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HOUSE OF REPRESENTATIVES

BILLS

**Higher Education and Research
Reform Amendment Bill 2014**

Second Reading

SPEECH

Wednesday, 3 September 2014

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

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Speaker Neumann, Shayne, MP	Question No.

Mr NEUMANN (Blair) (11:18): I rise to speak against the Higher Education and Research Reform Amendment Bill 2014. I am amazed that the coalition has members from rural and regional areas actually speaking on this bill. If I were in their tactics squadron, I would be recommending that none of them speak on it, because they are arguing that this will make it harder for the children of people living in rural and regional areas to go to university. That is exactly what they are doing. Yet they are up here criticising our system.

They allege the higher education system was broken—the member for Wannon said. But I will give you a few facts, because I have heard speech after speech from coalition members. When we were in government, we commissioned the Bradley review on higher education and we responded to it. We increased the revenue funding per student by 10 per cent to \$1,700 during the time we were in government. We increased government investment in universities from \$8 billion, which we inherited in 2007, to \$14 billion by 2013. If that funding had been maintained, by 2017 we would have seen \$17 billion contributed by the federal government to the higher education sector.

But what are they doing? They are cutting \$5.8 billion from it and making it harder for young people in rural and regional areas such as mine to get to university. And yet they are coming in here and lauding this as a historic reform. What they are doing is looking at the prospect of those universities charging far more for young people to become nurses, doctors, teachers and engineers—or even to work in the farming sector. We have rural and regional members here from the coalition lauding this yet we are seeing cuts to agricultural science, cuts to those people who actually want to better their farming skills, people who want to work on their farms and make their farms more competitive.

Where is the National Party? I think I am starting to agree with Bob Katter: the National Party does not really exist in this chamber anymore; they just roll out to the Liberals and the free marketeers and buccaneers of the right wing ideologues of the Liberal Party. And this legislation is typical of that.

When Labor was in power, we boosted funding to regional universities by 56 per cent. So we made it easier for young people to study. Our student start-up scholarships helped more than 427,000 Australians with the costs of study; our relocation scholarships helped 76,000 people with the cost of moving from home to study. We put 190,000 more students on campuses across the country. We boosted Indigenous student numbers by 26 per cent. We boosted regional student numbers by 30 per cent. And we have more than 36,000 extra students from low-income families in universities, compared to 2007.

In my area in Ipswich, the University of Southern Queensland in Springfield is hitting its Bradley review commitment in terms of young people from low-socioeconomic backgrounds getting access to university degrees.

Lest anyone say that we did not invest in world-class research and teaching facilities, we invested \$4.35 billion from the Education Investment Fund and we earmarked \$500 million for regional Australia. Let me give you an illustration of the kind of thing that that has done. Lest anyone in the gallery or listening think that Labor did not invest in the university sector, let me give you one illustration—the University of Southern Queensland's Springfield Education Gateways Building. It is a digitally connected learning environment, including simulated learning and laboratory spaces, allied health and nursing, engineering and construction and education. If any members want to go there they will actually see the construction taking place at the University of Southern Queensland's Springfield campus in the southern parts of Ipswich.

This bill is about cutting Commonwealth funding for university courses by an average of 20 per cent, leaving universities with no alternative but to raise fees to cover costs. It deregulates university fees and it will see the cost of university degrees skyrocket. Young people in regional and rural areas will have to make a choice between a car loan, a home loan or a university education—and the crippling interest rate on HECS-HELP student loans will burden students with years of crippling debt. It is a price signal. Those opposite are happy

with price signals—because they want to put a \$7 GP tax on people. They are boasting that this is the biggest Commonwealth scholarship fund in Australia's history. It is a sham. It is funded entirely by students paying higher fees. It introduces fees for PhD students—stifling innovation. But this is a government that does not believe in innovation. It got rid of the funding for the innovation precincts and they do not even have a science minister.

This bill does nothing to improve affordability, nothing to improve accessibility and nothing to improve availability of higher education. Name a country in the world where the deregulation of higher education led to lower fees. The minister could not name one when asked that question. This bill will force capable students to consider whether they can afford to go to university and put the burden of debt on them in the future. It is particularly harsh on students from low-income backgrounds, students who graduate into relatively low-paying jobs, graduates who take time out of the workforce to raise a family, mature age students who seek to upgrade their qualifications and those in remote and rural Australia. Put simply: we are seeing today through this particular legislation the Americanisation of our higher education system. It is a plan for \$100,000 university degrees. It is a plan for a higher education of haves and have-nots. It fails the national interest test and it fails the test of equity and fairness.

Before the election, the now Prime Minister and the now Minister for Education promised no cuts to education. In September 2012 the now Minister for Education said:

While we welcome debate over the quality and standards in our universities, we have no plans to increase fees or cap places.

On election eve, the now Prime Minister said:

And I want to give people this absolute assurance, no cuts to education ...

That blue book, *Real Solutions*, which they put underneath their chin all the time—and you saw candidates for the Liberal Party parading around the *Real Solutions* book as if it was the solution to everything—gave an old-fashioned, rock solid guarantee about university funding. *Real Solutions*, the Liberal Party's manifesto at the last election, said:

We will ensure the continuation of the current arrangements of university funding.

