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HOUSE OF REPRESENTATIVES

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Higher Education and Research Reform Bill 2014

Second Reading

SPEECH

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BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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Questioner
Speaker Neumann, Shayne, MP

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Mr NEUMANN (Blair) (17:01): I rise to speak on the Higher Education and Research Reform Bill 2014. I feel a sense of déjà vu, because I spoke on a similar piece of legislation back in September last year. I thought that this legislation might get pulled because we saw a change, allegedly, by the Prime Minister. He was going to reboot, refit and refurbish the government. I thought that this was one of the barnacles that he talked about at the end of last year that he might get rid of, but no. It is before the chamber yet again. So all we are seeing is no real policy change by the refitted, rebooted, refurbished Abbott government but in fact we have seen the love, affection and amity in the caucus room today, and we are seeing a sort of Liberal Kumbaya coalition cuddle but no change at all to the legislative program that they were going to bring to the House or Senate. The refit, reboot and refurbishment is simply a nonsense.

This bill is very similar to the previous bill. It is a radical re-engineering of Australia's higher education system, and that is what Liberal governments do. When John Howard had the opportunity to bring in Work Choices, he linked funding, when he was in power after 2004, to the higher education sector to workforce protocols and commitments by universities to bring in an industrial relations scheme which was not fair on staff members—whether they were lecturers, cleaners or security guards. Now the Liberals are in power again, having not said anything about this before the election. We now see legislation that had stalled and failed before the Senate back in a refitted, rebooted and refurbished form that is almost exactly the same as the legislation that was debated last year. So we have got a blueprint for \$100,000 degrees, we have got the inevitability of universities lifting their fees at least to cover the Abbott government's cuts, and we have got a bill that talks about interest as well. They cut \$5.8 billion in the previous legislation, and it is similar here. There is a 20 per cent cut to university supported places. It is a road map for the education sector of haves and have-nots. There is nothing about higher education affordability, accessibility or availability. This is a bolt from the blue for students, for parents and for anyone interested in a fair, accessible and affordable higher education scheme.

We did not hear a thing about this before the last election—nothing. In fact, it is completely at odds with the manifesto that the Liberals took to the last election. In September 2012 the future education minister said, 'While we welcome debate over the quality and standards in our universities, we have no plans to increase fees or cap places.' In February 2013 the now Prime Minister, then the Leader of the Opposition, spoke at a Universities Australia conference and said the following:

If we have to change it, we will consult beforehand rather than impose it unilaterally and argue about it afterwards. We understand the value of stability and certainty, even to universities.

On election eve, he said, 'I want to give people this absolute assurance, no cuts to education'. That blue booklet, 'real solutions', which was hugged so tightly—the bible for Liberal candidates around the country—was absolutely rock solid on the subject of university funding. It said, 'We will ensure the continuation of the current arrangements of university funding.' But then they get on the treasury bench and what happens? It changes. It did not change straightaway. On *Sky News* in November 2013, the education minister said, 'we want university students to make their contribution. But we're not going to raise fees.' What happened? The budget in May 2014. In November 2013 he said, 'We're not going to change university fees because we promised we would not do it before the election', but in May—a few months later—up it goes. This is a government that cut \$30 billion from the education sector in last year's budget.

Labor opposed the legislation last year and we will oppose it again. I was one of many people who spoke about it. We on this side of the chamber think that higher education offers a pathway for greater opportunity. We do not believe that the quality of Australia's education system should depend on your credit card and your ability to pay. My electorate of Blair in South-East Queensland is home to terrific campuses of the University of Southern Queensland. The first is at Springfield and recently the University of Southern Queensland took over the campus in Ipswich central which was formerly run by the University of Queensland. It is also home to a number of other higher education providers, such as Evocca College. I was there last week with branch manager Mark

Cresswell, speaking to the staff and students. They offer qualifications in youth services, community services and counselling. We have a TAFE campus at Bremer and, indeed, there is also a campus at Bundamba, where staff were sacked by the Campbell Newman government and many courses have gone.

I am honoured, as many members of this chamber would be, to attend many graduation ceremonies across Blair—joyful occasions filled with families and friends. We know how important it is for a highly skilled and trained workforce. We understand the contributions universities make to the public good and how they enrich our communities—not just employment but provision of opportunity and research as well. They really are engines for our innovation system. Their research drives the jobs of the future.

The coalition has never ever understood this. Now, faced with our opposition to their proposal to radically re-engineer Australia's higher education system, the Minister for Education and Training tried to bring his renowned charm on the crossbenchers and he failed. The subtle persuasion failed, because even the crossbenchers understood that this is a recipe for a have and have-not system of higher education. But the education minister is not one for turning. He declared that parliament would inevitably support this bill. Well, here we are today. Labor is inevitably not going to support this bill, because we think it is wrong.

