

Submission to Senate Inquiry into Abolition of Compulsory Up-front Union Fees

I am a second year undergraduate economic student majoring in econometrics; I have no political affiliations and depend on government support and casual employment for my income. I study at the University of New England, Armidale. I have been a resident of Armidale from 1997 to 2002. I completed my HSC in 2002 and took a year off where I worked for Centrelink in 2003. I started my economics/commerce degree in Armidale in 2004. As a student I pay a General Service Fee (GSF) of \$370 a year.

I am opposed to the current form of the 'Abolition of Compulsory Up-front Union Fees' Bill or VSU. I have many reasons for this, however, I will try to focus on the major issues.

There are several arguments which proponents of the legislation will use to justify its introduction;

1.) Students should not have to pay for services they don't use

This argument holds the same basis as me suggesting that taxes should be made voluntary; both taxes and my GSF are used in ways I personally may not agree with or use the services taxes provide for, however, I am glad to pay so that if I ever do fall on hard times I will know that the services are provided within the community.

If taxes were to be made voluntary who would choose to pay? It would ensure that the government provided exactly the services that are needed by the community, however, what about public goods? This is the same as the GSF especially in regional communities such as UNE; I can't walk down the road and find a place which will give me free legal advices, or counseling or allow me to volunteer as a radio announcer.

The GSF I pay is less than what I pay for essential text books each semester, it is not my main concern financially as I receive so much in return for it and I am happy to pay so that other students may benefit within the UNE community.

2.) If services are essential shouldn't students be happy to pay for them?

Couldn't the same argument be applied nationally to defense, social security and hospitals? The reason this argument doesn't hold validity is due to several factors including the 'free rider' problem where those who don't pay still receive benefits both tangible and intangible; through paying my GSF I receive not just access to a large range of services allowing me to increase my social wage through services such as free dental, subsidized food, free legal advice etc I also allow other students to use services I don't personally require such as counseling.

3.) Students should not have to pay for causes that they don't believe in

I agree with this in principle, however, practically Victorian style VSU legislation could brand services and positions such as a "womens officer" and "Queer/homosexual officer" as political; I myself am a heterosexual male and whilst I pay for these positions I again am happy to as these are extremely important issues which if not provided can have the consequence of suicide or mental illness among my fellow students, in addition in a region such as Armidale these are the sole welfare services which are available to students.

Politics is a part of life and anything can be branded as political; this is the danger I see in the Victorian style of VSU; we may still lose the welfare support services for minorities as well as the mainstream of students.

Things to consider especially regarding regional Universities:

Employment services:

According to the last Armidale census data the overall unemployment rate is at 9% which is well above the national average, there is an even larger proportion of people who are unemployed between the ages of 15-34 that being 15% rate of unemployment; furthermore the current system of job centres don't provide support for full-time students in finding employment and therefore the only way we have the ability to find employment is through the employment service provided to us by our GSF. The majority of students have no choice to work in able to maintain a livable income; the introduction of VSU will have the effect of making it even harder for students to find work.

Economies of scale:

There have already been several attempts on the UNE campus to privatize services all of which have failed; the reason for this is clearly due to the fact that there is just not the required student base to provide even a basic level of services expected at the university.

Counseling services and misc welfare:

I have several friends who have had hard times as students, both financially and emotionally in fact one tends to have an obvious correlation with the other; the only reason they have been able to survive those times was due to the support they received through the student association and counseling services provided. When I say 'survived' this can be taken as literally as I KNOW that students have received support from the counseling services provided by the GSF during periods in their lives where suicide is seen as the only option, by allowing the university to charge a GSF you are giving those students a clear avenue to go to when they are in need of help.

Summary

The legislation in its current form has nothing to do with encouraging efficiency among student organizations, good legislation would not immediately deprive an industry or sector of funds this wouldn't encourage efficiency it would cause destruction. In Armidale 200 jobs are at risk; and even more casual positions are under threat where students are employed.

In Armidale our GSF is value for money and essential in allowing students to live and learn and be confident that if they should ever fall on hard times they can rely on their student association for support.

