

Submission

to

Senate Employment, Workplace Relations and Education
Legislation Committee

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

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HIGHER EDUCATION SUPPORT AMENDMENT (ABOLITION OF UP-FRONT STUDENT UNION FEES) BILL 2005

The Higher Education Support Amendment (Abolition of Up-Front Student Union Fees) Bill 2005 will significantly reduce the range and quality of services (including academic, cultural, sporting and social services) offered to university students within Australia. It will also diminish the facilities and environments in which they are studying. This will further threaten the Higher Education export market (currently worth \$8 billion), as Australia becomes less attractive to overseas students, leaving room for competitors from other countries to take market share.

There are, in addition, further issues connected to the Bill which need to be addressed. The first is that the Bill confuses two separate issues – that of the general service fee (GSF) which is levied on students at all universities to pay for a range of amenities and services, and that of compulsory student unionism. These two matters are separate and need to be managed appropriately.

The next is that the name of the Bill is somewhat misleading. In Victoria, in accordance with the *Tertiary Education Act 1993 (Vic)*, there are no Compulsory Up-Front Student Union Fees to abolish. Victoria does not have compulsory student unionism and certainly at Swinburne, Student Union membership is an individual choice, and not linked to enrolment.

Under the proposed legislation, the general service fee (GSF) is removed and Swinburne will effectively lose \$4 million in resources per year and risks not being able to provide critical services to our students. Activities such as student advocacy, orientation, transition and mentoring programs, on-line support services and infrastructure and facility support are currently provided by GSF funds, which compliment and enhance our students' studies.

There are a number of possible options that could be employed to enable universities to continue to use GSF resources for the direct benefit of all students, whilst ensuring that no compulsory student funds are passed to any political organisation. The attachment outlines these options.

VICTORIAN MODEL FOR VOLUNTARY STUDENT UNIONISM

In Victoria, Student Union membership is voluntary. Universities are allowed to charge a GSF, but its use is constrained by the Tertiary Education Act 1993 (Vic). Universities are accountable for the funds and for ensuring that no parts of the compulsory student funds are passed to any organisation for political or inappropriate purposes.

Tertiary Education Act 1993 (Vic), section 12F, stipulates:

(1) The governing body of a post-secondary education institution must not spend or allow to be spent-

(a) any money paid to the institution by a student or a prospective student of the institution by way of a compulsory non-academic fee, subscription or charge; or

(b) any money which is profit made by the institution or an organisation of students in the course of providing facilities, services or activities funded wholly or partly by the money referred to in paragraph (a)-

except for providing facilities, services or activities of direct benefit to students at the institution.

(2) The governing body of a post-secondary education institution must establish procedures and sanctions to ensure that any money referred to in sub-section (1) is spent or allowed to be spent in accordance with that sub-section and, if spent or allowed to be spent in contravention of that sub-section, is repaid to the governing body.

SWINBURNE UNIVERSITY OF TECHNOLOGY OPERATIONS WITHIN THE VICTORIAN MODEL:

At Swinburne University of Technology, membership of the Student Union is free and entirely voluntary.

At Swinburne, 60% of the GSF is passed to the Swinburne Student Union; 20% to the Sports and Recreation Association; 10% is collected in an Amenities Fund for infrastructure and facility support and 10% is retained by the University and used to fund a range of student services (including the Student Handbook, the on-line course and subject directory, orientation and transition programs, etc).

For the proportion of the GSF passed to the two student organisations, Swinburne has a formal annual process which is managed by the Finance Committee of Council. Each organisation has to prepare a business plan and budget in conjunction with the University, which is then approved and monitored quarterly. At the end of the year, each student organisation then has to submit an auditor's statement confirming that their GSF funds have been spent in accordance with the Act.

OPTIONS FOR CONSIDERATION:

1. Extend the current Victorian model nationally – this could be further tightened up through adoption of the processes used by many universities, including Swinburne, to add clarity and accountability
2. Define a 'list of purposes' for the expenditure of the GSF (such a list would need to be extensive to allow for all the variation of needs across campuses)
3. Define a list of prohibited activities funded by the GSF
4. Require universities to formally competitively tender out the provision of services funded by the GSF
5. Prohibit universities passing on the GSF to any third parties such as political organisations