

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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Overview

The Bendigo Student Association Inc (BSA) wishes to convey to the Senate Employment, Workplace Relations and Education Legislation Committee its concerns with regard to the devastating impact that the proposed legislation will have on its operations; the operations of La Trobe University, Bendigo; the current and future students of La Trobe University, Bendigo, and; the wider Regional Community.

Bendigo Student Association Incorporated

Bendigo Student Association Inc (BSA) is the major on-campus provider of services to students at La Trobe University's campus in Bendigo.

The Bendigo Student Association Inc is an incorporated body operating for the benefit of all students at La Trobe University's Bendigo (LTUB) Campus.

Separately incorporated in 1988, the primary objectives of the BSA are outlined within its mission statement:

"The Bendigo Student Association Inc strives to improve the quality of student life by providing services and facilities, promoting diverse student activities and representing student interests to the University and broader community."

We believe that a very important part of Higher Education is derived from experiential processes, which will be lost if it is accepted that the purpose of attending University is merely to learn a prescribed amount of information which a graduate can then apply on demand.

As a student body, we see that a very important part of the "University experience" relates to the other life-skills that students acquire. In our own context, as a student association, we provide opportunities for students to undertake voluntary service in a diversity of roles. These roles enable students to develop leadership skills, obtain practical experience in working with others, develop project management skills, etc, which will be invaluable as the students make the transition into the work-force, and, again looking at our regional context, will assist in developing the next generation of leaders in our community.

Making Student Life Better

There are a myriad of ways in which we act to achieve our goal of “Making Student Life Better”. Many of these can be placed within four broad categories:

Financial

- Commercial Businesses supplying students at best possible price
- Employment placement service
- BSA Discount Card programme
- Free Breakfasts / lunches
- Second Hand Book Sales
- Off-campus Accommodation Listings

Recreation

- Activities and Entertainment
- Trips and Tours
- Campus Sport
- Health & Fitness

Academic & Representation

- Student Advice and Support
- Liaison between students and University
- Student representation in Academic and other disputes with University

Clubs and Professional Development

- Social, Course and Interest based Clubs
- Skills enhancement and training
- Volunteer Development Programme

We see that a very important part of our role within the University is to build “community”.

- Between students in different areas of the University
- Between staff and students within Course disciplines
- Between University students and the wider community
 - Contribution to providing a youth voice to community, via support for *Bendigo Advertiser* UniNews
 - Involvement with La Trobe University Bendigo Community Bank Steering Committee
 - Building links with local businesses to enhance student employment opportunities
 - Create interactive Professional Development and Networking opportunities
 - Encourage excellence by showcasing and rewarding student activities / work

Structure of Bendigo Student Association Inc

The BSA is governed by a twelve member Student Board, with a President, Vice-President and ten ordinary Board Members directly elected annually in September, with terms commencing the following 1st January.

The BSA Board is supported by professional staff managing the day-to-day operations of the organisation.

The BSA operates General Services Fee (GSF) Funded / subsidised services, as well as Commercial services which are not subsidised by the GSF.

GSF Services operated by the BSA account for approximately 75% of the GSF collected from Bendigo students. The University retains the remainder of funds to be applied to a range of campus-based services.

Preparation of the Annual GSF Budgets follows a consultative process between the BSA and Campus administration, via the Bendigo Campus GSF Committee. This committee reviews service provision and identifies and prioritises any unmet needs at the campus.

Based on estimates of enrolments, and in line with minimising increases to GSF paid by students, a determination is made as to funding and fee levels sought by the Bendigo GSF recipients from the University.

The BSA believes that the current arrangements provide a significant benefit for Bendigo students by ensuring that services being provided are attuned to the needs of the campus, and reflect an ongoing commitment from both Campus administration and the BSA to work co-operatively to ensure these outcomes.

In 2005, Full-time students at La Trobe University, Bendigo pay a General Services Fee of \$325, with Part-time students paying \$200 or \$100, depending on the Credit-point weighting of their studies.

This fee is levied and collected from students by the University. In 2005, the total expected is in the order of \$1.1 million, of which \$858, 000 will be paid to the BSA to provide the range of services determined in consultation with, and approved by the University.

These services are provided under contract to the University; our performance is monitored by monthly accounts which we provide to the University, and by our independent auditors providing an annual statement to the University in relation to our expenditure within designated expenditure categories.

Under the terms of our arrangements, services provided or subsidised from GSF funding must be provided to all students of La Trobe University, Bendigo

(totaling approximately 4,000) irrespective of whether or not they are a member of our association.

Membership of the BSA is entirely voluntary, and requires a positive action by a student to join. There is no provision for obscure opt-out clauses in small print on the University enrolment documentation.

