

Submission to

Senate Employment, Workplace Relations and Education Committee

**Higher Education Support Amendment (abolition of compulsory
up-front student union fees) Bill 2005**

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Association

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Overview

This submission has been prepared to give a rural perspective on the costs of the 'Higher Education Support Amendment (Abolition of Compulsory Up-Front Student Union Fees) Bill 2005'.

Charles Sturt University is a regionally based University with a history deriving from a number of former Colleges of Advanced Education (CAEs). Each campus therefore has its own student association.

This submission will focus on the student associations Charles Sturt University. The associations join together under Charles Sturt University Student Association (CSUSA), and are comprised of CSUSA-Albury, Rivcoll Union (Wagga Wagga campus), CSUSAB (Bathurst campus), Dubbo Students Association, Orange Students Association, and CSUSA-SOT (Canberra campus).

The affiliates of Charles Sturt University Students Association (CSUSA) are mainly campus based. Each operates from its own constitution and Board or Council of student Directors. All of the affiliates come together University-wide for Charles Sturt University Students Association,

The fees collected currently are termed the Student Facilities and Services Fee (SFSF). This fee is administered through the University, passed to CSUSA and distributed to the affiliates. CSUSA also provides services to students regardless of student location or study mode. CSUSA takes some pride in saying that we have the lowest student fee in the country. Students pay \$34 per 8 point subject.

This submission will give general trends for all the campuses and give attention to Rivcoll Union as a case study.

Terms

VSU - In the past this kind of policy has been referred to as Voluntary Student Unionism (VSU), Optional Membership of Student Organisations (OMSO). For consistency and brevity the 'Higher Education Support Amendment (Abolition of Compulsory Up-Front Student Union Fees) Bill 2005' legislation will here be referred to as 'VSU'.

USM – Universal student membership

CSU - Charles Sturt University

CSUSA - Charles Sturt University Student Association

DE – Distance education mode of study.

The effects of VSU

If VSU legislation is passed, CSUSA, all affiliates, and the face of student life will change completely.

Some affiliates may be reduced to a few high priced commercial outlets. The potential income from commercial operations is not guaranteed and may be tendered out, putting at risk the possibility of creating additional revenue. The commercial operations at the moment run by an "at cost" rather than "profit making" basis and the price structure would need to increase 40% to break even in a VSU environment.

CSUSA affiliates would be unable to run many services and facilities to assist all students during their studies at Charles Sturt University under VSU. The primary role of any staff would have to change from providing much needed student support, to focusing on profit margins and revenue raising. If some commercial outlets were operated, there could be special discounts or deals provided to those students who opt to become members.

The experience at Curtin Student Guild in WA was a large drop in membership due to the implementation of VSU. Charles Sturt University is unique in that the University has 70% of students studying via Distance Education (DE). Our best estimates are that we can expect 5-10% of students to join our organisations after this legislation is passed.

Student Advocacy

The core function of the affiliates of CSUSA always has been to advocate for the best conditions for our students – in our own organisation, in the University, and in Government policy. An advocate is someone who seeks to influence the behaviour of decision-makers and those with power, on behalf of those who lack the power, voice, or even just the time to influence their own situations. Advocacy involves both speaking out and taking action on behalf of those with limited resources to do so for themselves.

Our staff and student representatives help countless students in two main ways; helping individual students with their cases, eg appeals, unfair exclusions, lost assignments. Also we observe trends in student issues and problems and seek to resolve these for large groups or all students, eg illegal ancillary fees, adequate staff to student ratio.

For individual cases, remote students by and large cannot access files so, with the student's authority, our staff can research files to provide a summary of information held by the University on the student's situation. Considerable time is involved when representing for a student at an appeal to research the background. The University rules and regulations are quite daunting, particularly for a student who is under emotional anxiety because of facing unfair exclusion etc. The wealth of experience

and knowledge of the student association staff is often a help in the student getting their case together.

Bruce Boyton, Rivcoll Union's Distance Education Student Liaison Officer, states "While not all cases lead to success stories, many do and we certainly know of problems that we have turned around, whereas the student's independent attempts have failed. The experience within Student Associations and the level of support offered is a fundamental cornerstone that will be lost, should VSU be introduced".

Advocacy would be not be affordable on a user pays basis under VSU. Independent and student focused advocacy is imperitaive in the running of a fair and equitable University.

Recommendation 1 – that the Government ensure that student case work and advocacy services can be administered by an independent student organisation and funded by a student levy.