That is what it said: 'We will ensure the continuation of the current arrangements of university funding.' Well, the book is in the shredder. *Real Solutions* is in the shredder. They do not want to know about *Real Solutions*.

That did not take long—but it took a bit longer than I thought. In November 2013, the Minister for Education told Sky News: 'We want university students to make their contribution, but we're not going to raise fees.' So the Damascus Road conversion experience in reverse—the good minister for education becoming the bad minister for education—took a little while. In November 2013 he had not yet submitted himself to the finance minister and the Treasurer—they had not cut it yet. When asked why the government would not raise fees, the Minister for Education replied: 'Because we promised we wouldn't before the election.' Well, that did not last long did it? The budget in May broke that promise.

They broke that promise and every other promise that they made about education—\$30 billion in cuts to education. The Gonski unit ticket went. It is gone. It did not last long, either—it did not last at all. Despite repeated promises that this government would be a government of no surprises, they delivered this shocking budget in May and we are now dealing with the consequences. There was \$5.8 billion cut from the higher education sector alone. There were cuts in terms of the HECS-HELP benefit program and the Higher Education Reward Funding. The Higher Education Participation and Partnerships Program was scrapped. There were cuts through changes to indexation for higher education. There were cuts to the Student Start-Up Scholarship Program, cuts to the Relocation Scholarship Assistance Program, cuts to the Research Training Scheme, cuts to the Tertiary Education Quality and Standards Agency and cuts to the Australian Research Council through an efficiency dividend. They are the cuts those opposite made. So much for the party that want to support higher education—cut, cut, cut!

This bill before us today includes two massive cuts that will punish students. But members opposite from rural and regional Australia are lauding the bill—as if it is somehow great to cut \$5.8 billion from the higher education sector. This will harm students in regional and rural areas; yet they are saying that it is fantastic. This bill cuts

\$3.2 billion through changes to the HECS-HELP repayment threshold and will increase rates for HECS-HELP debts. There is also a \$1.1 billion cut through cutting funding for student support places.

The government argue that this is the only pathway forward. I tell you what it is a pathway towards: it is a pathway to a system where universities are a place that only privileged can go to, where only the sons and daughters of the rich can afford to go to. Those from the middle class and those from poor backgrounds will have this cost imposed and this obstacle in front of them that will make them question: 'Can I really afford to do it?'

This is not essential for the future prosperity of the nation as the minister said; this is about a class driven approach to university funding. We have not quite seen this. Even John Howard, the Prime Minister that imposed protocols and Work Choices in the higher education sector, would not go down this road because he knew it was too dangerous.

We have seen the sector rebel against this. We saw Stephen Parker, the Vice-Chancellor of the University of Canberra, hit the nail on the head when he questioned if this plan was essential for the future prosperity of the nation, as the minister had claimed repeatedly. Mr Parker said one wonders why it was not mentioned in the federal election campaign last September. The answer of course is the coalition knew they could not take the plan in this bill today to the election in September last year. Who, thinking about taking time off from their work as a mature-age student with a young family going back to university, would not think about the cost? Who, as a mum or dad of tertiary aged kids that are finishing high school in places like Ipswich, Logan, Rockhampton, Gladstone, Townsville and Cairns would not have thought, 'Can we really afford it?'

This is about a price signal. This is what this mob opposite are going to do. They knew that Australians would not vote for a \$7 GP tax nor for young people under 25 years of age who are just entering the workforce to lose \$100,000 on their superannuation, as all those opposite yesterday voted for. Australians would not have voted for an increase in the petrol tax. They knew Australians would not vote for \$80 billion in cuts to health and education, hospitals and schools. They knew Australians would not vote for cuts to the age pension or for cuts to the dementia and severe behaviours supplement. They would not mention those before the election.

Those opposite have abandoned needs based funding for schools and now we have before this chamber today another bill which shows that the Liberal Party are always on the side of the affluent and have a hard right wing ideological bent when it comes to education and the economy. This is a terrible troika on Australian students. It cuts funding for Commonwealth supported places, it deregulates university fees and it increases the interest charged on HECS-HELP student debts. It is worth considering each one of those.

I want those opposite to go back to what they call their listening post or their mobile offices and put a banner in front of them that says 'I voted to cut \$5.8 billion from the higher education sector' and see what their constituents say. Or put on the banner 'I am going to make it harder and more expensive for your children to go to university' and see what their constituents say. I am amazed that we have seen some members in marginal seats in rural and regional areas actually have the temerity to come in here. Let them send out press releases today saying 'I voted to make it harder for your sons and daughters or for you yourself to go to university.' I dare them to do it. I guarantee they will not do it. They will be really courageous here but when they go back to their constituents in their marginal seats in rural and regional areas, they will not have the fortitude to tell people how they voted. This is important legislation they say. But, in fact, what they are doing is Americanising the system and making it harder for young people to go to university. It is a shame, a disgrace and they will rue the day.