Queensland University of Technology
submission to the
Senate Education and Employment Legislation Committee
inquiry into the provisions of the
Universities Accord (Student Support and Other Measures) Bill 2024

QUT welcomes the opportunity to provide advice to the Committee on the provisions of the *Universities Accord (Student Support and Other Measures) Bill 2024* (the Bill), which amends the *Higher Education Support Act 2003* (*HESA*) and other legislation to give effect to certain recommendations of the *Universities Accord Review Final Report* (the Accord).

Schedule 1—HELP indexation

QUT supports the measures proposed, but they fall short in one important respect. The Bill ought to be amended so as to ensure that actual repayments made by students progressively through a repayment year (whether voluntarily or through the PAYG tax payment system) are deducted from their HELP balances prior to the application of indexation to that year's closing balances. Neglecting to deduct sums actually paid – and therefore no longer owed – from the principal outstanding in the calculation of the indexation increment is patently unreasonable. Bureaucratic convenience is no justification.

Should the mechanics of moving to real-time adjustment be prohibitively expensive or difficult, the same (albeit delayed) effect could be achieved administratively, by mandating the retrospective calculation of the true indexation applicable, after all transactions have been finalised, including lodgement of the student's tax return. The student's HELP balance could then be credited the value of any excess indexation levied, or – in the instance of fully paid HELP balances – the student could be repaid by way of a tax credit.

Schedule 2—SSAF changes

QUT recognises the Government's intent in fulfilling Accord recommendation 19 by mandating that a minimum of 40 per cent of student services and amenities fees (SSAF) funding be directed to student-led organisations "for the purposes of providing student services and amenities." Several nuanced but important aspects of implementation are as yet unclear, and should be dealt with either by amendment of the Bill or by provision of sufficient detail in the forthcoming update of the *Student Services, Amenities, Representation and 33 Advocacy Guidelines*.

1. QUT wonders whether the drafters of the Bill fully appreciate the breadth of the definition of *student led organisation* provided at subsection 19-39(3). This definition would include not only institution-wide organisations such as Unions, Guilds, Student Representative Councils, Postgraduate Student Associations and International Student

Associations, but also the many quite specialised clubs and societies (which are variously sporting, social, ethnic, religious, cultural, political and academic in orientation). These clubs and societies run into the many dozens at universities of any scale and age. This scope produces a quandary for every provider in terms of determining the appropriate recipient organisation/s of the SSAF minimum allocation.

Furthermore, while the Bill provides that the minimum 40 per cent of the SSAF collected must be allocated to "one or more student led organisations that relate to the higher education provider", there is no guidance on how that allocation should be divided up between multiple student-led organisations. QUT recommends that the Committee seeks the Government's advice on whether (and if so, how) it intends to address this issue in the *Student Services, Amenities, Representation and 33 Advocacy Guidelines*.

2. The Department has advised universities that the Government intends to stipulate standards of democratic representation, financial probity and transparency, and responsible governance to which student-led organisations must adhere in order to be eligible to receive SAAF funding under this provision, as well as ways to ensure the SSAF is used "for the purposes of providing student services and amenities." QUT would prefer to see these requirements and compliance measures set out in *HESA*, or at least to see the Government's proposed regulations prior to the Bill being debated.

   We note that section 19-40 provides for transition arrangements over a period of up to three years (for Table A providers) to be determined by the Secretary upon application by providers, should this measure be necessary. The Bill provides no recourse for providers who, after this initial transitional period, judge their student-led organisation/s to be falling short of the required standards. With minor amendment, section 19-40 could be utilised to provide for a remedial process to which providers could apply at any later time, should they consider an associated student-led organisation has become ill-equipped to be allocated SSAF funding due to shortcomings in the mandated democratic, probity, governance or compliance standards. As per the transitional provisions, the Secretary could specify a pathway back to functionality over a period of up to three years.

3. QUT has concerns about a qualifying element of the definition of *student led organisation* in subsection 19-39(3)(a)(ii), namely that "students who have been enrolled in a course of study with the higher education provider during any of the 3 immediately preceding calendar years" count towards the criterion of being student-led for the purposes of this measure. Three years is too long for a former student to still be considered a student for the purposes of directing student affairs. Three years is the duration of an entire bachelor degree: in fact, the definition provides for eligibility in a fourth calendar year, if the student's last enrolment is well-timed, which could extend to the duration of a full four-year honours degree. To illustrate: a departing student, Ariel, finishes up in summer semester just as a new first-year student, Caliban, starts uni (in February 2021, let's say). Caliban takes the standard three years to complete his bachelor degree, finishing in 2023. Yet Ariel would still satisfy the Bill's definition of 'student' until December 2024, the year *after* Caliban completes his bachelor degree, or the end of his honours year if he goes on to a fourth year. Ariel could have been directing the 'student-led' organisation all that time, despite actually being a graduate

for the entirety of Caliban's undergraduate years, plus almost a year. Well before the end of 2024 – by the end of 2021, in fact – Ariel would be considered an alumna, not a student, by any other measure.

