

CAPA's Response to the Discussion Paper:
***The Impact of Voluntary Student Unionism on
Services, Amenities and Representation for Australian
University Students***

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The Discussion Paper *The Impact of Voluntary Student Unionism on Services, Amenities and Representation for Australian University Students* was released February 18th, 2008. The Council of Australian Postgraduate Associations (CAPA) welcomes the release of the discussion paper, and the associated consultation process undertaken by Minister Ellis with the assistance of The Department of Employment, Education and Workplace Relations (DEEWR).

This submission includes responses to points included in the discussion paper, along with additional responses on broader aspects of the impact of the former Federal Government's so-called "Voluntary Student Unionism" legislation (VSU). This submission also outlines recommendations on possible measures in responding to the impact of VSU.

This submission should be read in conjunction with those of individual postgraduate associations, as well as those of other student organisations. In reviewing this and other submissions to the discussion paper, it is important to keep in mind that one of the worst effects of the former government's VSU legislation was its impact on maintaining an effective student voice. Those organisations that have been able to prepare a submission in response to the discussion paper have done so largely by balancing competing priorities and stretched resources. Many organisations as a direct result of this legislation have either ceased to exist, or struggle to continue at a severely reduced capacity, and therefore may not have had the means themselves to prepare a response to the discussion paper.

1. Impact on student organisations

The introduction of the VSU legislation, and its follow-on effects, has had a dramatic effect on services and representation for postgraduate students. Prior to VSU, postgraduate student associations (“PGSAs”) were typically reliant on revenue from a relatively small allocation from the student services and amenities fees collected at their institution. In August 2007, roughly one year after the effective date of the legislation, the Council of Australian Postgraduate Associations (CAPA) released its report *The Impact of VSU on Postgraduate Students*¹. Key findings were as follows:

As of July 1, 2007 at least 8 universities no longer have an independent postgraduate student organisation.

Of the 20 PGSAs that responded to the 2007 questionnaire:

- *8 are receiving less than 50% of their pre-VSU funding, including 4 that are receiving less than 5%.*
- *While 70% have some funding support from their university, many have conditions attached including some that prevent the payment of honorariums and affiliation fees.*
- *Staff numbers have been halved. 7 responding PGSAs have no staff at all.*
- *30% are unable to provide advocacy services.*
- *Three have been forced into mergers with other student organisations, while others must cope with continued pressure to merge and greater university control.*

Aside from the presence or absence of particular organisations, or of particular services, the report also found that there has been a significant decline in services and representation overall, despite the best efforts of those student organisations remaining on campus:

While advocacy, representation, social activities and orientation activities remained the most likely for PGSAs to continue to offer following the introduction of VSU in July 2006, many were unable to offer them at pre-2006 levels and some could not offer them at all.²

¹ Council of Australian Postgraduate Associations (CAPA), *The Impact of VSU on Postgraduate Students*, CAPA, Melbourne, 2007. Available at www.capa.edu.au. See also various media reports, including M Rout ‘VSU Adds to Postgrad Woes’, *The Australian* Aug 15, 2007; J Mather ‘More Woes for Postgrads as VSU Bites’, *Campus Review* Aug 20, 2007; Kent Rosenthal ‘VSU Shortfall to be a Recurrent Headache’, *Campus Review* Nov 12, 2007.

² Council of Australian Postgraduate Associations (CAPA), *The Impact of VSU on Postgraduate Students*, CAPA, Melbourne, 2007, p.13.

[and]

The reduction in services may be the most significant issue for postgraduates. Representation on university committees may still exist, but the capacity for this to be effective will be reduced through lack of student representatives and lack of staff support. Advocacy services may still exist but must be provided at reduced capacity due to fewer staff. Cafes and other food outlets may still exist but their opening hours may no longer be appropriate for the needs of postgraduate students.³

The impact of VSU is as much in the way services and representation have been sustained since the introduction of the legislation as in the presence or absence of particular services. Among the biggest impacts on student organisations and the services they offer have been the quality and level of access for the services they have been able to maintain, along with the sustainability of those activities going forward.

While many student organisations continue to offer high quality services and representation, all struggle to do so in the current environment. Most continue to function by drawing heavily on volunteer support. Some organisations have been left with no paid staff at all, and in a number of cases organisations continue to survive without any identifiable source of income.

In terms of providing quality services and representation for postgraduates at Australian universities, the impact of the former federal government's VSU legislation has been devastating, and the current situation is clearly unsustainable.

In 2007, a number of national peak bodies published reports on the impact of VSU, including the National Union of Students (NUS), Australian University Sport (AUS), the Australasian Campus Union Managers' Association (ACUMA) and the Council of Australian Postgraduate Associations (CAPA). CAPA's 2007 report outlined the main aspects of the impact of VSU on postgraduate students. The following section highlights additional considerations in light of the release of the Discussion Paper investigating the impact of VSU on student services, amenities and representation, and the sustainability of student organisations continuing to provide these in the current environment. The 2007 report is also appended to this submission for your reference.