Impact on Bendigo Student Association Inc

Obviously, introduction of VSU in the promulgated form would have a profound impact on the viability of both our organisation and the other on-campus services being funded from the GSF.

It is possible that some of the services which are currently subsidised from GSF could move to an exclusively user-pays focus. This, however, is likely to be detrimental to the “common good” of students, as it will almost certainly exclude many from full participation in University life. Areas such as Childcare (currently operated by a private provider on University premises) and Fitness Centre membership could probably operate in a sustainable manner without any subsidy for students, however, it is likely that there would be a corresponding fall in the number of students using such services, and an increased reliance on making facilities available to non-student participants, in order to generate the necessary surpluses.

Unquestionably, in our view, there are many other services where a “user pays” model would simply not be viable.

Much of our student advocacy and representation work would simply not happen under a user pays philosophy, since it is necessary to be able to offer continuous employment to persons filling such roles, to ensure the appropriate level of knowledge of University processes and procedures to offer a professional service. It is also our experience that those who are most in need of support and representation are often in that situation because of financial and other circumstances which would make them unlikely to actively seek out assistance, and unable to pay for it if they did.

Similarly, to suggest that activities in the poverty relief / welfare area should operate on a “user pays” basis is oxymoronic.

Thus, whilst individual business fragments may survive, it seems inconceivable that they could do so in a form that replicates the current BSA. Without the critical mass provided by the full range of services offered, there could be no justification for, or resources to provide, an internal management structure to co-ordinate and control all areas of operations. It is more likely, therefore, that those services would operate as individual businesses, run with “profit” rather than “service” as a business driver, and probably passing from the control of the BSA.

On a regional campus such as ours, it would then, perhaps, be problematic to find a private provider to take on a business which allowed limited access by external customers, and which only provides high numbers of customers (students) for approximately thirty weeks of the year.

At worst case, which unfortunately we do not believe is an unrealistic scenario, introduction of the promulgated legislation could force a shutdown of all operations of the Bendigo Student Association.

This would result in loss of employment of 14 Full-time, 24 Part-time and 25 casual staff, with many of the part-time and casual staff being students of La Trobe University, Bendigo.

Impact on Students

Perhaps here it would be good to highlight some of the issues which students have raised. These examples give an indication of how the BSA assists students, and what they will be missing if we are no longer here to assist:

‘Fourth-year university student Larisha Rowney said the BSA had helped her, even before she started at the institution.

“I came down from a farm in the Mallee in my first year and I had only just turned 18. I didn’t know anyone, I had no family here, no licence and I wasn’t living on campus,” she said.

“The first BSA service I used was the accommodation listing; it helped me find a share-house to live in.

“Over the years the BSA has helped me a lot; I have got several jobs through the employment service.

“I can’t imagine just doing my degree without having the opportunities it has given me”

-Reported in “Bendigo Advertiser”, 17th March 2005

“Michael”, a mature age, disabled student has indicated that without the BSA and other GSF-funded support services, he would not have been able to return to study. He particularly cited the Mature Age Guide, and Academic skills programmes giving him the skills and confidence to tackle his degree, as well as the ongoing support of our Welfare & Academic department when issues have arisen during his course.

Staff from the University’s Aboriginal Tertiary Support Unit (ATSU), have expressed the view that Aboriginal students face many hurdles before they apply for and enter Higher Education, and are often in need of additional support to successfully complete their studies. This can run the full gamut: social opportunities; employment; accommodation; academic skills assistance; representation; welfare support; subsidised childcare; advocacy services.

At La Trobe University, Bendigo, all of these services are funded from the General Services Fee, and most are directly supplied by the BSA.

An area in which our status as a separately incorporated body has been invaluable has been our work in student advocacy and representation. Our status as a separately incorporated body allows us to dispense independent advice to students, without concerns as to the ramifications of antagonising more senior members of the University. Whilst stressing that representation is normally conducted in good faith and with mutual respect, our independent status is a factor in students knowing that we are here to serve their interests, which may not always coincide with those of the University. Irrespective of whether or not the University is able to create and fund an internal “Office of Student Advocate”, the loss of an independent champion for students will be tragic.

Whilst other areas of this submission also explore ways in which this legislation will impact upon students, it is important to note that research has shown that students who “connect” with the University, particularly in the first six weeks, are more likely to remain and to succeed in their studies.

It is therefore important not to underestimate the significance of social connections made through Orientation Week events, active Clubs and Societies, a vibrant Campus Life and the sense of community that all of these engender. These would be likely to vanish under the proposed legislation.