Looked at another way, three years is also the duration of a parliamentary term: would the Parliament perceive advantage in providing for members and senators emeritus to retain chamber voting rights for the three calendar years following the year they retired or lost their seats? Put this way, we hope Committee members can appreciate the hazards. With the accumulation of experience and influence over their years on campus, it is not difficult to envisage how former students could continue to wield undue power at the expense of newer current students, directing an organisation's affairs from beyond the grad, as it were, and keeping currently enrolled students out of leadership positions by occupying them themselves. The three-year provision is inherently anti-democratic and therefore antithetical to the underlying intent of the 40 per cent SSAF mandate, which is student control of student affairs (not graduate control of student affairs). QUT recommends that subsection 19-39(3)(a)(ii) of the Bill be amended to revise that grace period down to the preceding calendar year only,[1] which will reasonably accommodate a student elected while currently enrolled seeing out an annual term regardless of the timing of the election within the calendar year (noting that this still allows for up to 23 months' tenure after ceasing enrolment), without allowing powerful personalities and blocs to remain entrenched and dominant in student affairs for years beyond the end of their time as actual students.

Schedule 3—FEE-FREE Uni Ready courses

QUT notes that the stipulation of a single Commonwealth contribution amount for a Commonwealth Supported Places (CSP) in a FEE-FREE Uni Ready course in 2025 of $18,278 – regardless of field of study and therefore cost of provision – has the virtue of simplicity and avoids reproducing the distorting effects of the regressive, incoherent and harmful Job Ready Graduates cluster funding arrangements. However, this flat rate across the board, combined with the fact that FEE-FREE Uni Ready CSPs are to count towards a provider's Maximum Basic Grant Amount (MBGA) in 2025, will mean that providers are bound to take into account fiscal considerations – aside from straight student demand and the creation of a pipeline towards the desired overall student enrolment profile – when setting enrolment numbers for each FEE-FREE Uni Ready course. The extent to which these other considerations prevail will vary from one university to another, depending on their specific circumstances, but overall they are likely to hamper somewhat the policy's capacity to meet its objectives nationally. Redefining FEE-FREE Uni Ready CSPs to fall outside the MBGA calculation for 2025 would significantly reduce this effect and make the policy far more responsive to academic considerations of student demand and institutional mission.

For historical reasons, QUT has not had an allocation of enabling places, although we have sought them keenly for some years. It is critical that FEE-FREE Uni Ready places are made available according to capacity to deliver them to meet student demand and in accordance

[1] Schedule 2, item 1, page 29 (lines 25 and 26), omit "any of the 3 immediately preceding calendar years", substitute "the immediately preceding calendar year". ***[eligibility of former student]***

with institutional missions, and not based on legacy arrangements that have no bearing on present day conditions.

Schedule 4—Commonwealth Prac Payments

QUT congratulates the Government for addressing the widespread issue of placement poverty, and strongly supports the intention to remove obstacles to students undertaking compulsory practical training that is essential to their education, and that is a condition of course completion and/or the recognition of qualifications by professional bodies. However, there are several serious problems with the Commonwealth Prac Payments proposal as it is currently framed.

1. The legislative basis of this measure is almost wholly deferred to delegated legislation, with the Bill containing only a minimal amendment to *HESA* to authorise the Minister to make grants to certain higher education providers for the purpose of making these payments to eligible students. All other matters relating to the implementation of the policy – specified in the Department's *2024-25 Budget: New Commonwealth Prac Payment fact sheet*[2], and including the date of introduction, the qualifying fields of study, the level of the payment, the means test, and the designation of providers' new role as the Commonwealth's agent in making payments directly to recipients – will presumably be addressed in a fresh iteration of the *Other Grants Guidelines*, perhaps supplemented by other Ministerial directives of a currently unspecific nature. The Senate may wish to consider whether these legislative arrangements bestow a sufficient degree of Parliamentary oversight, especially for a policy that contains at least one unprecedented mechanism that sends providers into unchartered territory without clear legal authority (see 2, below).

2. The requirement to make cash support payments to individuals on behalf of the Commonwealth constitutes an unprecedented and unacceptable imposition upon higher education providers of a role that is best reserved to Government. Not only do universities lack the apparatus and expertise to furnish Commonwealth payments to individuals; we argue that is not an appropriate role for universities, since it would fundamentally distort the long-established university-student relationship. QUT urges in the strongest terms the reversal of the intention to make providers into *de facto* Centrelink offices for the purposes of the Commonwealth Prac Payment.

   Furthermore, the present Bill omits any indication of how and under what authority the Government intends this function to operate. The Bill as it is presently drafted fails to authorise or equip providers to undertake this function as envisaged; nor does it furnish them with the protections necessary to act as the Commonwealth's agent in making payments, including indemnities for staff and organisations outside the Australian Public Service making good faith judgments regarding eligibility. This potentially leaves students exposed, too, without clarity regarding appropriate appeals mechanisms for administrative decisions made by university staff regarding Commonwealth payments.

