

Submission

to

Senate Employment, Workplace Relations and Education
Legislation Committee

Higher Education Support Amendment (Abolition of Compulsory Up-front Union Fees) Bill 2005

Submission no: 4

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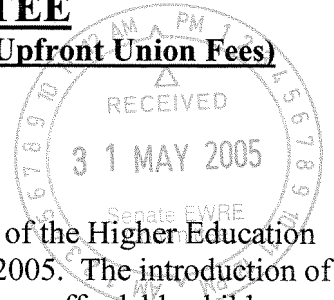
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SUBMISSION TO THE SENATE EMPLOYMENT, WORKPLACE RELATIONS AND EDUCATION COMMITTEE

**TOPIC: Higher Education Support Amendment (Abolition of Compulsory Upfront Union Fees)
Bill 2005.**



1. Introduction

On the 11th May 2005 the Senate referred to this Committee the provisions of the Higher Education Support Amendment (Abolition of compulsory Up-front Union Fees) Bill 2005. The introduction of such a Bill would have a significant impact on the ability of students to access affordable child care on the Bundoora campus of La Trobe University and indeed on the majority of campuses across Australia.

2. Assessment of the likely effect of the legislation on the provision of our student service and the related consequences:

The Bill precludes University's from charging a compulsory fee to students for the provision of an amenity, facility or service that is not of an academic nature unless that student has chosen to use that amenity, facility or service. Currently, La Trobe University charges all students a compulsory General Service Fee (GSF) which, in part, is allocated to the support of various child care services on this campus. These arrangements would not be permitted if the legislation in its current form was passed. In 2005 the total fee that students will pay is budgeted to provide revenue to the University in the order of \$5.5 million of which child care services receive nearly \$550,000 or 10% of this budgeted amount. This fee supports such services as two Long Day Care Centres and a School Holiday Care Program.

The La Trobe University Children's Centre (one of the services mentioned above) offers an early childhood service to approximately 250 families over a weekly period. The Centre receives a direct allocation of \$425,000 from the General Service Fee. These funds are used to reduce the cost of care for all students who utilise our service. Approximately 60% of our users are students, with most of these being in receipt of the maximum benefits provided via Centrelink. Without this support, Government and GSF, a significant number of students, mostly women, would not be able to further their tertiary education. It is widely acknowledged that the obtaining of tertiary education improves employment prospects therefore, this would reduce these families reliance on welfare payments.

Over the thirty-four year history of the children's Centre there have been various major building projects which have been supported in various ways via contributions from the General Service Fee.

The Centre budgets each year for an allocation of the General Service Fee funds for use over the mid-semester and summer breaks (16 weeks in total) enabling the GSF Vacation Rebate to cover the full cost of "unused" child care fees for students.

This allows student families a guaranteed placement for semester two or the following academic year and does not impact on Childcare Benefit or Allowable Absences. This program helps lessen the monetary burden for student families for these periods of time.

Any unused care by students over this period is not claimed against Childcare Benefit or JET. This reduction in our claim against Government support can be up to \$185.67 per week per client.

This Management Committee would argue that by pricing child care out of the reach of students, as is most likely with the introduction of the Bill, the Federal Government will be placing an impediment for families to consider upgrading or indeed, ever starting tertiary qualifications. This will obviously impede those families from either entry or re-entry into the work force.

3. Consideration of the experience of universities and students where legislation has been adopted to regulate student unions, such as in Victoria and Western Australia;

The Management Committee of the Children's Centre believes the La Trobe University model is one that requires further investigation from your Committee. The model is an excellent example of the way in which to administer the process of collection and allocation of a student fee. The process adopted provides for accountability and transparency on the use of funds. The fee is a service fee and not a Union fee.

The University administers controls eg: each recipient organisation signs a Memorandum of Understanding that clearly demonstrates the usage of the funds received; and each organisation is also required to undertake an audit each year.

La Trobe University, through the AQUA process (an external quality control audit) undertaken during 2004, was acknowledged for the support services provided to students of this University.

Summary:

If this Bill is introduced in its current form, a considerable number of families will not be able to afford the cost of child care. It will impede families from completing, upgrading or indeed, ever starting tertiary qualifications.

- It will increase family reliance on Government Welfare;
- It will increase the Centre's claim on Government assistance through Child Care Benefit, JET and Capital Development.

The La Trobe University Children's Centre Management Committee implores you to further investigate the La Trobe University model of administering the student fee charged each year.

Dr. Kerry Ferguson (Pro Vice-Chancellor (Equity and Access))
Chair
La Trobe University
Children's Centre
Management Committee.

Approved: Children's Centre Management Committee
31st May 2005 Minute 349.6 i.e.ii.