1.1. Organisational pressures in the VSU environment

Student organisations face a range of pressures in the current environment. Many student organisations have diverted significant energy and resources away from their main activities in support of students to efforts in compensating for the loss of income. There are also many student organisations consuming remaining financial reserves in order to continue to provide essential services.

³ Council of Australian Postgraduate Associations (CAPA), *The Impact of VSU on Postgraduate Students*, CAPA, Melbourne, 2007, p.17. Available at www.capa.edu.au.

1.1.1. Staffing

In today's university, staff have less and less time to devote to individual student issues. Staff-student ratios are increasing, administrative tasks are occupying more time, and academic casualisation means that staff are often not readily available when students need assistance. Seen in combination with these other changes affecting the sector, the need for student organisations is clearly increasing. Student organisations fill the gap; they provide care and support in a social and safe environment. It is often the staff and representatives of student organisations who recognise and support students who are facing difficulties.⁴

One of the most dramatic indicators proving VSU has been a disaster for student services in Australia is the extraordinary number of job losses among student organisations since the impact of the legislation became imminent late in 2005. Un-published estimates run as high as 2000 redundancies over this time, representing an incalculable loss to students and to universities alike in the skills and experience developed over many years in maintaining quality student services and support. This has impacted negatively on university employed staff also, and represents a devastating loss of “institutional memory” for students and universities alike, from which it will be very difficult to recover.

Remaining staff of student organisations now typically perform duties over and above their job description and, in many cases, also volunteer their own time over and above their weekly paid hours. They do this out of a deep sense of personal commitment to supporting students and their associations. Uncertainty regarding the long-term security of student organisations has made any long term planning either difficult or impossible. This is especially the case for staffing decisions and staff development, and the employment environment among student organisations continues to be uncertain at best. This situation is clearly unsustainable, from an organisational perspective, and from the point of view of staff who now often find keeping the most basic essential services going an overwhelming task with the resources that are currently available.

1.1.2. Other organisational pressures

Resources devoted to membership and recruitment activities

Under VSU student organisations have found themselves having to divert significant time, effort and funds away from their main activities in support of students to the task of simply surviving. The challenge of recruiting paid membership to a sustainable level has placed considerable pressure on staff, student office bearers and volunteers who already struggle to cover the provision of basic services. In addition, the costs of developing and implementing sustainable systems for managing membership, and the costs of advertising and promotion, place considerable pressure on budgets for organisations that are already struggling financially. Finally, the costs

⁴ Council of Australian Postgraduate Associations (CAPA), *Submission to the Inquiry into the provisions of the Higher Education Support Amendment (Abolition of Compulsory Up-front Student Union Fees) Bill 2005*, Senate Employment, Workplace Relations and Education Legislation Committee, 2005, p.19.

associated with actively recruiting membership often outweigh the potential revenue from paid membership. Organisations may find that the costs of actively recruiting paid members outweigh the benefits, and therefore does not offer a solution to their financial sustainability.

Negotiating and maintaining funding or service level agreements with universities

While funding agreements have allowed many PGsAs to survive, at least in the short term, these PGsAs are now in the position of having to manage the degree to which those funding agreements curtail their independence. This may be through explicit conditions placed in their agreements, or implicitly through pressure that may be brought to bear whenever funding agreements may be due to be renegotiated.⁵

Some associations have been fortunate, relatively speaking, in securing some form of funding or service level agreement (SLA) with their university. A significant amount of time is invested however in preparing submissions and negotiating funding agreements. This additional workload adds to the pressure already felt by organisations with significantly reduced staff capacity, and already heavily reliant on volunteer support.

Of those agreements in place since the onset of VSU, few come with any assurance of ongoing or long-term support. Many agreements entail reporting requirements that are often restrictive in terms of activities, or onerous in terms of compliance and reporting requirements.

Significant time and resources are invested in negotiating and re-negotiating the survival of student organisations on very short time frames. This has a negative impact on service provision and also limits the ability to plan for the longer term. Most funding agreement arrangements are narrowly service based. Some agreements may adequately resource specific activities, but provide no room for capital development or the kind of organisational investment required to sustain organisations in the longer term. Again, this type of arrangement is clearly unsustainable. Funding models must allow for student organisations to be flexible, responsive and innovative in supporting the needs and interests of their constituents, and allow them to be able to continue do that over the long term.