Finally I will include what my GSF provides for in the way of services and remind you that I have paid more for text books this semester alone than an entire year's worth of student association fees. I also point you to the over 1000 signatures collected by Tony Windsor from the Armidale community and over 600 students regarding their concern for the VSU legislation in it's current form and to the survey which reported that only 2.5% of students at UNE support VSU legislation.

Who are you going to listen to? The 2.5% or the 97.5% of students who are concerned that services will be lost under VSU?

UNESA (University of New England Student Association)

<http://unesa.une.edu.au>

UNESA runs a number of not-for-profit organizations on campus including:

1. **TUNEFM:** 35 years young (see included statistics for more info)
2. **Second Hand Bookstore:** Offers students a place to sell and buy second hand books. This is a service which allows students to save large amounts on books.
3. **Neucleus:** The student Newspaper (over 50 years old)
4. **Dental Clinic:** A Free dental clinic provided on campus (see dental supplemental)
5. **Representation:** UNESA is the main body responsible for representing the concerns of the students. (See supplemental on current representatives)
6. **Orientation Week:** One of the main organizations present at orientation week is the student association and the various clubs and societies.
7. **General Services:**
 - **Accommodation:** Students looking for accommodation and someone to share with can use the UNESA accommodation service.
 - **Employment:** they help students find employment through community links. This service is also marketed across the community to employers looking for people.
 - **Free Legal Advice:** UNESA provides free legal advice to students.
 - **The Breather:** A student space offered behind the UNESA office which offers free coffee, tea etc, but mostly a place to meet other students and relax.
 - UNESA is the association responsible for the **free Lifesaver diaries and calendars.**
 - **Sexual Health:** UNESA promotes safe sex; offering free condoms, lube and dams at their office.

SportUNE:

<http://une.edu.au/sportune>

SportUNE is the organization which is responsible for the vast majority of sporting facilities on the UNE campus. It is believed that under a VSU environment the **first thing that will go will be the maintenance of the playing fields located at the bottom colleges, and the subsidizing of inter-college sport.**

Some of the facilities offered by Sportune include:

- Squash
- Climbing Wall
- Tennis
- Table Tennis
- Badminton
- Pool
- Gym
- Group Fitness Classes
- Personal Training
- Soccer field
- Football field
- Cricket Pitch's
- Basketball Courts
- Various clubs and societies (archery, self defence, aerobics etc)

Services paid for under the GSF are:

The Sport UNE portion of the General Service Fee which raises up to \$950,000 each year covers or contributes to the following annual operational costs:-

- Insurance for all students engaged in Sporting Activities \$35,000
- Club Facility usage subsidies aimed at encouraging student participation in Club Programs \$55,000.
- Club Equipment subsidies \$50,000.
- IV entry fees and representative travel subsidies \$90,000
- Membership of Australian University Sport \$12,000
- Maintenance of Playing fields and Grounds (including 3 staff salaries) \$250,000
- Intercollegiate Sport Subsidy \$25,000 (including staff time)
- Building Insurance \$25,000
- Sports Scholarship contribution \$20,000
- Maintenance of Indoor Facilities \$150,000 (including painting, cleaning and heating)
- Facility User fees (subsidising student fees to keep at the lowest possible level) \$200,000
- Staff Salary Costs.

(source: <http://www.une.edu.au/sportune/president.html>)

UNEunion:

<http://www.uneunion.com.au>

The UNE union is responsible for running the commercial side of University services. Businesses operated by the Union are as follows:

1. **The Bistro:** One of the most used facilities in regards to the union, the Bistro offers live entertainment and a central social point for students of UNE.
2. **Tattersalls Hotel:** The Tattersalls hotel is one of Armidales largest pubs and offers both students and the wider community the chance to relax and socialize with friends from throughout the Armidale area.
3. **Belgrave Twin Cinema:** As the only cinema offered in Armidale it is not only a vital place for entertainment, but is a vital cultural centre of the wider Armidale community, films from the latest Hollywood blockbusters too Bollywood and low budget movies.
4. **Dr Robb's café:** Located in the central courtyard this business offers take away.
5. **The Union Newsagent:** The newsagent offers magazines, newspapers and stationary... It also offers postal service and basic food and toiletry items at a reasonable price.
6. **Booloominbah:** Is a restaurant offered on campus.
7. **Sleek Hair Studio:** The hairdresser offered near the central courtyard.

