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The Secretariat
Review of Higher Education Financing and Policy
Location 728, Second Floor
16 Mort St
CANBERRA CITY ACT 2601

Dear Sir/Madam

The Australian Veterinary Association is the united national body of the veterinary profession. The Association made a submission to the Higher Education Review Committee and the enclosed represents our views on the policy discussion paper "Learning for Life".

The Executive of the Association would appreciate the opportunity for in person discussion with the Committee to expand on these issues.

Yours sincerely
Barbara Horsfield
Chief Executive Officer

**AVA Submission in Response to the Policy Discussion Paper
"Learning for Life - review of higher education financing and policy"**

The AVA is the National body representing the veterinary profession in Australia. AVA made a submission to the West Committee and summarised its views on the five themes in the following terms:

1. A well educated and resourced veterinary profession will be vital to Australia's position in world trade of agricultural products and to public health and food safety.
2. The development of global competition in goods and services, with the need for quality assurance, as well as scientifically based risk assessment, will increase the demand for highly skilled and motivated professionals.
3. Employer and consumer groups should have input into education, research and training opportunities, as part of undergraduate curriculum development as well as education continuing throughout careers.
4. Private sector funding for higher education, while encouraging market involvement, needs to be balanced against the public interest.
5. Public funding should be directed towards areas of critical research which are part of core Government functions, or seen to be in the public interest.

General

AVA has noted with concern the reduction in funding for universities as a part of the fiscal policies of the Government. There is special concern for veterinary education because veterinary graduates are generally considered to be the most expensive to train because of the wide variety of disciplines that have to be addressed for relatively small numbers of students. Funding shortfalls occur and the high rate of HECS to which veterinary students are subjected is not reflected in funds provided. Nevertheless international benchmarking to date shows Australian universities have a high level of efficiency in producing high quality veterinary graduates.

Veterinary graduates begin their professional lives without an intern year and must be registrable and competent to practise. Starting salaries are commensurate with the length of the course and the competitive entry standards. Long term salaries are not so commensurate. The ability to repay high education costs is therefore limited.

There is a community service component of any veterinary surgeon's professional life. Much of this is unpaid as in the handling of injured unowned animals and of wildlife. These services are required under the ethics of the profession and the laws of States and Territories. AVA believes that there are benefits to both the participant in higher education and to the community which result from people undertaking tertiary education. Our view is that both groups should pay for this education - roughly in proportion to the perceived benefits to each.

AVA feels funding should be conditional on reasonable progress through the course to encourage those who participate to work. Should they wish to continue after failure (without good cause) this should be on a full fee for service basis or reduced support basis.

All students who are capable of gaining admission, and who wish to undertake tertiary education, should have access to funds which will enable them to undertake a course. Any student component of the costs should be repaid by the student after graduation, or if failing to graduate, once their income reaches an agreed figure.

Moving towards a student centred framework

AVA would accept the view that the process should be more student orientated. However student driven funding would not, of itself, suggest greater benefit to the community. Low value courses could develop to assist people to utilise their quotas. Some competition for places is not a bad thing and students will eventually have to compete for employment. The merits of encouraging students to undertake courses which may not assist in employment may not be in the interests of young students who may not be able to judge the value of courses for employment.

The student centred approach would have to be implemented in such a way as to leave incentives for universities to remain centres of excellence and be able to foster the exceptional students.

Access to public support determined by demand

AVA notes the "demand" question. It makes sense when considering the total number of students but it would not be in the community interest to give all students places in the course of their choice. The demand for places in many courses such as veterinary science well exceeds available places and available jobs at the end of the course. Such courses could not be made available to all students seeking access.

While recognising the value of an academic education and exposure to research to personal development and to broadening thinking AVA questions the concept of seeking to "attract all school leavers into post-secondary education". There has to be some purpose in this education to advance the life of the student and the community generally. It could create unwarranted expense for the student and delay entry into the workforce. It should not be used as a way of artificially lowering the unemployment levels. Students need to be fully aware so as to be able to make informed choices.

Universal access to income contingent loans

AVA questions the notion of "the willingness of families to share their resources with the student". We would accept the responsibility of families to provide education for their children and if the student is academically capable funding for education should be on the same means tested basis as other social issues.

