



The Honourable Dan Tehan MP  
Minister for Education  
Parliament of Australia  
190 Gray Street  
Hamilton, VIC, 3300  
cc: Department of Education

Monday 17<sup>th</sup> August, 2020

Dear Minister Tehan and Staff at the Department of Education, Skills and Employment,

I write to you as the President of Equity Practitioners in Higher Education Australasia (EPHEA), to provide further insights from our members on the 'Job-ready Graduates Package draft legislation' that was released on Monday 10<sup>th</sup> August, 2020. We hope that this feedback will enable the refinement of the proposed legislation and will increase opportunities for students from underrepresented backgrounds to access, participate and successfully complete their higher education qualifications. Our recommendations include:

- Considering the impact of redesigning the funding clusters and student contribution bands as it will disproportionately impact the choices of students from diverse socio-economic backgrounds;
- Expanding demand-driven Commonwealth Supported Places (CSP) for Indigenous Regional, Rural and Remote students to include Indigenous students living in metropolitan areas;
- Reconsidering the introduction of the new provisions in HESA to extend the objective of the 50 per cent pass rate rule to Commonwealth supported students;
- Legislating the Indigenous, Regional and Low SES Attainment Fund (IRLAF) to provide medium to long term equity funding commitments to universities.

**Considering the impact of redesigning the funding clusters and student contribution bands, as it will disproportionately impact the choices of students from diverse socio-economic backgrounds.**

The proposed changes to degree pricing structures will disproportionately impact student choice, dependent upon their socio-economic status. International and domestic research has continually cited that students from low socio-economic backgrounds are more reliant on loans and are debt adverse compared to their high socio-economic peers. Therefore, it may discourage students from low socio-economic backgrounds from pursuing courses aligned with their aspirations and instead select courses or subjects that are less expensive (Henry, 2020). Further, this could have longer term disproportionate impacts, with less expensive areas of study being vocationally focused, such as teaching and nursing, which may lead to a concentration of students from equity backgrounds in traditionally lower income roles and reduce the representation of students from equity backgrounds in professions such as law and management.

***Solution: Work collaboratively with the sector to understand the impact on students from identified equity backgrounds in the redesign of the funding clusters and student contribution bands.***

**Expanding demand-driven CSP places for Indigenous Regional, Rural and Remote students to include Indigenous students living in metropolitan areas.**

Aboriginal and Torres Strait Islander students from both RRR and metropolitan areas continue to be underrepresented in higher education.

***Solution: Expand demand-driven CSP places for all Aboriginal and Torres Strait Islander students regardless of geographic location.***

**Reconsider the introduction of the new provisions in HESA to extend the objective of the 50 per cent pass rate rule to Commonwealth supported students (Schedule 5).**

The Job-ready Graduates Package draft legislation introduces a fifty per cent pass rate requirement for students to continue to be included as part of the Commonwealth Grant Scheme, which will have negative outcomes on other areas of government policy, primarily HEPPP and higher education participation of students from targeted equity backgrounds. The academic course progress procedures in place at most institutions already account for such progress and as a result put into place support and guidance measures to enable the student to continue to progress in their studies, where it is appropriate to do so. The introduction of this proposed policy, could significantly influence institutional responses. Where an institution may have previously decided to support a student to continue with their course, there are concerns amongst equity practitioners across the sector that this will change institutional behaviour, resulting in more students being excluded in order to avoid losing funding for high-risk students.

Research shows that a large proportion of students fail at least one unit in any academic year. Managing time and prioritising study is the most commonly cited dispositional factor across all responses. This corroborates findings that time management is difficult for first-year students (Brooker, Brooker, & Lawrence, 2017). Where the focus should be on supporting first-year students to progress through their studies, such a process would adversely impact student's ability to recover from failure and make changes in response to feedback and constructive advice from their teachers and other University staff.

There are concerns that this will disproportionately impact students from identified equity groups for a number of reasons. Students from identified equity groups are often juggling significant additional responsibilities outside of their higher education studies, such as work and caring responsibilities (Ajjawi et al., 2020, Jevons & Lindsay, 2018). For these students, retention and subject pass rates are typically close to parity with those for the wider cohort. However, the completion or attainment rates for students from equity backgrounds are often much lower, at 80–90% of the institutional average (Department of Education, 2016; Harvey et al., 2017). When equity students are able to complete their degrees, they typically do so at slower rates than is typical for the institution as a whole (Harvey et al., 2017). Reduced study loads result in significant disadvantages for students from identified equity groups, including scholarship eligibility and access to Youth Allowance. As Youth Allowance rules limit the amount of time students can stay on benefits, in ways that limit scope for failing and repeating large numbers of subjects.

The existing life-time cap that the Morrison Government implemented in 2018, which now sits at \$106,319.00 has made it impossible for students to accrue large debt, which the introduction of this provision is trying to address. In addition to this, the measures introduced by Performance Based



Funding in 2019 to incentivise universities to increase student retention and completion provide a strength based approach to enabling all university students to complete their degrees.

***Solution: Remove the provision in HESA to extend the objective of the 50 per cent pass rate rule to Commonwealth supported students (Schedule 5).***

**Legislating the Indigenous, Regional and Low SES Attainment Function (IRLAF) to provide medium to long term equity funding commitments to universities (Schedule 3).**

In 2017, the Government announced it would legislate the Higher Education Participation and Partnerships program, in order to embed equity funding for universities over the long term. In contrast this draft bill fails to legislate the Indigenous, Regional and Low SES Attainment Fund (IRLAF) and does not include details of changes to regional and enabling loadings and equity funding.

The lack of funding certainty year-to-year already restricts universities' capacity to design and plan projects over multi-year periods. A three year commitment to HEPPP, as per the recommendations identified by the ACIL Allen Consulting HEPPP Evaluation Final Report (2016), will allow higher education institutions to effectively support domestic undergraduate students over a sustained period of time. Providing universities with certainty of the future of HEPPP funding will allow universities to adequately plan and implement programs and strategies that will enable future cohorts of students to successfully transition and participate in higher education. It will also provide reassurance to students about the levels of financial and transition support that will be available to them in making critical decisions about pursuing a higher education qualification.

***Solution: Legislate the IRLAF to provide medium to long term commitment to universities to enable the access, participation and success of students from targeted equity groups.***

#### **About EPHEA**

*EPHEA is an organisation of over 1,000 members across Australia and New Zealand, consisting of staff who work in student and staff facing equity roles in higher education (HE) institutions. As the national body of equity practitioners in the Higher Education sector we wish to ensure the continuance of the essential work being undertaken by our members to support access and participation of disadvantaged groups into Higher Education. Our membership includes equity practitioners from all of Australia's universities supporting all equity target groups – Aboriginal and Torres Strait Islander peoples; people from low socioeconomic status backgrounds (LSES); people from regional and remote areas; people with disabilities; people from culturally and linguistically diverse backgrounds; and women in non-traditional areas.*

Thank you for your time and if you have any questions, I'd be more than happy to discuss these with you.

Kind Regards,

Kylie Austin

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