A snapshot of Charles Sturt University Student Association affiliates

1 Approximate number of on-campus or internal students for association (not off-campus/distance education):

Albury - 900
Bathurst - 2900
Orange –150
Dubbo – 500
Canberra – 20
Wagga – 3000

Note: overall there are about 35 000 CSU students, with about 70% studying via Distance Education. Service provision goes to all students regardless of study mode. The opportunities of income generation would mainly be from the internal students under VSU.

2 The expected profits (if any) from any commercial outlets from each campus in a VSU environment:

Albury - As student numbers are very low, even with a price increase of 45% in our food outlets, we would struggle to make any profit at all. Under VSU it would have to hope to break even at worst. We do not have any excess staff and could possibly cut trading hours to help it survive.
Bathurst - We would see profits from commercial areas lose roughly \$100,000, or a 73% loss of current trading income.
Orange – A small amount, not enough to sustain further income.
Dubbo – nil
Canberra – nil
Wagga – about 15% of current income

3 The expected % of students to become members:

Albury - 5%

Bathurst - No more the 15% of our current membership

Orange – 5%

Dubbo – 5%

Canberra – 5%

Wagga – 5-10%

4 What % of overall income is currently from SFSF?

Albury - 60%

Bathurst - In excess of 80%

Orange – 90%

Dubbo – 100%

Canberra – 100%

Wagga – 80%

5 Is there any potential for income generation from other means for your SA?

Albury - There is a possibility of additional income from advertising, (\$9,000 this year) to about \$15,000.

Bathurst - At this stage we make roughly \$100,000 from other means. We are looking at ways of generating substantial amounts of income for the organisation. There is potential, however this requires money to be spent upfront.

Orange – Potential to buy the food outlet and bookshop on campus to run as a means of income.

Dubbo – Nil

Canberra – Nil

Wagga – Food outlets, graduation gown hire.

6 What staffing models have been worked out for 2006 on each campus (full time/part time/casual students?)

Albury - The only staffing would be in Retail outlets. All permanents would remain (3) most casuals (7) but no Administration. We do not generate enough income to have an admin staff, would have to be done voluntarily by students or controlled by the Uni if they chose to.

Bathurst - TBA

Orange – Maybe 1 part time and 2 student casuals.

Dubbo – Cut only staff member.

Canberra – Cut only staff member.

Wagga – 2 full time and 20 student casuals.

6 Potential redundancy cost for staff

Albury - \$52,000

Bathurst - \$350,000

Orange – information not available at this stage.

Dubbo – information not available at this stage.

Canberra – information not available at this stage.

Wagga - \$372,000

7 Potential number of staff losses

Albury - 2 cut from 5 full time staff.

Bathurst – Probably cut 13 full time staff and 50 student casual staff, from 13 full time and 50 casual.

Orange – Cut several student casuals and reduction or cut of 1 permanent staff member of 1.

Dubbo – Cut the only part time staff member.

Canberra – cut the only part time staff member.

Wagga – cut 23 of 25 full time staff, and cut 280 from 300 student casuals

Case Study - Rivcoll Union Wagga

Rivcoll Union is the largest of the affiliates of CSUSA, with a membership of around 10 000 students. As with the rest of the University, 70% of these students study via DE.

The Role of the Board and student representation

The Board of student Directors are elected from the students. Under VSU, the Board would have to change its focus from governance, policy making and student advocacy, to providing voluntary service to support the staff and the commercial enterprises, and membership drives. Due to the reduced membership of student associations, estimated from the Western Australian experience at around 5% of the total student population, they would no longer be representative of the entire student population.

It may be the view of the University that these student representatives would not have the authority to advocate on behalf of the student body, so the student issues brought to the notice of the University could be not taken seriously. The capacity for student representation across the University will diminish significantly along with a decrease in any recognisable and united student voice.

The student associations would only need to advocate on behalf of their membership instead of the total student body. This would create a selfish environment.

Our affiliates have a very positive and productive working relationship with CSU's Administration, through which huge student problems have been rectified. An independent student voice for advocacy and representation is extremely important in the functioning of a University.

Sports and Activities Clubs

Rivcoll Union currently has 34 sporting and activity clubs which provide students with the opportunity to participate in their chosen sport or activities whilst attending university. The membership of these clubs extends to 1590 students; the total population of internal students is currently 2600. These clubs and societies provide the social and recreational basis for students to become part of the University community and the broader Wagga community.

