

# Submission to the Senate Inquiry into the Higher Education Funding Amendment Bill 2002



**Student  
Association  
Incorporated**

ABN: 54 712 810 619

University of Tasmania,  
Launceston

Newnham Drive,  
Newnham, Tasmania, 7250

Locked Bag 1-333,  
Launceston, Tasmania, 7250

Telephone 61 3 6324 3757

61 3 6324 3776

Facsimile 61 3 6324 3702

[www.studentassociation.com.au](http://www.studentassociation.com.au)

The University of Tasmania Student Association represents approximately 4500 students at the Newnham Campus, Inveresk Academy of the Arts and North-West Centre of the university.

The extension of the Postgraduate Education Loans Scheme (PELS) to private institutions is – in essence – subsidisation of private enterprise. Although PELS is a loan and the cost would be fully recovered by the Government, the amount recovered will have lost its value due to inflation.

The Student Association opposes government subsidisation of private institutions for the following reasons:

- The Higher Education Sector is in crisis and funds spent on private enterprise could be better spent addressing that crisis;
- Private institutions generally charge higher levels of fees and therefore the Government would be using public funds to support access on the basis of wealth and advancing the philosophy of a user-pays system;
- The private institutions concerned will not necessarily be required to have the same reporting requirements as public institutions, and there is therefore no guarantee of the subsidised institutions meeting the standards of quality and equity required by public institutions.

Private subsidies will be at the expense of students studying at public institutions because it will decrease the funds available to those institutions. For these reasons, the University of Tasmania Student Association opposes the extension of PELS to any private institution.

Signed and authorised:

Daniel Hulme,  
President.