Impact on La Trobe University, Bendigo

The loss of services which are currently being provided at La Trobe University, Bendigo from the General Services Fee would be a disaster for this campus.

University has traditionally had a role in a person’s development that goes beyond mere vocational training. The ability to learn, think and engage with fellow students; to take part in a range of activities and pursuits, and; “spread one’s wings”, are all part of that process of personal development which equips our University graduates to become the leaders, innovators and professionals who are crucial to Australia’s continuing development in a rapidly globalising world, and particularly, to the transition of Regional areas from labour intensive industry, to professional, service-based economies.

A loss of such services and opportunities will impoverish the University learning environment, and will reduce this campus to little more than a vocational training facility, akin to an additional stage of Secondary School.

The nature of the University experience has, in fact, changed already. Increasingly, the services provided by student organisations such as ours revolve more around student welfare, support and other related aspects. In the last few years, we have seen a marked increase in the need to provide poverty relief services, such as free breakfast and lunch programmes.

The University also recognizes this aspect by using GSF funds to employ a Campus Nurse, and to support a Bulk-billing Medical Practice operating on Campus.

In addition, in response to a recognised need, we have introduced an Employment Officer position, whose role is exclusively to obtain part-time and casual employment for students who, at an increasing rate, must work to support their studies.

Whilst there is a proliferation of Job Network providers in Bendigo, because students are not regarded as “unemployed”, there is no funding of Job Network providers to obtain positions for them, and they have tended to “fall through the gaps” when seeking assistance to find work. Consequently, our Officer has developed relationships with local employers, built a significant data base of students seeking work, provides advice on resume preparation and interview techniques, and tries to match students with positions that will provide skills which they will be able to utilise when seeking Graduate positions.

No doubt some of the “old” Universities have the financial resources to step in and ensure an adequate level of Student services can continue to be provided.

La Trobe University, does not appear to be in such a position however, and our discussions with the University do not indicate that there is any likelihood that there are “surplus” funds available to be utilised for such purposes.

Therefore they, and we, face a huge dilemma.

If services are completely cut, we will, in effect, become a second class University, able only to attract those students who cannot afford to attend a better resourced University. It is more important though, to consider this from the other side – those students, because of their socio-economic position, will have no options, and will have to make do with a second rate University education and experience. Is this what we really need, when the future of Regional Australia will be dependant on the innovators and professionals who can acquire knowledge and be retained in our communities?

As an equity issue it is abhorrent, as it denies those students the opportunity to achieve their potential. Perhaps equally tragically, it is also a betrayal of our community, as it denies us the opportunity of having those students achieve their potential.

Assume though, that the University recognises that this campus cannot survive without the provision of at least some services that are currently funded from the General Services Fee. It would seem to us that the only way such services could be funded, would be by significant cut-backs in other areas. To achieve such savings would, in all likelihood, require a reduction in courses offered at this campus. Whilst, in a metropolitan situation, some rationalisation of courses between neighbouring University campuses would have an impact on where students choose to study, in the case of regional campuses such as ours, any reduction of courses would mean that, for the majority of students, they would no longer be able to study that course (since our nearest “neighbouring campus” is around 150 kilometres away).

One would expect, taking a pragmatic view, the most likely areas for cut-backs would be in courses with fewer students (including specialist courses), and those for which there is no clear and direct vocational outcomes – thus speeding us toward “Training College” status, and again limiting the opportunities for local students and potential students.

A further impact will be on the recruitment and retention of International Students to this campus. We currently have around 220 Full-fee paying International Students in Bendigo. Aside from the obvious revenue that they provide for the University, through their involvement in University life, they also add a dimension of cultural enrichment to the University experience for all students.

It is our understanding that the University is able to use a portion of fees paid by these students to fund support services, but also has an on-going obligation to those students to provide a certain level of support. It is not clear to us how the University will be able to provide such services without the economies of scale provided by universal payment of services fees. Of course, it is likely that, without appropriate support services, all Australian universities will see a rapid departure of the International students on whom they have come to depend financially. A disaster for our campus; a tragedy for Australia, as we reduce our international interaction at a time when it has never been more crucial.

Impact on Wider Community

In a regional area such as Bendigo, there is a sense of ownership in the local community of “our” University, which is not usually present in a metropolitan context.

This, in part, arises because the facilities of the University are seen as community assets, and are frequently used by various community members and groups. In our own case, the Fitness Centre that we operate has approximately half student members, with the other half drawn from University staff and the wider community. This not only provides a cost-effective fitness

facility for those members, but also gives us a critical membership mass to operate the facility efficiently, and facilitates interaction between students and the other members of the Bendigo Community. Our facility is also hired to various sporting groups who use it as a training and competition venue.