To add further insult to injury, we have seen on TV the disgraceful advertising campaign, costing \$15 million, according to media reports. What an utter waste of public money. The minister for education claimed that the advertising campaign was requested by Independent senator, John Madigan—a claim that the senator flatly and angrily rejected. On his Facebook page he says this: 'Unequivocally, I never called for an advertising campaign using tax payers' money and I would never support such a measure.'

Nothing of substance has really changed in this bill and our opposition to it remains. It is a recipe for massive cuts to the university sector and a new fee impost on students. There is \$1.9 billion in cuts to Australia's universities, \$171 million in cuts to equity programs; \$200 million in cuts to indexation of grant programs; \$170 million in cuts to research training which supports PhD students—fees for PhD students, for the first time ever, will be subject to what impost this government is doing in terms of the bills; and \$80 million in cuts to the Australian Research Council.

The bill boasts—and I have heard members opposite talking about this—the biggest Commonwealth scholarships fund in Australia's history. This is nothing more than a sham. The only thing the Commonwealth will contribute to the Commonwealth scholarships fund is the adjective, saying it is the Commonwealth's. It is nothing. There is not a dollar put in by the Abbott government into the Commonwealth scholarships fund. There is not a cent put in. It is entirely funded by students paying higher fees. One dollar for every extra five dollars these students will pay in extra fees will go into these scholarships. And those opposite have the nerve and hide to come into this chamber and talk about us opposing Commonwealth scholarships. There is not a dollar of public funds put in. It is all being funded by higher fees in the higher education sector. The education minister will not say how big the scholarship fund will grow to, because then it will reveal how much low- and middle-income kids will pay to fund other kids who are just a little poorer. The Commonwealth scholarships fund is a red herring.

In reality, this is a fundamentally flawed package, reducing the number of people from low- and middle-income families who attend university. It will force thousands and thousands of capable students to choose between a university education and a debt it will place them under. It will force them to consider the hindrance that that debt will place on them starting a family or buying a home. We know the financial institutions are already asking applicants for the details of their HECS debt.

Through this bill, the Abbott government is determined to increase the cost of university degrees and place it fairly and squarely on students. This is a plan for university degrees to cost tens of thousands of dollars extra. We know the central two measures in this rehash bill will force fees to skyrocket up. First, the bill still cuts funding to universities for Commonwealth supported places that subsidise the cost of undergraduate degrees for most Australian students. The bill still cuts funding to universities. While the funding cut varies across the degree types, it averages out to about 20 per cent. According to Universities Australia, courses such as engineering and science will increase their fees by about 58 per cent, nursing by 24 per cent, education by about 20 per cent and agriculture by 24 per cent. Where are the Nats on that, by the way? The Abbott government will change course indexation. We are talking about massive cuts to the higher education sector. Where did those opposite mention this before the election? Where did they ever campaign on this before they took their places in this chamber?

Second, the government provides universities with the means of recouping these funds by deregulating course fees. This will see the cost skyrocket. Anyone who thinks that the deregulation will reduce the cost to students has to look at the UK where it is a finance fiasco and the sustainability of the system is really in peril, according to recent reports, or the United States where university fee costs exceed credit card costs and the total amount of the debt that people owe. This will see the skyrocketing of university costs and debts to students—a dissuasion, a hindrance, an obstacle to low- and middle-income families to go to university.

Under the current system the amount a university can charge for an undergraduate degree is limited by the maximum student contribution cap for that type of degree. This cap, in conjunction with the legislated Commonwealth funding levels for all undergraduate degrees, protects students from excessive course fees. This bill scraps the maximum student contribution cap and allows universities to set their own fees. We know analysis—and my colleagues on this side of the chamber have quoted this before—from the Group of Eight universities to the National Tertiary Education Union agrees that student fees will rise by about 30 per cent just to make up for the Abbott government's cuts. We know also that there has been modelling done by the National Tertiary Education Union that sees an increase in student fees by \$2,120 per student per year, 27.5 per cent. Some degrees, according to modelling, will go up to 60 per cent. The University of Western Australia has already settled to charge students \$16,000 extra a year—more than double the cost for an arts degree.

So what those opposite will do, yet again, when it comes to voting on this bill is make the cost of education for the young people and the mature age students in their electorates more difficult. This is an attack on those people who aspire to better their financial security, better themselves educationally and professionally, and help with their future prospects. Many of these people will never had anyone in their family go to university before. Those opposite say that they are a party of aspiration. What they are doing here is putting a roadblock in the way of young people and those people who aspire better financial security.

Labor will never support this type of legislation. It is unfair. It creates a disproportionate impact on the poor and middle income families and it creates a country where there will be an education divide—division of wealth and postcode. The Nats and those from rural areas should hang their heads in shame. They should never support this legislation.