Coping with continued pressure for organisational restructuring and mergers

It is important to note that while there are many similarities between postgraduate and undergraduate students, they are in fact very different groups. There are examples where the interests and needs of the two groups coincide, but more often than not they are likely to be different. Independent, autonomous, postgraduate specific services are essential for quality programs and a quality postgraduate student experience. It has been demonstrated that the best providers of those services are postgraduates themselves through independent PGsAs, who for many years have been the primary source of innovation in programs, services and support for postgraduate students. There are many instances where universities have adopted

⁵ Council of Australian Postgraduate Associations (CAPA), *The Impact of VSU on Postgraduate Students*, CAPA, Melbourne, 2007, p.17. Available at www.capa.edu.au.

successful programs originally developed by independent postgraduate associations.

Independent postgraduate associations are an essential part of complimentary service and representation arrangements on many campuses. Targeted initiatives and programs, along with dedicated advocacy and advice, informed by a wealth of experience on postgraduate issues, combine to support very high standards of services and representation for postgraduates. These high standards are normally maintained on a very low budget. Independent postgraduate student organisations are typically lean and effective, especially when compared with larger student organisations, and also tend to be notably more transparent and accountable in the way they operate. Overall, it could be said that independent postgraduate associations are effective, accountable and offer exceptional “value for money”.

Despite these strengths, most independent postgraduate student organisations continue to fend off continued pressure to merge or amalgamate with larger student organisations in the VSU environment. This pressure is normally motivated by false assumptions regarding “efficiencies”. While it may appear more “efficient” to have fewer student organisations on campus, in reality much of this thinking simply based on amalgamated arrangements appearing “neater”, not being more efficient, and is certainly not based on the needs and interests of students. Cost sharing is often offered as a justification, but estimated savings in some areas are often outweighed by increased administrative and managerial costs in others. The major “costs” of amalgamation of course lie in the dramatic decline in service standards for postgraduate students, with independent representation and dedicated services disappearing where independent organisations now no longer exist.

1.2. Impact on independent advocacy and representation

There are two components of independent representation and advocacy: firstly the advocacy services available to individual students, and secondly the representation function that in effect bridges the quality assurance cycle between students, student advocates, student representation and university policy, procedures, administration and management. Two of the most significant consequences of VSU for postgraduate students are the loss of funding to support dedicated advocacy services for postgraduate students, and the threat to the organisational independence of postgraduate student organisations.⁶

In public discussion regarding VSU, the term “representation” is often conflated with that of “advocacy”. Each are in fact very different, but together represent the most crucial services provided by student organisations.

There is often confusion around the role of advocacy and the meaning of the term “advocate”. In the university context the term is predominantly used to refer specifically to *academic* advocacy (which often overlap with welfare

⁶ Council of Australian Postgraduate Associations (CAPA), *The Impact of VSU on Postgraduate Students*, CAPA, Melbourne, 2007, p.20. Available at www.capa.edu.au.

matters), as opposed to advocacy in the broader, more representative sense. Trained advocates (as opposed to student representatives or volunteers) have expertise in advising students and, potentially, mediating students' concerns where problems or potential grievances arise. Trained advocates specialise in seeking to resolve situations that often risk escalating into conflict and potential litigation in a professional and non-adversarial manner. They are experts on university policy and procedure, often have extensive networks among university administration and academic staff, and work for students both individually and collectively in helping ensure a quality university experience.

Genuine representation requires an independent student voice, and is most effective when supported by the provision of independent academic advocacy as a service. Students offer their time (often on a volunteer basis) to represent students' interests by seeking to engage other students on issues, helping organise the activities of student associations, and engaging with their university through committee participation, formal submissions and other means. A single isolated student simply sitting on a committee however has a very limited ability to consult with students more broadly, often has a limited understanding of broader relevant issues, and would have no access to information on the individual or systemic problems students may actually be encountering. Academic advocacy services provided by independent student organisations are by far the best means of informing such representation. Effective student representation is broadly informed by academic advocacy "caseload" trends and strict protocols are normally in place to prevent the release of information on specific cases. In this way student representatives can be supported to have an informed opinion on the issues that count.

Under VSU, student representation has been seriously undermined due to the devastating impact on staff and resources for student organisations, and this is especially the case for postgraduate students. Individual postgraduates still seek to engage with their university and represent postgraduate interests, but on some campuses must do so without any form of support at all, and have even been denied access to academic advocacy staff where they seek to develop an informed point of view. They therefore have no means at all to engage with postgraduates more broadly, and no means to identify what the issues really are on their campus outside of their own experience as a student.

Under VSU, student organisations struggle to provide adequate access to experienced advocacy due to the lack of resources available for hiring enough trained staff, and in some cases difficulties in retaining them in a demanding and uncertain employment environment. A further threat to quality advocacy under VSU is the notion that universities may provide these services themselves. Importantly, advocates must be impartial and separate from the university if students are to feel comfortable approaching them, and if they are to advise and advocate for students' interests in good faith. University employed advocates also face a disincentive to "advocate" on the broader issues beyond resolving problems on a case-by-case basis, especially where their employer may appear uninterested in hearing about problems elsewhere in the university.

