



**NATIONAL OFFICE**

ABN 38 579 396 344  
First floor, 120 Clarendon St, South Melbourne 3205  
PO Box 1323, South Melbourne 3205  
Tel: (03) 9254 1910 Fax (03) 9254 1915  
Email: nteunat@nteu.org.au  
Web: www.nteu.org.au

7 August 2002

The Secretary  
Senate Employment, Workplace Relations  
and Education Legislation Committee  
Suite S1.61, Parliament House  
Canberra  
ACT 2600

Dear John,

**RE: *Higher Education Funding Amendment Bill 2002* Inquiry**

Further to our submission of 26 July, I provide the following supplementary submission. This submission particularly focuses the need for an ongoing and enduring process to deal with claims by higher education providers to a range of public subsidies. Its intention is to facilitate a framework to develop such a process.

**The need for clear criteria and processes**

NTEU believes that the current bill is the result of poor, or non-existent, policy processes. No rationale has been presented to justify the selection of the four institutions listed. This suggests an *ad hoc* process which provides no basis by which to judge future claims for inclusion or to ensure that such decisions are fair and consistent.

The folly of this lack of process is compounded because the current higher education review is currently considering this question. No precedent should be established as to the inclusion of additional providers within the *Higher Education Funding Act 1988* (HEFA) or the basis upon which such decisions are made until the current review is completed and its report has been considered by the Parliament.

**Criteria for inclusion in HEFA**

In the past there have been no explicit criteria against which to assess institutions seeking inclusion in HEFA. This has not been a perfect approach, however because HEFA has dealt almost exclusively with self-accrediting institutions and there have been relatively few additions since the Act was first passed in 1988, the absence of process has been less apparent.

The increasing emphasis of government policy on extending existing funding to private self-accrediting institutions and a range of non self-accrediting institutions has made it impossible to ignore the absence of due process. This point is made abundantly clear in a number of submissions received by the Committee (explicitly from ACPET and the Australian College of Theology and implicitly from COPHE) indicating that the inclusion of these four institutions should be the first of many such additions. Similarly, there are explicit indications that a number of institutions view access to PELS as a stepping-stone to more direct public subsidies, such as HECS. This inquiry must recognise that whether it is the intention of the Parliament or not, those advocating the extension of public subsidies to all private providers will attempt to use the passage of this bill as a precedent.

NTEU strongly advocates that the criteria used to determine which institutions are eligible to receive a public subsidy (including implicit subsidies such as PELS) should be more stringent than those used to accredit institutions to offer qualifications. Allowing providers to operate is very different from providing active support through public expenditure. As such, using current state accreditation methods as the basis for receipt of public subsidy is not appropriate, as this is not the purpose for which those processes were developed.

The criteria should be nationally determined and consistent across providers and should be minimum standards which must be met in order to receive public subsidies. Some of the areas which should be covered by the criteria are:

- guaranteed minimum levels of quality and standards (as distinct from quality assurance mechanisms)
- non-discriminatory admissions policy and educational processes
- full public accountability and transparent governance structures
- commitment to free and open inquiry
- curriculum which exposes students to, and tolerates, a variety of perspectives

This is not necessarily a comprehensive or fully developed list of criteria, but all are essential to justify public support. In further developing these criteria it may be useful to draw on the work and style of the MCEETYA *National Protocols For Higher Education Approval Processes*.

If these criteria were applied to at least two of the institutions proposed for inclusion in HEFA, the NTEU has serious doubts that they would be met. The submissions and publicly available literature of both CHC and Tabor strongly suggest that they adopt discriminatory admissions policies, particularly through systemic discrimination that seeks to ensure that potential students without the appropriate outlook are dissuaded from applying.

Irrespective of whether the *prima facie* evidence provided through submissions supports the view that these criteria would be met, this discussion highlights the need for establishing a bar that all institutions must meet, and ensuring that all institutions are tested against it equally.

### **Process for inclusion in HEFA**

Once criteria have been agreed and established it is necessary to develop a process by which institutions seeking inclusion in HEFA could be assessed against them.

One possibility would be to empower the AUQA to assess institutions and make recommendations to Parliament. NTEU does not believe this to be the most appropriate response for a number of reasons. First, the AUQA was not established for this purpose and is still developing its processes to meet its initial objectives. Second, the AUQA assesses institutions against their self-stated objectives rather than a standard set of nationally agreed minimum standards. Third, giving the AUQA the additional responsibility of determining which institutions are eligible to receive funding could compromise its ability to work co-operatively with institutions to ensure quality.

While the AUQA may not be the appropriate body to administer this process, there is great potential for co-operation between the AUQA and whichever body is given responsibility. In light of the extensive evidence being collected by the AUQA it would be most appropriate for it to be extensively consulted in such a process.

Instead, it is suggested that a buffer body in the style of the Higher Education Funding Council of England (HEFCE), which some have proposed in the context of the current review, may be an appropriate body. Failing this, a committee of expert and august senior academics, across a range of disciplines could be established to make recommendations to Parliament, possibly as a sub-committee of MCEETYA.

A primary focus of the work of this body must be to ensure that institutions in receipt of public subsidies meet agreed criteria for the quality of their offerings. To provide public funding without ensuring a minimum level of quality would be irresponsible and could compromise the reputation of the Australian higher education sector.

NTEU remains firmly opposed to the passage of the Bill in its current form and looks forward to playing a constructive role in the development of enduring processes to deal with these issues.

Yours sincerely,

A handwritten signature in black ink that reads "Carolyn Allport". The signature is written in a cursive, flowing style.

Dr Carolyn Allport  
**NATIONAL PRESIDENT**