

IRU Press Conference 29/10/2014

The Higher Education Solution

Speech by IRU Chair Professor John Dewar

Welcome everyone and thank you for your time. My name is John Dewar and I am Chair of the Innovative Research Universities group.

We are a group of 7 universities, research intensive universities, located in outer suburban or regional Australia, established with the mission of broadening participation in higher education while conducting research at a world class standard. We educate 15% of all students nationally, but account for 25% of the nation's Indigenous students and 20% of students from a disadvantaged background.

The IRU group of Universities calls on the Senate to pass the Higher education reform legislation, with suitable amendments. We believe that the proposals provide Australia with the best chance of sustaining a successful and internationally competitive university sector that can continue to offer students life changing opportunities and contribute to national productivity and innovation.

The current system of university funding, in place since 1989, has served Australia well. However, it has reached the end of its natural life. This is because it depends critically on government's willingness to support the system adequately through public subsidy.

The sad reality is that successive governments have cut one or more university funding program at every opportunity, at either budget time or in the MYEFO, since 2011. This has removed over \$6bn of funding from the sector in just three years. And this has been at a time when it is widely acknowledged that universities are already underfunded. This is why the sector has lost confidence in the willingness or capacity of government to fund higher education properly. We now have a mass higher education system that, it seems, is beyond the capacity of governments to sustain. That is why the sector, including the IRU and the ATN, supports the essence of the government's package, especially deregulation of student fees. We have to be allowed the freedom to generate revenue from other sources. That is the only way we can continue to provide opportunity for students and continue to offer, and to improve, the quality of the student experience.

The current package of reforms is not perfect. There are changes we would like to see, to preserve the fairness and affordability of the system for students. Along with the rest of the sector, we would like to see a change to the proposals relating to interest of student debt, and a smaller cut in the government subsidy. But we believe that it is open to the Senate to refashion the package sensibly, in a way that will leave a lasting and positive legacy for the nation. That is why it is disappointing to see the nongovernment Senators adopt such a negative stance with respect to these reforms.

Neither Labor, the Greens nor the PUP have offered an alternative to what is now a broken system, other than arguing for free education - a return to the pre-1989 system of university funding, a system that did little to promote participation and access, and which saw massive taxpayer subsidy of graduates who derived substantial private benefit from their education. That system was discarded many years ago, and with good reason. To argue for a return to it now is naive, reckless and ill-informed, and a diversion from the real task at hand. It is an abnegation of the Senate's responsibility to deal with the very real challenges of funding the modern university system, which is much, much larger than that of the 1980's.

The truth is that participation has improved under a system of student charges - and, we believe, would continue to improve if the current proposals are introduced. It is entirely possible that education would be free for some students – additional revenue to universities will generate additional resources to fund scholarships and bursaries. Universities have already demonstrated publicly the importance they would attach to promoting accessibility and participation. Indeed, we know that public support for universities depends on our ability to do that.

In short, we urge the Senate to pass these reforms. Without them, the sector faces a worrying and uncertain future. Our Senators carry a heavy burden. We hope they choose wisely, and choose to leave a lasting positive legacy for the nation.

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For comment contact

IRU Chair, Professor John Dewar, M: 0418 980 509

IRU Executive Director, Conor King M: 0434 601 691 **W:** iru.edu.au