Student participation that is not supported to offer an informed view on the interests and needs of students, or is not free to speak freely on their behalf, **does not constitute genuine representation**. Academic advocacy that simply acts to resolve individual problems on a case-by-case basis without seeking to inform efforts to improve universities' practices through independent representation **does not constitute genuine independent advocacy**. The two may work separately, but they are only genuinely effective when combined.

Universities have obligations in regard to maintaining standards and in developing the means for seeking continuous improvement. It is unfortunate that at a time where Australia has the opportunity to be a world leader in higher education quality assurance (QA), some university administrators in the post-VSU environment genuinely believe that adequate student involvement in QA is satisfied by Course Evaluation Questionnaires (CEQs), Student Evaluations of Teaching (SETs) and other simple quantitative survey measures. Although important, questionnaires are in fact only part of a developed view of student participation in quality assurance. Genuine student participation in quality assurance must be informed and supported by the nexus between independent advocacy and representation.

The VSU environment can be characterised by a range of threats to effective independent advocacy and representation. Chief among these is the dramatic loss of staff and resources among student organisations. Any moves to address the impact of VSU must ensure that access to genuine independent advocacy and representation is restored, and that moves to this end are informed by an appropriate view of the vital role that these play.

1.3. Summary

The consequences of VSU may be found across a broad range of areas, and across a broad range of stakeholder groups. It may be found in job losses, the loss of whole organisations, and in the loss of services and representation. The legislation has also had a dramatic negative impact on the quality, sustainability and level of access to the services that student organisations now struggle to provide. Many of these services must be regarded as an essential part of the way universities operate, and that students are entitled to have access to. For the provision of quality student services and representation, the current environment is clearly unsustainable.

Therefore, any moves to address the impact of VSU must address the following:

- Ensuring the independence of student organisations
- Ensuring the ongoing financial sustainability of student organisations
- Ensuring dedicated services are available for particular groups, including postgraduate and international students

2. Restoring sustainable student services and representation

*The services provided by all student organisations, and in particular by postgraduate student organisations, have evolved in response to the needs of students. Postgraduate organisations are at the forefront of providing for the needs of today's students in an environment dramatically changed and changing.*⁷

A diversity of arrangements for providing student services were in place prior to the introduction of VSU, ranging from a single “guild” style structure through to student-run organisations working in partnership providing services and representation. VSU has seen mergers and consolidation among student organisations, and cases where organisations have disappeared completely. In each case postgraduate students have lost out in terms of independent representation, services and support.

CAPA believes that any moves to address the impact of VSU must preserve the following basic principles:

1. Adequate, independent services and representation constitute part of the minimum service standards for Australian universities, and these must be student controlled and directly informed by the interests and needs of students.
2. Services and representation must be informed by the principles of equity and access, ensuring neither major stakeholder groups nor the interests and needs of minority groups are sacrificed or overlooked.
3. Student funded services must be student run. If students pay, students must have a direct say in how their funds are spent.

CAPA believes that access to appropriate services and representation for students must be universal, as these play a vital role for every student. It is therefore the responsibility of all of the major stakeholders in higher education; students, universities and government alike, to ensure adequate services and representation are in place. The following section outlines options for restoring quality student services for Australian university students, along with some of the basic obligations for each of the major stakeholders.

2.1. Students and student organisations

2.1.1. Student fees

CAPA joins The National Union of Students (NUS), Australia University Sport (AUS) and The Australasian Campus Union Managers' Association (ACUMA)

⁷ Council of Australian Postgraduate Associations (CAPA), *Submission to the Inquiry into the provisions of the Higher Education Support Amendment (Abolition of Compulsory Up-front Student Union Fees) Bill 2005*, Senate Employment, Workplace Relations and Education Legislation Committee, 2005.

in endorsing in principle the option for students to defer payment of fees in support of services, amenities and representation to a HECS-style loan scheme. Availability of a services and amenities fee deferred to HECS-style scheme must exist outside of the HECS scheme itself, to enable access to the scheme for those not currently enrolled in a Commonwealth Supported Place.⁸

CAPA proposes that **at a minimum** the cost component for the provision of advocacy, representation and basic advisory services provided by undergraduate and postgraduate associations respectively **must comprise part of the compulsory fees students either pay at enrolment or defer to a HECS-style loan scheme.**

These funds must also be administered independently by students, without extraneous conditions or burdensome compliance conditions being enforced either by government or by universities outside of basic reporting requirements.