UNEPA (University of New England Post-graduate Association):

<http://www.une.edu.au/unepa/>

This specialized service for post-graduates is under threat under VSU, the services offered are tailored to the needs of post-graduate students.

I will also include articles I have already written regarding VSU:

VSU and you

By Giles Dickenson-Jones

So what is VSU and how will it affect UNE students?

VSU is the term used for “Higher Education Support Amendment (Abolition of Compulsory Up-front Student Union Fees) Bill 2005”; the main thrust of this proposed piece of legislation is in the removal of compulsory service fees such as our general service fee or “GSF”.

On the surface not having to pay your GSF seems like a positive outcome, after all that’s \$370 more in your pocket, life couldn’t be better... think again!. With the introduction of VSU students stand to lose the majority of student services; the bistro, the second-hand bookstore, the free dental clinic, TuneFM, Tattersals, all these student services and more could be lost under a VSU environment.

Why is it that a student in the 21st century goes to Sydney University to pay \$2 for a sausage roll when they can buy one for \$1.70 off campus and be served by a person who actually smiles at them?” - Brendan Nelson Minister for Education

Why is it Brendan that I had to pay \$400 on essential textbooks in one semester (what textbook subsidy)? I receive support from the government and work a casual job simply to break-even; struggling to simply pay my rent, the small amount of relief I receive over the year is through being able to have the occasional cheap beer at the bistro, buy some of my texts second-hand or have a cheap game of squash at SportUNE.

I’m sure in some of the urban universities you can quite easily just waltz across the road and buy a sausage roll, or access any of a number of private services and sporting facilities, however we at UNE live on planet “regional university” where the closest off-campus shop is around 15 minutes walk, I have no aversion to having a walk, after all I have no car, I’ve walked to town numerous times, but during the week I don’t get these utopian breaks where I can take an hour off to go and walk to town for a sausage roll.

It also makes you wonder, where is that shop which offers “student support” in Armidale? The fact is that UNESA is the only organization which provides student support services such as employment, accommodation and free legal advice; I dare you to show a solicitor in Armidale your student card and ask for a student discount. You may not have used the support services provided by UNESA, but you can bet that when you need them they won’t be there under a VSU environment.

How do we know what is likely to happen under VSU? Full VSU was enacted in Western Australia in the 90s; as a result services which were not financially viable were either reduced or completely lost; services relating to student welfare and support were especially hard-hit (Student advocacy, minority support, accommodation services etc).

The overall results were devastating with the best case scenario being membership rates of around 38% (Murdoch) and an average of approximately 23%.

“VSU in Western Australia has seen the demise of services for students - no Union Buildings, discounted food, bands, or clubs & society funding - no student life.” – vcasu.org/vsu

The argument for VSU has as much credibility as me suggesting that taxes be made voluntary; both taxes and your GSF provide for services throughout the community, some that you may not use, however, some which will be there should you ever fall on hard times. Every citizen of Australia is forced to pay taxes, how many would pay if they were given the choice? It certainly would keep the government honest.

Voluntary Student Unionism: It means choice right?

Unfortunately the arguments for VSU are basically the same; they stress that it is about choice, however the reality of the situation is that the basic demand and supply theory in a free market does not necessarily provide for an egalitarian society. This is especially valid for University students who typically have low incomes and may not be able to afford services such as legal advice, dental appointments and new textbooks offered throughout the Armidale area.

There are also the concerns of other offerings of the organizations such as the women’s officer, queer space and representation provided by the student association; how can you make services such as these profitable? The fact is that neither the free market nor the government provides these services for students; so we must provide them for ourselves.

Whilst I as a student will never use the queer space, the women’s officer and I hopefully will never need to use the legal advice I am happy to pay for them because I believe they are services that are vital to the welfare of fellow students, and I know that if I ever fall on hard times I will know where to turn.