Higher education has to be open to all, regardless of background. The alternative is to create a society in which only the rich have access. An elitist society fails to make the most of its abilities by ignoring those who cannot afford higher education. The challenge is to devise a -system that is

equitable without draining the public purse. The provision of low interest or interest-free loans is one suggestion, but this depends on how

the fees are calculated. A loan to cover the present HECS fee of \$5,500 pa for 5 years would result in a debt after graduation of \$27,500 plus interest - an amount that could be paid back by a professional over, say, 10 years. However, if there is full fee recovery by universities, it becomes a great burden: \$24,000 pa for 5 years means a debt of \$120,000 to pay back. This prospect would severely limit career development for all but the wealthy however long the period of repayment.

AVA agrees that the approach to funding should be student-centred. Subject to the comments above re beneficiaries and benefits Government should pay the full fees as in the days before the introduction of HECS and there should also be a small scholarship to cover the costs of living. In this age of rapidly advancing knowledge and technology, and with environmental problems continuing to mount up, the country must invest in its young people and their potential ability, irrespective of their parent's ability to pay for their education.

Duration of a student's entitlement to public support

AVA feels it is important that publicly funded higher education have some direction, rather than the acquisition of knowledge per se. Government funds should be available for a first degree (either through abolition of fees/HECS or means tested assistance or scholarships) or for a "double degree" eg Bachelor of Science/Bachelor of Veterinary Medicine and Surgery. Further degrees require more consideration. They may be paid for in part by the student on a cost-recovery basis (and these costs should be tax-deductible). If post-graduate studies are not covered by Government funding to the university or by a research grant then they may not be worth funding. Industry should be encouraged to provide funds for appropriate research, via tax-deductible donations (eg the Australian Companion Animal Health Foundation).

There is an implication from the report and from the subsequent discussions, that certain courses, such as veterinary science, medicine, dentistry, law, engineering and the like should become post-graduate degrees. This has happened in recent years with medicine at the Universities of Sydney and Queensland and at Flinders University. Under this approach the Report could lead to the conclusion that the first or generalist degree might be universally publicly funded but that a significant contribution (or all costs) be recovered from the student for the post graduate or second degree. While we accept the merits of some courses becoming second degrees AVA could not accept the proposition that they be fully funded by the student for the reasons of equity stressed above. The principle of benefit and contribution should apply.

This approach would also increase the debt burden and age of graduates and the costs and benefits to students and the community need to be carefully considered. It also raises the question of the funds derived from higher HECS contributions for some courses. AVA believes such additional funds should be provided to the faculties concerned.

The assumption that costs of education will be reduced through increased use of on-line facilities does not take into account courses where increased use of technology (for example advanced

imaging) within the course actually increases the cost of providing appropriate education. Graduates also need manipulative and people skills which can't be developed from a computer.

Regardless of the advances in technology, there will always be a need for undergraduates to get hands-on experience. In the human fields of medicine, the therapies, dentistry etc. the training can be done in government hospitals or is indirectly supported from the public purse via Medicare. In the veterinary field, the cost of providing this type of essential training is very high as it must be done on open markets in the commercial world. University veterinary clinics must compete against other veterinary practices and the treatment in many cases is determined by the value of the animal. The teaching of farm animal practice in university clinics, is even more expensive because there are limitations to the number of students that can visit each case as the service is totally ambulatory. There are no animal hospitals in Australia where farm animals (except horses) are brought into a central hospital. This cost of providing clinical teaching in veterinary schools has to be properly identified and addressed. There is increasing interaction between the veterinary schools, the profession, government veterinary services and this Association in providing teaching and experience through cooperative arrangements.

AVA would agree that the public contribution should be limited to a reasonable period of time. However the notion of a fixed fee per student does not take into account the varying costs of different courses. A fixed proportion of the costs (public versus student input) between courses would appear to be fair. This means that students undertaking more expensive courses would have to pay their share of these extra costs.

The figures quoted on Page 30 are unrealistic - \$26,000 would barely cover 1 year's veterinary tuition. Everyone should be entitled to, say, 4 free (or at least heavily subsidised) years of higher education provided that they can demonstrate:

- a level of educational achievement necessary to start university at 1 st year level
- a level of commitment which ideally might include having lived independently of parents and worked to support themselves for a reasonable period.

Tuition fee flexibility

First the desired outcomes must be clearly defined and regularly reviewed. An outcome might have to be demonstrated such as acquisition of certain clinical practice skills in the final year. Then fees could be competitive, but they would have to deliver an agreed outcome. The above is relevant also.

At which institutions should students be able to use public funding?