International students are significant users of student organisation services. This is partly a result of their being on campus full-time, but is also because they are in greater need of services.⁹ At universities with a relatively high international postgraduate student enrolment (over 30%) they comprise approximately 90% of PGSA advocacy load.¹⁰

Currently international students already support services, amenities and representation as a component of the fees they pay at enrolment¹¹. CAPA supports the call by Universities Australia in response to the discussion paper that “any new arrangement should give consideration to ensuring **no duplication** of funding impost is levied on international students who currently contribute to student services through the tuition fees”¹². CAPA also believes that international students are entitled to greater transparency than currently exists in regard to the student services fees they are levied as part of their enrolment costs.

In view of this, and in light of the fact that international students draw significant support from student organisations broadly, this component should therefore be administered transparently along with other funds for student services to ensure international students also have the transparency and accountability they are entitled to, and to help ensure those fees are used to support quality services and amenities for students.

⁸ Refer Section 4.3: Summary of student numbers by liability status (2006)

⁹ Burke, Kelly and Jopson, Debra, ‘Stressed-out students queue up for sick notes at exam time’, *The Sydney Morning Herald*, 16 May 2005, available online at: <http://www.smh.com.au/news/National/Stressedout-students-queue-up-for-sick-notes-at-exam-time/2005/05/15/1116095857419.html>

¹⁰ Council of Australian Postgraduate Associations (CAPA), *The Impact of VSU on Postgraduate Students*, CAPA, Melbourne, 2007, p.17. Available at www.capa.edu.au.

¹¹ AUS/ ACUMA estimate this works out to around \$50 per student per annum. See *Matched Capitation Grants for University Student Amenities and Services*, p.4

¹² Submission: *The Impact of Voluntary Student Unionism* (March 2008), available at <http://www.universitiesaustralia.edu.au/content.asp?page=/publications/policy/submissions/index>.

2.1.2. Membership models

Frequently, in discussing membership of student organisations the qualification can be heard that “we cannot go back to a compulsory membership environment”. This implies that in the “pre-VSU” environment students were compelled to be members of their respective student organisation. This assertion is simply false. In reality almost all universities prior to VSU provided students the means to “opt out” of student organisation membership¹³.

As student organisations act on behalf of students as a broad constituency, CAPA encourages universities to support their student organisations in providing universal membership arrangements, including “deeming” students as members of their student organisations, default membership at enrolment including “opt-out” provisions for students, and so on. The principles that operate here are **universal representation, and universal access to essential services**. Both are essential components of any healthy, well functioning university.

2.1.3. Requirements on student organisations

Student organisations are and should continue be accountable for their activities and for any funding they receive; be that from government, universities or from students themselves. “Accountability” here should be understood as that owed to membership and to funding bodies in the same manner as that found in the community or non-profit sectors. Associations Incorporations Acts in each state and territory provide adequately for this, and it is CAPA’s view that all student organisations should be independently incorporated, and observe best practice in regard to the requirements of the respective Act, in line with appropriate standards for governance, accountability and financial management. As with any other incorporated membership based organisation, student organisations are ultimately accountable to their membership: in this case, individual students, from each of the main student constituencies.

CAPA believes poorly conceived compliance regimes for student organisations are likely to lead to unwieldy and burdensome obligations for all parties involved, including universities, student organisations and The Department of Employment, Education and Workplace Relations (DEEWR). They are also likely to lead to bad outcomes for the quality of services and representation for students.

CAPA does not consider membership of student organisations, nor the task of advocating for the interests or needs of students at university, either individually or as a group, constitutes “political activity”. Student organisations should be free to protect and promote the interests and needs of their members as their members see fit. The aim of asserting any kind of distinction in this area in the first place is to silence the student voice, and to remove student participation from the provision of student services. Seeking

¹³ See AVCC *Survey of University Student Organisations* (2003), Available at www.universitiesaustralia.edu.au/documents/universities/key_survey_summaries/AVCC_Survey-of-Student_OrganisationsJune2003.pdf

to distinguish so-called political activity from any other is misleading, destructive and entirely in line with former attempts to *impose* VSU and silence dissent, not in addressing its worst effects. CAPA can see no justification to impose any list of prescribed services upon student organisations, to prevent so-called “political activity” or on any other grounds.

2.2. Australia’s Universities

Under VSU, higher education providers are effectively banned from charging a compulsory fee not directly related to a course of study¹⁴. It is proposed here, as in many other places, that there is no room for such constraints in Federal or state legislation, and that the Federal Government should move to amend the Higher Education Support Act (HESA) 2003 with the effect of repealing the so-called VSU legislation as soon as practicable. Many student organisations are currently operating at the very margins of sustainability, and any delay in moving to address this would have further dire consequences. It is recommended therefore that moves to introduce legislative amendments in this area commence promptly, and should take effect no later than 1 January 2009.