As indicated in a preceding section of this submission, the BSA is also involved in many community activities. This is in recognition that an important way in which we can provide assistance to students is to assist them with developing their networks within the community and giving them opportunities to develop and display their range of skills and talents.

We also recognise that it is important that in furthering these aims, we are seen as a respected and professional organisation within the University and in the wider local community, and participate in many local organisations and committees on this basis.

Our efforts were recognised in 2004, when we received the “Best Small Campus Student Organisation” award from the Australasian Campus Union Managers’ Association (ACUMA).

Introduction of the proposed legislation would eliminate the important conduit that we provide between the student body and the local community.

With Higher Education participation rates in this region significantly and worryingly below National Averages, a profound reduction in Student Services, Amenities and Resources at the Bendigo Campus of La Trobe University cannot have anything other than a negative impact on this.

If, as outlined above, La Trobe University redirects its funds to preserve some services, but at a loss of some Courses, the impact on participation rates and the region will be equally severe.

During the Summer of 2003/04, La Trobe University investigated and sought input into a proposal to change its Academic structure, particularly in relation to the way courses delivered in Bendigo were administered.

Among many issues raised during these discussions was the fact that most of the students who attend this campus come from the surrounding region, which has one of the lowest socio-economic demographic profiles in Australia. Numerous past and present students indicated that if it had not been for the presence of this campus, and the availability at this campus of the courses that they wanted to study, attending University would not have been an option for them.

Thus, any reduction in course offerings is likely to lead to an immediate decrease in participation rates in this region, with the disastrous consequence that so many more people (both young school-leavers, and the increasingly significant, mature-aged, adult learners) will not be able to realise their true potential, and go on contribute at the same level to the regional community (or economy).

Indeed, amongst business groups in Bendigo, despite a strong local economy, one of the most frequently heard reasons for not being able to attract higher-level, professional staff to Bendigo is the perceived deficiency of educational opportunities in the City. Any reduction in the availability of Higher Education, or the accompanying services that are an integral and necessary part of University life would obviously have a deleterious impact on this.

Recognising that the demise of the BSA as a result of the proposed legislation would have a negative economic impact on the region, we have also commissioned some economic analysis of the possible impact.

This analysis, using a rigorous and tested model, indicates that the annual value of our output of \$1.797 million results, once all flow-on implications have been taken into consideration, in a total contribution of \$4.205 million per annum of economic output in the Regional economy.

Predicated on very conservative modelling, assuming a 30% uptake of membership and fee payment, (based on experiences from Western Australia, an uptake of around 15% is considered more likely), and taking into account the specific demographics of students at this campus, this model demonstrates a net reduction of seven (7) Full-time jobs across the Bendigo region. (Note – this is a loss of **all** BSA positions within GSF funded areas, but likely creation of replacement jobs in other sectors). At an likely uptake of 15%, this net reduction would rise to between eight (8) and nine (9) Full-time positions across the Bendigo Region.

It is a well established economic principle that, all other things being equal, a decision that results in an adverse economic impact, is a bad decision. On these grounds alone, we would therefore contend that the legislation should not proceed in its current form.

However, when you combine this with the immense harm that the proposal will cause to our University, to our students, potential students and the wider community, it is almost beyond comprehension that a Government would proceed with it.

We would be pleased to provide your Committee with a copy of this Regional Economic Impact Analysis for your consideration.

An Acceptable Alternative – The Victorian Model

We will leave it to those who have directly experienced the Western Australian model to comment on its impact.

We, however, happily and effectively work under the “Victorian model”, and believe that it offers an acceptable means of enabling the Government to achieve its political objectives relating to “freedom of association”, but would prevent the decimation of Student Services across the country’s universities,

and preserve the holistic aspects of “education” that are such an important part of University experience.

We are a professional organisation, committed to providing services, amenities and support to the students of La Trobe University, Bendigo. As such, this is our focus and commitment, and we do not engage in political activism.

None of the General Services Fee funds with which we are entrusted are used to fund political activities, however, we have used some funds from our Commercial Services area to pay a subscription to the National Union of Students. Over the last four years, this has averaged approximately \$1,600 per annum, which, on an annual turnover in the vicinity of \$1.8 million, is less than one tenth of one percent - a not particularly significant amount.

Our organisation, therefore, would be quite happy to continue working under a system which has appropriate mechanisms in place to prevent misuse of students’ money, but which can continue to ensure that appropriate and necessary services are provided for university students.

We would welcome the opportunity to meet with the Committee to discuss our submission in further detail, or to provide such other information as you require.

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