It should be pointed out that these students often remain in regional areas once they complete their studies. The experiences that they gain in operating and participating in these clubs gives them the skills to become administrators, coaches and participants in a wide range of community based activities. Under VSU Rivcoll Union would not be able to fund the large array of sports and activities clubs, or provide them with the level of staffing support enabled under USM.

Further, Rivcoll Union supports a number of Activities based clubs for the cultural and religious enrichment of its membership. CSU is currently enacting internal policy to make it difficult for religious leaders on campus to convert students to their particular faiths. There is some concern among religious clubs on campus that in a VSU setting there will be no buffer between the clubs and the University. Currently, a variety of spiritual and religious expression is defended.

Staffing & Operations at Rivcoll under VSU

Currently Rivcoll Union has staff of about 25, with a payroll and on-costs of \$550,000 budgeted in 2004.

Preliminary staffing models based on the Western Australian experience with VSU have been researched. It is envisaged that the staff of Rivcoll Union would have to consist of the following positions, which would be responsible for service provision and also providing support to the commercial operations.

1. Manager/Accounts/student case work
2. Receptionist/Shop Assistant

The staff in the commercial outlets would have to be rationalised and also the hours of operation would have to be reduced to maximise the profitability from these outlets.

Salary and on-costs would be in the vicinity of \$100,000 per annum. This structure is dependant on Rivcoll Union being able to maintain its commercial operations.

It should be noted also that Rivcoll employs over 300 casual staff to service its commercial outlets. These casuals are *always* students.

Because most students leave Wagga during holidays, and we don't really need to employ them over the holiday breaks. However, if under VSU

Rivcoll suddenly had to rationalise these jobs then these same students will have to find work in Wagga which has undesirable flow on effects for the community.

The difficulty also lies in the costs associated with employers losing what they have invested into these employees. Students aren't in Wagga forever and indeed don't want to stay in casual employment for any longer than they have to. The result is a loss of efficiency for the business, and an air of poor staff retention.

It also means that people in the community who do not aspire to be a university graduate have lessened opportunities to attain the jobs which potential University students also apply for. In short, Wagga does not have a spare few hundred jobs that they can offer to students who are only in Wagga for 30 weeks of the year.

Rivcoll Union runs its commercial operations for 51 weeks per year; however the viability of these operations is for 31 weeks per year while the full time students are in session. There are a small number of post grad students who are on campus over summer. As the campus is very isolated from the town of Wagga Wagga, there is not potential for community members to use the commercial operations making them more viable.

Rivcoll Union has to subsidise these operations for 20 weeks per year. This situation would be vastly different if a commercial operator was allowed to operate on campus.

A membership fee under VSU would need to be based and promoted on the savings the students could accrue from the various commercial outlets, for example, rather than on the number of services that Rivcoll Union could provide.

Income

Under VSU the main focuses for income would have to be the commercial areas and graduation gown hire. Any fees received from membership would be a bonus, but should not be depended upon and therefore our main thrust would be on improving income from both the commercial areas and gown hire service.

Basic figures for income under VSU do not allow for the replacement of any equipment or the hire of any equipment for special events. Additionally, there is no allowance for entertainment, activities or for the provision of services.

The fee income allows for further income to be generated. For all our affiliates, if student fees are removed our capacity to generate income in other areas, where the money goes straight back into service provision, is severely hampered.

Figure one, below, demonstrates the shortfall of income that Rivcoll Union can expect in 2006 and onwards.