Shared responsibility in supporting quality student services and representation also entails shared responsibility in monitoring and compliance, and in ensuring students have access to the highest standards of service possible for the resources available. CAPA does not believe a self-regulatory approach by universities free from audit in itself constitutes an adequate compliance framework. All funding for student services, advocacy and representation therefore must be administered openly and transparently with full stakeholder engagement, and also be open to independent audit. The Commonwealth must ensure that any fees collected from or administered on behalf of students for services, advocacy and representation are done so transparently, and with direct involvement of (at least) each of the main student constituencies: undergraduate, postgraduate and international students.

CAPA believes that universities should be recognised and rewarded for investing on behalf of their students. Universities should be able to be competitive in terms of what they offer students. Students, in selecting their preferred institution, should be able to make an informed choice based on the quality of services and support, and the quality of the student experience in conjunction with their estimation of the quality of their course.

CAPA therefore supports in principle proposals for matched funding from the Commonwealth, either direct or via a “base-plus-bonus” scheme, **provided that any such funding is administered transparently through an appropriate means with direct involvement from students.**

If higher education in Australia is to keep pace with international standards, it is in the interests of the Commonwealth that adequate advocacy, student representation and campus services are restored and maintained. It would

¹⁴ See section 4.4 for the full text of the “VSU” amendments to the Higher Education Support Act (HESA) 2003.

therefore be of benefit to the sector as a whole for the Commonwealth to ensure that minimum standards are in place for these at each institution, and that demonstrated compliance in these areas should be a condition of Federal funding.

2.3. Shared obligations: Administration of funds for services, amenities and representation

CAPA's submission to the 2005 "VSU" Senate Inquiry provided background on the pre-VSU administration of services and amenities fees:

The general services fee is a compulsory charge, separate from membership of the student organisation. It is levied on all students to ensure that everyone has access to essential services such as academic advocacy, representation, welfare, and social interaction. Most universities charge a reduced rate for part-time and off-campus students. Students who are economically disadvantaged can apply for fee assistance.

The university collects the general services fee and applies strict auditing requirements to its distribution. Most student organisation expenditure is already approved and committed to ongoing services and staff wages. The proportion of funds available for discretionary allocation by the elected representatives is actually very small and is allocated through democratic and accountable processes.¹⁵

CAPA believes that any revenues for services, amenities and representation should be administered in line with best practice transparency, accountability and responsible financial management. Funds administration should be open to scrutiny both in terms of how those revenues are managed and also the ends to which those funds are put. The administration of student services revenues should also maintain best practice reporting standards and be subject to independent audit.

CAPA supports a self-regulatory approach to the administration of funds for services, amenities and representation. **CAPA does not however endorse any compliance framework that is effectively administered by any stakeholder other than students and their representative organisations.**

CAPA does not support proposals that revenues for student services, amenities and representation be administered solely by individual universities. Importantly, this includes any student fees either paid "up-front" or funded by the Commonwealth in lieu of fees deferred to a HECS-style loan scheme.

Guidelines for any allocation of funds should be based on student needs, reflected broadly by the mix of student constituencies at each institution, and informed by the principles of access and equity for all students. Any variation on the allocation of funds must be agreed to by consensus.

¹⁵ Council of Australian Postgraduate Associations (CAPA), *Submission to the Inquiry into the provisions of the Higher Education Support Amendment (Abolition of Compulsory Up-front Student Union Fees) Bill 2005*, Senate Employment, Workplace Relations and Education Legislation Committee, 2005, pp. 18-19.

2.4. Role for the Commonwealth

2.4.1. Amendments to the Higher Education Support Act (2003).

As noted in section 2.2, higher education providers are currently banned from charging a compulsory fee not directly related to a course of study¹⁶. It is proposed here, as in many other places, that there is no room for such constraints in Federal or state legislation, and that the Federal Government should move to amend the Higher Education Support Act (2003) with the effect of repealing the so-called VSU legislation as soon as practicable. Any changes to this effect should apply no later than 1 January 2009.

2.4.2. Funding to restore and sustain quality, access and equity

There are opportunities for the Commonwealth to ameliorate the impact of VSU at campus level, by means of relief funding for organisations struggling to maintain services and representation in the current environment, and for restorative funding for organisations that now no longer exist. Such assistance could be made available via a grants program with the aim of achieving minimum standards for services, advocacy and representation on each campus. Proposals would be open to independent student organisations only.

Australian university students are best served by evidence based student representation, supported by a strong research base, both at the local and national level. The role of national representative student bodies¹⁷ will be instrumental in restoring crucial services and amenities, developing better approaches to quality in services, advocacy and representation, restoring a more vibrant campus community life and a broader understanding of individual student success and of the quality of the student experience.

In the current climate national representative student bodies lead a tenuous existence, reliant for their income on member organisations that are themselves under severe financial stress. National representative student bodies potentially play a key role in supporting efforts to address the impact of VSU, and therefore could justifiably receive support from the Commonwealth in achieving those ends, in the form of both relief funding and ongoing support.