In considering the provision of "lower cost study options". It is important to determine whether the degrees issued to students taking the lower cost option be identified as such? This may be applicable to some courses, but they are not an option in others. Because of the need for registration and competency standards for public assurance and safety, some courses can only be delivered at the higher level. There are other implications for example Australia needs more rural veterinarians, this element requires encouragement.

Should levels of public funding be differentiated by course?

This might prove effective in reducing the costs of courses and could prove to be the solution to the viability of the smaller universities. The biggest problem is in determining the costs of training graduates. In veterinary science, for example, the allocation of university money for veterinary education also supports research - mostly by paying salaries of academics and general staff who spend the majority of their time in research, and by the provision of laboratories and equipment.

Accreditation, quality assurance and accountability

AVA would agree with the accreditation of courses (ie making them outcomes based) and that students should be able to enter any institution that provides an accredited course. If fees for tuition become competitive, there will be a need to monitor the courses to ensure that cost cutting is not leading to a reduction in the standards of the outcomes.

There is a need to provide accurate information on aspects of courses, but also a need to provide best estimates as to job prospects on graduation, future prospects in the area, likely remuneration in short and longer term, work conditions etc. The aim is to ensure that students enter courses with their "eyes open", which may reduce disillusionment upon graduation.

In some courses/professions accreditation by end-users is appropriate. Australian veterinary schools are accredited by the Australasian Veterinary Schools Accreditation Committee. This is a committee appointed by the State Government Veterinary Surgeons' boards which are the registration authorities. This ensures maintenance of standards and acceptance of Australian Graduates overseas.

As society needs all kinds of graduates it is essential that public funding allows for all different types of courses. Some courses, eg veterinary science are much more expensive to run than others. However, as above, we need to find out the real cost of education first. Science courses seem to be inherently more expensive than Arts because of the need to supply materials, laboratories, demonstrators etc and Government funding recognises this. Medicine is heavily subsidised by the teaching hospitals and by the many unpaid staff, this may hide some of the costs. To a lesser degree veterinary clinics and hospitals operated by universities support teaching in veterinary science. Costs need to be carefully worked out.

Quality assurance and accreditation are very time-consuming and expensive and it is easy to manipulate the results. It is difficult to evaluate good teaching. The students should be the best judges, and if there were free competition, the best and the worst courses would readily be identified. If university students were more mature and existing student representation in university management were increased quality control could be more easily evaluated and achieved.

Other financing issues

AVA feels that if institutions need to encourage private donations and employers and industry need to ensure an adequate supply of appropriately trained graduates, then funding to the most suitable institutions would be forthcoming. There should be taxation incentives for such ~donations.

Universities are public institutions, using public money; they must be visibly responsible for their financial management, including their investments. This is one area where their so-called autonomy is spurious. They should be as open to scrutiny and responsible for their financial management as any other public body.

Governance

The older, 'more prestigious' universities are more able to attract funds from the public - this is a self-fulfilling prophecy. As long as consistent with the pursuit of excellence, perhaps some donated funds could be divided so that one portion goes to the university and another is put in a common fund to support all higher education. Donations to higher education should be tax-free unless they are designed to achieve a commercial purpose.

Student centred funding models

This issue is critical and has been addressed in comments throughout this submission.

Encouraging good teaching

There is still reference to the need for university staff to publish or perish and the public expects people to be well taught at university and prepared for life after graduation. University people who are good at teaching, especially clinical subjects, should be encouraged and offered similar opportunities as the research based publishers through promotion or external advancement such as consulting or other income generating activities.

The situation regarding the rewards for good teachers has hardly changed despite considerable rhetoric. The problem is that academics are expected to show evidence of 'scholarship' to achieve promotion, and 'scholarship' means research productivity. The clash between being a good teacher with all that entails in terms of time and energy (similar to a good primary or secondary teacher) and being a good researcher who produces lots of research papers, has not been resolved. The latter, it is said, leads to fame and fortune, the former to oblivion.

Staff should be free to specialise in teaching - that is the only way that teaching is likely to improve. But, universities still see this in terms of scholarship and expect a good output of papers. University staff offer examples of people who have devoted their lives to the improvement of teaching in certain areas in the sciences, but who have not been promoted even though they are internationally recognised.

Encouraging good research training

There needs to be methods available to fund high achievers to continue into research areas -perhaps through grants provided on a competitive and transparent framework.

AVA also recognises need for universities to continue as centres of excellence and of research - so finding and advancement must also be available for researchers. It is important that the linked roles of teachers and researchers universities be recognised.