Why is it that a student in the 21st century goes to Sydney University to pay \$2 for a sausage roll when they can buy one for \$1.70 off campus and be served by a person who actually smiles at them?” - Brendan Nelson Minister for Education

This semester alone I have spent around \$300 on text books; resulting in me gaining some ink and paper, however my GSF cost me \$185 and as a result I have access to a myriad of services .The biggest amount of cash that is withdrawn from my wallet is not from the general service fee, rather it’s from the textbooks which are no longer subsidized thanks to the government, there is also the issue of the increase in HECS which certainly a bigger issue to the average student than a sausage roll.

It’s quite simple that under VSU the majority of student services will simply not exist, this is also not because they are unnecessary, rather it’s because at a regional campus like

UNE we just do not have the economies of scale to support them, as a university the main claim that is marketed is our rating for “educational experience”, however an education is not about a degree, it’s not about a piece of paper or a high paying job; it’s about bettering oneself through experience both in your field of study and through the social experience, an experience which will be greatly diminished under VSU.

“VSU in Western Australia has seen the demise of services for students - no Union Buildings, discounted food, bands, or clubs & society funding - no student life.” – vcasu.org/vsu

Do you want this to happen to UNE?

Dentist General stats:

This was a very quick survey I conducted of local dentist, whilst it doesn’t list all the dentists, it is reasonable to assume that it would be a good indication of how much a simple dental appointment will cost for a student.

Dental surgery	Location	Ph:	Cost of first consultation	Additional consultations	X-ray cost	Bulk billing	Waiting period (wks)
Jeff Thorne	Marsh St	67723061	\$46	\$46	?	Yes	2-4
Dewhurst	Marsh St	67723522	\$59	\$59	\$32	No	2
Simpson	Marden St	67726554	\$168	\$158	\$38	No	2
New England Dental Group	Dangar St	67712283	\$250	\$160	?	No	3
		Average:	\$130.75	\$105.75			2 weeks to 2 weeks and 4 days

Min cost of checkup= \$46
 Max cost of checkup= \$250
 Min Waiting period= 2 weeks
 Max waiting period= 1 month

As you can see the cost of dental treatment in Armidale is not cheap, it is also worth noting that this survey was taken during residential periods so the waiting lists are more likely to have increase since then.

It will cost you as a student nothing for a dental appointment at the student dentist however under VSU it will cost you at least \$46, with a waiting period of at least 2 weeks

TUNEFM:

Tunefm is the radio station on campus which is about to celebrate 35 years broadcasting. It is also the only local youth station, providing a voice for students and youth throughout the community; under VSU it will have to close unless the University decides to fund it's activities. It is also notable that the station operates under a license which makes it nearly impossible to become profitable, considering also that the majority of station air-time is performed by volunteers, there is not a large number of options to cut costs further. This is another part of UNE under threat from VSU.

TuneFM facts and stats:

Facts:

Quite simply, under VSU, the station will not exist

1. Tune has an approximate expenditure of \$85,000 pa
2. Tune receives \$70,000 p.a. from the GSF
3. from 1998 until the end of 2004 Tune has received grants of Community Broadcasting Foundation (CBF) resulting in approx \$11000 of new equipment
4. TUNES very own "airtime" program which is distributed nationally via the Community Radio Network to an average of 45 stations per week has received funding support of \$6000 over three years
5. TUNEFM no longer has access to the CBF grants due to changes in conditions relating to the grants
6. TUNEFM has also received a number of small grants from the Armidale Dumaresq Council
7. Staff costs are around \$46000 pa which includes the full-time manager, part-time admin assistant and an occasional casual employee
8. The cost of news programs has been minimized by subscribing to National Radio News which is produced at Charles Sturt
9. Tune opened on 27th of April 1970 by VC Professor Zelman Cowan
10. 150 volunteers from the UNE, tafe and the general community
11. Hosts 15-20 work experience students each year
12. 7,400 people aged between 13-30, which is 30% of the population.
13. 90% of the population aged over 15 listening to radio in a given month, and 50% of the population aged over 15 listening to Community Radio in a given month.
14. 88.7% of UNE Students listen to TUNE!FM at least once a month, and that 77% of the youth population of Armidale listen to TUNE!FM at least once a month.

ABA research shows that 24% of Triple J listeners listen to at least one other station