3. Summary

The stated aims of the discussion paper are to explore the impact of VSU, and to seek the views of stakeholders on what needs to be done to ensure satisfactory services, amenities and student representation for students at Australian universities. Any response by government following from this must address the most serious aspects of the impact of VSU. Any solution that

¹⁶ See section 4.4 for the full text of the “VSU” amendments to the Higher Education Support Act (HESA) 2003.

¹⁷ These include the The Council of Australian Postgraduate Associations (CAPA), the National Union of Students (NUS), The National Liaison Committee for International Students in Australia (NLC), and the National Indigenous Postgraduate Association Aboriginal Corporation (NIPAAC).

emerges in response to the impact of VSU must include restoring adequate representation and a genuinely independent student voice on every campus. The principle of student control of student affairs goes to the heart of the role and purpose of student organisations. Any proposals to amend the relevant legislation or implement alternative models will require further consultation with students and other higher education groups prior to implementation.

This response to the discussion paper has outlined options which are both manageable and affordable. CAPA commends the Federal Government for moving to address the impact of the misguided and destructive legislation of its predecessor. It is vital that any measures taken are effective in addressing the worst elements of the impact of VSU, and build toward a transparent and consultative process for restoring quality and independence in the provision of services, amenities and representation for Australian university students.

4. Appendices

4.1. The ALP's commitment to student services, amenities and representation

105 *Labor is committed to legislating to ensure that student amenities and services like childcare, health services, counselling, advocacy, and sporting facilities are maintained and accessible at our universities, with formal student involvement in decision-making structures. Labor will require all universities to have an independent, democratic and securely funded student representative body. Students need independent advocacy and representation services, and democratic bodies to present their opinions and concerns to the university, government and the community.*

From Chapter Four – “Investing in Our Future: An Education Revolution”
*ALP National Platform and Constitution 2007*¹⁸

4.2. Summary of student numbers (2006)

	Numbers (persons) 2006 Full Year			Load (EFTSL) 2006 Full Year		
	Domestic	International	All	Domestic	International	Total EFTSL
Postgraduate:	177,229	93,220	270,449	82,173	61,310	143,483
Undergraduate:	539,934	143,739	683,673	423,765	112,190	535,955
Other:	16,189	13,835	30,024	6,217	6,273	12,490
Total:	733,352	250,794	984,146	512,156	179,772	691,928

Compiled by The Council of Australian Postgraduate Associations (CAPA) based on *Students 2006 [full year]: selected higher education statistics, 2006*¹⁹

¹⁸ Available at http://www.alp.org.au/platform/chapter_04.php.

¹⁹ Available at http://www.dest.gov.au/sectors/higher_education/publications_resources/profiles/students_2006_selected_higher_education_statistics.

4.3. Summary of student numbers by liability status (2006)

Students by Liability Status, Full Year 2006²⁰

Liability Status	Total 2006
Commonwealth supported students	
Student Contribution liable	
Pre-2005 HECS student - liability deferred	193,173
Pre-2005 HECS student - paid up-front with discount	57,193
Pre-2005 HECS student - paid up-front without discount	1,841
2005 onwards student - deferred all or part through HECS-HELP	232,701
2005 onwards student - paid full contribution up-front with HECS-HELP discount	64,844
2005 onwards student - paid up-front without HECS-HELP discount	9,760
Sub-total(c)	538,609
Student Contribution exempt	
Pre-2005 merit-based equity scholarship holder	47
Exemption scholarship holder	1,324
Enrolled in an enabling course	12,002
Work Experience in Industry, student contribution cannot be charged(a)	1,536
Sub-total(c)	14,909
Total Commonwealth supported(c)	546,792
Domestic fee-paying students(b)	
FEE-HELP	
Pre-2005 PELS	11,587
Deferred all or part of award or enabling course tuition fee	55,201
Deferred all or part of employer reserved place tuition fee	1,747
Deferred all or part of BOTP tuition fee	412
Sub-total(c)	68,600
Paid tuition fee up-front with no FEE-HELP assistance	
Paid full award or enabling course tuition fee	75,748
Paid full tuition fee for Employer reserved place	7,076
Paid full BOTP tuition fee	21
Sub-total(c)	82,602
Tuition fee exempt	
Exemption scholarship holder	5,204
Work Experience in Industry, tuition fee cannot be charged	223
Sub-total(c)	5,427
Total Domestic fee-paying(c)	152,746
Other domestic students	
Non-award students	9,538
RTS students	34,157
AMC Special course	571
Total Other Domestic(c)	44,235
Overseas	
Total Overseas fee-paying students	251,936
TOTAL(c)	984,150

(a) Work experience in industry load is excluded from the Commonwealth supported category for some funding purposes.

