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| CHARLES DARWIN UNIVERSITY |
| Submission to:Department of Education Skills and Employment |
| Re: Job Ready Graduates and Supporting Regional and Remote Students Bill 2020 - Exposure Draft |
| Office of the Vice-Chancellor/ Charles Darwin University / Darwin NT 0909/ vc@cdu.edu.au  17 August 2020 |

Introduction

Charles Darwin University (CDU) welcomes the opportunity to respond to the Job Ready Graduates and Supporting Regional and Remote Students Bill 2020 - Exposure Draft.

By way of context, CDU is unique among Australian universities. No other single Australian university serves such a large area of the continent, in such a remote location. While the Northern Territory (NT) covers more than seventeen percent of Australia, it is home to just over 1% of the population, 30% of whom are Indigenous. As the only university based in the NT CDU is intimately connected to the Territory and its future prosperity.

CDU has around 12,000 Higher Education (HE) and 9,000 Vocational Education and Training (VET) students, who study through the nine campuses and learning centres in the Northern Territory, or centres in Sydney, Melbourne and Brisbane as well as online. CDU also provides face-to-face training at over 100 regional and remote locations throughout the NT on a drive-in drive-out basis. Around 56% of CDU HE students study externally online and 49% study part time. Over 70% of CDU’s HE students live outside the NT and nearly 75% are mature age.

CDU has, since the announcement of the Job-Ready Graduates Package in June, spent some time assessing the implications for the sector and for this University in particular. On 23 June the Vice-Chancellor, Professor Simon Maddocks, communicated with the Secretary, Department of Education Skills and Employment, Dr Michele Bruniges, about CDU’s concerns with aspects of the package, in particular unintentional consequences of the Tertiary Access Payment (TAP) for regional universities like CDU.

Professor Maddocks has also been part of the Regional Universities Roundtable discussions convened by The Hon Andrew Gee MP around this package and supports the *Nationals Position on the Job-Ready Graduates Package Statement* of 11 August 2020 arising from these discussions, as well as the Innovative Research Universities IRU (of which CDU is a member) submission on this Exposure Draft.

This submission provides CDU’s specific comments on the Exposure Draft under the headings provided in the Consultation Explainer.

# Redesign funding clusters and student contribution bands

The proposed redesign of funding clusters to include social work, behavioural science and mental health disciplines in the humanities cluster, for which students will be paying the highest fee contributions, is considered to be potentially detrimental for regional universities. It is critically important that remote and regional areas like the NT have access to adequate mental health services and support, given the many social and cultural issues they face. These are areas where ‘grow your own’ local graduates are often best placed to understand and commit to supporting their regional communities. Placing these degrees in the highest paying cluster may prove a disincentive to students to study in these fields.

**CDU proposes that it would be more appropriate to align social work, behavioural science and mental health disciplines with allied health studies in the redesign of funding clusters**.

CDU has a high proportion of mature age (75%) and part time (45%) HE students who often take many years to complete their course of study. If grandfathering measures for currently enrolled students cease in 2024, this will disadvantage mature age students who are continuing with part time study. There are likely to be more mature age students entering higher education post COVID-19 due to job losses and changing workforces.

**CDU proposes that grandfathering measures be extended indefinitely for currently enrolled students who continue to study successfully towards their degree completion, unless they change their course of study.**

# Introduce funding envelope

The amendments to create a new maximum basic grant amount (MBGA) for higher education courses, designated higher education courses and demand driven higher education courses do not include a ‘floor’ for the MBGA for the new higher education courses, which is of concern as the lack of a floor for the maximum basic grant amount may allow a Minister to reduce an institution’s MBGA. Currently, MBGAs for non-designated places must be at least the same amount as the preceding year (current subsection 30-27(3)(b)). This implies that the Minister could specify a lower MBGA for higher education courses in future funding agreements for Table A providers.

The arrangements to set and increase the Higher Education Courses MBGA need to be framed consistent with Government intent to include a growth allocation each year and indexation of the MBGA as a whole.

In addition, Schedule 2 does not outline the implementation of different geographic growth factors to the ‘notional Bachelor places’ depending on the locations of that university’s campuses and the return of CPI indexation of the MBGA for the ‘higher education courses’

**CDU proposes that a minimum ‘floor’ for MBGAs for new higher education courses be included in provisions for CGS funding**

# Introduce demand driven funding for CSPs for regional and remote Indigenous persons

CDU supports the Government proposal to provide CGS funding on a demand driven basis for Indigenous students from regional and remote areas and for this funding to be separate from the proposed funding envelope. CDU has a strategic mission to enhance and increase the levels of Indigenous higher education participation and completion rates, however making access demand driven only addresses part of solution, there also needs to be an increase in funding to those universities teaching large numbers of Indigenous students to enable them to provide the extra learning support and facilities needed to retain Indigenous students and for them to succeed. Completion rates among Indigenous students remain low across Australia. Universities Australia[[1]](#footnote-1) reports that nine-year completion rates for Indigenous students (47%) are significantly lower than those for non-Indigenous students (74%) in Australia.

With regard to proposed measures in the Job-Ready Graduates package to provide a Tertiary Access Payment of $5000 for students from regional and remote areas to relocate to a tertiary institution, CDU is concerned that under the current design this will contribute to the additional loss of students from the NT to southern states and away from their communities, when CDU is a feasible option for them to remain in the NT and relocate to a CDU campus or study online. This is not just an issue for the NT, all regional areas need people to stay in the regions, particularly graduates who are likely to be more committed to their home communities.

A 2017 survey by Universities Australia on student finances indicated that while there has been slight improvement in university students’ financial circumstances overall since 2012, a significant proportion of students continue to experience serious financial difficulties, particularly those from disadvantaged and Indigenous backgrounds. A TAP of $5000, while helpful for many students, may not be sufficient for those students who are from more severely financially disadvantaged backgrounds.

CDU also considers that TAP should be made available to metropolitan students who choose to study at a regional university, or who study at a regional university online but are required to travel to a different location as part of intensive practicums or assessments associated with their course of study. Incentives to assist metropolitan students to study at regional universities would contribute to the sustainability of those universities and their regional communities.

**CDU proposes that the design of the Tertiary Access Payment be adjusted to ensure that this measure supports regional universities as well as regional students.**

Provide legislative authority for the NPILF and the IRLSAF

CDU supports the proposed National Priorities and Industry Linkage Fund (NPILF) and the Indigenous, Regional, Low Socio-Economic Status (SES) Attainment Fund (IRLSAF)to operate from 2024.

This initiative is welcomed particularly in the area of indigenous education since well targeted initiatives may redress the far lower rate of indigenous students accessing higher education and the significant drop in undergraduate applications by indigenous students.

**CDU proposes that Government work with the university sector to design the details of the IRLSAF and how it operates to ensure this initiative is successful.**

# Extend and strengthen student protection and provider integrity measures

The proposal that a student cannot be a Commonwealth supported student or access FEE-HELP if the student has not passed at least 50% of units in the course is of potential concern to CDU in relation to Indigenous and low SES students who may not take a smooth pass to success in higher education and who may be disadvantaged by this rule.

**CDU proposes that the effect of the 50% unit pass rate for withdrawal of CSP be reconsidered in relation to disadvantaged student groups.**

1. Universities Australia, *Higher Education Facts and Figures* July 2019, p79 [↑](#footnote-ref-1)