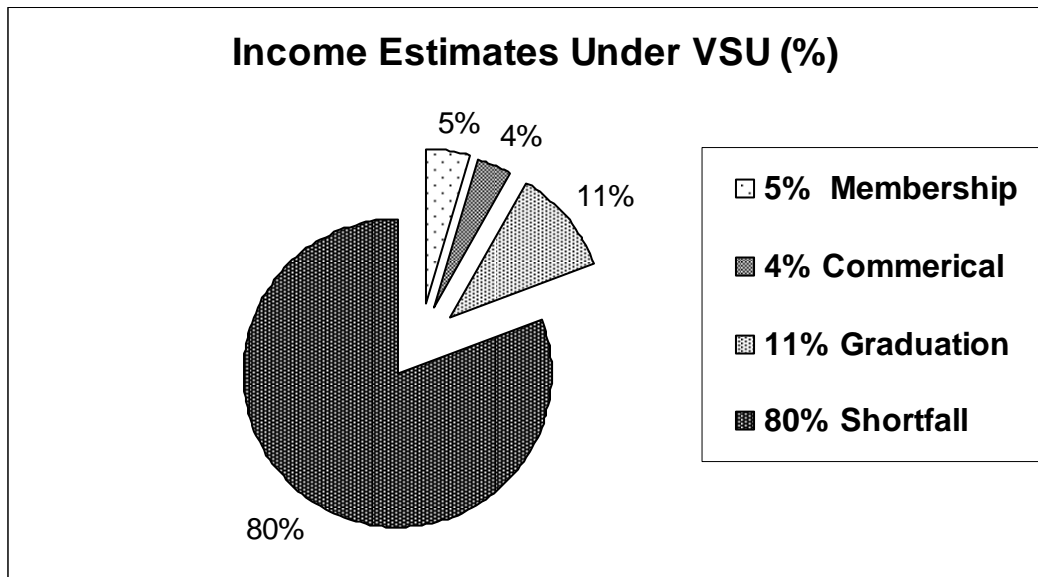


Figure 1. Potential income sources for Rivcoll Union under VSU.

This figure is dependant on the commercial outlets being run by Rivcoll and a 5% membership from students. The 80% shortfall will need to be sourced if Rivcoll Union is to ensure that students continue to receive a range of viable and affordable services.

Redundancies for Rivcoll Staff under VSU

Based on all current full time staff being made redundant at the end of 2005, the following costs would be incurred to Rivcoll if VSU were passed:

Redundancy payments	\$190,000
Long service leave	\$67,000
Annual Leave	\$115,000
TOTAL =	\$372,000

This payment is a legal obligation to employees and is based on the provisions set out in the respective Acts.

Services at Rivcoll under VSU

Many services would have to cease to exist under VSU.

The following list identifies a range of services that Rivcoll currently provides and the right-hand column identifies what could happen to that service under VSU.

Current Service or Facility	<i>Under VSU</i>
Advocacy, academic advice and assistance with appeals and casework (Core work of Rivcoll Union)	<i>Maybe fee for service, but likely abolished. Concern that there may be a conflict of interest if Uni takes this up</i>
Accounting services/Tax Help	<i>Abolished</i>
<u>Activities clubs</u> Currently 22 activities clubs based on interest and course Rivcoll Union currently allocates \$20,000 in subsidies. Membership of these clubs totals 970 students. Sporting clubs 12 Sporting clubs, Rivcoll Union provides financial support and administrative and legal support to allow these clubs to function. Currently allocates \$80,000 in subsidies. Current memberships of these clubs is 620 students	<i>Operate on fee for service. No budgets or subsidy.</i> <i>Abolished and members absorbed in to the community.</i>
Activities on campus such as self defence, yoga, aerobics, first aid, RSA & RSG.	<i>Abolished</i>
Advocacy & Representation Students are represented on all University committees and boards by students	<i>Abolished due to student association no longer representative of entire student population</i>
Band Competitions	<i>Abolished</i>
Campus competitions	<i>Abolished</i>
Copy Shop printing	<i>Maintained on a commercial basis.</i>
Counselling	<i>Abolished</i>
Courtesy buses Specific Distance Education Service	<i>Abolished. Cost of \$10,000 per year to maintain buses.</i>
EFTPOS Facilities	<i>Abolished due to monthly rental and bank fees.</i>
Entertainment	<i>Minimal and commercial rates.</i>
Equipment Hire Including lawn mowers, whipper	<i>Would continue to operate until equipment broke down. Then</i>