(b) Includes Commonwealth supported students who may be undertaking a fee-paying unit (for example, during summer school).

(c) The sub-total and total figures may be less than the sum of the individual categories because some students appear in more than one category.

²⁰ Data based on "Table 41: All Students by Liability Status and Higher Education Provider, Full Year 2006", *Students 2006 [full year]: selected higher education statistics*, available at http://www.dest.gov.au/sectors/higher_education/publications_resources/profiles/students_2006_selected_higher_education_statistics.

4.4. "VSU" HESA amendments

Schedule 1—Amendments Higher Education Support Act 2003

1 After section 19-35

Insert:

19-37 Requiring membership of certain organisations or payment of certain amounts

(1) A higher education provider must not:

(a) require a person to be or to become a member of an organisation of students, or of students and other persons; or

(b) require a person enrolled with, or seeking to enrol with, the provider to pay to the provider or any other entity an amount in respect of an organisation of students, or of students and other persons; unless the person has chosen to be or to become a member of the organisation.

(2) A higher education provider must not require a person enrolled with, or seeking to enrol with, the provider to pay to the provider or any other entity an amount for the provision to students of an amenity, facility or service that is not of an academic nature, unless the person has chosen to use the amenity, facility or service.

(3) Subsection (2) does not apply to an amount that the higher education provider requires the person to pay if the amount is for goods or services that:

(a) are essential for the course of study in which the person is enrolled or seeking to enrol; and

(b) the person has the choice of acquiring from, but does not acquire from, a supplier other than the higher education provider; and

(c) either:

not (i) are goods that become the property of the person that are intended to be consumed during the course of study; or

with (ii) consist of food, transport or accommodation associated with provision of field trips in connection with the course of study.

1A Application provision

Section 19-37 of the Higher Education Support Act 2003 as amended by this Act does not apply to anything done by a higher education provider before 1 July 2006, unless:

- (a) it is done on or after 1 January 2006; and
- (b) it relates to a person who is enrolled with, or seeking to enroll with, the provider; and
- (c) the enrolment is, or will be, for a period of study starting on or after 1 July 2006; and
- (d) the person is not enrolled with, or seeking to enrol with, the provider for a period of study in 2006 starting before 1 July 2006.

2 At the end of subsection 33-20(2)

Add:

Note: A higher education provider's basic grant amount for the grant year can also be adjusted in respect of the grant year under section 33-37.

3 At the end of Subdivision 33-C

Add:

33-37 Adjustments for breach of section 19-37

(1) A higher education provider's *basic grant amount for the grant year is reduced by an adjustment in respect of the grant year if, on one or more occasions during the grant year, the provider breaches a condition imposed under section 19-37.

(2) The adjustment under subsection (1) is an amount worked out using the formula:

Reduction amount — Total places allocated

where:

reduction amount is \$100.

Note: The reduction amount is indexed under Part 5-6.

total places allocated is the total number of Commonwealth supported places allocated under section 30-10 to the higher education provider for the grant year.

(3) This section does not apply in relation to a breach of a condition imposed under section 19-37 by a higher education provider if:

- (a) the breach consists of requiring a person to pay money to the provider or another entity; and
- (b) as a result of the requirement, the person paid money to the provider or other entity; and
- (c) the Minister has given a written notice to the provider under subsection (4); and

(d) the provider or other entity repays the money to the person within 28 days after the Minister gave the notice to the provider.

(4) If the Minister becomes aware that:

(a) a higher education provider has breached a condition imposed under section 19-37; and

(b) the breach consists of requiring a person to pay money to the provider or another entity;

the Minister must give to the provider a written notice:

(c) requiring repayment, within 28 days after the notice is given, of any money paid to the provider or any other entity as a result of the requirement; and

*(d) stating that failure to repay any such money within that period will result in a reduction under this section of the provider's *basic grant amount for the grant year in question.*

The notice may relate to more than one breach.

(5) A failure by the Minister to give a notice under subsection (4) in relation to a breach of a condition imposed under section 19-37 does not prevent this section from applying in relation to the breach.

*(6) This section does not apply more than once in relation to a higher education provider's *basic grant amount for a grant year.*

4 After paragraph 54-5(b)

Insert:

(ba) if the breach is a breach of a condition imposed under section 19-37—the amount of any adjustment under section 33-37 in relation to that breach, or any other breach by the body, during the same year;

5 At the end of subsection 104-3(1)

Add "or with subsection (5)".

Note: The heading to section 104-3 is altered by inserting "etc." after "Guidelines".

6 At the end of section 104-3

Add:

*(5) *Open Learning Australia must comply with section 19-37 as if it were a higher education provider.*

7 Section 198-5 (after table item 1)

Insert:

1A Reduction amount Section 33-37 2007