

Office of the Vice-Chancellor and President

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Dear Mr West

Submission to the review committee—resources, access and quality

This letter and its attachments form my personal submission to the review committee.

I believe the future of universities in Australia will be determined by the balance provided between three critical variables: resources, access and quality.

A referendum of students and staff at RMIT University was held recently, the results of which (attachment 1) show strong opposition to the introduction of domestic undergraduate fee-paying places in award courses at RMIT. This opposition is based on concerns about the impact on access, equity and quality. Students, staff, the University Council and RMIT management all believe the current level of government expenditure on higher education is inadequate. The referendum also revealed a strong belief that university education should be available to all, irrespective of their ability to pay fees.

The referendum results confirm that the university community is well aware of the links between access, quality and financial support. The capacity of universities to maintain standards of access and quality depends on adequate resources being available. If Australia is to achieve the review committee's vision of quality and access, the government must adequately fund its higher education sector.

The need to find an acceptable balance between these key issues is addressed in attachment 2 which formed the basis of an article that appeared in *The Age* newspaper (22/10/97). It is also discussed in RMIT University's response to the review committee's discussion paper, which has been forwarded to you separately.

Yours sincerely

Professor David Beanland
Vice-Chancellor
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Attachment 1

Results of the student and staff referendum on --domestic undergraduate fee-paying places in award courses

Background

The referendum of all staff and students was held 6-13 October 1997. Three questions were asked:

1. Do you agree with the University Council decision to permit full-fee local undergraduate students at RMIT?
2. Do you think the current level of government expenditure on higher education is adequate?
3. Do you think that a university education should be available to all students on the basis of merit, irrespective of their ability to pay fees?

The referendum was conducted by the Victorian Electoral Commission. All currently enrolled RMIT students, RMIT staff (including casual staff) and staff members of the RMIT Union and RMIT Student Union were eligible to vote.

Voting was by postal ballot and attendance voting. All eligible voters (totalling 53,000 people) were sent a postal ballot to the home address recorded on the relevant RMIT database. Voters could choose to attend a polling booth if that was more convenient or if they did not receive a postal ballot paper at their home address.

Summary of results

- 24.63 percent of eligible staff and students participated in the referendum.
- 79.92 percent of staff and students who responded to Question 1 disagree with the RMIT Council decision to introduce local undergraduate fee-paying places in award courses. Analysis of the publicity and campaigning surrounding the referendum indicates that this opposition is based on concerns about the impact on access, equity and quality.
- 94.83 percent of attending voters said the current level of government expenditure on higher education is inadequate (Question 2). This is a view shared by the University Council and RMIT management.
- 96.08 percent of attending voters agreed that university education should be available to all, irrespective of their ability to pay fees (Question 3).

The returning officer's detailed tally sheets are reproduced overleaf.

RMIT University — referendum results October 1997

Question 1: Do you agree with the Council decision to permit full-fee local undergraduate students at RMIT?

| Voter category | Number agreeing | Number disagreeing | Number undecided | Eligible votes | Informal votes | Percentage disagreeing |
|--------------------------|------------------------|---------------------------|-------------------------|-----------------------|-----------------------|-------------------------------|
| Attendance voting | 240 | 4844 | 103 | 5187 | 23 | 93.39 |
| Postal voting | | | | | | |
| <i>Students</i> | | | | | | |
| Higher education | 1000 | 3277 | 291 | 4568 | 4 | 71.74 |
| TAFE | 400 | 1040 | 169 | 1610 | 2 | 64.60 |
| International | 3 | 3 | 2 | 8 | | 37.50 |
| Total students | 1403 | 4320 | 462 | 6185 | 6 | 69.85 |
| <i>Staff</i> | | | | | | |
| Academic (higher ed) | 95 | 266 | 10 | 371 | | 71.70 |
| Academic (TAFE) | 40 | 117 | 7 | 164 | | 71.34 |
| Non-teaching | 103 | 421 | 22 | 546 | | 77.11 |
| Casual | 150 | 463 | 35 | 649 | 1 | 71.34 |
| Total staff | 388 | 1267 | 74 | 1729 | 1 | 73.28 |
| Total all voters | 2031 | 10431 | 639 | 13101 | 30 | 79.62 |

Question 2: Do you think the current level of government expenditure on higher education is adequate?

| Voter category | Number agreeing | Number disagreeing | Number undecided | Eligible votes | Informal votes | Percentage disagreeing |
|--------------------------|------------------------|---------------------------|-------------------------|-----------------------|-----------------------|-------------------------------|
| Attendance voting | 126 | 4920 | 142 | 5188 | 22 | 94.83 |
| Postal voting | | | | | | |
| <i>Students</i> | | | | | | |
| Higher education | 213 | 4163 | 195 | 4571 | 1 | 91.07 |
| TAFE | 94 | 1415 | 97 | 1606 | 5 | 88.11 |
| International | 0 | 7 | 1 | 8 | | 87.50 |
| Total students | 307 | 5585 | 293 | 6185 | 6 | 90.30 |
| <i>Staff</i> | | | | | | |
| Academic (higher ed) | 18 | 348 | 4 | 370 | 1 | 94.05 |
| Academic (TAFE) | 10 | 150 | 4 | 164 | | 91.46 |
| Non-teaching | 18 | 511 | 15 | 544 | 2 | 93.93 |
| Casual | 28 | 601 | 20 | 649 | | 92.60 |
| Total staff | 74 | 1610 | 43 | 1727 | 3 | 93.23 |
| Total all voters | 507 | 12115 | 478 | 13100 | 31 | 92.48 |