snippers, DVDs, VCRs, barbecues, vacuum cleaners, camping equipment It should be pointed out that students are now able to gain accommodation through real estate agents with the advent of Rivcoll Union providing lawn mowers, whipper snippers and vacuum cleaners. This service was introduced in consultation with the Real Estate Institute representatives in Wagga Wagga.	<i>abolished.</i>
Graduation services	<i>Maintained, but charged on a commercial basis.</i>
Interest groups	<i>Would have to be self-supporting.</i>
Legal services At the moment a solicitor from Farrell Lusher & Co. provides 20 minute consultations for students for free every fortnight.	<i>Abolished. Students would be referred to Legal Aid if they qualified for assistance.</i>
Leisure activities and events	<i>Abolished</i>
Lost Property Service	<i>Abolished</i>
Meeting rooms	<i>Maintained</i>
Orientation – internal and distance education students Rivcoll Union currently allocates in excess of \$40,000 per annum	<i>Abolished</i>
Past exam papers	<i>Abolished</i>
Photo developing	<i>Abolished</i>
Recreational programs	<i>Abolished</i>
Resume service	<i>Abolished</i>
Student Grants	<i>Abolished</i>
Sporting Equipment Hire Including tennis racquets, squash racquets, balls, etc.	<i>Abolished, would be maintained until equipment was broken.</i>
Sports competitions on-campus	<i>Abolished</i>
Student Development Programs	<i>Abolished</i>
Student discounts Where to Enjoy discount cards, exclusive to distance education students	<i>Abolished</i>
Student employment in Rivcoll Union enterprises Currently Rivcoll Union employs up to 270 casual students in its enterprises per annum at a wage bill of \$485,000.	<i>Abolished. Commercial operators may not employ students. These students would be forced to find employment in Wagga Wagga.</i>
Student Employment Scheme	<i>Abolished</i>
Student Insurance Rivcoll Union currently insures all full time students 24 hours a day 365 days a year worldwide, in addition those distance education students required to attend practicums are insured through	<i>Abolished</i>

Rivcoll Union.	
Student Publications Hungappa – internals, weekly Channels – distance ed, bi-annual CSUSA News – distance ed, bi-annual These publications are written & edited by students for students.	<i>Abolished</i>
Student Welfare Programs and Safety Issues This also includes the emergency loans scheme, free grocery items for needy students and the provision of breakfasts at no charge throughout the year.	<i>Abolished</i>
Telephone & Financial counselling and referral service 1800 Toll free number Specific Distance Education Service	<i>Abolished</i>
University Games Rivcoll Union sends students to both winter and summer games at regional, state and national level. On average 200 students would represent at all levels in their sports from Rivcoll Union.	<i>Abolished</i>
Website	<i>Abolished</i>

Most of these services and activities would cease immediately while the rest would continue until equipment needed to be replaced.

Conclusion

In closing it should be pointed out that all of the student associations of CSU have provided the students of Charles Sturt University with a range of opportunities to enhance their skills in all areas of life while they have studied in their academic discipline for the past 25 years. Students are at the helm in terms of governance and direction of services to students.

The current legislation will essentially prohibit the CSUSA affiliates from providing the vast range of essential services which are needed to assist our small and regional campuses. The argument of 'user pay' system will not work on regional campuses where the financial viability of the commercial enterprises are only based on 31 weeks per year, and also where the majority of students are far away from their base campus and association. For Charles Sturt University our diverse student population requires services and facilities for 52 weeks per year. CSUSA affiliates provide a range of services and assistance specific to distance education students who make up approximately 70% of the student cohort, and in ways that they can effectively engage with their student association.

The affiliates staff all put revenue, time and skills into their communities. The positive flow on effect to communities from the student associations should not be overlooked.

Also, the students who gain experience in being part of their sporting, religious, or activities club through their student association go on to be an integral part of their future community and help run footy clubs, churches, volunteer organisations etc. Most of the students who study in the country live in the country. We face losing such valuable community building skills and spirit of service under VSU.

The impact of this legislation on regional campuses in particular will be a reduction in services and facilities as well as having an adverse affect upon the following groups of students:

- Women
- Indigenous
- Mature Age
- Rural & Regional
- And in particular isolated students, both in terms of geography and technology.

Recommendation 2: That the Government take seriously the devastating impact that the Higher Education Support Amendment (abolition of compulsory up-front student union fees) Bill 2005 would have upon rural, regional and isolated students.

CSUSA is aware of the regional nature of the student base and thus the financial hardships that many of the students and their families face, particularly because of the 5 year long drought.

Under VSU and a 'user pays' system, many of our students would not be able to afford many of the necessary services and facilities needed to assist them in their studies. The collective benefit of Universal Membership is immense, and student associations are 100% accountable to their students at the moment.

To pursue this legislation would be an ideological crusade with no regard for the practical or long term consequences.

Through Universal Membership all students have the opportunity to avail themselves of the support services that are provided, and can also have a direct impact upon the service provision from their own association.

Recommendation 3: That the Senate rejects outright the Higher Education Support Amendment (abolition of compulsory up-front student union fees) Bill 2005 because of the adverse effects it would have upon all educational support services, particularly to rural, regional and isolated students.

List of Recommendations:

Recommendation 1: That the Government ensure that student case work and advocacy services can be administered by an independent student organisation and funded by a student levy.

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