Research needs to be in areas of basic research as well as applied research - there is a need to maintain balance. The prime objective of research training seems to be to produce results for the supervisor; the education of the postgraduate student must not be overlooked.

Research policy and funding models

The international reputation of an institution (and hence the international standing of the graduates of that institution) is dependent on the quality of published research coming out of that institution. If so, research (appropriate to industry) is important for the international reputation of our graduates and hence our ability as a nation to export knowledge or intellectual property. Therefore research should not be limited to "that necessary to maintain subject knowledge and pedagogical practice". Funding of research by industry would ensure that research was relevant.

There are some critical questions and contradictions that have to be resolved:

- 1. **The purpose of a university:** education, research, scholarship, supporting industry by doing their R&D, training professionals, or providing employment for an ever-increasing band of administrators? Where should universities get their funding: Government, private donations, student fees, international students, industry, research grants? There need to be clear goals for universities and reliable financial support. The clashes of interest between all the present interested parties have to be resolved.*
- 2. **How should a university address the conflicting needs of providing opportunities for study in areas such as Literature, Fine Arts, Pure Sciences, Mathematics etc and at the same time prepare students for employment in the various professions?** There is a basic difference between 'study' and 'learning to'. This dichotomy affects funding and staffing at the most basic level. The problem of rewarding clinical teachers - medical, veterinary, dental - epitomises the dilemma. How can a good clinical teacher function or seek recognition in a system that rewards scholarship? The role of strategic and operational planning in addressing this dilemma and the need for collegiate processes should be recognised by all involved.*
- 3. **If the prime role of a university is education, the relationship between teaching and research has to be resolved.** The commonly held administrative belief that an academic's occupation should be one third teaching, one third research and a third administration is unworkable. The good teacher is always available to talk to students and spends much time in improving teaching methods and materials. The good administrator spends much time talking to staff and planning The good researcher spends much time in applying for grant money or in a laboratory or at conferences. It is difficult to be successful in all areas because of the fragmentation of time and energy. Because*

university promotions committees are still focussed on research - which appears most likely to impress governments and the public, and to attract money - the other 2 areas tend to be afforded lower priority. When the CAEs, which concentrated on good teaching, were turned into universities, they were expected to suddenly become productive in research. They are still struggling. The link between research and teaching and the pursuit of excellence has to be recognised in the production of rounded, -accomplished graduates

4. ***If the aim is to make Australia the 'clever country', why are we moving to 'user pays' in higher education?*** *If we need clever people then, surely, we have to invest in their education? There is excitement and enthusiasm about the future and the student resources to fulfil the promise provided the mechanisms are in place.*
5. ***Why is higher education becoming elitist?*** *There are people with the potential to achieve academically at all levels of society and in all ethnic groups. Why are the children from well off families favoured over the rest? Only when higher education is freely available to all, and selection does not favour those who have had the advantage of superior primary and secondary schooling, and private tutoring, will we gain the maximum advantage from our educational investment.*
6. ***Academic positions.*** *A major problem facing veterinary schools in the medium to long term is the decline in the number of academic positions and of experienced and quality academics. The staff/student ratios should not be allowed to fall behind the other developed countries, currently 1:5 in the European Union and 1.7 in the United Kingdom. Academics undertake valuable animal research and supervise post graduate students. Lack of research dollars and lack of quality academics will mean that Australia will start to lose some of its overseas postgraduate students to veterinary schools overseas eg the USA. The rural industries will suffer in the near future if there is not enough relevant research occurring in Australia. Industry needs to be made fully aware of this and some of the industry funds should be directed back into universities instead of some of the short term extension exercises which currently attract research funds. For instance, the closure of the Rockhampton CSIRO group doing work in reproduction in beef cattle and the loss of 3 senior academics out of the Farm Animal Studies Division of the Old Veterinary School last month highlight the holes which are starting to appear. Excellent results have been achieved to date but people must continue to do basic research rather than be reduced to copying other people's work. Qualified professionals can teach undergraduate veterinary students but academics are required for the post graduate work and the research to keep the institutions at the leading edge. Downgrading of our veterinary schools will have long term implications for the profession and the industry alike as many of our export markets are reliant on quality and respected veterinary services and certification.*

Veterinary services are under international scrutiny through the Sanitary and Phytosanitary Agreement of the World Trade Organisation

7. ***HECS.*** *ADA believes that, as a matter of equity, additional funds derived from higher HECS contributions for some high cost/ high demand courses should be provided to the faculties concerned so as to defray some of those high costs.*