastructure support and service, electronic access, library provision and administrative support than full time on-site students.

Institutions like UNE, then, are placed in a paradoxical position: they provide key services to students in regional, rural and remote Australia, and do so by providing flexible delivery, but the funding support currently afforded makes such delivery increasingly difficult to sustain.

#### Programs of significance to regional Australia (such as those in the rural industries)

These have relatively low cohorts at a time when funding policies place a premium upon mass delivery. Simultaneously, these courses usually demand high levels of technical support and expertise, so often run at or below break-even point, despite their obvious importance for regional Australia. Given the points made already about the higher costs of providing flexible delivery in important niche courses such as these, the issue is only further aggravated.

#### Regional student drift.

While some drift is inevitable, given individual choice and inclination, much of it is accentuated by some of the regional difficulties pointed out here.

For example, narrower financial opportunities (through part-time work, say), rather than unhappiness with programs, often leads students to shift to a metropolitan centre. Regional institutions like UNE (with very high student satisfaction records) often see students, otherwise happy with their learning experiences, shift away from the program of choice simply because of circumstance.

#### High quality staff in key areas of regional significance

These are essential if the university is to continue providing major input to regional Australia.

Lack of work opportunities for partners or family members are cited frequently as principal reasons for why such staff either do not come to or leave the University.

Given the role of those families in regional development, this is a loss to the community as well as to the University, a point not applicable to metropolitan institutions to anywhere near the same degree.

This is a particularly important matter in relation to gender equity development within the academic staff profile. Professional, two income families, very common in University life, find it extremely difficult to come to a regional University where work is available usually for just one of the partners.

A major point here is that of research. UNE provides major research services for rural and primary industry, services that help Australia retain market competitiveness. Work on improving beef quality, herd productivity, cotton pest eradication and fine wool production are just some of the leading examples.

This important work relies on the availability of high quality people, so any improvement in the ability to attract such people is of prime importance.

### **Challenges**

Despite significant regional standing and importance, then, UNE faces several challenges that fall within the ambit of regional “infrastructure” issues:

- The difficulty of attracting high numbers of on-site students
- The rising numbers of flexible delivery students on an inadequate funding base
- The increasing challenge of attracting students into educational programs of importance to rural industry and business.
- The drift of regional students to metropolitan centres
- The difficulty of attracting/retaining high quality staff

Solutions for these challenges must be found if UNE, and other regional universities, are to continue providing what is obviously and manifestly a major leadership and development role in its regional setting.

For that reason, the following recommendations are proposed for the Committee. Many of these will seem radical, but they represent the policy changes required in order to help regional universities maintain their role in regional development.

### **Recommendations**

In order to meet these issues, it is recommended that the Government give urgent and full consideration to:

- Lower rates of HECS for higher education students studying in regional Australia
- Increasing the funding rates for distance education students enrolled in regional universities
- Improved living away from home allowances for students enrolling in regional universities
- Providing travel allowances for metropolitan students enrolling in regional universities
- Improving taxation considerations for academic and general staff working in regional universities
- Providing travel and subsistence incentives for international students enrolling in regional universities
- Providing enhanced R&D deductibility for companies supporting research in regional universities

The impact of these and related reforms are clear. They would provide major stimulation for important regional centres by:

- Attracting increased student numbers to regional universities
- Creating greater industry funding for regional universities
- Encouraging greater international student numbers to regional universities, thereby enhancing cultural diversity
- Helping regional universities attract and retain outstanding academic and general staff, thereby helping develop improved equity opportunities

### **Summary**

Regional universities hold many of the keys to enhanced regional development, but can turn those keys most effectively only with the increased support for and understanding of their position by the principal government agencies.

The issues and potential policy changes outlined here are the major considerations faced by regional universities in trying to maintain their significant roles.

Renewed assistance to the regional universities along the lines suggested will help them, immeasurably, in continuing to provide significant impetus to Australian regional life.

Please note that Professor Brian Stoddart is the contact person at the University of New England for the purposes of this submission. Professor Stoddart can be contacted as follows: Mail: Professor Brian Stoddart, Pro Vice-Chancellor (Research & External), University of New England, Armidale NSW 2351, Phone: (02) 67773 2001, Facsimile: (02) 6773 3354, email: [bstoddar@metz.une.edu.au](mailto:bstoddar@metz.une.edu.au)

Thank you.

Yours sincerely

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