Tally sheets (continued)

Question 3: Do you think that a university education should be available to all students on the basis of merit, irrespective of their ability to pay fees?

| Voter category | Number agreeing | Number disagreeing | Number undecided | Eligible votes | Informal votes | Percentage agreeing |
|--------------------------|------------------------|---------------------------|-------------------------|-----------------------|-----------------------|----------------------------|
| Attendance voting | 4978 | 144 | 59 | 5181 | 29 | 96.08 |
| Postal voting | | | | | | |
| <i>Students</i> | | | | | | |
| Higher education | 4366 | 122 | 80 | 4568 | 4 | 95.58 |
| TAFE | 1484 | 72 | 53 | 1609 | 2 | 92.23 |
| International | 8 | | | 8 | | 100.00 |
| Total students | 5858 | 194 | 133 | 6185 | 6 | 94.71 |
| <i>Staff</i> | | | | | | |
| Academic (higher ed) | 356 | 9 | 6 | 371 | | 95.96 |
| Academic (TAFE) | 156 | 6 | 2 | 164 | | 95.12 |
| Non-teaching | 514 | 23 | 9 | 546 | | 94.14 |
| Casual | 623 | 18 | 8 | 649 | | 95.99 |
| Total staff | 1649 | 56 | 25 | 1730 | 0 | 95.32 |
| Total all voters | 12485 | 394 | 217 | 13096 | 35 | 95.33 |

Attachment 2

RESOURCES, ACCESS AND QUALITY THE
KEYS TO UNIVERSITIES FUTURE

University education is of vital importance to any country seeking to be competitive in the global community of the mist century.

It is the asset which will most limit our development if it is not available. Many countries are identifying education as the number one priority for their future well being. There is clear public good as well as individual benefit in education at all levels.

We have seen university education move from a benefit enjoyed by a small percentage of our population to approximately 35% of current secondary school leavers over the past 40 years. This is in line with global trends.

The future of universities in Australia will be determined by the balance provided between the three critical variables: resources, access and quality. Change in any one has a corresponding impact on the other two Currently we have a restriction in resources limiting access and reducing quality

With considerable increases in the private contributions to university education over the last eight years, it is now time for the government to show leadership by increasing its contributions to properly develop our human resources, enabling this community to realise its potential.

The main question for the Commonwealth Government, which has the responsibility for funding higher education, is how much funding will it make available to ensure that the university system is providing adequate quality and accessibility for our young people?

To answer that question, the government must understand how much funding is required by universities to ensure that university education is of adequate quality? How can access to those capable of and seeking university education be increased? What means and magnitude of contribution should be sought from the beneficiaries of university education if the government requires such a contribution ?

In answer to these questions, Australian universities are generally of high quality and it is clearly important that they remain so. However, in recent years their rapid growth has seen some overcrowding, inadequate growth in libraries in a time of information explosion, grossly deficient information technology infrastructure, inability to update experimental laboratories, deficient building maintenance and currently a 10% reduction in staffing over two years as a result of unfunded salary rises in the system in addition to a 6% "efficiency dividend" imposed by the Commonwealth Government

An increased investment is required in Australian universities for them to perform at the standard we require.

With demand for university places growing, it can be argued that it is an excellent investment to allow all qualified to have access to a university place. This will require a continuing increase in the provision for university places by elimination. of the current system quota and commitment to funding the expansion.

Australia is very fortunate to have a fair system which does not inhibit access to a university education through cost.

The Higher Education Contribution Scheme, (HECS) has performed well, enabling access to university education to be increased without increasing the demand on the public purse and hence taxes. It allows the beneficiary's contribution to be paid by a deferred tax through the income tax system when the beneficiary is employed and earning at a reasonable level.

Initially HECS was at a level of approximately 20% of the cost the course. It is now nearer an average of 35%, depending on the field of study.

This contribution is now higher than in comparable countries There appears little scope to increase it without it becoming a major disincentive to intending students

As more of the eligible population access university education, it is apparent that more will also require assistance with grants to meet their living expenses while studying. Study support schemes such as Austudy and Abstudy need to be reviewed and enhanced. They, of course, should be appropriately means tested.

These issues and others will receive close attention over the next few months as a result of the West Committee discussion paper.

Another key issue will be whether a freer competitive market between universities can or should be established to encourage efficiency. There cannot be a traditional market operating between universities as they are all committed to utilising their resources in the public good, but quality performance can be assisted by a stronger client focus.

However some elements of competitiveness can be encouraged through permitting full fee paying students, removing quotas from universities, and/or allowing universities to charge top-up fees.

Full fee paying students have now been permitted by the Commonwealth Government and will be accepted by some universities in ,998. These students will pay all the costs of their university education for the privilege of attending the particular university and course of their choice, subject to the university accepting them as suitable students

This right currently exists in the increasing number of private universities and many overseas universities.

When public and private education exist in parallel at all other levels of education in Australia it is difficult to argue that it should not exist at university level.

The key to full fee paying student intakes is that they must not reduce the number of HECS places.

Opposition to full fees indicates a major discomfort with rapidly increasing fee levels in Australia over recent years.

Charging top-up fees (on top of HECS) by individual universities is unacceptable. It would be inequitable and unfair to individuals and grossly unbalance the system quality across Australia.

The elimination of quotas on universities would have less negative impacts and could enable university diversity to develop in a manner that more closely matches the desires of intending students, while stimulating client focused competition.

Maintaining a high quality university system is essential for Australia's successful performance in a competitive international environment and the health of our sixth largest export industry.

Professor David Beanland
Vice-Chancellor

17 October, 1997

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