   Most critically, higher education providers lack both the means and authority to verify

[2] https://www.education.gov.au/higher-education/commonwealth-prac-payment

financial claims made by students seeking payments, which is a critical gap in undertaking the means-testing function. Making judgments about student financial eligibility to the level of confidence required for the dispensation of Commonwealth support is not an appropriate role for providers; nor is it clear how delegated legislation under *HESA* (or amendment to *HESA* itself, for that matter) could furnish universities with either the means or the authority to demand information and verify claims about the income and assets of students and/or their families.

Universities are able to verify that students are enrolled in eligible courses of study and are in fact undertaking compulsory placements, but that capability is more appropriately discharged as a support function to the proper provider of Government payments to individuals – which is Government. Universities are already equipped to provide such information to Government, and do so routinely for myriad purposes.

Instead of asking providers to take on this unprecedented function of making Commonwealth payments, it would make more sense for the Commonwealth to conduct the means-testing and make the payments itself, with the use of verification data on from providers course of study and specific placements. We respectfully submit that the Senate should not pass the Bill with Schedule 4 in its current form, as it is manifestly and wholly inadequate to implement the Commonwealth Prac Payments policy as outlined in its Explanatory Memorandum, the Minister's Second Reading Speech and the relevant Departmental budget fact sheet.

3. The policy, however operationalised, will benefit certain students affected by financial constraints in the proposed eligible fields of teaching, nursing and midwifery, and social work. However, students in other fields – such as medicine, optometry and engineering – experience the same difficulties for exactly the same reasons, but will not be assisted by the policy as currently articulated. Since the conditions confronting these students do not meaningfully differ from those undertaking teaching, nursing and midwifery, and social work – not even in terms of their importance to the national workforce skills profile – their exclusion seems arbitrary and unfair.

   Should the Senate prefer to see the eligible fields of education specified in the Bill rather than deferred to the *Other Grants Guidelines*, we recommend that the list should be amended to include those other fields of study that are subject to equivalent compulsory practicum requirements. (We do not attempt to provide a comprehensive list: we are aware that the Committee is in receipt of ample advice from various other submissions that between them will be more complete than any list we could furnish.)

   Should the Senate regard the eligible fields of education to be more appropriately a matter for specification in a disallowable instrument rather than inclusion in *HESA*, the Committee may wish to recommend to the Government the expansion of the scheme to include students of other fields of study who are subject to compulsory practicum requirements alongside students studying teaching, nursing and midwifery, and social work.

Before concluding, and to assist the Senate while debating this Bill, QUT would like to clarify two related aspects of the reality of compulsory prac provision that have perhaps been

misapprehended during discussion about placement poverty over the current Parliamentary term. Some commentary has been founded on the mistaken view that prac payments are warranted because work by students done on practicum is akin to labour, and that it should therefore be remunerated as though it is paid work. This view is inherently flawed: pracs are training, not work; and prac sites are real-world embedded classrooms, not the daily grind. If students are being made to work as 'free labour' – without being trained, without the benefit of supervision, guidance and feedback – then that is exploitation, not a practicum. It is no remedy to simply accept this state of affairs and organise for students in this position to be paid like workers. Students being maltreated this way must be relocated to decent, *bona fide* prac settings where they can learn on the tools, with appropriate supervision, instruction and feedback, building on what they've learned in the lecture theatre, the tutorial room and the laboratory. Exploitation is not why the Commonwealth is funding prac payments. Prac payments are essential because they remove or at least reduce a real barrier to completion for future professionals needed by Australian society.

Another misconception runs along the lines that universities are profiteering by 'charging' students while doing nothing for them while they are away on prac. This narrative appears in the Hansard as a self-evident truth, but it could not be more wrong. Universities invest heavily in students' prac experience: in the considerable staff time it takes to line up prac opportunities for every single student required to undertake placements; in the extensive academic interactions with prac supervisors, many of whom require significant support to ensure it is a full learning experience for students; and sometimes through the provision of facilitation payments to assist employers to dedicate the time and energy required to provide suitable supervision for these embedded learning experiences. Far from costing universities nothing, the provision of prac placements can be more expensive and time-consuming than routine on-campus classroom teaching. Prac experiences are part of, not separate to, students' coursework studies, and they incur expenses of provision just like other learning experiences. QUT is a national leader in the provision of work-integrated learning (WIL) opportunities – fully 98 per cent of QUT students have a WIL experience before they graduate – and while many of these are not compulsory for professional practice, we are proud of our exceptional track record in providing real-world, workplace-embedded learning experiences for our students. But we know it takes considerable time, effort, expertise and often money to get it right. Prac is not a cheap exercise, although its expenses can be hidden – for students, for universities, and indeed for hosting employers.

Further engagement

QUT would be pleased to expand upon this advice at a public hearing or by correspondence, should that be of assistance to the Committee.

Contact officer:
Dr John Byron
Principal Policy Adviser
john.byron@qut.edu.au