

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

Submitter: Jim Round, Zoe Holman, Clare Chandler, Tom Rigby.
Farrago Editors

Organisation: Melbourne University Student Union

Address: First Floor, Union House, University of Melbourne.

Phone: 03 8344 6957

Fax: 03 9347 1645

Email: farrago@union.unimelb.edu.au

The Role of Farrago

Farrago is the University of Melbourne's student paper. This year is the 80th anniversary of its creation. It contains student comics, artwork and photography as well as articles on music, politics, philosophy, economics, cultural criticism and human-interest stories. *Farrago* provides a forum for student opinion and thought as well as giving students an opportunity to develop a range of vocational skills including writing, editing, design, organization and all other skills necessary for the production of a newspaper.

More than this, *Farrago* operates as an epicentre for student life. By providing a forum where students can express their thoughts and views it validates the student experience and provides the student body with a sense of community, something often lacking from the modern university experience. *Farrago's* editors are representative of the student views and opinions as the student body democratically elects them. We have around 30 people who work on the paper regularly and a stable of around 150 contributors as well as regular unsourced contributions from students. *Farrago* has a print run of 10 000 copies but we estimate that the readership is much larger than this as a result of students sharing copies. Without *Farrago* as a conduit for creative expression there is no doubt that the university experience would become a more sterile and isolated one for many students.

The Tangible Effects of The Bill

The introduction of the Higher Education Support Amendment Bill will see a drastic change to the operation of *Farrago* and, no doubt, the operation of student media across the country. On some campuses we will see the complete cessation of student publications and as a result we will see universities with the population of small cities with no local media. At the University of Melbourne it is probable that the Student Union, by rationalisation of the services that it provides, will be able to continue to operate – at least in the short term. However, we see a situation where the size, scope, quality and content of the paper will all be compromised as a result of a drop in financial support provided by the Union. Further into the future, when Union resources are further depleted, we may find that we are unable to produce the paper at all.

From the Amenities and Services fees only a small percentage goes to the publication of *Farrago*. We believe that it amounts to around \$3.30 dollars per student for the entire year. Costs of production include inter alia: printing, office equipment, modest wages for the editors and office space. *Farrago* has a revenue stream in that it is able to sell space to advertisers. However, even as one of the most prestigious universities with a large population base (making *Farrago*'s advertising more costly and more highly sought after than most other student publications around Australia) we would still be unable to cover the costs of running a regular publication. *Farrago* requires, and will always require, some sought of subsidy to allow it to continue to operate.

The financial pressure that will be put on to the Student Union will put this subsidy under increased pressure. As this pressure increases over time we will see a continued downsizing of various aspects of the paper. The print run will have to be reduced, meaning that many students will miss out on getting a copy. This will also reduce income opportunities as advertising rates are tied to distribution size. The wages for the editors will have to be scrapped, which means that *Farrago* will cease to operate as a semi-professional entity. Vocational training opportunities that exist in the current *Farrago* structure will be reduced, and the quality of the paper will be reduced dramatically and its frequency of publication reduced. Editors will no longer be able to take a year off their studies to produce the paper, as is convention, and correspondingly the University of Melbourne will no longer have a paper which befits its reputation.

Finally, and perhaps most importantly, the total withdrawal of union subsidies may see the complete removal of office space, which the union currently provides. Without these resources, the paper will inevitably become little more than a newsletter. Advertising flows will be reduced almost completely and the paper will only reach a small percentage of the university population.

Farrago Provides a Public Good

In the University environment a student paper operates as a public good by helping create a student community and by facilitating intellectual discourse amongst the student body. These things are not tangible goods but are extremely important nonetheless. The existence of *Farrago*, because of the public good it provides, as

well as the vocational opportunities that it generates, is a necessity. The implementation of the Higher Education Support Amendment Bill will destroy most student media across the country and financially cripple the remainder including *Farrago*, in doing so it will remove an important creative outlet on which is integral to the wellbeing of the student community.

Evaluation of the Arguments

Many argue that the implementation of this bill will merely see a reorganisation of services provided to students. Students, so the argument goes, will now be able to pay only for those services that they require and as a result Student Unions will manoeuvre to become more effective in provision of services to students. In short, if students feel that they require a student publication then they will be prepared to pay for it. This argument shows a fundamental misunderstanding of simple first-year economics. The market is unable to properly value and account for the public goods provided by a student paper and hence there will be an under provision of these goods. To think that students, or people in general, can be encouraged to pay for a public good is a laughable. When an individual makes a decision to buy a paper or not, the consideration of the public good does not enter into the transaction. For this reason it is sometimes necessary for government to levy a compulsory fee to ensure that the good is provided. In the case of the University community it is the Student Unions that do this – though this title is, in practice, a misnomer as they operate much more like a local council. The argument put forward for the introduction of Voluntary Student Unionism, taken to its logical conclusion, is an argument against the levying of any compulsory taxes. It is diametrically opposed to any conception of liberal democracy and flawed from conception.

The passing of the Higher Education Support Amendment Bill will have disastrous effects on student services in general seeing the abolition of many important services. Worryingly, it will result in the removal, or emasculation, of student media which, in turn, has tremendously negative consequences for the student experience.